DANISH CROWN

ANNUAL REPORT AND ACCOUNTS
2000/2001

From Farm to Food

The consumers focus increasingly on values such as animal welfare and traceability. Danish Crown is particularly able to meet this demand because of the direct connection between Danish Crown and our members and owners. In short, the concept From Farm to Food is the foundation of the company, and this image has therefore become a hallmark of Danish Crown's marketing.

In our new image material the link from nature to customer is symbolised by the circle of photos shown on this page.

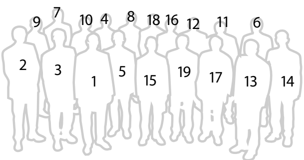
This vertical integration is a particular strength in the global markets which do not have the same tradition of correlation between supplier, slaughterhouse and processing industry, a tradition that characterises the Danish co-operative system.

C O N T E N T S

Annual report 2000/01

Annual and consolidated accounts 2000/01

Board of Directors



1 **Chairman**
Niels Mikkelsen
Hjerm

2 **Vice-Chairman**
Bent Claudi Lassen
Asperup

3 **Vice-Chairman**
Jens Lorenzen
Ribe

4 Karl Kristian
Andersen
Nibe

5 Bjarke Christiansen
Vestervig

6 Per Frandsen
Skærbæk

7 Erik Bredholt
Skødstrup

8 Jørgen Pedersen
Ringkøbing

9 Peder Damgaard
Gråsten

10 Jørgen Laursen Vig
Rask Mølle

11 Peder Philipp
Ribe

12 Kaj K. Larsen
Øster Vrå

13 Per Højgård
Andersen
Odder

14 Kristian Hess
Jensen
Nykøbing M

15 Søren Tinggaard
Randers
Elected by the
salaried employees

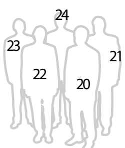
16 Bruno Nielsen
Storvorde
Elected by the
employees

17 Jens Pedersen
Skive
Elected by the
employees

18 Leo Christensen
Herning
Elected by the
employees

19 Jørgen H. Rasmussen
Hornsyld
Elected by the
employees

Executive Board



20 **CEO**
Kjeld Johannesen

21 **Vice CEO/
President
International**
Carsten Jakobsen

22 **Division Director**
Jens Haven
Christiansen

23 **CEO**
Torben Skou,
Danish Prime

24 **Executive Director**
Preben Sunke
Tulip International

Danish Crown's organisation

In December-January of 2000/01 the first new Board of Representatives and Board of Directors of Danish Crown were elected after the Vestjyske Slagterier-Danish Crown merger. Since the merger the company has had a transitional Board of Directors, and a transitional Board of Representatives consisting of the Boards of Representatives of both the previous companies.

The new Board of Directors consists of 19 members – 14 elected by the members (twelve elected by pig-supplying members and two elected by cattle-supplying members) and five members elected by the employees (including one with the status of observer).

The new Board of Representatives consists of 250 representatives elected by the members (225 elected by pig-supplying members and 25 elected by cattle-supplying members) and 35 representatives elected by the employees.

Svend Erik Sørensen, Vice President, heads the secretariat of the popularly elected organisation and of the Executive Board, and is responsible for strategic planning.

Record year despite veterinary crises

The financial year 2000/01 was a year of progress for Danish Crown – in spite of the unusually turbulent international market situation. Danish Crown is prepared to handle veterinary crises.

In 2000/01 Danish Crown has broken our previous records – and notably in a year when our pig-supplying members have also had one of their best years ever. However, things are put to the test in a year when the market situation is characterised by international crises – including in particular the BSE crisis and the Foot and Mouth disease in the UK, and the subsequent market closures provoked thereby.

In my opinion the year has shown that Danish Crown is prepared for avoiding veterinary crises in our own system and for handling the challenges generated by the market situation, and moreover it has shown that our industry is highly prepared for crisis management and prevention in such situations.

Pig production

The year has demonstrated to our pig-producing members that profitability within the pork production sector fluctuates.

A couple of years ago Danish pig producers displayed a strong perseverance in spite of a very poor trade outlook – in the past year they have reaped the fruits at the top of the profitability cycle.

The past year also saw positive developments in terms of volume – while at the same time the primary production sector continuously applies vast resources to ensuring that its production is environmentally sound.

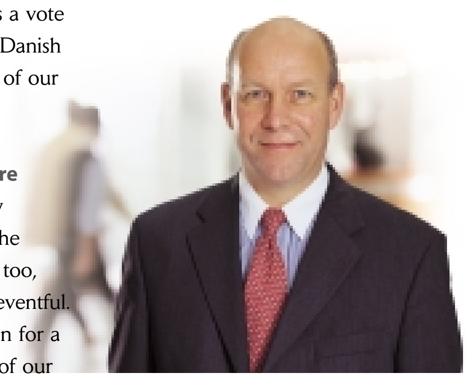
Beef production

Our cattle-supplying members have been much more severely affected by last year's market problems – including first and foremost the European BSE crisis. However, this situation has also held certain elements of consolation. In Denmark we have managed to steer through the crisis more easily than large parts of the rest of Europe, especially because the consumption of Danish beef has been affected to a considerably lesser extent than in other countries. We take the liberty of viewing this as a vote of confidence from the Danish consumers in the safety of our products.

Investment in the future

Danish Crown's strategy involves investment in the future, and in that area, too, the past year has been eventful. We have launched a plan for a thorough development of our production structure within the slaughterhouse area – including the planning of a new pig slaughterhouse. We have made substantial investments in product development and processing, and our brands – especially Tulip – have become more visible to the consumers in the past year. At the end of the financial year we have restructured our processing sector, which now consists of two powerful units that are well prepared for future developments.

Danish Crown has confidence in the opportunities of tomorrow, and we intend to utilise them in fruitful collaboration with our members, employees, and customers as well as the public.



Niels Mikkelsen, Chairman

Enlarged Executive Board

The development of Danish Crown is a dynamic process at both the business and management levels. In order to adapt the management of the company to the future organisation of the food group the Board of Directors has enlarged the Executive Board of the company effective as at 1 October 2001:

- *Kjeld Johannesen, CEO*
- *Carsten Jakobsen, Vice CEO/President International*
- *Jens Haven Christiansen, Division Director of the Pork Division*
- *Preben Sunke, Executive Director of Tulip International (as from 1 January 2002 with the title of Chief Financial Officer)*
- *Torben Skou, CEO of Danish Prime*

The enlarged Executive Board will continue to work with Kjeld Johannesen presiding, and Svend Erik Sørensen, Vice President, will act as secretary.

Continuity and development

The Danish Crown group achieved a turnover in excess of DKK 40 billion in the financial year 2000/01, with a total profit of DKK 1.27 billion. That is Danish Crown's best financial result ever.

In the financial year 2000/01 the Danish Crown group achieved an increase in turnover of 8.8%, whereas the profit increased by 28%. These developments for the year are primarily based on organic growth, realised under heavily fluctuating market conditions. When allowing for the periodic sales problems inflicted on parts of the group by the veterinary crises as well as the intended slimming down of the balance sheet total and turnover of ESS-FOOD, we have to deem the development

Kjeld Johannesen, CEO

in turnover to be absolutely satisfactory.
Almost all business units in the group have made a positive contribution to the group profit – most of them generating larger profits than last year. Most progress has been achieved in the Pork Division but profits have also increased in processing in spite of high raw material prices.
The consolidated profit of DKK 1.3 billion permits us to make a residual payment of DKK 0.90/kg for pigs, DKK 0.50/kg for sows, and DKK 0.60/kg for cattle and calves. Moreover, the group's equity capital has been increased by DKK 172m, of which amount DKK 126m constitutes a net increase of the personal share capital. Through consolidation and strict balance sheet control the group's solvency rate has been increased by 1.1 percentage points.

Parent company

For the year as a whole the price level of the raw materials produced by our pig-supplying members has been high. However, due to an uncertain sales situation in a period when several main markets were closed because of the Foot and Mouth disease in Britain we had to show some caution in the setting of quotation prices in the middle of the financial year. The Pork Division nevertheless steered relatively unharmed through this period of uncertainty, and that has contributed to the achievement of an extremely satisfactory financial result.
The Beef Division has faced major challenges in relation to both production and export due to the BSE and Foot and Mouth disease. In some periods export has come almost to a complete standstill, and in view of this it is extremely satisfactory that the division – which also comprises the slaughterhouse at Husum, Germany, and Scan-Hide – has been able to achieve a financial result at the budgeted level while at the same time maintaining a responsible quotation policy in Denmark for the benefit of the members.
Developments in ESS-FOOD have been characterised by adaptation and restructuring in the past year, too, but the result of these measures has by all means materialised. ESS-FOOD has now been successfully converted into a slim meat trading enterprise with decentralised management, and although its turnover is significantly smaller this year the company has achieved its best financial result in years. This is an extremely satisfying development.

Processing companies

Danish Crown's four meat processing companies faced many challenges in the past year – the raw material price level was high but in particular the market disturbances blocked large parts of the export for periods of time. However, the due diligence of these companies is witnessed by the fact that they nevertheless succeeded in achieving a satisfactory profit on meat processing, a profit that is above last year's.
Tulip International, the largest of the processing companies, has increased its profit in spite of the limitations on overseas sales in particular. In Danish Prime the profit is slightly below last year's, primarily due to the weakening of the near export markets, but business is developing in the right direction at the end of the year. VJS Holdings in the UK and Plumrose in the USA have both increased their turnover as well as their primary profit.
At the end of the financial year it has been decided to

restructure the group's European processing entities across the former companies: one separate UK organisation, and one organisation based on the Danish/German plants that serves all other markets. That has created a good platform for this strategic growth area of Danish Crown.

Other subsidiaries

The wholesale and distribution business of DBC became a wholly owned company within the Danish Crown group last year with the object of reversing its negative development till then. We are therefore very satisfied that our expectations have been fulfilled completely, and DBC is now making a positive contribution to the consolidated profit for the first time in a number of years.

The company DAT-SCHAUB makes a considerable contribution to the Danish Crown group's turnover with its activities within casing products, meat and other foods. A difficult situation within the casing area combined with positive developments in Emborg Foods has yielded a profit of the same order as last year.

The result for the year achieved by the SFK group has not been satisfactory. As we enter the new financial year this company stands as a holding company with two very distinct business areas and a clear strategy for increasing the profit of both tiers of the company.

Prospects for the new year

Danish Crown expects moderate growth in the membership supplies next year, with price fluctuations following the international fluctuations. With regard to pork this is expected to imply some price reduction due to the cyclical price changes of that product area. Within the beef area price formation is influenced to a greater extent by extraordinary market conditions and by EU market organisations, and we hope for some measure of stabilisation in that respect.

Based on the newly established processing organisation we expect to achieve organic growth in both the turnover and profit of the group's processing sector next year. Higher profits are also expected for the companies DAT-SCHAUB and SFK.

The strategic initiatives expected to be implemented in 2001/2002 will include the introduction of a "Code of Practice" for Danish Crown's pig-supplying members with the object of further strengthening the perception of quality in the company's pork products.

Moreover, next year will see a final decision on the plans for construction of a new pig slaughterhouse near Horsens.

Next year Danish Crown will continue to focus on our strategic development and on our prioritisation of the individual business areas, and we will be prepared to pursue any relevant strategic opportunities that might arise in the course of the year.

Kjeld Johannesen, CEO
Carsten Jakobsen, Vice CEO

Carsten Jakobsen,
Vice CEO/President International

DANISH CROWN

Merger

At the end of the financial year the management of the Steff-Houlberg slaughterhouse company approached Danish Crown with a merger proposal. This approach was born out of three years with poorer financial results than Danish Crown, and with the expectation that the two food companies may collectively strengthen the international competitiveness of the Danish pork production further. Danish Crown's Executive Board and Board of Directors have recommended the merger which has to be approved by the Board of Representatives of both companies and by the EU competition authorities before an integration of the two companies can be implemented. If the Danish farmers join forces we will create a Danish meat company that is able to match the large international retail chains and whose voice will be heard when the agenda for future developments is decided.

Key figures

Group (DKK millions)	2000/01	1999/00	1998/99
Turnover	40,154.5	36,896.4	36,523.4
Profit on primary operations	1,781.9	1,455.4	1,332.7
Profit for the year	1,270.2	987.1	909.2
Equity capital	2,021.4	1,849.2	1,588.0
Balance sheet total	14,561.8	14,492.9	13,708.7
Employees	19,215	19,449	19,818

Parent company (DKK millions)	2000/01	1999/00	1998/99
Turnover	22,758.2	19,855.6	18,395.0
Profit on primary operations	1,099.0	948.0	718.5
Profit for the year	1,270.2	987.1	909.2
Equity capital	2,021.4	1,849.2	1,588.0
Balance sheet total	9,015.5	9,070.7	9,338.7
Employees	10,067	10,121	11,581

The parent company consists of the Pork and Beef Divisions and ESS-FOOD

Optimism has returned

Kjeld Johannesen, CEO

In 2000/01 Danish Crown slaughtered 16 million pigs and paid DKK 2.44 more per kg for them than the year before. Danish Crown maintains a varied supply of pork and has started a production based on pigs reared on non-GMO feed.

The total reception of pigs and sows during the financial year 2000/01 was 16,097,948 units. This is an increase of 2.9% relative to last year. The increase at the national level was slightly higher, because the pig population on Zealand grew slightly more than in Danish Crown's natural operating areas of Funen and Jutland. Our share of the national slaughtering of pigs therefore dropped from 78.1% to 77.4%. The increasing pig production is a direct consequence of the fact that the second half of the financial year 1999/00 and particularly the entire financial year 2000/01 was a financially good period for the pig producers. Optimism has returned after a very difficult period in 1998 and 1999. Farmers have invested and rationalised, which has resulted in increasing production.

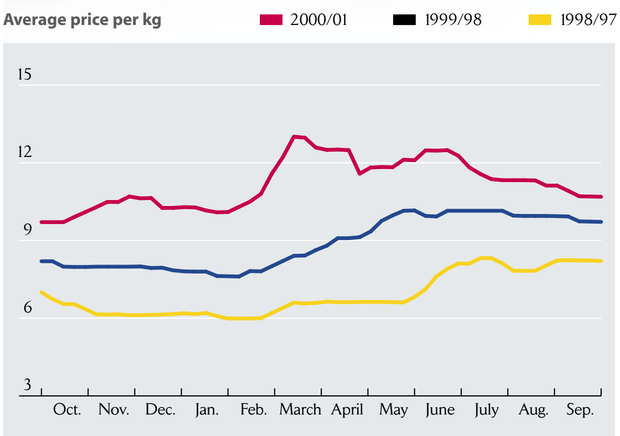
Price paid to farmers

Danish Crown's quotation has been at an extremely positive level in the past year. The average price paid exclusive of residual payment was DKK 11.17/kg against DKK 8.88 the year before.

