

# **Interim report of Copenhagen Airports A/S (CPH) for the period 1 January – 30 September 2016**

**Stock Exchange Announcement 2016  
Copenhagen, 8 November 2016**

P.O. Box 74  
Lufthavnsboulevarden 6  
2770 Kastrup, Denmark

Contact:  
Lars Jønstrup Dollerup  
CFO

Tel.: +45 3231 3231  
Fax: +45 3231 3132  
E-mail: [cphweb@cph.dk](mailto:cphweb@cph.dk)  
[www.cph.dk](http://www.cph.dk)

CVR no. 14 70 72 04

## Contents

INTERIM REPORT OF COPENHAGEN AIRPORTS A/S (CPH) FOR THE PERIOD	
1 JANUARY – 30 SEPTEMBER 2016.....	3
Summary for the first nine months of 2016.....	3
Highlights of results.....	4
Outlook for 2016.....	4
GROUP FINANCIAL HIGHLIGHTS AND KEY RATIOS .....	5
MANAGEMENT’S FINANCIAL REVIEW .....	6
Other items in the income statement .....	7
Cash flow statement.....	7
Income statement.....	8
Aeronautical segment .....	10
Non-aeronautical segment.....	11
Other events.....	12
Risks and uncertainties.....	12
CONSOLIDATED FINANCIAL STATEMENTS .....	13
Income statement.....	13
Statement of comprehensive income.....	14
Balance sheet .....	15
Cash flow statement.....	17
Statement of changes in equity.....	18
Notes to the financial statements.....	19
MANAGEMENT’S STATEMENT AND AUDITORS’ REPORT.....	22
Management’s statement on the interim report .....	22
The Independent auditors’ review report on the interim financial statements .....	23

The terms “Copenhagen Airports”, “CPH”, “the Group” and “the Company” are used synonymously for Copenhagen Airports A/S consolidated with its subsidiaries and associates.

The term “Copenhagen Airport” is used about the airport at Copenhagen, Kastrup, owned by Copenhagen Airports A/S.

The term “YTD” is used about year-to-date figures, and the term “FY” is used about full-year figures.

## INTERIM REPORT OF COPENHAGEN AIRPORTS A/S (CPH) FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2016

The Board of Directors has today approved the interim report for the period 1 January – 30 September 2016.

### SUMMARY FOR THE FIRST NINE MONTHS OF 2016

Copenhagen Airports A/S (CPH) has continued to grow in the first nine months of 2016. Revenue grew by 9.8%, which is in line with the growth in passenger numbers, partly because of the low price-index adjustment of charges. Profit before tax increased by 17.1% to DKK 1,268.7 million, primarily due to a combination of the high passenger growth and continued focus on efficiency, which has reduced costs per passenger excluding one-off items by 3.3% compared to the same period last year, despite heavy investment in the security area and further additional regulatory requirements. CPH is maintaining its full-year outlook for profit before tax in line with the updated outlook of 10 August 2016.

A total of 8,413,408 passengers travelled through Copenhagen Airport in the third quarter of 2016, giving a total of 22,118,267 passengers in the first nine months, an increase of 9.9% on 2015. A large part of the growth can be attributed to more tourists flying to Denmark.

The growth has been driven in particular by more passengers on the international routes. Long-haul inter-continental traffic increased by 10.6% and European traffic by 10.0%, with domestic traffic also showing solid year-on-year growth of 6.9%.

#### Tourists creating growth

The number of foreign tourists flying to Copenhagen increased by approx. 16% in the first half year of 2016 and the number of foreign business travellers by more than 12%. This can partly be attributed to new routes and increased capacity in the form of larger aircraft and more departures.

Copenhagen Airport has managed to attract additional new routes in recent years and increased capacity with larger aircraft and more departures. The many new routes are helping to attract more tourists to Danish destinations, and contributing to growth and job creation in the tourism sector throughout the country. This is one of the very positive effects of the development of new routes at Copenhagen Airport seen historically, and will be further enhanced in the coming years as CPH realises its plan to grow from 25 to 40 million passengers a year. To achieve this objective CPH will need to invest up to DKK 20 billion in CPH's growth plan, Expanding CPH.

The consultancy company DAMVAD Analytics has calculated that the growth at Copenhagen Airport from 2005 to 2015 has increased Denmark's gross domestic product (GDP) by approx. DKK 31 billion. The new routes, the higher seat capacity and the increased number of passengers flying to Copenhagen Airport in the first nine months of 2016, have boosted Copenhagen Airport's contribution to GDP by approx. DKK 2.9 billion, according to DAMVAD Analytics.

#### Big investments

The high growth in passenger numbers means that CPH continues to have a high level of capital investments. CPH is maintaining its Expanding CPH strategy, under which it will expand and develop the airport as passenger numbers increase. Investments totalling DKK 664.7 million were made in the first nine months of the year. These relate to expansion of capacity at the central security checkpoint, new aircraft stands, improvement of wide-body facilities, runway renovation, and various IT systems and additional investments.

#### Refinancing

On 24 October 2016, CPH signed a new guaranteed loan agreement with the European Investment Bank (EIB). The agreement provides CPH with a project-financed credit limit of up to DKK 1,250 million. Within this framework, CPH can utilise the facility over the 10-year life of the loan, with the option to extend up to a total of 15 years. The new facility from EIB is a seal of approval for CPH's growth plan, Expanding CPH.

