

The background of the entire page is a photograph of the Øresund Bridge, a long suspension bridge spanning a body of water. The bridge's tall, white pylons and suspension cables are clearly visible against a light sky. The water in the foreground shows gentle ripples and reflects the bridge's structure.

A/S Storebæltsforbindelsen

Interim report

Half year ended 30 June 2020

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Summary of 1st half year 2020

The Board of Directors has today approved the interim report for the first half year 2020 (1 January-30 June 2020) for A/S Storebælt. The auditors elected by the Annual General Meeting have not conducted a review of the interim report.

Financial headlines

- Revenue totals DKK 1,336 million and declined by 16 per cent compared to the first half year 2019. The decline in revenue can be attributed to the shutdown of workplaces in mid-March owing to the outbreak of Covid-19. The impact of this is calculated to be approximately DKK 250 million.
- Other external expenses total DKK 163 million and are DKK 9 million lower compared to the same period last year.
- EBIT fell by 21 per cent and totals DKK 900 million.
- Net financing expenses fell by DKK 32 million compared to the 1st half year 2019 and total DKK 69 million.
- Value adjustments represent gains of DKK 192 million. For the same period in 2019, value adjustments represented an expense of DKK 319 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 totals DKK 19.7 billion as at 30 June 2020.
- Additions for the period for the road and rail link in progress total DKK 32 million. Additions primarily relate to work designed to increase safety and prevent long traffic queues on the Storebælt Bridge when installing mobile crash barriers and a comprehensive upgrade of signage and traffic monitoring.
- Additions on property, plant and equipment in use for the first half year 2020 of DKK 43 million can primarily be attributed to the new toll station. The old toll station was replaced in order to make it faster and easier to cross the Storebælt Bridge. The replacement enables all PayByPlate customers to use the green Express lanes, which were previously reserved for BroBizz customers.
- Cash flow from operating and investing activities (free cash flow) has resulted in a net increase in liquidity of DKK 937 million. Cash flow from financing activities has resulted in a net decline in liquidity of DKK 912 million whereby cash at bank and in hand for the period increased by DKK 25 million.

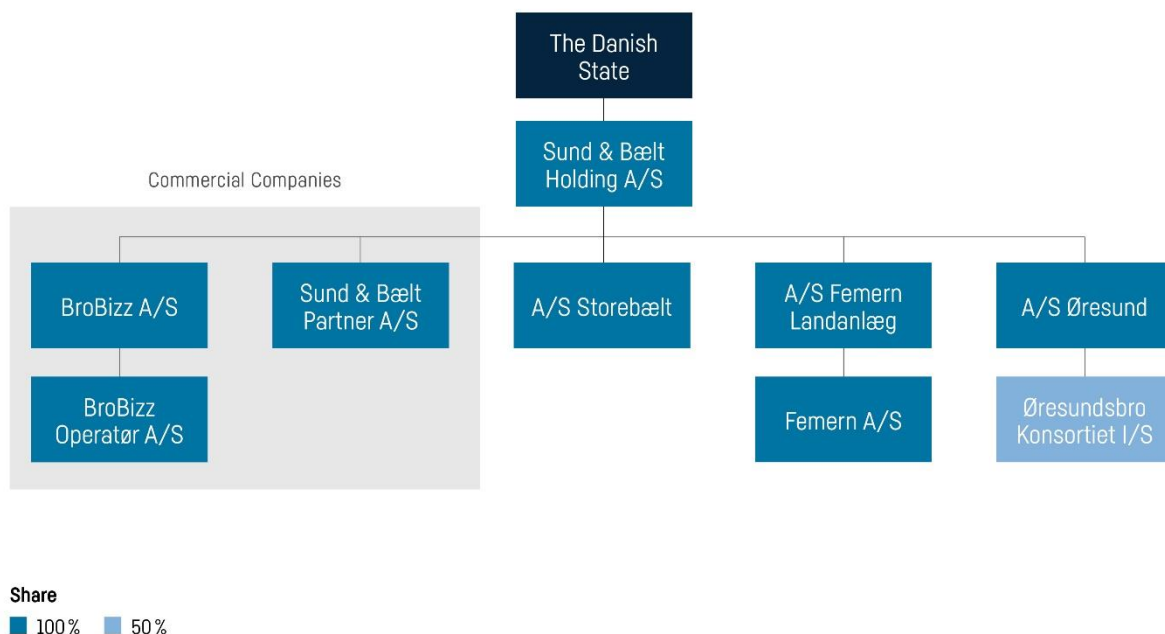
Sund & Bælt Group and its companies

Information as to shareholders

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.