Special pigs

Danish Crown is anxious to offer the customers a varied supply of pork in which different quality parameters are prevalent. The differentiation strategy we have initiated will therefore continue. In terms of numbers the special pigs for the UK market constitute the most important group of special pigs. Out of consideration for the long-term planning of our suppliers Danish Crown has decided that the surplus payment of DKK 0.30/kg for these pigs will apply until the end of 2003. The extraordinary requirements for this production are dictated by British legislation. The most important quality parameter is that the pigs must be produced on the basis of untethered sows. Heavyweight pigs are sold in the German retail market, for example, whereas the other special pigs are predominantly sold in the Danish domestic market. The free range pigs gain increasing popularity, and in some periods we have had difficulty keeping up with the demand. Organic pork was also sold in larger volumes in the past year, partly due to rising exports to the UK market.

Average price per kg



In a new initiative Danish Crown has tried to meet the demands of some consumers for supplies of pork from pigs that have been reared on feed that does not contain genetically modified feed components (non-GMO feed). If the demand were to increase, Danish Crown will be prepared to escalate the production accordingly.

Quality control

All pigs supplied to us for slaughter are subjected to comprehensive quality control, including a grading of each individual carcass. This grading is performed both to determine the payment to be effected to the supplier and to sort the carcasses prior to cutting and boning. The price paid to the supplier depends on the quality of the pigs supplied. Two quality parameters in particular play an important role: meat percentage and weight.

Within the area of food safety a number of checks are performed, partly through the veterinary meat inspection which is under the control of public authorities, and partly through Danish Crown's very comprehensive in-house inspection system. One example of that is the salmonella action plan which contains a number of measures on the farms of the suppliers and at the individual slaughterhouses. More than 600,000 meat juice samples are taken every year at Danish Crown's 14 pig slaughterhouses in order to trace any occurrence of salmonella in the pigs from each individual supplier. The plan also includes an extraordinary effort to combat salmonella DT104. All pigs from the few herds infected with salmonella DT104 are slaughtered using special equipment that eliminates any DT104 bacteria by briefly spraying the carcasses with hot water. In the past financial year this equipment was approved by the Danish Veterinary and Food Administration.

Facilities and capacity

Danish Crown's long-term strategy incorporates the construction of a new slaughterhouse near Horsens with a capacity of about 75,000 pigs a week. This corresponds to approx. 23% of the pigs we slaughter. In the period until the possible commissioning of the new slaughterhouse (which could take place in the autumn of 2004) some of the existing facilities have to be upgraded to a larger capacity, perhaps in the form of two-shift operation, whereas others have to be shut down.

Danish Crown takes 600,000 meat juice samples every year in order to trace any occurrence of salmonella in the pigs from each individual supplier.

Code of Practice

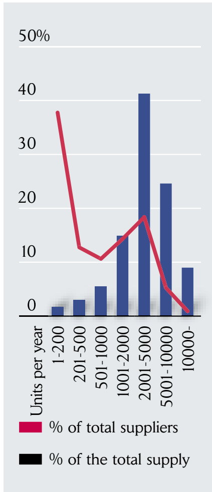
In the course of the past financial year Danish Crown has worked on preparing a Code of Practice – a set of rules for the pig producers to follow. After a final consideration by the Board of Representatives in the autumn of 2001 we expect that these rules may be sent to each individual member for acceptance and signature in the spring of 2002. The object of introducing a Code of Practice is to give greater credibility to Danish Crown's products and, if possible, to further enhance the good image already enjoyed by Danish Crown. This may in turn contribute to creating a better position for the company in a number of important markets.

In the course of the financial year the slaughterhouse at Lemvig was shut down, and 1 January 2001 was the date of completion for the sale of the sow slaughterhouse at Silkeborg, this sale being effected to comply with one of the requirements laid down by the EU as a precondition for approving the merger of Vestjyske Slagterier and Danish Crown. At the end of the financial year Danish Crown slaughtered pigs at 14 facilities and sows at two facilities.

Integration of new Danes

Danish Crown has made our mark as a business enterprise that has made an active effort to integrate new Danes – and has done so successfully. All in all 8-10% of the employees at the slaughterhouses are of a different ethnic origin. For example, the plant at Hjørring has approx. 400 slaughtermen, and 40 or about 10% of them are new Danes. They come from 13 different countries, though most of them from Vietnam and Bosnia. They have been through a job introduction course, and about 100 new Danes have worked at the slaughterhouse. Some of them have later sought other jobs while the ones remaining get on very well.

Distribution of pig supplies



Reception and slaughtering

	2000/01		1999/00	
	Units	%	Units	%
Eligible for resid. paymt.	15,598,204	96.90	15,157,953	96.92
Sows	348,513	2.16	330,289	2.11
Large boars	19,105	0.12	18,171	0.12
Young pigs	13,803	0.09	14,091	0.09
Pigs returned	11,002	0.07	14,959	0.10
Pigs rejected	107,321	0.67	103,880	0.66
Total	16,097,948	100.00	15,639,343	100.00

Key figures

Pig supplies	2000/01	1999/00	1998/99
Weighed-in co-op pigs (million kg)	1,214.3	1,163.8	1,190.2
Cooperative pigs (1,000 units)	15,598	15,158	15,585
Active suppliers	11,365	12,368	14,542

Sow supplies	2000/01	1999/00	1998/99
Weighed-in (million kg)	59.4	55.5	60.5
Sow slaughtering (1,000 units)	349	330	364
Active suppliers	7,213	6,792	8,202

Employees	2000/01	1999/00	1998/99
Weekly paid, year-end	8,554	8,407	8,509
Salaried, year-end	918	806	859

Value of export increased by 21.5%

Jens Haven Christiansen, Division Director

In the financial year 2000/01 our sales activities were faced with severe problems and threats but have fortunately proved their strength by overcoming them all and ending up with record sales, in terms of both volume and value.

In October/November of 2000 new cases of BSE were discovered in France and Germany, attracting extensive media attention. More countries were hit later, including Denmark. The EU introduced very strict rules on the utilisation of slaughterhouse waste – rules that entailed large duties on the disposal of this waste and therefore higher costs.

However, the sale of pork benefited to some extent from the low consumption of beef in some of the major EU member states.

In February of 2001 the Foot and Mouth disease was found in the UK, and a small number of cases was later found in France and Holland. This resulted not only in very turbulent market conditions in the countries affected but also in those markets which normally received goods from those countries.

Unfortunately many of our good markets outside the EU chose to look upon the EU as one region, and they banned all imports of meat and meat products from the EU. This, too, resulted in great market turbulence. However, we succeeded relatively quickly in convincing some of these markets, including the large and important Japanese market, of the safety of the Danish veterinary precautions, and the import ban was of relatively short duration in those markets. More time was needed to convince the USA, Canada, Australia, and Poland where the ban lasted so long that our customers were forced to obtain supplies from other countries temporarily.

For the year as a whole our export increased by 3.4%, and the value thereof increased by 21.5%. Sales to the markets inside the EU went up 10.4% by volume and 34.5% by value. Exports to countries outside the EU have decreased slightly, which was partly caused by the import ban in the spring.

We should point out that our export throughout the year has been effected without EU subsidies; neither restitutions nor storage aid have been in play.

The events of the past year have brought food safety even more into focus, and Danish efforts within this area over many years have paid off. Endeavours to achieve further improvements will be intensified in Danish Crown to ensure that our customers will continue to perceive us as the safe choice when selecting a meat supplier.

Germany: Sales to the German market have increased by 9% in volume and by 38% in value. Also, Danish pork has benefited from the absence of British and, on and off, Dutch pork from the market.

UK: The volume sold to the UK market is up 16%. If the supply of raw materials to Tulip's UK activities is also taken into account, the UK is Danish Crown's largest market in terms of volume. Both the bacon area and the sale of fresh meat to the processing industry have experienced progress due to the decline in the UK pig production and the confidence in Danish production systems and food safety. DANISH is still a cherished concept among UK consumers.

Italy: Sales to the Italian market have gone up. The most important product is ham but the sale of shoulders and bellies has also achieved progress.

France: After many years with decreasing volumes being sold to the French market the situation now seems to be stabilising.

Sweden: A slight increase of 4% in volume but contrary to other markets a 9% reduction in value, both because of the weakening of the Swedish krona and the lower pricing of the main product, tenderloin.

Other EU markets: Handsome increase in sales to the Greek market, whereas the other markets are collectively unchanged.

Japan: In spite of the closure of the market for a period we succeeded in selling almost the same volume as in the record-breaking year of 1999/2000. The reason for this is a general increase in Japanese pork imports, and that a number of our competitors within the EU were banned due to the Foot and Mouth disease.

Korea: Due to the Foot and Mouth disease in Korea the export from that country to Japan could not be resumed, which has entailed a reduced import requirement. Danish Crown's sales were the smallest in many year. This development is expected to be reversed in 2001/02.

USA: In spite of the market being closed for almost three months we have sold the same volume year on year, and at a slightly higher value due to the strong dollar. However, it is totally unsatisfactory and highly regrettable that our regular customers were subjected to

Poland: Sales have been almost halved. The reason is not that the customers are failing us but that the Polish authorities twice during the year have introduced import bans on Danish goods on very weak grounds based on trade policy. We deeply regret that our customers, who can scarcely do without our goods, are subjected to these measures.

Other markets: The other East European markets have demonstrated stability with regard to sales. We are pleased to report that the increase in

Marinated meat, such as this honey marinated ham, from the Hadsund plant is popular in the catering industry, because marinating facilitates cooking and ensures a delicious and juicy piece of meat.

such a long interruption of supplies during the spring but following that period we were pleased to see that the interest in Danish ribs has not diminished.

Russia: We have also succeeded in maintaining sales to the Russian market at almost the same level in spite of the market being closed for quite a long period. The activities undertaken by ESS-FOOD's and Danish Crown's various offices in Moscow were centralised into one office at the beginning of the year. In that connection the sale of commodities has declined.

exports to Hong Kong/China has continued. Exports to Australia and Mexico have dropped due to import bans of a longer duration than in other markets.

Domestic market

The fresh meat market has been characterised by intense competition in the past year, and we succeeded in achieving a minor increase in both volume and turnover.
However, as far as the special pigs are concerned we have suffered a decline.
Retail packed meat is an important product area for Danish Crown, and the volume has gone up.

FRILAND

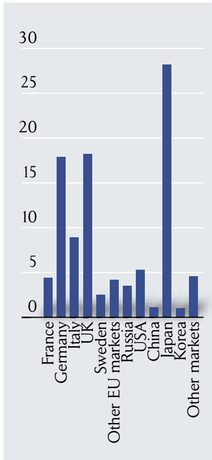
Friland drops surname

At the end of the financial year Friland Food A/S has changed its name to Friland A/S.
The name change is an element in a new profile for Friland, aiming to make the products more visible in the shops.
Friland will be used as the brand name of all Friland products in the future. At present an increasing share of the production is being sold under this brand name.

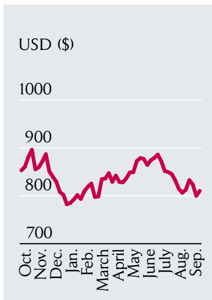
Profile for organic meat

Eating quality will become a more important parameter for organic meat in the future. In connection with the change of strategy Friland has chosen to focus just as much on eating quality as on animal welfare, and by using the same packaging for the organic meats and selling them under the Friland name, a greater effect is obtained from a greater marketing effort.
In order to emphasise the increased focus on eating quality, Friland has teamed up with the Danish winner of the Bocuse d'Or competition in 2000, Jesper Kock, the head chef of the Molskroen restaurant, who has created a number of exciting recipes incorporating organic meat.

The pork division's export in 2000/01 – in DKK in %



Development in exchange rates



Satisfactory result in a difficult year

Lorenz Hansen, Division Director

Danish Crown has secured an increasing share of the national slaughtering. Lower price drops in Denmark than in most other European countries. Danish Crown's quotation has become widely accepted. Success for the new Danish Crown calf.

In 2000/01 Danish Crown's Beef Division received 60% of the animals slaughtered at slaughterhouses with export authorisation against 58.5% the year before. However, we still slaughtered 2,500 fewer animals than the year before, namely 325,400 against 327,800, because the national slaughtering dropped by not less than 3.0%.
Danish Crown also expects to receive a larger share of the national slaughtering in Denmark next year.
The Husum plant slaughtered 92,500 head of cattle against 101,900 the preceding year.

Prices paid to farmers/quotation

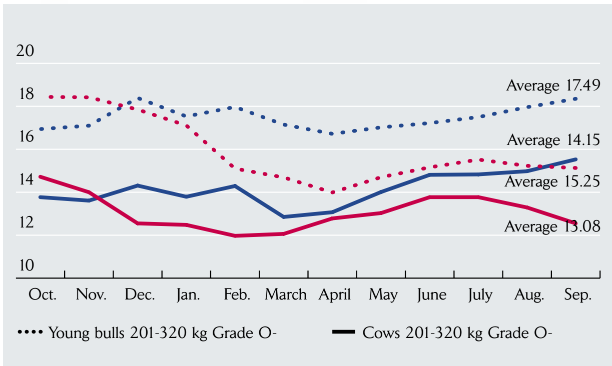
The turbulent market situation prevailing for most of the year resulted in unsatisfactorily low prices being paid to the farmers.
The first case of BSE in Germany (in November 2000) and the subsequent cases in Southern European countries entailed massive drops in consumption, leading to decreasing prices. The Foot and Mouth disease situation in February and March of 2001 and the closure of the third country markets further aggravated the sales situation.

The prices paid to the farmers in Denmark have been 9.5% (cows 8.0% / young bulls 12.5%) below the 1999/2000 level on average, which is a smaller price drop than in most European countries.
Danish Crown has pursued the policy of maintaining a minimum quotation price at the highest possible level that is nevertheless financially responsible.

Sales

The BSE cases in Germany as well as in Italy and Spain entailed a very severe drop in the consumption of beef and veal in almost all of our most important export markets. For example, the consumption in Germany during that period was almost cut in half, and in Italy and Spain the consumption was down 20-30%.
At the same time a number of third countries banned all imports from Europe, and at the end of the financial year there were still 69 countries that did not allow import of European beef. The only

Price paid to farmers per kg – average price per kg



important third country market that did not react by imposing an import ban was Russia.
Of course, consumer confidence in Danish beef has benefited sales in the domestic market but it has not had the same penetration in the export markets. Denmark's high veterinary standard and consumer confidence in the way things are run in Denmark nevertheless had the effect that Danish Crown got back into a number of markets relatively quickly. However, our sales are slightly lower than previously.

Denmark: Consumer confidence in beef produced in Denmark has had a positive effect on sales to the Danish supermarket chains and retailers throughout the year. We experienced times when we had difficulty meeting the demand for Danish beef, and a few supermarket chains have therefore chosen to incorporate Danish young bulls in their beef concept.
With the introduction of the DC calf Danish Crown acquired a product that caters to customer quality demands while at the same time complying with the EU market organisations. This product has been a success, and sales are following a positive trend.

