Annual Report 2013

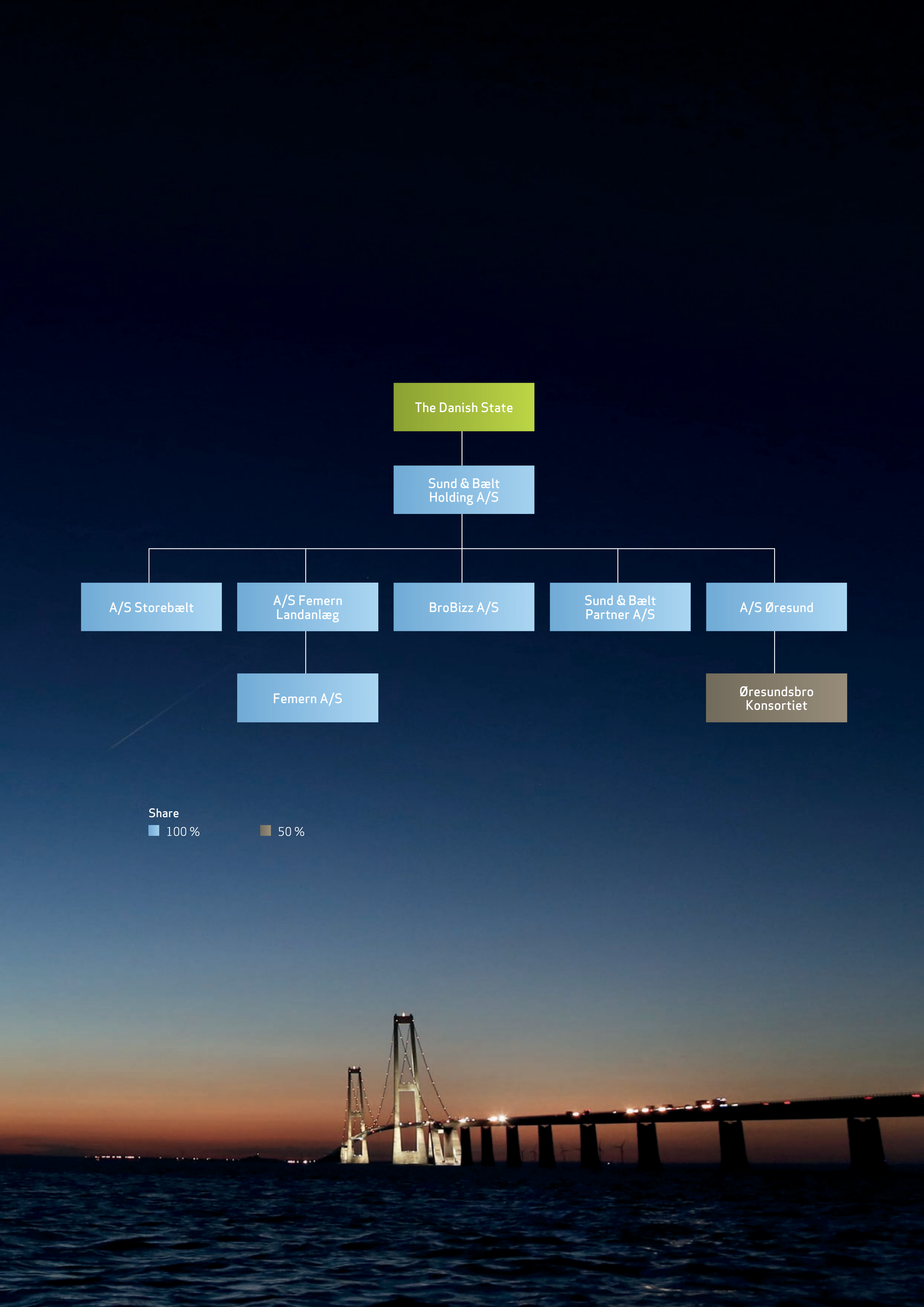
Sund & Bælt Group's objectives and organisation

The Sund & Bælt Group's primary responsibility is to own and operate the fixed links across Storebælt and Øresund and, in time, the Fehmarnbelt. These responsibilities are carried out with due regard for a high level of accessibility and safety on the links. Moreover, repayment of the loans raised to finance the facilities should take place within a reasonable time frame.

The Sund & Bælt Group is tasked with:

- Operating and maintaining the road link across the Storebælt Bridge
- Collecting payment from motorists using the Storebælt Bridge
- Monitoring and maintaining Storebælt's rail section
- Operating and maintaining the Øresund motorway
- Monitoring and maintaining the Øresund rail line on Amager from a time stipulated by the Minister of Transport
- Collecting fees from Banedanmark for the right to use the Øresund railway on Amager and the rail link across Storebælt
- Managing and ensuring repayment of A/S Storebælt's and A/S Øresund's debt portfolio
- Managing the co-ownership of Øresundsbro Konsortiet
- Being responsible for the planning, feasibility studies and preparations for the coast-coast link for the fixed link across Fehmarnbelt
- Being responsible for the coordination of planning work for the fixed link across the Fehmarnbelt comprising the coast-coast link and the Danish landworks
- Operating and maintaining the port facilities at Odden, Ebeltoft, Spodsbjerg and Tårs
- Operating and maintaining Sprogø offshore wind farm
- Providing client consultancy in relation to major and primarily international infrastructure projects on a commercial basis
- Operating as an issuer of BroBizz® for use at the user-paid infrastructure via BroBizz A/S

Sund & Bælt: making travelling easier


The Danish State
Sund & Bælt Holding A/S
A/S Storebælt
A/S Femern Landanlæg
BroBizz A/S
Sund & Bælt Partner A/S
A/S Øresund
Femern A/S
Øresundsbro Konsortiet
Share
100 %
50 %

Exciting prospects for our business

2013 was a good year for Sund & Bælt. It was the year when we achieved the best result to date and when Storebælt again delivered the largest contribution to Group profits by far. The combination of low interest rates and a stable level of traffic demonstrated once again that the funding model for the user-financed links is very robust, even in years when traffic does not grow to any great extent.

It has been an exciting year for the core business, including the preparations for the upgrade of our facilities for the upcoming One Hour Model gradually getting underway. Sund & Bælt's objective is to ensure that, in future, the facilities meet the increasing demands for accessibility in Danish infrastructure. In the same way we are looking at how we can future-proof our road facility against congestion and optimise availability for drivers.

BroBizz A/S was finally launched as an independent issuer company on 1 June, when it was ready to serve 550,000 BroBizz customers. The objective was clear: that the new company should make it easier and simpler to be a BroBizz customer. BroBizz A/S has focused in the first instance on making the transition as smooth as possible for customers.

Under the auspices of the EU partnership, 'European Electronic Toll Service' (EETS), which aims to establish a common platform for electronic payment of charges for the use of roads, tunnels and bridges, competition and new players will emerge over the next few years. Sund & Bælt, with its long experience in payment systems, will actively participate in the development work on behalf of Denmark. This will be achieved under the auspices of a regional cooperation (REETS) where we, together with six other EU countries and Switzerland, have focused on creating a framework within which EETS can be realised. This also includes the interaction between the use of microwave and satellite based systems.

Work in this area is very promising for the Group and not least for BroBizz A/S, which as a result of this development will have expanded its market considerably. Satellite systems will be used for collection of payment on roads, bridges and tunnels in the future; and Sund & Bælt will now enter into a two-year trial, which will prepare us for the future common European standards.

During 2013, Femern A/S passed three important milestones on the way to the start of actual construction on the tunnel between Denmark and Germany. A Danish EIA (Environmental Impact Assessment) report was delivered to the regulatory authorities for a subsequent EIA public consultation in Denmark; there was an application for regulatory approval in Germany to the German authorities, and then there was the commencement of the tender process for four of the major contracts for the tunnel construction.

Furthermore, the preparatory works for the upgrade of the railway between Ringsted and Rødby have now got underway, which is an essential part of the Fehmarnbelt project. The upgrade will not only strengthen our rail links to the continent but will also create a significantly better connection between southern Zealand/Lolland-Falster and the capital, where the One Hour Model will extend all the way down to Nykøbing Falster in practice. The most important milestone for the Femern project in 2014, the Construction Act, is expected at the end of the year.

The rotation of the wind turbines north of Sprogø remains very satisfactory and is so effective that they number among the absolute elite worldwide. It is the "uptime" – the aggregated periods when turbines produce power – which gives the wind farm its good name. The turbines produced 62.2 million kWh in 2013, of which we only used just under one sixth for our own facilities. The rest is fed into the power grid. We are proud of this contribution to green energy, which should ultimately contribute to meeting the EU's demands for a reduction of CO_2 emissions by 40 per cent towards 2050.

You can learn more about our wind turbines and other CSR initiatives in this report, which also includes reporting to the UN Global Compact. We will continue to support and promote the UN Global Compact's 10 principles in 2014 by conducting business in a responsible manner for the benefit of the Group and Danish society.


Henning Kruse Petersen
Chairman
Sund & Bælt Holding A/S


Leo Larsen
CEO
Sund & Bælt Holding A/S

Contents

Highlights of the year

Traffic

In 2013, traffic on Storebælt increased by 0.2 per cent on the year. Passenger car traffic fell by 0.1 per cent while lorry traffic rose by 1.9 per cent. In total 10.9 million cars crossed the bridge, which is at the same level as last year. 8.7 million rail passengers crossed Storebælt in 2013, which is a fall of 1.1 per cent on the year.

6.7 million cars crossed the Øresund Bridge, corresponding to a decline of 1.2 per cent compared to 2012. Lorry traffic rose by 6.5 per cent, which means that the market share for lorry traffic across Øresund now accounts for 53 per cent. Passenger car traffic fell by 1.7 per cent compared to 2012, which is due in part to the fact that leisure traffic rose by 1.4 per cent and commuter traffic fell by 7.1 per cent. Train traffic rose by 4.2 per cent compared to 2012 and now totals 11.4 million passengers.

Financial position

EBIT increased by DKK 98 million compared to 2012, which is satisfactory viewed against the background of the weak economic trends. The result was affected by additional revenue of 2.1 per cent corresponding to DKK 74 million as well as net interest expenses, which are DKK 445 million lower than in 2012. The result before fair value adjustments and tax, including the share from Øresundsbro Konsortiet, thus amounts to a profit of DKK 1,729 million, and the result after tax is a profit of DKK 2,998 million. The result is affected by recognised fair value adjustments of DKK 2,504 million corresponding to DKK 1,878 million after tax.

Based on a proposed dividend of DKK 900 million from A/S Storebælt, Sund & Bælt Holding A/S is expected to pay an extraordinary dividend of DKK 900 million to the shareholder in 2014.

Profitability

For A/S Storebælt, the repayment period is unchanged on the year and totals 31 years according to the latest updated profitability calculations. Øresundsbro Konsortiet expects the repayment period to be increased by one year and will now be 34 years. The reason for this is that low interest rates mean faster re-establishment of equity and thus faster dividend payment to the owner companies. The repayment period for A/S Øresund is calculated at 48 years, which is one year longer than last year. The extension of the repayment period is largely because of the planned takeover of maintenance and reinvestments on the Øresund line.

Turnover from the road link across Storebælt totals DKK 2,637 million

Despite the economic conditions, EBIT for Sund & Bælt increased by DKK 98 million on the year

In 2013, DKK 1.7 billion was repaid on A/S Storebælt's interest-bearing net debt, which totalled DKK 24 billion at the end of the year

The effect of value adjustments on the results

	Consolidated income statement according to the Annual Report	Fair value adjustment	Proforma income statement
Operating profit (EBIT)	2,525.9		2,525.9
Net financials, total	667.6	1,762.9	-1,095.3
Profit before share of jointly managed company	**3,193.5**		**1,430.6**
Profit from jointly managed company	1,039.1	740.9	298.2
Profit before value adjustment and tax			**1,728.8**
Value adjustment		-2,503.8	2,503.8
Profit before tax	**4,232.6**		**4,232.6**
Tax	-1,235.0		-1,235.0
Profit for the year	**2,997.6**		**2,997.6**

CSR – Corporate Social Responsibility

Sund & Belt helps to create growth and cohesion in Denmark by operating a responsible company, which balances respect for the economy, people and the environment in its daily operations. A safe and efficient traffic flow is the foundation of the company and the safety of both customers and employees is paramount. CSR is thus not an isolated activity, but a basic tenet that is integrated into day-to-day work.

Sund & Bælt has joined the UN Global Compact and through its membership is required to comply and work with the 10 principles of the Global Compact

As Sund & Bælt wishes to put more focus on CSR, an individual was appointed at the end of 2013 whose responsibility is to ensure the management, coordination and further development of CSR activities in 2014, c.f. CSR targets on page 13.

Responsibility and environmental consideration are fundamental to Sund & Bælt's CSR policy, which is divided into four focus areas:

- Human and employee rights
- Environment and climate
- Responsible supply chain management
- Business ethics and anti corruption

As can be seen from the diagram below, the majority of the CSR targets for 2013 have been achieved.

See more about Sund & Bælt's CSR policy and social responsibility at sundogbaelt.dk/samfundsansvar

- Equal opportunities policy drawn up and implemented ✓
- 2.0 per cent absenteeism due to sickness ✓
- 15.7 per cent staff turnover ✓
- Three accidents at work leading to absence –
- Read more about Sund & Bælt's efforts within the working environment on page 35
- Read more about Sund & Bælt's employees on page 39
- Read about night-time at the toll station on page 35
- Read about the donation of used IT equipment to a hospital and its satellite clinics in Nepal on page 40

- No enviromental protests or complaints about Sund & Bælt in 2013 ✓
- Sprogø wind farm has produced over 62 million kWh
- Read more about Sund & Bælt's work with the environment and climate on page 34
- Read about nature adventures for all on page 34

- Code of Conduct with respective questionnaire used with all relevant tenders ✓
- Three audits and a number of supplier overviews were carried out in 2013 ✓
- Agreement with suppliers on shared apprentice scheme ✓

- No corruption cases in 2013 ✓
- Whistleblower scheme underway ✓
- Read about help for stranded motorists on Storebælt on page 14

Traffic

In 2013, traffic on Storebælt's road link was on a par with traffic in 2012. During the year under review, 10.9 million vehicles crossed Storebælt – as was the case in 2012 - corresponding to an average of 29,817 vehicles per day. Of this, 26,450 were passenger cars, vans or motorcycles. 3,295 were lorries and 72 were coaches.

Passenger car traffic showed a declining trend over the year, with negative growth rates in the first three quarters of the year. The positive growth in Q4 is probably a result of a mild December with no snow in 2013 whereas December 2012 was characterised by snow and strong winds. Passenger car traffic showed a fall of 0.1 per cent overall.

Lorry traffic on Storebælt increased by a total of 1.9 per cent on the year. This is somewhat higher than expected and is probably a result of developments in respect of the ferry services. In 2012, the start of an adjustment by lorry traffic to reduced capacity on the freight ferries between Århus and Kalundborg was noted as a result of the Mols-Linien stopping sailings on the route in the summer of 2011. The service was taken over by Kattegatruten, which had less capacity than Mols-Linien. The service was finally shut down in mid-October 2013. The shift in traffic from the ferries is most evident in Q4 2013, with growth rates of 5.7 per cent compared to 2012.

There continues to be a shift in lorry traffic towards larger lorries, including long heavy vehicles. Thus traffic fell for smaller lorries under 10 metres by 1 per cent whereas lorries between 10 and 20 metres showed growth of 1.5 per cent. Lorries over 20 metres, i.e. long heavy vehicles and abnormal loads, increased by 16 per cent. As a result, they accounted for 5.7 per cent of lorry traffic against 5 per cent in 2012.

2014 is expected to be characterised by slightly increasing growth in the Danish economy and passenger car traffic and lorry traffic are expected to remain unchanged on the year.

Annual percentage traffic growth on Storebælt

	2012-2013	2011-2012	2010-2011
Passenger cars	-0.1	0.5	2.7
Lorries	1.9	0.4	6.5
Coaches	11.4	-6.3	-8.4
Total	**0.2**	**0.5**	**3.1**

Daily traffic on Storebælt

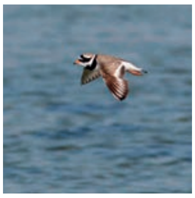
	2013	2012	2011
Passenger cars	26,450	26,469	26,337
Lorries	3,295	3,232	3,220
Coaches	72	65	69
Total	**29,817**	**29,766**	**29,628**

Quarterly traffic growth in 2013 compared to the corresponding quarter in 2012

	Q1	Q2	Q3	Q4
Passenger cars	-2.1	-0.8	-0.3	1.7
Lorries	-4.9	3.5	2.2	5.7
Coaches	9.8	11.3	5.3	20.8
Total	**-2.4**	**-0.4**	**-0.1**	**2.2**

A/S Storebælt

Once again, Storebælt has delivered by far the largest contribution to Group profits. The combination of low interest rates and a stable level of traffic demonstrates once again that the funding model used for the user-financed links is very sound, even in the years when traffic has not seen significant growth.



Our fundamental value is to support sustainable development and to contribute to meeting the objectives that society has set out as regards the climate and the environment

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Financial position

Within the context of the economic trends, the year's results were satisfactory. The result before financial value adjustments and tax, including the share from Øresundsbro Konsortiet, amounts to profits of DKK 1,729 million against profits of DKK 1,074 million in 2012. The improved results can be ascribed to approximately DKK 420 million from A/S Storebælt, approximately DKK 120 million from A/S Øresund and a rise of approximately DKK 115 million from Øresundsbro Konsortiet.

Overall, Group turnover increased by 2.1 per cent and totals DKK 3,604 million. Turnover from Storebælt's road link showed a net increase of 2.5 per cent, corresponding to DKK 65 million, and thus totals DKK 2,637 million. The rise primarily derives from the general price adjustment on 1 January 2013.

Expenses total DKK 459 million and have increased by DKK 25 million, which among others can be attributed to the rise in the cover of losses on the Spodsbjerg-Tårs ferry operations.

Short and long-term interest rates in Europe remained at historically low levels throughout 2013. The European Central Bank (ECB) reduced short-term rates a couple of times, and money market rates thus remained at a low level. Overall this made a positive contribution to the companies' interest expenses. The companies' real rate exposure in 2013 gave rise to a lower inflation indexation on the real rate debt than was expected in the budgetting process. The reason is that inflation in Denmark fell in line with inflation abroad. The portfolio's duration increased over the year and is now close to the benchmark for 2014.

Net interest expenses are thus DKK 445 million lower than in 2012 and total DKK 1,095 million.

The fair value adjustments amount to (including adjustments in respect of Øresundsbro Konsortiet) income of DKK 2,504 million in 2013, compared to expenses of DKK 908 million in 2012. The value adjustments comprise in part income relating to fair value adjustments of financial assets and liabilities of DKK 2,338 million net and in part income from exchange rate adjustments of DKK 166 million.

The fair value adjustments are an accounting item with no effect on the repayment period for the Group's debt.

Net financing expenses, including the fair value adjustment, represent income of DKK 668 million against expenses of DKK 2,302 million in 2012.

The share of Øresundsbro Konsortiet's results amounts to an income of DKK 1,039 million, which include positive fair value adjustments of DKK 741 million. The share of the result before fair value adjustments is, therefore, positive at DKK 298 million and is DKK 115 million higher than in 2012. The share of the result is affected by a rise in road revenue of 3.9 per cent as well as lower interest expenses.

Tax on the Group's annual results amounts to an expense of DKK 1,235 million. Of the tax expense for the period, DKK 175 million relates to an adjustment of the Group's deferred tax asset as a result of the legislative amendments during the year concerning a lowering of the tax rate.

As total electricity consumption for Sund & Bælt's infrastructure facilities was 10.4 GWh in 2013, electricity consumption is fully covered by green energy from the wind turbines

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The consolidated result after tax amounts to a profit of DKK 2,998 million.

In the report for Q2, the outlook for the annual results before financial value adjustments was upgraded by approximately DKK 240 million compared to the budget. The realised result before fair value adjustments and tax is approximately DKK 130 million better than expected and is therefore approximately DKK 370 million more than forecast at the start of the financial year. The improvement derives primarily from lower interest expenses.

As at 31 December 2013, Group equity was negative at DKK 3,850 million. Based on the estimated operating results for the subsidiaries, Group equity is expected to be re-established within a time period of 5-6 years, calculated from the end of 2013.

Future operating results are estimated on the basis of the Ministry of Transport's fixed fees from Banedanmark for use of the rail links and on the basis of the traffic projections for A/S Storebælt and Øresundsbro Konsortiet. The latter is included at 50 per cent corresponding to its ownership share.

It should be noted that under the terms of the Act on Sund & Bælt Holding A/S for A/S Storebælt and A/S Øresund, the Danish State has extended separate guarantees for interest and repayments and other ongoing liabilities relating to the companies' loans against payment of a guarantee commission of 0.15 per cent. Moreover, and without further notification of each individual case, the Danish State guarantees the companies' other financial liabilities. Øresundsbro Konsortiet's debts are guaranteed jointly and severally by the Danish and Swedish States.

