

# **Copenhagen Airports A/S**

## **Interim report of the period 1 January – 31 March 2020**

**Stock Exchange Announcement 2020**  
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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 to refer to the airport at Copenhagen, Kastrup, owned by Copenhagen Airports A/S.

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

## **INTERIM REPORT OF COPENHAGEN AIRPORTS A/S (CPH) FOR THE PERIOD 1 JANUARY – 31 MARCH 2020**

The Board of Directors has today approved the interim report for the period 1 January – 31 March 2020.

### **SUMMARY OF THE FIRST THREE MONTHS OF 2020**

The coronavirus pandemic and its societal and economic consequences have evolved into a global economic crisis that has dramatically impacted the aviation industry. Many airlines and businesses involved in aviation are in a battle for survival. Before the pandemic, some 83,000 travellers passed through Copenhagen Airport on a daily basis. Today, that number is less than 900. The aviation crisis has a severe impact on Denmark, as the country relies on international connectivity, tourism and trade with the rest of the world.

As the spread of coronavirus continued and national borders across the world were closed in February and March, air traffic ground to a virtual halt during the last few weeks of the first quarter.

The standstill in March was so abrupt that CPH is reporting historically poor quarterly results despite near normal operations in January and February. Profit before tax, excluding one-off items, occurring in the first quarter was DKK 79.4 million (Q1 2019: DKK 258.4 million). That is a reduction of 69.3% compared to last year. Revenue amounted to DKK 764.3 million (2019: DKK 971.8 million), 21.4% lower year-on-year.

With virtually no air traffic during the months of April and May and the extensive uncertainty as to when the world will reopen, CPH is unable to provide guidance for the near future. However, 2020 will be a challenging and difficult year for the aviation industry.

#### **Substantial cost and investment cuts**

CPH is currently rolling out a comprehensive plan intended to preserve cash by reducing operating costs and postpone investments otherwise planned for the rest of 2020 for up to DKK 1.0 billion and to identify possible cuts and consequences for 2021.

Being categorised as critical infrastructure, the airport has an obligation to remain in operation even if that implies large daily operating losses. To address that situation, CPH has established substantial credit facilities to ensure CPH remains in operation during the upcoming period.

In addition, CPH is making use of the Danish government's financial support packages. Effective from the second quarter, CPH will receive compensation for about one third of its current wage and salary costs through the Wage and salary costs compensation scheme. As a result, CPH has so far avoided redundancies. Instead, 2,200 of its 2,600 employees have been temporarily furloughed in a rotation scheme. Fulfilling the ambition of avoiding redundancies during the coronavirus crisis will depend on the depth and duration of the crisis as well as on the support measures provided by the government.

It is a condition, that CPH has no capital outflow, including dividends, or share buyback, in the financial year 2020 and 2021, to receive compensation of more than DKK 60 million for fixed costs.

In terms of liquidity, CPH is well prepared for the coming period. In May 2020, CPH entered a 2-year facilities agreement totalling DKK 6.0 billion with a club of banks. The new facility is a combination of a 2-year term loan of DKK 2.0 billion and a 2-year credit facility of DKK 4.0 billion. Simultaneously, CPH entered into waiver agreements with existing lenders, providing CPH relief from certain loan covenants until and including Q1 2021. The new facility and the waiver agreements ensures that CPH will continue to be able to meet its financial and investment commitments.

#### **CPH creates jobs and welfare**

Copenhagen Airport is home to some 1,000 companies and airlines that combined employ about 22,000 people within areas spanning from handling aircraft, baggage and passengers to catering as well as construction, maintenance and retail and restaurant services. Many of these businesses have had to dismiss staff. Most recently, SAS has announced redundancies of up to 1,700 employees in Denmark and on 20 April, the airline Norwegian announced that it is making redundant more than 600 Danish pilots and cabin crew.

Over the years, CPH has worked closely with both SAS and Norwegian on route development. Before the crisis hit, the two airlines accounted for 51% of traffic at Copenhagen Airport.

According to data from Copenhagen Economics, the aviation industry contributes jobs and wealth creation in Denmark worth as much as DKK 100 billion, including DKK 30 billion through Copenhagen Airport alone.

### **Green transition not forgotten**

Despite the crisis, Copenhagen Airport intends to continue seeking to work with our partners, the airlines, the public sector, NGOs and other parties to ensure that aviation of the future will be sustainable, and the entire Danish aviation industry will achieve climate neutrality by 2050.

CPH also intends, until further notice, to continue the climate strategy for Copenhagen Airport and aim for the targets of making its operations carbon-neutral and completely emissions-free by 2030. However, the pace in the crucial green transition will depend on how we get through the crisis. The more economic muscles CPH has, the greater strength CPH can put into the sustainable transition of aviation once the world reopens for trade, travel and air traffic.