Italy/Spain: Of course, the turbulent sales conditions caused by the BSE have also affected our sales activities in these two main markets for

beef from young bulls.
In Italy the lack of confidence in beef had resultet in all public institutions (schools, public canteens, etc.) taking beef off their menus. A number of Danish Crown's largest buyers were supplying to this type of customer. The introduction of the EU ban on selling meat containing spinal bone from animals more than twelve months old was another hard blow to the sale of young bulls. However, the introduction of a quotation grade for young bulls under twelve months of age has enabled Danish Crown to continue to supply backs containing bone such that we have been able to maintain the majority of our customers.
Naturally, our newly established office in Spain also suffered a severe reduction in sales although it was smaller than in Italy.
In Spain the sale of beef from young bulls is largely based on direct sales of boned meat to supermarkets, and although a few supermarket chains chose not to sell imported goods, our sales to those supermarkets that maintained their imports from Denmark have developed in an extremely positive direction.
Danish beef from cows and young bulls is well reputed in Spain, and now that the market is almost completely back to normal we expect favourable developments.

Russia: In the current financial year the Russian market is the largest export market for beef from cows and young bulls.
The biggest product group by far for Danish Crown is boned forequarters from young bulls but whole boned young bulls and edible waste products may also be sold in this enormous market.

Financial result

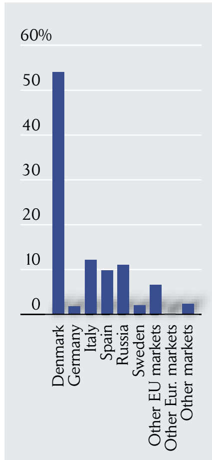
The result for the first six months was influenced by the decision to maintain the quotation level as high as possible while the BSE situation was the most chaotic. In the last six months the market situation gradually approached normal, and the financial result consequently improved.
Moreover, our subsidiaries achieved extremely good financial results, and the Beef Division as a whole therefore ends up with a satisfactory result that permits us to effect a competitive residual payment and to implement the planned consolidation.

Veterinary diseases turned the demand for beef topsy-turvy in 2000/01 but a nice juicy steak is and has always been one of the favourites in Denmark.

Best hide prices for more than ten years

In the past year Scan Hide processed more than 600,000 hides. This corresponds to about 90% of all the cattle hides from Danish slaughterhouses with an export authorisation.
The profit for the year exceeds DKK 39m. This is satisfactory and has permitted us to pay an average of DKK 528 per hide received. This is about 15% more than the price paid in 1999/2000, and it is the highest average price paid for hides in more than ten years.
In order to increase the members' share of the value added to the hides Scan Hide has initiated an investment in a wetblue/wetwhite tanning plant in the past year such that the raw hides can be fully prepared for the tanneries. The new plant is expected to be commissioned in the new financial year.
The picture shows a raw hide (left) and a hide that has been through the wetblue process (right).

The beef division's turnover in 2000/01 – in DKK in %



Main figures			
Cattle supplies*	**2000/01**	**1999/00**	**1998/99**
Weighed-in (million kg)	82.4	81.5	87.7
Cattle slaughtering (1,000 units)	325	328	359
Active suppliers	11,092	15,134	17,463

Employees	**2000/01**	**1999/00**	**1998/99**
Weekly paid, year-end	370	558	572
Salaried, year-end	109	106	105

* Danish supplies exclusively

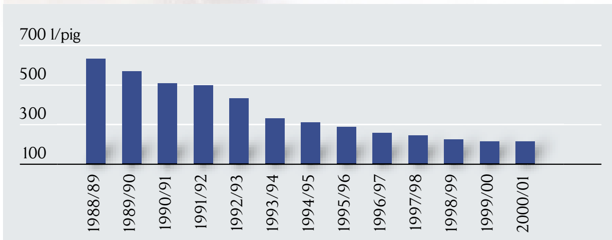
Neighbour groups enhance environmental information

Willy Mortensen, Technical Manager

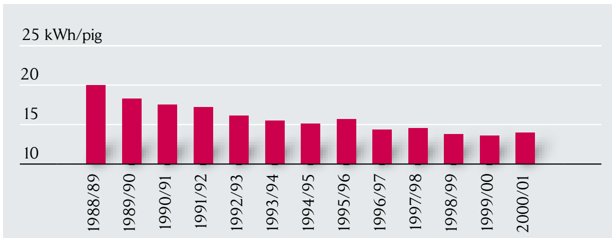
Danish Crown has prepared a comprehensive EIA statement for two slaughterhouse facilities. Green accounts prepared for all slaughterhouse facilities. Slaughter robots installed at four facilities, thereby reducing some of the strenuous work processes.

In conjunction with a thorough restructuring of the production structure in Danish Crown's Pork Division a number of decisions with significant influence on the environmental area have been made in the course of the year.
In connection with the proposed slaughterhouse structure plan, which involves discontinuation of slaughtering activities at the Struer, Hjørring, Nr.Sundby, Bjerringbro and Horsens plants, as well as at the Lemvig plant which has already been shut down, expansion of other slaughterhouse facilities has been planned and implemented, and a new slaughterhouse with capacity for slaughtering 75,000 pigs per week is being planned for construction at Horsens.
The slaughter capacity increases have been implemented by starting night shift slaughtering at Blans, and an extra slaughtering shift has been planned for the plants at Sæby and Holstebro, and may be introduced at Grindsted.
In connection with these significant production changes Danish Crown has for the first time gained practical knowledge of the rules on EIA (Environmental Impact Assessment).
A comprehensive EIA report has been prepared in cooperation with Vejle County, together with an application for environmental approval, in connection with the planned new slaughterhouse at Egebjerg near Horsens. This matter is expected to completed in early January 2002.
In the course of this process two public meetings have been held, and as a result it has been decided to set up a neighbour liaison group that may be involved in future provision of information while the project is in progress.
EIA screenings have been implemented in connection with other production extensions at the Esbjerg and Grindsted facilities. Both screenings concluded that an EIA report is not required for extending these facilities.
To make sure that we have the possibility of further increasing the slaughter capacity at the Grindsted facility a new application for environmental approval of that plant will be filed in the new financial year.

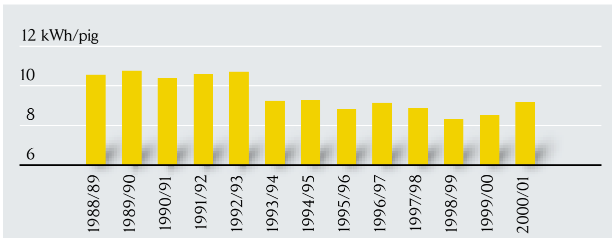
Consumption of water in the period 1988/01, Pork Division



Consumption of heating in the period 1988/01, Pork Division



Consumption of electricity in the period 1988/01, Pork Division



Danish Crown's power costs increased by approx. DKK 10m in 2000/01. The reason is the massive expansion of decentralised CHP plants and wind turbine facilities in Denmark.

Energy and water consumption

The energy committees set up at the individual plants keep working on reducing the energy and water consumption, and they keep making progress.
For example, focusing on the energy consumption at the Grindsted plant has entailed a replacement of the old steam boilers with more economical hot water boilers which recycle the heat from the flue gasses.

This replacement has cut 6% off the energy consumption, and that corresponds to almost DKK 220,000 a year.

Working environment

Within the area of working environment a group safety committee was set up in the past financial year covering all Danish companies in the group, including Tulip International and Danish Prime. The idea is that this committee should derive synergies for the safety work carried out by the companies, and it should constitute a forum for debate in which experience and ideas may be exchanged and discussed.

In 2001 the Danish Working Environment Service launched a campaign targeted on the hundred companies which are registered as having the most industrial injuries. The campaign slogan is "Zero industrial injuries". Danish Crown is among these hundred companies, and in this connection we have initiated a number of measures, some of them based on the project "Slaughtermen say No to accidents". After each industrial injury the work station involved is scrutinised, and action plans are prepared to avoid that type of injury. Also, potential industrial injuries are identified in order to prevent them from occurring. This measure has already reduced the number of industrial injuries substantially in several departments.

Moreover, a system for measuring the effect of working environment improvements has been introduced. This system has been developed in cooperation with the Occupational Health Service for the industry, and its object is to identify all those parameters which have a favourable influence on the working environment. This involves measurements of noise levels, appraisal interviews and the number of days lost through sickness, for example.

Slaughterhouse automation continues as new technology is developed. In the past year, too, the company has invested in automatic machines (slaughter robots) for the killing floors at the Odense, Blans, Skive and Holstebro plants. These machines eliminate a number of very strenuous work processes, and they enhance the working environment as well as the hygienic standard and the product quality.

A drawing office has been set up at Danish Crown's head office in Randers. 40 engineers and architects are preparing the construction and layout of the new slaughterhouse at Horsens.

Green accounts

Statutory green accounts have been prepared for all the slaughterhouse facilities in the past financial year. These accounts have been filed with the Danish Commerce and Companies Agency where they may be obtained by anybody who is interested. However, Danish Crown has also chosen to make the green accounts available on our web site – www.danishcrown.dk – in a slightly edited form that matches the layout of the group's financial accounts. However, all factual information is the same.

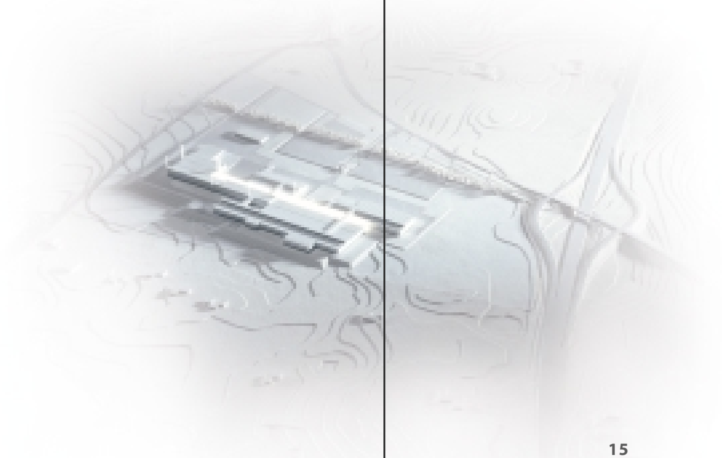
Iron-age settlement at slaughterhouse site

In connection with the planning of the new slaughterhouse Horsens Museum has performed archaeological excavations at the future slaughterhouse site. They have found the remains of a long house, 5 metres wide and 14.5 metres long. The finds from the settlement are largely limited to potsherds of household pottery. However, the finds also imply that iron extraction has been carried on to a limited extent. The finds are located outside the land on which the slaughterhouse is to be built so this will not delay the project.

Slaughterhouse taking shape

At Danish Crown's head office in Randers a department has been laid out as one large drawing office. It is staffed with some 40 engineers and architects from the companies COWI, Arkitektgruppen and Tano, which work as general consultants, architects and slaughterhouse consultants respectively on Danish Crown's slaughterhouse project.

The slaughterhouse project includes construction of the new slaughterhouse near Horsens which shall be able to slaughter and cut approx. 75,000 pigs a week. After in-depth assessments the project has been extended to include boning rooms. The first public tenders concerning the new slaughterhouse are expected to be held in January of 2002, and if the final decision to initiate the project is adopted the first sod will be cut in August 2000. The first pigs are expected to be slaughtered in late 2004.



Henning Baunø, Division Director

Highly satisfactory result in ESS-FOOD

Greatly enhanced operating result and cost modifications have resulted in significant profit increase. Rising sales of pork/Danish goods. Progress in all primary markets.

2000/01 was characterised by favourable conditions for the ESS-FOOD division in the main markets despite outbreaks of diseases within both the pork and beef areas. The profit for the year has to be deemed extremely satisfactory.
The sales activities in Copenhagen were shut down in December of 2000, resulting in lower sales for the year. The representation office in Moscow was also shut down, and customers from these two offices have been transferred to other companies within the Danish Crown group. The restructuring measures implemented in relation to both commercial and administrative activities in the past two financial years have already produced an effect on this year's profit.

Accounts
The turnover was DKK 2.8 billion against DKK 4.2 billion in 1999/00, and the profit after tax was DKK 41.7m against DKK 6.5m in 1999/00. The decrease in turnover is due to activities having been transferred to other parts of the group and to termination of nonprofitable activities.

Pork
The sale of pork accounted for 80% of the total sale of 137,000 tons in 2000/01 against 70% in 1999/00. Outbreaks of BSE resulted in a generally high demand and entailed relatively high pork prices in 2000/01. The rising price level has entailed a generally positive trend, especially in Japan and the USA which have been the biggest contributors to the favourable result, but ESS-FOOD's sales offices in Holland and Korea have also boosted their profits substantially. The profit in France has been below expectations as a direct consequence of the outbreak of Foot and Mouth disease, which rendered export to e.g. Russia, Korea and Japan impossible.

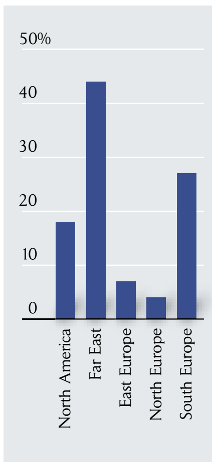
Beef
Our beef activities are primarily focused on France, Japan and Korea.
Due to the BSE problems the sale of beef has declined significantly, and its proportion of our total turnover has dropped to 15% against 22% in the preceding financial year.

ESS-FOOD prepared for the future
As a division within the group, ESS-FOOD will continue to increase its sales of Danish Crown products through subsidiaries in Europe, North America and Asia. The product

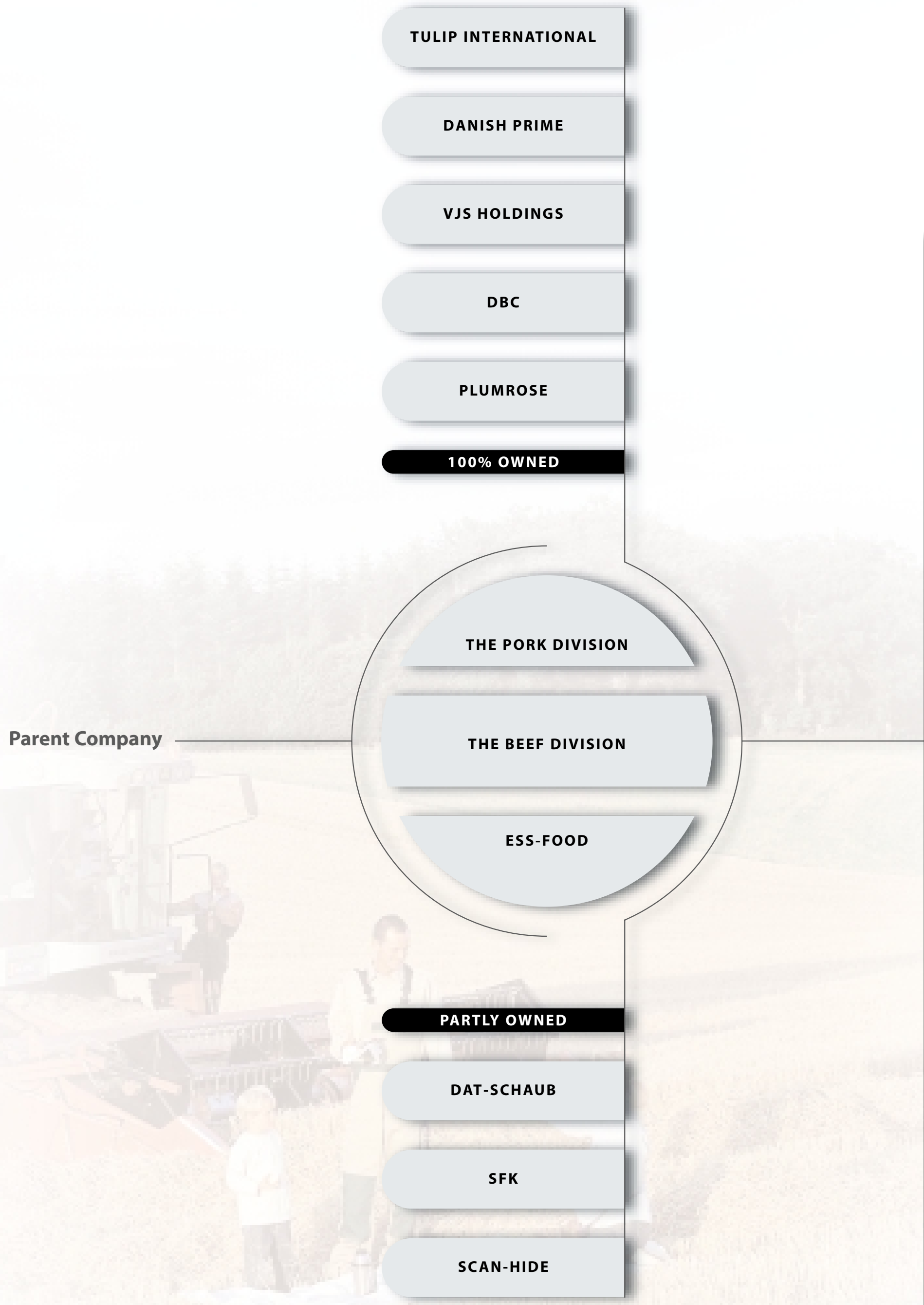
side will be supplemented with commodities from Denmark and abroad. Japan, the USA and France are also expected to be the biggest and most profitable markets next year. Also, the relocation of the head office from Copenhagen to Randers will entail an additional cost reduction, and the structural modifications will therefore gain full effect on operations in 2001/02.
We also project a favourable financial result for 2001/02 but nevertheless a smaller profit, because we expect a slightly lower price level than in the current financial year.