## HIGHLIGHTS OF RESULTS

- Passenger numbers at Copenhagen Airport increased by 9.9% in the first nine months of 2016. The number of locally departing passengers grew by 11.4% and the number of transfer passengers by 4.9%.
- Revenue grew by 9.8% to DKK 3,337.4 million (2015: DKK 3,040.7 million), primarily driven by the 10.2% increase in departing international passengers and increased revenue from parking.
- Thanks to a continuing focus on cost efficiency, operating costs per passenger were reduced by 3.3%, despite increased regulatory requirements and a major focus on investments in the central security checkpoint.
- EBITDA, excluding one-off items, increased by 12.6% to DKK 1,930.5 million (2015: DKK 1,714.3 million). Reported EBITDA rose by 12.6% to DKK 1,920.5 million (2015: DKK 1,706.3 million).
- EBIT, excluding one-off items, increased by 14.8% to DKK 1,412.6 million (2015: DKK 1,231.0 million). Reported EBIT rose by 14.7% to DKK 1,402.6 million (2015: DKK 1,223.0 million).
- Net financing costs were down by DKK 5.4 million year on year, partly due to improved loan terms.
- Profit before tax, excluding one-off items, was up by 17.1% to DKK 1,278.7 million (2015: DKK 1,091.7 million). Reported profit before tax was up by 17.1% to DKK 1,268.7 million (2015: DKK 1,083.7 million).
- Capital expenditure was DKK 664.7 million in the first nine months of 2016 (2015: DKK 783.3 million). This relates to expansion of capacity at the central security checkpoint, new aircraft stands, improvement of wide-body facilities, runway renovation, and various IT systems and additional investments.

## OUTLOOK FOR 2016

The outlook for traffic growth, profit before tax and capital expenditure is unchanged from the announcement of 10 August 2016.

### Outlook for profit before tax

Based on the expected traffic programme for 2016, an increase in the total number of passengers and revenue is expected.

The development in passenger numbers is a dynamic factor that is subject to both positive and negative influence from general economic developments, decisions by airlines relating to routes and capacity, and isolated events in the aviation industry.

Operating costs are expected to be higher than in 2015, primarily due to the expected rise in passenger numbers, enhanced security requirements and cost inflation, although this will be partly offset by a continuing focus on operating cost efficiencies. Overall, depreciation charges and financing costs are expected to be slightly higher than in 2015, primarily as a result of a continued high investment level.

Profit before tax in 2016 is expected to be in the range of DKK 1,550-1,650 million, excluding one-off items. EBITDA is projected to be higher in 2016 than in 2015, excluding one-off items.

### Outlook for capital investments

CPH expects to continue to invest in growth for the benefit of passengers and airlines. As in recent years, CPH expects capital investments to remain at a high level in 2016. Investments include expansion of the central security checkpoint, including four additional security lanes, the expansion of passport control at Pier C with self-service passport control for EU citizens, improvement of wide-body facilities, and a redesigned passenger drop-off zone in P4. CPH will also be investing in non-aeronautical projects for the benefit of airlines and passengers.

**GROUP FINANCIAL HIGHLIGHTS AND KEY RATIOS**

	Q3 2016	Q3 2015	YTD 2016	YTD 2015	2015
<b>Income statement (DKK million)</b>					
Revenue	1,229	1,125	3,337	3,041	4,062
EBITDA	753	673	1,921	1,706	2,259
EBIT	571	508	1,403	1,223	1,584
Net financing costs	46	43	134	139	180
Profit before tax	526	464	1,269	1,084	1,404
Net profit	425	353	990	824	1,086
<b>Statement of comprehensive income (DKK million)</b>					
Other comprehensive income	(19)	34	(6)	86	54
Comprehensive income	406	387	983	910	1,140
<b>Balance sheet (DKK million)</b>					
Property, plant and equipment	9,574	9,252	9,574	9,252	9,403
Financial investments	132	200	132	200	246
Total assets	10,745	10,442	10,745	10,442	10,669
Equity	2,795	2,761	2,795	2,761	2,992
Interest-bearing debt	5,746	5,422	5,746	5,422	5,479
Investment in property, plant and equipment	241	322	580	702	995
Investment in intangible assets	51	11	85	82	154
<b>Cash flow statement (DKK million)</b>					
Cash flow from operating activities	795	669	1,446	1,421	1,850
Cash flow from investing activities	(292)	(333)	(655)	(781)	(1,145)
Cash flow from financing activities	(517)	(359)	(804)	(639)	(668)
Cash at end of period	70	48	70	48	83
<b>Key ratios</b>					
EBITDA margin	61.2%	59.8%	57.5%	56.1%	55.6%
EBIT margin	46.5%	45.1%	42.0%	40.2%	39.0%
Asset turnover rate	0.47	0.45	0.43	0.40	0.40
Return on assets	21.7%	20.1%	17.9%	16.3%	15.7%
Return on equity	59.1%	50.4%	45.6%	39.2%	37.2%
Equity ratio	26.0%	26.4%	26.0%	26.4%	28.0%
Earnings per DKK 100 share	54.1	45.0	126.1	105.0	138.4
Cash earnings per DKK 100 share	77.2	66.0	192.1	166.6	224.4
Net asset value per DKK 100 share	356.1	351.8	356.1	351.8	381.2
NOPAT margin	31.9%	29.4%	31.9%	29.4%	30.1%
Turnover rate of capital employed	0.47	0.45	0.47	0.45	0.45
ROCE*	18.9%	17.0%	18.9%	17.0%	17.4%

\* ROCE is calculated based on reported EBIT for the last four quarters.

## MANAGEMENT'S FINANCIAL REVIEW

### Performance – Q3 2016

Performance in the third quarter of 2016 was underpinned by the 8.0% increase in passenger numbers at Copenhagen Airport. This growth was primarily driven by an 8.1% increase in departing international passengers and 5.8% growth in domestic passengers. Despite significantly higher security-related costs as a result of growth in passenger numbers and increasing regulatory requirements, CPH has successfully reduced costs per passenger by 2.7% through a continued focus on efficiency improvements.

Consolidated profit before tax for the third quarter of 2016 was DKK 528.4 million (2015: DKK 466.9 million), excluding one-off items of DKK 2.8 million, which primarily related to restructuring costs. This is an increase of 13.2% compared to the same period last year.

### Performance – Compared to 2015

Consolidated revenue in the first nine months of 2016 rose by 9.8% to DKK 3,337.4 million. Aeronautical revenue grew by 10.6% to DKK 1,971.8 million, primarily driven by the increase in the number of locally departing international passengers. Non-aeronautical revenue grew by 8.6% to DKK 1,365.6 million, mainly driven by parking.