The entire share capital of Sund & Bælt Holding A/S 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 responsibility has been assumed having regard to maintaining high levels of accessibility and safety on the link. In addition, repayment of the loans raised to finance the facilities shall take place within a reasonable time frame.

Key figures and financial ratios for A/S Storebælt

(DKK million)	2020 Q2	2019 Q2	2020 1st half	2019 1st half	2019 Full year
Net revenue, road	583	788	1,178	1,425	2,916
Net revenue, railway	68	63	144	141	292
Other external expenses	-79	-91	-163	-172	-364
Depreciation, amortisation and write-downs	-133	-133	-272	-265	-530
Operating profit (EBIT)	445	634	900	1,144	2,347
Financial items excl. value adjustment	-49	-90	-69	-101	-165
Profit before val. adjustments	396	544	831	1,043	2,182
Value adjustments, net	-222	-158	192	-319	-262
Profit for the period	136	301	799	565	1,498

Capital investment for the year, road and railway	32	71	117
Capital investment, road and railway, end of period	25,134	25,560	25,361
Net debt (fair value)	21,175	22,304	20,618
Interest-bearing net debt	19,670	20,552	18,946
Equity	3,205	3,074	4,007
Balance sheet total	28,070	29,186	28,263

Cash flow from operating activities	969	1,091	3,101
Cash flow from investing activities	-32	-71	-138
Cash flow from financing activities	-912	-1,134	-3,228
Total cash flow	25	-114	-265

Financial ratios, per cent

Profit ratio (EBIT)	67.4	72.5	72.5
Rate of return (EBIT)	6.4	7.8	8.3
Return on facilities (EBIT)	7.2	8.9	9.3

NB. The financial ratios have been stated as referenced in Note 1, Accounting Policies.

Management report

Development in activities and financial situation

The company's total revenue fell from DKK 1,581 million in 2019 to DKK 1,336 million for the current period.

Revenue from the road link totals DKK 1,178 million, which is a fall compared to the previous year of DKK 247 million. Growth in the first two months of the year amounted to an increase of 0.5 per cent, but as a result of the shutdown of workplaces in mid-March, traffic fell by 50-55 per cent, which is primarily attributable to passenger cars which fell by 60 per cent. Lorry traffic could almost be maintained and was a couple of per cent below last year's traffic level. Coach traffic saw a reduction of more than 90 per cent. Following the reopening, traffic showed growth and in June, passenger car traffic was 21 per cent below the level for 2019 while lorry traffic showed 4 per cent growth. Seen in isolation, the economic impact of Covid-19 amounted to a loss in revenue of approximately DKK 250 million.

For the half year, traffic fell by a total of 23.9 per cent, with a fall of 27 per cent for passenger cars and a fall of 0.4 per cent for lorries.

Revenue from the railway and port facilities is largely unchanged and totals DKK 159 million.

The company's expenses are DKK 2 million lower compared to the same period last year. Other external expenses fell by DKK 9 million while depreciation increased by DKK 7 million as a result of the writedown of an asset taken out of service.

The impact of value adjustments on financial results

	Income statement with ref. to 1st half	Fair value adjustments	Pro forma income statement 2020 1st half	Pro forma income statement 2019 1st half
Operating profit (EBIT)	900		900	1,144
Financial items	123	-192	-69	-101
Profit before fair val. adjstmnts. and tax	1,024		831	1,043
Fair value adjustment		192	192	-319
Profit before tax	1,024		1,024	724
Tax	-225		-225	-159
Profit for the period	799		799	565

The result after value adjustments and tax is a profit of 831 million against a profit of 1,043 million in 2019.

The company's net financing expenses total DKK 69 million and are DKK 32 million lower than the same period last year. Financing expenses excluding value adjustments, total 0.57 per cent per annum against 0.87 per cent per annum for the same period last year. The difference is primarily attributable to lower inflation indexation on the real rate debt ratio. Including value adjustments, financing expenses amount to -0.43 per cent per annum against 2.47 per cent per annum for the corresponding period in 2019.

The value adjustments of the company's debt amount to gains of DKK 192 million. For the same period last year, value adjustments amounted to an expense of DKK 319 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 after tax is a profit of DKK 799 million against a profit of DKK 565 million for the same period in 2019. The improved result, which was achieved despite the loss of revenue owing to Covid-19, can primarily

be attributed to value adjustments of financial items, which have positively impacted the profit after tax by approximately DKK 400 million.

