



A/S Storebæltsforbindelsen

Interim report

Q1 2021

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Summary of Q1 2021

The Board of Directors has today approved the interim report for Q1 2021 (1 January-31 March 2021) for A/S Storebælt. The auditors appointed by the Annual General Meeting have not conducted a review of the interim report.

Financial headlines

- Net revenue totals DKK 637 million, which is a fall of DKK 40 million, i.e. 6 per cent, compared to the same period last year. The decline in revenue can primarily be attributed to the impact of the Covid-19 pandemic. Road traffic across Storebælt declined by 14.9 per cent compared to the same period last year. However, whereas passenger traffic fell by 18.1 per cent, lorry traffic increased by 4.4 per cent.
- Other external expenses total DKK 75 million and are DKK 9 million lower compared to the same period last year.
- EBIT fell by 6 per cent and totals DKK 428 million.
- Net financing expenses increased by DKK 5 million compared to the same period in 2020 and total DKK 25 million.
- Value adjustments amount to gains of DKK 217 million. For the same period in 2020, value adjustments amounted to gains of DKK 414 million. Fair value adjustments are an accounting item with no effect on the company's debt repayment as the debt is repaid at nominal value.
- The interest-bearing net debt amounted to DKK 18.3 billion at the end of March 2021.
- Additions for the period for the road and rail link in progress total DKK 20 million. The additions primarily relate to the installation of mobile crash barriers and a comprehensive upgrading of signage and traffic monitoring, which will help to increase safety and improve traffic flow in the event of accidents.
- Additions on property, plant and equipment in use total DKK 37 million and can primarily be attributed to an upgrading of the power supply with new safety relays and contacts in the Storebælt tunnel.
- Cash flow from operating and investing activities (free cash flow) resulted in a net decrease in liquidity of DKK 212 million. Cash flow from financing activities resulted in a net increase in liquidity of DKK 509 million, whereby cash at bank and in hand for the period increased by DKK 297 million.

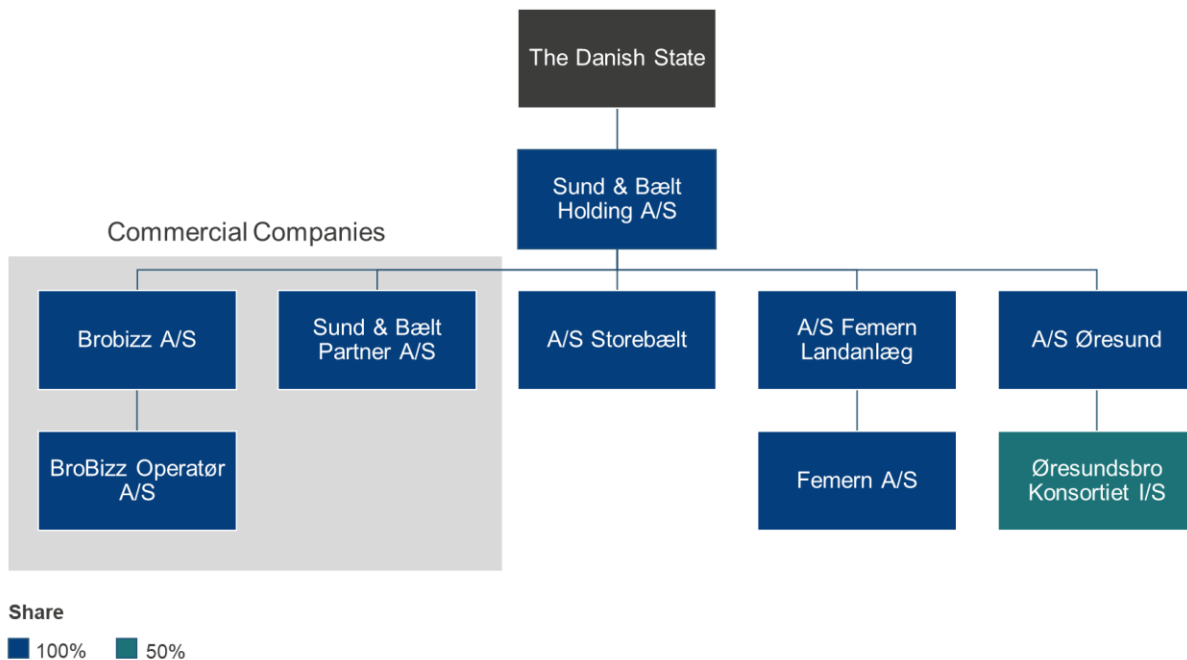
About A/S Storebælt

Shareholder information

A/S Storebælt is a limited company based in Denmark. A/S Storebælt is a subsidiary of Sund & Bælt Holding A/S and is included in the consolidated accounts for Sund & Bælt Holding A/S, which is the ultimate parent company.