## **HIGHLIGHTS OF RESULTS**

- Passenger numbers at Copenhagen Airport was 4.8 million in the first three months of 2020, which was 24.2% fewer than in the same period last year due to the coronavirus crisis. The number of locally departing passengers was 1.9 million (25.3% fewer than last year), and the number of transfer and transit passengers was 0.5 million (26.3% fewer than last year).
- Revenue amounted to DKK 764.3 million (2019: DKK 971.8 million), a 21.4% decline from last year, primarily due to the coronavirus crisis.
- The coronavirus crisis also had a major negative impact on EBITDA. EBITDA, excluding one-off items, amounted to DKK 320.2 million (2019: DKK 509.0 million), which was 37.1% less than last year. EBITDA amounted DKK 313.0 million (2019: DKK 506.8 million), corresponding to a 38.2% decline from last year.
- EBIT, excluding one-off items, was down by 61.5% to DKK 110.8 million (2019: DKK 287.5 million). EBIT fell by 63.7% to DKK 103.6 million (2019: DKK 285.3 million).
- Net financing costs increased by DKK 2.3 million compared to the same period of last year.
- Profit before tax, excluding one-off items, decreased by 69.3% to DKK 79.4 million (2019: DKK 258.4 million). Profit before tax decreased by 71.8% to DKK 72.2 million (2019: DKK 256.2 million).
- Capital investments were DKK 489.1 million in the first three months of 2020 (2019: DKK 549.0 million). Investments in the first quarter included the expansion of Terminal 3, the completion of Pier E, construction of a multi-storey car park, new baggage facilities, IT systems as well as miscellaneous improvement and maintenance work. All investments are now under review as noted above.

## **OUTLOOK FOR 2020**

Global aviation is under significant pressure from among other factors economic uncertainty, climate change and the recent coronavirus outbreak (COVID-19).

The coronavirus outbreak and its social and economic consequences have significantly reduced the number of flights - in terms of both holiday and business travel. Airlines have announced cancellations and have cut back on operations in line with declining demand.

Due to the extensive uncertainty the COVID-19 outbreak has caused for air travel in Denmark and the rest of the world and the ongoing uncertainty about the duration of the situation, it is currently not possible to provide a reasonable assessment of the financial impact caused by the coronavirus. Hence, it is not possible to provide guidance on revenue, profit before tax or total investments. CPH will publish expectations for 2020 and other material new information, when sufficient clarity becomes available.

The above is unchanged from the guidance provided in the publication of CPH's 2019 Annual Report on 3 March 2020.

**GROUP FINANCIAL HIGHLIGHTS AND KEY RATIOS**

	<b>Q1 2020</b>	<b>Q1 2019</b>	<b>2019</b>
<b>Income statement (DKK million)</b>			
Revenue	764	972	4,346
<i>aeronautical revenue</i>	399	531	2,415
<i>non-aeronautical revenue</i>	365	441	1,931
EBITDA	313	507	2,370
<i>aeronautical EBITDA</i>	43	167	879
<i>non-aeronautical EBITDA</i>	270	340	1,491
EBIT	104	285	1,432
<i>aeronautical EBIT</i>	(121)	(6)	147
<i>non-aeronautical EBIT</i>	225	291	1,285
Net financing costs	31	29	139
Profit before tax	72	256	1,293
Net profit	56	197	1,020
<b>Statement of comprehensive income (DKK million)</b>			
Other comprehensive income	45	15	68
Comprehensive income	101	212	1,088
<b>Balance sheet (DKK million)</b>			
Property, plant and equipment	13,278	12,050	12,995
Financial investments	297	140	197
Total assets	14,348	13,207	14,147
Equity	3,360	3,298	3,259
Interest-bearing debt	8,710	7,416	8,388
Investment in property, plant and equipment	464	515	2,051
Investment in intangible assets	25	34	91
<b>Cash flow statement (DKK million)</b>			
Cash flow from operating activities	195	92	1,774
Cash flow from investing activities	(480)	(413)	(2,139)
Cash flow from financing activities	285	183	226
Cash at end of period	19	21	19
<b>Key ratios</b>			
EBITDA margin	40.9%	52.2%	54.5%
EBIT margin	13.5%	29.4%	33.0%
Asset turnover rate	0.22	0.30	0.33
Return on assets	3.0%	8.9%	10.7%
Return on equity	6.8%	24.7%	32.2%
Equity ratio	23.4%	25.0%	23.0%
Earnings per DKK 100 share	7.2	25.1	130.0
Cash earnings per DKK 100 share	33.9	53.4	249.5
Net asset value per DKK 100 share	428.1	420.3	415.2
NOPAT margin	23.9%	26.7%	26.0%
Turnover rate of capital employed	0.33	0.39	0.36
ROCE*	10.0%	13.4%	11.9%

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

## MANAGEMENT'S FINANCIAL REVIEW

### Performance for the first quarter of 2020

Performance in the first quarter of 2020 was negatively impacted by the coronavirus crisis. Traffic was severely impacted in March. Passenger numbers plunged, affecting traffic revenue as well as shopping centre and parking revenue.

Consolidated profit before tax for the first three months of 2020 was DKK 79.4 million (2019: DKK 258.4 million), excluding one-off items of DKK 7.2 million, which primarily related to restructuring costs.

### Performance – compared to 2019

Consolidated revenue for the first three months of 2020 amounted to DKK 764.3 million, a 21.4% decline from the year-earlier period. Aeronautical revenue amounted to DKK 398.9 million, which was 24.9% less than in Q1 2019. The decline was mainly due to the drop in passenger numbers caused by the coronavirus crisis. Non-aeronautical revenue amounted to DKK 365.4 million, which was 17.1% less than in Q1 2019. This was also due to the coronavirus crisis and the derived effects of fewer passengers passing through the airport.