- *Division of Danish Crown AmbA*
- *Business area: International trading in meat and meat products*
- *Departments: Eight sales offices and subsidiaries worldwide*

ESS-FOOD's turnover in 2000/01 distributed on markets in %



Key figures for ESS-FOOD (DKK millions)	2000/01	1999/00	1998/99
Turnover	2,814.4	4,168.0	7,594.0
Profit on primary operations	54.4	19.2	45.8
Profit for the year	41.7	6.5	10.1
Equity capital	270.6	233.3	222.3
Return on equity, %	16.5	2.9	4.5
Balance sheet total	578.9	875.0	1,195.3
Employees	138	174	1,048



The Danish Crown group

- *20,525 members*
- *19,215 employees*
- *Turnover DKK 40.2 billion*
- *Denmark's third largest company (by turnover)*
- *Slaughters 77.4% of the pigs in Denmark*
- *Produces 7.9% of all EU pork*
- *Produces 1.6% of the world's pork*
- *The Danish Crown group is the world's largest exporter of pork*
- *Slaughters 60.0% of the cattle in Denmark*
- *Produces 1.6% of all EU beef and veal*
- *Produces 0.15% of the world's beef*
- *Exports 54.5% of Danish agricultural exports*
- *Exports 6.5% of all Danish exports*

46% profit boost in Tulip International

Sven A. Thomsen, CEO

The profit of Tulip International for 2000/01 was DKK 220.3m, an increase of DKK 70m relative to last year. Sales of products under Tulip's brands increase in the strategic markets.

Tulip International's profit for 2000/01 must be seen in the light of the difficult market situation brought about by the outbreaks of BSE and Foot and Mouth disease. In addition to actual bans on import in some markets, Danish raw material prices increased sharply as from March and in the following months. Some raw materials increased by up to 50% in the course of a few weeks.

We had to compensate for the increases in raw material prices, and by quickly adapting the sales prices we succeeded in achieving a good result for 2000/01. However, as a result of the reaction of the consumers, the overall meat consumption dropped for a period.

Sales for the year came to 146,200 tons. This is 5.6% less than the year before. The decline has primarily been suffered within labels.

Tulip International's investments came to DKK 197.4m in 2000/01. The majority involves the purchase of the poultry processing company Gott Foods in the UK and the investment in a new plant for production of fried bacon at Thetford, UK. At Thetford we have also invested in a new distribution warehouse, and a new product development centre has been built at the Vejle Nord plant in Denmark.

Tulip International has initiated a production of sandwich products – the series comprises eight different triangular sandwiches and two kinds of baguette.

Market situation

UK: 44% of the turnover of Tulip International originates in the UK market, which is thus by far the most important individual market for the company.

In spite of the difficult situation in the UK market we managed to increase our bacon sales by 17%. This increase has been achieved through marketing of the DANEPAK brand in England and the TULIP brand in Scotland as well as through targeted product development and category management.

Denmark: Our turnover in the Danish market accounts for 18% of our total turnover.

The sale of products under labels has dropped relative to last year, because it has been impossible to achieve an acceptable profit.

With regard to brand name goods, on the other hand, we have achieved larger sales. Bacon, PÅLÆKKER and sausages, all under the TULIP brand, have achieved handsome progress in the course of the year and confirm the planned strategy.

Sales of THE GREEN BUTCHER products have also gone up relative to last year.

Sweden: Sales to the Swedish market were hampered by the weaker Swedish krona and by Swedish raw material prices not following the increase in Danish raw material prices.

In spite of these unfavourable conditions we managed to maintain sales at the same level as last year.

The Swedish version of THE GREEN BUTCHER is well positioned in Sweden, and sales go up year after year. Under the TULIP brand we mainly sell bacon.

Germany: In spite of the reaction of German consumers to the livestock diseases, Tulip International's profit in the German market increased in the past year. Once again it is the brands that have proven their strength. Especially the new GOURMETTI product has been well received by the consumers, and it has been named best new product launch of the year within luncheon meat products.

USA: Sales to the USA have been influenced by the import ban that was in force for several months. We have been able to service our customers from the warehouse in the USA to some extent but the long-term effect must be expected to be a decline in sales. A consistent sales effort and a stable sales price level combined with a favourable dollar rate have helped to ensure that our profit in the American market has been satisfactory.

Other markets: Tulip International sells to more than a hundred countries around the world. Generally speaking, sales to some markets have been hampered by the livestock diseases mentioned above and by high raw material prices. All in all we have nevertheless succeeded in achieving a reasonable profit.

Product development

In November 2000 the new product development centre at Vejle was inaugurated. The centre has all the facilities required for developing new products and undertaking a small-scale production under realistic circumstances. In addition to the Danish product development centre we have facilities and organisations for development of new products in connection with the plants at Thetford (bacon) and Bromborough (cooked meat).

Production

After major modification of the production structure in Denmark in recent years, the past year saw no changes in the structure, this also includes the number of plants. Our efforts have thus been focused on optimising the production at the existing plants and making it more efficient in order to maintain the required competitive position.

Expectations of 2001/02

After the great problems experienced in some markets in the past year, we expect the situation to stabilise in the year ahead such that the organisation in Tulip International may continue its endeavours to achieve the desired strategic development.

In 2001 Tulip International was awarded King Frederik IX's Award for Excellence in Export. Sven A. Thomsen, the CEO of Tulip International, and Kaj K. Larsen, the Chairman of the company, received the award.

Cocktail sausages in aluminium foil bags

The large French retail trade chain Carrefour has started selling cocktail sausages from Tulip welfare pigs in foil bags that stand up, so-called doypack bags. The advantage to the consumers is that they leave less residual packaging material than tins. If the test sale has a successful result Tulip International considers extending the use of this alternative type of packaging.

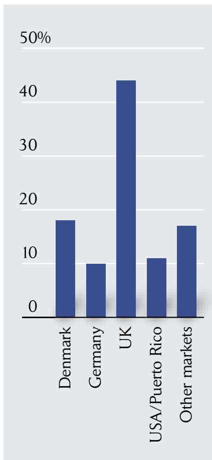
Thinly sliced luncheon meat in Sweden

Thinly sliced luncheon meat along the same line as TULIP KRÆS, which is sold in Denmark, and TULIP HAUCHSCHNITT, which is sold in the German market, is currently experiencing rapid growth in Sweden. Tulip International has therefore launched a range of wafer thin luncheon meat under the name "TULIP Tunna Skivor" ("TULIP Thin Slices"). The range comprises five variants.

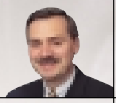
TULIP INTERNATIONAL

- *Type of company: P/S (Partnership limited by shares)*
- *Business area: Manufacturing and sale of processed meat products*
- *Departments: Eight production plants in Denmark, three in the UK, and one in Germany*
- *Danish Crown's ownership share: 100%*

Tulip International's turnover in 2000/01 distributed on markets in %



Key figures for Tulip International P/S (DKK 1,000)	2000/01	1999/00	1998/99
Turnover	5,792.9	5,411.2	3,896.2
Profit on primary operations	250.9	205.8	196.1
Profit for the year	220.3	150.7	212.6
Equity capital	746.6	621.1	583.7
Return on equity, %	25.5	22.2	31.4
Balance sheet total	2,769.2	2,542.9	1,947.0
Employees	3,156	3,422	2,430



Torben Shou, CEO

Danish Prime tops the billion mark

Danish Prime's turnover tops one billion DKK for the first time. And for the first time since 1993 the company has suffered a decline in volume. The turnover climbed by DKK 55m – the profit was at budget level.

2000/01 will be remembered as an extremely turbulent year. The BSE cases affected demand all over Europe, especially in Germany, and with the outbreak of the Foot and Mouth disease the destruction of herds entailed severe raw material price increases for the meat industry, requiring immediate and drastic increases in the sales prices. Profitability was affected dramatically, and the management of Danish Prime therefore chose to initiate a programme of cost cuts, and investments and other activities were similarly postponed. These measures had the desired effect: a profit close to the budget level.

Sales

Denmark: The domestic market was a solid base in 2000/01. Danish Prime's products were in high demand. Consumers know the Danish Prime and MOU brands and the quality they stand for. Dinner dishes are growing, and the soups are a part of the everyday life of Danish consumers. We have therefore launched new soups in the past year such that the frozen product range is now catering to all age groups. Soups have come more into style in the Western world in recent years, and this product range will therefore be extended further.

Danish Prime has started a production of chilled products, for example a range of fried meatballs that includes dinner meatballs, low-fat turkey meatballs, Greek meatballs, and snack meatballs.

Germany: In our largest export market the demand for beef-based products was practically zero for a while.

UK: Sales to the UK were satisfactory. The growth achieved in recent years continued. Profits were highly favoured by the strong British pound. Danish Prime's best-selling products are in the Super Tops range sold to the pizza chains and in a product range for school meals.

Sweden: Swedish consumers reacted strongly to the livestock diseases – duly prodded by the politicians. In spite of the difficulties we are pleased that we managed to maintain our rather high level of sales in Sweden but the profitability was not satisfactory, due in great part to the weak Swedish krona.

Other markets: The other markets are of relatively little importance to the sale of the company's products. However, we have experienced promising trends in some of the smaller markets. For example, Danish Prime has gradually established rather large sales of hamburgers to the Scandinavian region and to Finland. Due to restrictions in Norway we import Norwegian meat for the production exported to that country.

Production

A very promising team project has been initiated at the MOU plant. The employees are now working in teams in which the employees have taken over a large share of the management's responsibility and competence. This has first and foremost generated greater job satisfaction. Also, new agreements have been concluded at the plant which provide greater flexibility in connection with the severe seasonal fluctuations, for example.

The Faaborg plant has managed to improve its operating results substantially even though the plant is in a difficult situation, because the large-volume products have been transferred to other plants within the group. All soups have thus been transferred to Mou.

The Iwans plant has continued its specialised production of toast products. Due to decreasing sales the production has been smaller.

At Aalborg the results of our

large-scale investments can now be seen. A new topping department and a new frying department have been commissioned during the year. Efficiency has been dramatically enhanced in the new sections of the plant. This implies reduced unit costs, and this reduction will continue next year as the last investments are implemented. A new plant section for breaded products is expected to be finished in late 2001/early 2002, leaving only one more plant section to be built before this project has been completed.
The year has required great

55m, corresponding to 6%. This increase in turnover was achieved in spite of a 3.5% drop in sales. This development reflects the turbulent market situation in 2000/01 with BSE and Foot and Mouth disease entailing raw material price increases but it also illustrates Danish Prime's ability to adapt quickly and our preparedness to raise our sales prices.
However, our relative profit as per the budget has not been achieved but through implementation of cost cuts and postponement of activities we have nevertheless achieved a satisfactory profit before tax of

MOU has grown to become Denmark's largest soup brand with a wide product range including both traditional and trendy special soups.

adaptability. Especially with the many changes in recipes due to the BSE situation the plants have been put to a hard test – but they passed it satisfactorily.
Realisation of the plans for production of chilled products also requires different actions due to the short shelf life of the products. We project substantial growth within this area in the future.
The new group headquarters at Aalborg were inaugurated in the autumn. Many years of tribulations are gone, and now we have modern offices in a characteristic old building.

Accounts

Our turnover topped the one billion DKK mark, up DKK 34.7m against DKK 38.4m last year.
The return on equity was 17.1%.

Expectations

We expect increasing sales and turnover. 2000/01 posed some grave and difficult challenges. These were handled in a satisfactory manner with our financial position almost intact. However, the situation resulted in a decline in turnover – hopefully this turns out to be a brief interlude in a long positive process. As already published, Danish Prime Food Company K/S will merge with Tulip International P/S by 30 September 2002 at the latest.

New cash & carry range for the German market

For the German market we have developed a new range of products that is intended for the small and medium-size kitchens which traditionally shop at self-service wholesalers. This market segment accounts for a substantial share of the total foodservice turnover in Germany. The new cash & carry range includes the classic products such as schnitzels, fried meatballs and Mini Haxen.

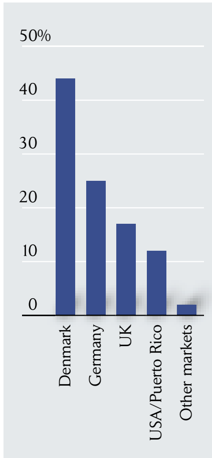
Hot on hamburgers in the Nordic countries

The sale of hamburgers has gone up in the Nordic countries. In Finland, for example, we have secured a supply contract with a national burger chain, and in the Norwegian market Danish Prime supplies hamburgers that are made exclusively from Norwegian meat.