Sund & Bælt Holding A/S' entire share capital is owned by the Danish State.

Group overview



Main activity

A/S Storebælt's primary task is to own and operate the fixed link across Storebælt. This task is managed with due consideration for maintaining a high level of accessibility and safety on the link. In addition, the re-payment of loans raised to finance the facilities must be made within a reasonable time frame.

Key figures and financial ratios

(DKK million)	2021 Q1	2020 Q1	2020 Full year
Net revenue, road	556	594	2,578
Net revenue, railway	73	76	295
Other external expenses	-75	-84	-361
Depreciation, amortisation and write-downs	-135	-139	-538
Operating profit (EBIT)	428	455	2,007
Financial items excl. value adjustment	-25	-20	-174
Profit before val. adjustments	403	435	1,832
Value adjustments, net	217	414	100
Profit for the period	484	662	1,507
Capital investment for the year, road and railway	20	13	72
Capital investment, road and railway, closing balance	24,814	25,240	24,921
Net debt (fair value)	19,660	19,901	20,021
Interest-bearing net debt	18,347	18,630	18,473
Equity	4,398	4,669	3,914
Balance sheet total	28,220	28,874	27,765
Cash flow from operating activities	212	9	2,359
Cash flow from investing activities	-424	-13	-316
Cash flow from financing activities	509	411	-2,027
Total cash flow	297	406	15
Financial ratios, per cent			
Profit ratio (EBIT)	67.2	67.1	69.1
Rate of return (EBIT)	6.1	6.3	7.2
Return on facilities (EBIT)	6.9	7.2	8.1

NB. The financial ratios are calculated as stated in Note 1, Accounting Policies.

Management report

Development in activities and financial situation

The company's total revenue fell by DKK 40 million from DKK 677 million in Q1 2020 to DKK 637 million in Q1 2021, primarily due to the impact of the Covid-19 pandemic.

In Q1 2021, net revenue from the road link totalled DKK 556 million, which is a fall compared to the same period last year of 6 per cent, corresponding to DKK 38 million. In total, road traffic declined by 14.9 per cent in Q1 2021 compared to Q1 2020. The decline in passenger car traffic was 18.1 per cent while lorry traffic increased by 4.4 per cent. Coach traffic declined by 79.5 per cent.

Revenue from the railway and port facilities is unchanged and amounted to DKK 80 million in Q1 2021.

External expenses fell by DKK 9 million and totalled DKK 75 million in Q1 2021.

Depreciation, amortisation and writedowns totalled 135 million in Q1 2021 and are on a par with the same period in 2020.

The impact of value adjustments on financial results

	Income statement		Pro forma income statement	Pro forma income statement
	2021 Q1	Fair value adjustments	2021 Q1	2020 Q1
Operating profit (EBIT)	428		428	455
Financial items	193	-217	-25	-20
Profit before fair val. adjstmnts. and tax	621		403	435
Fair value adjustment		217	217	414
Profit before tax	621		621	849
Tax	-137		-137	-187
Profit for the period	484		484	662

The result before value adjustments and tax is a profit of DKK 403 million against a profit for the same period last year of DKK 435 million.

Net financing expenses total DKK 25 million and are DKK 5 million higher compared to the same period last year. Financing expenses excluding value adjustments total 0.39 per cent per annum against 0.27 per cent per annum for the same period last year. The difference is primarily due to higher inflation indexation. Including value adjustments, financing expenses amount to -0.79 per cent per annum against -1.94 per cent per annum for the same period in 2020.

The value adjustment of the company's debt amounts to gains of DKK 217 million. For the same period last year, the value adjustment amounted to gains of DKK 414 million. Fair value adjustments are an accounting item with no effect on the company's debt repayment as the debt is repaid at nominal value.