Moreover, it should be noted that under the terms of the Planning Act for the fixed link across Fehmarnbelt with associated landworks in Denmark for A/S Femern Landanlæg and Femern A/S, the Danish State has extended separate guarantees for interest and repayments and other ongoing liabilities relating to the company's loans against payment of a guarantee commission of 0.15 per cent. Moreover, and without further notification of each individual case, the Danish State guarantees the company's other financial liabilities.

Cash flow from the Group's operations totals DKK 3,193 million, which is DKK 556 million higher than in 2012. The difference is primarily owing to changes in working capital.

Cash flow for investing activities totals DKK 520 million, primarily as a result of investments in road and rail links.

The free cash flow arises on the basis of operations less capital investments and expresses the company's ability to generate liquidity to finance interest and repayments on the company's liabilities.

Financing activities include borrowing, repayments and interest expenses, which amount to DKK 1,492 million.

In total, the Group's cash at bank and in hand increased by DKK 1,181 million. At year end 2013, therefore, cash at bank and in hand was positive at DKK 1,553 million.

Sund & Bælt Holding A/S

Sund & Belt helps to create growth and cohesion in Denmark by operating a responsible company, which balances respect for the economy, people and the environment in its daily operations. A safe and efficient traffic flow is the foundation of the company and the safety of both customers and employees is paramount.

Finance

The situation in the financial markets in 2013 was largely characterised by a range of events in the US, particularly the debate between Democrats and Republicans about the public budget and the constraints of the debt ceiling. However, there was more calm concerning the European project than there has been over the past five years.

Furthermore, the central banks were given a central role – particularly the Federal Reserve (FED), which by the end of the year signalled a scaling back of the massive monetary easing programme that has characterised the markets over the past five years. Overall, it has kept short-term interest rates down to historically low levels with long-term rates increasing slightly while still remaining at historically low levels. European inflation rates declined in parallel, which was the major reason that the European Central Bank (ECB) once again lowered short-term rates in the autumn.

Debt repayment was DKK 1.7 billion for A/S Storebælt in 2013, while for A/S Øresund it increased by DKK 0.1 billion.

By the end of 2013, A/S Storebælt's interest-bearing net debt stood at DKK 24 billion. For A/S Øresund the interest-bearing net debt stood at DKK 11 billion

Financial strategy

Sund & Bælt's aim is to conduct an active and comprehensive financial management policy that minimises long-term financing expenses with due regard for financial risks, i.e. by having exposure in DKK and EUR only while optimising the loan portfolio through the use of swaps and other derivative financial instruments.

Throughout 2013, both A/S Storebælt and A/S Øresund raised direct loans through Nationalbanken only. These loans continue to be highly attractive compared to alternative sources of funding.

In a year with continuing problems in the financial sector, it can be noted that the Group's cautious strategy in respect of credit risk meant that, once again in 2013, the companies did not incur any losses as a result of the collapse of financial counterparties.

The companies' real rate exposure of approximately 33 per cent of the total net debt gave rise to inflation indexation for both A/S Storebælt and A/S Øresund in 2013, which was below the budget – and somewhat below the result for 2012. The reason is that Danish inflation finally began to fall, as the majority of market participants had expected lower taxes and very low wage pressure due to stable energy prices. Inflation is expected to remain significantly below 2 per cent in 2014 even though the very low levels from the second half of 2013 are not expected to continue.

The European Central Bank (ECB) lowered the short-term lending rate in the spring and autumn of 2013. At year end, therefore, it stood at 0.25 per cent. Money market rates also remained low. Overall this made a positive contribution to the companies' interest expenses on the floating rate debt. Long-term interest rates rose slightly, but continue to remain at historically very low levels.

Throughout 2013, the companies brought the floating portion of the debt to in the region 25 per cent. Thus the very low money market rates have made a reasonable impact on interest expenses. This was achieved by

As part of Sund & Bælt's social profile, we are building a footpath with access for wheelchair users north of the East Bridge

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increasing A/S Storebælt's floating rate portion and lowering A/S Øresund's. The duration in both companies has increased up to the benchmark for 2013, which was 3.5 years for A/S Storebælt and 4.25 for A/S Øresund. As regards A/S Øresund, the company has already started its advance towards the new higher duration benchmark for 2014, which is 5 years.

A/S Storebælt – financial ratios 2013

	DKK million	Per cent per annum
Borrowing 2013	437	
- of which loans from Nationalbanken	437	
Total gross debt (fair value)	27,836	
Net debt (fair value)	26,447	
Interest bearing net debt	**24,277**	
Interest expenses	-770	3.10
Value adjustment	1,213	4.89
Total financing expenses *)	**443**	**1.79**

A/S Øresund – financial ratios 2013

	DKK million	Per cent per annum
Borrowing 2013	1,358	
- of which loans from Nationalbanken	1,358	
Total gross debt (fair value)	13,037	
Net debt (fair value)	12,494	
Interest bearing net debt	**11,446**	
Interest expenses	-263	2.40
Value adjustment	538	4.90
Total financing expenses *)	**275**	**2.51**

*) Note: The amount excludes the guarantee commission, which totals DKK 36.7 million for A/S Storebælt and DKK 16.1 million for A/S Øresund

A/S Storebælt profitability

A/S Storebælt's debt will be repaid from revenue from road and rail traffic.

The repayment period is unchanged on the year and totals 31 years according to the latest updated profit calculations. Calculated from the opening year, the repayment period means that the company will be debt free in 2029.

Co-financing of the political agreement concerning "A Green Transport Policy", following the Folketing's decision of 29 January 2009, is included in the calculation of the repayment period whereby the company pays dividends to the State totalling DKK 9.0 billion (in 2008 prices) up to 2022 and is assumed to cease doing so when the agreement has been fulfilled. The profit calculation assumes that DKK 900 million will be paid in dividend based on the results for 2013.

The key uncertainties in the profit calculations relate to the long-term traffic trends and the real rate which is estimated at 3.5 per cent. Traffic growth is expected to average 1 and 1.5 per cent for lorries and passenger cars respectively. Operating expenses are expected to rise in line with ordinary inflation. In addition, there is some uncertainty linked to the size and timing of the reinvestments in the rail facility.

Sund & Bælt has an objective that it is at least as safe to drive on Sund & Bælt's motorway sections as it is on Denmark's other motorways

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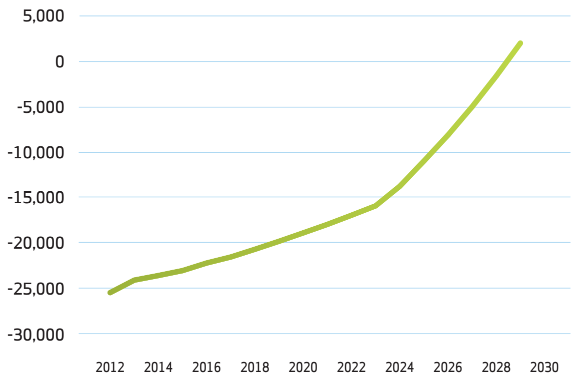
A/S Storebælt – forecast debt trend, DKK million



A/S Øresund profitability

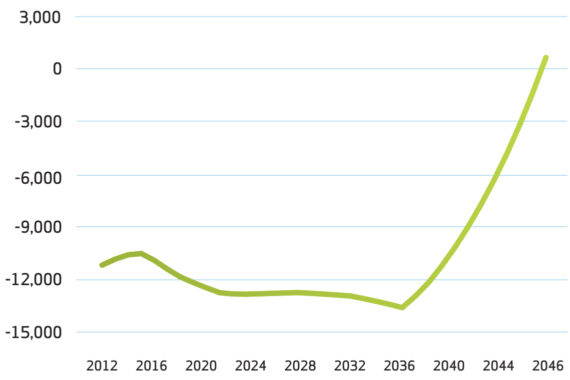
The investment in the Øresund link's landworks will be repaid partly from fees from Banedanmark for the right to use the Øresund railway and partly from dividend payments from Øresundsbro Konsortiet in which A/S Øresund has a 50 per cent share.

Moreover, as a result of joint taxation with the Group's other companies, A/S Øresund will have a liquidity benefit in that joint taxation with A/S Storebælt means that A/S Storebælt can directly utilise A/S Øresund's tax loss by paying the proceeds from the tax savings to A/S Øresund. A/S Øresund can thus advance the use of its tax loss over time.

The repayment period for A/S Øresund is now expected to be 48 years, which is one year longer than last year. The extension of the repayment period is primarily based on the planned takeover of maintenance and reinvestments on the Øresund railway. By contrast, the advanced dividend payment from Øresundsbro Konsortiet has had a positive impact on the repayment period.

A/S Øresund is sensitive to changes in the economy of the above-mentioned companies.

A/S Øresund – forecast debt trend, DKK million



Events after the balance sheet date

A writ against A/S Storebælt was filed at the Civil Court in Rome, Italy. The application was lodged by the Italian entrepreneur, who lost the arbitration case against Storebælt in 2013, see note 27.

A complaint has been filed with the European Commission on Danish state subsidies to Øresundsbro Konsortiet I/S. The complaint also includes the tax regulations to which Sund & Bælt Group is subject. On this basis, the European Commission has asked the Danish authorities for a detailed response to the allegations.

Apart from this, there are no events of importance to the Annual Report for 2013 that have occurred after the balance sheet date.

Outlook for 2014

Economic and financial trends in 2014 and the company's outlook regarding its financial results for the year carry some uncertainty.

Forecasts as regards the general economic activity in Denmark point in the direction of a slightly rising level through 2014. Based on this, traffic trends are expected to remain at the same level as in 2013. Revenues are expected to increase slightly in 2014. Economic growth and market prospects for continued low interest rate and inflation levels give grounds to expect that interest expenses will be on a par with 2013.

Under the budget for 2014, which was prepared at the end of 2013, the result before financial value adjustments and tax is expected to amount to profits of approximately DKK 1,650 million.

CSR objectives in 2014

Human and employee rights

- Continuing focus on equal opportunities
- Max. 2 per cent absenteeism due to sickness
- Max. 10 per cent staff turnover
- No accidents at work leading to absence
- OHSAS 18001 recertification (working environment)

Environment and climate

- Continuing focus on nature conservation
- No environmental protests, no complaints from neighbours
- Increase climate awareness and participate in relevant environmental campaigns, e.g. Clean Roads Now
- High uptime for wind turbines

Responsible supply chain management

- Systematic monitoring of suppliers established
- At least five audits of suppliers
- No incidents where Sund & Bælt ascertains a lack of compliance with the Code of Conduct

Business ethics and anti corruption

- No corruption cases
- Whistleblower scheme established
- Compliance with Law on Public Access to Legal Documents.

Road

Storebælt

Customers
10.9 million cars used the fixed link across Storebælt in 2013.

The company's objective is that customers should not experience any delay at the toll station. The strategy for the period up to 2017 remains to increase the number of BroBizz customers coupled with the deployment of systems for registration plate recognition. Overall, this two-pronged strategy should increase the number of passages undertaken with the fully automated process.

As part of the strategy implemented over the summer, a BroBizz campaign targeted leisure customers with 31,500 Danes taking advantage of a promotional offer and ordering a Storebælt leisure-agreement with a BroBizz® from BroBizz A/S. At the end of the year, there were 565,000 BroBizzes linked to an active agreement with A/S Storebælt.

In 2013, the issue of BroBizzes was transferred to a separate issuer company, BroBizz A/S, as a result of new EU rules on the separation of the issuer activities and player role. This restructuring was prepared for throughout the spring with information letters being sent to all customers. Customer agreements were amended so that, in future, there are two agreements: a payment agreement with BroBizz A/S, which regulates payment and invoicing, and a discount agreement with A/S Storebælt which governs the discounts the customer can obtain from the company.

The customer conversion took effect on 1 June 2013 and was relatively painless with very few negative customer enquiries. There has subsequently been work on the optimisation of customer service at both BroBizz A/S and A/S Storebælt so that customers experience minimal inconvenience because of the new division.

Overall, this was successful; some areas remain, however, which need to be improved before customer satisfaction is on a par with what we saw before the split.

Help for motorists in need on Storebælt
It often happens that a car breaks down or otherwise needs assistance on the 18 km long motorway between Halsskov and Knudshoved. It is unpleasant enough when it happens on a motorway, but when it is out on a bridge, it is not a laughing matter.

At Sund & Bælt, we focus on safety and accessibility. As a result, we have an agreement with SOS Dansk Autohjælp to provide assistance to motorists in need and to tow vehicles from the bridges and onto the mainland – so they can be taken to safety and traffic can continue unhindered. The yellow emergency vehicles have to go out onto the Storebælt link almost daily to help motorists.

Peak periods or events such as the Bridge Run are at a particular risk for accidents. As a result, Sund & Bælt has decided to deploy emergency vehicles and personnel from SOS Dansk Autohjælp locally on Sprogø so as to facilitate the rapid provision of assistance. This also reduces the time that the bridge may be closed to the other drivers so that they experience the shortest waiting time possible. For Sund & Bælt, it is important to make it easier to be a traveller.

Traffic safety
Sund & Bælt focuses on road safety and through its road safety policy, is committed to providing a proactive approach to preventing accidents on the company's facilities, for example by analysing and identifying all accidents with a view to improvement. As part of the policy, Sund & Bælt's objective is that it should be at least as safe to drive on the motorway section across the Storebælt and on the Øresund motorway as it is on Denmark's other motorways.

In the interests of road safety, the bridge is closed for high winds with wind speed of more than 25 m/sec.

The Storebælt Bridge was closed for almost 25 hours in both directions and 7 ½ hours in one direction in 2013. Closure in both directions was mainly caused by strong winds, with a traffic accident being the cause of closure in one direction.

In 2013, there was no need to close the bridge because of falling ice from structures.

In 2013, a contract was signed with a Scottish contractor experienced at flashing and the establishment of dehumidifiers for the East Bridge main cables. The objective is to ensure the continued durability of these cables using a new but proven technology. There are already dehumidifiers in the bridge's main steel girders, anchor blocks and cable saddles, which ensure a low humidity in the structures and thereby prevent corrosion. Installation of dehumidifiers for the main cables will extend over two years. The contractor is in the process of building the four major gantries that will be visible on the bridge in spring 2014, and that will ensure minimal disruption to traffic flow on the bridge.

In 2013, following a public consultation, Sund & Bælt finalised noise action plans for both the motorway and rail facility across Storebælt and sent them to Miljøstyrelsen (the Danish Environmental Protection Agency). Based on the noise action plans, there was a replacement of the surfacing with a low noise surface between East Bridge and Halsskovvej in the spring.

2013 was a stormy year, which unfortunately led to the closure of the road and rail link for short periods. During the recent storms, we recorded a number of wind susceptible vehicles moving onto the bridge and overturning despite wind alerts. Among other things, Sund & Bælt has, in partnership with the police, embarked on an analysis of potential informative measures in this context.

Prior to the annual emergency drills on the fixed link, which this year took place on the West Bridge early one summer morning, a new emergency treatment site was set up close to the West Bridge at Knudshoved. The contingency site and a new type of traffic diversion on the West Bridge were successfully tested in a full-scale exercise.

Following a number of night time accidents back in 2012, which involved slow-moving special transports, Sund & Bælt introduced a new accompanying procedure for such transports. These procedures have been successfully used during the year. Based on further consultant analysis, it has also been possible to increase the speed of the slow-moving transports from 10 to 20-30 km/h.

In 2013, defibrillator equipment was put into company patrol cars. Within 14 days following their installation, a patrol guard had already succeeded in saving a human life through the use of this equipment.

Maintenance

The company's maintenance strategy is to minimise the overall long-term costs of maintenance and reinvestment while taking into account the environment, the working environment and safety.

Operating and maintenance activities to be carried out in the vicinity of the motorway traffic are usually scheduled for periods of low traffic, unless there are compelling reasons for implementation; for example, a requirement for urgent remedial action. Work areas are cordoned off to protect maintenance staff and drivers as well as possible. Necessary reduction of speed past the work area is carried out in accordance with approved cordoning off plans and with informative early warning to road users. The aim is to ensure the best possible accessibility and safety for road users while maintaining a high degree of safety for maintenance staff.

On the basis of the age of structures, 2013 continued the implementation of reinvestment in back up power systems, of which there are 200 stationary and three rotary units on the Storebælt link. Hence 33 UPS (Uninterruptible Power Supply) have been procured for the tunnel and portals, replacing 129 old units. The new UPS systems must maintain the power supply for at least eight hours until emergency generators or the normal power supply takes over.

Renovation of the footbridge across the toll station was completed in 2013. This work was done in stages for the sake of the safety of road users and workmen – and in particular for keeping the toll station operating. Each stage required complete dismantling of all installations and cabling in two payment lanes at a time. The renovation was completed by the end of 2013 and the footbridge will now be operational for a number of years.

Following a tendering process, a contract has been entered into with Forstas ApS for the operation of the company's green areas near the Storebælt link for three years with an option to extend.

Øresund motorway

Traffic on the Øresund motorway
The Øresund motorway retains a central role in the development of Amager and is an indispensable link between Copenhagen and the rest of the world via the airport and the Øresund Bridge. This plays very much into the daily management of this critical infrastructure facility, which has a very high traffic intensity.

As a result, accessibility, convenience and safety for road users are always a focus when carrying out maintenance and reinvestments on this road section. This means that activities in all material respects - and where possible - are transferred to the off-peak times of day. Prolonged upgrades may, however, also be carried out in the daytime in order to make the impact as short as possible. Such activities are always based on thorough analyses of traffic flow and clear communication to this effect. This was true, for example, when the surfacing was replaced along the whole section in 2012 with a new low noise surface.

After completing the round of public consultation, Sund & Bælt in 2013 completed its noise action plan for the Øresund motorway and forwarded it to Miljøstyrelsen.

Traffic on the Øresund motorway is unchanged compared to 2012, with approximately 73,000 vehicles per day, however, traffic to and from Sweden continued a slight decline due to lower commuting traffic.

Kalvebod dyke extension
The reinforcement of the existing coastal dyke between Kalvebod Bridge and Kongelunden on West Amager was completed in spring 2012 and officially opened in August 2012.

The modification has meant that the Øresund motorway and the Øresund railway, which for long stretches is below sea level, now has a significantly reduced risk of being flooded with the prospect of more storms and rising sea levels in Køge Bay. Furthermore, the Metro and major residential areas in Ørestad and Tårnby and the natural area are now better protected against flooding by the reinforcement of the dyke.

Vestamager Pumpedigelag was responsible for the project. Sund & Bælt was the initiator.

More information about the reinforcement of the dyke can be found at www.sundogbaelt.dk/diger

In continuation of this project, Vestamager Pumpedigelag is participating in a partnership with Tårnby and Dragør municipalities on extending the dyke toward Dragør to provide additional security against storm flooding. The City of Copenhagen is likely to be involved in the partnership for a comprehensive solution that includes central Copenhagen.

Key figures, DKK million

Road – Storebælt	2013	2012
Operating income	2,645.8	2,574.7
Operating expenses	-238.3	-226.7
Depreciation	-224.3	-224.0
Operating profit (EBIT)	2,183.2	2,124.0
Net financials	-113.7	-151.9
Profit before financial value adjustment	**2,069.5**	**1,972.1**

Road – Øresund	2013	2012
Operating income	1.9	2.0
Operating expenses	-24.6	-19.4
Depreciation	-27.9	-33.2
Operating profit (EBIT)	-50.6	-50.6
Net financials	-97.8	-126.6
Loss before financial value adjustment	**-148.4**	**-177.2**

A/S Øresund

The Øresund motorway retains a central role in the development of Amager and is an indispensable link between Copenhagen and the rest of the world via the airport and the Øresund Bridge. This plays very much into the daily management of this critical infrastructure facility, which has a very high traffic intensity. As a result, accessibility, convenience and safety for road users are always of the highest priority

The reduction of electricity consumption for point heating is expected to be 50 per cent in 2014

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Railway

Storebælt

The total rail traffic on Storebælt was 51,795 trains comprising 41,587 passenger trains and 10,208 freight trains. Overall, this was a slight decline of 0.14 per cent compared to 2012. Freight traffic in 2013 recorded a fall of 0.8 per cent. Passenger trains were used by 8.7 million passengers in 2013.

Storebælt's rail section comprises approximately 25 km dual track, including stations at Nyborg and Korsør. Through the use of a SCADA system (Supervisory Control And Data Acquisition) there is daily monitoring of all the railway's technical systems to ensure that these continue to function optimally and that rail traffic runs without restrictions. This contributes to the rail section being one of the safest in the country with good punctuality and a train traffic section speed of 180 km/h.

In 2013, Storebælt's rail section adhered to its policy objective of low impact on train services thanks to the continued targeted work on the condition and maintenance of rail facilities.

