

Copenhagen Airports A/S
Lufthavnsboulevarden 6
DK - 2770 Kastrup
Denmark
Company reg. no. (CVR) 14 70 72 04

Financial Statements of the parent Company Copenhagen Airports A/S 2016

Pursuant to section 149(2) of the Danish Financial Statements Act, the financial statements of the Parent Company is an extract of Copenhagen Airports complete annual report. The complete annual report, including the financial statements of the Parent Company Copenhagen Airports A/S and the statutory corporate governance statement, is available on request to Copenhagen Airports A/S or can be downloaded at www.cph.dk. Following adoption at the AGM, the complete annual report will also be available from the Danish Business Authority (Erhvervsstyrelsen).

Contents

Accounting policies	153
Income statement	154
Balance sheet, assets	155
Balance sheet, equity and liabilities	156
Statement of equity 2016	157
Statement of equity 2015	157
Notes to the financial statements	158

Management's report

The management report of Copenhagen Airports A/S is incorporated in the management report for the Group in the Group Annual Report.

Financial highlights and key ratios

Financial highlights and key ratios are not stated separately for the parent Company. See the consolidated financial highlights and key ratios in the Group Annual Report.

Accounting policies

The financial statements of the Parent Company are presented in accordance with the Danish Financial Statements Act and other accounting regulations applicable to companies listed on the Copenhagen Stock Exchange.

The company has implemented changes to the Danish Financial Statements Act, which comes into force on 1 January 2016, according to act no. 738 of 1 June 2015. Changes to the financial Statements Act has not affected the company's assets, liabilities and financial position as per December 2016, but only resulted in additional disclosures in the Annual Report.

The accounting policies of the Parent Company are the same as those of the Group, however, with the addition of the policies described below. The Group's accounting policies are included in the Group Annual Report.

Investments

Investments in subsidiaries and associates are recognised in the Parent Company financial statements. Shares of profits of subsidiaries and associates are recognised in the Parent Company's income statement.

In the Parent Company, the aggregate net revaluation of investments in subsidiaries and associates is allocated to the Reserve for net revaluation according to the equity method through the profit allocation.

Cash flow statement

No separate cash flow statement has been prepared for the Parent Company pursuant to the Danish Financial Statement Act section 86. See the consolidated cash flow statement in the Group Annual Report.

Segment note

Separate segment information is not disclosed for the Parent Company. See the segment note (note 3) to the consolidated financial statements in the Group Annual Report.

Income statement

1 January - 31 December

Note	DKK million	2016	2015
	Traffic revenue	2,600.2	2,364.6
	Concession revenue	1,214.5	1,136.6
	Rent	182.3	180.4
	Sale of services, etc.	193.8	165.1
1	Revenue	4,190.8	3,846.7
	Work performed on own account	134.0	124.3
2	Other income	6.2	3.0
3	External costs	454.7	427.8
4	Staff costs	1,437.9	1,341.0
5	Amortisation and depreciation	681.2	650.1
	Operating profit	1,757.2	1,555.1
6	Profit from investment subsidiaries after tax	27.7	4.9
7	Financial income	6.6	19.8
8	Financial expenses	179.4	180.5
	Profit before tax	1,612.1	1,399.3
9	Tax on profit for the year	353.1	313.3
	Profit for the year	1,259.0	1,086.0
	<i>Profit allocation:</i>		
	Dividend declared	565.0	470.8
	Proposed dividend	694.0	615.2
		1,259.0	1,086.0

Balance sheet

As at 31 December

Assets			
Note	DKK million	2016	2015
NON-CURRENT ASSETS			
10	Total intangible assets	502.8	539.5
11	Property, plant and equipment		
	Land and buildings	4,314.3	4,189.5
	Plant and machinery	3,736.1	3,555.5
	Other fixtures and fittings, tools and equipment	530.5	446.8
	Property, plant and equipment in progress	795.3	770.0
	Total property, plant and equipment	9,376.2	8,961.8
	Financial investments		
12	Investments in subsidiaries	189.5	163.4
12	Investments in associates	0.4	0.4
	Other receivables	340.0	246.7
	Total financial investments	529.9	410.5
	Non-current assets	10,408.9	9,911.8
CURRENT ASSETS			
	Receivables		
13	Trade receivables	362.8	315.2
	Receivables from subsidiaries	195.6	200.5
	Other receivables	38.1	26.4
	Prepayments	64.4	36.9
	Total receivables	660.9	579.0
	Cash	7.9	39.0
	Total current assets	668.8	618.0
	Total assets	11,077.7	10,529.8