The result before tax is a profit of DKK 621 million against a profit of DKK 849 million for the same period in 2020. The fall in pre-tax profit amounts to DKK 228 million, and can primarily be attributed to the value adjustments of financial items, which had a negative impact of approx. DKK 200 million.

A/S Storebælt's financial risks are mainly unchanged in relation to the statement contained in the note to the 2020 Annual Report, which addresses financial risk management.

At the end of March 2021, the interest-bearing net debt totalled DKK 18.3 billion.

At the end of March 2021, the floating rate debt amounted to 27 per cent of the net debt.

The repayment period for A/S Storebælt's debt is expected to be unchanged at 34 years calculated from the opening date, which corresponds to 2032.

Equity totalled DKK 4,398 million as at 31 March 2021 against DKK 3,914 million on 31 December 2020. Equity movements for the accounting period relate to the results for the period 1 January-31 March 2021.

In the 2020 Annual Report, it was proposed that a dividend of DKK 1,378 million be paid to Sund & Bælt Holding A/S. This was subsequently adopted at the company's Annual General Meeting on 19 April 2021.

Future operating results are estimated on the basis of the Ministry of Transport's fixed fee from Banedanmark for use of the rail link and on the basis of traffic forecasts for road traffic.

It should be noted that under the terms of the Act on Sund & Bælt Holding A/S for the parent company and for A/S Storebælt, and against a guarantee commission of 0.15 per cent, the Danish State has extended separate guarantees for interest and repayments and other ongoing liabilities associated with the company's borrowings. In addition, and without further notification of each individual case, the Danish State guarantees the company's other financial liabilities.

The company's commercial risks are unchanged in relation to the risks set out in the 2020 Annual Report. Substantial uncertainty exists concerning the consequences of Covid-19, with particular uncertainty related to road traffic revenue.

Cash flow from operations is positive and totals DKK 212 million in Q1 2021.

Cash flow from investing activities is negative and totals DKK 424 million for Q1 2021, primarily as a result of the purchase of securities.

The free cash flow is derived as a basis for operations less capital investments and was negative by DKK 212 million in Q1 2021. The free cash flow expresses the company's ability to generate liquidity for the financing of interest and repayments on the company's liabilities.

Borrowing, repayments and interest expenses are included under financing activities, which amount to DKK 509 million net in Q1 2021.

In total, the company's cash and cash equivalents increased by DKK 297 million, which means that cash and cash equivalents amounted to DKK 312 million as at the end of March 2021.

Events after the balance sheet date

No events have occurred since the end of the period that can impact the company's earnings and economic position.

Outlook for the year

Expectations for the results for 2021 – based on the budget adopted in November 2020 – continue to be for a profit before fair value adjustments and tax in the order of DKK 1.9-2.1 billion. The budget incorporates the expected effects of the continued closure of workplaces and national borders in the first months of 2021. However, the uncertainty about the duration and extent of the restrictions caused by the Covid-19 pandemic and the subsequent reopening of society mean that the results for 2021 carry substantial uncertainty.

The uncertainty primarily relates to the traffic revenue from the road link, while the uncertainty relating to financing expenses is assessed to be limited as interest rates and inflation are expected to remain at low levels for some time to come.

Statement by the Board of Directors and Management Board

The Board of Directors and Management Board have today discussed and approved the interim report for the period 1 January to 31 March 2021 for A/S Storebælt.

The interim report, which has not been audited by the company's auditors, has been prepared in accordance with IAS 34, Presentation of Interim Reports, as approved by the EU and additional disclosure requirements for interim reports for companies with publicly traded debt instruments.

We are of the opinion that the interim report gives a true and fair view of the company's assets, liabilities and financial position as at 31 March 2021 and the results of the company's activities and cash flow for the period 1 January to 31 March 2021.

It is our view that the Management Report contains a true and fair view of developments in the company's activities and financial position, the results for the period and the company's financial position as a whole, and a description of the key risks and uncertainties facing the company.