As a consequence of cost adjustments made and the Danish government's support package, net operating costs including depreciation and amortisation were reduced by DKK 30.8 million

relative to last year and amounted to DKK 653.5 million excluding one-off items. Depreciation and amortisation charges were down by DKK 12.1 million due to timing of investments. The effect was partially offset by a DKK 6.7 million increase in staff costs resulting from the annual salary adjustment in 2019 and an increase in headcount of 35 full-time employees. Other income includes DKK 15 million in compensation from the government's support package. The wage and salary compensation package will only be recognised effective from the second quarter of 2020.

EBITDA, excluding one-off items, amounted to DKK 320.2 million, which was 37.1% less than in Q1 2019. EBITDA fell by 38.2% to DKK 313.0 million.

Net financing costs amounted to DKK 31.4 million, which was DKK 3.2 million more than for the same period of 2019. The increase was due to a decline in capitalised interest on non-current assets.

Profit before tax, excluding one-off items, fell by 69.3% year on year to DKK 79.4 million Profit before tax amounted to DKK 72.2 million.

DKK million	Year to date			
	2020	2019	Ch.	Ch. %
Revenue	764.3	971.8	(207.5)	(21.4%)
EBITDA	313.0	506.8	(193.8)	(38.2%)
EBIT	103.6	285.3	(181.7)	(63.7%)
Net financing costs	31.4	29.1	2.3	7.9%
<b>Profit before tax</b>	<b>72.2</b>	<b>256.2</b>	<b>(184.0)</b>	<b>(71.8%)</b>

## OTHER ITEMS IN THE INCOME STATEMENT

### Net financing costs

DKK million	Year to date		
	2020	2019	Ch.
Interest Capitalised	43.5	46.3	(2.8)
interest expenses regarding assets under construction	(13.7)	(18.5)	4.8
Market value adjustments	(0.6)	(0.3)	(0.3)
Other financial costs	2.2	1.6	0.6
<b>Total</b>	<b>31.4</b>	<b>29.1</b>	<b>2.3</b>

Net financing costs increased by DKK 2.3 million compared to Q1 2019 mainly due to a decline in capitalised interest on non-current assets.

Interest expenses decreased by DKK 2.8 million due to a lower average interest rate.

### 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		
	2020	2019	Ch.
<b>Cash flow from:</b>			
Operating activities	195.4	91.9	103.5
Investing activities	(480.4)	(413.3)	(67.1)
Financing activities	284.9	183.1	101.8
<b>Net cash flow for the period</b>	<b>(0.1)</b>	<b>(138.3)</b>	<b>138.2</b>
Cash at beginning of year	19.2	159.1	(139.9)
<b>Cash at the end of the period</b>	<b>19.1</b>	<b>20.8</b>	<b>(1.7)</b>

### Cash flow from operating activities

Developments in the cash flow from operating activities were primarily related to lower revenue as a result of the coronavirus crisis, which was offset by lower tax payments.

### Cash flow from investing activities

The cash flow from investments in property, plant and equipment and intangible assets in the first three months of 2020 amounted to DKK 480.4 million (Q1 2019: DKK 413.3 million). Major investments in the first three months of 2020 included the expansion of Terminal 3, the completion of Pier E, construction of a multi-storey carpark, new baggage facilities, IT systems and miscellaneous improvement and maintenance work.

### Cash flow from financing activities

The cash flow from financing activities primarily related to net drawdowns on credit facilities, totalling DKK 400.0 million. This was partly offset by the amortisation of loans.

### Cash and cash equivalents

CPH had cash and cash equivalents of DKK 19.1 million) at 31 March 2020 (31 March 2019: DKK 20.8 million).



## INCOME STATEMENT

1 January - 31 March 2020			
	Including one-off items	One-off items	Excluding one-off items
<b>DKK million</b>			
Revenue	764.3	-	764.3
Other income	15.2	-	15.2
External costs	115.9	(0.8)	115.1
Staff costs	350.6	(6.4)	344.2
<b>EBITDA</b>	<b>313.0</b>	<b>7.2</b>	<b>320.2</b>
Amortisation and depreciation	209.4	-	209.4
<b>Profit before interest and tax</b>	<b>103.6</b>	<b>7.2</b>	<b>110.8</b>
Net financing costs	31.4	-	31.4
<b>Profit before tax</b>	<b>72.2</b>	<b>7.2</b>	<b>79.4</b>
Tax on profit for the period	15.9	1.6	17.5
<b>Net profit for the period</b>	<b>56.3</b>	<b>5.6</b>	<b>61.9</b>

1 January - 31 March 2019			
	Including one-off items	One-off items	Excluding one-off items
<b>DKK million</b>			
Revenue	971.8	-	971.8
External costs	125.8	(0.5)	125.3
Staff costs	339.2	(1.7)	337.5
<b>EBITDA</b>	<b>506.8</b>	<b>2.2</b>	<b>509.0</b>
Amortisation and depreciation	221.5	-	221.5
<b>Profit before interest and tax</b>	<b>285.3</b>	<b>2.2</b>	<b>287.5</b>
Net financing costs	29.1	-	29.1
<b>Profit before tax</b>	<b>256.2</b>	<b>2.2</b>	<b>258.4</b>
Tax on profit for the period	58.9	0.5	59.4
<b>Net profit for the period</b>	<b>197.3</b>	<b>1.7</b>	<b>199.0</b>

### Segment reporting

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

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 – 31 March 2020 are provided in pages 13-22.