Operating costs including depreciation rose by DKK 118.2 million to DKK 1,930.4 million excluding one-off items. This was mainly due to an increase in staff costs of DKK 58.6 million, resulting from the annual salary adjustment and an increase in headcount of 70 full-time employees (from 2,255 in the first nine months of 2015 to 2,325 in the first nine months of 2016), primarily as a result of an increased focus on investments in security checks in the light of additional regulatory requirements and higher passenger numbers. External costs excluding one-off items were up by DKK 25.0 million. Total operating costs excluding one-off items per passenger were reduced by 3.3% through a continuing focus on efficiency improvements. Depreciation increased by DKK 34.6 million due to the high level of investment.

Excluding one-off items, EBITDA grew by 12.6%. Reported EBITDA was up by 12.6% to DKK 1,920.5 million.

Net financing costs were DKK 133.9 million, a year-on-year decline of DKK 5.4 million, partly due to improved loan terms.

Excluding one-off items, profit before tax was up by DKK 187.0 million or 17.1% to DKK 1,278.7 million. Reported profit before tax rose by DKK 185.0 million to DKK 1,268.7 million.

DKK million	Q3				Year to date			
	2016	2015	Ch.	Ch. %	2016	2015	Ch.	Ch. %
Revenue	1,228.8	1,125.4	103.4	9.2%	3,337.4	3,040.7	296.7	9.8%
EBITDA	752.6	672.6	80.0	11.9%	1,920.5	1,706.3	214.2	12.6%
EBIT	571.3	507.6	63.7	12.5%	1,402.6	1,223.0	179.6	14.7%
Net financing costs	45.7	43.2	2.5	5.8%	133.9	139.3	(5.4)	(3.9%)
<b>Profit before tax</b>	<b>525.6</b>	<b>464.4</b>	<b>61.2</b>	<b>13.2%</b>	<b>1,268.7</b>	<b>1,083.7</b>	<b>185.0</b>	<b>17.1%</b>

## OTHER ITEMS IN THE INCOME STATEMENT

### Net financing costs

DKK million	Year to date		
	2016	2015	Ch.
Interest	157.7	159.0	(1.3)
Market value adjustments	(0.3)	(0.2)	(0.1)
Other financial costs	(23.5)	(19.5)	(4.0)
<b>Total</b>	<b>133.9</b>	<b>139.3</b>	<b>(5.4)</b>

Net financing costs were down by DKK 5.4 million year on year.

Interest costs were down by DKK 1.3 million year on year due to lower interest rates in 2016.

Other financial costs decreased by DKK 4.0 million, mainly due to an increase in capitalised interest on non-current assets as a result of shifts in project start-ups.

### Tax on profit for the period

Tax on profit for the period is recognised on the basis of estimated tax.

## CASH FLOW STATEMENT

DKK million	Year to date		
	2016	2015	Ch.
<b>Cash flow from:</b>			
Operating activities	1,445.5	1,420.6	24.9
Investing activities	(654.7)	(780.6)	125.9
Financing activities	(804.4)	(638.9)	(165.5)
<b>Net cash flow for the period</b>	<b>(13.6)</b>	<b>1.1</b>	<b>(14.7)</b>
Cash at beginning of year	83.4	47.1	36.3
<b>Cash at the end of the period</b>	<b>69.8</b>	<b>48.2</b>	<b>21.6</b>

### Cash flow from operating activities

Developments in the cash flow from operating activities can primarily be attributed to the increased activity level, and the focus on achieving cost efficiencies and stabilising operating costs relative to growth. Cash flow from operating activities before tax increased by DKK 182.2 million. However, the overall development in the cash flow from operating activities was lower as a result of a large payment of tax on account made in the first quarter.

### Cash flow from investing activities

Investments in property, plant and equipment and intangible assets in the first nine months of 2016 totalled DKK 664.7 million (2015: DKK 783.3 million). Major investments in the first nine months of 2016 included expansion of capacity at the central security checkpoint, new aircraft stands, improvement of wide-body facilities, runway renovation, and various IT systems and additional investments.

### Cash flow from financing activities

The cash flow from financing activities relates primarily to minor mortgage repayments and payment of dividends.

### Cash and cash equivalents

As of 30 September 2016, CPH had cash and cash equivalents of DKK 69.8 million and unused credit facilities of DKK 1,700.0 million.

**INCOME STATEMENT**

<b>1 January - 30 September 2016</b>	<b>Including one-off items</b>	<b>One-off items</b>	<b>Excluding one-off items</b>
<b>DKK million</b>			
Revenue	3,337.4	-	3,337.4
Other income	5.6	-	5.6
External costs	448.6	(1.8)	446.8
Staff costs	973.9	(8.2)	965.7
<b>EBITDA</b>	<b>1,920.5</b>	<b>10.0</b>	<b>1,930.5</b>
Amortisation and depreciation	517.9	-	517.9
<b>Profit before interest and tax</b>	<b>1,402.6</b>	<b>10.0</b>	<b>1,412.6</b>
Net financing costs	133.9	-	133.9
<b>Profit before tax</b>	<b>1,268.7</b>	<b>10.0</b>	<b>1,278.7</b>
Tax on profit for the period	279.2	2.2	281.4
<b>Net profit for the period</b>	<b>989.5</b>	<b>7.8</b>	<b>997.3</b>

<b>1 January - 30 September 2015</b>	<b>Including one-off items</b>	<b>One-off items</b>	<b>Excluding one-off items</b>
<b>DKK million</b>			
Revenue	3,040.7	-	3,040.7
Other income	2.5	-	2.5
External costs	425.5	(3.7)	421.8
Staff costs	911.4	(4.3)	907.1
<b>EBITDA</b>	<b>1,706.3</b>	<b>8.0</b>	<b>1,714.3</b>
Amortisation and depreciation	483.3	-	483.3
<b>Profit before interest and tax</b>	<b>1,223.0</b>	<b>8.0</b>	<b>1,231.0</b>
Net financing costs	139.3	-	139.3
<b>Profit before tax</b>	<b>1,083.7</b>	<b>8.0</b>	<b>1,091.7</b>
Tax on profit for the period	259.9	1.9	261.8
<b>Net profit for the period</b>	<b>823.8</b>	<b>6.1</b>	<b>829.9</b>



