Copenhagen Airports A/S

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Announcement to the Copenhagen Stock Exchange

2002/1
7 March 2002

Profit announcement for Copenhagen Airports A/S

- **Consolidated profit before tax for 2001 amounted to DKK 490.3 million, which was DKK 15.0 million more than the Group's latest forecast. Compared with the level in 2000, a reduction of DKK 99.8 million was recorded.**
- **Return on equity was 11.3%.**
- **Group revenue increased by 6.7% to DKK 1,995.8 million.**
- **Tangible fixed assets under construction decreased by DKK 735.4 million to DKK 147.0 million.**
- **As expected, the opening of the Hilton Copenhagen Airport reduced the profit for the year.**
- **Larger investments in international activities reduced the profit for the year, as anticipated.**
- **The Supervisory Board proposes a dividend increase to DKK 10.00 per share.**
- **Pre-tax profit for 2002 is expected to be slightly above pre-tax profit for 2001.**

Profit announcement for Copenhagen Airports A/S

At its meeting today, the Supervisory Board of Copenhagen Airports A/S adopted the company's accounts for 2001.

The accounts show a pre-tax profit of DKK 490.3 million, equivalent to a 16.9% reduction compared with pre-tax profit for 2000. The Supervisory Board considers the profit to be satisfactory in view of the low economic growth throughout 2002 and developments in the state of world affairs following the terrorist attacks in the US on 11 September, and the related effect on the airline industry.

Consolidated financial highlights

Profit and loss account (DKKm)	**2001**	**2000**	**1999**	**1998**	**1997**
Net revenue	1,962	1,841	1,729	1,604	1,499
Total net revenue	1,996	1,871	1,763	1,656	1,533
Depreciation and impairment	445	407	356	305	286
Operating profit	640	694	631	624	561
Net financial expense	192	120	104	94	71
Profit before tax	490	590	535	530	489
Net profit	341	437	371	389	323

Balance sheet (DKKm)	**2001**	**2000**	**1999**	**1998**	**1997**
Fixed assets	7,831	6,551	6,047	5,457	4,249
Current assets	482	407	471	345	257
Total assets	8,313	6,958	6,518	5,802	4,506
Shareholders' equity	3,167	2,879	2,511	2,192	1,880
Capital investments	449	786	894	1,309	1,258
Long-term financial investments	1,193	99	15	202	0

Cash flow statement (DKKm)	**2001**	**2000**	**1999**	**1998**	**1997**
Cash flow from operating activities	863	930	561	684	824
Cash flow from investing activities	(1,697)	(803)	(1,154)	(1,301)	(1,284)
Cash flow from financing activities	974	(104)	571	610	293
Cash and cash equivalents at year-end	181	41	18	39	46

Key ratios	**2001**	**2000**	**1999**	**1998**	**1997**
Operating margin	32.6%	37.7%	36.5%	38.9%	37.4%
Asset turnover	0.30	0.29	0.29	0.32	0.38
Return on assets	9.8%	10.9%	10.7%	12.5%	14.1%
Return on equity	11.3%	16.2%	15.8%	19.1%	18.4%
Equity ratio	38.1%	41.4%	38.5%	37.8%	41.7%
Earnings per share of DKK 100	37.4	48.1	41.0	43.0	35.7
Cash earnings per share of DKK 100	86.3	93.0	80.4	76.6	67.3
Book value per share of DKK 100	348.0	316.4	277.5	242.3	207.7
Dividend per share of DKK 100	10.0	9.50	9.00	8.50	8.00
NOPAT margin	24.2%	28.2%	25.6%	28.1%	24.7%
Turnover rate of capital employed	0.30	0.33	0.35	0.41	0.48
ROCE	7.4%	9.3%	9.0%	11.4%	11.8%
Gearing	0.80	0.46	0.54	0.32	0.21

Financial review

As previously announced, Copenhagen Airports A/S resolved to issue consolidated financial statements from 2001 as the wholly-owned subsidiary Copenhagen Airports' Hotel and Real Estate Company A/S, which owns the Hilton Copenhagen Airport, started activity in 2001.

The consolidated financial statements have been prepared according to the same accounting policies as for the 2000 annual financial statements.

Performance relative to latest forecast

Consolidated profit before tax for the year ended 31 December 2001 was DKK 490.3 million. This represents an improvement of approximately 3% over the forecast of DKK 475.0 million in the profit announcement for the nine months to 30 September 2001. The main reason for the improvement was that traffic at Copenhagen Airport was less severely hit by the aftermath of the terrorist attacks in the US in the fourth quarter than anticipated. The same applied to the activities in Mexico and the UK, whereas the effect on the Group's hotel was more severe in the fourth quarter than expected.

Performance relative to last year

Compared with the pre-tax profit for 2000, a decline of DKK 99.8 million or 16.9% was recorded.

Out of the total decline, DKK 43.5 million was attributable to a fall in the parent company's operating profit. As a result of the lower growth in the number of passengers, the parent company's revenue rose by DKK 20.7 million, which was significantly less than originally expected. Operating expenses increased by a total of DKK 64.2 million, as expected, since expenses, which are in all essentials related to capacity at the airport, are not variable in the short term. Out of the total increase in operating expenses, external expenses amounted to DKK 11.1 million, staff costs to DKK 35.8 million, and depreciation and impairment to DKK 17.3 million.