### Segment revenue and profit

Year to date	Revenue				Profit before interest and tax			
	2020	2019	Ch.	Ch. %	2020	2019	Ch.	Ch. %
<b>DKK million</b>								
Aeronautical	398.9	531.1	(132.2)	(24.9%)	(121.0)	(5.6)	(115.4)	-
Non-aeronautical	365.4	440.7	(75.3)	(17.1%)	224.6	290.9	(66.3)	(22.8%)
<b>Total</b>	<b>764.3</b>	<b>971.8</b>	<b>(207.5)</b>	<b>(21.4%)</b>	<b>103.6</b>	<b>285.3</b>	<b>(181.7)</b>	<b>(63.7%)</b>

## AERONAUTICAL SEGMENT

DKK million	Year to date				FY 2019
	2020	2019	Ch.	Ch. %	
Revenue	398.9	531.1	(132.2)	(24.9%)	2,415.2
Profit before interest	(121.0)	(5.6)	(115.4)	-	146.8
Segment assets	10,062.6	9,637.9	424.7	4.4%	9,971.9

### Passengers

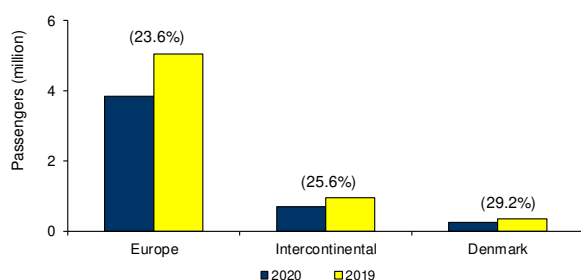
The total number of passengers fell by 24.2% in Q1 2020. Traffic was severely impacted by the coronavirus crisis. The negative developments in air traffic began at the end of February, and as passenger numbers plummeted the crisis really took hold during March.

The total number of passengers at Copenhagen Airport was 4.8 million in the first three months of 2020. There were 1.9 million locally departing passengers (25.3% drop from last year) and 0.5 million transfer passengers (26.3% drop from last year).

Total seat capacity fell by 16.4% in Q1 2020. Passenger-related operations fell by 17.6%. The average cabin factor (load factor) was 60.6% in the first three months of the year, a 10.8% drop from Q1 2019.

Locally departing passengers accounted for 79.9% of all departing passengers, with transfer passengers making up 20.1%

*Total number of passengers (arriving and departing) and growth by market in the first three months*



For additional comments on traffic performance, please see the most recently released traffic statistics for March 2020.

### Revenue

DKK million	Year to date			
	2020	2019	Ch.	Ch. %
Passenger charges	169.7	242.1	(72.4)	(29.9%)
Security charges	96.5	130.4	(33.9)	(26.0%)
Handling	30.9	40.7	(9.8)	(24.1%)
CUTE charges	3.7	5.4	(1.7)	(31.7%)
Take-off charges	85.3	100.1	(14.8)	(14.7%)
Aircraft parking, etc.	12.8	12.4	0.4	3.2%
<b>Total</b>	<b>398.9</b>	<b>531.1</b>	<b>(132.2)</b>	<b>(24.9%)</b>

The new charges agreement came into effect on 1 April 2019, which involved a restructuring of take-off charges and passenger-related charges. As per the agreement, charges were adjusted at 1 January 2020. Despite the increase in charges, overall aeronautical revenue fell by DKK 132.2 million, or 24.9%, due to the coronavirus crisis and the year-on-year drop in activity it caused from the end of February.

Passenger charges amounted to DKK 169.7 million, a 29.9% decline from last year. Security, handling, and CUTE charges amounted to DKK 131.1 million, for a 25.7% decline from last year.

Take-off charges amounted to DKK 85.3 million, which was a 14.7% drop from the year-earlier period. The change was due to fewer flight operations due to the coronavirus crisis. Passenger-related operations fell by 17.6%, while cargo operations were down by just 1.2% due to an ongoing need for cargo. In addition, the take-off weight for passenger-related operations was down by 16.0%.

### Profit before interest (EBIT)

EBIT decreased by DKK 115.4 million, mainly due to a decrease in revenue caused by the shutdown of Denmark due to the coronavirus. External costs were partially adjusted to match the reduced level of activity.