Balance sheet

As at 31 December

Equity and liabilities			
Note	DKK million	2016	2015
EQUITY			
	Share capital	784.8	784.8
	Net revaluation according to the equity method	31.4	5.3
	Reserve for development cost	36.5	-
	Retained earnings	1,491.4	1,586.3
	Proposal on dividends	694.0	615.2
	Total equity	3,038.1	2,991.6
NON-CURRENT LIABILITIES			
9	Deferred tax	969.9	924.0
14	Financial institutions	5,682.9	5,419.8
	Other payables	51.2	-
	Total non-current liabilities	6,704.0	6,343.8
CURRENT LIABILITIES			
14	Financial institutions	59.8	2.8
	Prepayments from customers	218.0	212.6
	Trade payables	530.1	486.1
9	Income tax	168.7	152.6
15	Other payables	352.4	335.1
	Deferred income	6.6	5.2
	Total current liabilities	1,335.6	1,194.4
	Total liabilities	8,039.6	7,538.2
	Total equity and liabilities	11,077.7	10,529.8

- 16 Financial commitments
- 17 Related parties
- 18 Concession for airport operation and charges regulation
- 19 Financial risks, including derivative financial instruments
- 20 Subsequent events

Equity 2016

DKK million	Share capital	Net revaluation according to the equity method	Reserve for development cost	Retained earnings	Proposed dividend	Total
1 January - 31 December 2016						
Equity at 1 January 2016	784.8	5.3	-	1,586.3	615.2	2,991.6
Net profit for the year	-	-	-	-	1,259.0	1,259.0
Transferred from retained earnings	-	26.1	-	-26.1	-	-
Value adjustments of hedging instruments	-	-	-	31.2	-	31.2
Value adjustments of hedging instruments, transferred to Financial income and expenses in the income	-	-	-	-63.5	-	-63.5
Capitalized development cost	-	-	36.5	-36.5	-	-
Dividends paid	-	-	-	-	-1,180.2	-1,180.2
Balance 31 December 2016	784.8	31.4	36.5	1,491.4	694.0	3,038.1

The Company's share capital consists of 7,848,000 shares of DKK 100 each. Retained earnings include proposed dividends of DKK 694.0 million. Proposed dividend per share amounts to DKK 88.42. Based on the interim profit for the six months ended 12 August 2016, an interim dividend of DKK 565.0 million was distributed on 10 August 2016 equivalent to DKK 72.00 per share.

Equity 2015

DKK million	Share capital	Net revaluation according to the equity method	Reserve for development cost	Retained earnings	Proposed dividend	Total
1 January - 31 December 2015						
Equity at 1 January 2014	784.8	-	-	1,537.8	522.5	2,845.1
Net profit for the year	-	-	-	-	1,086.0	1,086.0
Transferred from retained earnings	-	5.3	-	-5.3	-	-
Value adjustments of hedging instruments	-	-	-	378.9	-	378.9
Value adjustments of hedging instruments, transferred to Financial income and expenses in the income	-	-	-	-325.1	-	-325.1
Dividends paid	-	-	-	-	-993.3	-993.3
Balance 31 December 2015	784.8	5.3	-	1,586.3	615.2	2,991.6

The Company's share capital consists of 7,848,000 shares of DKK 100 each. Retained earnings include proposed dividends of DKK 615.2 million. Proposed dividend per share amounts to DKK 78.38. Based on the interim profit for the six months ended 11 August 2015, an interim dividend of DKK 470.8 million was distributed on 18 August 2015 equivalent to DKK 60.00 per share.