<b>Q3 2016</b>	<b>Including one-off items</b>	<b>One-off items</b>	<b>Excluding one-off items</b>
<b>DKK million</b>			
Revenue	1,228.8	-	1,228.8
Other income	0.2	-	0.2
External costs	156.7	(0.6)	156.1
Staff costs	319.7	(2.2)	317.5
<b>EBITDA</b>	<b>752.6</b>	<b>2.8</b>	<b>755.4</b>
Amortisation and depreciation	181.3	-	181.3
<b>Profit before interest and tax</b>	<b>571.3</b>	<b>2.8</b>	<b>574.1</b>
Net financing costs	45.7	-	45.7
<b>Profit before tax</b>	<b>525.6</b>	<b>2.8</b>	<b>528.4</b>
Tax on profit for the period	101.1	0.5	101.6
<b>Net profit for the period</b>	<b>424.5</b>	<b>2.3</b>	<b>426.8</b>

<b>Q3 2015</b>	<b>Including one-off items</b>	<b>One-off items</b>	<b>Excluding one-off items</b>
<b>DKK million</b>			
Revenue	1,125.4	-	1,125.4
Other income	0.2	-	0.2
External costs	144.9	(0.8)	144.1
Staff costs	308.1	(1.7)	306.4
<b>EBITDA</b>	<b>672.6</b>	<b>2.5</b>	<b>675.1</b>
Amortisation and depreciation	165.0	-	165.0
<b>Profit before interest and tax</b>	<b>507.6</b>	<b>2.5</b>	<b>510.1</b>
Net financing costs	43.2	-	43.2
<b>Profit before tax</b>	<b>464.4</b>	<b>2.5</b>	<b>466.9</b>
Tax on profit for the period	111.4	0.6	112.0
<b>Net profit for the period</b>	<b>353.0</b>	<b>1.9</b>	<b>354.9</b>

### Segment reporting

CPH has chosen to review its operating and financial performance for the period based on its segmental division.

CPH's income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes to the financial statements for the period 1 January – 30 September 2016 will be found on pages 13-21.

### Segment revenue and profit

<b>Year to date</b>	<b>Revenue</b>				<b>Profit before interest and tax</b>			
	<b>2016</b>	<b>2015</b>	<b>Ch.</b>	<b>Ch. %</b>	<b>2016</b>	<b>2015</b>	<b>Ch.</b>	<b>Ch. %</b>
<b>DKK million</b>								
Aeronautical	1,971.8	1,783.0	188.8	10.6%	503.9	398.2	105.7	26.6%
Non-aeronautical	1,365.6	1,257.7	107.9	8.6%	898.7	824.8	73.9	9.0%
<b>Total</b>	<b>3,337.4</b>	<b>3,040.7</b>	<b>296.7</b>	<b>9.8%</b>	<b>1,402.6</b>	<b>1,223.0</b>	<b>179.6</b>	<b>14.7%</b>

## AERONAUTICAL SEGMENT

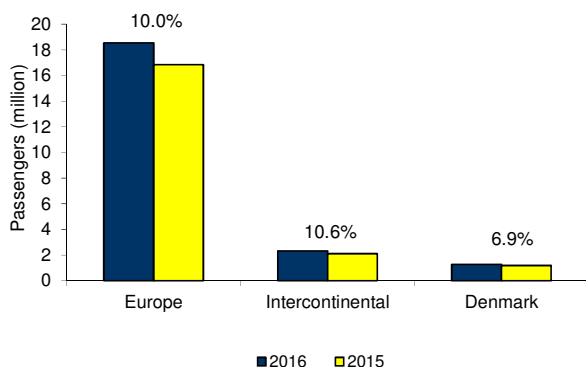
DKK million	Q3				Year to date				FY
	2016	2015	Ch.	Ch. %	2016	2015	Ch.	Ch. %	2015
Revenue	741.6	681.8	59.8	8.8%	1,971.8	1,783.0	188.8	10.6%	2,364.5
Other income	0.2	0.2	-	-	5.6	2.5	3.1	124.0%	3.1
Profit before interest	242.1	211.0	31.1	14.7%	503.9	398.2	105.7	26.6%	483.3
Segment assets					7,595.8	7,212.5	383.3	5.3%	7,448.4

### Passengers

The total number of passengers at Copenhagen Airport in the third quarter of 2016 grew by 8.1%. Traffic was positively affected by record-high summer traffic and the full-year effect of several new routes. The number of locally departing passengers increased by 10.2% and the number of transfer passengers by 0.2%.

The total number of passengers at Copenhagen Airport in the first nine months of 2016 was 22.1 million, an increase of 9.9%. Growth was primarily driven by international traffic, which grew by 10.1%, while domestic traffic grew by 6.9%. The deployment of larger aircraft meant that the average number of seats per flight increased by 4.1%, while the number of passenger-related operations increased by 5.6%. This resulted in a total increase in seat capacity of 9.9%. The average load factor (passengers per departing flight) for the first nine months of 2016 was on par with 2015.

#### Total passengers/growth by market in the first nine months of 2016



For additional comments on traffic performance, please see the most recently released traffic statistics for September 2016.

In the first nine months of 2016, the number of locally departing passengers increased by 11.4% and the number of transfer passengers by 4.9%. Locally departing passengers accounted for 78.7% of all departing passengers, with transfer passengers making up 21.3%.

### Revenue

DKK million	Year to date			
	2016	2015	Ch.	Ch. %
Take-off charges	348.3	324.5	23.8	7.3%
Passenger charges	909.4	839.8	69.6	8.3%
Security charges	471.7	422.0	49.7	11.8%
ETD charges	27.7	3.0	24.7	-
Handling	158.9	144.5	14.4	10.0%
Aircraft parking, CUTE, etc.	55.8	49.2	6.6	13.4%
<b>Total</b>	<b>1,971.8</b>	<b>1,783.0</b>	<b>188.8</b>	<b>10.6%</b>

Total aeronautical revenue grew by 10.6%, primarily driven by the increase in the number of passengers and in particular departing international passengers. The increase was also affected by the 0.46% annual price-index adjustment of all aeronautical charges on 1 April 2016.