DANISH PRIME

- *Type of company: K/S (Limited partnership)*
- *Business area: Manufacturing and sale of convenience products*
- *Departments: Four production plants in Denmark, four sales companies in Germany, the UK, and Sweden*
- *Danish Crown's ownership share: 100%*

Danish Prime's turnover in 2000/01 distributed on markets in %



Key figures for Danish Prime K/S (DKK millions)	2000/01	1999/00	1998/99
Turnover	1,011.1	956.2	849.7
Profit on primary operations	49.3	46.8	53.6
Profit for the year	32.9	37.6	53.2
Equity capital	172.6	141.8	121.1
Return on equity, %	17.1	21.3	34.1
Balance sheet total	636.3	577.0	467.9
Employees	497	540	531

VJS FOODS

Stephen Crozier,
Mng. Director

Derek Kidd,
Commercial
Director

Higher profit despite difficult conditions

Profit grew 20%. Increased production under the Plumrose brand. Production analysis has generated great efficiency improvements. Tendering successes give good platform for greater sales next year.

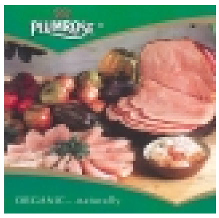
VJS Holdings has experienced very difficult trading conditions in 2000/01.
Increases in raw material costs due to FMD affected the business immediately with retailer reluctance to accept increases as readily, putting immense pressure upon margins.
Not withstanding these pressures, the division was able to grow sales by 3.6% and profit by 20% year on year.
The current cooked meats market in the UK is characterised by an excess of producer capacity used by retailers as a challenge to fend off raw material price rises, quality and price are the keys to success in the current climate.
Our broad portfolio of products from traditional high quality hand crafted hams through pizza toppings to commodity wafer thin and luncheon meats has recently been enhanced with an extension of the Plumrose brand.
This broad range of quality without excessive cost allows us to meet the most demanding retailers' aspirations.
The institution of a new Managing Director in December 2000 was the catalyst for major organisational changes within the business.
The reorganisation and streamlining of the management team has emphasised site and departmental responsibility with accountability, which has provided greater focus in managing the cost base and engendering a philosophy of right first time.
The arrival in June of a new Financial Director has provided the management team with a more comprehensive financial report package allowing managers to make sound decisions affecting the business' performance and monitor progress accurately.
New product development and process engineering have allowed us to improve our range of product and eliminate the need to source feedstock from external suppliers, therefore retaining control and full margin within the business.
A review of operating procedures to establish best practice has delivered significant improvements to labour efficiency and yields. It has also highlighted further investment programmes, which are included in this years planned expenditure.
The review has also highlighted the imbalance of our capacities, with cooking capacity limiting our potential scale.

The Gold Range

The Gold Range is the new premium flagship from VJS. This range of traditional high quality premium products will be complimented in the coming year with other high value added innovations.

Organic... naturally

The most recent addition within the range is the 'Organic… naturally' which meets current customer demands for high quality organic alternatives.



- *Type of company: Ltd.*
- *Business area: Manufacturing and sale of meat products, luncheon meats, etc.*
- *Departments: Three production companies in the UK*
- *Danish Crown's ownership share: 100%*

Key figures for VJS Holdings UK Ltd.

(DKK millions)	2000/01	1999/00	1998/99
Turnover	894.7	834.3	941.4
Profit on primary operations	38.7	33.7	71.6
Equity capital	104.9	140.1	84.2
Balance sheet total	483.8	527.9	373.5
Employees	684	666	678

Continued progress at DBC

Carsten S. Jakobsen, Chairman

Sales grew by 8% – by 28% to national accounts. Electronic ordering system ready for national roll out next year. Further developed relationship with VJS FOODS.

2000/01 has been a year of building on the foundations put in place during the previous year.

The relaunch of new DBC last year has provided the springboard for the forward development of the business.

The key objectives for the year were to grow sales and improve margin, and good progress was achieved in both areas.

Sales overall grew by 8%, and the previously identified drive sectors of national accounts and independent free trade grew by 28% and 9% respectively.

In particular our national account business enjoyed some key business wins in both the cost sector and the profit sector.

Our butchers business held up well in what was a particularly difficult year with the effects of the Foot and Mouth outbreak being felt in some parts of the country for many months.

We have continued to concentrate on developing our local branch sales and operational culture, and have strengthened our management team at the level to ensure we have the right capabilities in place to continue to take the business forward.

Another significant development during the year has been the development of an electronic ordering system which allows customers order access using a live stock system. This is ready for national roll out for the new financial year.

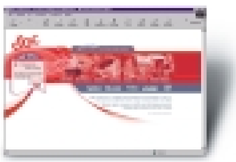
We have also further developed our relationship with sister company VJS and are working with them to develop business across their portfolio into the independent retail/cash and carry sectors.

Having returned the business to profitability, there is no doubt that the task ahead for 2001/02 is to continue to drive sales forward, to help build the critical mass of the business and to further consolidate the position of DBC Foodservice as one of the leading distributors to the UK foodservice industry.

Open 24 hours a day

DBC's new ordering system has been designed to give the customers maximum flexibility and choice.

DBC's web site is open for order reception 24 hours a day, seven days a week. This permits the customers to use their preferred business times to order.



Moreover, the system has the advantage that the customers can check DBC's current price and stock availability of the product in question when they order. If the product they want is not available the system will offer alternatives. DBC has more than 7,000 products in total.

The DBC Foodservice web site has also undergone a complete re-design for the launch of the on-line ordering system.

The web site address is: www.dbcfoodservice.co.uk

- *Type of company: Ltd.*
- *Business area: Distribution company targeted on the UK food-service market and independent shops*
- *Departments: Ten regional depots in England and Wales*
- *Danish Crown's ownership share: 100%*

Key figures for Danish Bacon Company Ltd.

(DKK millions)	2000/01	1999/00	1998/99
Turnover	1,616.4	1,497.2	1,361.6
Profit on primary operations	24.4	-23.3	-39.7
Equity capital	138.7	129.2	86.1
Balance sheet total	420.9	422.8	430.3
Employees	753	735	802

Plumrose a force in the USA sliced meat market

Steven Mintz,
Vice Chairman

John Arends,
President

This year brought our sales to $227 million or 6% over last year. Concentrating on improved quality and customer service is rewarding us with a loyal customer base, especially among the major retailers.

During this 2000/01 year, there were many factors affecting our results. Raw materials are just one item influencing our bottom-line, all in all, we feel very good about the result obtained in spite of the negative pressure on sales and the costs of production. Again this year, Wal*Mart and SAM'S Clubs trusted us to produce exclusive products for their stores, including private label. Part of this is a result of our conscientious work in improving the quality of our products and packaging. This quality has been complimented by retailers as well as our important customer base.

Brands

The DAK, DANOLA and PLUMROSE brands continue to increase in popularity. Establishing these brands on the US market was one of our most important tasks and will continue to be as we improve, grow and manage our brands in the USA.

Much was invested in promoting of our brands during this past year. These long term investments have and will continue to produce for Plumrose USA well into the future.

Our canned ham division continues to be a very important part of our company's commerce. We continue our efforts to manage this category in a way to increase our share of the market and the resulting profitability.

Future

Our past, current and future investments in promotional activity will be carefully monitored and used to further establish our brands in the USA. The quality of our product will be further enhanced by new packaging that will increase safety as well as the shelf life of our lines. Major new costing and customer activity control programs will be giving us finger tip sensitivity concerning the use of promotional funds and gauging our market performance.

Ecommerce is a new frontier. We have maintained our edge in information management systems with new state of the art communications and data distribution. This will aid us when the need to expand into this new area develops.

Increased profitability

At Plumrose's state-of-the-art Council Bluffs plant operations are constantly rationalised. In the past year significant yield increases were achieved in the slicing department where slicing logs are sliced for retail packaging. This has increased the profitability of the plant and decreased the need to purchase raw materials from the outside.

New shop display

Plumrose has achieved increased visual exposure of its DAK brand with a new shop display. In the SAM'S Club shops the new displays for the one pound DAK hams provide great visibility and increased sales.

PLUMROSE®

- *Type of company: Inc.*
- *Business area: Processing and sale of bacon, ham, and bone products*
- *Departments: Four production companies, two sales, distribution, and administration offices*
- *Danish Crown's ownership share: 100%*
- *Plumrose markets the following brands:*

Key figures for Plumrose USA Inc.

(DKK millions)	2000/01	1999/00	1998/99
Turnover	1,884.3	1,656.9	1,179.2
Profit on primary operations	46.4	30.5	39.5
Equity capital	224.7	221.5	178.0
Balance sheet total	780.3	751.1	483.2
Employees	762	681	676

Lindy Munkholm, CEO

Great challenges in DAT-SCHAUB

Casing production in the DAT-SCHAUB group has been under pressure during the financial year due to an excess supply in the world market. The slaughterhouse product division and the Emborg Foods group have achieved satisfactory results.

Like the rest of the slaughterhouse industry, the DAT-SCHAUB group has also been affected by both BSE problems and the Foot and Mouth disease in Europe. Several of the group's markets were closed for shorter or longer periods of time in the spring of 2001, and the demand in some of the main markets is still affected.

Casing Division

The relatively large sales of small intestines from pigs in recent years has attracted more producers to the market in the past couple of years, and that has had a negative effect on the price of small intestines. The prices of large intestines in particular have dropped quite substantially. At the same time the EU has introduced severe limitations on the use of meat and bone meal due to BSE, and that has entailed a heavy increase in the costs of destruction, and all these factors have led to a lower profit in the Casing Division.

In late 2000 France imposed a ban on the usage of beef casings in the sausage production, which was followed up by an EU ban on usage of beef casings. That business has always been interesting to our group, especially in the French and Norwegian markets.

Within the sale of pork stomachs in Italy and the Far East we have managed to obtain higher prices, because DAT-SCHAUB's high uniform quality is widely recognised.

Slaughterhouse Product Division

The year has generally been characterised by large sales and consequently by high prices of Danish pork in the traditional markets of the slaughterhouses. To DAT-SCHAUB, which mainly operates in secondary and tertiary markets, this has meant that we have been unable to obtain sufficient volumes of Danish pork at competitive prices. We have therefore sold larger volumes of foreign pork than in the preceding financial year, and our sales of Danish and foreign beef have also increased significantly.

Emborg Foods Group

The favourable trend of recent years has continued, and the Emborg Foods Group achieved its best financial result ever in the financial year 2000/01.

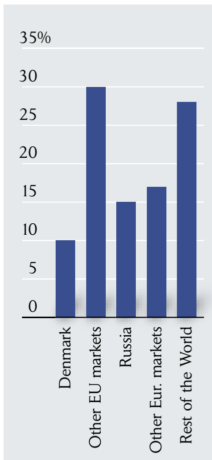
Chinese eat casings

DAT-SCHAUB cleans, sorts and sells all Danish pig casings, and over the years we have refined and specialised the production and sale of the different products. The pig stomach is a natural part of these products. Because of their stable and uniformly high quality the Danish pig stomachs fetch the highest price in the world market, and in China, for example, the stomach forms a part of several dishes.

Pig stomachs are used in the traditional "Hot-Pot Dish", for example, in which the thinly sliced strips are cooked together with other traditional products such as turtle, pig uterus, chicken feet, etc., whereupon the dish is served straight from the pot at the table.

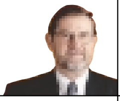
- *Type of company: AmbA (Co-op with limited liability)*
- *Business area: Processing and sale of Danish casings, and international trade in natural and artificial casings, auxiliary substances, pork, beef, and other foods*
- *Departments: Three Danish departments, 44 sales companies and sales offices*
- *Danish Crown's ownership share: 79.7%*

DAT-SCHAUB's turnover in 2000/01 distributed on markets in %



Key figures for DAT-SCHAUB a.m.b.a.

(DKK millions)	2000/01	1999/00	1998/99
Turnover	5,898.0	5,527.1	4,849.1
Profit on primary operations	128.1	108.3	108.6
Profit for the year	58.4	60.4	61.1
Equity capital	199.2	197.8	183.7
Balance sheet total	1,836.7	1,635.2	1,633.1
Employees	2,459	2,367	2,177



Mogens Kindberg, CEO

John C. Massow, CEO

Kim N. Carlsen, CEO

From wholesale society to two-tier business area

The old SFK shut down – SFK Holding A/S established with two wholly-owned companies, SFK Food A/S and SFK Meat Systems a.m.b.a. Dissatisfactory result in 2000/01 but a positive result is projected for 2001/02.

2000/01 was the year in which SFK implemented the structural changes transforming the company from a wholesale society with a very wide product range to a company focusing on two main business areas – production and sale of spices, and production and sale of technical equipment for the slaughterhouse industry.

Organisationally the transformation has been implemented in such a way that the old SFK-Slagteriernes Fællesindkøbsforening a.m.b.a. was liquidated. All activities, assets and liabilities have been transferred to a newly established company, "SFK Holding A/S", with two wholly-owned subsidiaries, "SFK Food A/S" with headquarters at Viborg, which carries on the production of spices, and "SFK Meat Systems a.m.b.a" at Kolding.

In connection with the transformation from a co-operative society to a limited company we have also implemented a simplification of the ownership structure of SFK Holding A/S with 99.5 % of the share capital being owned by the three co-operative slaughterhouse companies Danish Crown, Steff-Houlberg and TiCan.

The structural modification has involved selling off SFK Meat Systems a.m.b.a.'s 51% ownership share in SFK Technology, whereas the ownership share in SFK Danfotech has been increased from 60% to 100%.

SFK Food A/S has purchased 90% of Nordfalks Industri AB which sells spices and ingredients in Sweden.

Financial result

The financial result is not satisfactory but it must be seen in the light of the comprehensive structural modifications implemented during the financial year, involving large extraordinary expenses for dismissal of employees who did not wish to relocate with the company to Viborg or Kolding, and for getting the individual operational areas up and running with new employees.

Expectations

In the final months of the financial year the primary operation yielded a positive financial result, and we expect a positive overall result for both business areas for the financial year 2001/02.

Product cooperation with Santa Maria AB

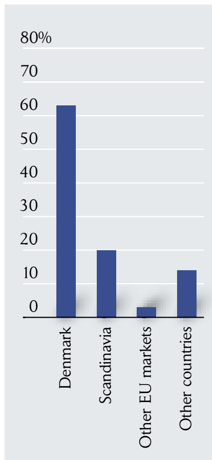
After having purchased Nordfalks Industri AB in Sweden SFK Food A/S is the largest producer of spices for industry in the Nordic countries. This purchase has also entailed joint product development activities with Santa Maria AB, which is the leading supplier of spices to the Nordic retail market.

Largest project ever in SFK's history

SFK Meat Systems a.m.b.a. is in the process of delivering the largest project ever in the history of the company. It concerns a new slaughterhouse in Japan which will be using the slaughter robots developed by SFK.