## NON-AERONAUTICAL SEGMENT

DKK million	Year to date				FY 2019
	2020	2019	Ch.	Ch. %	
Revenue	365.4	440.7	(75.3)	(17.1%)	1,930.5
Profit before interest	224.6	290.9	(66.3)	(22.8%)	1,285.2
Segment assets	3,968.8	3,388.7	580.1	17.1%	3,958.5

### Revenue

#### Concession revenue

DKK million	Year to date			
	2020	2019	Ch.	Ch. %
Shopping centre	159.4	207.2	(47.8)	(23.1%)
Parking	74.8	93.5	(18.7)	(20.0%)
Other revenue	11.6	13.9	(2.3)	(16.7%)
<b>Total</b>	<b>245.8</b>	<b>314.6</b>	<b>(68.8)</b>	<b>(21.9%)</b>

Concession revenue from the shopping centre amounted to DKK 159.4 million in the first quarter of 2020, corresponding to a 23.1% decline compared to the same period of last year. Due to the coronavirus crisis, CPH has waived a part of the minimum rent for a majority of the concessionaires in the restaurant and convenience segment, banks and specialty shops. The TAX FREE shop also saw its revenue being adversely impacted by the crisis.

Revenue from parking fell by 20.0%, mainly due to a decrease in locally departing passengers.

Other revenue amounted to DKK 11.6 million, which was 16.7% lower than last year, mainly because of a decrease in the number of car rentals and lower advertising.

Generally, all concession, parking and other revenue was impacted by the sharp drop in activity caused by the coronavirus crisis, particularly towards the end of the first quarter.

#### Rental income

DKK million	Year to date			
	2020	2019	Ch.	Ch. %
Rent from premises	32.9	31.1	1.8	5.8%
Rent from land	12.6	12.1	0.5	3.7%
Other rent	1.3	1.3	-	-
<b>Total</b>	<b>46.8</b>	<b>44.5</b>	<b>2.3</b>	<b>5.1%</b>

Income from the leasing of premises and land was up by 5.8% and 3.7% respectively, mainly due to an increase in rent charges on existing leases. Other rental income was on par with 2019.

#### Sales of services etc.

DKK million	Year to date			
	2020	2019	Ch.	Ch. %
Hotel operation	16.0	16.5	(0.5)	(2.9%)
Other	56.8	65.1	(8.3)	(12.8%)
<b>Total</b>	<b>72.8</b>	<b>81.6</b>	<b>(8.8)</b>	<b>(10.8%)</b>

Revenue from the sale of services, etc. decreased by DKK 8.8 million, corresponding to a decrease of 10.8%. This was due to a decline in revenue from PRM driven by lower passenger numbers and a decrease in revenue from energy due to lower activity levels.

#### Profit before interest (EBIT)

EBIT was down DKK 66.3 million compared to the same period last year, mainly driven by lower revenue as a result of the shutdown of Denmark due to the coronavirus. External costs were partially adjusted to match the reduced level of activity.

## **RISKS AND UNCERTAINTIES**

Other than as stated in the other sections of this interim report, no material changes in the short-term risks and uncertainties have occurred to which CPH is subject, compared to the information provided in the 2019 Annual Report.

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

This interim report contains forward-looking statements as described in the US Private Securities Litigation Act of 1995 and similar acts of other jurisdictions. In particular, this includes statements concerning future revenue, operating profit, 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 provided elsewhere 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 47-48 of the 2019 Annual Report.

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

DKK million	Year to date	
	2020	2019
Traffic revenue	398.9	531.1
Concession revenue	245.8	314.6
Rental income	46.8	44.5
Sale of services, etc.	72.8	81.6
<b>Revenue</b>	<b>764.3</b>	<b>971.8</b>
Other income	15.2	-
External costs	115.9	125.8
Staff costs	350.6	339.2
Amortisation and depreciation	209.4	221.5
<b>Operating profit</b>	<b>103.6</b>	<b>285.3</b>
Financial income	1.7	1.3
Financial expenses	33.1	30.4
<b>Profit before tax</b>	<b>72.2</b>	<b>256.2</b>
Tax on profit for the period	15.9	58.9
<b>Net profit for the period</b>	<b>56.3</b>	<b>197.3</b>
Earnings per DKK 100 share (basic and diluted) EPS is stated in Danish kroner	7.2	25.1

**STATEMENT OF COMPREHENSIVE INCOME**

DKK million	Year to date	
	2020	2019
<b>Net profit for the period</b>	<b>56.3</b>	<b>197.3</b>
<b>Items that are reclassified to the income statement</b>		
Currency translation of equity in foreign branch	(0.7)	(0.4)
Value adjustments of hedging instruments	93.3	67.5
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	(35.1)	(48.2)
Tax on other comprehensive income	(12.7)	(4.2)
<b>Other comprehensive income for the period</b>	<b>44.8</b>	<b>14.7</b>
<b>Total comprehensive income for the period</b>	<b>101.1</b>	<b>212.0</b>