Take-off charges rose by 7.3%, primarily due to an 8.4% increase in take-off weight. The take-off weight was up by 10.2% for passenger-related operations and down by 18.4% for cargo operations. The number of passenger-related operations rose by 5.6%, while that of cargo operations fell by 7.8%.

Passenger charges increased by 8.3%, which was mainly due to a change in the passenger mix and an increase in the number of locally departing international passengers, in particular from CPH Go.

Security, ETD and handling charges increased by a total of DKK 88.8 million, or 15.6%, to DKK 658.3 million. This, too, can mainly be attributed to a change in the passenger mix with more locally departing passengers on international flights. Costs incurred by CPH in connection with Explosives Trace Detection (ETD) regulations are included in revenue from 1 September 2015. A much higher number of passengers have also used the CPH Express Security lanes.

### Profit before interest (EBIT)

The increase in EBIT was mainly due to the growth in passenger numbers. Staff costs were higher because of increased security requirements and growth in passenger numbers, and there were higher depreciation charges as a result of the increase in aeronautical investments. External costs were maintained at a stable level relative to growth.

## NON-AERONAUTICAL SEGMENT

DKK million	Q3				Year to date				FY 2015
	2016	2015	Ch.	Ch. %	2016	2015	Ch.	Ch. %	
Revenue	487.2	443.6	43.6	9.8%	1,365.6	1,257.7	107.9	8.6%	1,697.4
Profit before interest	329.2	296.7	32.5	11.0%	898.7	824.8	73.9	9.0%	1,100.9
Segment assets					2,947.9	2,980.8	(32.9)	(1.1%)	2,891.0
Investments in associates					0.4	0.4	-	-	0.4

### Revenue

#### Concession revenue

DKK million	Year to date			
	2016	2015	Ch.	Ch. %
Shopping centre	586.4	557.5	28.9	5.2%
Parking	276.8	243.9	32.9	13.5%
Other revenue	44.6	37.2	7.4	19.8%
<b>Total</b>	<b>907.8</b>	<b>838.6</b>	<b>69.2</b>	<b>8.3%</b>

Concession revenue from the shopping centre increased by 5.2% in the first nine months of 2016. The primary drivers were the increase in the number of departing passengers and an improved shop and brand mix of specialty shops and restaurants.

The specialty shop concept has been optimised by an expanded product mix, including new shops such as Sunglass Hut, and a completely new category, JD sports, and new locations for shops such as Rolling Luggage and Illums Bolighus (Center of Modern Design). The restaurant segment has been optimised to include Murphy's, O'Learys landside and a 7-Eleven unit in the Go terminal, which have all opened over the last year and are now having a positive impact, offering passengers more choice.

The TAX FREE stores are in line with 2015.

Parking revenue grew by 13.5%, driven by a sustained strengthening of online and media efforts, including in Sweden, and an increase in passenger numbers. Moreover, a revised price structure has helped increase the average transaction value.

Other income grew by 19.8%, mainly due to implementation of the advertising contract with Air-magine, which had not been fully implemented this time last year. Car hire has also contributed to the increase.

### Rent

DKK million	Year to date			
	2016	2015	Ch.	Ch. %
Rent from premises	85.1	86.8	(1.7)	(1.9%)
Rent from land	44.4	41.0	3.4	8.4%
Other rent	5.0	5.2	(0.2)	(4.2%)
<b>Total</b>	<b>134.5</b>	<b>133.0</b>	<b>1.5</b>	<b>1.1%</b>

Rent from premises was slightly lower than in 2015, primarily due to the transition to contracts in the shopping centre that are based solely on concession revenue and no longer include rent. The 8.4% increase in rent from land can mainly be attributed to the sale of building rights for a new vehicle workshop.

### Sales of services, etc.

DKK million	Year to date			
	2016	2015	Ch.	Ch. %
Hotel operation	172.2	161.3	10.9	6.8%
Other	151.1	124.8	26.3	21.0%
<b>Total</b>	<b>323.3</b>	<b>286.1</b>	<b>37.2</b>	<b>13.0%</b>

Revenue from the hotel operation increased by 6.8%, primarily driven by higher revenue from hotel rooms.

Other income mainly comprises increasing revenue from our international consulting business, generated from consulting assistance provided to IAG (New Istanbul Airport), and rising PRM revenue (PRM is non-profit for CPH).

### Profit before interest (EBIT)

EBIT increased by 9.0% year on year in the first nine months of 2016. The increase was mainly the result of higher revenue and a stable cost level relative to growth.

## OTHER EVENTS

On 24 October 2016, CPH signed a new guaranteed loan agreement with the European Investment Bank (EIB). The agreement provides CPH with a project-financed credit limit of up to DKK 1,250 million. Within this framework, CPH can utilise the facility over the 10-year life of the loan, with the option to extend up to a total of 15 years. The new facility from EIB is a seal of approval for CPH's growth plan, Expanding CPH.

No material other events occurred during the period.

## RISKS AND UNCERTAINTIES

Other than as stated in this interim report, no material changes have occurred in the risks and uncertainties to which CPH is subject, compared to the information stated in the 2015 Annual Report.

### **Forward-looking statements – risks and uncertainties**

This interim report includes forward-looking statements as described in the US Private Securities Litigation Act of 1995 and similar acts of other jurisdictions, including in particular statements concerning future revenues, operating profits, business expansion and capital investments.

Such statements are subject to risks and uncertainties, as various factors, many of which are beyond CPH's control, may cause actual results and performance to differ materially from the forecasts made in this interim report.

Such factors include general economic and business conditions, changes in exchange rates, the demand for CPH's services, competitive factors within the aviation industry and operational problems in one or more of the Group's businesses. See Risk management and risks on pages 48-51 of the 2015 Annual Report.

