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Announcement to the Copenhagen Stock Exchange

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Interim report for Copenhagen Airports A/S for the six months to 30 June 2003

- Consolidated profit before tax amounted to DKK 232.9 million, which was at the upper end of the forecast and equivalent to 9.4% growth relative to 2002.
- The parent company's operating profit was DKK 48.3 million higher than in H1 2002, mainly as a result of increased concession revenue.
- Results from the Group's hotel operation were higher than in H1 2002.
- Results for Newcastle International Airport for Q2 2003 were DKK 11.6 million better than in Q2 2002, mainly as a result of a restructuring programme.
- The company's other international operations performed well relative to the same period last year.
- Profit before tax for 2003 is expected to be at the upper end of the previously forecast range, DKK 515.0 – 590.0 million.

Financial highlights and key ratios of the Group

Income statement (DKK million)	Q2 2003	Q2 2002	H1 2003	H1 2002	2002
Net revenue	565	558	1,065	1,016	2,145
EBITDA	339	322	601	555	1,210
EBIT	223	204	369	318	737
Profit/loss from investments	13	3	-14	-12	-21
Net financing costs	82	41	122	93	178
Profit before tax	154	166	233	213	538
Net profit	101	105	150	131	348
Balance sheet (DKK million)					
Property, plant and equipment			6,237	6,535	6,381
Investments			1,605	1,515	1,740
Total assets			8,338	8,580	8,516
Equity			3,104	3,228	3,234
Interest-bearing debt			4,006	4,297	4,155
Capital Investments			82	106	178
Financial investments			1	0	355
Cash flow statement (DKK million)					
Cash flow from operating activities	273	234	483	309	873
Cash flow from investing activities	-37	-47	-67	-129	-524
Cash flow from financing activities	-125	-100	-343	-208	-482
Cash and cash equivalents at end of period	121	153	121	153	47
Key ratios					
EBITDA-margin	60.0%	57.7%	56.4%	54.7%	56.4%
EBIT-margin	39.5%	36.6%	34.6%	31.4%	34.4%
Asset turnover rate*	0.34	0.32	0.32	0.29	0.31
Return on assets*	13.5%	11.8%	11.1%	9.2%	10.8%
Return on equity*	13.3%	12.9%	9.5%	8.1%	10.7%
Equity ratio	37.2%	37.6%	37.2%	37.6%	38.0%
Earnings per share of DKK 100*	46.6	46.2	34.7	28.8	38.2
Cash earnings per share of DKK 100*	100.0	98.0	88.4	80.8	90.2
Net asset value in DKK per share of DKK 100	359.1	354.7	359.1	354.7	355.4
NOPAT margin	28.0%	24.0%	22.1%	19.3%	22.0%
Turnover rate of capital employed*	0.32	0.29	0.29	0.27	0.28
ROCE	9.0%	7.0%	6.5%	5.1%	6.2%

* The key ratios have been converted into full-year equivalents where necessary for purposes of comparison. The definitions of ratios are in line with the recommendations made by the Danish Association of Financial Analysts except for the ratios not defined by the Association. The definitions of key ratios are given on www.cph.dk

OPERATING AND FINANCIAL REVIEW

This interim report has been prepared according to the same accounting policies as the 2002 annual report.

Performance compared with forecasts

Consolidated profit before tax for the six months ended 30 June 2003 was DKK 232.9 million. When adjusted for a DKK 15.4 million exchange loss on the Group's investments, profit was at the upper end of the previously forecast range.

In the parent company, H1 traffic and concession revenue were adversely affected by the war in Iraq and by SARS. External costs were lower than expected, primarily as a result of tight cost management. Finally, the profit was adversely affected by the above mentioned exchange losses.

Results from the Group's hotel operation (KLHE) and international operations were in line with and slightly lower than forecast, respectively.

Performance compared with Q2 2002

Consolidated profit before tax for H2 2003 was DKK 153.6 million, which was DKK 12.8 million lower than in the same period of last year.