Another contributing factor to the lower profit was the Group's hotel activity as the opening and operation of the Hilton Copenhagen Airport reduced profit for the year, as forecast. The hotel's performance in 2001 was also significantly affected by the terrorist attacks in the US on 11 September, and the subsidiary contributed to a reduction of Group profit by DKK 32.8 million compared with 2000.

In early May 2001, the Group acquired 49% of the shares in NIAL Holdings Plc., the owner of the operating company Newcastle International Airport Ltd. The investment contributed a net loss of DKK 34.5 million in 2001, composed of a pre-tax share of the company's profit in the amount of DKK 10.6 million and an increase in the parent company's financial expenses by DKK 45.1 million.

Shares of profit from the Group's investments in the Mexican airports contributed a profit of DKK 33.0 million in 2001, corresponding to a profit increase of DKK 14.8 million compared with 2000.

Shareholders' equity

Consolidated shareholders' equity stood at DKK 2,879.1 million at the beginning of the year. After giving effect to the year's profit, exchange differences and provision for the proposed dividend, the Group's shareholders' equity amounted to DKK 3,166.5 million at 31 December 2001.

The profit for the year provided a return on equity of 11.3% compared with 16.2% in 2000.

Dividend

The Supervisory Board intends to propose to the Annual General Meeting, in accordance with the adopted dividend policy, that the dividend be increased from DKK 9.50 in 2000 to DKK 10.00 per share for 2001. This represents a payout ratio of 26.7%.

The Supervisory Board has decided to change the company's dividend policy to the effect that in future the aim will be a minimum payout ratio of 25%. The payout ratio will be fixed so as to allow for shareholders' interests, including the company's investment plans and capital structure.

PROFIT AND LOSS ACCOUNT

Revenue

Traffic revenue

Traffic revenue for 2001 amounted to DKK 1,118.8 million, corresponding to a 0.3% increase over the level in 2000.

The number of passengers at Copenhagen Airport was 0.1% higher than in 2000, when adjusted for the catamaran traffic to and from Malmo, Sweden, which was discontinued in August 2000. Traffic in 2001 was significantly affected by the aftermath of the terrorist attacks in the US on 11 September.

The total number of passengers at Copenhagen Airport in 2001 was 18.1 million. The number of international scheduled passengers was 2.3% higher than in 2000. The number of charter passengers was down by 12.1%. The fall in domestic scheduled passengers recorded in earlier years continued in 2001 as the passenger volume declined by 6.9% compared with the level in 2000.

The number of take-offs and landings by passenger aircraft at Copenhagen Airport was down 5.2% compared with 2000. This decline was partially offset by the effect of the use of larger passenger aircraft than before. The tonnage was 0.1% higher than in 2000.

The number of cargo operations at Copenhagen Airport was 0.9% higher than in 2000. During the same period, the total take-off mass for cargo operations increased by only 0.4% as a result of the use of smaller aircraft for cargo operations.

Concession revenue

Concession revenue totalled DKK 489.6 million in 2001, corresponding to a fall of DKK 12.0 million or 2.4% compared with the level in 2000.

Out of this revenue, the airport shopping centre accounted for DKK 298.6 million, which was 1.3% lower than in 2001. However, if concession revenue for 2000 had been restated to reflect a DKK 6.0 million adjustment for earlier periods, a 0.7% increase would have been recorded for 2001.

Other concession revenue, including parking, banking, restaurants and handling, decreased by 4.0% or DKK 8.0 million to DKK 191.0 million. The fall was primarily attributable to lower concession revenue from the parking concessionaire. The parking concessionaire's 2001 earnings were reduced by interest and depreciation of the capacity increases made during the year.

Rent

Consolidated rental income for 2001 increased by 8.1% or DKK 13.7 million to DKK 182.7 million compared with the level in 2000. The increase was the result of new leases and contractual rent increases.

Sales of services, etc.

Consolidated sales of services rose DKK 114.9 million to DKK 170.4 million, primarily because the item included revenue of DKK 104.3 million from the Group's hotel activity in 2001.

Other Group service revenue rose by DKK 10.6 million compared with 2000. The increase was primarily attributable to the increase in international activities, where sales of consultancy services to foreign airports amounted to DKK 19.2 million in 2001.

Profit from interests in associated companies

The profit from interests in associated companies was DKK 43.0 million, up from DKK 16.5 million in 2000. DKK 14.8 million of this improvement was attributable to the Group's investments in Mexican airports. Furthermore, eight months' profit, equivalent to DKK 10.6 million, was recognised from the Group's investment in Newcastle International Airport.

Costs

External expenses

Consolidated external expenses amounted to DKK 401.5 million in 2001, up from DKK 295.9 million in 2000. Out of the increase, DKK 94.8 million was attributable to the Group's hotel activity, while the parent company's external expenses increased by DKK 11.1 million.

For 2001, costs of DKK 100.7 million were recognised relating to the Group's hotel activity, which were mainly opening and running-in costs. The company has a 20-year hotel management agreement with Hilton International. Under the management agreement, the hotel staff is employed by Hilton International. All operating expenses relating to the hotel are recognised as external expenses in the consolidated financial statements of Copenhagen Airports.

The increase in the parent company's external expenses was attributable to increased costs in connection with studies of potential opportunities to invest in foreign airports and to optimise the Group's commercial revenue. Furthermore, increased expenses were incurred for airport liability insurance following the terrorist attacks in the US.

Staff costs

Consolidated staff costs rose by 7.5% to DKK 509.8 million from DKK 474.1 million in 2000.