A/S Storebælt's financial risks are mainly unchanged in relation to the statement contained in the note to the 2019 annual report, which addresses financial risk management.

At the end of June, the floating rate debt amounted to 28 per cent of the net debt.

Equity totalled DKK 3,205 million as at 30 June 2020 against DKK 4,007 million as at 31 December 2019. Equity movements for the accounting period relate in part to the results for the period 1 January-30 June 2020 and in part to the dividend distribution of DKK 1,600 million which was adopted at the company's Annual General Meeting on 17 April 2020.

Interest-bearing net debt amounted to DKK 19.7 billion as at the end of June.

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.

Future operating results are estimated on the basis of the Ministry of Transport and Housing'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 2019 annual report. Substantial uncertainty exists concerning the consequences of Covid-19, with particular uncertainty related to road traffic revenue.

Outlook for the year

The current outbreak of Covid-19, the shutdown of workplaces and borders and the subsequent gradual reopening have given rise to great uncertainty concerning the results for the current year.

The original results expectations for 2020 based on the budget adopted in November 2019 amounted to a profit before fair value adjustments and tax in the order of DKK 2.0-2.2 billion. By the end of June, a loss of revenue of approximately DKK 250 million had been realised and depending on how the Covid-19 outbreak develops, it is assessed that the loss of revenue can mount up to DKK 500 million. There is considerable uncertainty attached to this estimate.

With regard to financing expenses, the effect is deemed to be limited as it is expected that the interest rate and inflation will remain at a low level over an extended period. However, the current low inflation level means that financing expenses in 2020 – in relation to the budget – are expected to be reduced by approximately DKK 60 million.

Based on the aforementioned, the results before fair value adjustments and tax for 2020 are expected to amount to a profit in the order of DKK 1.5-2.0 billion.

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.

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 30 June 2020 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 30 June 2020 and the results of the company's activities and cash flow for the period 1 January – 30 June 2020.

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, 31 August 2020

Management Board

Mogens Hansen
CEO

Board of Directors

Mikkel Hemmingsen
Chair

Louise Friis
Vice-Chair

Mogens Hansen

Financial statements

Comprehensive income statement 1 January – 30 June

(DKK million)

	Note	2020 Q2	2019 Q2	2020 1st half	2019 1st half
Net revenue					
Net revenue	2	658	858	1,336	1,581
Total net revenue		658	858	1,336	1,581
Expenses					
Other external expenses		-79	-91	-163	-172
Depreciation, amortisation and write-downs		-133	-133	-272	-265
Total expenses		-212	-224	-435	-437
Operating profit (EBIT)		445	634	900	1,144
Financial items	3				
Financial income		12	16	20	47
Financial expenses		-61	-106	-89	-148
Value adjustments, net		-222	-158	192	-319
Total financial items		-271	-248	123	-420
Profit before tax		174	386	1,024	724
Tax		-38	-85	-225	-159
Profit for the period		136	301	799	565
Other comprehensive income		0	0	0	0
Tax on other comprehensive income		0	0	0	0
Comprehensive income		136	301	799	565

Balance sheet 30 June – Assets

(DKK million)

Assets	Note	30 June 2020	31 Dec. 2019	30 June 2019
Non-current assets				
Property, plant and equipment				
Road link	4	13,443	13,539	13,607
Rail link	5	11,690	11,821	11,953
Port facilities		175	181	184
Land and buildings		70	74	77
Other fixtures and fittings, plant and equipment		23	25	18
Total property, plant and equipment		25,402	25,640	25,839
Total non-current assets				
		25,402	25,640	25,839
Current assets				
Receivables				
Inventory		0	0	2
Receivables		634	541	953
Securities		862	942	863
Derivatives		1,133	1,128	1,368
Prepayments and accrued income		14	11	10
Total receivables		2,643	2,623	3,196
Cash at bank and in hand				
		25	0	151
Total current assets				
		2,668	2,623	3,347
Total assets		28,070	28,263	29,186

Balance sheet 30 June – Equity and liabilities

(DKK million)

Equity and liabilities	Note	30 June 2020	31 Dec. 2019	30 June 2019
Equity				
Share capital		355	355	355
Retained earnings		2,850	2,052	2,719
Proposed dividend		0	1,600	0
Total equity		3,205	4,007	3,074
Liabilities				
Non-current liabilities				
Deferred tax		1,203	978	938
Bond loans and amounts owed to credit institutions	6	19,213	18,311	20,000
Total non-current liabilities		20,416	19,289	20,938
Current liabilities				
Current portion of non-current liabilities	6	2,001	2,322	2,587
Credit institutions	6	0	30	0
Trade and other payables		483	579	494
Derivatives	6	1,964	2,036	2,093
Total current liabilities		4,449	4,967	5,174
Total liabilities		24,865	24,256	26,112
Total equity and liabilities		28,070	28,263	29,186