The fall in profit before tax was attributable to exchange losses recognised in connection with the settlement of hedges of investments in Q2 2003. This was partially offset by a DKK 8.0 million increase in revenue, mainly attributable to an increase in concession revenue and a DKK 10.4 million reduction of the Group's costs, primarily as a result of lower staff costs and depreciation. The DKK 9.7 million increase in the results from the Group's investments relative to the level of the same period last year was mainly attributable to improved results from Newcastle International Airport.

Performance compared with H1 2002

Pre-tax profit was DKK 19.9 million higher than in the same period last year.

The improvement was attributable to the parent company's operating profit, which was partially offset by an increase in net financing costs. See below.

Parent company

(DKK million)	2003	2002	Ch.	%
Net revenue	1,004.5	960.4	44.1	4.6%
EBITDA	595.8	552.2	43.6	7.9%
EBIT	376.0	327.7	48.3	14.7%
Profit/loss from investments	-33.5	-34.5	1.0	2.9%
Net financing costs	109.6	80.2	29.4	36.7%
Profit before tax	232.9	212.9	20.0	9.4%

The increase in revenue was primarily related to increased concession revenue. The fall in costs was primarily attributable to a reduction in staff costs and lower depreciation on the parent company's fixed assets, which was partially offset by an increase in external costs.

The parent company's net financing costs mainly rose as a result of exchange losses related to the Group's investments.

Copenhagen Airports' Hotel and Real Estate Company (KLHE)

(DKK million)	2003	2002	Ch.	%
Net revenue	62.2	57.7	4.5	7.8%
EBITDA	4.4	2.6	1.8	69.2%
EBIT	-8.1	-9.7	1.6	16.5%
Net financing costs	12.2	12.9	-0.7	-5.4%
Profit before tax	-20.3	-22.6	2.3	10.2%

The improved performance was attributable to an increase in net revenue as a result of increased activity.

Equity

Group equity stood at DKK 3,234.0 million at the beginning of the year and DKK 3,103.7 million at 30 June 2003. A statement of movements in equity is included on page 12 of this report. The decline was mainly attributable to the Group's purchase of treasury shares and the payment of dividends in respect of the 2002 financial year.

INCOME STATEMENT

Revenue

Traffic revenue

Passengers				
(pass. '000)	2003	2002	Ch.	%
Q1	3,775.0	3,928.6	-153.6	-3.9%
Q2	4,677.7	4,947.1	-269.4	-5.4%
H1	8,452.7	8,875.7	-423.0	-4.8%

The total number of passengers at Copenhagen Airport was adversely affected by the war in Iraq and by SARS, dropping 4.8% in H1 2003 to 8.5 million.

The number of departing passengers fell by 0.2 million to 4.3 million, equivalent to 4.6%. The fall was mainly attributable to a 13.8% decline in transfer passengers, which was partially offset by a 3.8% increase in the number of locally departing passengers.

For additional comments on traffic developments, please see our previously released announcement on traffic statistics for June 2003.

Traffic revenue				
(DKK million)	2003	2002	Ch.	%
Take-off charges	231.9	237.0	-5.1	-2.2%
Passenger charges	295.1	290.2	4.9	1.7%
Other charges	15.4	13.8	1.6	11.6%
Total group	542.4	541.0	1.4	0.3%

The increase in traffic revenue was mainly attributable to higher charges taking effect on 1 January 2003 for Copenhagen Airport at Kastrup. The increase was partially offset by a fall in total take-off mass and the number of passengers.

Concession revenue

	2003	2002	Ch.	%
(DKK million)				
Shopping centre	193.6	158.4	35.2	22.2%
Handling	40.0	41.3	-1.3	-3.1%
Other	84.7	80.5	4.2	5.2%
Total group	318.3	280.2	38.1	13.6%

The increase in revenue from the airport shopping centre was caused mainly by a new contract with The Nuance Group, which, unlike for the same period of 2002, had full effect in H1 2003.