Copenhagen, 27 May 2021

Management Board

Mogens Hansen
CEO

Board of Directors

Mikkel Hemmingsen
Chair

Louise Friis
Vice-Chair

Mogens Hansen

Financial statements

Comprehensive income statement 1 January – 31 March

(DKK million)	Note	2021 Q1	2020 Q1
Net revenue			
Net revenue	2	637	677
Total net revenue		637	677
Expenses			
Other external expenses		-75	-84
Other operating income		1	1
Depreciation, amortisation and write-downs		-135	-139
Total expenses		-209	-222
Operating profit (EBIT)		428	455
Financial items			
Financial income		2	101
Financial expenses		-27	-121
Value adjustments, net		217	414
Total financial items	3	193	394
Profit before tax		621	849
Tax		-137	-187
Profit for the period		484	662
Other comprehensive income		0	0
Tax on other comprehensive income		0	0
Comprehensive income		484	662

Balance sheet 31 March – Assets

(DKK million)	Note	31 Mar. 2021	31 Dec. 2020	31 Mar. 2020
Non-current assets				
Property, plant and equipment				
Road link	4	13,314	13,354	13,484
Rail link	5	11,500	11,567	11,756
Port facilities		167	170	178
Land and buildings		66	68	72
Other fixtures and fittings, plant and equipment		29	28	24
Total property, plant and equipment		25,076	25,187	25,514
Total non-current assets		25,076	25,187	25,514
Current assets				
Receivables				
Receivables		314	304	317
Securities	6	1,561	1,163	1,290
Derivatives	6	731	899	1,077
Prepayments and accrued income		226	198	269
Total receivables		2,832	2,563	2,953
Cash at bank and in hand		312	15	406
Total current assets		3,144	2,578	3,360
Total assets		28,220	27,765	28,874

Balance sheet 31 March – Equity and liabilities

(DKK million)	Note	31 Mar. 2021	31 Dec. 2020	31 Mar. 2020
Equity				
Share capital		355	355	355
Retained earnings		2,665	2,181	2,714
Proposed dividend		1,378	1,378	1,600
Total equity		4,398	3,914	4,669
Liabilities				
Non-current liabilities				
Deferred tax		1,272	1,135	1,165
Bond loans and amounts owed to credit institutions	6	19,009	17,907	18,559
Total non-current liabilities		20,281	19,042	19,724
Current liabilities				
Current portion of non-current liabilities	6	1,545	2,338	2,224
Corporation tax		0	268	0
Trade and other payables		74	167	113
Derivatives	6	1,751	1,889	1,890
Accruals and deferred income		171	147	255
Total current liabilities		3,541	4,809	4,481
Total liabilities		23,822	23,852	24,205
Total equity and liabilities		28,220	27,765	28,874

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Statement of changes in equity 1 January – 31 March

(DKK million)

	Share capital	Retained earnings	Proposed dividend	Total
Balance at 1 January 2020	355	2,052	1,600	4,007
Dividend paid	0	0	-1,600	-1,600
Profit for the year and comprehensive income	0	129	1,378	1,507
Balance at 31 December 2020	355	2,181	1,378	3,914
Balance at 1 January 2021	355	2,181	1,378	3,914
Profit for the period and comprehensive income	0	484	0	484
Balance at 31 March 2021	355	2,665	1,378	4,398

Cash flow statement 1 January – 31 March

(DKK million)	2021 Q1	2020 Q1
Cash flow from operating activities		
Operating profit (EBIT)	428	455
Adjustments		
Depreciation, amortisation and write-downs	135	139
Cash flow from operations (operating activities) before change in working capital	563	594
Change in working capital		
Receivables and prepayments	-9	-552
Trade and other payables	-342	-34
Total cash flow from operating activities	212	9
Cash flow from investing activities		
Acquisition of tangible fixed assets	-24	-13
Purchase of securities	-400	0
Total cash flow from investing activities	-424	-13
Free cash flow	-212	-5
Cash flow from financing activities		
Raising of long term loans	1,350	556
Reduction of liabilities	-750	-57
Debt reduction with credit institutions	0	-25
Interest expenses, paid	-92	-63
Total cash flow from financing activities	509	411
Change for the period in cash and cash equivalents	297	406
Opening cash and cash equivalents	15	0
Closing cash and cash equivalents	312	406

Notes

Note 1 Accounting policies

The interim financial statements are presented in accordance with IAS 34, Presentation of Interim Reports, as approved by the EU and Danish disclosure requirements for listed companies. The financial section of the interim report complies with the provisions in IAS 34 for condensed interim financial statements.

The interim financial statements are presented in Danish kroner (DKK) which is the company's functional currency.