On 28 October and 6 December, Denmark was hit by two severe storms, which were named Allan and Bodil respectively. Storm Allan blew from a westerly direction for approximately three hours and resulted in the closure of the road link but no closure to railway traffic on Storebælt. Storm Bodil was more prolonged and blew from the south westerly direction turning to north west. The road was closed in the interest of the safety of road users for several periods, a total of 21 hours. Banedanmark's central traffic management in Copenhagen decided, in cooperation with DSB, to suspend all national rail services from 18:00 hours on 5 December to 05:00 on 6 December. Gusts of 50 m/sec were recorded on the West Bridge. The storm did not cause any crashes or damage to the technical facility. Rail services could be restored on Storebælt at 05:00 on 6 December with no further delay to train services.

A number of risk and vulnerability assessments on the technical installations were carried out in 2013 in order to ensure that they continue to meet expectations with sufficient redundancy and that the power supply meets the requirements under normal operation, as well as in emergency situations with the necessary contingency plans.

A new tender for maintenance of the rail technical installations was implemented in 2013. As a result, a framework agreement with Strabag Rail GmbH for track adjustments was drawn up for a 3-year period, with the possibility of extension.

The reinvestment project for the Storebælt SCADA system, which was designed more than 15 years ago, and which is shared by the road and rail link, continued in 2013. The project is now close to being ready for factory testing before final testing on the link can be implemented. The project includes a technological innovation. The project, which began in 2009, is expected to be completed in 2015. In 2013, work primarily concerned the completion of the basis for safe factory testing.

In 2013, reinvestment was completed on the emergency power system for the technical facilities on the Storebælt railway, on tracking structures at the tunnel mouths at Halsskov and Sprogø and preparation for the replacement of the clamping system for the catenary system in the rail tunnel.

Contractors and Sund & Bælt employees have undertaken nearly 600,000 working hours at the facilities – and have managed to maintain a low number of accidents at work

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The first phase of upgrading the safety system's computers at Korsør, Nyborg and Sprogø stations was completed in 2012. Upgrading work has continued in 2013 with the preparation of phase 2, which includes the establishment of new signals on Sprogø. The upgrade helps to ensure and improve the overall punctuality of traffic, so that it can be maintained up to the delivery of a new national ERTMS signalling system in 2018.

Electricity consumption

A significant proportion of the electricity used on the Storebælt rail link may be attributed to heating of points in the winter along with maintenance activities in the tunnel. Since the point heating can only be controlled from the stations, there is no possibility of regulating it according to traffic flow. Work is proceeding on the use of a modern inductive point heating system, where activation occurs in connection with traffic flow. The reduction of electricity consumption for point heating is expected to be 50 per cent in 2014.

Storebælt contingency

Sund & Bælt attaches great importance to the safety of travellers on Storebælt and generally minimising the consequences of possible accidents. There is a focus on the emergency services being tailored to the specific risks and response conditions that are on the link's bridge and tunnel installations.

In 2013, the entirety of the emergency response involving the police, emergency services, hospital region, the Danish Emergency Management Agency etc, worked well in a close partnership on the Zealand and Funen sides of the link. In the event of an alarm being raised, rescue measures and equipment are now better deployed so as to ensure the best possible rescue effort. Sund & Bælt contributes special equipment for the contingency programme for use in the tunnel and on the bridge.

A five year plan for emergency drills ensures that these will be carried out on the entire link – on the road and railway. An annual full-scale drill in the tunnel and on the West Bridge is carried out in turn as part of the plan. In 2013, a full-scale emergency drill was conducted on the West Bridge based on the experience from the West Bridge exercise in 2011. The scenario played out on the southern track of the Storebælt link's railway bridge. The accident train – a passenger train – consisted of an IC-3 train with three wagons heading towards Zealand. The exercise envisaged the accident train being derailed at 125 km/h and that there were approximately 300 passengers with around 30 seriously injured. The purpose was to give experience of emergency evacuation of casualties by rail using an evacuation train taking them to the newly established emergency treatment site at Knudshoved and to test the developed mobile transition structures between the road and rail bridge. Overall, the exercise went well. A comprehensive evaluation report has been prepared, which the emergency services will consider at the annual contingency seminar for the Contact Group at the beginning of 2014.

The one hour model's impact on the Storebælt rail section

In close partnership with Banedanmark, an initial analysis of opportunities and consequences was carried out in 2013 for the implementation of the one hour model between Copenhagen and Odense. The results demonstrated that optimising the Storebælt railway line will be very effective in achieving time savings compared to the cost. One reason is that the majority of the rail technology on the Storebælt line is designed for 200

Sund & Bælt is committed to appointing more females to managerial positions. We have, therefore, introduced an equal opportunities policy for Sund & Bælt's managerial level in general

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km/h. The changes on the Storebælt rail facility, which will be examined in the next phase before a political decision is made, include changes to the catenary system, changes at the tunnel mouths to reduce transient pressure at the entrance and exit of the tunnel, upgrading of lighting, signage and emergency lighting, replacement of wooden sleepers in points and raising of smaller bridges. As a result of the changes to the facilities, they will meet the new European standards and interoperability directive, which applies to the trans-European rail network, of which the Storebælt line section forms part.

Øresund line

A/S Øresund owns the rail section belonging to the Øresund fixed link's landworks, but Banedanmark currently has responsibility for operations and maintenance and reinvestments on the line and pays a fee for use of the railway. In partnership with the Ministry of Transport and Banedanmark, work is proceeding to transfer responsibility for maintenance and reinvestment on the line to A/S Øresund in 2014. Preparations for this have greatly affected the activities in 2013. A large number of resources of both Sund & Bælt and Banedanmark have been employed to ensure a thorough review and transfer of the requirements for effective and safe maintenance and reinvestment on this essential rail section with minimal impact on train operations. The line is the subject of considerable attention from many quarters because it is part of the trans-European rail system and plays a major role in regional traffic flow.

The capacity situation on the Øresund railway

In 2013, Banedanmark conducted a study of options to increase capacity on the Øresund line in order to prepare the line for the expected increase in freight traffic when the Fehmarnbelt fixed link opens. Three alternative solution models were examined. Banedanmark recommends a so-called directional operation solution, which includes the building of new platforms at Kastrup airport station. A/S Øresund, as owner, participated with views on the issue, which will be further discussed with the Ministry of Transport in 2014.

Key figures, DKK million

Railway – Storebælt	2013	2012
Operating income	785.5	782.9
Operating expenses	-130.5	-130.4
Depreciation	-278.6	-330.1
Operating profit (EBIT)	376.4	322.4
Net financials	-680.2	-962.2
Loss before financial value adjustments	**-303.8**	**-639.8**

Railway – Øresund	2013	2012
Operating income	104.8	103.4
Operating expenses	-11.9	-7.6
Depreciation	-52.6	-52.6
Operating profit (EBIT)	40.3	43.2
Net financials	-181.2	-270.8
Loss before financial value adjustments	**-140.9**	**-227.6**

A clean-up of two water holes on Sprogø was carried out in the autumn of 2013 to improve conditions for the green toad

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Ports and ferry services

A/S Storebælt owns four ferry ports north and south of the Storebælt link: Odden and Ebeltoft, Spodsbjerg and Tårs.

The ports are operated on usual commercial terms under which port revenues from users finance investments, operations and maintenance. The two shipping lines Mols-Linien A/S and Danske Færger A/S are customers of A/S Storebælt.

A/S Storebælt has a particular interest in the ports because the Act on Ferry Services obliges A/S Storebælt to maintain sailings on these routes if they are unable to operate on the usual commercial terms. The Spodsbjerg-Tårs service is currently operated by Danske Færger A/S. Following an EU tender in 2009, the parties entered into a new contract for the period 1 May 2012 to 30 April 2018. The contract means that in the summer of 2012, two new and larger ferries were introduced on the link with spaces for 120 cars compared to 50 previously. The new ferries resulted in a rise in summer traffic on the sailings of 20 per cent. Due to the new ferry agreement, continuing high oil prices and lower traffic growth than expected when the contract was signed, costs in 2013 rose by DKK 10 million compared to 2012.

Mols-Linien operates ferries between Odden and Ebeltoft and Odden and Århus. In May 2013, the company introduced another new large, high speed ferry, which has resulted in a 25 per cent increase in traffic on the route compared to 2012. The introduction of yet another high-speed ferry means that the company can now offer hourly services between Zealand and Jutland on busy travel days.

Key figures, DKK million

Ports	2013	2012
Operating income	28.2	24.7
Operating expenses	-3.6	-5.1
Depreciation	-13.7	-11.6
Operating profit (EBIT)	10.8	8.0
Net financials	-8.4	-12.9
Loss before financial value adjustments	**-2.4**	**-4.9**

Ferries	2013	2012
Operating income	0.0	0.0
Operating expenses	-36.6	-26.7
Depreciation	0.0	0.0
Operating loss (EBIT)	-36.6	-26.7
Net financials	0.0	0.0
Loss before financial value adjustments	**-36.6**	**-26.7**

Wind turbines

The wind turbines north of Sprogø, which began operations on 4 December 2009, have now completed their fourth year of operations. The production of power from the wind turbines has varied over the year, reaching a peak in the winter months. Total production amounted to 62.2 GWh in 2013, which is 7 per cent less than in 2012. The difference is solely due to the fact that 2013 was a poor year in terms of wind. The production equates to the electricity consumption of more than 14,000 homes.

As total electricity consumption for Sund & Bælt's infrastructure facilities was 10.4 GWh in 2013, electricity consumption is fully covered by green energy from the wind turbines. The highest monthly production from the wind turbines at Sprogø was 7.3 GWh in December and the lowest was 2.8 GWh in July. Although the general perception was that 2013 was a year of storms, there was not very much wind on Sprogø during the year. Consequently, there was significantly less wind in January, February, May, July, August, September and November while October and December produced more wind.

The energy prices that were achieved on the Nordic Electricity Exchange were also below expectations for the year. But revenues from the turbines were on a par with 2012, when production stood at 67.1 GWh and was calculated at lower unit prices.

However, the wind turbines' continuing high level of accessibility, despite service checks etc., had a mitigating effect. In the turbines' four operating years, accessibility was at 98.4 per cent in 2010, 98.3 per cent in 2011, 99.3 per cent in 2012 and 99.4 per cent in 2013, which is the highest result for Vestas' total population of offshore wind turbines of this type in the world. An excellent result.

Servicing of the wind turbines is undertaken according to a five year service agreement with Vestas together with two wind turbine engineers from Sund & Bælt. During the year, a four-year inspection was carried out.

The electricity produced by the wind turbines does not discharge particles and greenhouse gases, e.g. CO_2. The energy generated by the wind turbines is sold on the Nordic Electricity Exchange, Nordpool, by Nordjysk Elhandel. A contract has been signed with Nordjysk Elhandel in conjunction with Vindenergy Danmark to manage the balance of production from the wind turbines in relation to Energinet.dk.

In 2012, office and storage facilities for the wind turbine engineers were established at the former girls' home on Sprogø together with facilities for the service boat at Sprogø harbour to replace the previous facilities at Knudshoved. In 2013, the solution resulted in an efficient and, in terms of the working environment, improved servicing of the wind turbines north of Sprogø.

Key figures, DKK million

Wind turbines	2013	2012
Operating income	33.1	33.9
Operating expenses	-10.5	-11.7
Depreciation	-16.2	-16.2
Operating profit (EBIT)	6.4	6.0
Net financials	-14.8	-15.6
Loss before financial value adjustments	**-8.4**	**-9.6**

In compliance with Folketinget's objective to reduce the number of unemployed (the "Acute package") Sund & Bælt established one "acute job" in 2013)

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Consultancy

Sund & Bælt Partner A/S provides client consultancy on infrastructure projects at home and abroad. The company is not covered by State guarantee.

Sund & Bælt Partner A/S was invited to participate with its experience in planning and feasibility studies on a PPP project in Sao Paulo, Brazil in 2013. In this context, the company was also invited to participate in an immersed tunnel project. It is expected that both projects will continue in 2014.

Sund & Bælt Partner A/S continues to advise, but to a lesser extent, the City of Copenhagen regarding Nordhavnsvej between the Elsinore motorway and the Nordhavn area.

Furthermore, through Øresundsbro Konsortiet's Finance Department, Sund & Bælt Partner A/S undertakes financial planning on behalf of By & Havn I/S and Metroselskabet I/S.

Key figures, DKK million

Partner	2013	2012
Operating income	3.2	3.4
Operating expenses	-3.0	-3.5
Depreciation	0.0	0.0
Operating profit/loss (EBIT)	0.2	-0.1
Net financials	-0.2	0.2
Profit before financial value adjustments	**0.0**	**0.1**

Femern A/S

During 2013, Femern A/S passed three important milestones on the way to the start of actual construction on the tunnel between Denmark and Germany. A Danish EIA (Environmental Impact Assessment) report was delivered to the regulatory authorities for a subsequent EIA public consultation in Denmark; there was an application for regulatory approval in Germany to the German authorities, and then there was the commencement of the tender process for four of the major contracts for the tunnel construction.

Fehmarnbelt

The coast-coast link
Femern A/S is responsible for planning and providing the basis for regulatory approval of the coast-coast link across the Fehmarnbelt on behalf of the Danish State.

The overall framework for its work follows the treaty between Denmark and Germany on regulatory approval, financing, construction and operation of a fixed link across the Fehmarnbelt between Rødbyhavn and Puttgarden. The treaty was signed in September 2008 by the Transport Ministers of Denmark and Germany and finally ratified in December 2009 at the official exchange of instruments of ratification.

In Germany the treaty was approved by the adoption of the Act in the German Bundestag on 18 June 2009 and finally in the German Bundesrat on 10 July 2009. In Denmark, the treaty was approved by Folketinget, the Danish parliament, by the adoption of the "Act on the Planning of a Fixed Link across the Fehmarnbelt and Associated Landworks" of 15 April 2009 (hereinafter the Planning Act).

On the basis of the Planning Act, the Danish Minister of Transport appointed Femern A/S as responsible for the planning, feasibility studies and preparatory work related to the construction of the coast-coast link.

Since 2009, Femern A/S has carried out detailed studies on both sides of the Fehmarnbelt and in the Fehmarnbelt itself. Among other things, this has included surveys of the environment, soil conditions and navigational safety.

The results of the feasibility studies are essential for the preparation of documentation for use in the regulatory approval process, and they will feed into the preparation of the tender documents.

Since 2009 the company has also examined various bridge and tunnel solutions on an equitable basis in order to assess the most suitable technical solution for the Fehmarnbelt fixed link. Based on the results of these studies, in November 2010, the company recommended to the Minister of Transport that an immersed tunnel was its preferred technical solution. The Minister of Transport and the political parties behind the fixed link accepted the recommendation at a meeting on 1 February 2011.

The final decision on the technical solution to be built will only be made with the adoption of a Construction Act in Denmark and through the regulatory process in Germany. Nevertheless, the choice of the immersed tunnel as the preferred solution means that Femern A/S has focused its resources on that solution in connection with the detailed design of the link and in the preparation of the tender process.

In June 2011, a production site for the large tunnel elements was selected. On 1 June 2011, the political parties supporting the fixed link across the Fehmarnbelt agreed with Femern A/S' recommendation to locate the production of the standard tunnel elements at Rødbyhavn. Out of the possible sites, it was Femern A/S' clear assessment that Rødbyhavn is the most appropriate location for the production facilities.

On 17 April 2012, Femern A/S presented a realistic, but still ambitious revised timetable for the project to the Minister of Transport and the political monitoring group. The revised schedule means that the planning phase is to be extended by about a year. A Construction Act is expected at the end of 2014. The construction period is unchanged at six and a half years, which is why the fixed link is expected to open at the end of 2021.

In April 2012, the Minister of Transport requested Femern A/S to explore the possibilities of bringing forward some activities. Legislation concerning the bringing forward of activities etc. was approved by the Folketinget's Finance Committee on 20 March 2013. The activities are expected to be carried out from September 2013 to mid-2015 as preparatory work to facilitate the actual construction work, which is expected to begin in summer 2015.

In 2013, Sund & Bælt entered into an agreement with Dhulikhel Hospital in Kavre province, Nepal, concerning the ongoing donation of used IT equipment to the hospital

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Regulatory approval in Denmark

In the first half of 2013, Femern A/S' Danish regulatory work focused on the preparation of the EIA report, which was finalised and submitted for consultation on 28 June 2013. It provides a comprehensive assessment of the construction project's likely environmental effects, as assessed on the basis of an extensive environmental study programme, which Femern A/S carried out from 2009 onwards.

The EIA report was sent for public consultation in the period from 28 June 2013 to 20 September 2013. In addition, the Ministry of Transport and Femern A/S jointly held a public meeting on 29 August 2013 in Rødbyhavn where all interested parties had the opportunity to hear about the EIA report and ask questions.

Under the State Treaty provisions, Femern A/S must obtain all necessary approvals and permits to construct, operate and maintain the coast-coast link. On the Danish side, final approval will be Folketinget's adoption of a Construction Act and will be made on the basis on the EIA report and the outcome of the public consultation.

The company expects to contribute to the Transport Ministry's work by preparing the Construction Act for the fixed link across the Fehmarnbelt, which according to the company's timetable, is expected to be presented at the end of 2014 and adopted in the spring of 2015.

Femern A/S has issued a report setting out the trans-boundary impacts of the project. The report was prepared for use by the Danish authorities in consultation with the Baltic Sea countries and Norway in accordance with the Espoo Convention and the EIA Directive. The report was released for consultation in the period from 28 June to 4 October 2013.

Regulatory approval in Germany

In Germany, the Fehmarnbelt project will be approved by the German road and rail authorities on the basis of a comprehensive project application. This application was submitted to the German authorities on 18 October 2013 at a ceremony in Kiel.

The application material is extensive and totals approximately 10,000 pages and over 200 technical drawings. The application contains technical descriptions of the preferred technical solution (an immersed tunnel), the preferred alternative solution (a cable-stayed bridge), a bored tunnel solution and alternative alignments. In addition, an EIA of all the evaluated technical solutions was prepared on the basis of the comprehensive feasibility studies that the company has carried out.

With the submission of the application, the approval process has now begun. The company's timetable assumes the process will run until spring 2015.

In addition, the German authorities, in the same way as the Danish, must carry out a consultation process with the Baltic Sea countries on the project's trans-boundary impacts, in accordance with the Espoo Convention and the EIA Directive. The process has been under preparation in partnership with Femern A/S in parallel with the completion of the project application and is expected to begin in early 2014.

The tender process

The Fehmarnbelt fixed link will be one of the largest construction projects in Europe, with an estimated construction budget of over DKK 40 billion (2008 prices). As a result, Femern A/S has decided to divide the tendering of the assignments into several contracts.

The great majority of the construction assignments relate to the immersed tunnel. The work is divided into four major contracts: the construction of portals and ramps, dredging of the tunnel alignment, working ports, access canals and reclamation of the new land areas as well as construction of the northern section of 18 km long immersed tunnel and construction of the southern section.

In addition, there are the technical installations inside the tunnel. These are divided into two contract areas: installation of electrical and mechanical systems; and construction of the railway itself. For technical reasons, both of these are also divided into a number of smaller contracts.

On Sprogø, nature conservation has been aided by releasing sheep and cattle to graze on the land

Read more on page 37

In 2013, the company's focus was on the four major construction contracts.

On 27 May 2013, Femern A/S prequalified nine major construction consortia to bid on the contracts. The companies in the nine consortia come from Denmark, Germany, Italy, Spain, Holland, Belgium, France, and South Korea. In addition, there are companies from the UK and US associated with some of the nine groups.

The consortia that applied proved strong enough to be prequalified to bid on the project, which is considered a positive sign for the upcoming bidding process.

On 2 September 2013, the company sent all the tender documents for the four major contracts to the construction consortia. The material includes descriptions and tender drawings in order that the consortia can submit their first technical bids for the work. After that there will be a round of dialogue with the individual bidders. The dialogue will form the basis of the priced bids, which are expected to reach the company in late 2014.

In parallel with the work on the four major tunnel contracts, Femern A/S is preparing the tenders for the contracts relating to the railway and the electrical and mechanical systems. The tender process began with a joint Industry Day on 21 January 2014.

Advance activities

Legislation concerning the bringing forward of activities, etc. was approved by the Folketinget's Finance Committee on 20 March 2013. The primary objective is to prepare the area for the establishment of the large construction sites, thereby increasing the robustness of the timetable while also contributing to the economic activity and jobs on the island of Lolland. The activities are expected to be carried out in the period September 2013 to mid-2015.

In connection with these advance activities, the production site in Rødbyhavn is being prepared; this includes implementation of projects for the upgrading of access roads and cycle paths, making ready for utilities (power, water and sewerage) and preparing for a new pumping station to drain the area.

The company is also working on the planning and regulatory and contract conditions for these advance activities, including for the additional roads and associated supply conditions, the main water supply for the production area and cycle bridges over the railway line and motorway respectively.

In the contract conditions, Femern A/S will require apprentice and traineeships, where they are appropriate to the activity.

Social clauses

Femern A/S has included in the construction contracts specific minimum requirements for regulated wage and working conditions at the construction sites in Denmark and Germany.