Other concession revenue includes parking, banking and restaurants. The increase was primarily derived from the parking concession as a result of increased revenue, etc.

Rent

	2003	2002	Ch.	%
(DKK million)				
Rent from premises	62.2	60.1	2.1	3.5%
Rent from land	21.2	22.0	-0.8	-3.6%
Other rent	4.9	5.3	-0.4	-7.5%
Total group	88.3	87.4	0.9	1.0%

The increase in rent was primarily attributable to contractual rent adjustments and the letting of new areas in the transit hall.

Sales of services, etc.

	2003	2002	Ch.	%
(DKK million)				
Hotel operation	62.2	57.7	4.5	7.8%
Other sales of services	54.0	49.5	4.5	9.1%
Total group	116.2	107.2	9.0	8.4%

The increase in the Group's sale of services related to increased international consulting provided to associates, including Hainan Meilan Airport, and to the Group's hotel operation, which reported higher revenue from the restaurants than in H1 2002.

Costs

External costs

	2003	2002	Ch.	%
(DKK million)				
Operation and Maintenance	121.7	117.4	4.3	3.7%
Energy	23.6	18.8	4.8	25.5%
Administrative expenses	40.5	45.9	-5.4	-11.8%
Other costs	17.6	12.0	5.6	46.7%
Total group	203.4	194.1	9.3	4.8%
Hotel operation	57.8	55.0	2.8	5.1%

The combined increase in external costs was attributable to a DKK 4.6 million increase in insurance costs, higher operating costs at the hotel as a result of the higher activity level and higher energy costs. The increases were partially offset by reduced administrative expenses, mainly as a result of lower marketing and travel costs. Furthermore, the hotel's administrative expenses

were reduced compared to the level in the same period last year.

Staff costs

(DKK million)	2003	2002	Ch.	%
Salaries and wages	262.5	262.0	0.5	0.2%
Other	13.1	14.8	-1.7	-11.5%
Amount capitalised as fixed assets	-15.0	-10.4	-4.6	44.2%
Total group	260.6	266.4	-5.8	-2.2%
Average number of employees	1,339	1,342	-3	-0.2%

The fall in staff costs was mainly attributable to an increase in capitalised salaries and wages, primarily relating to the implementation of a new computer system. Adjusted for salaries and wages to employees made redundant in 2002 and increased reimbursements, the average annual pay adjustment amounted to approximately 3.1%.

Amortisation, depreciation and impairment of intangible assets and property, plant and equipment

(DKK million)	2003	2002	Ch.	%
Total group	232.3	236.8	-4.5	-1.9%
Hotel operation	12.6	12.3	0.3	2.4%

The fall was attributable to fixed assets which have been fully depreciated.

Profit/(loss) from investments in associates before tax

(DKK million)	2003	2002	Ch.	%
NIAL	-36.0	-30.3	-5.7	18.8%
ITA				
ASUR				
Meilan				
Total other	21.8	17.9	3.9	21.8%
Total group	-14.2	-12.4	-1.8	-14.5%

The lower contribution from Newcastle International Airport was primarily attributable to restructuring costs, including redundancy payments and pension obligations recognised in Q1 2003. Newcastle International Airport reported better results in Q2 2003 than in the same period last year as a result of the restructuring programme and a 10.7% increase in the passenger volume.

The investment in Hainan Meilan Airport continued to contribute a profit although SARS caused a 12% decline in the passenger volume relative to H1 2002.

The share of profit from the Group's investments in Mexican airports was lower than in the same period of 2002. The main reason was exchange differences, which were partially offset by an increase in the number of passengers of about 9% relative to the level in H1 2002 and by cost reductions.