The accounting policies applied in the interim financial statements are unchanged from the accounting policies applied in the 2020 financial statements. Reference should be made to the 2020 annual report for a further description of the accounting policies applied.

The financial ratios given in the main figures and financial ratios summary have been calculated as follows:

Profit ratio: Operating profit (EBIT) in percentage of revenue.

Rate of return: Operating profit (EBIT) in percentage of total assets

Return on facilities: Operating profit (EBIT) in percentage of the investment in the road and rail links.

Note 2 Net revenue

Revenue from the sale of services is recognised as the services are provided, and if the revenue can be measured reliably and is expected to be received. Revenue is measured excl. VAT, taxes and discounts in connection with the sale. Net revenue includes revenue from the road and rail facilities and port fees for the use of port facilities.

Net revenue from the road link comprises payment per vehicle crossing the Storebælt link. Payment is charged in cash, via debit/credit card, via subsequent invoicing or as prepayment. Prepaid journeys are recognised as they are used. The charges on the Storebælt link are set by the Minister of Transport.

Net revenue from the rail link comprises payment from Banedanmark for the use of the rail facilities and is based on actual traffic.

Specification of net revenue	2021 Q1	2020 Q1
Net revenue, road	556	594
Net revenue, railway	73	76
Net revenue, ports	7	7
Total net revenue	637	677

Note 3 Financial items

The company recognises changes in the fair value of financial assets and liabilities through the comprehensive income statement. The difference in fair value between the balance sheet dates comprises the total financial items divided into value adjustments and net financing expenses where the latter comprises interest income and expenses.

Net financing expenses comprise accrued nominal/real coupons rates, realised inflation indexation and amortisation of premiums/discounts while premiums and expected inflation indexation are included in the value adjustments.

Value adjustments comprise realised and unrealised gains and losses on financial assets and liabilities as well as foreign exchange gains and losses.

	2021 Q1	2020 Q1
Financial income		
Interest income, financial instruments	2	101
Total financial income	2	101
Financial expenses		
Interest expenses, loans	-15	-17
Interest expenses, financial instruments	-10	-104
Other financial items, net	-3	0
Total financial expenses	-27	-121
Net financing expenses	-25	-20
Value adjustments, net		
- Loans	262	293
- Currency and interest rate swaps	-44	121
Value adjustments, net	217	414
Total financial items	193	394
Of which financial instruments	-51	118

Interest expenses for Q1 2021 include the commission to the Danish State of DKK 7 million (in Q1 2020, the commission amounted to DKK 7 million).

Net financing expenses were DKK 5 million higher in Q1 2021 compared to the same period in 2020. This is primarily due to higher inflation indexation.

Note 4 Road link

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 31 Mar. 2021	Total 31 Dec. 2020
Cost opening balance	12,920	982	4,399	52	18,353	18,402
Additions for the year	0	0	0	16	16	46
Disposals for the year	0	0	0	0	0	-95
Transfers for the year	6	0	0	-6	0	0
Cost, closing balance	12,926	982	4,399	62	18,370	18,353
Depreciation, amortisation and writedowns, opening balance	3,765	226	1,008	0	4,999	4,863
Depreciation, amortisation and writedowns for the year	43	2	11	0	56	225
Depreciation on assets disposed of	0	0	0	0	0	-88
Depreciation, amortisation and writedowns, closing balance	3,807	229	1,019	0	5,056	4,999
Net book value	9,119	753	3,380	62	13,314	13,354

Note 5 Rail link

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 31 Mar. 2021	Total 31 Dec. 2020
Cost opening balance	12,404	567	5,034	43	18,048	18,080
Additions for the year	0	0	0	4	4	26
Disposals for the year	-22	0	0	0	-22	-57
Transfers for the year	31	0	0	-31	0	0
Cost, closing balance	12,413	567	5,034	17	18,030	18,048
Depreciation, amortisation and writedowns, opening balance	4,399	211	1,871	0	6,481	6,258
Depreciation, amortisation and writedowns for the year	52	2	17	0	72	280
Depreciation on assets disposed of	-22	0	0	0	-22	-57
Depreciation, amortisation and writedowns, closing balance	4,429	213	1,889	0	6,531	6,481
Net book value	7,984	354	3,145	17	11,500	11,567