In the company's clause on wages and working conditions in the Danish area, minimum requirements are listed (which depend on the discipline in question) for pay and working conditions for employees in the following areas:

- Minimum wage level
- Danish legislation on working hours
- Special allowances in respect of work that coincides with public holidays
- Overtime pay in accordance with recognised levels
- Holiday pay to a recognised and independent institution
- Pension payment to a recognised and independent institution
- Compensation for travel expenses, accommodation and meals

The company's clause on wages and working conditions on German territory demonstrates that the contractor must comply with applicable German legislation, including legislation that implements the relevant EU regulations such as the EU Posting of Workers Directive.
This is due to the requirements of Germany on pay and

working conditions resulting directly from German law. Social dumping does not, therefore, represent a real problem in relation to the future contractor consortia employees on German territory.

In addition, Femern A/S will require trainee placements and apprenticeships in the contracts. There will be specific requirements in all areas where apprentices may reasonably be employed. The company forecasts that, during the Fehmarnbelt project construction period of approximately 6½ years, apprentices can be employed for up to 500 man-years in total.

During 2013 and in connection with six tenders, Femern A/S included requirements for training and industrial placements corresponding to a total of eight man-years. The invitations to tender relate to the advance construction activities in the area around Rødbyhavn concerning access roads with the establishment of associated cycle paths, archaeological excavations, as well as a contract relating to environmental law advice.

Read more about the company's CSR policy and social responsibility at:
www.femern.dk/servicemenu/om-os/csr

Throughout 2013, the Femern A/S organisation has continued to grow and, at the end of the year, had 103 permanent employees.

The company's total costs in 2013 constituted DKK 473 million. Of this, an EU subsidy of DKK 140 million is offset. Of the total net expenses of DKK 324 million, DKK 322 million is capitalised under fixed assets.

Key figures, DKK million

Femern	2013	2012
Operating expenses	-1.5	-0.6
Depreciation	0	0
Operating loss (EBIT)	-1.5	-0.6
Net financials	0	0
Loss before financial value adjustments	**-1.5**	**-0.6**

Femern Landanlæg

A/S Femern Landanlæg is a 100 per cent owned subsidiary of Sund & Bælt Holding A/S and the parent company of Femern A/S.

The company was formed to administer the ownership and financing of the Danish landworks for a fixed link across the Fehmarnbelt. The planning work for the rail link will be carried out by Banedanmark while planning work for the road section will be undertaken by the Danish Road Directorate. With regard to the project's rail section, Banedanmark receives EU funding.

Sund & Bælt Holding A/S is responsible for coordinating the planning work for the overall link.

The planning work relating to the rail facilities was completed at the end of 2012. Planning costs amount to DKK 160.7 million (DKK 151.6 million in 2008 prices).

With the legal documents 149 of 15 June, 2011 and 13 March 2013, the Finance Committee provided the legal basis for the detailed design, tender process and advance acquisition to go ahead prior to the Construction Act. These activities started in 2012 and continued during 2013.

In 2013, the company's capitalised construction costs totalled DKK 87.1 million. The amount is made up of project costs of DKK 152.2 million, offset by Banedanmark's EU subsidy of DKK 65.1 million.

Key figures, DKK million

Femern Landanlæg	2013	2012
Operating expenses	-0.2	-0.1
Depreciation	0	0
Operating loss (EBIT)	-0.2	-0.1
Net financials	0	0
Loss before financial value adjustments	**-0.2**	**-0.1**

BroBizz® partnerships

One of Sund & Bælt's objectives is to increase the use of BroBizz® to other infrastructure operators and to operators of transport-related services.

Sund & Bælt helps to kick start the common toll system in the EU

A small but well-qualified group of European countries has embarked on the development of a common road toll system in the REETS project, which is designed to make it easier to be a traveller in Europe.

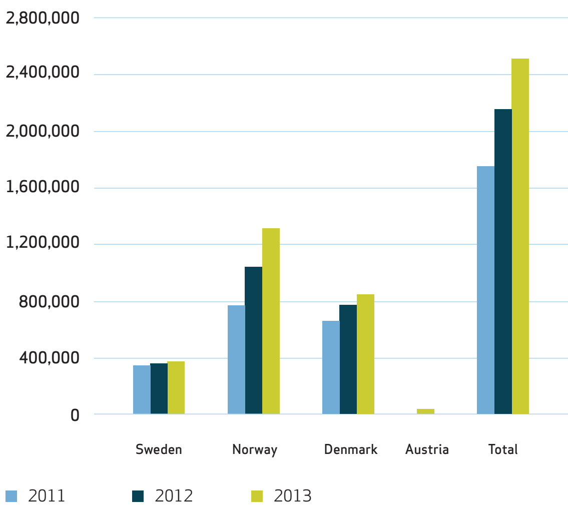
The project stems from the joint European Electronic Toll Service (EETS), which aims to establish a common platform for electronic payment of fees for the use of roads, tunnels and bridges.

After some years where there were no concrete results, the development of EETS got underway in a more limited version in eight countries. This project is known as REETS (R for Regional). France, Italy, Spain, Germany, Austria, Poland, Switzerland and Denmark are all countries that have experience with different technologies to register and collect road tolls, but the goal is one technical and contractual partnership for the benefit of all Europe's motorists.

Sund & Bælt represents Denmark in REETS and we can contribute with our experience from EasyGo, which has been in operation since 2007.

EasyGo is a regional project covering Norway, Sweden and Denmark, where drivers can use BroBizz® or AutoPass device from Norway to pay for user-financed roads, bridges, tunnels and ferries in Scandinavia. This service was extended to apply to lorries in Austria from November 2013.

Use of EasyGo, number of passages



As a result of the EasyGo partnership, "BroBizzes" from other issuers were used 560,000 times at Storebælt in 2013, with BroBizz® being used 1,136,500 times for payment at other facilities. This represents annual increases of 11 and 0.3 per cent respectively.

Key figures, DKK million

International partnerships	2013	2012
Operating income	2.3	4.6
Operating expenses	-2.0	-2.3
Depreciation	0.0	0.0
Operating profit (EBIT)	0.3	2.3
Net financials	0.0	0.0
Profit before financial value adjustments	**0.3**	**2.3**

Issuer of BroBizz®

In the first half of 2013, BroBizz A/S prepared to take over the issuer function from A/S Storebælt.

As part of this, on 26 June 2013 Sund & Bælt Holding A/S made a capital contribution of DKK 99 million, which comprised DKK 29 million in share capital and DKK 70 million in premium. The share capital hereafter amounts to DKK 30 million. The aim was to ensure that the company was prepared for the further development that will occur in the issuer business area over the coming years.

At the same time, in the spring of 2013 a separate organisation was established and as part of this, employees were transferred from Sund & Bælt Holding A/S, which had handled some of the issuer tasks up until then. Furthermore, there was recruitment from outside the company. The Company had 20 employees at the year end.

In the first half of 2013, BroBizz A/S primarily focused on creating a good platform to further develop the business and provide good services for its customers and the operators. At the same time, the company had to ensure that it was well positioned to take over issuer responsibility and customer agreements from A/S Storebælt by 1 June 2013, so the transfer of customer contracts could happen as smoothly as possible for customers.

The transfer took place on 1 June 2013, and consisted of approximately 550,000 customer agreements and approximately 650,000 BroBizz® being moved to BroBizz A/S. This process was generally satisfactory, with no errors or breakdowns. Only a few customers noticed the change and all efforts were made to servicing them quickly.

The main objective of BroBizz A/S is to be an EETS issuer. The vision is to offer a service that means that BroBizz A/S becomes the natural choice for customers when the service moves into Europe.

In parallel with preparations for the EETS issuing responsibility, work is being actively pursued to roll out BroBizz® to other transport-related applications and larger application areas for the benefit of customers.

There are a number of discussions going on and specifically from 1 November 2013, the company is the only one of the current EasyGo partners to offer BroBizz® for use in Austria for heavy vehicles. At the end of the year, the BroBizz solution is also used for access control in the Port of Aarhus.

With effect from 1 January 2014 the company entered into an agreement with Øresundsbro Konsortiet I/S, which ensures that all types of discount agreements with Øresundsbro Konsortiet I/S can be invoiced directly by BroBizz A/S. This has practical significance for approximately 100,000 customers who have a discount agreement from Øresundsbro Konsortiet linked to a BroBizz® from BroBizz A/S.

BroBizz A/S is a 100 per cent owned subsidiary of Sund & Bælt Holding A/S. BroBizz A/S is not covered by the state guarantee.

Key figures, DKK million

BroBizz	2013	2012
Operating income	32.5	0.0
Operating expenses	-24.9	0.0
Depreciation	-7.4	0.0
Operating profit (EBIT)	0.2	0.0
Net financials	1.1	0.0
Profit before financial value adjustments	**1.3**	**0.0**

Thomas Mortensen
Accounts Assistant,
Quality Coordinator

Herve Toure
Customer Service Employee

Gitte Buus Kristensen
Account Manager

BroBizz A/S

BroBizz A/S was finally launched as an independent issuer company on 1 June, when it was ready to serve 550,000 BroBizz customers. The objective was clear: that the new company should make it easier and simpler to be a BroBizz customer. BroBizz A/S has focused in the first instance on making the transition as smooth as possible for customers – both those from Denmark and from neighbouring countries.

Øresundsbro Konsortiet

In 2013, the Øresund Bridge posted a profit before value adjustment of DKK 597 million, which, compared to the previous year, is an increase of DKK 226 million. The improvement covers a rise in turnover of DKK 63 million, higher depreciation of DKK 7 million and lower interest expenses of DKK 173 million.

Road revenue rose by DKK 49 million on the year and accounts for DKK 1,143 million.

Total car traffic fell by 1.2 per cent on the year.

Lorry traffic rose by 6.5 per cent, which over the past four years represents an overall rise of 35 per cent. The market share for lorry traffic across Øresund now accounts for 53 per cent.

Passenger car traffic fell by 1.7 per cent on the year. Commuter traffic fell by 7.1 per cent compared to 2012 and since 2010 has fallen by 21 per cent. Other passenger car traffic rose by 1.4 per cent as a result of increased leisure traffic. The number of BroPas contracts rose by 6.0 per cent on the year, and the number now totals 300,000.

Train traffic increased by 4.2 per cent compared to 2012 and now accounts for 11.2 million passengers.

EBIT amounts to a profit of DKK 1,099 million, which is an improvement of DKK 53 million on the year. After value adjustment the annual result is a profit of DKK 2,078 million.

As at 31 December 2013, equity was negative at DKK 2,004 million.

Equity is expected to be re-established in 2017 after which dividend can be paid to the parent companies. The repayment period has been extended by one year to 34 years from the opening year in 2000, which is first and foremost because of a faster reestablishment of equity owing to lower market rates and thus earlier dividend payment.

Øresundsbro Konsortiet publishes an independent report on CSR and sustainability which is available under the category "Society and Environment" at www.oresundsbron.com/page/163.

Further details about the Øresund Bridge are available from Øresundsbro Konsortiet's annual report or at www.oresundsbron.com

Through A/S Øresund, Sund & Bælt owns 50 per cent of Øresundsbro Konsortiet, which is responsible for the Øresund Bridge's operations

Key figures, DKK million

Øresundsbro Konsortiet	**2013**	**2012**
Operating income	1,660.0	1,596.8
Operating expenses	-290.8	-287.5
Depreciation	-270.5	-262.9
Operating profit (EBIT)	1,098.7	1,046.4
Net financials	-502.3	-675.5
Profit before financial value adjustments	596.4	370.9
Value adjustments	1,481.9	-292.2
Profit for the year	**2,078.3**	**78.7**
Group share of profits	**1,039.1**	**39.3**

Percentage traffic growth

	2013	**2012**	**2011**
Øresund Bridge	-1.2	-3.4	-1.3

Corporate Governance

Sund & Bælt Holding A/S is a state-owned public limited company. The shareholder – the Danish State – has supreme authority over the company within the framework laid down in legislation and exercises its ownership in accordance with the guidelines set out in the publication "The state as shareholder".

The two-tier management structure consists of a Board of Directors and a Management Board, which are independent of each other. No individual is a member of both boards.

Sund & Bælt endeavours to ensure that the company is managed in accordance with the principles of sound corporate governance at all times.

NASDAQ OMX's corporate governance recommendations correspond to the recommendations from the Committee for Corporate Governance updated in May 2013. Sund & Bælt generally complies with NASDAQ OMX's corporate governance recommendations. Exceptions to the recommendations are owing to the Group's special ownership structure where the State is the sole shareholder. The exceptions to the recommendations are:

- In connection with elections to the Board of Directors, the shareholder assesses the necessary expertise that the Board should possess. There is no nomination committee.

- No formal rules exist with regard to board members' age and number of board positions a member of the board may hold. This, however, is considered by the shareholder in connection with the elections of new members.

- The shareholder determines the remuneration of the Board of Directors while the Board of Directors decides the salaries of the Management Board. Performance-related remuneration or bonuses for the Management Board and Board of Directors are not employed. No remuneration committee has, therefore, been established.

- Members of the Board of Directors elected by the Annual General Meeting stand for election every second year.

- The Board of Directors has not carried out an evaluation of the work of the Board of Directors and Management Board.

The company has set up an Audit Committee which, as a minimum, meets half-yearly. The members of the Audit Committee comprise the entire Board of Directors and the Vice-Chairman of the Board of Directors is Chairman of the Audit Committee.

The Board of Directors held four meetings during the year and all members were considered independent in 2013.

In relation to the managerial offices held by the company's leadership in other commercial companies, please refer to the section, Board of Directors, Board of Management and Senior Executives.

The recommendations from the Committee for Corporate Governance are available at www.corporategovernance.dk

Environment and safety

One of Sund & Bælt's fundamental values is to support sustainable development and to contribute to meeting the objectives that society has set out as regards the environment, the climate and the working environment. This is achieved through a proactive approach to preventing and minimising the impact from the Group's activities on society. The work is based on an environmental and working environmental policy, annual targets and action plans.

Detailed information about Sund & Bælt's environmental work is available from the green accounts for 2013 at www.sundogbaelt.dk/grøntregnskab

Nature adventures for all

For Sund & Bælt, it is important that everyone has the opportunity to enjoy the beautiful scenery around the Storebælt Bridge, whether they are fit and healthy or use a wheelchair.

As part of Sund & Bælt's social profile, in the summer of 2013 we therefore entered into an agreement with Musholm Bugt Feriecenter (Musholm Bay Holiday Centre) and Slagelse Municipality to build a 950 m long and 1.5 m wide walk and wheelchair path for wheelchair users north of the East Bridge ramp which connects to the newly built nature trail along Horsekær.

Musholm Bugt Feriecenter is listed by Muskelsvindfonden (the Muscular Dystrophy Foundation) and is an adapted stay for patients with muscular dystrophy and other disability.

Overall, the path that Storebælt has landscaped now has a total length of 1.7 km. It begins at Halsskovvej north of the toll station, passes the East Bridge abutment, continues along Horsekær on the south side of the motorway and ends in Storebæltsvej south of the toll station.

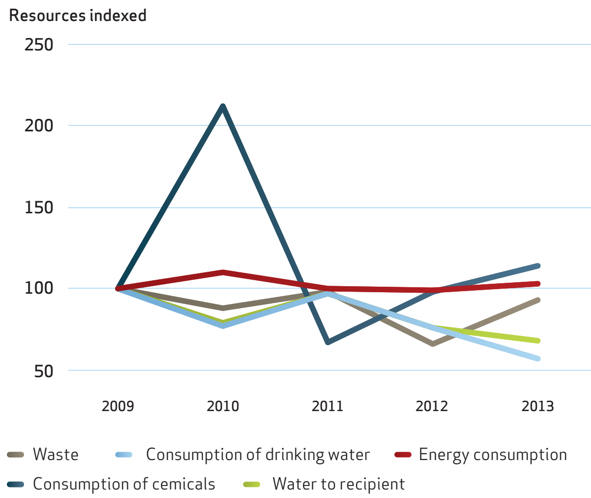
The path will be officially opened in spring 2014.

The Green Accounts

In spite of a very mild period during the months of November and December, significant amounts of salt (chemicals) were used for winter road maintenance in 2013. The application began at the start of the year and salt was spread on the roads into April. In all, approximately 979 tonnes of salt were used in 2013.

The report "Denmark without waste – The Government's resource strategy for waste management" from October 2013, has the objective that more waste should be recycled than is the case today. Care must be taken not to create waste and also prepare projected waste for recycling.

Indexed development in overall resource consumption and waste



*) Year 2009 equals 100

In 2013, the recovery of waste from the operation and maintenance of the facilities was 94 per cent. Of which waste recycling was 65 per cent and incineration 29 per cent, with 5 per cent going for special processing. The estimated waste volume was 361 tonnes, an increase in the amount of waste by 45 per cent compared to 2012. The increase was due to a larger amount of waste from the Storebælt link, such as assorted scrap metal, rail steel, road sweepings, sand and gravel from well cleaning and concrete waste from renovations.

The remaining resource consumption is largely unchanged from last year. Energy consumption is 49.5 PJ (equivalent to 13.8 million KWh). Water consumption is 12,000 m^3 with 3.5 million m^3 rain and drain water from the facilities being pumped and discharged.

Night at the toll station
Regardless of what time of day you cross the Storebælt fixed link, staff are ready to help should the need arise.

From April 2013, Sund & Bælt decided to reduce staffing at the toll station to two people and only keep the six middle lanes open for crossing at night.

The change was part of a planned optimisation of the operation, and the new initiative has also been shown to have a positive effect on the working environment at the toll station.

Our staff now experience a greater sense of security, because there is a shorter distance to cover between the traffic lanes, and customers can get help quickly. It has also helped to develop an even closer relationship with the monitoring room. Employees have benefited from the reduction in the night shifts, which the change has also brought about.

Experiences among customers have been positive. The new lane division at night has been well received, both by the customers who pay cash and the growing number of BroBizz customers.

A safe working environment
Contractors and Sund & Bælt employees have undertaken nearly 600,000 working hours at the facilities, at Sprogø wind farm, in workshops and offices – and have managed to keep to a low number of accidents at work. It will require a continued strong effort in the working environment area to maintain this fine record; and not least in the context that the rest of the labour market, see the Danish Employers' statistics in construction, has a greater number of accidents for workers and employees.

Number of accidents at work per 1 million working hours

*) The Confederation of Danish Employers' national statistics

Traffic safety on the road link
Sund & Bælt has an objective that it is at least as safe to drive on Sund & Bælt motorway sections as it is on Denmark's other motorways. Sund & Bælt operates and maintains approximately 30 km of motorway. Vejdirektoratet (the Danish Road Directorate) operates and maintains more than 100 times as many km on other motorways in Denmark. Sund & Bælt estimates the

In 2013, a survey of the psychological working environment showed that, in general, this is satisfactory

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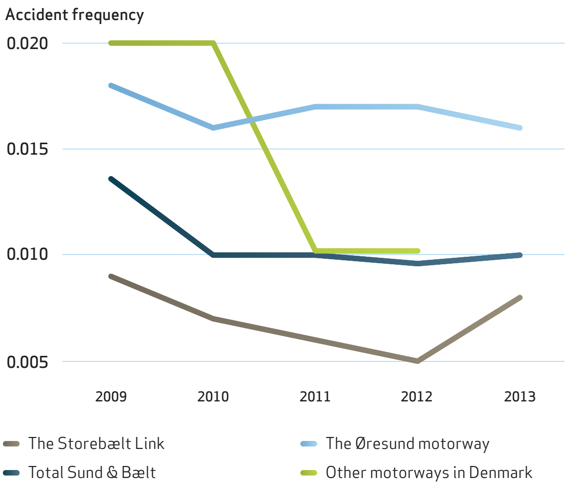
accident frequency for the number of accidents on motorways as a 5-year rolling average. There were five accidents involving injuries on the Storebælt link and the provisional figure for the Øresund motorway is one accident involving personal injury in 2013.

For 2013, the accident frequency (average accident rates over the past 5 years) on all Sund & Bælt motorways was 0.01 accidents with injuries per 1 million km driven. The most recent data for the frequency of traffic accidents on all other motorways in Denmark is for 2012 with 0.01 accidents involving injuries per 1 million km driven.

Accident frequency for the number of traffic accidents involving injuries per 1 million km driven



*) For Sund & Bælt's motorway sections, a rolling average is given for the previous five years.

Traffic emissions

Sund & Bælt road facilities are used by all types of vehicles and the railway facilities are used by passenger and freight trains. All kinds of traffic emit CO_2 into the atmosphere. CO_2 is a greenhouse gas and may cause an increase of the temperature on the earth. For operation and maintenance of the facilities Sund & Bælt seeks to have traffic flowing without significant disruption, as this reduces fuel consumption and emissions.