In addition to a general pay adjustment, the increase in staff costs was attributable to an increase in the number of days off with pay. Furthermore, payroll costs were affected by the transition of the company to the growing internationalisation of operations and the Group's increased focus on business optimisation, resulting in a requirement for advisory and analytical functions. Finally, the rising payroll costs were attributable to a reduction in capital investments, which reduced capitalisation of internal payroll costs relating to Group capital investments by DKK 7.7 million.

Copenhagen Airports had an average of 1,388 employees in 2001, which was 11 less than in 2000.

Depreciation and impairment

Consolidated depreciation for the year increased by 9.3% to DKK 444.9 million compared with DKK 407.2 million in 2000. Of this DKK 37.7 million increase, DKK 20.4 million was attributable to the opening of the Hilton Copenhagen Airport in 2001. The remaining increase was primarily attributable to depreciation of assets brought into use in the form of building changes in connection with Denmark's new status as a Schengen country.

Net financial expenses

Consolidated net financial expenses increased by 59.7% to DKK 192.3 million from DKK 120.4 million in 2000. Out of this increase, DKK 45.1 million represented interest and borrowing expenses related to the financing of the investment in Newcastle International Airport, while the remaining increase was primarily attributable to the Group's hotel activity and the acquisition of 418,400 sq.m. of land on the peninsula that was created in connection with the establishment of the Øresund Link.

Tax on the profit for the year

Tax on the profit for the year was down 2.4% to DKK 149.8 million from DKK 153.4 million in 2000.

The effective tax rate in 2001 was 30.5% against 26.0% in 2000. The effective tax rate in 2000 was favourably affected by a reduction of the Danish corporation tax rate, which resulted in a reduction of the Group's deferred tax liability.

BALANCE SHEET

Assets

Tangible fixed assets

Consolidated tangible fixed assets totalled DKK 6,174.3 million at 31 December 2001, which was DKK 4.0 million more than at 31 December 2000. Investments during the year were thus at the same level as the year's depreciation. The main investments in 2001 were the completion of the Hilton Copenhagen Airport and the purchase of the above mentioned land to secure future expansion opportunities for Copenhagen Airport.

Group capital investments are made on the basis of a ten-year rolling investment plan, which is adjusted regularly to match traffic growth and traffic forecasts. The latest updated investment plan comprises investments for the period from 2002 to 2011. The plan comprises investments totalling DKK 5.3 billion in current prices. This includes DKK 2.8 billion of planned new investments, among other things to increase the airport's terminal and stand capacity and to expand the shopping facilities at the airport, while reinvestment in existing capacity is expected to total DKK 2.5 billion during the period.

Long-term financial/strategic assets

In early May 2001, the Group acquired 49% of the shares in NIAL Holdings Plc. for DKK 1,192.2 million through CPH Newcastle Ltd., a new, wholly-owned holding company. The sole object of the company is to hold shares in the operating company, Newcastle International Airport Ltd. NIAL Holdings Plc. is recognised in the consolidated financial statements as an associated company.

The Group owns a 25.5% equity stake in Inversiones y Tecnicas Aeroportuarias S.A. de C.V. (ITA), which holds 15% of the share capital in Grupo Aeroportuario del Sureste S.A. de C.V. (ASUR), the Mexican company holding the concession to operate nine airports on the Yucatan peninsula in Mexico for 50 years.

Furthermore, the Group has a direct equity interest in ASUR corresponding to 2.5% of the listed shares in the company. As a result of the close relationship with the original investment in ITA, ASUR is also classified as an associated company.

Furthermore, the Group holds 35.3% of the shares in the Norwegian company Rygge Sivile Lufthavn AS. The objects of that company is to investigate the possibility of operating civil air transport from this airport, which is located some 60 kilometres south of Oslo, and which has been used solely as a military airport until now.

Finally, long-term financial assets include a 50% equity stake in Airport Coordination Denmark A/S, an associated company, which handles the allocation of slots to airlines operating on Copenhagen Airport.

The Group's long-term financial assets totalled DKK 1,656.5 million at 31 December 2001 compared with DKK 380.6 million at the end of 2000. DKK 1,217.2 million of this increase was attributable to the Group's investment in Newcastle International Airport.

Debtors

The Group's debtors had fallen by DKK 64.6 million to DKK 301.1 million at 31 December 2001. The decline was primarily attributable to a reduction in debtors relating to re-invoicing of construction projects on behalf of Group customers.

Liabilities

Long-term liabilities

The Group's long-term liabilities totalled DKK 3,359.1 million at 31 December 2001 compared with DKK 2,534.5 million at 31 December 2000. The increase was primarily attributable to a new loan of GBP 95.0 million to finance the investment in Newcastle International Airport.

The Group's equity ratio was 38.1% at 31 December 2001 compared with 41.4% at 31 December 2000. The Group's target is an equity ratio of about 35-40%.

Current liabilities

The Group's current liabilities amounted to DKK 1,036.4 million at 31 December 2001, which was DKK 167.4 million higher than in 2000. The short-term portion of debt to credit institutions increased by DKK 273.2 million, mainly as a result of the above mentioned loan for the investment in Newcastle International Airport. The remaining part of current liabilities was reduced by DKK 105.8 million, primarily due to a reduction in trade creditors as a result of the lower investment activity in Copenhagen.

CASH FLOW STATEMENT

The Group's cash and cash equivalents grew by DKK 140.0 million in 2001 to DKK 180.5 million.

