

Copenhagen Airports A/S
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Denmark
Company reg. no. (CVR) 14 70 72 04

Financial Statements of the parent Company Copenhagen Airports A/S 2018

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).

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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 in reporting class D.

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 according to the equity method, i.e. at the proportionate share of the net asset value of these companies.

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 2.1 to the consolidated financial statements in the Group Annual Report.

Income statement

1 January - 31 December

Note	DKK million	2018	2017
	Traffic revenue	2,574.8	2,666.8
	Concession revenue	1,360.7	1,280.7
	Rent	180.4	174.7
	Sale of services, etc.	251.4	208.8
1	Revenue	4,367.2	4,331.0
	Work performed on own account	178.7	162.1
2	Other income	2.2	2.9
3	External costs	581.4	454.1
4	Staff costs	1,521.4	1,490.4
5	Amortisation and depreciation	903.0	762.5
	Operating profit	1,542.3	1,789.0
6	Profit from investment subsidiaries after tax	31.2	22.6
7	Financial income	4.2	4.8
8	Financial expenses	169.1	187.1
	Profit before tax	1,408.6	1,629.3
9	Tax on profit for the year	303.3	343.8
	Profit for the year	1,105.3	1,285.5
	<i>Profit allocation:</i>		
	Dividend declared	427.2	499.9
	Proposed dividend	678.1	785.6
		1,105.3	1,285.5

Balance sheet

As at 31 December

Assets			
Note	DKK million	2018	2017
NON-CURRENT ASSETS			
10	Total intangible assets	455.6	447.6
11	Property, plant and equipment		
	Land and buildings	4,809.3	4,654.3
	Plant and machinery	4,003.9	3,939.2
	Other fixtures and fittings, tools and equipment	620.1	645.6
	Property, plant and equipment in progress	1,893.0	925.2
	Total property, plant and equipment	11,326.3	10,164.3
	Financial investments		
12	Investments in subsidiaries	242.8	212.5
12	Investments in associates	0.4	0.4
	Other receivables	85.8	6.9
	Total financial investments	329.0	219.8
	Non-current assets	12,110.9	10,831.7
CURRENT ASSETS			
	Receivables		
13	Trade receivables	462.0	402.6
	Receivables from subsidiaries	66.3	110.6
	Other receivables	5.7	47.0
	Prepayments	59.5	62.4
	Total receivables	593.5	622.6
	Cash	151.9	9.4
	Total current assets	745.4	632.0
	Total assets	12,856.3	11,463.7

Balance sheet

As at 31 December

Equity and liabilities			
Note	DKK million	2018	2017
EQUITY			
	Share capital	784.8	784.8
	Net revaluation according to the equity method	84.7	54.4
	Reserve for development cost	75.1	63.6
	Retained earnings	1,463.4	1,463.9
	Proposal on dividends	678.2	785.7
	Total equity	3,086.2	3,152.4
NON-CURRENT LIABILITIES			
9	Deferred tax	958.8	979.1
14	Financial institutions	6,508.6	4,605.7
	Other payables	35.3	126.2
	Total non-current liabilities	7,502.7	5,711.0
CURRENT LIABILITIES			
14	Financial institutions	628.3	1,277.9
	Prepayments from customers	340.5	235.9
	Trade payables	713.2	494.1
9	Income tax	200.3	213.7
15	Other payables	377.6	370.2
	Deferred income	7.5	8.5
	Total current liabilities	2,267.4	2,600.3
	Total liabilities	9,770.1	8,311.3
	Total equity and liabilities	12,856.3	11,463.7
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 2018

DKK million	Share capital	Net revaluation according to the equity method	Reserve for development cost	Retained earnings	Proposed dividend	Total
1 January - 31 December 2018						
Equity at 1 January 2018	784.8	54.4	63.6	1,463.9	785.7	3,152.4
Net profit for the year	-	-	-	-	1,105.3	1,105.3
Transferred from retained earnings	-	30.3	-	(30.3)	-	-
Value adjustments of hedging instruments	-	-	-	(299.2)	-	(299.2)
Value adjustments of hedging instruments, transferred to Financial income and expenses in the income	-	-	-	340.5	-	340.5
Capitalized development cost, net	-	-	11.5	(11.5)	-	-
Dividends paid	-	-	-	-	(1,212.8)	(1,212.8)
Balance 31 December 2018	784.8	84.7	75.1	1,463.4	678.2	3,086.2

The Company's share capital consists of 7,848,000 shares of DKK 100 each. Retained earnings include proposed dividends of DKK 678,1 million. Proposed dividend per share amounts to DKK 86,4. Based on the half-year results, 8 August 2017 was distributed an extraordinary dividend of DKK 427.2 million, corresponding to DKK 54.43 per share.