In 2013, traffic on the roads emitted 82,522 tonnes of CO_2 and passenger and freight trains emitted 7,951 tonnes of CO_2. The emissions from trains are relatively modest because virtually all freight trains run on electricity, and 21 per cent of passenger trains are electric and use electricity produced from renewable energy sources. CO_2 emissions from electricity production in Denmark have halved over the past 10 years due to a higher share of renewable energy per kWh.

Nature conservation on Sprogø

Sund & Bælt policy is to maintain green areas by taking nature into account and pursuing an active management of natural areas, which includes Sprogø being preserved as a unique natural area that also gives drivers a good visual experience when crossing the Storebælt fixed link. The conservation plan for Sprogø is to be revised in 2014 and approved by the environmental authorities and the environmental process was completed in 2013.

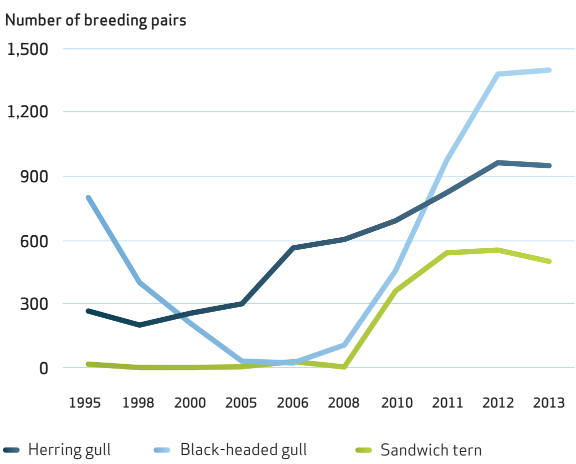
Sprogø is located in a nature reserve, where the reason for the designation is protection of the sandwich tern. The herring gull on Sprogø is a particular reason why the sandwich tern is threatened on Sprogø.

Since 2009, there has been a control programme for herring gulls, and in 2013 the entire area was covered by the programme apart from the westernmost part of Sprogø. Prior to the control, nearly all other breeding shore birds completely disappeared, or they occurred only in very small quantities on the island.

The wind turbines north of Sprogø number among the absolute elite worldwide

Read more on page 22

Development in the number of herring gulls, black-headed gulls and sandwich terns on Sprogø



The stock of herring gulls peaked in 2012 with almost 1,000 breeding pairs. Before the building of the Storebælt link it was less than 200 pairs. The increase is in part because Sprogø has increased in size significantly, with areas that are ideal for the herring gull. The objective of nature conservation on Sprogø is that the herring gull is reduced to approximately 300 breeding pairs and confined to the western part of Sprogø where the original stock existed.

The control of the herring gull has resulted in approximately 500 pairs of sandwich terns breeding on Sprogø in 2013.

As the herring gull is displaced from the eastern part of Sprogø, it is envisaged that other coastal birds will occupy its niches. This can only be achieved if there is modification to the landscape in the affected areas. Otherwise, herring gulls will quickly return once population control stops.

In 2014, around 5 hectares of shallow water area will be modified in the north eastern part of the island. Upon completion, the project is expected to create a biotope that can contribute to achieving the objective.

Outside of the traffic corridor for the road and railway on Sprogø, nature conservation was aided by releasing sheep and cattle to graze on the land. The number of animals is adjusted according to how much grass is in the demarcated areas. It is advantageous for birds that, at the end of the grazing season, grass coverage is as sparse as possible. All sheep and cattle are taken home by 1 November. None of the sites on Sprogø is replenished with fertiliser.

The green frog is greatly increasing on Old Sprogø and is a threat to the protected green toad. Overgrown water holes favour the green frogs. A clean-up of two water holes was carried out in the autumn of 2013 to improve conditions for the green toad; and in 2014 a record will be made of whether the remedial work has improved the toads' breeding success in the two water holes.

An estimate of the total number of toads at Old Sprogø and New Sprogø has been carried out. The total number of toads in the original part of Sprogø is estimated at almost 1,000. In the new part of Sprogø in and around the shallow-water area, the population is calculated to be more than 5,000. This is an explosive increase in the number of individuals in this area, and the population must be considered as one of the largest single populations in Denmark.

In summer and autumn of 2013 a trap to capture butterflies and moths was set up on Old Sprogø. The capture will continue in spring 2014 and will be followed by an analysis of data and reporting. The last recording of butterflies and moths was carried out in 2005, but even now it can be seen that there is a very positive development in the migration of these species.

Sund & Bælt's green accounts for 2013 provide detailed information about the environmental work during the year. The green accounts are available at : www.sundogbaelt.dk/grøntregnskab

For 2013, the accident frequency on all Sund & Bælt's motorways was 0.01 accidents with injuries per 1 million km driven

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Risk management and control environment

Certain events may prevent the Group from achieving its objectives in whole or in part. The likelihood that such events will occur is an element of risk of which the Group is well aware. Some risks can be managed and/or reduced by the Group itself while others are external events over which the companies have no control. The Group has identified and prioritised a number of risks based on a holistic approach. As part of the work with these issues, the Board of Directors receives a report on an annual basis.

The greatest risk to accessibility is a prolonged interruption to a traffic link caused by a ship colliding with a bridge, terrorist activity or the like. The likelihood of such incidents is remote, but the potential consequences are significant. The potential financial losses for the Group from such events, including operating losses for up to two years, are, however, covered by insurances.

Sund & Bælt's objective is to ensure that safety on the links should be high and at least as high as on similar facilities in Denmark. So far, this objective has been met and the proactive safety work continues. The work is supported by regularly updated risk analyses.

In partnership with the relevant authorities, Sund & Bælt maintains a comprehensive contingency plan, including an internal crisis management programme for handling accidents etc. on the company's traffic facilities. The programme is tested regularly through exercises.

Long-term traffic development is a significant factor in the repayment period for the Group's debts, c.f. notes 23 and 24, where the calculations and uncertainty factors are described. In addition to the general uncertainties that are inherent in such long-term forecasts, there is a special risk related to adjustment to prices introduced by the authorities, e.g. in the form of EU directives. The introduction of road taxes may also impact on the bridges' market position.

Development in long-term maintenance and reinvestment costs is subject to some uncertainty too. Sund & Bælt works proactively and systematically to reduce such factors and it is unlikely that these risks will have a major effect on the repayment period.

Work on holistic risk management has defined and systemised a number of risks linked to the company's general operations. These include the risk of computer breakdowns or a failure of other technical systems, unauthorised access to computer systems, delays to, and cost increases for, maintenance work etc. These risks are handled by day-to-day management and the line organisation.

The Sund & Bælt Group's risk management and internal controls in connection with the accounts and financial reporting are intended to minimise the risk of material error. The internal control system contains clearly defined roles and areas of responsibility, reporting requirements and procedures for attestation and approval. Internal controls are examined by the auditors and reviewed by the Board of Directors through the Audit Committee.

Employees

The Sund & Bælt Group has 242 permanent employees who perform tasks in the parent company and its 100 per cent-owned subsidiaries. The majority of operational tasks are outsourced and are carried out by approximately 200 employees from private service companies and contractors.

Employees in the operating organisation

Fundamental values
Sund & Bælt wishes to be an appealing workplace, which is able to attract, maintain and develop talented employees and managers. Sund & Bælt also wishes to have committed employees and managers, who create value for its customers and the company.

The framework for creating a good working life is defined in Sund & Bælt's HR policy, which consists of policies regarding the family, seniors, health and well-being, alcohol and smoking, salaries, anti-bullying, trainees/placements/flex jobs and equal opportunities, and in Sund & Bælt's values and internal guidelines.

Initiatives in 2013
In 2013, HR work was also focused on staff-related matters and organisational adjustments relating to the establishment of BroBizz A/S as well as the impending takeover of maintenance responsibilities of the Øresund rail section from Banedanmark.

At the end of 2013, the percentage of female managers was 26 per cent and the percentage of female directors was 20 per cent. Sund & Bælt is committed to appointing more females to managerial positions. We have, therefore, introduced an equal opportunities policy for Sund & Bælt's managerial level in general, which through recruitment, retention and development will help to ensure a greater proportion of females. The aim is that within a 5-10 year period, a balanced composition of male and female will have been achieved for senior positions.

In 2013, a survey of the psychological working environment was carried out. The response rate was 95 per cent, and the survey showed that, in general, the psychological working environment is satisfactory. In13 out of the 14 main questions, more than 85 per cent were satisfied when the highly positive, mainly positive and partly positive responses are combined.

In compliance with Folketinget's objective to reduce the number of unemployed who lost their social assistance as a consequence of changes to unemployment benefit, (the "Acute package"), Sund & Bælt has established one "acute job".

The key figures for 2013 continue to show a low rate of absenteeism due to sickness. Staff turnover continues to be higher than normal for the company, which is due to the transfer of staff from Sund & Bælt to BroBizz A/S.

Donation of used IT equipment to hospital and clinics in Nepal

In 2013, Sund & Bælt entered into an agreement with Dhulikhel Hospital in Kavre province, Nepal concerning the ongoing donation of used IT equipment to the hospital. The donation benefits many patients from Kathmandu and the small surrounding mountain villages.

In March, 30 computers, including screens, two printers, two servers and other equipment were installed at Dhulikel Hospital with assistance from Sund & Bælt's IT department. In order to ensure the proper set-up and configuration of the new network, the hospital's local IT expert attended a training session in Denmark in the autumn. This comprehensive learning programme has enabled him to take full advantage of the hospital's new digital potential.

Dhulikel Hospital is a regional hospital, which provides treatment for everyone irrespective of their financial circumstances and is proof that quality service is possible even in an impoverished country like Nepal. The hospital and its satellite clinics are founded upon local, cultural values and the latest nursing principles, and have become a model for hospitals in the rest of the country.

Sund & Bælt Holding A/S		2013	2012
Number of employees		120	119
Male/female ratio			
- Female		47 per cent	43 per cent
- Male		53 per cent	57 per cent
Male/female ratio, managers			
- Female		26 per cent	33 per cent
- Male		74 per cent	67 per cent
Educational background			
- Higher		41 per cent	36 per cent
- Intermediate		36 per cent	41 per cent
- Basic		23 per cent	23 per cent
Staff turnover		15.7 per cent	10.6 per cent
Average age		50	49
Further training per employee	DKK	7,900	DKK 9,300
Absence due to sickness (incl. long-term sickness)		2.0 per cent	2.3 per cent

Focus on safety and accessibility. Through SOS Dansk Autohjælp we provide assistance to stranded motorists

Read more on page 14

Employees in the BroBizz issuer organisation

BroBizz A/S is an issuer organisation, which was established on 1 June 2013. The first employees were taken on at the end of 2012 and in 2013, the organisation was expanded as the company developed.

BroBizz A/S	2013	2012
Number of employees	19	4
Male/female ratio		
- Female	79 per cent	75 per cent
- Male	21 per cent	25 per cent
Male/female ratio, managers		
- Female	100 per cent	100 per cent
- Male	0 per cent	0 per cent
Educational background		
- Higher	5 per cent	50 per cent
- Intermediate	26 per cent	25 per cent
- Basic	69 per cent	25 per cent
Staff turnover	2.3 per cent	0.0 per cent
Average age	40	46
Further training per employee	DKK 6,800	DKK 0
Absence due to sickness (incl. long-term sick)	1.7 per cent	0.0 per cent

Employees in the Femern construction organisation

Femern A/S is a project organisation under continuing development. In addition to its own employees, Femern A/S employs a number of permanent consultants.

The organisation includes employees of Danish, Swedish, German and British nationalities. The management team comprises individuals with experience from the construction of the fixed links across Storebælt and Øresund as well as other international projects.

Femern A/S	2013	2012
Number of employees	103	89
Male/female ratio		
- Female	42 per cent	37 per cent
- Male	58 per cent	63 per cent
Male/female ratio, managers		
- Female	9 per cent	5 per cent
- Male	91 per cent	95 per cent
Educational background		
- Higher	62 per cent	62 per cent
- Intermediate	25 per cent	24 per cent
- Basic	13 per cent	13 per cent
Staff turnover	5 per cent	4 per cent
Average age	45	46
Further training per employee	DKK 11,234	DKK 8,613
Absence due to sickness (incl. long-term sick)	1.0 per cent	1.5 per cent

Accounts

Main items

Main items in the consolidated results, apportioned across the Group's companies (DKK million)

	Sund & Bælt Holding A/S	A/S Storebælt	A/S Øresund	Sund & Bælt Partner A/S	A/S Femern Landanlæg	Femern A/S	BroBizz A/S	2013 Total*)	2012 Total
Operating profit/loss (EBIT)	**18**	**2,518**	**-5**	**0.1**	**-0.2**	**-2**	**-0.8**	**2,526**	**2,428**
Financing expenses excl. value adjustment	-10	-807	-279	0.3	0.0	0	0.5	-1,095	-1,540
Profit/loss before value adjustment	**8**	**1,711**	**-284**	**0.4**	**-0.2**	**-2**	**-0.3**	**1,431**	**888**
Value adjustments, net	12	1,213	538	-0.5	0.0	0	0.6	1,763	-762
Profit/loss before inclusion of share of jointly managed company and tax	20	2,924	253	0.0	-0.2	-2	0.0	3,194	126
Profit from jointly managed company	0	0	1,039	0.0	0.0	0	0.0	1,039	39
Profit/loss before tax	**20**	**2,924**	**1,293**	**0.0**	**-0.2**	**-2**	**0.3**	**4,233**	**165**
Tax	-6	-780	-465	0.0	2.3	14	0.0	-1,235	-41
Profit for the year	**14**	**2,144**	**828**	**0.0**	**2.1**	**12**	**0.3**	**2,998**	**124**

*) Note: There is a difference between the sum of the individual companies and the consolidated results (2013 Total column) of approx. 3 million, which relates to intra-group trade.

Key figures

Key figures and financial ratios for the Sund & Bælt Group (DKK million)

	2009	2010	2011	2012	2013
Operating income, road	2,355	2,339	2,450	2,572	2,637
Operating income, rail	841	851	863	877	888
Other income incl. ports and wind turbines	40	74	78	82	79
Operating expenses	-410	-426	-413	-434	-459
Depreciation	-676	-694	-701	-668	-619
Operating profit (EBIT)	2,151	2,144	2,277	2,428	2,526
Net financials before value adjustment	-2,064	-1,843	-1,604	-1,540	-1,095
Profit before value adjustment	87	301	673	888	1,431
Value adjustments, net	-554	70	-2,118	-762	1,763
Profit/loss before inclusion of share of jointly managed company and tax	-467	371	-1,445	126	3,194
Profit/loss from jointly managed company (Øresundsbro Konsortiet) *)	-162	-31	-533	39	1,039
Profit/loss before tax	-629	340	-1,978	166	4,233
Tax	158	-86	495	-42	-1,235
Profit/loss for the year	-471	254	-1,482	124	2,998
Capital investment in the year	963	792	712	686	605
Capital investment	36,746	36,539	36,358	36,205	36,068
Bond loans and bank loans	42,366	43,528	44,194	45,031	42,027
Net debt (fair value)	43,378	42,469	44,018	43,600	40,605
Interest bearing net debt	40,583	40,088	39,440	38,486	37,391
Equity	-5,743	-5,489	-6,972	-6,847	-3,850
Balance sheet total	**42,711**	**43,799**	**45,494**	**46,863**	**43,892**
Financial ratios, per cent:					
Profit ratio (EBIT)	66.5	65.7	67.1	68.8	70.1
Rate of return (EBIT)	5.0	4.9	5.0	5.2	5.8
Return on facilities (EBIT)	5.9	5.9	6.3	6.7	7.0

NB: The financial ratios have been stated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2010". Please refer to definitions and concepts in note 1: Accounting Policies.

*) Øresundsbro Konsortiet's share of results for 2013 includes income of DKK 741 million (expense of DKK 146 million in 2012) relating to value adjustments. The result before value adjustments amounts to profits of DKK 298 million (DKK 185 million in 2012).

Accounts

Notes

Comprehensive income statement

(DKK million)

Sund & Bælt Holding A/S				Sund & Bælt Group	
2012	2013	Note	Income	2013	2012
138.2	134.3	4	Operating income	3,603.8	3,530.2
138.2	**134.3**		**Total income**	**3,603.8**	**3,530.2**
			Expenses		
-37.1	-35.0	5	Other operating expenses	-370.3	-351.4
-82.0	-80.0	6	Staff expenses	-88.2	-83.0
-0.9	-0.9	8-12	Depreciation and amortisation of intangible fixed assets and property, plant and equipment	-619.4	-667.9
-120.0	**-115.9**		**Total expenses**	**-1,077.9**	**-1,102.3**
18.2	**18.4**		**Operating profit (EBIT)**	**2,525.9**	**2,427.9**
		16	**Financial income and expenses**		
0.2	0.0		Financial income	279.3	46.7
-14.0	-9.5		Financial expenses	-1,374.6	-1,586.5
6.3	11.4		Value adjustment, net	1,762.9	-761.7
-7.5	**1.9**		**Total financial income and expenses**	**667.6**	**-2,301.5**
10.7	**20.3**		**Profit before inclusion of share of results in jointly managed company and tax**	**3,193.5**	**126.4**
0.0	0.0	15	Share of results in jointly managed company	1,039.1	39.3
10.7	**20.3**		**Profit before tax**	**4,232.6**	**165.7**
-2.7	-5.9	7	Tax	-1,235.0	-41.5
8.0	**14.4**		**Profit for the year**	**2,997.6**	**124.2**
0.0	0.0		Other comprehensive income	0.0	0.0
0.0	0.0		Tax on other comprehensive income	0.0	0.0
8.0	**14.4**		**Comprehensive income**	**2,997.6**	**124.2**
			Appropriated as follows:		
8.0	**14.4**		**Retained earnings**	**2,997.6**	**124.2**

Balance sheet 31 December 2013 – Assets

(DKK million)

Sund & Bælt Holding A/S				Sund & Bælt Group	
2012	2013	Note	Assets	2013	2012
			Non-current assets		
			Intangible assets		
0.1	0.1	8	Software	37.0	30.5
0.1	**0.1**		**Total intangible assets**	**37.0**	**30.5**
			Property, plant and equipment		
0.0	0.0	9	Road and rail links	35,480.0	35,580.2
0.0	0.0	10	Port facilities	261.4	271.1
0.0	0.0	11	Wind turbine facilities	337.0	353.1
0.0	0.0	12	Land and buildings	108.4	111.6
3.5	2.4	12	Other fixtures and fittings, plant and equipment	43.5	56.7
3.5	**2.4**		**Total property, plant and equipment**	**36,230.3**	**36,372.7**
			Other non-current assets		
5.9	6.0	13	Deferred tax	1,286.5	2,515.9
877.0	976.0	14	Participating interests in subsidiaries	0.0	0.0
882.9	**982.0**		**Total other non-current assets**	**1,286.5**	**2,515.9**
886.5	**984.5**		**Total non-current assets**	**37,553.8**	**38,919.1**
			Current assets		
			Receivables		
0.0	0.0		Inventory	1.5	1.5
4.1	113.8	17	Receivables	929.1	945.4
0.0	0.0		Securities	827.1	1,093.5
0.0	0.0	18	Derivatives	2,950.0	5,381.4
8.5	8.1	19	Prepayments and accrued income	54.3	19.1
12.6	**121.9**		**Total receivables**	**4,762.0**	**7,440.9**
0.0	**0.0**	20	**Cash at bank and in hand**	**1,576.1**	**503.1**
12.6	**121.9**		**Total current assets**	**6,338.1**	**7,944.0**
899.1	**1,106.4**		**Total assets**	**43,891.9**	**46,863.1**

Balance sheet 31 December 2013 – Equity and liabilities

(DKK million)

Sund & Bælt Holding A/S				Sund & Bælt Group	
2012	2013	Note	Equity and liabilities	2013	2012
			Equity		
355.0	355.0	21	Share capital	355.0	355.0
119.2	133.6	21	Retained earnings	-4,204.8	-7,202.4
474.2	**488.6**		**Total equity**	**-3,849.8**	**-6,847.4**
			Liabilities		
			Non-current liabilities		
0.0	0.0	15	Provisions	1,001.9	2,041.1
364.1	107.2	23	Bond loans and amounts owed to credit institutions	37,957.6	42,693.2
364.1	**107.2**		**Total non-current liabilities**	**38,959.5**	**44,734.3**
			Current liabilities		
0.0	355.6	23	Current portion of non-current liabilities	4,069.3	2,337.7
31.1	23.3		Credit institutions	23.3	131.4
28.1	130.3	25	Trade and other payables	1,147.5	1,519.5
0.0	0.0	18	Derivatives	3,514.8	4,952.0
1.6	1.4	26	Accruals and deferred income	27.3	35.5
60.8	**510.6**		**Total current liabilities**	**8,782.1**	**8,976.2**
424.9	**617.8**		**Total liabilities**	**47,741.7**	**53,710.5**
899.1	**1,106.4**		**Total equity and liabilities**	**43,891.9**	**46,863.1**

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Equity statement

(DKK million)