Cash flow from operating activities

Cash flow from operating activities amounted to DKK 862.9 million, which was DKK 67.3 million less than in 2000. The decrease was primarily attributable to the lower operating results and rising net financial expenses in connection with the funding of the investment in Newcastle International Airport.

Cash flow from investing activities

Payments for fixed assets totalled DKK 1,697.2 million compared with DKK 803.3 million in 2000. The increase was attributable to the investment in Newcastle International Airport; the increase was partly offset by a reduction of domestic investments.

Cash flow from financing activities

Cash flow from financing activities amounted to DKK 974.3 million, which was DKK 1,078.3 million more than in 2000. During the year new loans totalling DKK 1,539.7 million were raised, primarily to finance the investment in Newcastle International Airport, while repayments on loans during the year totalled DKK 478.9 million. In addition dividend paid amounted to DKK 86.5 million.

Financial resources

It is Group policy to maintain significant, long-term financial resources. At 31 December 2001, the Group had unused long-term facilities of approximately DKK 950.0 million and unused short-term facilities of DKK 550.0 million as a supplement to its day-to-day cash resources.

RISK FACTORS

The Group's most significant risks can be divided into customer and economic risks, interest rate and exchange rate risks, credit risks and environmental impact risks.

Customer and economic risks

Owing to its large, irreversible capital investments, the Group is sensitive to factors which could have an adverse impact on traffic growth.

SAS is the company's largest customer, contributing some 60% of traffic revenue. In the short term, Copenhagen Airport's status as a Scandinavian hub is dependent on SAS' finely meshed route network out of Copenhagen, primarily to European destinations. Any increased point-to-point traffic to and from other destinations in Scandinavia and the rest of Europe would thus weaken the status of Copenhagen Airport as a Scandinavian hub.

Developments in air traffic are related to trends in society in general, primarily economic and political developments. This was seen clearly in 2001 in connection with the terrorist attacks in the US. In addition to flight-related revenue, economic and political trends are also reflected in concession revenue.

Interest rate and exchange rate risks

The Group's interest rate and exchange rate risks are managed centrally, and financial instruments are used solely to hedge this type of risks.

At 31 December 2001, approximately 25% of the Group's total debt of DKK 3,956.0 million was at fixed rates, or the interest rate had been locked in for more than one year through interest swaps. Approximately 22% of the floating rate debt had been hedged by caps at 6% p.a. The calculated duration of the Group's debt is between one and two years. In order to reduce the overall interest rate sensitivity, the Group intends to refinance its debt in an ongoing process so that it will match the economic life of the underlying assets to a greater extent. Management believes that, taking into account the Group's risk profile, the Group will continue to have access to finance on the best terms in the market.

The Group's traffic revenues are received in Danish kroner only. The exposure to exchange rate fluctuations is therefore largely limited to investments in, dividend from and intercompany accounts with associated companies abroad. Given the increase in investments in foreign associated companies, it is Group policy to hedge this risk as much as possible.

Credit risks

The Group seeks to limit the credit risk on investment of liquidity and in relation to financial instruments in general by collaborating with financial partners with high creditworthiness.

Environmental impact

The environmental impact from the company's airports at Copenhagen and Roskilde is regulated based on terms and conditions laid down in environmental approvals from the relevant environmental authorities. The terms may include both requirements to future expansion and operational adjustments.

The total environmental impact for the year corresponded to expected developments. Efficiency improvements, the phasing out of older aircraft types and the use of more environmentally friendly aircraft types are expected to further reduce, in the years ahead, the environmental impact relative to the activity level.

In line with the Group's environmental policy, the operation and development of Copenhagen Airport must be balanced against environmental considerations, including initiatives to reduce noise impact while ensuring that this has no consequences on Copenhagen Airport's position as a traffic hub.

Copenhagen Airports A/S has prepared a separate environmental report for 2001.

OTHER INFORMATION

Corporate governance

The Supervisory Board has debated the recommendations on corporate government made by the Nørby Committee. The Board believes that the company meets these recommendations to a significant extent. The Board is working on certain matters, for which it is considered that the Group does not fully comply with the recommendations and where it is estimated that a process could lead to improvements.

Corporate governance will be discussed in further detail in the directors' report in the printed annual report.

Ownership

No shareholder other than the Kingdom of Denmark, LD Pensions, the Danish Labour Market Supplementary Capital Pension Fund (ATP) and Taube Hodson Stonex Partners Ltd. held more than 5% of the Group's shares at 31 December 2001.

As per the articles of association of Copenhagen Airports A/S, no shareholder other than the Kingdom of Denmark is allowed to hold more than 10% of the company's share capital. The ownership restriction was introduced in connection with the privatisation of the company owing to the special social considerations related to the operation of Copenhagen Airports.

NEW ACCOUNTING POLICIES

As from 1 January 2002, Copenhagen Airports will present the consolidated accounts in compliance with the new Danish Financial Statements Act, which will involve a number of changes to the current accounting policies. The main change will be that leased assets will be recognised in the balance sheet in future, which is estimated to increase the Group's assets by approximately DKK 500 million. It is not expected that the accounting policy changes will have any significant effect on Group profit before and after tax. The changes are solely of an accounting nature and thus will not have any impact on the company's cash flows.

OUTLOOK FOR 2002

In the profit announcement for the third quarter of 2001, the Group forecast that the volume of passengers would continue to show a falling trend in the first half of 2002, and that the number of passengers would begin to increase in the second half of 2002 compared with the same period in 2001.