**BALANCE SHEET**

<b>Assets</b>		<b>31 March</b>	<b>31 Dec</b>	<b>31 March</b>
Note	DKK million	<b>2020</b>	<b>2019</b>	<b>2019</b>
<b>NON-CURRENT ASSETS</b>				
<b>Total intangible assets</b>		<b>387.6</b>	391.2	459.5
<b>Property, plant and equipment</b>				
	Land and buildings	<b>5,720.3</b>	5,764.8	5,062.1
	Plant and machinery	<b>4,221.9</b>	4,249.6	4,069.2
	Other fixtures and fittings, tools and equipment	<b>758.4</b>	750.2	659.8
2	Property, plant and equipment in progress	<b>2,577.6</b>	2,230.2	2,259.0
<b>Total property, plant and equipment</b>		<b>13,278.2</b>	12,994.8	12,050.1
<b>Financial investments</b>				
	Investments in associates	<b>0.4</b>	0.4	0.4
	Other financial assets	<b>185.3</b>	116.6	139.9
<b>Total financial assets</b>		<b>185.7</b>	117.0	140.3
<b>Total non-current assets</b>		<b>13,851.5</b>	13,503.0	12,649.9
<b>CURRENT ASSETS</b>				
<b>Receivables</b>				
	Trade receivables	<b>211.5</b>	427.7	436.9
	Other receivables	<b>190.1</b>	129.5	30.5
	Income tax receivable	-	-	19.2
	Prepayments	<b>75.4</b>	67.4	49.6
<b>Total receivables</b>		<b>477.0</b>	624.6	536.2
<b>Cash</b>		<b>19.1</b>	19.2	20.8
<b>Total current assets</b>		<b>496.1</b>	643.8	557.0
<b>Total assets</b>		<b>14,347.6</b>	14,146.8	13,206.9

<b>Equity and liabilities</b>		<b>31 March</b>	<b>31 Dec</b>	<b>31 March</b>
Note	DKK million	<b>2020</b>	<b>2019</b>	<b>2019</b>
<b>EQUITY</b>				
	Share capital	<b>784.8</b>	784.8	784.8
	Hedging reserve	<b>14.4</b>	(32.0)	(82.0)
	Cost of hedge	<b>(11.0)</b>	(10.1)	(13.5)
	Retained earnings	<b>2,571.5</b>	2,515.9	2,609.0
<b>Total equity</b>		<b>3,359.7</b>	3,258.6	3,298.3
<b>NON-CURRENT LIABILITIES</b>				
	Deferred tax	<b>1,048.0</b>	1,035.2	1,019.5
3	Financial institutions and other loans	<b>6,496.1</b>	6,139.6	7,189.7
	Other payables	<b>69.8</b>	39.6	24.5
<b>Total non-current liabilities</b>		<b>7,613.9</b>	7,214.4	8,233.7
<b>CURRENT LIABILITIES</b>				
3	Financial institutions and other loans	<b>2,213.5</b>	2,248.7	226.6
	Prepayments from customers	<b>289.6</b>	305.2	353.3
	Trade payables	<b>525.1</b>	640.5	746.8
	Income tax payable	<b>15.9</b>	116.3	0.2
4	Other payables	<b>324.8</b>	357.3	340.6
	Deferred income	<b>5.1</b>	5.8	7.4
<b>Total current liabilities</b>		<b>3,374.0</b>	3,673.8	1,674.9
<b>Total liabilities</b>		<b>10,987.9</b>	10,888.2	9,908.6
<b>Total equity and liabilities</b>		<b>14,347.6</b>	14,146.8	13,206.9



**CASH FLOW STATEMENT**

DKK million	Year to date	
	2020	2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Received from customers	964.3	1,020.4
Paid to staff, suppliers, etc.	(608.4)	(601.0)
<b>Cash flow from operating activities before financial items and tax</b>	<b>355.9</b>	<b>419.4</b>
Interest received, etc.	0.5	0.8
Interest paid, etc.	(44.7)	(50.0)
<b>Cash flow from operating activities before tax</b>	<b>311.7</b>	<b>370.2</b>
Income taxes paid	(116.3)	(278.3)
<b>Cash flow from operating activities</b>	<b>195.4</b>	<b>91.9</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(455.1)	(379.5)
Purchase of intangible assets	(25.5)	(33.8)
Sale of property, plant and equipment	0.2	-
<b>Cash flow from investing activities</b>	<b>(480.4)</b>	<b>(413.3)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayments of long-term loans	(67.2)	(9.1)
Proceeds from long-term loans	400.0	700.0
Repayments of short-term loans	(241.8)	(649.5)
Proceeds from short-term loans	193.9	141.7
<b>Cash flow from financing activities</b>	<b>284.9</b>	<b>183.1</b>
<b>Net cash flow for the period</b>	<b>(0.1)</b>	<b>(138.3)</b>
Cash at beginning of period	19.2	159.1
<b>Cash at end of period</b>	<b>19.1</b>	<b>20.8</b>