Equity 2017

DKK million	Share capital	Net revaluation according to the equity method	Reserve for development cost	Retained earnings	Proposed dividend	Total
1 January - 31 December 2017						
Equity at 1 January 2017	784.8	31.4	36.5	1,491.4	694.0	3,038.1
Net profit for the year	-	-	-	-	1,285.5	1,285.5
Transferred from retained earnings	-	23.0	-	(23.0)	-	-
Value adjustments of hedging instruments	-	-	-	(317.8)	-	(317.8)
Value adjustments of hedging instruments, transferred to Financial income and expenses in the income	-	-	-	340.4	-	340.4
Capitalized development cost, net	-	-	27.1	(27.1)	-	-
Dividends paid	-	-	-	-	(1,193.8)	(1,193.8)
Balance 31 December 2017	784.8	54.4	63.6	1,463.9	785.7	3,152.4

The Company's share capital consists of 7,848,000 shares of DKK 100 each. Retained earnings include proposed dividends of DKK 785,6 million. Proposed dividend per share amounts to DKK 100.10. Based on the half-year results, 8 August 2017 was distributed an extraordinary dividend of DKK 499.9 million, corresponding to DKK 63.70 per share.

Notes to the financial statements

Note	DKK million	2018	2017
1	Revenue		
	Traffic revenue		
	Take-off charges	451.0	460.9
	Passenger charges	1,191.6	1,242.2
	Security charges	609.3	629.2
	ETD charges	43.1	48.2
	Handling	202.8	210.6
	Aircraft parking, CUTE, etc.	77.0	75.7
	Total traffic revenue	2,574.8	2,666.8
	Concession revenue		
	Shopping centre	875.3	840.7
	Car parking	418.5	378.4
	Other concession revenue	66.9	61.6
	Total concession revenue	1,360.7	1,280.7
	Rent		
	Rent from premises	126.6	121.5
	Rent from land	48.5	47.7
	Other rent	5.3	5.5
	Total rent	180.4	174.7
	Sales of services, etc.	251.4	208.8
	Total revenue	4,367.2	4,331.0
2	Other income		
	Sales of property, plant and equipment	2.2	2.9
	Total other income	2.2	2.9
3	External costs		
	Operation and maintenance	374.3	329.6
	Energy	100.8	41.3
	Administration	84.1	58.7
	Other	22.2	24.5
	Total external costs	581.4	454.1
	Of which audit fees account for		
	Audit fee to PwC	1.3	1.1
	Fees for assurance engagements other than audit	0.3	0.4
	Tax advice	0.1	0.2
	Non-audit services	0.7	0.9
	Total audit fee	2.4	2.6
4	Staff costs		
	Salaries and wages	1,348.4	1,310.4
	Pensions	112.3	109.0
	Other social security costs	10.2	10.0
	Other staff costs	50.5	61.0
	Total staff cost	1,521.4	1,490.4

The average number of people employed in 2018 was 2,465 full-time equivalents (2017: 2,426 full-time equivalents).

For information on emoluments to the members of the Board of Directors and Executive Management, see note 2.4 in the Group Annual Report.

Notes to the financial statements

Note	DKK million	2018	2017
5	Amortisation and depreciation		
	Software	133.0	129.2
	Land and buildings	288.5	233.0
	Plant and machinery	326.5	263.9
	Other fixtures and fittings, tools and equipment	155.0	136.4
	Total amortisation and depreciation	903.0	762.5
6	Profit from investments in subsidiaries after tax		
	Copenhagen Airport Hotels A/S	29.0	22.3
	Copenhagen Airports International A/S	2.2	0.3
	Total profit from investments in subsidiaries after tax	31.2	22.6
7	Financial income		
	Interest on balances with banks, etc.	-	-
	Interest on intercompany accounts with subsidiaries	2.2	3.6
	Interest on other receivables	1.4	0.7
	Net exchange gains	0.6	0.5
	Total financial income	4.2	4.8
8	Financial expenses		
	Interest on debt to financial institutions, etc.	212.4	218.6
	Capitalised interest expenses regarding assets under construction	(51.6)	(39.9)
	Exchange losses	0.6	0.7
	Other financing costs	2.7	2.7
	Amortisation of loan costs	5.0	5.0
	Total financial expenses	169.1	187.1
	For further information on financial expenses, see note 4.1 in the Group Annual Report		
9	Tax on profit for the year		
	Tax expense		
	Current income tax	335.6	340.8
	Change in deferred tax charge	(20.4)	9.3
	Total	315.2	350.1
	Tax is allocated as follows:		
	Tax on profit for the year	303.3	343.8
	Tax on movement in equity	11.9	6.3
	Total	315.2	350.1
	Breakdown of tax on profit for the year		
	Tax calculated at 22,0% / 23,5% of profit before tax	309.9	358.4
	Tax effect of:		
	Non-deductible costs including effects of interest limitation	(6.6)	(14.6)
	Balance at 31 December	303.3	343.8