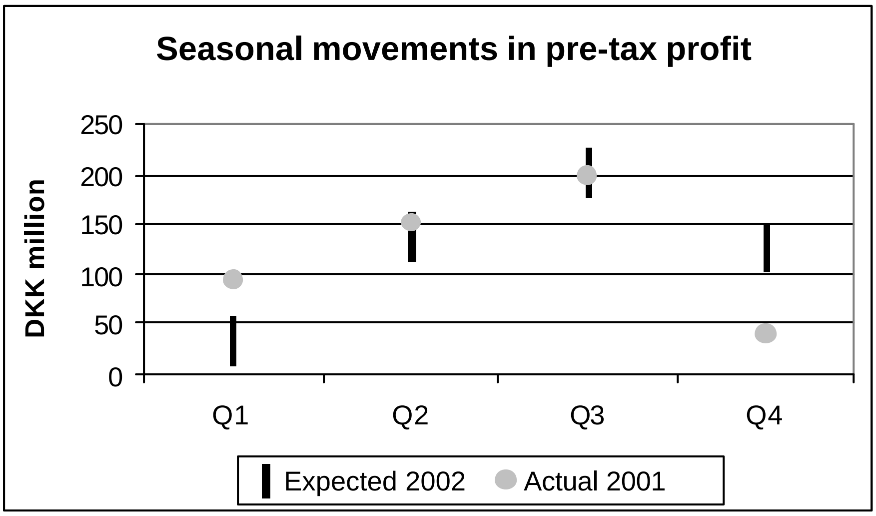
It is still expected that traffic figures will follow this pattern. However, the forecast decline in the number of passengers in the first half of 2002 is now 2-3% compared with the same period in 2001. With regard to the prospects for the second half of 2002, the Group's forecast of growth compared with the same period last year remains unchanged. As a result, the volume of passengers for 2002 is still expected to be marginally larger than in 2001.

Opportunities in the international market for airport privatisation and strategic advice have been adversely affected by the terrorist attacks in the US on 11 September 2001. However, the company continues to follow market developments closely in order to utilise opportunities that may arise for new international projects on favourable financial conditions.

Based on the prospects for traffic and for developments in the international area for 2002, the Group expects pre-tax profit to be slightly above pre-tax profit for 2001.

Forecast of quarterly performance in 2002

Quarterly performance in 2002 is expected to be different than in 2001. The figure below shows the expected developments in pre-tax profit in 2002 compared with actual results in 2001.



First quarter

Pre-tax profit for the first quarter of 2002 is expected to be significantly lower than in the first quarter of 2001. The expected decline is primarily attributable to an expected loss from Newcastle International Airport, reflecting normal seasonal fluctuations for that airport. No share of results of that company was recognised in the first quarter of 2001, as the acquisition was made on 4 May 2001. Furthermore, the expected reduction in pre-tax profit for the first quarter of 2002 is attributable to lower traffic revenue in the parent company as a result of the expected fall in the number of passengers. Finally, the expected lower results are attributable to increased interest expenses for the loans obtained to finance the investment in Newcastle International Airport.

Second quarter

Pre-tax profit for the second quarter of 2002 is expected to be slightly lower than in the same period of 2001. The fall is primarily attributable to the investment in Newcastle International Airport.

Third quarter

In the third quarter of 2002, pre-tax profit is expected to be in line with pre-tax profit for the third quarter of 2001.

Fourth quarter

Pre-tax profit for the fourth quarter of 2002 is expected to be significantly higher than in the same period of 2001. The reason is the significant adverse impact in the fourth quarter of 2001 of the terrorist attacks in the US on 11 September. The growth in passenger volume is expected to have normalised in the fourth quarter of 2002, which is expected to lead to improved results for the quarter.

ANNUAL GENERAL MEETING, 9 APRIL 2002

Supervisory Board

Mr. Vagn Andersen, who has been Chairman of the Supervisory Board of Copenhagen Airports A/S since the company's incorporation in 1990, has informed the Supervisory Board that he does not want to accept renomination to the chairmanship and that he wishes to retire from the Supervisory Board.

As announced earlier, Lars Nørby Johansen, President & CEO of Group4Falck also wishes to retire from the Supervisory Board.

As a consequence, the Supervisory Board intends to nominate Kurt Bligaard Pedersen, President & CEO of DONG A/S, as Chairman of Copenhagen Airports A/S. Mr. Bligaard Pedersen has been a member of the Supervisory Board since 1992.

Furthermore, the Supervisory Board intends to nominate Henrik Gürtler, President & CEO of Novozymes A/S, and, as announced earlier, Rolf Börjesson, President & CEO of Rexam Ltd., as new members of the Supervisory Board.

Proposals by the Supervisory Board

The Supervisory Board proposes, in accordance with the previously announced dividend policy, that the dividend be increased to DKK 10.00 per share, equivalent to DKK 91.0 million.

In addition, a resolution will be proposed to the effect that the Supervisory Board be authorised, as in previous years, until the next annual general meeting, to let the company acquire own shares of up to 10% of the share capital to meet the company's right of redemption pursuant to article 5.4 of the articles of association.

Finally, a resolution will be proposed for the Supervisory Board to be authorised to acquire own shares until the next annual general meeting with a nominal value of up to 10% of the company's share capital, see the provisions of section 48 of the Danish Companies Act. The consideration for such shares may not deviate by more than 10% from the price quoted by the Copenhagen Stock Exchange at the time of the purchase.