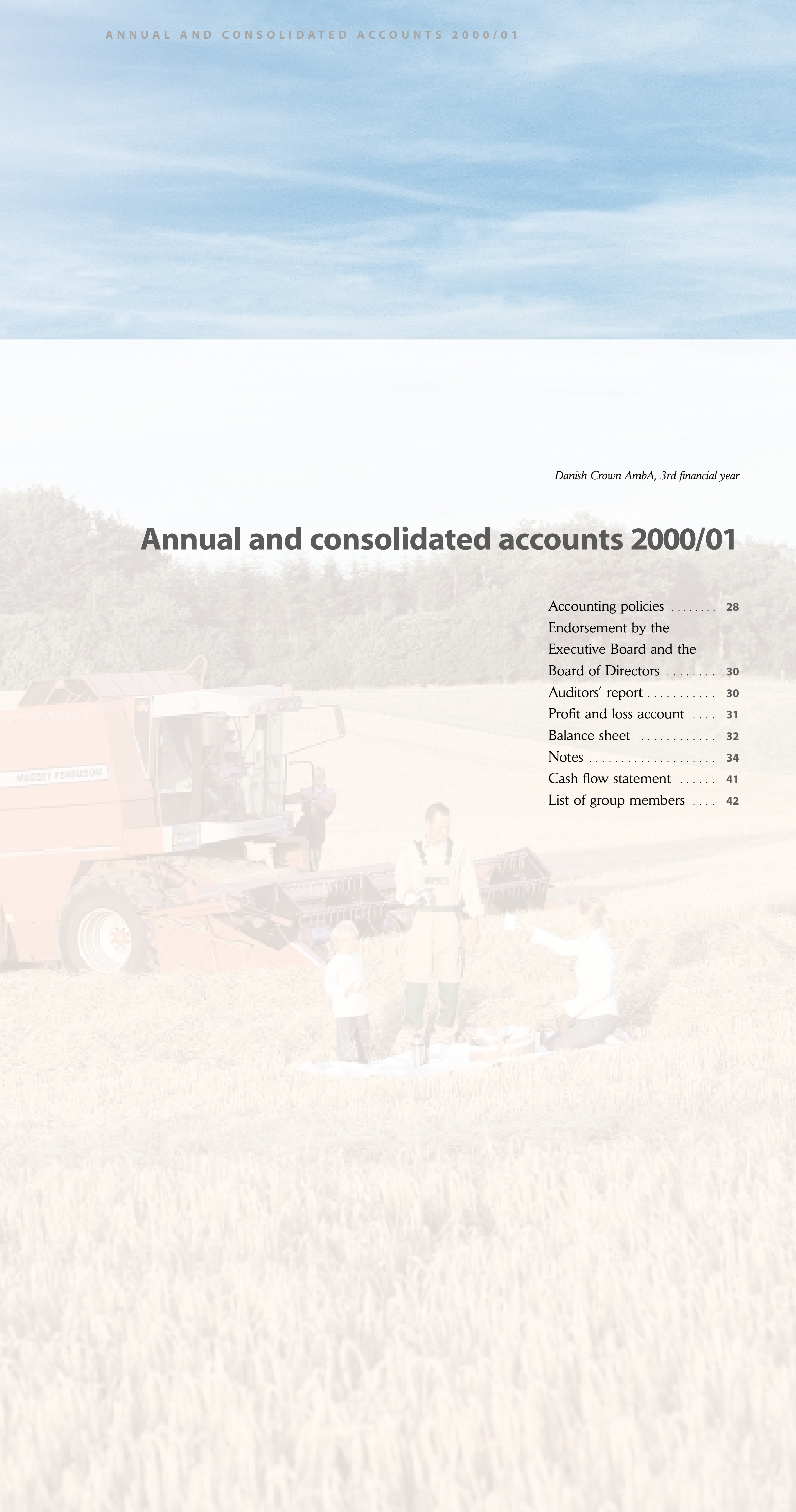
- *Type of company: AmbA (Co-op with limited liability)*
- *Business area: Manufacturing and sale of spices and ingredients, etc., and machines and equipment*
- *Departments: 9 subsidiaries: 3 in Denmark, the rest in the USA, the UK, the Czech Republic, Norway, Sweden and Australia*
- *Danish Crown's ownership share: 76.6%*

SFK's turnover in 2000/01 distributed on markets in %



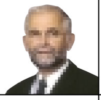
Key figures for SFK a.m.b.a (DKK millions)	2000/01	1999/00	1998/99*
Turnover	878,5	881,6	672,6
Profit on primary operations	-10,0	-15,7	8,3
Profit for the year	-11,9	-14,5	2,4
Equity capital	38,0	52,0	65,7
Balance sheet total	454,2	459,0	432,8
Employees	494	558	539

* 1998/1999 includes only nine months' operation



Danish Crown AmbA, 3rd financial year

Annual and consolidated accounts 2000/01



Egil Christensen,
Group Finance
Director

Accounting policies for the group and parent company

General

The consolidated accounts and annual accounts have been prepared in accordance with the provisions of the Danish Companies' Accounts Act, Danish accounting standards, and generally adopted accounting policies. The accounting policies are unchanged relative to the previous year.

Consolidation

The consolidated accounts include the parent company as well as subsidiaries in which the parent company owns the majority of the voting rights directly or indirectly.
Newly acquired and sold companies are included in the consolidated profit and loss account for the ownership period. Comparative figures are not adapted in connection with purchase and sale of companies.
The accounts used as basis for the consolidation are essentially prepared in accordance with the accounting policies of the parent company.
The consolidated accounts have been generated by combining uniform items from the accounts of the individual companies. This combination has involved an elimination of intragroup income and expenses, ownership shares, balances, and dividends as well as unrealised intragroup profits and losses.
In the consolidated accounts the book value of the parent company's participating interests in subsidiaries is offset by the parent company's share of the equity capital of the subsidiaries as per the date when the group relationship was established. Any differences in amounts thereby occurring are distributed in the consolidated accounts on those assets and liabilities which had values higher or lower than the book values at the time when the group relationship was established.
Any other differences in amounts are set up as assets in the form of group goodwill and are written off over the profit and loss account according to the management's individual assessment of the useful life of the asset, but not more than ten years.

Minority interests

In the statement of the group's financial result and the group's equity capital a separate entry has been made of that share of the financial result and equity capital of the subsidiaries which is related to minority interests.

Conversion of foreign currency

The profit and loss accounts of foreign subsidiaries are converted into Danish kroner according to the average exchange rates for the year. Balance sheets are converted according to the exchange rates applicable as at the end of the year.
Adjustments for changes in exchange rates occurring in the conversion of foreign subsidiaries' equity capital at the beginning of the year are adjusted over the equity capital. Adjustments for changes in exchange rates occurring as a consequence of converting foreign subsidiaries' profit and loss accounts at average exchange rates are adjusted over the profit and loss account if they are integrated foreign subsidiaries and over the equity capital if they are independent foreign subsidiaries.
Receivables and debts in foreign currency are entered at the exchange rates applying on the balance sheet date. Both realised and unrealised exchange gains and losses have been entered in the profit and loss account.
Forward contracts on foreign exchange and other financial instruments are cut off as at the balance sheet date. Both realised and unrealised gains and losses have been included in the profit and loss account.

Profit and loss account

Net turnover
The net turnover comprises invoiced sales plus export restitutions and less agent's commissions.
However, work in progress is included according to the production criterion.

Production costs
The production costs comprise raw material consumption, including purchases from members which are eligible for residual payment, as well as costs, including depreciation and salaries paid in order to achieve the turnover for the year.
Development costs are not set up as an asset but charged against the profit and loss account as and when they are incurred.

Share of profit/loss of subsidiaries and associates
The profit and loss account of the parent company includes the proportional share of the profit/loss before tax of the individual subsidiaries and associates. The consolidated profit and loss account includes the proportional share of the profit/loss before tax of the individual associates. Any share of the tax is entered under taxes.

Tax on the profit for the year
Tax on the profit for the year includes tax on the taxable income for the year as well as adjustment of deferred tax. The group's tax on the profit for the year is assessed on the basis of co-operative society taxation as well as company taxation.
The provision for deferred tax includes all temporary differences between accounting and taxation values. Any deferred tax assets (net) are entered in the balance sheet subject to a cautious assessment.
Deferred tax is included only in those parts of the group which are liable to pay income tax. Deferred tax is assessed on the basis of the tax rules and tax rates in force in the applicable countries. Changes in deferred tax which are due to changes in tax rates are entered in the profit and loss account. No provision is made for the deferred tax on implemented revaluations of shares and real property which would become payable in the event of a sale thereof.
For group companies within joint taxation arrangements the income tax for the year is distributed according to the full absorption method.

Extraordinary income and expenses
Extraordinary income and expenses include income and expenses originating in other than ordinary operations, e.g. gains or losses on the sale of property, subsidiary companies or winding-up of activities.

Balance sheet

Intangible fixed assets

Intangible fixed assets have been assessed at their purchase price less accumulated depreciation and write-downs.
Trade marks, etc. are depreciated according to the straight-line method over ten years, because their value is constantly being supported by marketing activities.
Leasehold improvements are depreciated over the term of the lease but never exceeding a maximum of ten years. Goodwill is depreciated over five years.

Tangible fixed assets

Tangible fixed assets, including financially leased assets, have been assessed at their purchase price plus appreciation and less accumulated depreciation and write-downs.
The assets are depreciated according to the straight-line method from the time of acquisition or commissioning, based on an assessment of their economic lives, and the following policies are usually applied:

Buildings	20-30 years
Technical plant and machinery	10 years
Other plant, equipment, and fittings	5 years

Depreciation has not been provided for in respect of closed-down plants, because they have been written down to their expected realisation value.
Assets with a short life or assets with a purchase price of less than DKK 20,000 are entered as expenses in the year of acquisition.
Gains and losses in connection with current replacements of tangible fixed assets are included under depreciation.

Financial fixed assets

Participating interests in subsidiaries included in the annual accounts of the parent company are assessed according to the intrinsic value method plus an added value from purchased shares. The added value is depreciated over a maximum of ten years and is included in the share of the profit/loss of subsidiaries before tax.
Participating interests in associates are also assessed according to the intrinsic value method in the annual accounts of the parent company and in the consolidated accounts.
The participating interests are assessed on the basis of the most recent annual accounts available but in those instances where we know that the values at the balance sheet date have changed significantly relative to that, adjustments have been made to offset such changes.
Net revaluation of participating interests in subsidiaries and associates is transferred under the equity capital to the net revaluation reserve according to the intrinsic value method in so far as the revaluation exceeds the dividend received from the companies.
Other securities have been assessed at their purchase price or alternatively at a lower value that may apply on the balance sheet date.

Inventories

Raw materials, consumables and merchandise have been assessed at their purchase prices, whereas work in progress and finished goods have been assessed at cost prices, comprising the purchase price of raw materials and consumables plus processing costs and other costs which can be ascribed directly or indirectly to the individual goods.
Inventories have been assessed according to the FIFO principle.
In those instances where the acquisition or cost price exceeds the net realisation value they are written down to this lower value.
The net realisation value is determined taking into consideration the convertibility and marketability of the inventories and the development in their expected sales price.

Work in progress for third parties

Work in progress for third parties has been assessed at purchase price plus on account profit taking into consideration the degree of completion.

Receivables

Receivables have been assessed at face value less provisions for losses based on an individual assessment.

Securities and participating interests

Securities and participating interests which are entered as current assets mainly include listed securities, and they have been assessed at their market price on the balance sheet date. Both realised and unrealised adjustments for changes in market value are included in the profit and loss account, because such adjustments are perceived to be an integral part of the yield of securities.

Cash flow statement

The cash flow statement is made up according to the indirect method, based on the financial result of the group. The cash flow statement shows the cash flows of the group for the year, divided into operating, investing and financing activities, and how these cash flows have affected the cash and cash equivalents.
Cash flows from operating activities are made up as the group profit adjusted for non-cash operating items such as depreciation and write-downs, and changes in the operating capital, etc.
Cash flows from investing activities include cash flows from the purchase and sale of intangible, tangible and financial fixed assets.
Cash flows from financing activities include cash flows from long-term and short-term debt acquired and repaid as well as back pay to members.
The cash and cash equivalents include cash in hand and at bank as well as listed bonds which have been entered in the balance sheet as current assets.

Endorsement by the Executive Board and the Board of Directors

Randers, 22 November 2001

Kjeld Johannesen	Carsten Jakobsen	Egil Christensen
CEO	*Vice CEO/President International*	*Group Finance Director*

On the Board of Directors:

Niels Mikkelsen	Bent Claudi Lassen	Jens Lorenzen	
Chairman	*Vice-chairman*	*Vice-chairman*	
Karl Kristian Andersen	Per Højgaard Andersen	Erik Bredholt	Bjarke Christiansen
Peder Damgaard	Per Frandsen	Kristian Hess Jensen	Kaj Kragkær Larsen
Jørgen Pedersen	Peder Philipp	Jørgen Laursen Vig	Leo Christensen
Bruno Nielsen	Jens Pedersen	Jørgen H. Rasmussen	

Auditors' report

Viborg, 22 November 2001

We have audited the annual accounts and consolidated accounts prepared by the management of Danish Crown AmbA for 2000/01.

The audit performed
In compliance with generally accepted Danish auditing standards we have planned and performed our audit with the object of obtaining a well-founded conviction that the accounts are without any material errors or omissions. In the course of our audit we have verified the basis and documentation for the amounts and other information stated in the accounts. This verification has been based on an assessment of materiality and risk. We have also taken a position on the accounting practice adopted by the management and on the accounting estimates made, and we have assessed whether or not the information contained in the accounts as a whole is satisfactory.

Our audit has not given cause for making qualifications.

Conclusion
We believe that the consolidated accounts and annual accounts have been prepared in compliance with the accounting provisions of Danish legislation, and that the accounts give a true and fair view of the assets and liabilities, the financial position, and the financial result for the year of the group and the parent company.

