

Russia Gives Carlsberg a Boost in Q1

By [The Moscow Times](#)

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Danish brewer Carlsberg met forecasts with a 38 percent rise in first-quarter operating profit, aided by growth in Asia and rebound on the Russian market.

The brewer kept its 2011 outlook unchanged, and said Wednesday that it expected Russian beer volume to grow 2 to 4 percent, but that the cost of sales worldwide would rise due to higher input costs as the price of raw materials continue to climb.

"We are particularly pleased that the important Russian market has returned to growth," chief executive Jorgen Buhl Rasmussen said.

The Russian market grew an estimated 1 percent in the first quarter and continued an improving trend that started in mid-2010 as a result of an improved economic environment, Carlsberg said.

First-quarter worldwide operating profit rose to 1 billion Danish kroner (\$187 million), in line with 1.01 billion kroner forecast in a Reuters poll.

"The result is close to expectations, and they keep the outlook intact. ... It is a neutral set of results," Alm Brand analyst Stig Nymann said. "I had hoped that they would at one point this year raise their expectations for the Russian market, but that did not happen this time."

Eastern Europe accounts for about 40 percent of Carlsberg's total beer volume, while northern and Western Europe accounts for about 40 percent and Asia 20 percent.

"Carlsberg's Eastern European business benefited from an improving macroeconomic environment and from distorted year-on-year comparisons," the group said.

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