The annual general meeting will be held on 9 April 2002 at 3.00 p.m. at the Radisson SAS Scandinavia Hotel, Amager Boulevard 70, Copenhagen.

The printed annual report will be available on 26 March 2002.

Copenhagen Airports A/S

Vagn Andersen
Chairman

Niels Boserup
President & CEO

Kastrup, 7 March 2002

Copenhagen Airports A/S

Annex 1

Profit and loss account

1 January to 31 December

Profit and loss account

DKK '000

	2001	2000
Traffic revenue	**1,118,822**	1,115,308
Concession revenue	**489,601**	501,560
Rent	**182,672**	168,946
Sale of services, etc.	**170,444**	55,522
Net revenue	**1,961,539**	1,841,336
Other operating revenue	**34,301**	29,966
Total net revenue	**1,995,840**	1,871,302
External expenses	**401,489**	295,928
Staff costs	**509,847**	474,133
Depreciation and impairment of tangible fixed assets	**444,889**	407,195
Operating profit	**639,615**	694,046
Profit from interests in associated companies	**42,964**	16,464
Interest receivable and similar income	**13,413**	14,309
Interest payable and similar expenses	**205,715**	134,734
Profit before tax	**490,277**	**590,085**
Tax on the profit for the year	**149,757**	153,391
Net profit	**340,520**	**436,694**
Proposed allocation:		
Transfer to retained profit	**311,165**	422,684
Transfer to reserve for net revaluation according to the equity method	**29,355**	14,010
	340,520	436,694

Copenhagen Airports A/S

Annex 2

Balance sheet

At 31 December

Assets

DKK '000

	2001	2000
FIXED ASSETS		
Tangible fixed assets		
Land and buildings	**3,211,892**	2,682,166
Plant and machinery	**2,469,208**	2,278,435
Other equipment	**346,984**	327,356
Assets under construction	**146,263**	882,410
Total tangible fixed assets	**6,174,347**	6,170,367
Long-term financial assets		
Interests in associated companies	**1,655,690**	380,468
Other interests	**821**	111
Total long-term financial assets	**1,656,511**	380,579
Total fixed assets	**7,830,858**	6,550,946
CURRENT ASSETS		
Debtors		
Trade debtors	**215,075**	251,498
Other debtors	**54,923**	90,925
Prepayments	**31,096**	23,228
Total debtors	**301,094**	365,651
Securities and other interests		
Own shares	**587**	587
Cash and cash equivalents	**180,518**	40,510
Total current assets	**482,199**	406,748
Total assets	**8,313,057**	6,957,694

Copenhagen Airports A/S

Annex 3

Balance sheet

At 31 December

Liabilities and equity

DKK '000

	Note	2001	2000
LIABILITIES AND EQUITY			
Share capital		**910,000**	910,000
Reserve for net revaluation according to the equity method		**131,177**	63,917
Reserve for own shares		**587**	587
Retained profit		**2,124,754**	1,904,589
Total shareholders' equity	1	**3,166,518**	2,879,093
PROVISIONS			
Deferred tax		**751,035**	675,107
LONG-TERM LIABILITIES			
Financial institutions		**3,359,061**	2,534,545
CURRENT LIABILITIES			
Financial institutions		**596,971**	323,734
Bank loans and overdrafts		**0**	12,189
Prepayments from customers		**77,160**	78,198
Trade creditors		**97,464**	193,910
Other liabilities		**173,848**	174,468
Dividend for the year	1	**91,000**	86,450
Total current liabilities		**1,036,443**	868,949
Total liabilities		**4,395,504**	3,403,494
Total liabilities and equity		**8,313,057**	6,957,694

Copenhagen Airports A/S

Annex 4

Cash flow statement

1 January to 31 December

Cash flow statement

DKK '000

	2001	2000
CASH FLOW FROM OPERATING ACTIVITIES		
Received from customers	**2,031,225**	1,879,466
Paid to staff and suppliers	**(910,850)**	(711,876)
Cash flow from operating activities before financial items	**1,120,375**	1,167,590
Interest received	**11,597**	9,342
Interest paid	**(202,467)**	(132,958)
Cash flow from ordinary activities	**929,505**	1,043,974
Corporation tax paid	**(66,579)**	(113,745)
Cash flow from operating activities	**862,926**	930,229
CASH FLOW FROM INVESTING ACTIVITIES		
Net payments for tangible fixed assets	**(504,258)**	(703,982)
Payments for long-term financial assets	**(1,192,952)**	(99,329)
Cash flow from investing activities	**(1,697,210)**	(803,311)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of long-term loans	**(181,703)**	(31,027)
New long-term loans	**1,539,668**	0
Repayments of short-term loans	**(285,034)**	(94,000)
New short-term loans	**0**	85,034
Drawings on currrent accounts	**(12,189)**	12,189
Dividends paid	**(86,450)**	(81,450)
Proceeds from increase of share capital	**0**	5,250
Cash flow from financing activities	**974,292**	(104,004)
Net change in cash and cash equivalents	**140,008**	22,914
Cash and cash equivalents at beginning of year	**40,510**	17,596
Cash and cash equivalents at year-end	**180,518**	40,510

Copenhagen Airports A/S

Annex 5

Notes to the accounts
At 31 December

Notes to the accounts
DKK '000

	2001	2000
1 Shareholders' equity		
Share capital	**910,000**	905,000
Reserve for net revaluation according to the equity method	**63,917**	37,460
Reserve for own shares	**587**	587
Retained profit	**1,904,589**	1,568,355
Shareholders' equity at 1 January	**2,879,093**	2,511,402
Capital increase	**0**	5,000
Retained profit for the year	**311,165**	422,684
Reserve for net revaluation according to the equity method	**67,260**	26,457
Dividend	**(91,000)**	(86,450)
Shareholders' equity at 31 December	**3,166,518**	2,879,093

Copenhagen Airports A/S

Accounting policies

Basis of preparation

The consolidated accounts for 2001 have been prepared in accordance with the Danish Company Accounts Act and related orders as well as guidelines issued by the Copenhagen Stock Exchange on the presentation of accounts by listed companies, including applicable Danish accounting standards.