Sund & Bælt Holding A/S				Sund & Bælt Group		
Share capital	Retained earnings	Total		Share capital	Retained earnings	Total
355.0	111.2	466.2	Balance at 1 January 2012	355.0	-7,326.6	-6,971.6
0.0	8.0	8.0	Profit for the year and comprehensive income	0.0	124.2	124.2
355.0	**119.2**	**474.2**	**Balance at 31 December 2012**	**355.0**	**-7,202.4**	**-6,847.4**
355.0	119.2	474.2	Balance at 1 January 2013	355.0	-7,202.4	-6,847.4
0.0	14.4	14.4	Profit for the year and comprehensive income	0.0	2,997.6	2,997.6
355.0	**133.6**	**488.6**	**Balance at 31 December 2013**	**355.0**	**-4,204.8**	**-3,849.8**

Cash flow statement

(DKK million)

Sund & Bælt Holding A/S				Sund & Bælt Group	
2012	2013	Note		2013	2012
			Cash flow from operating activity		
18.2	18.4		Profit before net financials	2,525.9	2,427.9
			Adjustments		
0.9	0.9	8-12	Amortisation, depreciation and write-downs	619.4	667.9
-4.0	-4.7		Joint taxation contribution	-68.0	0.0
-0.1	-0.5		Adjustment for other non-cash items	19.8	0.0
15.0	**14.1**		**Cash flow from operations (operating activities) before change in working capital**	**3,097.1**	**3,095.8**
			Change in working capital		
0.9	-100.4	17, 19	Receivables, prepayments and accrued income	-599.5	-795.3
-0.6	**104.0**	25, 26	**Trade and other payables**	**695.3**	**336.6**
15.3	**17.7**		**Total cash flow from operating activity**	**3,192.9**	**2,637.1**
			Cash flow from investing activity		
-0.3	0.0	8-12	Purchase of intangible assets and property, plant and equipment	-660.8	-704.8
0.0	0.0		Received EU subsidy	140.5	203.0
0.0	-99.0	14	Capital deposit in subsidiary	0.0	0.0
-0.3	**-99.0**		**Total cash flow from investing activity**	**-520.3**	**-501.8**
15.0	**-81.3**		**Free cash flow**	**2,672.6**	**2,135.3**
			Cash flow from financing activity		
365.2	110.1		Raising of loans	2,545.6	3,864.6
-351.5	-11.4		Reduction of liabilities	-2,729.6	-3,983.7
0.2	0.0		Interest received	7.1	8.1
-13.4	-9.6		Interest paid	-1,314.7	-1,400.8
0.5	**89.1**		**Total cash flow from financing activity**	**-1,491.6**	**-1,511.8**
15.5	**7.8**		**Change for the period in cash at bank and in hand**	**1,181.0**	**623.5**
-46.6	-31.1		Cash at bank and in hand at 1 January	371.8	-251.7
-31.1	**-23.3**		**Cash at bank and in hand at 31 December**	**1,552.8**	**371.8**
			Cash at bank and in hand is composed as follows:		
-31.1	-23.3		Cash at bank and in hand	777.7	221.7
0.0	0.0		Securities and fixed term deposit accounts	775.1	150.1
-31.1	**-23.3**	20	**Cash at bank and in hand in total at 31 December**	**1,552.8**	**371.8**

The cash flow statement cannot be exclusively derived from the accounts.

Note 1 Accounting policies

General

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for the annual reports of companies with listed debt instruments. Additional Danish disclosure requirements for annual reports are laid down in the IFRS order issued pursuant to the Danish Financial Statements Act.

The accounting policies are, with the exception of IFRS 13, in accordance with those applied in the Annual Report 2012.

The companies have elected to use the so-called Fair Value Option under IAS 39. Consequently, all financial assets and liabilities (loans, deposits and derivatives) are measured at fair value and changes in the fair value are recognised in the comprehensive income statement. Loans and cash at bank and in hand are classified for fair value measurement at first recognition in the balance sheet while derivative financial instruments are always recognised at fair value, c.f. IAS 39.

The rationale for using the Fair Value Option is that the companies consistently apply a portfolio approach to financial management, which means that the intended exposure to various financial risks is managed through different financial instruments, both primary instruments and derivatives. Accordingly, in the management of financial market risks, the companies do not distinguish between, for example, loans and derivatives, but solely focus on the total exposure. The choice of financial instruments for managing the financial risks could, therefore, result in accounting asymmetries were the fair value option not used.

It is the companies' opinion that the Fair Value Option is the only principle under IFRS that reflects this approach as the other principles lead to inappropriate asymmetries between otherwise identical exposures depending on whether the exposure is established in the form of loans or the use of derivative financial instruments or requires comprehensive documentation as in the case with "hedge accounting". As derivatives, financial assets and loans are measured at fair value, the measurement in the financial statements will produce the same result for loans and connected derivatives when the hedging is effective. Thus the company will achieve accounting symmetry. Loans without connected derivatives are also measured at fair value in contrast to the main rule in IAS 39 pursuant to which loans are measured at amortised cost. This will naturally lead to volatility in the profit/loss for the year as a result of value adjustments.

The consolidated accounts and the parent company accounts are presented in DKK, which is also the Group's functional currency. Unless otherwise stated, all amounts are disclosed in DKK million.

In order to assist users of the annual report, some of the disclosures required by IFRS are also included in the Management Report.

New accounts adjustment

With effect from 1 January 2013, the Group has implemented IFRC 2, 3,7 8 and 13, as well as IAS 1, 7, 16, 19, 24, 36 and 38.

The amendment to IFRS 7 regarding Financial instruments is related to information regarding the netting of assets and liabilities. The new disclosure requirements should facilitate comparison between the financial statements prepared in accordance with IFRS and US GAAP. To meet these requirements, the Group has adapted the information in note 18.

IFRS 13 concerns fair value measurement. This standard defines fair value, establishes a common conceptual framework for measuring fair value across all IFRS standards and determines the disclosure requirements provided in connection with fair value measurements. The standard provides guidance for fair value measurement for both financial and non-financial assets and liabilities. In IFRS 13, the requirement to use the bid and ask prices has been removed for actively traded financial assets and liabilities. Instead, the most representative price between the bid and ask prices shall be used. As regards the Group, the transition to IFRS13 has resulted in a positive impact in terms of a market value adjustment of DKK 87 million, of which DKK 43 million is related to A/S Storebælt and DKK 24 million to A/S Øresund.

The following amendments to existing and new standards as well as interpretations have not yet become effective and are not applicable in connection with the preparation of the Annual Report for 2013: IAS 27, 28, 32, 36 and 39, IFRS 9, 10, 11, 12 and IFRIC 21. The new standards and interpretations will be implemented when they come into force.

The implementation of IFRS 9 will change, among other things, the classification and measurement of financial assets and liabilities. The implementation of these standards is expected to have an impact, but the overall effect has not yet been calculated.

The implementation of the other standards and interpretations is not expected to have any financial effect on the presentation of the Sund & Bælt Group's results, assets and liabilities and equity in connection with financial reporting for 2014, 2015 and 2018 when they are expected to become effective.

Recognition and measurement in general

Assets are recognised in the balance sheet when, as a result of a previous event, it is probable that future economic benefits will flow to the Group and the value of the asset can be reliably measured. Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Financial assets and liabilities are initially recognised on the trading day and recognition is discontinued at the trading day when the right to receive/settle payment from the financial asset or liability has expired, or when sold, and all risks and yields tied to the instrument have been transferred.

Note 1 Accounting policies (continued)

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual accounts that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the comprehensive income statement as and when it is probable that this will add economic benefit to the company. Equally, expenses incurred to generate the year's earnings are recognised in the comprehensive income statement, including depreciation, amortisation, impairment losses and provisions.

Reversals as a result of changes in accounting estimates of amounts which were previously recognised in the comprehensive income statement are also recognised in the comprehensive income statement.

Accruals
Closing provisions have been made of all significant income and expenses.

Consolidation
The consolidated accounts cover the parent company Sund & Bælt Holding A/S and the wholly-owned subsidiaries A/S Storebælt, A/S Øresund, Sund & Bælt Partner A/S, Femern A/S, BroBizz A/S and A/S Femern Landanlæg. Øresundsbro Konsortiet I/S is recognised in the consolidated accounts according to the equity method whereafter the Group's share of the annual results and equity, corresponding to 50 per cent, are included in the consolidated accounts. Any negative equity is recognised as a provision since Øresundsbro Konsortiet I/S is structured as a partnership with joint and several liability.

The consolidated accounts have been prepared on the basis of the accounts for Sund & Bælt Holding A/S and the subsidiaries by the addition of items of a uniform nature.

The accounts on which the consolidation is based are submitted in accordance with the Group's accounting policies.

On consolidation, elimination is made of internal income and expenses and internal balances. The parent company's participating interests in the subsidiaries are offset against the corresponding equity.

Newly established companies are included in the consolidated accounts from the time of establishment.

Operating income
Income from sales of services is included as the services are supplied and if the income can be reliably calculated and is expected to be received.

Income is measured excluding VAT, taxes and discounts relating to the sale.

Other income comprises accounting items of a secondary nature in relation to the company's activities, including income from the use of fibre optic and telephone cables.

Public subsidies
Public subsidies are recognised when it is reasonably probable that the subsidy conditions have been fulfilled and that the subsidy will be received.

Subsidies to cover expenses are recognised in the comprehensive income statement proportionally over the periods in which the associated expenses are recognised in the comprehensive income statement. The subsidies are offset in the costs incurred.

Public subsidies related to the settlement of the road and rail links are deducted from the asset's cost.

Impairment of assets
Property, plant and equipment, investments and intangible fixed assets are subject to an impairment test when there is an indication that the carrying amount may not be recoverable (other assets are covered under IAS 39). Impairment losses are determined at the excess of the carrying amount of the asset over the recoverable amount, i.e. the higher of an asset's net selling price or its value in use. The value in use is the expected future cash flows from the asset using a pre-tax discount rate that reflects the current market return. In determining impairment, assets are grouped in the smallest group of assets that generate cash flows that are independent of the cash inflows from other assets (cash-generating units). See also note 24: Profitability.

Impairment losses are recognised in the comprehensive income statement.

Tax on the year's result
The company is covered by the Danish regulations concerning compulsory group taxation of the Sund & Bælt Group's companies. The subsidiaries are included in the Group taxation from the time they are included in the consolidated accounts and until such time when they may be omitted from the consolidation. Pursuant to legislation, the subsidiaries Sund & Bælt Partner A/S and BroBizz A/S constitute a separate joint taxation group.

Sund & Bælt Holding A/S is the administrating company for joint taxation and therefore settles all tax payments with the tax authorities. Sund & Bælt Partner A/S is the administrating company for the special joint taxation group with BroBizz A/S.

Balances under corporation tax legislation's interest deduction limitation rules are allocated among the jointly taxed companies in accordance with the joint taxation agreement. Deferred tax liabilities relating to these balances are recognised in the balance sheet while deferred tax assets are recognised only if the criteria for recognition of deferred tax assets are met.

Note 1 Accounting policies (continued)

Current Danish corporation tax is duly apportioned through payment of the joint taxation contribution between the jointly taxed companies in relation to their taxable incomes. In conjunction with this, companies with tax losses receive tax contribution from companies that used such losses against their own taxable profits.

Tax for the year, which comprises the year's current tax, the year's joint taxation contribution and changes to deferred tax – including the change in the tax rate – is included in the comprehensive income statement with the proportion attributable to the year's results and directly in the equity with the proportion attributable to the items directly in the equity.

Current tax and deferred tax
Sund & Belt Holding A /S and the jointly taxed companies are liable for income taxes, etc. for the jointly taxed companies and for any obligations for withholding tax on interest, royalties and dividends for the jointly taxed companies. The same applies to the separate joint taxation group of Sund & Bælt Partner A/S and BroBizz A/S.

Current tax liabilities and tax receivable are recognised in the balance sheet as computed tax on the year's taxable income, adjusted for tax on previous year's taxable income as well as for paid taxation on account.

Tax owed and joint tax contribution receivable are included in the balance sheet under outstandings with affiliated companies.

Deferred tax is measured in accordance with the balance-sheet oriented liability method of all interim differences between the carrying value and the tax value of assets and liabilities. In cases where the computation of the tax value can be carried out on the basis of the various taxation rules, the deferred tax is measured on the basis of the management's planned utilisation of the asset or the disposal of the liability.

Deferred tax assets, including the tax value of tax losses entitled to be carried forward are recognised under other non-current assets at the value at which they are expected to be used, either through the setting-off of tax on future earnings or by the offsetting of deferred tax liabilities, within the same legal tax entity and jurisdiction.

Balances under corporation tax legislation's interest deduction limitation rules are allocated among the jointly taxed companies in accordance with the joint taxation agreement. Deferred tax liabilities relating to these balances are recognised in the balance sheet while tax assets are recognised only if the criteria for deferred tax assets are met.

Adjustment of deferred tax is carried out relating to eliminations made of unrealised intra-group profits and losses.

Net financials
Net financials comprise interest income and expenses, realised inflation indexation, foreign exchange gains and losses on cash at bank and in hand, securities, payables, derivatives and transactions in foreign currencies. In addition, realised gains and losses relating to derivative financial instruments are included.

The difference in the fair value at the balance sheet date represents the net financials which, in the comprehensive income statement, are split into financial income, financial expenses and value adjustment. Financial income and expenses comprise interest income, interest expenses and realised inflation indexation from payables and derivatives. Foreign exchange gains and losses and exchange rate translation for financial assets and liabiblities are included in the value adjustment.

Financial expenses for financing assets in progress are recognised in the cost of the assets.

Financial assets and liabilities
Cash at bank and in hand, which includes bank deposits, are initially recognised at fair value and in the subsequent measuring in the balance sheet. Differences in the fair value between balance sheet dates are included in the income statement under net financials. On initial recognition, all cash at bank and in hand items are classified as assets measured at fair value.

The ongoing measurement of the fair value follows the hierarchy in IFRS 13, i.e. stock exchange quotations for listed securities or quotations for bank deposits or unlisted securities, based on future and known and expected cash flows discounted at the rate assessed to be available at the balance sheet date to the Group.

Holdings and returns on treasury bonds are set off against equivalent issued bond loans and are therefore not recognised in the consolidated accounts' comprehensive income statement and balance sheet.

Loans are recognised at the date of borrowing at cost less transaction costs incurred (net proceeds received) and are subsequently measured at fair value in the balance sheet via the Fair Value Option, c.f. previous description. All loans are classified as financial liabilities measured at fair value through the comprehensive income statement. Irrespective of interest rate guarantees all loans are measured at fair value with ongoing value adjustments recognised in the income statement, stated as the difference in fair value between the balance sheet dates.

The fair value of loans is stated as the present value of future and known and expected cash flows discounted at relevant rates, as there are typically no current and traded quotations listed for the companies' issued bonds and no quotations are available for unlisted bonds issued and bilateral loans. The discounting rates used are based on market rates on the balance sheet date assessed to be available for the Group as a borrower.

The fair value of loans with structural financial instruments attached are determined together and recognised and standardised valuation methods are used to determine the fair value of the option element in the interest and instalment payments where volatility on reference rates and foreign exchange are included.

Loans falling due in more than one year, according to the contract, are recognised as non-current debt.

Note 1 Accounting policies (continued)

Derivative financial instruments are recognised and measured at fair value in the balance sheet and initial recognition in the balance sheet is measured at cost. Positive and negative fair values are included in Financial Assets and Liabilities respectively, and netting of positive and negative fair values on derivatives is only made when the Group has the right and the intention to settle several financial instruments net.

Derivative financial instruments are actively used to manage the debt portfolio and are therefore included in the balance as current assets and current liabilities respectively.

Derivative financial instruments include instruments where the value depends on the underlying value of the financial parameters, primarily reference rates and currencies. All derivative financial instruments are OTC derivatives with financial counterparties and thus there are no listed quotations on such financial instruments. Derivative financial instruments typically comprise interest rate swaps and foreign currency swaps, forward exchange contracts, foreign currency options, FRAs and interest rate guarantees and swaptions. The market value is determined by discounting the known and anticipated cash flow. The discount rate is determined in the same way as loans and cash at bank and in hand, i.e. based on current market interest rates that are expected to be available to the Group as borrower.

For derivatives with an option for the cash flows, i.e. foreign currency options, interest rate guarantees and swaptions, fair value is measured on the basis of generally accepted valuation methods where the volatility of the underlying reference interest rates and currencies are included. Where derivatives are tied to several financial instruments, a total fair value is determined as the sum of the fair value on each derivative.

Fair values are disclosed in accordance with a 3-layer hierarchy for valuation methodology. Financial assets and liabilities with quoted prices are included in the first level of the valuation methodology, followed by the second level with quoted market prices as input to generally accepted valuation methods and formulas and finally, the third level where the fair value is based on unobservable market data and, therefore, should be commented on separately.

The Group has based fair value pricing on quoted market data as input to generally accepted standard valuation methods and formulas for all items, thus all financial assets and liabilities valued at fair value are included in level 2, see valuation hierarchies in IFRS 13. There were no transfers between the levels over the year.

Foreign exchange translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the comprehensive income statement under financial income and financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose is recognised in the total comprehensive income statement under financial income and financial expenses.

Non-monetary assets and liabilities in foreign currencies, which have not been revalued to fair value, are translated at the time of transaction to the rate of exchange at the transaction date.

Translation of financial assets and liabilities recognised in value adjustments and translation of receivables, payables etc. are included in financial income and expenses.

Intangible fixed assets

On initial recognition, intangible fixed assets are measured at cost. Subsequently, the assets are measured at cost less depreciation, amortisation and impairment losses.

Intangible assets are depreciated on a straight line basis over the expected useful life, not exceeding more than 5 years.

Property, plant and equipment

On initial recognition, property, plant and equipment are measured at cost. Cost comprises the purchase price and any expenses directly attributable to the acquisition until the date when the asset is available for use. Subsequently, the assets are measured at cost less depreciation and impairment losses.

During the construction period, the value of the road and rail links is determined using the following principles:

- Expenses related to the links are based on contracts entered into, and contracts are capitalised directly
- Other direct or indirect expenses are capitalised as the value of own work
- Net financing expenses are capitalised as construction loan interest
- EU subsidies received are set off against the cost price.

Significant future one-off replacements/maintenance work is regarded as separate elements and depreciated over the expected useful life. Ongoing maintenance work is recognised in the comprehensive income statement as the costs are incurred.

Depreciation

Depreciation on the road and rail links commences when the construction work is finalised and the links are taken into use. The links are depreciated on a straight-line basis over the expected useful lives. The road and rail links across Storebælt and Øresund's road link are divided into components with similar useful lives:

- The main part of the links comprises structures designed with minimum expected useful lives of 100 years. The depreciation period for these parts is 100 years.
- Mechanical installations, crash barriers and road surfaces are depreciated over useful lives of 20-50 years.
- Software and electrical installations are depreciated over useful lives of 10-20 years.
- Technical rail installations are depreciated over 25 years.

Note 1 Accounting policies (continued)

A/S Øresund's rail link is depreciated over a useful life of 100 years. As Banedanmark is financially responsible for the maintenance of this link and for normal reinvestments, no differentiation of the depreciation period has been made.

Other assets are recognised at cost and depreciated on a straight-line basis over the assets' expected useful life:

Administrative IT systems and programmes	0-5 years
Leasehold improvements, the lease period, but max.	5 years
Customer database	7 years
Other plant, machinery, fixtures and fittings	5-10 years
Port facilities and buildings at the ports	25 years
Buildings for operational use	25 years
Wind turbine facilities	25 years

Amortisation and depreciation are recognised as a separate item in the income statement.

The method for depreciation and the expected useful lives are reassessed annually and are changed if there has been a major change in the conditions or expectations. If there is a change in the depreciation method, the effect on depreciation going forward will be recognised as a change of accounting estimates and judgements.

The basis for depreciation is calculated with due regard for the asset's scrap value and is reduced by any depreciation. The scrap value is determined at the time of acquisition and is reviewed annually. If the scrap value exceeds the asset's carrying value, depreciation ceases.

Profits and losses in respect of disposal of property, plant and equipment are stated as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profits and losses are recognised in the comprehensive income statement under other operating expenses.

Other operating expenses

Other operating expenses include expenses relating to technical, traffic-related and commercial operations of the links. These comprise, inter alia, expenses for operation and maintenance of technical plant, marketing, insurance, IT, external services, office expenses and expenses for office premises.

Staff expenses

Staff expenses comprise overall expenses for employees, the Management Board and the Board of Directors. The total expenses include direct payroll costs, pension payments, training expenses and other direct staff-related expenses.

Staff expenses as well as payroll taxes, holiday allowance and similar costs are expensed in the period in which the services are performed by the employee.

Operating leases

Operating leases are recognised in the comprehensive income statement on a straight-line basis over the leasing contract's leasing term unless another systematic method better reflects the lessee's benefit within the contract term. Leasing contracts have been entered into with a leasing period of 1-8 years. Operating leases comprises office premises and vehicles.