Note 6 Net debt

Fair value hierarchy	Level 1	Level 2	Level 3	Total				Total
				31 Mar. 2021				
Securities	1,561	0	0	1,561	1,163	0	0	1,163
Derivatives, assets	0	731	0	731	0	899	0	899
Financial assets	1,561	731	0	2,291	1,163	899	0	2,062
Bond loans and debt	-20,041	-513	0	-20,554	-19,722	-523	0	-20,245
Derivatives, liabilities	0	-1,751	0	-1,751	0	-1,889	0	-1,889
Financial liabilities	-20,041	-2,264	0	-22,305	-19,722	-2,412	0	-22,134

Net debt spread across currencies	EUR		Other currency	Total			Other currency		Total
	DKK			31 Mar. 2021			31 Dec. 2020		
Cash at bank and in hand	-20	333	0	312	-4	19	0	15	
Securities	1,161	400	0	1,561	1,163	0	0	1,163	
Bond loans and debt	0	-20,313	-241	-20,554	0	-19,996	-249	-20,245	
Currency and interest rate sw aps	-1,596	334	241	-1,021	-1,706	467	249	-991	
Currency futures	201	-201	0	0	201	-202	0	0	
Accrued interest	-64	106	0	42	-42	78	0	36	
Total net debt (fair value)	-318	-19,341	0	-19,660	-388	-19,633	0	-20,021	

Interest-bearing net debt	31 Mar. 2021	31 Mar. 2020
Repayment period - number of years	34	34
Interest-bearing net debt - DKK billion	18.3	18.6
Repayment of debt	2032	2032
Financing expenses excl. value adjustment - per cent per annum	0.39	0.27
Financing expenses incl. value adjustment - per cent per annum	-0.79	-1.94

Note 7 Related parties

Related parties comprise the Danish State, companies and institutions owned by it.

Related party	Registered office	Affiliation	Transactions	Pricing
The Danish State	Copenhagen	100 per cent ownership via Sund & Bælt Holding	Guarantee for the company's debt Guarantee commission	Determined by legislation. Accounts for 0.15 per cent of nominal debt
Sund & Bælt Holding A/S	Copenhagen	100 per cent ownership of A/S Storebælt	Management of subsidiary's operational tasks Common functions Joint taxation contribution	Market price
A/S Øresund	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Maintenance tasks	Market price
Sund & Bælt Partner A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	-
A/S Femern Landanlæg	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	-
Femern A/S	Copenhagen	Subsidiary of A/S Femern Landanlæg	-	-
Brobizz A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Issuer fee Reinvoicing of revenue Purchase/sale of services	Market price
BroBizz Operatør A/S	Copenhagen	Subsidiary of Brobizz A/S	Reinvoicing	Market price
Øresundsbro Konsortiet I/S	Copenhagen/ Malmø	50 per cent ownership of partnership via A/S Øresund	Purchase of financial management Reinvoicing	Market price
Danish Road Directorate	Copenhagen	Owned by the the Ministry of Transport	Purchase of services	Market price
Banedanmark	Copenhagen	Owned by the the Ministry of Transport	Payment for use of rail link Maintenance work	Determined by the Minister of Transport

DKK 1,000		Trans- actions 2021 Q1	Trans- actions 2020 Q1	Balance at 31 Mar. 2021	Balance at 31 Dec. 2020
Related party	Description				
The Danish State	Guarantee commission	-27,143	-27,193	0	-28,000
Sund & Bælt Holding A/S	Management of subsidiary's operational tasks	-21,250	-21,250	-8,854	-17,104
	Joint taxation contribution	-268,439	0	0	-268,439
	Common functions	-479	-445	-187	-583
BroBizz A/S	Reinvoicing	544,893	454,383	284,872	277,697
	Issuer fee	-16,060	-17,358	-5,108	-14,557
	Purchase of services	-3,948	-2,345	-627	-857
BroBizz Operatør A/S	Reinvoicing	-126	-85	-53	-35
Øresundsbro Konsortiet I/S	Purchase of financial management	-583	-640	-728	0
	Reinvoicing	-278	-368	-108	-105
Danish Road Directorate	Purchase of services	-4	-42	0	0
Banedanmark	Payment for use of rail link	73,295	75,476	-1,702	-2,803
	Maintenance work	-320	-3,368	-312	-344

Note 8 Auditor's statement

No audit or review of the interim report has been performed.