Net financing costs

(DKK million)	2003	2002	Ch.	%
Interest	98.9	97.3	1.6	1.6%
Exchange losses	15.4	-9.3	24.7	-265.6%
Other	7.6	5.1	2.5	49.0%
Total group	121.9	93.1	28.8	30.9%
Hotel operation	12.2	12.9	-0.7	-5.4%

The Group will no longer hedge its strategic investments. The increase in net financing costs was primarily attributable to an exchange loss relating to the settlement of the hedge of the investment in Newcastle International Airport, which was partially offset by capital gains from hedges of the company's investments in ASUR and Hainan Meilan Airport.

It is expected that these exchange adjustments will be offset by lower future financing costs.

Tax on the profit for the period

Tax on the profit for the period for the parent company and the Danish subsidiaries has been calculated on the reported profit before tax using the current tax rate, while tax on the profit for the period for the foreign associated companies has been recognised on the basis of the proportional share of estimated tax calculated on a full-year basis.

BALANCE SHEET

Assets

(DKK million)	2003	2002	Ch.	%
<i>Fixed assets</i>				
Intangible assets	42.0	34.9	7.1	20.3%
Property, plant and equipment	6,237.3	6,534.8	-297.5	-4.6%
Investments	1,604.9	1,515.3	89.6	5.9%
<i>Current assets</i>				
Receivables	333.0	342.3	-9.3	-2.7%
Cash	120.6	152.6	-32.0	-21.0%
Total group	8,337.8	8,579.9	-242.1	-2.8%

The fall in property, plant and equipment was attributable to a reduction in investment activity in areas that have no effect on consolidated revenue.

The Group's investments rose as a result of the investment in Hainan Meilan. The increase was offset by an exchange adjustment relating to the Group's foreign investment and the share of the loss posted by Newcastle International Airport.

The fall in receivables was mainly attributable to the settlement of hedges of forward contracts.

Equity and liabilities

Liabilities

(DKK million)	2003	2002	Ch.	%
Long-term liabilities	2,602.1	3,593.7	-991.6	-27.6%
Current liabilities	1,815.7	971.9	843.8	86.8%
Total group	4,417.8	4,565.6	-147.8	-3.2%

The reduction in long-term debt was primarily attributable to the fact that a number of fixed term loans are now closer to expiry, and to reduced drawings on long-term credit facilities.

Out of the long-term debt at floating rates, the Group swapped DKK 1,000.0 million to fixed rate debt in order to extend the duration of the liabilities.

The increase in short-term debt was mainly attributable to the fact that the short-term portion of debt to financial institutions rose by DKK 700.8 million, because a number of fixed term loans are now closer to expiry. The remaining part of short-

term debt increased by DKK 143.0 million. This was primarily attributable to unrealised losses relating to hedging of loans and an increase in income taxes and other taxes payable.

The Group continuously seeks to adjust its financing to increasingly match the economic lives of the assets.

CASH FLOW STATEMENT

(DKK million)	2003	2002	Ch.
<i>Cash flow from</i>			
Operating activities	483.0	308.8	174.2
Investing activities	-66.5	-128.7	62.2
Financing activities	-343.4	-208.0	-135.4
Total cash flow	73.1	-27.9	101.0
Cash at beginning of year	47.5	180.5	-133.0
Cash at end of period	120.6	152.6	-32

Cash flow from operating activities

The increase was mainly attributable to an increase in net revenue and an improvement in working capital.

Cash flow from investing activities

The lower investing activity at Copenhagen Airport and dividends from associates are the reasons for the change in the cash flows from investing activities.

Cash flow from financing activities

The increase in the cash outflow for financing activities was primarily attributable to DKK 120.1 million paid to acquire treasury shares in 2003.

SEGMENT REVIEW

Traffic business

(DKK million)	2003	2002	Ch.	%
External revenue	604.5	605.0	-0.5	-0.1%
Operating profit	117.0	119.2	-2.2	-1.8%
Profit before interest	117.0	119.2	-2.2	-1.8%

External revenue was on a level with the same period last year, which was attributable to a fall in the number of departing passengers being offset by an increase in charges on 1 January 2003. The fall in profit before interest was primarily attributable to increased costs of airport liability insurance.