Notes to the financial statements

Note DKK million 2018 2017

9 Tax on profit for the year (Continued)

Provision for deferred tax		
Balance at 1 January	979.2	969.9
Change in deferred tax charge	(20.4)	9.3
Balance at 31 December	958.8	979.2
Breakdown of deferred tax provision:		
Property, plant and equipment	927.2	959.9
Trade receivables	(1.7)	(3.7)
Other payables etc.	33.3	23.0
Total	958.8	979.2
Income tax payable		
Balance at 1 January	213.7	168.7
Tax paid on account in current year	(142.9)	(133.7)
Payment of tax underpaid in previous year	(213.6)	(168.6)
Tax paid for subsidiaries	7.5	6.5
Current income tax	335.6	340.8
Balance at 31 December	200.3	213.7

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 59.3% 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 2.5 in the Group Annual Report.

10 Intangible assets

2018	Software	Software under construction	Total
Cost			
Accumulated cost at 1 January	984.5	115.6	1,100.1
Additions	-	154.4	154.4
Disposals	(50.0)	-	(50.0)
Transferred	72.2	(85.3)	(13.1)
Accumulated cost at 31 December	1,006.7	184.7	1,191.4
Amortisation			
Accumulated amortisation at 1 January	652.8	-	652.8
Amortisation	133.0	-	133.0
Amortisation on disposals	(50.0)	-	(50.0)
Accumulated amortisation at 31 December	735.8	-	735.8
Carrying amount at 31 December	270.9	184.7	455.6
2017			
Cost			
Accumulated cost at 1 January	896.5	146.8	1,043.6
Additions	-	73.8	73.8
Disposals	(17.0)	-	(17.0)
Transferred	105.0	(105.0)	-
Accumulated cost at 31 December	984.5	115.6	1,100.4
Amortisation			
Accumulated amortisation at 1 January	540.5	-	540.5
Amortisation	129.2	-	129.2
Amortisation on disposals	(16.9)	-	(16.9)
Accumulated amortisation at 31 December	652.8	-	652.8
Carrying amount at 31 December	331.7	115.6	447.6

Notes to the financial statements

Note DKK million

2018

2017

11 Property, plant and equipment

2018	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	7,767.7	7,849.1	1,857.8	925.2	18,399.8
Additions	-	-	-	1,918.8	1,918.8
Disposals	(122.5)	(175.0)	(129.9)	-	(427.4)
Transferred	443.5	391.3	129.5	(951.0)	13.3
Accumulated cost at 31 December	8,088.7	8,065.4	1,857.4	1,893.0	19,904.5
Amortisation					
Accumulated amortisation at 1 January	3,113.4	3,909.9	1,212.2	-	8,235.5
Amortisation	288.5	326.5	155.0	-	770.0
Amortisation on disposals	(122.5)	(175.0)	(129.8)	-	(427.3)
Accumulated amortisation at 31 December	3,279.4	4,061.5	1,237.3	-	8,578.2
Carrying amount at 31 December	4,809.3	4,003.9	620.1	1,893.0	11,326.3
2017					
	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	7,203.7	7,394.4	1,612.8	795.3	17,006.2
Additions	-	-	-	1,422.2	1,422.2
Disposals	(9.4)	(12.3)	(7.0)	-	(28.7)
Transferred	573.4	467.0	252.0	(1,292.3)	0.1
Accumulated cost at 31 December	7,767.7	7,849.1	1,857.8	925.2	18,399.8
Amortisation					
Accumulated amortisation at 1 January	2,889.4	3,658.3	1,082.3	-	7,630.0
Amortisation	233.0	263.9	136.4	-	633.3
Amortisation on disposals	(9.0)	(12.3)	(6.5)	-	(27.8)
Accumulated amortisation at 31 December	3,113.4	3,909.9	1,212.2	-	8,235.5
Carrying amount at 31 December	4,654.3	3,939.2	645.6	925.2	10,164.3

Notes to the financial statements

Note DKK million 2018 2017

12 Investments

2018	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	54.4	0.2	54.6
Disposals	-	-	-
Revaluation	(0.9)	-	(0.9)
Profit/(loss) after tax	31.2	-	31.2
Accumulated revaluation and impairment at 31 December	84.7	0.2	84.9
Carrying amount at 31 December	242.8	0.4	243.2
2017	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	31.4	0.2	31.6
Disposals	-	-	-
Revaluation	0.4	-	0.4
Profit/(loss) after tax	22.6	-	22.6
Accumulated revaluation and impairment at 31 December	54.4	0.2	54.6
Carrying amount at 31 December	212.5	0.4	212.9

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 3.4 in the Group Annual Report.