**CONSOLIDATED FINANCIAL STATEMENTS****INCOME STATEMENT**

DKK million	Q3		Year to date	
	2016	2015	2016	2015
Traffic revenue	741.6	681.8	1,971.8	1,783.0
Concession revenue	333.0	302.9	907.8	838.6
Rent	42.4	41.8	134.5	133.0
Sale of services, etc.	111.8	98.9	323.3	286.1
<b>Revenue</b>	<b>1,228.8</b>	<b>1,125.4</b>	<b>3,337.4</b>	<b>3,040.7</b>
Other income	0.2	0.2	5.6	2.5
External costs	156.7	144.9	448.6	425.5
Staff costs	319.7	308.1	973.9	911.4
Amortisation and depreciation	181.3	165.0	517.9	483.3
<b>Operating profit</b>	<b>571.3</b>	<b>507.6</b>	<b>1,402.6</b>	<b>1,223.0</b>
Financial income	0.6	0.6	1.6	1.9
Financial expenses	46.3	43.8	135.5	141.2
<b>Profit before tax</b>	<b>525.6</b>	<b>464.4</b>	<b>1,268.7</b>	<b>1,083.7</b>
Tax on profit for the period	101.1	111.4	279.2	259.9
<b>Net profit for the period</b>	<b>424.5</b>	<b>353.0</b>	<b>989.5</b>	<b>823.8</b>
Earnings per DKK 100 share (basic and diluted) EPS is stated in Danish kroner	54.1	45.0	126.1	105.0

**STATEMENT OF COMPREHENSIVE INCOME**

DKK million	Q3		Year to date	
	2016	2015	2016	2015
<b>Net profit for the period</b>	<b>424.5</b>	<b>353.0</b>	<b>989.5</b>	<b>823.8</b>
<b>Items that may be reclassified to the income statement</b>				
Value adjustments of hedging instruments	(44.6)	18.9	(119.4)	439.8
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	20.5	24.1	111.5	(329.8)
Tax on other comprehensive income	5.3	(9.4)	1.7	(24.2)
<b>Other comprehensive income for the period</b>	<b>(18.8)</b>	<b>33.6</b>	<b>(6.2)</b>	<b>85.8</b>
<b>Total comprehensive income for the period</b>	<b>405.7</b>	<b>386.6</b>	<b>983.3</b>	<b>909.6</b>

**BALANCE SHEET**

<b>Assets</b>		<b>30 Sept.</b>	<b>30 Sept.</b>	<b>31 Dec.</b>
Note	DKK million	<b>2016</b>	<b>2015</b>	<b>2015</b>
<b>NON-CURRENT ASSETS</b>				
<b>Total intangible assets</b>		<b>539.0</b>	504.9	539.6
<b>Property, plant and equipment</b>				
	Land and buildings	<b>4,574.7</b>	4,372.4	4,500.6
	Plant and machinery	<b>3,683.6</b>	3,499.6	3,649.1
	Other fixtures and fittings, tools and equipment	<b>561.6</b>	462.7	483.5
3	Property, plant and equipment in progress	<b>754.4</b>	917.0	770.0
<b>Total property, plant and equipment</b>		<b>9,574.3</b>	9,251.7	9,403.2
<b>Financial investments</b>				
	Investments in associates	<b>0.4</b>	0.4	0.4
	Other financial assets	<b>131.5</b>	199.8	245.8
<b>Total financial assets</b>		<b>131.9</b>	200.2	246.2
<b>Total non-current assets</b>		<b>10,245.2</b>	9,956.8	10,189.0
<b>CURRENT ASSETS</b>				
<b>Receivables</b>				
	Trade receivables	<b>361.3</b>	392.4	326.6
	Other receivables	<b>2.3</b>	5.9	31.1
	Prepayments	<b>66.9</b>	38.4	38.5
<b>Total receivables</b>		<b>430.5</b>	436.7	396.2
<b>Cash</b>		<b>69.8</b>	48.2	83.4
<b>Total current assets</b>		<b>500.3</b>	484.9	479.6
<b>Total assets</b>		<b>10,745.5</b>	10,441.7	10,668.6

<b>Equity and liabilities</b>		<b>30 Sept.</b>	30 Sept.	31 Dec.
Note	DKK million	<b>2016</b>	2015	2015
<b>EQUITY</b>				
	Share capital	<b>784.8</b>	784.8	784.8
	Hedging reserve	<b>(149.2)</b>	(111.0)	(143.0)
	Retained earnings	<b>2,159.2</b>	2,087.5	2,349.8
<b>Total equity</b>		<b>2,794.8</b>	2,761.3	2,991.6
<b>NON-CURRENT LIABILITIES</b>				
	Deferred tax	<b>978.9</b>	952.7	980.6
4	Financial institutions and other loans	<b>5,740.7</b>	5,389.0	5,473.2
	Other payables	<b>5.1</b>	-	-
<b>Total non-current liabilities</b>		<b>6,724.7</b>	6,341.7	6,453.8
<b>CURRENT LIABILITIES</b>				
4	Financial institutions and other loans	<b>5.7</b>	33.4	5.7
	Prepayments from customers	<b>206.9</b>	208.8	221.9
	Trade payables	<b>462.2</b>	415.5	500.4
	Income tax payable	<b>210.3</b>	350.9	152.6
5	Other payables	<b>334.2</b>	320.8	336.7
	Deferred income	<b>6.7</b>	9.3	5.9
<b>Total current liabilities</b>		<b>1,226.0</b>	1,338.7	1,223.2
<b>Total liabilities</b>		<b>7,950.7</b>	7,680.4	7,677.0
<b>Total equity and liabilities</b>		<b>10,745.5</b>	10,441.7	10,668.6