Commercial business

(DKK million)	2003	2002	Ch.	%
External revenue	449.4	403.9	45.5	11.3%
Operating profit	257.0	211.1	45.9	21.7%
Profit before interest	257.0	211.1	45.9	21.7%

External revenue rose as a result of the new concession agreement with The Nuance Group, which had full effect on H1 2003 and as a result of increased revenue from the Group's hotel operation relative to the same period of 2002. Furthermore, the operating profit was affected by increased costs of operations and maintenance as a result of the increase in activity at the hotel, an increase in energy costs and higher insurance costs. This was partially offset by lower staff costs as a result of increased capitalisation of salaries and wages and lower depreciation costs.

International business

(DKK million)	2003	2002	Ch.	%
External revenue	11.3	6.9	4.4	63.8%
Operating profit	-5.1	-11.8	6.7	56.8%
Profit/loss from associates	-14.2	-12.4	-1.8	-14.5%
Profit before interest	-19.3	-24.2	4.9	20.2%

The increase in external revenue was attributable to increased sales of consulting services to associates. In addition, the operating profit was favourably affected by lower travel and consulting costs.

The fall in profit from investments in associates was mainly attributable to a lower profit recognised from Newcastle International Airport, which was partially offset by profits from the Group's other associates. See discussion above.

OUTLOOK FOR 2003

In the profit announcement for 2002, the Group forecast a 3% fall in the total number of passengers in 2003 as compared with the level in 2002 and a pre-tax profit in the region of DKK 590.0 million. Moreover, it was indicated that an outbreak of war in Iraq would result in a further fall in the number of passengers by up to 5%. It was also estimated that each percentage-point drop would result in a reduction of pre-tax profit by approximately DKK 15.0 million, equivalent to a pre-tax profit in the range of DKK 515.0 – 590.0 million.

In view of the actual performance in H1 2003 and expected developments in the number of passengers in H2 2003, the forecast fall in the number of passengers in Copenhagen is currently a maximum of 5% relative to 2002. This together with a continuing adjustment of costs to the current activity level means that the Group forecasts a pre-tax profit for 2003 for the existing activities at the level of DKK 560,0 – 590,0 million.

Copenhagen Airports A/S

Kurt Bligaard Pedersen
Chairman

Niels Boserup
President & CEO

Kastrup, 20 August 2003

Income statement

1 January - 30 June

DKK '000	Group	
	2003	2002
Traffic revenue	542,449	541,029
Concession revenue	318,283	280,161
Rent	88,316	87,389
Sales of services, etc.	116,187	107,188
Net revenue	1,065,235	1,015,767
External costs	203,356	194,109
Staff costs	260,633	266,407
Amortisation, depreciation and impairment of intangible assets and property plant and equipment	232,309	236,792
Operating profit	368,937	318,459
Profit/loss from investments in associates before tax	-14,159	-12,398
Financial income	36,870	14,514
Financial expenses	158,772	107,634
Profit before tax	232,876	212,941
Tax on profit for the period	82,435	82,092
Net profit for the period	150,441	130,849

Balance sheet

At 30 June

Assets DKK '000	Group	
	2003	2002
FIXED ASSETS		
Total intangible assets	41,998	34,947
Property, plant and equipment		
Land and buildings	3,610,527	3,737,073
Plant and machinery	2,265,146	2,394,849
Other fixtures and fittings, tools and equipment	255,509	287,077
Property, plant and equipment in progress	106,120	115,833
Total property, plant and equipment	6,237,302	6,534,832
Investments		
Investments in associates	1,557,460	1,467,992
Other investments	47,468	47,306
Total investments	1,604,928	1,515,298
Total fixed assets	7,884,228	8,085,077
CURRENT ASSETS		
Receivables		
Trade receivables	297,557	289,477
Other receivables	18,487	32,667
Prepayments	16,976	20,105
Total receivables	333,020	342,249
Cash and cash equivalents	120,598	152,584
Total current assets	453,618	494,833
Total assets	8,337,846	8,579,910