DELOITTE & TOUCHE
Statsautoriseret Revisionsaktieselskab

Gert Stampe	Torben Aunbøl
State-Authorised Public Accountant	*State-Authorised Public Accountant*

Profit and loss account

2 October 2000-30 September 2001

(DKK millions)	Note	Group 2000/01	Group 1999/00	Parent Company 2000/01	Parent Company 1999/00
Net turnover	1	**40,154.5**	**36,896.4**	**22,758.2**	**19,855.6**
Production costs		-34,079.7	-31,295.4	-20,026.3	-17,353.0
Gross profit		**6,074.8**	**5,601.0**	**2,731.9**	**2,502.6**
Selling and distribution costs		-3,158.8	-3,044.8	-1,129.1	-1,089.0
Administration costs		-1,179.9	-1,140.1	-500.9	-462.1
Other operating income		58.3	52.5	–	1.5
Other operating expenses		-12.5	-13.2	-2.9	-5.0
Profit on primary operations		**1,781.9**	**1,455.4**	**1,099.0**	**948.0**
Share of profit/loss of subsidiaries before tax	5	-1.9	-0.1	465.9	314.7
Share of profit/loss of associates before tax		27.8	18.3	21.0	12.9
Income from other participating interests, etc.		0.5	-1.7	–	-1.8
Financial income	6	65.8	62.2	57.2	38.3
Financial expenses	7	-503.3	-450.1	-290.4	-272.3
Profit before tax and extraordinary items		**1,370.8**	**1,084.0**	**1,352.7**	**1,039.8**
Tax on profit on ordinary operations	8	-86.7	-63.0	-81.1	-56.7
Profit on ordinary operations after tax		**1,284.1**	**1,021.0**	**1,271.6**	**983.1**
Extraordinary income	9	20.9	15.7	7.8	7.7
Extraordinary expenses	10	-11.2	-39.9	-9.2	-3.7
Extraordinary items before tax		**9.7**	**-24.2**	**-1.4**	**4.0**
Tax on loss on extraordinary items	8	–	–	–	–
Extraordinary items after tax		**9.7**	**-24.2**	**-1.4**	**4.0**
Profit before minority interests		**1,293.8**	**996.8**	**1,270.2**	**987.1**
Minority interests' share of profit		-23.6	-9.7	–	–
Group profit for the year, parent company's share		**1,270.2**	**987.1**	**1,270.2**	**987.1**
Distribution of profit					
Available for distribution:					
Profit for the year		–	–	1,270.2	–
Total available for distribution		**–**	**–**	**1,270.2**	**–**
to be distributed as follows:					
Back payments					
Pig-supplying members 1,214,303,150 kg at DKK 0.90		–	–	1,092.9	–
Sow-supplying members 59,389,215 kg at DKK 0.50		–	–	29.7	–
Cattle-supplying members 75,846,976 kg at DKK 0.60		–	–	45.5	–
Total back payments		**–**	**–**	**1,168.1**	**–**
Transferred to equity capital					
Transferred to merger and structural costs, DKK 0.05 per kg		–	–	67.5	–
Transferred to other reserves		–	–	34.6	–
Total transferred to equity capital		**–**	**–**	**102.1**	**–**
Total available for distribution		**–**	**–**	**1,270.2**	**–**

Balance sheet

Assets as at 30 September 2001

(DKK millions)	Note	Group 30.9.2001	Group 2.10.2000	Parent Company 30.9.2001	Parent Company 2.10.2000
Fixed assets					
Intangible fixed assets	11				
Trade marks		16.5	27.2	–	–
Leasehold improvements		22.5	24.1	–	–
Goodwill		5.9	11.0	–	0.8
Group goodwill		205.0	241.3	–	–
Total intangible fixed assets		**249.9**	**303.6**	**–**	**0.8**
Tangible fixed assets	12				
Land and buildings		3,040.1	2,932.9	1,406.6	1,385.5
Technical plant and machinery		1,234.7	1,320.5	444.2	491.4
Other plant, equipment and fittings		344.9	314.0	158.8	138.5
Fixed assets under construction		303.9	215.7	82.7	44.5
Total tangible fixed assets		**4,923.6**	**4,783.1**	**2,092.3**	**2,059.9**
Financial fixed assets	13				
Participating interests in subsidiaries		0.1	2.1	1,623.0	1,479.4
Receivables from subsidiaries		–	–	193.2	155.2
Participating interests in associates		85.2	71.3	66.6	57.8
Other securities and participating interests		221.0	209.3	214.7	204.0
Total financial fixed assets		**306.3**	**282.7**	**2,097.5**	**1,896.4**
Total fixed assets		**5,479.8**	**5,369.4**	**4,189.8**	**3,957.1**
Current assets					
Inventories					
Raw materials and consumables		342.1	368.9	23.9	25.2
Work in progress		316.1	286.1	146.4	137.5
Finished goods and merchandise		2,415.8	2,428.9	950.8	1,085.6
Work in progress for third parties		15.1	10.7	–	–
Total inventories		**3,089.1**	**3,094.6**	**1,121.1**	**1,248.3**
Receivables					
Receivables from sales and services		4,673.5	4,958.5	1,669.6	1,995.3
Contract receivables		248.6	245.5	248.6	245.5
Receivables from subsidiaries		–	–	1,510.9	1,387.0
Receivables from associates		13.3	0.3	–	0.2
Other receivables		503.1	306.0	57.6	33.0
Deposit of share capital		202.4	193.9	202.4	193.9
Accruals		55.5	47.5	13.6	10.3
Total receivables		**5,696.4**	**5,751.7**	**3,702.7**	**3,865.2**
Securities and participating interests		**1.9**	**2.9**	**–**	**–**
Cash at bank and in hand		**294.6**	**274.3**	**1.9**	**0.1**
Total current assets		**9,082.0**	**9,123.5**	**4,825.7**	**5,113.6**
Total assets		**14,561.8**	**14,492.9**	**9,015.5**	**9,070.7**

Balance sheet

Liabilities as at 30 September 2001

(DKK millions)	Note	Group 30.9.2001	Group 2.10.2000	Parent Company 30.9.2001	Parent Company 2.10.2000
Equity capital					
Member's accounts		395.0	193.9	395.0	193.9
Personal capital accounts		490.0	564.8	490.0	564.8
Net revaluation reserve for subsidiaries and associates		–	–	172.4	202.6
Other reserves		1,136.4	1,090.5	964.0	887.9
Total equity capital	14	**2,021.4**	**1,849.2**	**2,021.4**	**1,849.2**
Minority interests' share of equity capital		**61.6**	**83.3**	**–**	**–**
Provisions	15	**79.0**	**74.3**	**64.6**	**57.5**
Debt					
Long-term debt	16				
Mortgage debt		2,293.4	2,155.8	1,677.4	1,685.0
Financial leasing		30.8	35.5	–	24.9
Other loans		1,658.4	520.6	1,227.5	224.6
Total long-term debt		**3,982.6**	**2,711.9**	**2,904.9**	**1,934.5**
Short-term debt					
Short-term part of long-term debt		302.4	128.7	221.9	74.9
Credit institutions		3,273.3	5,034.5	955.4	2,496.1
Suppliers of goods and services		1,952.5	1,897.8	511.5	494.7
Debt to subsidiaries		–	–	157.4	182.8
Debt to associates		29.9	25.4	22.9	18.4
Corporation tax		41.9	32.4	0.2	3.8
Other debt		1,477.8	1,507.2	896.6	933.5
Accruals		101.5	140.9	20.8	18.0
Personal capital accounts to be paid		69.8	67.3	69.8	67.3
Back payments to members		1,168.1	940.0	1,168.1	940.0
Total short-term debt		**8,417.2**	**9,774.2**	**4,024.6**	**5,229.5**
Total debt		**12,399.8**	**12,486.1**	**6,929.5**	**7,164.0**
Total liabilities		**14,561.8**	**14,492.9**	**9,015.5**	**9,070.7**

Contingent liabilities, etc.	17
Securities	18
Members' liability	19

Profit and loss account

Notes 1-5

		Group		Parent Company	
	(DKK millions)	2000/01	1999/00	2000/01	1999/00
1	**Net turnover**				
	Distribution on markets:				
	Domestic	4,757.1	3,773.5	4,275.0	2,801.4
	International	35,397.4	33,122.9	18,483.2	17,054.2
	Total net turnover	**40,154.5**	**36,896.4**	**22,758.2**	**19,855.6**
	Distribution on activities:				
	Pork	20,988.3	17,363.9	20,673.0	16,694.4
	Beef	3,485.3	5,332.6	2,056.5	3,121.1
	Processing	9,804.4	8,910.9	–	–
	Other activities	5,876.5	5,289.0	28.7	40.1
	Total net turnover	**40,154.5**	**36,896.4**	**22,758.2**	**19,855.6**
2	**Staff costs**				
	Wages and salaries	4,899.9	4,779.4	2,693.2	2,579.4
	Pensions	225.2	202.0	134.8	124.4
	Other social security costs	316.9	268.3	129.4	104.7
	Total staff costs	**5,442.0**	**5,249.7**	**2,957.4**	**2,808.5**
	Including:				
	Remuneration of parent company's Board of Directors and Board of Representatives	8.4	10.7	7.5	9.7
	Remuneration of parent company's management	10.7	10.7	10.4	10.4
	Average number of employees	19,215	19,449	10,067	10,121
3	**Depreciation**				
	The depreciation for the year is included in the following items at the following amounts:				
	Production costs	642.8	606.8	365.9	364.9
	Selling and distribution costs	45.5	78.6	5.7	1.9
	Administration costs	89.9	91.7	17.3	14.1
	Extraordinary items	–	5.5	–	–
	Other items	35.7	9.2	-9.7	-0.2
	Total depreciation	**813.9**	**791.8**	**379.2**	**380.7**
4	**Fees to auditors elected by the Board of Representatives**				
	Audit	–	–	2.4	2.3
	Consultancy assistance	–	–	2.3	2.0
	Total fees to auditors elected by the Board of Representatives	**–**	**–**	**4.7**	**4.3**
5	**Share of profit/loss of subsidiaries before tax**				
	Proportional share of profit/loss before tax	-1.9	-0.1	477.6	332.1
	Depreciation of added value from purchase of shares	–	–	-11.7	-17.4
	Total share of profit/loss of subsidiaries before tax	**-1.9**	**-0.1**	**465.9**	**314.7**

Profit and loss account

Notes 6-10

(DKK millions)		Group 2000/01	Group 1999/00	Parent Company 2000/01	Parent Company 1999/00
6	**Financial income**				
	Subsidiaries	–	–	8.8	16.1
	Other interest income	65.8	62.2	48.4	22.2
	Total financial income	**65.8**	**62.2**	**57.2**	**38.3**
7	**Financial expenses**				
	Subsidiaries	–	–	1.4	–
	Other interest expenses	503.3	450.1	289.0	272.3
	Total financial expenses	**503.3**	**450.1**	**290.4**	**272.3**
8	**Taxes**				
	Assessed tax on profit for the year	81.1	59.5	6.0	4.2
	Adjustment relating to previous years	-1.0	1.7	–	-0.3
	Change of deferred tax	4.5	-0.8	–	–
	Share of tax of subsidiaries	–	–	73.7	50.8
	Share of tax of associates	2.1	2.6	1.4	2.0
	Total taxes	**86.7**	**63.0**	**81.1**	**56.7**
	To be distributed as follows:				
	Tax on profit on ordinary operations	86.7	63.0	81.1	56.7
	Tax on loss on extraordinary items	–	–	–	–
	Total taxes	**86.7**	**63.0**	**81.1**	**56.7**
	Corporation tax paid	57.6	78.3	9.7	2.4
9	**Extraordinary income**				
	Profit on sale of activities	12.5	13.3	–	–
	Other items	8.4	2.4	7.8	7.7
	Total extraordinary income	**20.9**	**15.7**	**7.8**	**7.7**
10	**Extraordinary expenses**				
	Merger expenses	–	15.5	–	–
	Costs of structural adaptation	6.2	24.4	4.2	3.7
	Costs of pollution and tax suits	5.0	–	5.0	–
	Total extraordinary expenses	**11.2**	**39.9**	**9.2**	**3.7**

Balance sheet

Note 11

(DKK millions)	Trademarks	Leasehold improvements	Goodwill	Group goodwill	Total intangible fixed assets
11 Intangible fixed assets, Group					
Total purchase price:					
Total purchase price as at 2.10. 2000	494.1	38.8	37.4	378.9	949.2
Exchange rate adjustment	-0.5	-0.1	-0.5	-0.2	-1.3
Additions during the year	7.3	11.7	1.3	4.7	25.0
Disposals during the year	-21.5	-5.7	-6.5	-39.2	-72.9
Total purchase price as at 30.09. 2001	**479.4**	**44.7**	**31.7**	**344.2**	**900.0**
Total depreciation and write-downs:					
Total depreciation and write-downs as at 2.10. 2000	466.9	14.7	26.4	137.6	645.6
Exchange rate adjustment	-0.1	–	-0.5	-0.1	-0.7
Additions	–	4.5	–	–	4.5
Depreciation and write-downs for the year	8.0	4.9	0.8	34.2	47.9
Depreciation and write-downs of assets sold	-11.9	-1.9	-0.9	-32.5	-47.2
Total depreciation and write-downs as at 30.09. 2001	**462.9**	**22.2**	**25.8**	**139.2**	**650.1**
Book value as at 30.09. 2001	**16.5**	**22.5**	**5.9**	**205.0**	**249.9**
11 Intangible fixed assets, Parent company					
Total purchase price:					
Total purchase price as at 2.10. 2000	21.2	–	9.9	–	31.1
Additions during the year	3.2	–	–	–	3.2
Disposals during the year	–	–	-1.8	–	-1.8
Total purchase price as at 30.09. 2001	**24.4**	**–**	**8.1**	**–**	**32.5**
Total depreciation and write-downs:					
Total depreciation and write-downs as at 2.10. 2000	21.2	–	9.1	–	30.3
Depreciation and write-downs for the year	3.2	–	–	–	3.2
Depreciation and write-downs of assets sold	–	–	-1.0	–	-1.0
Total depreciation and write-downs as at 30.09. 2001	**24.4**	**–**	**8.1**	**–**	**32.5**
Book value as at 30.09. 2001	**–**	**–**	**–**	**–**	**–**

Balance sheet

Note 12

	(DKK millions)	Land and buildings	Technical plant and machinery	Other plant, equipment, and fittings	Fixed assets under construction	Total fixed assets
12	**Tangible fixed assets, Group**					
	Total purchase price:					
	Total purchase price as at 2.10.2000	4,802.9	5,046.5	962.4	215.7	11,027.5
	Exchange rate adjustment	-31.0	-38.5	-6.0	-0.5	-76.0
	Completion of plants under construction	101.5	60.3	10.9	-172.7	–
	Additions during the year	486.1	302.2	198.0	261.4	1,247.7
	Disposals during the year	-274.4	-260.3	-114.3	–	-649.0
	Total purchase price as at 30.09.2001	**5,085.1**	**5,110.2**	**1,051.0**	**303.9**	**11,550.2**
	Total appreciation:					
	Total appreciation as at 30.09.2001	**39.0**	**4.5**	**0.3**	**–**	**43.8**
	Total depreciation and write-downs:					
	Total depreciation and write-downs as at 2.10.2000	1,909.0	3,730.5	648.7	–	6,288.2
	Exchange rate adjustment	-9.0	-23.5	-4.1	–	-36.6
	Depreciation and write-downs for the year	299.1	342.1	124.8	–	766.0
	Depreciation and write-downs of assets sold	-115.1	-169.1	-63.0	–	-347.2
	Total depreciation and write-downs as at 30.09.2001	**2,084.0**	**3,880.0**	**706.4**	**–**	**6,670.4**
	Book value as at 30.09.2001	**3,040.1**	**1,234.7**	**344.9**	**303.9**	**4,923.6**
	Public assessment, Danish real property, as at 1.1.2001	1,774.5	–	–	–	–
	Book value, foreign real property, amounts to	701.8	–	–	–	–
12	**Tangible fixed assets, Parent company**					
	Total purchase price:					
	Total purchase price as at 2.10.2000	2,603.8	2,544.3	487.0	44.5	5,679.6
	Completion of plants under construction	18.5	22.3	3.7	-44.5	–
	Additions during the year	226.8	86.4	69.1	82.7	465.0
	Disposals during the year	-81.3	-90.1	-7.6	–	-179.0
	Total purchase price as at 30.09.2001	**2,767.8**	**2,562.9**	**552.2**	**82.7**	**5,965.6**
	Total depreciation and write-downs:					
	Total depreciation and write-downs as at 2.10.2000	1,218.3	2,052.9	348.5	–	3,619.7
	Depreciation and write-downs for the year	189.2	136.7	50.1	–	376.0
	Depreciation and write-downs of assets sold	-46.3	-70.9	-5.2	–	-122.4
	Total depreciation and write-downs as at 30.09.2001	**1,361.2**	**2,118.7**	**393.4**	**–**	**3,873.3**
	Book value as at 30.09.2001	**1,406.6**	**444.2**	**158.8**	**82.7**	**2,092.3**
	Public assessment, Danish real property, as at 1.1.2001	1,061.2	–	–	–	–