Participating interests in subsidiaries

Participating interests in subsidiaries are measured at cost or lower recovery value.

Participating interests in jointly managed company

Participating interests in the jointly managed company are measured in the balance sheet according to the equity method after which the proportion of the company's carrying value is recognised. Any losses on the participating interest are recognised under provisions in the balance sheet.

Securities

Listed securities are recognised under current assets and measured at fair value at the balance sheet date. Holdings of treasury bonds are set off against equivalent issued bond loans.

Inventories

Inventories are measured at cost determined by the FIFO method or net realisable value, whichever is lower.

Cost of merchandise, raw materials and consumables includes cost plus delivery costs.

Net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to effectuate the sale, and determined with regard to marketability, obsolescence and development in the estimated sales price.

Trade receivables

Trade receivables are measured at the amortised cost price. Trade receivables comprise amounts owed by customers and balances with payment card companies. Write-down is made for expected bad debt losses. Receivables also comprise accrued interest in respect of assets and costs paid concerning subsequent financial years.

Other receivables

Other receivables are measured at the current value of the amounts expected to be received.

Prepayments and accrued income

Prepayments and accrued income comprise expenses paid concerning subsequent financial years.

Note 1 Accounting policies (continued)

Cash at bank and in hand
Cash at bank and in hand comprise cash holdings and short-term bank deposits and securities which, at the time of acquisition, have a maturity of less than three months, and which can readily be converted to cash at bank and in hand and where there is only an insignificant risk of changes in value.

Other financial liabilities
Other financial liabilities are measured at amortised cost which usually corresponds to the nominal value.

Pension obligations
The Group has established defined contribution schemes and similar agreements for the majority of the employees.

Defined contribution schemes are recognised in the comprehensive income statement in the period to which they relate and any contributions outstanding are recognised in the balance sheet as Trade and other payables. Any prepayments are recognised in the balance sheet under Receivables.

Deferred income and accruals
Deferred income and accruals comprise accrued interest and payments received concerning income in subsequent years.

Provisions
Provisions are recognised when the Group has a legal or constructive obligation as a result of events in the financial year or previous years, and it is probable that the obligation will require drawing on the Group's financial resources.

Provisions are measured as the best estimate of the expenses necessary to settle the liabilities on the balance sheet date. Provisions with an expected maturity later than one year from the balance sheet date are measured at present value.

With planned restructuring of the Group's operations, provision is made solely for the liabilities relating to the restructurings, which, on the balance sheet date, have been decided in accordance with a specific plan, and where the parties concerned have been informed about the overall plan.

Cash flow statement
The consolidated cash flow statement has been prepared in accordance with the indirect method based on the comprehensive income statement items. The Group's cash flow statement shows the cash flow for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flow from operating activities is calculated as the profit/loss for the year before net financials adjusted for non-cash operating items, computed corporation taxes and changes in working capital. The working capital comprises the operating balance sheet items under current assets and current liabilities.

Cash flow from investing activities comprises purchase and sale of intangible assets, property, plant and equipment and investments.

Cash flow from financing activities comprises the raising of loans, repayment of debt and financial income and expenses, including non-liquid adjustments of the company's financial assets and liabilities, which are recognised as a separate item in the cash flow statement.

Cash at bank and in hand comprises cash and short-term marketable securities with a term of three months or less at the acquisition date less short-term loans. Unused credit facilities are not included in the cash flow statement.

Information on operations
The Group's operations are divided into Road, Railway, Ports and Ferry Services, Consultancy, Wind Turbines and International Partnerships, as evidenced by the Management Report.

The operations comply with the Group's risk as well as managerial and internal financial control. Reporting-based operations disclosure is prepared in accordance with the Group's accounting policies.

Income and expenses from operations comprise those items that are directly attributable to each operation as well as items that can be allocated to each operation on a reliable basis. Allocated income and expenses primarily comprise the Group's administrative functions, tax on income, etc.

Financial ratios
The financial ratios have been prepared in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2010".

The financial ratios given in the key figures and financial ratios summary have been calculated as follows:

Profit ratio:	Operating profit (EBIT) less other earnings in percentage of turnover.
Rate of return:	Operating profit (EBIT) less other earnings in percentage of the total assets.
Return on facilities:	Operating profit (EBIT) less other earnings in percentage of investment in road and rail link.

Note 2 Significant accounting estimates and judgements

Determining the carrying amount of certain assets and liabilities requires an estimate on how future events will affect the value of these assets and liabilities at the balance sheet date. Estimates which are significant for the preparation of the financial statements are, for instance, made by making a computation of depreciation, amortisation and impairment of road and rail links and computation of the fair value of certain financial assets and liabilities.

Depreciation of road and rail links is based on an assessment of the main components and their useful lives. An ongoing estimate of the assets' useful life is undertaken. A change in these assessments will significantly affect the profit/loss for the year, but will not affect cash flows and repayment periods. For certain financial assets and liabilities, an estimate is made of the expected future rate of inflation when calculating the fair value. Calculation of repayment periods is subject to significant judgement, see note 24: Profitability.

In calculating relevant financial ratios and financial assumptions, the company has made estimates in respect of the following significant parameters underlying the calculations:

Repayment periods:
- Real rate assumptions
- Interest rate development
- Traffic growth
- Inflation
- Reinvestments
- Operating expenses

Assessment of need for impairment write-downs (impairment test):
- Discount rate
- Traffic growth
- Inflation
- Capital return requirements
- Terminal value
- Beta (asset's risk in relation to general market risk)
- Operating risks compared to general market risks
- Operating expenses

The fair value adjustment on financial instruments is based on estimates of the relevant discounting rate for the Group, volatility on reference rates and currency for financial instruments with an option for cash flows and estimates for the future inflation for real rate loans and swaps. The estimates made are as much as possible tied to tradeable market data and continuously adjusted to actual price indications, see note. 1

Note 3 Information on operations

The Group's operations are divided into Road, Railway, Ports and Ferry Services, Consultancy, Wind Turbines and International Partnerships, as evidenced by the Management Report.

The operations comply with the Group's risk as well as managerial and internal financial control. Reporting-based operations disclosure is prepared in accordance with the Group's accounting policies.

Income and expenses from operations comprise those items that are directly attributable to each operation as well as items that can be allocated to each operation on a reliable basis. Allocated income and expenses primarily comprise the Group's administrative functions, tax on income, etc.

Note 4 Operating income

(DKK million)

Operating income comprises revenue from the road and rail links, dock charges for use of port facilities and sale of electricity generated by the wind turbines. Revenue is measured excluding VAT, charges and discounts in connection with sale.

Revenues from the road links comprise tolls collected in cash at the point of passage or by subsequent invoice as well as income from the sale of pre-paid journeys. Pre-paid journeys are recognised as they are undertaken.

Income from rail links comprises fees from Banedanmark for use of the rail facilities.

Toll charges on the Storebælt link and the rail fees are set by the Minister of Transport.

Other income comprises items secondary to the Group's activities, including income from the use of fibre optic and telephone cables.

Operating income is specified as follows:

Sund & Bælt Group Specification of income in 2013	A/S Storebælt	A/S Øresund	Other companies	Total
Income from road links	2,637.0	0.0	0.0	2,637.0
Income from rail links	783.1	104.7	0.0	887.8
Income from port facilities	28.1	0.0	0.0	28.1
Income from wind turbines	33.1	0.0	0.0	33.1
Other income	12.7	2.0	3.1	17.8
Total income	**3,494.0**	**106.7**	**3.1**	**3,603.8**

Sund & Bælt Group Specification of income in 2012	A/S Storebælt	A/S Øresund	Other companies	Total
Income from road links	2,571.8	0.0	0.0	2,571.8
Income from rail links	773.1	103.4	0.0	876.5
Income from port facilities	24.7	0.0	0.0	24.7
Income from wind turbines	33.9	0.0	0.0	33.9
Other income	16.1	2.0	5.2	23.3
Total income	**3,419.6**	**105.4**	**5.2**	**3,530.2**

Operating income in respect of Sund & Bælt Holding A/S constitutes fees received from subsidiaries.

Note 5 Other operating expenses

(DKK million)

Other operating expenses comprise expenses related to the technical, traffic and commercial operations of the links and wind turbine operations. This includes, for instance, operation and maintenance of technical plant, marketing expenses, insurances, external services, IT, cost of office space and office supplies.

Audit fees are specified as follows:

Audit fees for Sund & Bælt Group are as follows:

	Statutory Audit	Other assurance statements	Tax advice	Other	Total
2013					
Deloitte	1.1	0.2	1.0	1.3	3.6
Audit fees, total	**1.1**	**0.2**	**1.0**	**1.3**	**3.6**
2012					
Deloitte	1.0	0.2	1.2	1.3	3.7
Audit fees, total	**1.0**	**0.2**	**1.2**	**1.3**	**3.7**

Audit fees for Sund & Bælt Holding A/S are as follows:

	Statutory Audit	Other assurance statements	Tax advice	Other	Total
2013					
Deloitte	0.3	0.0	0.3	0.7	1.3
Audit fees, total	**0.3**	**0.0**	**0.3**	**0.7**	**1.3**
2012					
Deloitte	0.3	0.0	0.5	0.8	1.6
Audit fees, total	**0.3**	**0.0**	**0.5**	**0.8**	**1.6**

Rented premises and vehicle leasing are recognised in the income statement and are regarded as operating leasing.
The notice periods for operating leasing payments are as follows:

Sund & Bælt Holding A/S 2012	Sund & Bælt Holding A/S 2013		Sund & Bælt Group 2013	Sund & Bælt Group 2012
4.0	7.1	0-1 years	24.7	14.5
0.1	0.6	1-5 years	59.7	41.1
0.0	0.0	After 5 years	11.1	14.8
4.1	**7.7**	**Leasing payments, total**	**95.5**	**70.4**
0.3	4.6	Minimum leasing payments recognised in profit/loss for the year	16.4	0.8

Note 6 Staff expenses

(DKK million)

Staff expenses include total expenses for employees, management and the Board of Directors. Staff expenses comprise direct payroll costs, defined contribution pension schemes, training and other direct staff expenses.

Sund & Bælt Holding A/S 2012	2013		Sund & Bælt Group 2013	2012
71.3	69.3	Wages and salaries, remuneration and emoluments	146.5	132.0
7.3	6.6	Pension contributions	7.4	7.4
0.8	1.5	Social security expenses	1.9	1.2
2.6	2.6	Other staff expenses	7.5	6.0
82.0	**80.0**	**Total staff expenses**	**163.3**	**146.6**
0.0	0.0	Recognised in property, plant and equipment in progress	-75.1	-63.6
82.0	**82.0**	**Staff expenses as per income statement**	**88.2**	**83.0**
125	115	Average number of employees	213	195
119	120	Number of employees at 31 December	242	213

Fees to Management Board (DKK 1,000)

	Fixed salary	Pensions	Non-monetary benefits	Total
2013				
Leo Larsen	2,270	370	3	2,643
Other members of the Management Board (4 people)	4,879	485	260	5,624
Total	**7,149**	**855**	**263**	**8,267**
2012				
Leo Larsen	2,224	369	3	2,596
Other members of the Management Board (4 people)	4,369	437	266	5,072
Total	**6,593**	**806**	**269**	**7,668**

Fees to the Board of Directors (DKK 1,000)

Fees 2013		Fees 2012	
Henning Kruse Petersen (Chairman)	250	Henning Kruse Petersen (Chairman)	250
Carsten Koch (Vice-Chairman)	188	Carsten Koch (Vice-Chairman)	188
Pernille Sams	125	Pernille Sams	125
Jørgen Elikofer	125	Jørgen Elikofer	125
Mette Boye	125	Mette Boye	125
Walter Christophersen	125	Walter Christophersen	125
Helle Dragsbæk (retired 25/4 2013)	39	Helle Dragsbæk	125
Jesper Brink	125	Jesper Brink	125
Martin Duus (joined the board on 25/4 2013)	85		
Christian Hein (joined the board on 25/4 2013)	85		
Total	**1,272**	**Total**	**1,188**

If the company terminates the employment of the CEO, a contract has been signed for the payment of severance pay corresponding to 12 months' salary, excluding pension.

One of the Other Members of the Management Board is employed in the jointly managed company. As a result, half the remuneration is included in the amount.

There are no incentive payments or bonus schemes for the Management Board and Board of Directors.

Key management personnel, comprising the Board of Management and the Management Board, are remunerated as shown above.

Note 7 Tax

(DKK million)

Sund & Bælt Holding A/S 2012	Sund & Bælt Holding A/S 2013		Sund & Bælt Group 2013	Sund & Bælt Group 2012
-4.0	-4.7	Tax paid	0.0	-0.2
1.3	-0.4	Change in deferred tax	-1,059.1	-41.8
0.0	-1.2	Adjustment tax paid, previous year	-0.7	8.4
0.0	1.2	Adjustment deferred tax, previous year	0.2	-7.9
0.0	-0.8	Effect of change in tax rate	-175.4	0.0
-2.7	**-5.9**	**Total tax**	**-1,235.0**	**-41.5**
		Tax on the year's results is specified as follows:		
-2.7	-5.1	Computed 25 per cent tax on annual results	-1,058.2	-41.4
0.0	1.2	Effect of change in tax rate	-175.4	0.0
0.0	-2.0	Other adjustments	-1.4	-0.1
-2.7	**-5.9**	**Total**	**-1,235.0**	**-41.5**
25.5 per cent	29.1 per cent	Effective tax rate	29.2 per cent	25.0 per cent

Note 8 Software

(DKK million)

Administrative IT systems and programmes are depreciated on a straight-line basis over the expected useful life, which is a maximum of 5 years.

Sund & Bælt Holding A/S 2012	Sund & Bælt Holding A/S 2013		Sund & Bælt Group 2013	Sund & Bælt Group 2012
1.0	1.0	Original cost at 1 January	69.6	55.2
0.0	0.0	Additions for the year	25.1	14.4
0.0	0.0	Disposals for the year	-10.7	0.0
1.0	**1.0**	**Original cost at 31 December**	**84.0**	**69.6**
0.8	0.9	Depreciation at 1 January	39.1	35.3
0.1	0.0	Additions for the year	7.9	3.8
0.9	**0.9**	**Depreciation at 31 December**	**47.0**	**39.1**
0.1	**0.1**	**Balance at 31 December**	**37.0**	**30.5**
0.0	0.0	Depreciation is recognised in Projects in progress	0.7	0.8

Note 9 Road and rail links

(DKK million)

Depreciation of the road and rail links begins from the completion of the construction works and the commissioning of the links. The links are depreciated on a straight-line basis over the expected useful life. With regard to the road and rail link across Storebælt and Øresund's road link, the links have been divided into sections with identical useful lives.

- The main part of the links comprises structures designed for a minimum useful life of 100 years. For these sections, the depreciation period is 100 years.
- Mechanical installations, crash barriers and road surfaces are depreciated over useful lives of 20-50 years.
- The rail links' technical installations are depreciated over 25 years.
- Software and electrical installations are depreciated over useful lives of 10-20 years.

A/S Øresund's rail link is depreciated over a useful life of 100 years. As Banedanmark is financially responsible for the maintenance of this facility and for normal reinvestments, no differentiation of the depreciation period has been made.

Projects in progress comprise the road and rail link in connection with the Fehmarnbelt link.

Sund & Bælt Group	Directly capitalised expenses	Value of own work	Financing expenses (net)	Project in progress	Total 2013	Total 2012
Original cost at 1 January	31,754.5	1,562.9	10,085.1	1,322.6	44,725.1	44,319.8
Additions for the year	47.6	0.0	0.0	553.8	601.4	583.5
Received EU subsidy	0.0	0.0	0.0	-140.5	-140.5	-145.2
Disposals for the year	-8.3	0.0	0.0	-3.7	-12.0	-33.0
Original cost at 31 December	**31,793.8**	**1,562.9**	**10,085.1**	**1,732.2**	**45,174.0**	**44,725.1**
Depreciation at 1 January	6,791.2	296.7	2,057.0	0.0	9,144.9	8,569.0
Additions for the year	418.3	18.0	121.1	0.0	557.4	608.9
Disposals for the year	-8.3	0.0	0.0	0.0	-8.3	-33.0
Depreciation at 31 December	**7,201.2**	**314.7**	**2,178.1**	**0.0**	**9,694.0**	**9,144.9**
Balance at 31 December	**24,592.6**	**1,248.2**	**7,907.0**	**1,722.2**	**35,480.0**	**35,580.2**

With regard to projects in progress, financing expenses for the year are recognised at DKK 2.7 million (2012: financing expenses DKK 3.2 million). All financing expenses in the companies with projects in progress are incurred for the asset and therefore capitalised.

Femern A/S receives EU subsidies to cover expenses and this subsidy is recognised in the balance sheet. In 2013, DKK 140 million was recognised for Femern A/S (2012: DKK 145 million).

In connection with the A/S Femern Landanlæg project, Banedanmark receives EU subsidies. In 2013, EU subsidies of DKK 65 million were offset (2012: DKK 58 million). EU subsidies of DKK 206 million were offset in total.

Note 10 Port facilities

(DKK million)

Port facilities are depreciated on a straight line basis over an expected useful life of 25 years.

Sund & Bælt Group

	2013	2012
Original cost at 1 January	334.9	290.0
Additions for the year	3.9	44.9
Original cost at 31 December	**338.8**	**334.9**
Depreciation at 1 January	63.8	52.2
Additions for the year	13.6	11.6
Depreciation at 31 December	**77.4**	**63.8**
Balance at 31 December	**261.4**	**271.1**

Note 11 Wind turbine facilities

(DKK million)

Wind turbine facilities are depreciated on a straight line basis over the expected useful life of 25 years.

	Directly capitalised expenses	Financing expenses (net)	Total 2013	Total 2012
Original cost at 1 January	401.2	1.5	402.7	402.8
Disposals for the year	0.0	0.0	0.0	-0.1
Original cost at 31 December	**401.2**	**1.5**	**402.7**	**402.7**
Depreciation at 1 January	49.4	0.2	49.6	33.5
Additions for the year	16.0	0.1	16.1	16.1
Depreciation at 31 December	**65.4**	**0.3**	**65.7**	**49.6**
Balance at 31 December	**335.8**	**1.2**	**337.0**	**353.1**

Note 12 Land, buildings and other plant

(DKK million)

Buildings are depreciated on a straight line basis over the expected useful life of 25 years. Machinery, fixtures and fittings are depreciated on a straight line basis over the expected useful life of 5-10 years. Leasehold improvements are depreciated over the lease period albeit a maximum of five years.

Sund & Bælt Group	Land and buildings	Machinery, fixtures and fittings	Leasehold improvements	Total 2013
Original cost at 1 January	158.5	171.6	33.8	205.4
Additions for the year	3.1	23.9	0.9	24.8
Disposals for the year	0.0	-61.9	0.0	-61.9
Original cost at 31 December	**161.6**	**133.6**	**34.7**	**168.3**
Depreciation at 1 January	46.9	129.4	19.3	148.7
Additions for the year	6.3	20.1	6,5	26.6
Disposals for the year	0.0	-50.5	0.0	-50.5
Depreciation at 31 December	**53.2**	**99.0**	**25.8**	**124.8**
Balance at 31 December	**108.4**	**34.6**	**8.9**	**43.5**
Depreciation is recognised in Projects in progress	0.4	1.9	5.7	7.6

Sund & Bælt Group	Land and buildings	Machinery, fixtures and fittings	Leasehold improvements	Total 2012
Original cost at 1 January	156.7	164.9	30.5	195.4
Additions for the year	2.9	7.9	3.3	11.2
Disposals for the year	-1.1	-1.2	0.0	-1.2
Original cost at 31 December	**158.5**	**171.6**	**33.8**	**205.4**
Depreciation at 1 January	41.8	107.0	13.3	120.3
Additions for the year	6.2	23.4	6.0	29.4
Disposals for the year	-1.1	-1.0	0.0	-1.0
Depreciation at 31 December	**46.9**	**129.4**	**19.3**	**148.7**
Balance at 31 December	**111.6**	**42.2**	**14.5**	**56.7**
Depreciation is recognised in Projects in progress	0.4	1.5	5.4	6.9

Note 12 Land, buildings and other plant (continued)

(DKK million)

Sund & Bælt Holding A/S	Machinery, fixtures and fittings	Leasehold improvements	Total 2013
Original cost at 1 January	2.1	5.1	7.2
Additions for the year	0.0	0.0	0.0
Disposals for the year	-1.5	0.0	-1.5
Original cost at 31 December	**0.6**	**5.1**	**5.7**
Depreciation at 1 January	1.8	1.9	3.7
Additions for the year	0.1	0.8	0.9
Disposals for the year	-1.3	0.0	-1.3
Depreciation at 31 December	**0.6**	**2.7**	**3.3**
Balance at 31 December	0.0	2.4	2.4

Sund & Bælt Holding A/S	Machinery, fixtures and fittings	Leasehold improvements	Total 2012
Original cost at 1 January	2.2	4.8	7.0
Additions for the year	0.0	0.3	0.3
Disposals for the year	-0.1	0.0	-0.1
Original cost at 31 December	**2.1**	**5.1**	**7.2**
Depreciation at 1 January	1.7	1.3	3.0
Additions for the year	0.2	0.6	0.8
Disposals for the year	-0.1	0.0	-0.1
Depreciation at 31 December	**1.8**	**1.9**	**3.7**
Balance at 31 December	0.3	3.2	3.5

Note 13 Deferred tax

(DKK million)

As a result of accounting capitalisation of financing expenses during the construction period in respect of A/S Storebælt and A/S Øresund, the carrying value of the facility is higher than the tax value.