**CASH FLOW STATEMENT**

DKK million	Q3		Year to date	
	2016	2015	2016	2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Received from customers	1,272.7	1,122.0	3,287.5	2,962.7
Paid to staff, suppliers, etc.	(423.4)	(395.4)	(1,461.4)	(1,311.9)
<b>Cash flow from operating activities before financial items and tax</b>	<b>849.3</b>	<b>726.6</b>	<b>1,826.1</b>	<b>1,650.8</b>
Interest received, etc.	0.4	0.4	1.2	1.4
Interest paid, etc.	(54.3)	(57.8)	(160.4)	(167.5)
<b>Cash flow from operating activities before tax</b>	<b>795.4</b>	<b>669.2</b>	<b>1,666.9</b>	<b>1,484.7</b>
Income taxes paid	-	-	(221.4)	(64.1)
<b>Cash flow from operating activities</b>	<b>795.4</b>	<b>669.2</b>	<b>1,445.5</b>	<b>1,420.6</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase for property, plant and equipment	(241.5)	(321.6)	(579.9)	(701.5)
Purchase for intangible assets	(51.0)	(11.2)	(84.8)	(81.8)
Sale of property, plant and equipment	0.2	0.3	10.0	2.7
<b>Cash flow from investing activities</b>	<b>(292.3)</b>	<b>(332.5)</b>	<b>(654.7)</b>	<b>(780.6)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayments of long-term loans	(1,001.4)	(1,457.4)	(1,404.3)	(1,664.2)
Proceeds from long-term loans	1,100.0	1,555.4	1,780.0	2,055.4
Repayments of short-term loans	(50.8)	(14.0)	(344.7)	(181.7)
Proceeds from short-term loans	-	27.8	344.7	144.9
Dividends paid	(565.1)	(470.8)	(1,180.1)	(993.3)
<b>Cash flow from financing activities</b>	<b>(517.3)</b>	<b>(359.0)</b>	<b>(804.4)</b>	<b>(638.9)</b>
<b>Net cash flow for the period</b>	<b>(14.2)</b>	<b>(22.3)</b>	<b>(13.6)</b>	<b>1.1</b>
Cash at the beginning of the year	84.0	70.5	83.4	47.1
<b>Cash at the end of the period</b>	<b>69.8</b>	<b>48.2</b>	<b>69.8</b>	<b>48.2</b>

## STATEMENT OF CHANGES IN EQUITY

DKK million				
	Share capital	Hedging reserve	Retained earnings	Total
<b>Equity at 1 January 2016</b>	<b>784.8</b>	<b>(143.0)</b>	<b>2,349.8</b>	<b>2,991.6</b>
<b>Comprehensive income for the period</b>				
Net profit for the period	-	-	989.5	989.5
<b>Other comprehensive income</b>				
Value adjustments of hedging instruments	-	(93.1)	-	(93.1)
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	-	86.9	-	86.9
<b>Total other comprehensive income</b>	<b>-</b>	<b>(6.2)</b>	<b>-</b>	<b>(6.2)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(6.2)</b>	<b>989.5</b>	<b>983.3</b>
<b>Transactions with owners</b>				
Dividends paid	-	-	(1,180.1)	(1,180.1)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(1,180.1)</b>	<b>(1,180.1)</b>
<b>Equity at 30 September 2016</b>	<b>784.8</b>	<b>(149.2)</b>	<b>2,159.2</b>	<b>2,794.8</b>
<b>Equity at 1 January 2015</b>	<b>784.8</b>	<b>(196.8)</b>	<b>2,257.1</b>	<b>2,845.1</b>
<b>Comprehensive income for the period</b>				
Net profit for the period	-	-	823.8	823.8
<b>Other comprehensive income</b>				
Value adjustments of hedging instruments	-	343.0	-	343.0
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	-	(257.2)	-	(257.2)
<b>Total other comprehensive income</b>	<b>-</b>	<b>85.8</b>	<b>-</b>	<b>85.8</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>85.8</b>	<b>823.8</b>	<b>909.6</b>
<b>Transactions with owners</b>				
Dividends paid	-	-	(993.3)	(993.3)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(993.3)</b>	<b>(993.3)</b>
<b>Equity at 30 September 2015</b>	<b>784.8</b>	<b>(111.0)</b>	<b>2,087.5</b>	<b>2,761.3</b>

**Dividend**

At the Annual General Meeting held on 12 April 2016, the shareholders approved the Board of Directors' proposal to pay a dividend in respect of 2015 of DKK 615.1 million, or DKK 78.38 per share. Based on the interim profit for the six months ended 30 June 2016, an interim dividend of DKK 565.0 million, equivalent to DKK 72.00 per share, was distributed on 10 August 2016.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: Basis of preparation

CPH is a public limited company domiciled in Denmark and listed on Nasdaq Copenhagen.

The interim report comprises the condensed consolidated financial statements of Copenhagen Airports A/S.

The interim report is presented in accordance with international accounting standard IAS 34 Interim Financial Reporting and additional Danish disclosure requirements for the interim reports of listed companies.

### Significant accounting estimates

The estimates made by CPH in determining the carrying amounts of assets and liabilities are based on assumptions that are subject to future events. These include estimates of the useful lives of non-current assets, their residual values, and assessments of the need for write-downs based on estimates of cash flows and discount factors. For a description of risks and accounting estimates, see pages 48-51 and page 66 of the 2015 Annual Report, which indicate which notes contain significant estimates and judgements.

### Accounting policies

The accounting policies applied in the interim report are unchanged from those applied in the 2015 Annual Report. The 2015 Annual Report was prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. For further information, see page 66 of the 2015 Annual Report, which indicates which notes contain accounting policies, and the Summary of significant accounting policies on pages 67-69.

### NOTE 2: Segmental information

See “Segment reporting” in “Management’s financial review for the interim period 1 January – 30 September 2016” on page 9.

### NOTE 3: Property, plant and equipment

#### Purchase and sale of property, plant and equipment

In the first nine months of 2016, CPH invested DKK 664.7 million in intangible assets and property, plant and equipment (2015: DKK 783.3 million). Major investments in the first nine months of 2016 included expansion of capacity at the central security checkpoint, new aircraft stands, improvement of wide-body facilities, runway renovation, and various IT systems and additional investments.

In the first nine months of 2016, other fixtures and equipment were sold totalling DKK 10.0 million (2015: DKK 2.7 million).

#### Contracts and other commitments

As of 30 September 2016, CPH had entered into contracts to build and maintain facilities and other commitments totalling DKK 172.0 million (31 December 2015: DKK 241.6 million). Major commitments comprise contracts concerning the improvement of wide-body bus facilities, Pier E, expansion of aircraft stands and asphaltting runways.