Balance sheet

Note 13

(DKK millions)	Participating interests in subsidiaries	Receivables from subsidiaries	Participating interests in associates	Other securites and participating interests	Total fixed assets
13 Financial fixed assets, Group					
Total purchase price:					
Total purchase price as at 2.10.2000	1.5	–	62.5	191.3	255.3
Exchange rate adjustment	–	–	–	–	–
Additions during the year	0.1	–	0.8	13.9	14.8
Disposals during the year	-1.4	–	-1.9	-4.8	-8.1
Total purchase price as at 30.9.2001	**0.2**	**–**	**61.4**	**200.4**	**262.0**
Total value adjustments:					
Total value adjustments as at 2.10.2000	0.6	–	8.8	18.0	27.4
Exchange rate adjustment	–	–	0.5	–	0.5
Share of net profit before tax	-1.9	–	27.8	0.5	26.4
Share of tax	–	–	-2.1	–	-2.1
Dividend during the year	–	–	-13.6	–	-13.6
Disposals during the year	0.6	–	-0.5	2.0	2.1
Other adjustments	0.6	–	2.9	0.1	3.6
Total value adjustments as at 30.9.2001	**-0.1**	**–**	**23.8**	**20.6**	**44.3**
Book value as at 30.9.2001	**0.1**	**–**	**85.2**	**221.0**	**306.3**
13 Financial fixed assets, Parent company					
Total purchase price:					
Total purchase price as at 2.10.2000	1,474.0	155.2	53.2	185.7	1,868.1
Adjustment for changes in market value	-26.1	-1.8	–	–	-27.9
Additions during the year	186.5	48.4	–	9.1	244.0
Disposals during the year	-8.9	-8.6	-1.8	–	-19.3
Total purchase price as at 30.9.2001	**1,625.5**	**193.2**	**51.4**	**194.8**	**2,064.9**
Total value adjustments:					
Total value adjustments as at 2.10.2000	5.4	–	4.6	18.3	28.3
Adjustment for changes in market value	-19.5	–	1.2	–	-18.3
Share of net profit before tax	465.9	–	21.0	–	486.9
Share of tax	-73.7	–	-1.4	–	-75.1
Dividend during the year	-398.7	–	-13.1	–	-411.8
Disposals during the year	7.1	–	–	1.6	8.7
Other adjustments	11.0	–	2.9	–	13.9
Total value adjustments as at 30.9.2001	**-2.5**	**–**	**15.2**	**19.9**	**32.6**
Book value as at 30.9.2001	**1,623.0**	**193.2**	**66.6**	**214.7**	**2,097.5**

Balance sheet

Notes 14-15

	(DKK millions)	Group 30.9.2001	Group 2.10.2000	Parent Company 30.9.2001	Parent Company 2.10.2000
14	**Equity capital**				
	Member's accounts				
	Balance as at 2.10.2000	193.9	–	193.9	–
	Capital injection for the year (net)	201.1	193.9	201.1	193.9
	Total member's accounts	**395.0**	**193.9**	**395.0**	**193.9**
	Personal capital accounts:				
	Balance as at 2.10.2000	564.8	639.9	564.8	639.9
	Transferred for disbursement (net)	-74.8	-75.1	-74.8	-75.1
	Total personal capital accounts	**490.0**	**564.8**	**490.0**	**564.8**
	Net revaluation reserve for subsidiaries and associates:				
	Balance as at 2.10.2000	–	–	202.6	90.7
	Adjustment for changes in exchange rate of equity capital in foreign subsidiaries etc. at beginning of year	–	–	-38.3	94.3
	Transferred to other reserves	–	–	8.1	-7.0
	Transferred from distribution of profit	–	–	–	24.6
	Total net revaluation reserve	**–**	**–**	**172.4**	**202.6**
	Other reserves:				
	Balance as at 2.10.2000	1,090.5	948.1	887.9	857.4
	Adjustment for changes in exchange rate of equity capital in foreign subsidiaries etc. at beginning of year	-38.3	94.3	–	–
	Other adjustments	-17.9	1.0	-17.9	1.0
	Transferred from net revaluation reserve	–	–	-8.1	7.0
	Expected transferred to merger and structural costs, DKK 0.05 per kg	67.5	–	67.5	–
	Transferred from distribution of profit	34.6	47.1	34.6	22.5
	Total other reserves	**1,136.4**	**1,090.5**	**964.0**	**887.9**
	Total equity capital	**2,021.4**	**1,849.2**	**2,021.4**	**1,849.2**
15	**Provisions**				
	Pension commitments	25.6	29.4	13.1	15.5
	Costs of insurance and pollution suits	45.1	20.0	40.6	20.0
	Deferred tax	-15.3	-19.4	–	–
	Costs of structural adaptation	10.8	3.7	10.9	3.7
	Negative goodwill	2.7	5.5	–	–
	Lawsuits	–	6.0	–	6.0
	Other provisions	10.1	29.1	–	12.3
	Total provisions	**79.0**	**74.3**	**64.6**	**57.5**

Balance sheet

Notes 16-19

		Group		Parent Company	
	(DKK millions)	**30.9.2001**	**2.10.2000**	**30.9.2001**	**2.10.2000**
16	**Long-term debt**				
	Of the long-term debt the following falls due for payment after five years:				
	Mortgage debt	2,056.5	1,798.5	1,677.4	1,527.4
	Financial leasing	18.9	–	–	–
	Other loans	105.3	92.5	–	–
	Total long-term debt	**2,180.7**	**1,891.0**	**1,677.4**	**1,527.4**
17	**Contingent liabilities**				
	Guarantees to subsidiaries	–	–	3,294.4	4,135.7
	Other guarantees	130.1	224.3	113.1	206.6
	Guarantee obligations towards the EU directorate	783.2	1,031.0	351.4	551.7
	Repayment obligation	43.1	41.8	41.9	40.7
	Letting and leasing obligations	246.6	345.9	61.4	96.8
	Other contingent liabilities	19.0	5.5	0.6	0.6
18	**Securities**				
	Security has been granted in the following assets for mortgage debt and other long-term debt:				
	Land, buildings, and technical plant	2,524.5	2,462.8	1,878.4	1,958.3
	Book value of the above-mentioned assets	2,812.7	2,661.3	1,647.2	1,738.1
	Bonds, etc.	4.6	4.0	–	–

19 **Members' liability**

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

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

The total liability of members as at 30.09.2001 amounts to DKK 513.1m.

Danish Crown AmbA had 20,525 members as at 30.9.2001.

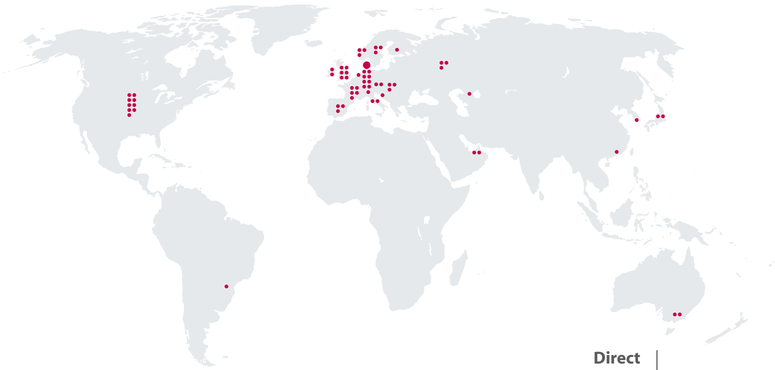
Cash flow statement

	Group	
(DKK millions)	2000/01	1999/00
Cash flow from operating activities		
Profit for the year	1,270.2	987.1
Depreciation	813.9	791.8
Share of profit/loss of financial fixed assets	-24.3	-13.9
Change in provisions	4.7	-45.7
Change in inventories	5.5	186.5
Change in receivables	63.8	-576.7
Change in debt to suppliers, etc.	125.3	436.1
Cash provided by operating activities	**2,259.1**	**1,765.2**
Cash flow from investing activities		
Investment in intangible fixed assets	5.2	-26.6
Investment in tangible fixed assets	-945.9	-837.3
Investment in financial fixed assets	4.8	45.1
Cash used in investing activities	**-935.9**	**-818.8**
Cash flow from financing activities		
Payment of personal capital accounts	193.9	–
Disbursement of personal, liable accounts	-67.3	-69.3
Disbursement of residual payment	-940.0	-733.6
Change in short-term bank credit	-1,761.2	-8.3
Change in mortgage debt	137.6	-66.5
Change in financial leasing	-4.7	-31.3
Change in other long-term debt	1,137.8	-12.4
Cash provided by financing activities	**-1,303.9**	**-921.4**
Change in cash, cash equivalents, and securities	19.3	25.0
Cash, cash equivalents, and securities as at 4.10.1999	277.2	252.2
Cash, cash equivalents, and securities as at 1.10.2000	**296.5**	**277.2**

List of group members

Company name		Direct ownership share %
Tulip International P/S ® ■	Denmark	95.0
Tulip International (UK) Ltd.	UK	100.0
Tulip International (UK) Bacon Division Ltd.	UK	100.0
Tulip International (UK) Cooked Meat Division Ltd.	UK	100.0
Gott Foods Ltd.	UK	100.0
Tulip International GmbH	Germany	100.0
Tulip International France S.A.	France	100.0
Tulip International Sverige AB	Sweden	100.0
Tulip Italiana S.R.L.	Italy	100.0
Majesty Inc.	USA	100.0
Scan-Tulip A/S	France	40.0
Danish Prime Food Company K/S ® ■	Denmark	95.0
Danish Prime Mou P/S ■	Denmark	95.0
Komplementarselskabet DP af 21. marts 2001 ApS	Denmark	100.0
Danish Prime Mou P/S ■	Denmark	5.0
Iwans Dybfrost ApS	Denmark	100.0
Hyggemad ApS	Denmark	100.0
Best Holding GmbH	Germany	100.0
Danish Prime Food Company GmbH	Germany	100.0
Mou Food Company GmbH	Germany	100.0
Danish Prime Ltd.	UK	100.0
Danish Prime AB	Sweden	100.0
Danish Crown Holding Ltd.	UK	100.0
VJS Holdings UK Ltd.	UK	100.0
VJS Foods Ltd.	UK	100.0
Glenbrooke Ltd.	Ireland	100.0
Plumrose Ltd.	UK	100.0
Laxgate Ltd.	UK	100.0
Belvoir Ltd.	UK	100.0
Foodane Ltd.	UK	100.0
Celebrity Food Factories Ltd.	UK	100.0
Danish Bacon Company Ltd.	UK	100.0
ESS-FOOD UK Ltd.	UK	100.0
Danish Bacon Independent Ltd	UK	100.0

Company name		Direct ownership share %
SFK Holding A/S	Denmark	76.6
SFK Meat Systems a.m.b.a.	Denmark	100.0
SFK-Danfotech Holding A/S	Denmark	60.0
SFK-Danfotech A/S	Denmark	100.0
SFK America Inc.	USA	100.0
SFK TECH S.L.	Spain	30.0
Danfood Technology Ltd.	UK	30.4
SFK Ltd.	UK	100.0
SFK Australia Pty. Ltd.	Australia	100.0
SFK Food A/S	Denmark	100.0
SFK Norge AS	Norway	50.3
Nordfalks Industri AB	Sweden	90.0
SFK CR, spol.s.r.o.	Czech Rep.	100.0
Landbrugets Samkøb ApS	Denmark	50.0
DAT-SCHAUB a.m.b.a.	Denmark	79.7
DAT-SCHAUB Holding A/S	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	60.0
Emborg House AO	Russia	100.0
Emborg Foods España S.A.	Spain	100.0
Dann'Ka S.L. ■	Spain	50.0
Emborg Foods Polska Sp.z.o.o.	Poland	100.0
Emborg Foods Norge AS	Norway	100.0
Ranum Mejeri A/S	Denmark	100.0
DAT-SCHAUB International A/S	Denmark	100.0
Carnehansen A/S	Denmark	100.0
Dansk Svensk Koedexport s.r.o.	Czech Rep.	100.0
DAT-SCHAUB Hungary 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



List of group members

Company name		Direct ownership share %
NoriDane Food A/S	Denmark	50.0
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
S.A. Boyauderie du Poitou	France	100.0
S.A. Cima	Spain	100.0
S.A. Trissal	Portugal	50.0
Aktieselskabet DAT-SCHAUB Danmark	Denmark	100.0
DAT-SCHAUB Spedition ApS	Denmark	100.0
Dann'Ka S.L. ■	Spain	50.0
Arne B. Corneliussen AS	Norway	100.0
Oy DAT-SCHAUB Finland Ab	Finland	100.0
DAT SCHAUB AB	Sweden	100.0
DAT-SCHAUB (PORTO) S.A.	Portugal	100.0
DAT-SCHAUB (Portugal) Lda.	Portugal	100.0
DAT-SCHAUB USA Inc.	USA	100.0
Dansk Kuldekonservering A/S	Denmark	55.0
Dubai Meat Packers Ltd. (filial)	U.A.E.	100.0
Oriental Sino Limited	Hong Kong	45.0
Yancheng Lianyi Casing Products Co. Ltd.	China	100.0
OTHER SUBSIDIARIES		
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
Q.A. Meat Ltd.	UK	90.0
DAK AO	Russia	100.0
Foodane AO	Russia	100.0

	Company name		Direct ownership share %
	Danish Crown S.a.r.l.	France	100.0
	Danish Crown España S.A.	Spain	100.0
	Carnes Danesas S.A.	Spain	100.0
▼	Danish Crown Incorporated A/S	Denmark	100.0
	Tulip International P/S ® ■	Denmark	5.0
▼	Danish Prime A/S	Denmark	100.0
	Danish Prime Food Company K/S ® ■	Denmark	5.0
	Scan-Hide A.m.b.a.	Denmark	72.5
	Selskabet af 23. maj 2000 A/S	Denmark	100.0
	Dansk Hesteslagteri A/S	Denmark	75.0
▼	Friland Food A/S	Denmark	60.0
	Friland Food AB	Sweden	100.0
▼	ESS-FOOD S.A.	France	100.0
	Desfis S.A.	France	100.0
▼	SCI E.F. Immobilier Orléans	France	100.0
	SCI RP Bernay	France	70.0
	ESS-FOOD WW S.A. Paris	France	100.0
▼	Globe Meat Holland B.V.	Holland	100.0
	Pelco B.V.	Holland	100.0
	ESS-FOOD Benelux B.V.	Holland	100.0
	ESS-FOOD Japan Co. Ltd.	Japan	100.0
	ESS-FOOD Moskva (Repræsentationskontor)	Russia	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
	Globe Meat Danmark ApS	Denmark	100.0
	Hamcoship ApS	Denmark	100.0
	ESS-FOOD Hungaria Kft.	Hungary	96.0
	ASSOCIATED COMPANIES		
	Daka amba	Denmark	44.3
	Agri-Norcold A/S	Denmark	34.2

▼ The following text in red indicates subsidiaries of the company

■ Mentioned in the list of group members more than once