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Statement of changes in equity 1 January – 30 June

(DKK million)

	Share capital	Retained earnings	Proposed dividend	Total
Balance at 1 January 2019	355	2,154	1,600	4,109
Dividend paid	0	0	-1,600	-1,600
Profit for the year and comprehensive income	0	-102	1,600	1,498
Balance at 31 December 2019	355	2,052	1,600	4,007
Balance at 1 January 2020	355	2,052	1,600	4,007
Dividend paid	0	0	-1,600	-1,600
Profit for the period and comprehensive income	0	799	0	799
Balance at 30 June 2020	355	2,850	0	3,205

Cash flow statement 1 January – 30 June

(DKK million)

	2020 1st half	2019 1st half
Cash flow from operating activities		
Operating profit (EBIT)	900	1,144
Adjustments		
Depreciation, amortisation and write-downs	272	265
Cash flow from operations (operating activities) before change in working capital	1,173	1,409
Change in working capital		
Receivables and prepayments	74	325
Trade and other payables	-278	-643
Total cash flow from operating activities	969	1,091
Cash flow from investing activities		
Acquisition of intangible and tangible fixed assets	-32	-71
Total cash flow from investing activities	-32	-71
Free cash flow	937	1,019
Cash flow from financing activities		
Raising of loans	1,067	2,630
Reduction of liabilities	-250	-2,027
Debt reduction with credit institutions	-30	0
Interest expenses, paid	-98	-136
Paid dividend to shareholder	-1,600	-1,600
Total cash flow from financing activities	-912	-1,134
Change for the period in cash and cash equivalents	25	-114
Opening cash and cash equivalents	0	265
Closing cash and cash equivalents	25	151

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 2019 financial statements. Reference should be made to the 2019 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: EBIT less other earnings in percentage of revenue.

Rate of return: EBIT less other earnings in percentage of total assets

Return on facilities: EBIT less other earnings in percentage of the investment in the road and rail links.

Note 2. Revenue

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

Revenue from the road facilities comprises payment per vehicle crossing the Storebælt link. Payment is charged in cash via debit/credit card with subsequent invoicing or as prepayment. Prepaid journeys are recognised as they are consumed. Revenue from the rail facilities includes fees from Banedanmark for the use of the rail link. The charges on the Storebælt link and the rail fees have been set by the Minister of Transport and Housing.

Specification of net revenue	2020	2019
	1st half	1st half
Net revenue, road	1,178	1,425
Net revenue, railway	144	141
Net revenue, ports	15	15
Total net revenue	1,336	1,581

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 the fair value between the balance sheet dates constitutes the total financial items allocated between 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 and corresponding foreign exchange gains and losses.

	2020 1st half	2019 1st half
Financial income		
Interest income, securities, banks etc.	0	0
Interest income, financial instruments	20	47
Total financial income	20	47
Financial expenses		
Interest expenses, loans	-55	-141
Interest expenses, financial instruments	-33	-6
Other financial items, net	-1	-1
Total financial expenses	-89	-148
Net financing expenses	-69	-101
Value adjustments, net		
- Securities	-2	-1
- Loans	115	-394
- Currency and interest rate sw aps	79	76
Value adjustments, net	192	-319
Total financial items	123	-420
Of which financial instruments	67	117

Commission to the Danish State of DKK 15.0 million is recognised in interest expenses as at 30 June 2020 (30 June 2019: DKK 15.0 million).

Net financing expenses were DKK 32 million lower as at 30 June 2020 compared to the corresponding period in 2019, which is due to lower inflation indexation of the real interest rate debt ratio.