**STATEMENT OF CHANGES IN EQUITY**

DKK million					
	Share capital	Hedging reserve	Cost of hedge	Retained earnings	Total
<b>Equity at 1 January 2020</b>	<b>784.8</b>	<b>(32.0)</b>	<b>(10.1)</b>	<b>2,515.9</b>	<b>3,258.6</b>
<b>Comprehensive income for the period</b>					
Net profit for the period	-	-	-	56.3	56.3
<b>Other comprehensive income</b>					
Currency translation of equity in foreign branch	-	-	-	(0.7)	(0.7)
Value adjustments of hedging instruments	-	73.8	(0.9)	-	72.9
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	-	(27.4)	-	-	(27.4)
<b>Total other comprehensive income</b>	<b>-</b>	<b>46.4</b>	<b>(0.9)</b>	<b>(0.7)</b>	<b>44.8</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>46.4</b>	<b>(0.9)</b>	<b>55.6</b>	<b>101.1</b>
<b>Equity at 31 March 2020</b>	<b>784.8</b>	<b>14.4</b>	<b>(11.0)</b>	<b>2,571.5</b>	<b>3,359.7</b>
<b>Equity at 1 January 2019</b>	<b>784.8</b>	<b>(94.1)</b>	<b>(16.5)</b>	<b>2,412.1</b>	<b>3,086.3</b>
<b>Comprehensive income for the period</b>					
Net profit for the period	-	-	-	197.3	197.3
<b>Other comprehensive income</b>					
Currency translation of equity in foreign branch	-	-	-	(0.4)	(0.4)
Value adjustments of hedging instruments	-	49.7	3.0	-	52.7
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	-	(37.6)	-	-	(37.6)
<b>Total other comprehensive income</b>	<b>-</b>	<b>12.1</b>	<b>3.0</b>	<b>(0.4)</b>	<b>14.7</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>12.1</b>	<b>3.0</b>	<b>196.9</b>	<b>212.0</b>
<b>Equity at 31 March 2019</b>	<b>784.8</b>	<b>(82.0)</b>	<b>(13.5)</b>	<b>2,609.0</b>	<b>3,298.3</b>

**Dividend**

At the Annual General Meeting held on 2 April 2020, the shareholders approved the Board of Directors' proposal not to pay dividend in respect of the second half of 2019. Based on the interim profit for the six months ended 30 June 2019, an interim dividend of DKK 237.6 million, equivalent to DKK 30.28 per share, was distributed on 8 August 2019.

## 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 for 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 47-48 and page 64 of the 2019 Annual Report, which indicate the notes that contain significant estimates and judgments.

### Accounting policies

The accounting policies applied in the interim report are unchanged from those applied in the 2019 Annual Report except as set out below. The 2019 Annual Report was prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. For further information, see page 64 of the 2019 Annual Report, which indicates which notes contain accounting policies, and the Summary of significant accounting policies on pages 65-66.

### Change in accounting policies

With effect from 1 January 2020, CPH has implemented the following new standards, which have been adopted by the EU:

- Conceptual Framework — Amendments to References to the Conceptual Framework in IFRS Standards.
- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Amendments to IAS 1 and IAS 8: Definition of Materiality

CPH has established that the implementation of the above did not have a material impact on the consolidated financial statements.

## **NOTE 2: Property, plant and equipment**

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

In the first three months of 2020, CPH invested DKK 489.1 million in intangible assets and property, plant and equipment. Major investments made during the first three months of 2020 included the expansion of Terminal 3, the completion of Pier E, construction of a multi-storey carpark, new baggage facilities, IT systems as well as miscellaneous improvement and maintenance work.

### **Contracts and other commitments**

As of 31 March 2020, CPH had entered into contracts to build and maintain facilities at a total value of DKK 463.2 million (31 December 2019: DKK 432.5 million) and other commitments amounting to DKK 33.7 million (31 December 2019: DKK 44.5 million). Major commitments include contracts for capacity expansion of the baggage-handling system, expansion of the parking facilities (multi-storey carpark), and improvement of wide-body facilities.

**NOTE 3: Financial institutions**

<b>Financial institutions and other loans are recognised in the balance sheet as follows</b>	<b>31 March 2020</b>	<b>31 Dec 2019</b>
Non-current liabilities	<b>6,496.1</b>	6,139.6
Current liabilities	<b>2,213.5</b>	2,248.7
<b>Total</b>	<b>8,709.6</b>	8,388.3

**CPH had the following loans and credit facilities as at 31 March:**

<b>Loan</b>	<b>Currency</b>	<b>Fixed/ floating</b>	<b>Maturity date</b>	<b>Carrying amount</b>		<b>Fair value*</b>	
				<b>31 March 2020</b>	<b>31 Dec. 2019</b>	<b>31 March 2020</b>	<b>31 Dec. 2019</b>
Overdraft	DKK	Floating	-	<b>70.3</b>	118.2	<b>70.3</b>	118.2
Bank Club	DKK	Floating	21 Dec 2023	<b>600.0</b>	200.0	<b>600.0</b>	200.0
Danske Bank	DKK	Fixed	30 Jun 2020	<b>800.0</b>	800.0	<b>800.0</b>	800.8
RD (DKK 64 million)**	DKK	Fixed	23 Dec 2032	<b>43.9</b>	44.6	<b>45.7</b>	48.7
Nordea Kredit**	DKK	Floating	30 Dec 2039	<b>445.1</b>	450.9	<b>445.1</b>	450.9
NIB***	DKK	Fixed	12 Feb 2026	<b>91.7</b>	99.4	<b>96.9</b>	104.7
NIB****	DKK	Fixed	19 Dec 2027	<b>794.1</b>	847.1	<b>921.9</b>	900.1
EIB****	DKK	Fixed	15 Dec 2026	<b>250.0</b>	250.0	<b>261.7</b>	275.1
EIB****	DKK	Fixed	7 Apr 2032	<b>600.0</b>	600.0	<b>594.2</b>	678.5
EIB****	DKK	Fixed	26 Jan 2033	<b>400.0</b>	400.0	<b>425.9</b>	459.7
EIB****	DKK	Fixed	14 Aug 2033	<b>600.0</b>	600.0	<b>637.7</b>	630.7
EIB****	DKK	Fixed	12 Apr 2034	<b>700.0</b>	700.0	<b>721.5</b>	782.6
USPP bond loan	DKK	Fixed	27 Aug 2025	<b>1,055.0</b>	1,055.0	<b>1,211.6</b>	1,203.7
USPP bond loan	USD	Fixed	29 Jun 2020	<b>1,001.9</b>	981.4	<b>1,024.0</b>	1,028.5
USPP bond loan	USD	Fixed	22 Aug 2023	<b>1,090.5</b>	1,068.2	<b>1,228.1</b>	1,194.2
USPP bond loan	GBP	Fixed	29 Jun 2020	<b>193.8</b>	201.6	<b>198.7</b>	212.8
<b>Total</b>				<b>8,736.3</b>	8,416.4	<b>9,283.3</b>	9,089.2
Loan costs for future amortisation				<b>(26.7)</b>	(28.1)	<b>(26.7)</b>	(28.1)
<b>Total</b>				<b>(26.7)</b>	(28.1)	<b>(26.7)</b>	(28.1)
<b>Total</b>				<b>8,709.6</b>	8,388.3	<b>9,256.6</b>	9,061.1