The consolidated accounts have been prepared according to the same accounting policies as for the 2000 annual accounts.

Basis of consolidation

The Group accounts consolidate the accounts of the parent company, Copenhagen Airports A/S, and companies in which the parent company directly or indirectly holds a voting majority or in which the parent company, through shareholdings or in any other way, holds a controlling interest.

Companies in which the Group holds between 20% and 50% of the votes or in any other way exercises a significant but not a controlling influence are considered associated companies.

The consolidated accounts are prepared on the basis of the annual accounts of the parent company and subsidiaries by adding up items of a uniform nature.

The accounts used in the consolidation are prepared in accordance with the Group's accounting policies.

In the consolidation, intercompany income and expenses, accounts and profits and losses included in the net book value of the assets are eliminated.

The net book value of the parent company's interests in the consolidated subsidiaries is set off against the parent company's interests in the net book assets of the subsidiaries, calculated at the time the Group relationship was established.

Newly acquired or newly formed companies are included in the profit and loss account from the date of acquisition, and divested companies are included until the date of divestment. The excess value over book value of assets in associated companies is capitalised under tangible and intangible fixed assets. Intangible fixed assets concern concessions and the like to operate the airport and are amortised over periods of up to 50 years on the basis of an individual evaluation, including the term of the concession. If assets are acquired for less than book value, the difference in value is stated as a provision and dissolved in step with the realisation of future deteriorated operating results in the companies acquired. The comparative figures are not restated to reflect acquisitions or divestments.

Foreign currency translation

Transactions denominated in foreign currency are translated at the exchange rate ruling on the transaction date. Assets and liabilities denominated in foreign currency are translated at the exchange rates ruling on the balance sheet date. Resulting exchange differences are recognised in the profit and loss account under financial items.

When translating the accounts of foreign associated companies, the profit and loss account is translated at average exchange rates, while balance sheet items are translated at the exchange rates ruling at the balance sheet date. Exchange differences arising on the translation of the foreign companies' shareholders' equity at the beginning of the year and on the translation of foreign company profit and loss accounts to average exchange rates are taken directly to shareholders' equity.

Financial instruments

The Group solely uses financial instruments to hedge financial risks that arise in connection with operating, investing and financing activities.

Where the items hedged are assets or liabilities, gains and losses on financial instruments are recognised in the profit and loss account concurrently with the items hedged.

Premiums received or paid on the use of financial instruments are recognised on a straight-line basis in the profit and loss account over the term of the instrument as financial income or expenses.

Exchange differences arising on loans denominated in foreign currencies and financial instruments to hedge investments denominated in foreign currency are taken directly to shareholders' equity to the extent they are equal to investments in foreign associated companies.

For financial instruments that do not meet the conditions for hedge accounting, changes in value are recognised in the profit and loss account as they occur.

Corporation tax and deferred tax

Tax on the profit for the year comprises current tax and changes in deferred tax.

Current tax comprises tax estimated on the basis of the taxable income for the year applying the tax rates for the year and any prior year adjustments.

Current tax liabilities are recognised in the balance sheet as current liabilities to the extent such items have not been paid.

Tax overpaid on account is included in other debtors.

Supplements, deductions and allowances regarding tax payments are recognised under net financial expenses.

Deferred tax is calculated according to the balance-sheet-oriented liability method on all timing differences between accounting and tax amounts. Deferred tax is calculated on the basis of the tax rate in force for the financial year. The effect of the change in tax rates is recognised in the profit and loss account unless it relates to items previously taken directly to shareholders' equity. Deferred tax liabilities are recognised as a provision in the balance sheet. Deferred tax assets are recognised in the balance sheet at the value at which the assets are expected to be realisable.

Deferred tax is not calculated for investments in subsidiaries and associated companies if the shares are not expected to be sold within a short period of time.

Copenhagen Airports A/S is taxed jointly with its wholly-owned Danish subsidiaries. The tax effect of the joint taxation is allocated to both profit-making and loss-making subsidiaries in proportion to their taxable income.

The jointly taxed Danish companies are subject to the Danish scheme of tax payments on account.

Dividend

Dividend proposed to be paid in respect of the year is stated as a separate item under current liabilities.

Profit and loss account

Revenue recognition

Traffic revenue comprises take-off, parking and passenger charges and is recognised when the related services are provided.

Concession revenue comprises turnover-related revenue from the airport shopping centre, parking facilities, etc. and is recognised in step with the turnover generated by the concessionaires.

Rent comprises rent for buildings and areas and is recognised over the terms of the contracts.

Revenue from the sale of services comprises revenue from the hotel activity and other items of an operating nature, which are recognised when delivery of the services takes place.

Net revenue

Net revenue represents the value of the year's traffic revenue, rent, concession revenue, and sale of services net of value added tax and price reductions directly related to sales.