Balance

At 30 June

DKK '000	Group	
	2003	2002
Equity and liabilities		
Equity		
Share Capital	910,000	910,000
Reserve for hedging	79,714	61,763
Reserve for currency translation	-217,049	-55,365
Retained earnings	2,330,990	2,311,296
Total equity	3,103,655	3,227,694
LONG-TERM LIABILITIES		
Provision for deferred tax	816,424	786,652
Financial institutions	2,602,075	3,593,681
Total long-term liabilities	3,418,499	4,380,333
CURRENT LIABILITIES		
Financial institutions	1,403,896	703,045
Prepayments from customers	54,164	62,130
Trade payables	90,225	92,766
Income tax	32,347	1,094
Other payables	130,537	103,910
Deferred income	104,523	8,938
Total current liabilities	1,815,692	971,883
Total liabilities	5,234,191	5,352,216
Total equity and liabilities	8,337,846	8,579,910

Cash flow statement

1 January - 30 June

DKK '000	Group	
	2003	2002
CASH FLOW FROM OPERATING ACTIVITIES		
Received from customers	1,025,266	932,338
Paid to staff and suppliers	-405,690	-497,338
Cash flow from operating activities before financial items	619,576	435,000
Interest received	32,085	11,962
Interest paid	-144,071	-111,957
Cash flow from ordinary activities before tax	507,590	335,005
Income taxes paid	-24,583	-26,166
Cash flow from operating activities	483,007	308,839
CASH FLOW FROM INVESTING ACTIVITIES		
Net payments for intangible assets and property, plant and equipment	-89,185	-137,320
Capital contributions in associates	-1,229	-383
Dividends from associates	23,841	8,988
Cash flow from investing activities	-66,508	-128,715
CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of long-term loans	-397,531	-81,983
Repayments of short-term loans	0	-35,076
Proceeds from short-term loans	289,854	0
Payments to acquire treasury shares	-120,064	0
Dividends paid	-115,611	-91,000
Cash flow from financing activities	-343,352	-208,059
Net change in cash and cash equivalents	73,147	-27,935
Cash and cash equivalents at beginning of year	47,451	180,519
Cash and cash equivalents at end of period	120,598	152,584

Statement of equity

<i>Group</i>						
DKK '000	Share capital	Reserve for hedging	Reserve for currency translation	Retained earnings	Proposed dividend	Total
1 January - 30 June 2003						
Balance at 1 January 2003	910,000	10,173	-102,378	2,294,482	121,742	3,234,019
Profit/loss for the period				150,441		150,441
Currency translation of investments			-114,671			-114,671
Currency hedges of investments		111,241				111,241
Interest hedges through swaps		-11,899				-11,899
Tax effect of hedges		-29,801				-29,801
Purchase of treasury shares				-120,064		-120,064
Dividend adopted					-121,742	-121,742
Dividend on treasury shares				6,131		6,131
Balance at 30 June 2003	910,000	79,714	-217,049	2,330,990	0	3,103,655

<i>Group</i>						
DKK '000	Share capital	Reserve for hedging	Reserve for currency translation	Retained earnings	Proposed dividend	Total
1 January - 30 June 2002						
Balance at 1 January 2002	910,000	-15,721	95,583	2,180,447	91,000	3,261,309
Profit/loss for the period				130,849		130,849
Currency translation of investments			-150,948			-150,948
Currency hedges of investments		110,937				110,937
Tax effect of hedges		-33,453				-33,453
Dividend adopted					-91,000	-91,000
Balance at 30 June 2002	910,000	61,763	-55,365	2,311,296	0	3,227,694