\* The fair value of the financial liabilities is the present value of expected future instalments and interest payments. A zero coupon 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 514.9 million (2019: DKK 514.9 million).

\*\*\* Nordic Investment Bank (NIB) - Funding for the expansion of Pier C.

\*\*\*\* European Investment Bank (EIB) and Nordic Investment Bank (NIB) - Funding for the expansion of Copenhagen Airport.

The fixed-rate USPP bond loans of USD 307 million and GBP 23 million (2019: USD 307 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.

As of year end, the Nordea Kredit loan is floating

As of 31 March 2020, committed undrawn long-term credit facilities of DKK 1.4 billion (31 December 2019: DKK 1.8 billion).

**NOTE 3: Financial institutions** (continued)**Values of the derivative financial instruments:**

	Carrying amount		Fair value*	
	31 March 2020	31 Dec 2019	31 March 2020	31 Dec 2019
<b>Derivative financial instruments</b>				
Recognised under other financial assets	185.2	116.5	185.2	116.5
Recognised under other receivables, current part	111.4	80.6	111.4	80.6
Recognised under other payables, current part	8.1	2.0	8.1	2.0

\* The fair value of CPH's forward exchange contracts and other derivative financial instruments (interest rate and currency swaps) are considered a level 2 fair value measurement as the fair value is primarily determined directly based on the published exchange rates and quoted swap and forward rates on the balance sheet date.

**NOTE 4: Other payables**

	31 March 2020	31 Dec 2019
<b>Other payables - non-current</b>		
Holiday pay, frozen due to new holiday act	69.8	39.6
<b>Balance at 31 December</b>	<b>69.8</b>	<b>39.6</b>
<b>Other payables - current</b>		
Holiday pay and other payroll items	216.5	254.6
Interest payable	48.4	48.3
Cash flow hedge (USPP bond)	8.1	2.0
Other costs payable	51.8	52.4
<b>Total</b>	<b>324.8</b>	<b>357.3</b>

**NOTE 5: Related parties**

CPH's related parties are the Danish Labour Market Supplementary Pension (ATP) and the Ontario Teachers' Pension Plan (OTPP), cf. their controlling ownership interests in CPH, and the Board of Directors and Executive Management. See also notes 2.4, 3.4 and 5.5 in the 2019 Annual Report.

There are no outstanding balances with related parties.

**NOTE 6: Subsequent events**

In May 2020, CPH entered a 2-year facilities agreement totalling DKK 6.0 billion with a club of banks. The new facility is a combination of a 2-year term loan of DKK 2.0 billion and a 2-year credit facility of DKK 4.0 billion. Simultaneously, CPH entered into waiver agreements with existing lenders, providing CPH relief from certain loan covenants until and including Q1 2021. The new facility and the waiver agreements ensures that CPH will continue to be able to meet its financial and investment commitments.

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

## MANAGEMENT'S STATEMENT ON THE INTERIM REPORT

The Board of Directors and the Executive Management have today considered and approved the interim report of Copenhagen Airports A/S for the period 1 January – 31 March 2020.

The interim report, which has not been audited or reviewed by the company's auditor, 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 31 March 2020 and of the results of the Group's operations and the Group's cash flows for the period 1 January – 31 March 2020. Moreover, in our opinion, the interim report gives a true and fair view of developments in the Group's operations and financial position and describes the most significant risks and uncertainties that may affect the Group.

Other than as 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 2019 Annual Report.

Copenhagen, 18 May 2020

### Executive Management

Thomas Woldbye  
CEO

### Board of Directors

Lars Nørby Johansen  
Chairman

David Stanton  
Deputy chairman

Ulrik Dan Weuder  
Deputy chairman

Martin Præstegaard

Janis Kong

Charles Thomazi

Dan Hansen

John Flyttov

Betina Hvolbøl Thomsen