Notes to the financial statements

Note	DKK million	2016	2015
1 Revenue			
Traffic revenue			
Take-off charges		459.7	430.2
Passenger charges		1,199.2	1,105.7
Security charges		621.0	559.8
ETD charges		39.5	10.9
Handling		209.0	191.1
Aircraft parking, CUTE, etc.		71.8	66.9
Total traffic revenue		2,600.2	2,364.6
Concession revenue			
Shopping centre		793.0	759.9
Car parking		363.7	326.4
Other concession revenue		57.8	50.4
Total concession revenue		1,214.5	1,136.6
Rent			
Rent from premises		118.6	118.1
Rent from land		57.2	55.3
Other rent		6.5	7.0
Total rent		182.3	180.4
Sales of services, etc.		193.8	165.1
Total revenue		4,190.8	3,846.7
2 Other income			
Sales of property, plant and equipment		6.2	3.0
Total other income		6.2	3.0
3 External costs			
Operation and maintenance		331.5	299.8
Energy		43.8	44.8
Administration		66.1	64.9
Other		13.3	18.3
Total external costs		454.7	427.8
Of which audit fees account for			
Audit fee to PwC		1.4	1.4
Fees for assurance engagements other than audit		0.2	0.1
Tax advice		0.1	0.1
Non-audit services		0.6	0.7
Total audit fee		2.3	2.3
4 Staff costs			
Salaries and wages		1,256.5	1,175.5
Pensions		105.4	99.1
Other social security costs		9.4	8.8
Other staff costs		66.6	57.6
Total staff cost		1,437.9	1,341.0

The average number of people employed by CPH in 2016 was 2,330 full-time equivalents (2015: 2,256 full-time equivalents).

For information on emoluments to the members of the Board of Directors and Executive Management, see note 6 in the Group Annual Report.

Notes to the financial statements

Note	DKK million	2016	2015
5	Amortisation and depreciation		
	Software	117.1	111.0
	Land and buildings	189.6	169.7
	Plant and machinery	249.4	255.0
	Other fixtures and fittings, tools and equipment	125.1	114.3
	Total amortisation and depreciation	681.2	650.1
6	Profit from investments in subsidiaries after tax		
	Copenhagen Airport Hotels A/S	26.3	5.5
	Copenhagen Airports International A/S	1.4	-0.6
	Total profit from investments in subsidiaries after tax	27.7	4.9
7	Financial income		
	Interest on balances with banks, etc.	-	0.1
	Interest on intercompany accounts with subsidiaries	5.1	17.3
	Interest on other receivables	1.0	1.0
	Net exchange gains	0.5	1.4
	Total financial income	6.6	19.8
8	Financial expenses		
	Interest on debt to financial institutions, etc.	208.9	207.8
	Capitalised interest expenses regarding assets under construction	-36.8	-44.8
	Exchange losses	0.6	0.8
	Other financing costs	1.9	11.9
	Amortisation of loan costs	4.8	4.8
	Total financial expenses	179.4	180.5
	For further information on financial expenses, see note 8 in the Group Annual Report		
9	Tax on profit for the year		
	Tax expense		
	Current income tax	298.5	265.2
	Change in deferred tax charge	45.9	63.2
	Total	344.4	328.4
	Tax is allocated as follows:		
	Tax on profit for the year	353.1	313.3
	Tax on movement in equity	-8.7	15.1
	Total	344.4	328.4
	Breakdown of tax on profit for the year		
	Tax calculated at 22,0 % / 23,5 % of profit before tax	354.7	328.8
	Tax effect of:		
	Tax-exempt income		
	Non-deductible costs including effects of interest limitation	-1.6	-15.5
	Balance at 31 December	-1.6	-15.5

Notes to the financial statements

Note DKK million 2016 2015

9 Tax on profit for the year (Continued)

Provision for deferred tax			
Balance at 1 January		924.0	860.8
Change in deferred tax charge		45.9	63.2
Balance at 31 December		969.9	924.0
Breakdown of deferred tax provision:			
Property, plant and equipment		944.2	896.5
Trade receivables		-1.9	-2.1
Other payables etc.		27.6	29.6
Total		969.9	924.0
Income tax payable			
Balance at 1 January		152.6	155.2
Tax paid on account in current year		-136.5	-128.3
Payment of tax underpaid in previous year		-152.6	-155.2
Tax paid for subsidiaries		6.8	-
Current income tax		298.5	280.9
Balance at 31 December		168.8	152.6

From 1 July 2012, Copenhagen Airports A/S has partly been jointly and severally liable for the tax liabilities of its Danish subsidiaries and has partly had a subsidiary liability for the tax liabilities of the Danish holding companies, which hold 57.7% of the shares of the Company. The latter liability is limited to 57.7% of tax liabilities payable on or after 1 July 2012.

For further information see note 9 in the Group Annual Report.