13 Trade receivables

Trade receivables	497.5	432.8
Write-down	35.5	30.2
Net trade receivables	462.0	402.6
Write-down for bad and doubtful debts		
Accumulated write-down at 1 January	30.2	33.2
Change in write-down for the year	(9.3)	8.2
Realised loss for the year	7.3	0.4
Reversal	7.3	(11.6)
Accumulated write-down at 31 December	35.5	30.2

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 2018 2017

14 Financial institutions and other loans

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

Non-current liabilities	6,508.6	4,605.7
Current liabilities	628.3	1,277.9
Total	7,136.9	5,883.6

Loan	Currency	Fixed/floating	Maturity date	Carrying amount		Fair value	
				2018	2017	2018	2017
Overdraft	DKK	Floating	-	57.1	33.5	57.1	33.5
Danske Bank	DKK	Fixed	29 Jan. 2019	500.0	-	500.1	-
RD (DKK 64 million)**	DKK	Fixed	23 Dec 2032	47.6	50.5	48.9	55.0
Nordea Kredit**	DKK	Floating	30 Dec 2039	450.9	450.9	450.9	450.9
Nordiske Investering Bank***	DKK	Fixed	12 Feb 2026	114.7	130.0	123.1	142.4
Nordiske Investering Bank***	DKK	Fixed	19 Feb 2027	900.0	-	971.6	-
Europæiske Investering Bank****	DKK	Fixed	15 Dec 2026	250.0	250.0	247.3	249.7
Europæiske Investering Bank****	DKK	Fixed	26 Jan 2033	400.0	-	398.4	-
Europæiske Investering Bank****	DKK	Fixed	7 Apr 2032	600.0	600.0	564.8	589.6
Europæiske Investering Bank****	DKK	Fixed	14 Aug 2033	600.0	-	554.8	-
USPP bond issue	DKK	Fixed	27 Aug 2025	1,055.0	1,055.0	1,126.3	1,118.9
USPP bond issue	USD	Fixed	27 Aug 2018	-	620.8	-	647.4
USPP bond issue	USD	Fixed	29 Jun 2018	-	620.8	-	630.1
USPP bond issue	USD	Fixed	29 Jun 2020	958.4	912.5	992.8	979.1
USPP bond issue	USD	Fixed	22 Aug 2023	1,043.1	993.2	1,083.1	1,053.7
USPP bond issue	GBP	Fixed	29 Jun 2020	190.3	193.0	201.1	212.4
Total				7,167.1	5,910.2	7,320.3	6,162.7
Loan cost for amortisation				(30.1)	(26.6)	(30.1)	(26.6)
Total				(30.1)	(26.6)	(30.1)	(26.6)
Total financial institutions and other loans				7,137.0	5,883.6	7,290.2	6,136.1

* See note 4.3 in the Group 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 514.9 million (2017: DKK 514.9 million).

*** Funding of the expansion of Pier C

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

For further information, see note 4.2 in the Group Annual Report

Financial institutions and other loans by time to expiry

Due within 1 year

Financial institutions and other loans 628.3 1,277.9

Due within 1-5 years

Financial institutions and other loans 2,981.3 1,117.6

Due after 5 years

Financial institutions and other loans 3,557.5 3,514.7

Total **7,167.1 5,910.2**

15 Other payables

Holiday pay and other payroll items	286.5	281.6
Interest payable	41.8	39.6
Other costs payable	49.3	49.1
Balance at 31 December	377.6	370.2

16 Financial commitments

For information on financial commitments, see note 5.4 in the Group Annual Report.

Notes to the financial statements

Note DKK million

2018

2017

17 Related parties

Beside the information in the Group Annual Report note 3.4, includes the parent companies related parties the subsidiaries, see note 5.5 in the Group Annual Report.

The companies in the Group are joint taxed, see note 2.5 in The Group Annual Report for further information.

Trade between subsidiaries has been as follows:

Rent	0.4	1.3
Interest income	(2.2)	3.6
Sale of services	(0.1)	0.9

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 5.6 in the Group Annual Report.

19 Financial risks

For information on financial risks, see note 4.3 in the Group Annual Report.

20 Subsequent events

For information about subsequent event see note 5.8 in Group Annual Report.
No other material events have occurred subsequent to the balance sheet date.