**NOTE 4: Financial institutions**

<b>Financial institutions and other loans are recognised in the balance sheet as follows:</b>	<b>30 Sept. 2016</b>	<b>31 Dec. 2015</b>
Non-current liabilities	<b>5,740.7</b>	5,473.2
Current liabilities	<b>5.7</b>	5.7
<b>Total</b>	<b>5,746.4</b>	5,478.9

CPH has the following loans and credit facilities as at 30 September:

Loan	Currency	Fixed/ floating	Maturity date	Carrying amount		Fair value*	
				30 Sept. 2016	31 Dec. 2015	30 Sept. 2016	31 Dec. 2015
Overdraft	DKK	Floating	-	-	-	-	-
RD (DKK 58 million)**	DKK	Floating	30 June 2035	54.6	56.8	54.6	56.8
RD (DKK 64 million)**	DKK	Fixed	23 Dec. 2032	54.0	56.0	54.0	56.0
Nordea Kredit**	DKK	Floating	30 Dec. 2039	450.9	450.9	450.9	451.9
Handelsbanken	DKK	Floating	2 Apr. 2019	400.0	200.0	400.0	200.0
Danske Bank	DKK	Floating	2 Apr. 2019	50.0	-	50.0	-
Nordic Investment Bank (NIB)	DKK	Fixed	12 Feb. 2026	130.0	-	130.0	-
USPP bond issue	DKK	Fixed	27 Aug. 2025	1,055.0	1,055.0	1,153.3	1,084.2
USPP bond issue	USD	Fixed	27 Aug. 2018	667.6	683.0	724.3	765.4
USPP bond issue	USD	Fixed	29 June 2018	667.6	683.0	721.0	741.1
USPP bond issue	USD	Fixed	29 June 2020	981.4	1,004.0	1,141.1	1,152.3
USPP bond issue	USD	Fixed	22 Aug. 2023	1,068.2	1,092.8	1,204.8	1,191.8
USPP bond issue	GBP	Fixed	29 June 2020	199.1	232.7	234.8	266.4
<b>Total</b>				<b>5,778.4</b>	<b>5,514.2</b>	<b>6,318.8</b>	<b>5,965.9</b>
Loan costs for future amortisation				(32.0)	(35.3)	(32.0)	(35.3)
<b>Total</b>				<b>(32.0)</b>	<b>(35.3)</b>	<b>(32.0)</b>	<b>(35.3)</b>
<b>Total</b>				<b>5,746.4</b>	<b>5,478.9</b>	<b>6,286.8</b>	<b>5,930.6</b>

\* The fair value of the financial liabilities is the present value of expected future instalments and interest payments. A zero-coupon interest rate for similar maturities plus credit cost based upon the Company's present rating is used as the discount rate.

\*\* CPH's properties have been mortgaged for a total value of DKK 507.7 million (2015: DKK 507.7 million).

The fixed-rate USPP bond loans of USD 507 million and GBP 23 million (2015: USD 507 million and GBP 23 million) were swapped to DKK on closing of contract, both in terms of principal and interest payments, by means of currency swaps.

The interest rate risk in connection with the floating-rate loan from Nordea Kredit is hedged via an interest rate swap until 2020.

**NOTE 5: Other payables**

	<b>30 Sept. 2016</b>	<b>31 Dec. 2015</b>
Holiday pay and other payroll items	<b>253.2</b>	262.5
Interest payable	<b>31.3</b>	31.7
Other costs payable	<b>49.7</b>	42.5
<b>Total</b>	<b>334.2</b>	336.7

**NOTE 6: Related parties**

CPH's related parties are the Ontario Teachers' Pension Plan (OTPP) and Macquarie European Infrastructure Fund III (MEIF3), cf. their controlling ownership interests in CPH; the Danish State, represented by the Danish Ministry of Finance; and the Board of Directors and Executive Management. See also notes 6, 16 and 25 in the 2015 Annual Report.

There are no outstanding balances with related parties.

**NOTE 7: Subsequent events**

No material events have occurred subsequent to the balance sheet date.

## **MANAGEMENT'S STATEMENT AND AUDITORS' REPORT**

### **MANAGEMENT'S STATEMENT ON THE INTERIM REPORT**

The Board of Directors and the Executive Management have today considered and adopted the interim report of Copenhagen Airports A/S for the period 1 January – 30 September 2016.

The interim report, which comprises the condensed consolidated financial statements of Copenhagen Airports A/S, is presented in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements applying to interim reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets, equity and liabilities and financial position at 30 September 2016 and of the results of the Group's operations and the Group's cash flows for the period 1 January – 30 September 2016. Moreover, in our opinion, the Management's Operating and Financial Review gives a true and fair view of developments in the Group's operations and financial position and describes the most significant risks and uncertainty factors that may affect the Group.

Besides what has been disclosed in the interim report, no material changes in the Group's significant risks and uncertainties have occurred compared to what was disclosed in the annual report for 2015.

Copenhagen, 8 November 2016

#### **Executive Management**

Thomas Woldbye  
CEO

#### **Board of Directors**

Lars Nørby Johansen  
Chairman

David Stanton  
Deputy Chairman

Simon Geere  
Deputy Chairman

John Bruen

Janis Kong

Charles Thomazi

Dan Hansen

John Flyttov

Jesper Bak Larsen

## **THE INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS**

### **To the Shareholders of Copenhagen Airports A/S**

We have reviewed the Interim Financial Statements of Copenhagen Airports A/S for the period 1 January 2016 – 30 September 2016 income statement, comprising statement of comprehensive income, balance sheet, statement of changes in equity and cash flow statement as well as selected explanatory notes.

### **Management's Responsibility for the Interim Financial Statements**

Management is responsible for the preparation of interim financial statements in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies, and for such internal control as Management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the Interim Financial Statements based on our review. We conducted our review in accordance with the International Standard on Review of Interim Financial Information Performed by the Independent Auditor of the Entity and additional requirements under Danish Auditor regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the Financial Statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This also requires us to comply with ethical requirements.

A review of interim financial statements in accordance with the International Standard on Review of Interim Financial Information Performed by the Independent Auditor of the Entity is a limited assurance engagement. The auditor performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly we do not express an audit opinion on the Interim Financial Statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Statements are not prepared in all material respects in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

Copenhagen, 8 November 2016

### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
CVR-no. 3377 1231

Mogens Nørgaard Mogensen  
State Authorised Public Accountant

Søren Ørjan Jensen  
State Authorised Public Accountant