10 Intangible assets

2016	Software	Software under construction	Total
Cost			
Accumulated cost at 1 January	748.5	267.4	1,015.9
Additions	-	80.4	80.4
Disposals	-53.1	-	-53.1
Transferred	200.8	-200.8	-
Accumulated cost at 31 December	896.2	147.0	1,043.2
Amortisation			
Accumulated amortisation at 1 January	476.4	-	476.4
Amortisation	117.1	-	117.1
Amortisation on disposals	-53.1	-	-53.1
Accumulated amortisation at 31 December	540.4	-	540.4
Carrying amount at 31 December	355.8	147.0	502.8
2015	Software	Software under construction	Total
Cost			
Accumulated cost at 1 January	718.0	241.4	959.4
Additions	-	153.6	153.6
Disposals	-97.1	-	-97.1
Transferred	127.6	-127.6	-
Accumulated cost at 31 December	748.5	267.4	1,015.9
Amortisation			
Accumulated amortisation at 1 January	462.4	-	462.4
Amortisation	111.0	-	111.0
Amortisation on disposals	-97.0	-	-97.0
Accumulated amortisation at 31 December	476.4	-	476.4
Carrying amount at 31 December	272.1	267.4	539.5

Notes to the financial statements

Note DKK million

2016 2015

11 Property, plant and equipment

2016	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost					
Accumulated cost at 1 January	6,945.7	7,009.3	1,574.2	770.0	16,299.2
Additions	-	-	-	983.0	983.0
Disposals	-60.8	-45.0	-170.2	-	-276.0
Transferred	318.8	430.1	208.8	-957.7	-
Accumulated cost at 31 December	7,203.7	7,394.4	1,612.8	795.3	17,006.2
Amortisation					
Accumulated amortisation at 1 January	2,756.2	3,453.8	1,127.4	-	7,337.5
Amortisation	189.6	249.4	125.1	-	564.1
Amortisation on disposals	-56.4	-45.0	-170.2	-	-271.6
Accumulated amortisation at 31 December	2,889.4	3,658.3	1,082.3	-	7,630.0
Carrying amount at 31 December	4,314.3	3,736.1	530.5	795.3	9,376.2
2015	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost					
Accumulated cost at 1 January	6,543.8	6,862.8	1,540.5	527.8	15,474.9
Tilgang ved fusion med P10/P12 A/S	176.2	30.8	-	-	207.0
Additions	-	-	-	1,027.6	1,027.6
Disposals	-10.5	-120.7	-73.9	-	-205.1
Disposals from previously year	-	-205.1	-	-	-205.1
Transferred	236.2	441.5	107.7	-785.4	-
Accumulated cost at 31 December	6,945.7	7,009.3	1,574.2	770.0	16,299.3
Amortisation					
Accumulated amortisation at 1 January	2,580.8	3,509.9	1,086.7	-	7,177.4
Tilgang ved fusion med P10/P12 A/S	16.2	14.7	-	-	30.9
Amortisation	169.7	255.0	114.3	-	539.0
Disposals from previously year	-	-205.1	-	-	-205.1
Amortisation on disposals	-10.5	-120.7	-73.6	-	-204.7
Accumulated amortisation at 31 December	2,756.2	3,453.8	1,127.4	-	7,337.5
Carrying amount at 31 December	4,189.5	3,555.5	446.8	770.0	8,961.8

Notes to the financial statements

Note DKK million 2016 2015

12 Investments

2016	Investments in subsidiaries	Investments in associates	Total
Cost			
Accumulated cost at 1 January	158.1	0.2	158.3
Additions	-	-	-
Disposals	-	-	-
Accumulated cost at 31 December	158.1	0.2	158.3
Revaluation and impairment			
Accumulated revaluation and impairment at 1 January	5.3	0.2	5.5
Disposals	-	-	-
Revaluation	-1.6	-	-1.6
Profit/(loss) after tax	27.7	-	27.7
Accumulated revaluation and impairment at 31 December	31.4	0.2	31.6
Carrying amount at 31 December	189.5	0.4	189.9
2015	Investments in subsidiaries	Investments in associates	Total
Cost			
Accumulated cost at 1 January	151.0	0.2	151.2
Additions	161.1	-	161.1
Disposals	-154.0	-	-154.0
Accumulated cost at 31 December	158.1	0.2	158.3
Revaluation and impairment			
Accumulated revaluation and impairment at 1 January	-138.4	0.2	-138.2
Disposals	139.4	-	139.4
Revaluation	-0.6	-	-0.6
Profit/(loss) after tax	4.9	-	4.9
Accumulated revaluation and impairment at 31 December	5.3	0.2	5.5
Carrying amount at 31 December	163.4	0.4	163.8

Investment in subsidiaries comprises the 100% held subsidiaries Copenhagen Airports International A/S and Copenhagen Airport Hotels A/S. For information regarding investments in associates see note 25 in the Group Annual Report.