Note 4. Road link

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 30 June 2020	Total 31 Dec. 2019
Cost opening balance	12,961	1,042	4,399	0	18,402	18,331
Adjustment to opening balance	0	-60	0	60	0	0
Additions for the year	0	0	0	23	23	86
Disposals for the year	-94	0	0	0	-94	-14
Transfers for the year	43	0	0	-43	0	0
Cost, end of period	12,910	982	4,399	40	18,331	18,402
Depreciation, opening balance	3,683	217	964	0	4,863	4,654
Depreciation, amortisation and written down for the year	92	5	22	0	119	223
Depreciation on assets disposed of	-94	0	0	0	-94	-14
Depreciation end of period	3,681	221	986	0	4,888	4,863
Book value	9,229	761	3,413	40	13,443	13,539

Note 5. Rail link

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 30 June 2020	Total 31 Dec. 2019
Cost opening balance	12,449	597	5,034	0	18,080	18,052
Adjustment to opening balance	0	-30	0	30	0	0
Additions for the year	0	0	0	9	9	32
Disposals for the year	-1	0	0	0	-1	-4
Transfers for the year	7	0	0	-7	0	0
Cost, end of period	12,455	567	5,034	32	18,088	18,080
Depreciation, opening balance	4,254	203	1,801	0	6,258	5,980
Depreciation, amortisation and written down for the year	101	4	35	0	140	282
Depreciation on assets disposed of	-1	0	0	0	-1	-3
Depreciation end of period	4,354	207	1,836	0	6,398	6,259
Book value	8,101	360	3,197	32	11,690	11,821

Note 6. Net debt

Fair value hierarchy	Level 1	Level 2	Level 3	Total 30 June 2020	Level 1	Level 2	Level 3	Total 31 Dec. 2019
Bonds	862	0	0	862	942	0	0	942
Derivatives, assets	0	1,133	0	1,133	0	1,128	0	1,128
Financial assets	862	1,133	0	1,995	942	1,128	0	2,070
Bond loans and debt	-19,672	-1,542	0	-21,214	-18,827	-1,836	0	-20,663
Derivatives, liabilities	0	-1,964	0	-1,964	0	-2,036	0	-2,036
Financial liabilities	-19,672	-3,507	0	-23,179	-18,827	-3,872	0	-22,699

Net debt spread across currencies	EUR	DKK	Other cur- rency	Total 30 June 2020	EUR	DKK	Other cur- rency	Total 31 Dec. 2019
Cash at bank and in hand	65	-40	0	25	-244	243	0	0
Investments	862	0	0	862	942	0	0	942
Financial assets	927	-40	0	887	699	243	0	942
Bond loans and debt	0	-19,949	-1,265	-21,214	-8	-19,082	-1,572	-20,663
Currency and interest rate sw aps	-2,623	528	1,265	-830	-2,936	454	1,574	-908
Currency futures	821	-822	0	-1	-448	448	0	0
Currency options	0	0	0	0	0	0	0	0
Accrued interest	-107	90	0	-16	-59	69	0	11
Financial liabilities	-1,909	-20,153	0	-22,062	-3,451	-18,111	1	-21,560
Total net debt	-982	-20,194	0	-21,175	-2,753	-17,867	1	-20,618

Interest-bearing net debt	30 June 2020	30 June 2019
Repayment period - number of years	34	34
Interest-bearing net debt - DKK billion	19.7	20.6
Repayment of debt	2032	2032
Financing expenses excl. value adjustment - per cent per annum	0.57	0.87
Financing expenses incl. value adjustment - per cent per annum	-0.43	2.47

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 A/S	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 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	-	Market price
A/S Femern Landanlæg	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	Market price
Femern A/S	Copenhagen	Subsidiary of A/S Femern Landanlæg	-	Market price
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
Banedanmark	Copenhagen	Owned by the the Ministry of Transport and Housing	Payment for use of rail link Maintenance work	Determined by the Minister of Transport and Housing

Related party	Description	Amount 2020 1st half	Amount 31 Dec. 2019	Balance at 30 June 2020	Balance at 31 Dec. 2019
The Danish State	Guarantee commission	-14.6	-30.7	-14.6	-30.0
Sund & Bælt Holding A/S	Management of subsidiary's operational tasks	-42.3	-65.1	-9.0	-0.8
	Joint taxation contribution	0.0	-250.1	0.0	-250.1
	Common functions	0.3	0.8	0.2	0.5
A/S Øresund	Maintenance tasks	0.0	0.8	0.0	0.2
BroBizz A/S	Reinvoicing	921.8	2,137.6	306.8	298.5
	Issuer fee	-31.3	-62.4	-8.4	-7.8
	Purchase of services	-1.2	-14.6	-0.2	-15.0
BroBizz Operatør A/S	Reinvoicing	-0.2	0.3	0.0	0.0
Øresundsbro Konsortiet I/S	Purchase of financial management	-1.2	-4.9	-0.2	-0.9
	Reinvoicing	-0.7	0.0	0.0	0.0
Banedanmark	Payment for use of rail link	143.6	292.5	-4.5	29.1
	Maintenance work	-0.9	-4.5	-0.6	-4.2

Note 8. Auditor's statement

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