Other operating income

Other operating income comprises items of a secondary nature relative to the Group's main activities. Other operating income is reduced by the related operating costs.

External expenses

External expenses comprise administrative expenses and other operating and maintenance expenses.

Staff costs

Staff costs comprise salaries, wages and pensions to the Group's staff as well as other staff costs.

Regular pension contributions under fixed-contribution schemes are charged to the profit and loss account in the period in which they arise.

For civil servants seconded by the Danish State, the Group recognises a fixed pension contribution, which is paid to the State on a regular basis.

Rent and lease costs

Rent and lease costs are charged on a straight-line basis over the contractual rent and lease periods.

Depreciation and impairment

Depreciation and impairment comprises the year's charges for this purpose on the Group's tangible fixed assets.

Profit from interests in associated companies

Profit from interests in associated companies is recognised as a proportional share of the profit or loss of each subsidiary and associated company after adjustment of unrealised intercompany gains and losses. The share of tax in these companies is charged to "Tax on the profit for the year".

Financial items

Financial items comprise interest receivable and interest payable recognised in the profit and loss account in the amounts relating to the financial year. In addition, the item includes loan costs, realised and unrealised exchange differences on financial instruments and items in foreign currency.

Balance sheet

Tangible fixed assets

Tangible fixed assets are recognised at historic cost or, for assets produced by the company, at production cost less accumulated depreciation and impairment.

Production cost for assets built by the company comprises costs which can be related directly or indirectly to the asset, including payroll costs.

Financing costs during the period of construction are solely included in production costs for buildings not directly related to airport operations.

Depreciation is charged on a straight-line basis over the estimated useful lives of the assets and begins when the assets are brought into use. For certain assets, depreciation is charged on the basis of capacity utilisation during the year relative to total estimated capacity in order to match depreciation to the directly related revenue.

Land is not depreciated.

The estimated useful lives of the major asset categories are as follows:

Land and buildings
Buildings ....30-40 years
Fitting out of buildings directly related to
airport operations .... 10 years
Fitting out of buildings not directly related to
airport operations .... 25 years

Plant and machinery
Runways, etc. ....10-40 years
Technical installations ....10-15 years

Other equipment
Large vehicles ....12-15 years
Other operating equipment and furniture
directly related to airport operations .... 3-10 years
Other operating equipment and furniture
not directly related to airport operations .... 5-15 years
Small vehicles .... 3-5 years

Assets with an estimated useful life of less than three years and assets costing less than DKK 25,000 are expensed in the year of acquisition. Gains and losses on the sale of fixed assets are recognised in “Other operating income”.

Impairment of assets

The net book value of intangible and tangible fixed assets is reviewed periodically to determine whether there are any indications of an impairment of the assets other than that expressed in normal amortisation and depreciation. If that is the case, the value of the assets is written down to the higher of the value in use and net realisable value.

The impairment of tangible fixed assets is recognised under “Depreciation and impairment of tangible fixed assets”.

Long-term financial assets

Interests in subsidiaries and associated companies are valued according to the equity method.

The net revaluation of equity interests is allocated to the “Reserve for net revaluation according to the equity method” under shareholders’ equity as part of the profit allocation.

Other interests are recognised at the lower of cost and their value at the balance sheet date.

Debtors

Debtors are stated in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are determined on the basis of an individual assessment of each account.

Own shares

Own shares are recognised in the balance sheet at the lower of historic cost and market price. Gains and losses on the sale of own shares are recognised under financial items in the profit and loss account.

Financial institutions

Interest-bearing loans are stated at nominal value.

Other liabilities

Other liabilities primarily comprise holiday pay liabilities, income taxes, other taxes and interest payable.

Prepayments

Prepayments comprise expenses incurred and revenue received before the balance sheet date, but which relate to later financial years.

Cash flow statement

The cash flow statement shows the composition of the Group’s cash flows divided into cash flow from operating, investing and financing activities as well as the Group’s cash and cash equivalents at the beginning and end of the financial year.

The cash flow from operating activities comprises payments from customers less payments to employees, suppliers etc. adjusted for financial items paid and taxes paid.

The cash flow from investing activities comprises consolidated payments in connection with the purchase and sale of tangible and long-term financial assets.

The cash flow from financing activities comprises the proceeds from short-term and long-term loans raised, instalments paid on short-term and long-term loans and dividend paid to shareholders.

Copenhagen Airports A/S

Annex 7

Definitions of ratios

The definitions of ratios are in line with the recommendations made by the Danish Association of Financial Analysts except for the ratios marked by an *, which are not defined by the Association.

Operting margin
Operating profit as a percentage of net revenue.

Asset turnover
Net revenue divided by average operational assets.

Return on assets
Operating profit as a percentage of average operational assets.

Return on equity
Net profit divided by average shareholders' equity.

Equity ratio
Shareholders' equity at year-end as a percentage of liabilities and shareholders' equity at year-end.

Earnings per share (EPS)
Net profit divided by average number of shares.

* *Cash earnings per share (CEPS)*
Net profit plus depreciation divided by average number of shares.

Book value per share
Shareholders' equity at year-end divided by number of shares at year-end.

* *NOPAT margin*
Net profit before net financial expenses divided by net revenue.

* *Turnover rate of of capital employed*
Net revenue divided by average shareholders' equity plus average interest-bearing debt.

* *ROCE*
Net profit before net financial expenses divided by average shareholders' equity plus average interest-bearing debt.

Gearing
Interest-bearing debt at year-end divided by market capitalisation (share capital times market price at year-end).