

Brewer Sees Improved Outlook for 2012

By [The Moscow Times](#)

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Beer drinkers imbibing on a bench at Patriarch's Ponds beside a sculpture depicting one of Ivan Krylov's fables. **Vladimir Filonov**

The head of the world's fourth-biggest brewer, Carlsberg, said the outlook for the group's key Eastern European and Russian markets appeared brighter.

In November, Carlsberg reported a steeper-than-expected drop in third-quarter profits largely due to weakness in its Russian market and forecast a further decline in low single-digit percentages for the Russian market in 2012.

"We believe that things will be better in Eastern Europe and especially in the Russian market in 2012," chief executive Jorgen Buhl Rasmussen told the Jyllands-Posten newspaper in an interview published Tuesday.

"When I talk with Russian businesspeople, they are positive about the outlook for 2012," Rasmussen said, citing Russian expectations for the stabilization of the oil price at a reasonably high level and for growth in gross domestic product.

"Their biggest concern is about how much Western Europe can negatively affect Russia," Rasmussen said.

Carlsberg, whose beer labels include Carlsberg, Tuborg, and Kronenbourg, said in November that its Russian market declined 7 percent in the third quarter and its market share fell to 37.8 percent from 39.3 percent.

In late October, Carlsberg announced that it was replacing the head of its Russian unit, Baltika Breweries, to address the decline in Russian business, which was hit by a 200 percent increase in Russian excise tax in January 2010.

Rasmussen told Jyllands-Posten that Carlsberg had shed about 25 percent of its workforce in Russia in the past few years. "So one cannot blame us for sitting still," he said.

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