13 Trade receivables

Trade receivables	396.0	349.1
Write-down	33.2	33.9
Net trade receivables	362.8	315.2
Write-down for bad and doubtful debts		
Accumulated write-down at 1 January	33.9	31.1
Change in write-down for the year	-1.0	2.3
Realised loss for the year	0.3	0.5
Accumulated write-down at 31 December	33.2	33.9

The year's movements are recognised in the income statement under External cost. The carrying amount equals fair value.

Notes to the financial statements

Note DKK million 2016 2015

14 Financial institutions and other loans

Financial institutions and other loans are recognised in the balance sheet as follows:

Non-current liabilities	5,682.9	5,419.8
Current liabilities	59.8	2.8
Total	5,742.8	5,422.6

Loan	Currency	Fixed/floating	Maturity date	Carrying amount		Fair value	
				2016	2015	2016	2015
Overdraft	DKK	Floating	-	57.0	-	57.0	-
RD (DKK 64 million)**	DKK	Fixed	23. dec. 2032	53.3	56.0	56.9	56.0
Nordea Kredit**	DKK	Floating	30. dec. 2039	450.9	450.9	451.9	451.9
Handelsbanken	DKK	Floating	02. apr 2019	-	200.0	-	200.0
Nordiske Investering Bank***	DKK	Fixed	12. feb 2026	130.0	-	145.3	-
Europæiske Investering Bank****	DKK	Fixed	15. dec 2026	250.0	-	250.3	-
USPP bond issue	DKK	Fixed	27. aug 2025	1,055.0	1,055.0	1,126.4	1,084.2
USPP bond issue	USD	Fixed	27. aug. 2018	705.5	683.0	764.2	765.4
USPP bond issue	USD	Fixed	29. jun. 2018	705.5	683.0	741.6	741.1
USPP bond issue	USD	Fixed	29. jun. 2020	1,037.1	1,004.0	1,154.0	1,152.3
USPP bond issue	USD	Fixed	22. aug. 2023	1,128.8	1,092.8	1,213.7	1,191.8
USPP bond issue	GBP	Fixed	29. jun. 2020	200.0	232.7	228.7	266.4
Total				5,773.1	5,457.4	6,190.0	5,909.1
Loan cost for amortisation				-30.3	-34.8	-30.3	-34.8
Total				-30.3	-34.8	-30.3	-34.8
Total financial institutions and other loans				5,742.8	5,422.6	6,159.7	5,874.3

* See note 18 in the Gropu Annual Report for a description of the method for determining the fair values of financial liabilities.

** CPH properties have been pledged for a total value of DKK 173.5 million (2015: DKK 173.5 million).

*** Funding of the expansion of Pier

**** Funding of the expansion of Copenhagen Airport, which is expected to be completed by the end of 2024.

For further information, see note 15 in the Group Annual Report

Financial institutions and other loans by time to expiry

Due within 1 year

Financial institutions and other loans	59.8	2.7
--	------	-----

Due within 1-5 years

Financial institutions and other loans	2,721.2	2,814.3
--	---------	---------

Due after 5 years

Financial institutions and other loans	2,992.1	2,640.4
--	---------	---------

15 Other payables

Holiday pay and other payroll items	276.3	261.1
Interest payable	32.7	31.7
Other costs payable	43.4	42.3
Balance at 31 December	352.4	335.1

16 Financial commitments

For information on financial commitments, see note 15 in the Group Annual Report.

Notes to the financial statements

Note DKK million

2016

2015

17 Related parties

Beside the information in the Group Annual Report note 16, includes the parent companies related parties the subsidiaries, see note 22 in the Group Annual Report.

The companies in the Group are joint taxed, see note 9 in The Group Annual Report for further information.

Trade between subsidiaries has been as follows:

Rent	2.0	2.0
Rent cost	5.0	5.0
Interest income	17.5	17.5
Sale of services	11.5	1.5

During the year, there was no significant transactions with shareholders or other related parties.

18 Concession for airport operation and charges regulation

For information on concession for airport operation, see note 17 in the Group Annual Report.

19 Financial risks

For information on financial risks, see note 18 in the Group Annual Report.

20 Subsequent events

For information about subsequent event see note 20 in Group Annual Report.
No other material events have occurred subsequent to the balance sheet date.