Deferred tax will be offset as the underlying assets and liabilities are realised, including that the companies in the joint taxation under Sund & Bælt Holding A/S achieve positive taxable income. The Group has managed the construction of the fixed link across Storebælt and Øresund and during the construction phase, the companies realised tax losses in that the revenue base can only be realised when the links are ready for use. The use of the companies' losses carried forward extend over a longer period than five years, but as the main components of the companies' tangible assets have an estimated service life of 100 years, it is deemed prudent to recognise the tax value of the losses carried forward without impairment.

Sund & Bælt Holding A/S 2012	Sund & Bælt Holding A/S 2013		Sund & Bælt Group 2013	Sund & Bælt Group 2012
5.2	5.9	Balance at 1 January	2,515.9	2,561.7
0.7	-0.4	Deferred tax for the year	-1,059.1	-47.5
0.0	1.2	Adjustment deferred tax, previous year	0.2	0.0
0.0	-0.8	Effect of change in tax rate	-175.4	0.0
0.0	0.1	Other adjustments	4.9	1.7
5.9	**6.0**	**Balance at 31 December**	**1,286.5**	**2,515.9**
		Deferred tax relates to:		
3.7	3.5	Intangible fixed assets and property, plant and equipment	-422.7	-554.8
0.0	0.0	Property, plant and equipment, Øresundsbro Konsortiet	52.1	24.9
2.2	2.5	Reduced net financing expenses	671.0	1,185.5
0.0	0.0	Tax loss	986,1	1,860.3
5.9	**6.0**	**Total**	**1,286.5**	**2,515.9**

Sund & Bælt Group Differences during the year	1 Jan 2012	Recognised in annual results 2012	31 Dec 2012	Recognised in annual results 2013	31 Dec 2013
Intangible fixed assets and property, plant and equipment	-416.2	-138.6	-554.8	132.1	-422.7
Property, plant and equipment, Øresundsbro Konsortiet	-37.9	62.8	24.9	27.2	52.1
Reduced net financing expenses	777.8	407.7	1,185.5	-514.5	671.0
Tax loss	2,238.0	-377.7	1,860.3	-874.2	986.1
Total	**2,561.7**	**-45.8**	**2,515.9**	**-1,229.4**	**1,286.5**

Sund & Bælt Holding A/S Differences during the year	1 Jan 2012	Recognised in annual results resultat 2012	31 Dec 2012	Recognised in annual results resultat 2013	31 Dec 2013
Intangible fixed assets and property, plant and equipment	5.1	0.8	5.9	-2.4	3.5
Reduced net financing expenses	0.0	0.0	0.0	2.5	2.5
Total	**5.1**	**0.8**	**5.9**	**0.1**	**6.0**

Note 14 Participating interests in subsidiaries

(DKK million)

Participating interests in subsidiaries are valued at cost.

	Sund & Bælt Holding A/S 2013	2012
Original cost at 1 January	877.0	877.0
Capital contribution for the year	99.0	0.0
Original cost at 31 December	**976.0**	**877.0**
Book value at 31 December	**976.0**	**877.0**

	Registered office	Ownership	Share capital	Equity 1 Jan	Capital contribution	Profit	Equity 31 Dec
A/S Storebælt	Copenhagen	100 per cent	355.0	-35.8	0.0	2,143.8	2,108.0
A/S Øresund	Copenhagen	100 per cent	5.0	-6,924.0	0.0	827.9	-6,096.1
A/S Femern Landanlæg	Copenhagen	100 per cent	500.0	509.7	0.0	2.1	511.8
Sund & Bælt Partner A/S	Copenhagen	100 per cent	5.0	11.0	0.0	0.0	11.0
BroBizz A/S	Copenhagen	100 per cent	30.0	1.9	99.0	0.3	101.2
Total			**895.0**	**-6,437.2**	**99.0**	**2,974.1**	**-3,364.1**

The subsidiaries' activity

A/S Storebælt	The primary responsibility is to own and operate the fixed link across Storebælt.
A/S Øresund	The primary responsibility is to own and operate the fixed link across Øresund with associated landworks.
A/S Femern Landanlæg	The main objective is to organise and undertake the preparations, investigations and planning and other necessary actions relating to the expansion and upgrading of the associated landworks for the fixed link across the Fehmarnbelt. In addition, the company's objective is to own all shares in Femern A/S.
Sund & Bælt Partner A/S	The main task is to provide client consultancy relating to infrastructure projects in Denmark and abroad. The company also provides consultancy in respect of both traffic and financial planning.
BroBizz A/S	The objective is to be the issuer of BroBizz®, which can be used as a means of identification for a number of transport-related payment services, such as toll roads, bridges, ferries, parking etc. BroBizz A/S manages customer relations, including contract administration, charging for consumption between the operators and the customer etc.

Note 15 Participating interest in jointly managed company

(DKK million)

	Sund & Bælt Group 2013	2012
Value of participating interest at 1 January	-2,041.1	-2,080.4
Share of annual profits	1,039.1	39.3
Participating interest at 31 December	**-1,002.0**	**-2,041.1**
Carried forward to provisions at 1 January	2,041.1	2,080.4
Amount carried forward for the year	-1,039.1	-39.3
Carried forward to provisions at 31 December	**1,002.0**	**2,041.1**
Value of participating interest at 31 December	**0.0**	**0.0**

Øresundsbro Konsortiet I/S is registered in Copenhagen/Malmø and Sund & Bælt Holding A/S' ownership is 50 per cent.
Øresundsbro Konsortiet's results for the year amount to a profit of DKK 2,078 million (2012: DKK 79 million).

Key figures from the jointly managed company	2013	2012
Operating income	1,660.0	1,596.8
Operating expenses and depreciation	-561.3	-550.4
Financial income and expenses	-502.3	-675.5
Value adjustment	1,481.9	-292.2
Profit	2,078.3	78.7
Current assets	1,541.8	2,920.1
Non-current assets	16,117.0	16,328.5
Equity	-2,003.8	-4,082.1
Current liabilities	4,093.1	6,425.4
Non-current liabilities	15,569.5	17,875.3
Contingent liabilities	132.5	85.5

Note 16 Financial income and expenses

(DKK million)

The Group recognises changes in the fair value of financial assets and liabilities through the income statement, c.f. accounting policies. The difference in the fair value between the balance sheet date constitutes the total financial income and expenses divided into value adjustments and net financing expenses where the latter comprises interest income and expenses.

Net financing expenses comprise accrued nominal/real coupon rates, realised inflation indexation and amortisation of premiums/discounts while premiums and expected inflation indexation are included in the value adjustments.

Value adjustments comprise realised and unrealised gains and losses on financial assets and liabilities and corresponding foreign exchange gains and losses.

Sund & Bælt Holding A/S			Sund & Bælt Group	
2012	2013		2013	2012
		Financial income		
0.2	0.0	Interest income, securities, banks etc.	2.5	3.3
0.0	0.0	Interest income, financial instruments	276.8	43.4
0.2	**0.0**	**Total financial income**	**279.3**	**46.7**
		Financial expenses		
-14.0	-9.5	Interest expenses, loans	-1,373.3	-1,571.5
0.0	0.0	Other financial income and expenses, net	-1.3	-15.0
-14.0	**-9.5**	**Total financial expenses**	**-1,374.6**	**-1,586.5**
-13.8	**-9.5**	**Net financing expenses**	**-1,095.3**	**-1,539.8**
		Value adjustments, net		
0.0	0.0	- Securities	-0.8	8.7
6.3	11.4	- Loans	2,714.6	-893.5
0.0	0.0	- Currency and interest rate swaps	-965.5	80.2
0.0	0.0	- Interest rate options	0.0	0.0
0.0	0.0	- Currency options	13.5	42.4
0.0	0.0	- Other value adjustments	1.1	0.5
6.3	**11.4**	**Value adjustments, net**	**1,762.9**	**-761.7**
-7.5	**1.9**	**Total financial income and expenses**	**667.6**	**-2,301.5**

Commission to the Danish State of DKK 55.4 million (2012: 56.9 million) is included in interest expenses.

Net financing expenses are DKK 444.5 million lower in 2013 compared to 2012, which is primarily related to the impact of a lower inflation level.

Note 17 Receivables

(DKK million)

Trade receivables and services comprise amounts owed by customers and balances with payment card companies. As at 31 December 2013, payment card companies represent approximately 9 per cent of total receivables. As at 31 December 2013, included in the amounts owed by customers of DKK 353 million is a provision for unsecured claims of DKK 5.2 million, which constitutes the calculated risk of customer losses. The book value of receivables thus represents the expected realisable value.

There are no significant receivables due that have not been written down.

Receivables also comprise accrued interest in respect of assets, receivables in respect of affiliated companies and other receivables.

Sund & Bælt Holding A/S			Sund & Bælt Group	
2012	2013		2013	2012
2.3	2.1	Sales and services	352.6	281.1
1.8	110.9	Group enterprises	0.0	0.0
0.0	0.0	Affiliated company	10.5	1.5
0.0	0.0	Accrued interest financial instruments (see note 22)	410.1	534.1
0.0	0.8	Other receivables	155.9	128.7
4.1	**113.8**	**Total receivables**	**929.1**	**945.4**
		Accrued interest		
0.0	0.0	Deposits and securities	3.5	2.5
0.0	0.0	Payables	17.1	17.1
0.0	0.0	Interest rate swaps	200.5	233.7
0.0	0.0	Currency swaps	188.5	277.6
0.0	0.0	Forward exchange contracts	0.5	3.2
0.0	**0.0**	**Total accrued interest**	**410.1**	**534.1**

Note 18 Derivatives

(DKK million)

Sund & Bælt Group	2013 Assets	2013 Liabilities	2012 Assets	2012 Liabilities
Interest rate swaps	1,545.8	-3,213.1	2,180.0	-4,886.4
Currency swaps	1,403.8	-295.4	3,195.4	-54.6
Forward exchange contracts	0.4	-6.3	6.0	-8.4
Currency options	0.0	0.0	0.0	-2.6
Total derivatives	**2,950.0**	**-3,514.8**	**5,381.4**	**-4,952.0**

The fair value adjustment of financial assets and liabilities is recognised in the comprehensive income statement.

Reconciliation between IFRS and US GAAP for netting of derivative transactions

A/S Storebælt	2013 Assets	2013 Equity & liabilities	2012 Assets	2012 Equity & liabilities
Gross value derivatives	1,828.1	-2,404.0	3,642.3	-3,307.9
Accrued interest	256.6	-255.2	385.7	-398.6
Offsetting, c.f. IAS 32	0.0	0.0	0.0	0.0
Gross value, total	**2,084.6**	**-2,659.1**	**4,028.0**	**-3,706.5**
Offsetting netting	-964.3	964.3	-1,735.3	1,735.3
Collateral	-1,012.2	684.3	-2,025.0	940.1
Net value, total	**108.1**	**-1,010.5**	**267.7**	**-1,031.1**

Reconciliation between IFRS and US GAAP for netting of derivative transactions

A/S Øresund	2013 Assets	2013 Equity & liabilities	2012 Assets	2012 Equity & liabilities
Gross value derivatives	1,121.9	-1,110.8	1,739.1	-1,644.1
Accrued interest	132.9	-55.9	128.7	-89.3
Offsetting, c.f. IAS 32	0.0	0.0	0.0	0.0
Gross value, total	**1,254.8**	**-1,166.7**	**1,867.8**	**-1,733.4**
Offsetting netting	-46.8	46.8	-306.9	306.9
Collateral	-1,208.0	0.0	-1,445.0	0.0
Net value, total	**0.0**	**-1,119.9**	**115.9**	**-1,426.5**

Note 19 Prepayments and accrued income

(DKK million)

Prepayments and accrued income comprise paid expenses relating to subsequent financial years.

Sund & Bælt Holding A/S			Sund & Bælt Group	
2012	2013		2013	2012
0.9	0.9	Prepaid rent	3.2	3.7
7.6	7.2	Prepaid insurance premiums	8.2	7.5
0.0	0.0	Prepaid expenses	42.8	7.9
8.5	**8.1**	**Total prepayments and accrued income**	**54.3**	**19.1**

Note 20 Cash at bank and in hand

(DKK million)

Sund & Bælt Holding A/S			Sund & Bælt Group	
2012	2013		2013	2012
0.0	0.0	Cash at bank and in hand	801.0	353.0
0.0	0.0	Fixed term deposit accounts	775.1	150.1
0.0	**0.0**	**Total cash at bank and in hand**	**1,576.1**	**503.1**

Note 21 Equity

(DKK million)

Sund & Bælt Holding A/S' share capital comprises 3,550,000 shares at a nominal value of DKK 100.
The entire share capital is owned by the Danish State. The share capital has remained unchanged since 1992.

Sund & Bælt Holding A/S			Sund & Bælt Group	
2012	2013		2013	2012
355.0	355.0	Share capital	355.0	355,0
111.2	119.2	Retained earnings at 1 January	-7,202.4	-7,326.6
8.0	14.4	Profit for the year	2,997.6	124.2
119.2	**133.6**	**Retained earnings at 31 December**	**-4,204.8**	**-7,202.4**
474.2	488.6	Equity at 31 December	-3,849.8	-6,847.4

Capital management

The Board of Directors continually evaluates the need to adjust the capital structure, including the need for cash funds, credit facilities and equity.

The Group expects negative equity for some years to come. For further details, please refer to the section headed "Financial position" in the Management Report.

Without special notification of each individual case, the Danish State guarantees A/S Storebælt's, A/S Øresund's, A/S Femern Landanlæg's and Femern A/S' other financial liabilities. Øresundsbro Konsortiet's debt is guaranteed jointly and severally by the Danish and Swedish states.

Note 22 Net debt

(DKK million)

Sund & Bælt Group Net debt spread across currencies	EUR	DKK	Other currencies	Net debt
2013				
Cash at bank and in hand	20.4	1,553.5	2.2	1,576.1
Investments	765.6	61.1	0.2	826.9
Bond loans and amounts owed to credit institutions	-4,211.8	-29,330.1	-8,508.3	-42,050.2
Currency and interest rate swaps	-16,010.9	6,937.6	8,514.4	-558.9
Forward exchange contracts	1,396.4	-1,453.7	51.4	-5.9
Currency options	0.0	0.0	0.0	0.0
Accrued interest	-379.1	69.4	-1.0	-310.7
Total (note 17, 18, 20, 23, 25)	**-18,419.4**	**-22,162.2**	**58.9**	**-40,522.7**

Other currencies comprise:	AUD	GBP	JPY	NOK	SEK	USD	Total
2013							
Cash at bank and in hand	0.0	-0.3	0.0	0.0	2.5	0.0	2.2
Investments	0.0	0.0	0.3	0.0	0.0	-0.1	0.2
Bond loans and amounts owed to credit institutions	-36.6	0.0	-1,414.6	-6,034.1	-721.7	-301.3	-8,508.3
Currency and interest rate swaps	36.6	0.0	1,413.3	6,041.5	721.7	301.3	8,514.4
Forward exchange contracts	0.0	0.0	51.4	0.0	0.0	0.0	51.4
Accrued interest	0.0	0.0	-0.2	-0.8	0.0	0.0	-1.0
Total	**0.0**	**-0.3**	**50.2**	**6.6**	**2.5**	**-0.1**	**58.9**

The items below are included in the table above. Net debt spread across currencies:

	Derivatives assets	Derivatives liabitilies	Total
2013			
Interest rate swaps	1,545.8	-3,213.1	-1,667.3
Currency swaps	1,403.8	-295.4	1,108.4
Forward exchange contracts	0.4	-6.3	-5.9
Total (note 18)	**2,950.0**	**-3,514.8**	**-564.8**

Accrued interest	Receivables	Other payables	Total
2013			
Deposits and securities	3.5	-1.5	2.0
Debt	17.1	-408.2	-391.1
Interest rate swaps	200.5	-310.3	-109.8
Currency swaps	188.5	-0.7	187.8
Forward exchange contracts	0.5	-0.1	0.4
Total (note 17, 25)	**410.1**	**-720.8**	**-310.7**

Note 22 Net debt (continued)

(DKK million)

Sund & Bælt Group Net debt spread across currencies	EUR	DKK	Other currencies	Net debt
2012				
Cash at bank and in hand	66.2	254.5	182.4	503.1
Investments	833.1	260.1	0.0	1,093.2
Bond loans and amounts owed to credit institutions	-4,762.7	-27,847.4	-12,552.2	-45,162.3
Currency and Interest rate swaps	-18,949.6	6,768.9	12,615.2	434.5
Forward exchange contracts	2,006.3	-2,074.6	65.8	-2.5
Currency options	-571.0	568.4	0.0	-2.6
Accrued interest	-483.5	37.8	-1.5	-447.2
Total (note 17, 18, 20, 23, 25)	**-21,861.2**	**-22,032.3**	**309.7**	**-43,583.8**

Other currencies comprise:	AUD	GBP	JPY	NOK	SEK	USD	Total
2012							
Cash at bank and in hand	0.0	3.0	0.1	0.0	179.4	-0.1	182.4
Bond loans and amounts owed to credit institutions	-52.4	-353.9	-1,775.9	-9,128.3	-808.5	-433.3	-12,552.3
Currency and Interest rate swaps	52.4	359.8	1,796.6	9,164.6	808.5	433.4	12,615.3
Forward exchange contracts	0.0	0.0	65.8	0.0	0.0	0.0	65.8
Accrued interest	0.0	0.0	-0.2	-1.3	0.0	0.0	-1.5
Total	**0.0**	**8.9**	**86.4**	**35.0**	**179.4**	**0.0**	**309.7**

The items below are included in the table above. Net debt spread across currencies:

	Derivatives assets	Derivatives liabilities	Total
2012			
Interest rate swaps	2,180.0	-4,886.4	-2,706.4
Currency swaps	3,195.4	-54.6	3,140.8
Forward exchange contracts	6.0	-8.4	-2.4
Currency options	0.0	-2.6	-2.6
Total (note 18)	**5,381.4**	**-4,952.0**	**429.4**

Accrued interest	Receivables	Other debt	Total
2012			
Deposits and securities	2.5	-0.1	2.4
Debt	17.1	-493.4	-476.3
Interest rate swaps	233.7	-485.0	-251.3
Currency swaps	277.6	-2.7	274.9
Forward exchange contracts	3.2	-0.1	3.1
Total (note 17, 25)	**534.1**	**-981.3**	**-447.2**

Note 23 Financial risk management

(DKK million)

Financing

The companies' financial management is conducted within the framework determined by the companies' Boards of Directors and guidelines from the guarantor, the Danish Ministry of Finance/ Danmarks Nationalbank.

The Board of Directors determines an overall financial policy and an annual financial strategy, which regulates borrowing and liquidity reserves for specific years and sets the framework for the companies' credit, foreign exchange and interest rate exposure. Financial risk management is also supported by operational procedures.

The overall objective is to achieve the lowest possible financing expenses for the projects over their useful lives with due regard for an acceptable risk level approved by the Board of Directors. A long-term perspective has been applied in the balancing of economic performance and the risks associated with financial management.

The following describes the companies' funding in 2013 as well as the key risks.

Funding

All loans and other financial instruments employed by the companies are underwritten by the Danish State. In general, this means that the companies can achieve capital market terms equivalent to those available to the State, even if the companies do not have an explicit rating from the international credit rating agencies.

The adopted financial strategy seeks to maximise funding flexibility in order to take advantage of developments in the capital markets. However, all loan types must meet certain criteria partly because of the demands from the guarantor and partly because of internal guidelines set out in the companies' financial policy. In general, the final exposure of the companies' loan transactions shall consist of common and standard loan features that, as far as possible, limit the credit risk. The loan documentation does not contain any special terms that require disclosure with reference to IFRS7.

In certain cases due to favourable conditions, lending itself can occur in currencies in which the companies cannot expose themselves to currency risks (see below). In such cases, the loans are translated through currency swaps into acceptable currencies. Thus, there is no direct link between the original loan currencies and the companies' currency risk.

A/S Storebælt has established a standardised MTN (Medium Term Note) loan programme in the European bond market with a maximum borrowing limit of USD 5 billion of which USD 1.5 billion has been utilised. Thus, an available credit limit of USD 3.5 billion remains. In addition, the company has a Swedish MTN programme of SEK 5 billion of which SEK 0.6 billion has been utilised.

A/S Øresund has also established a standardised MTN (Medium Term Note) loan programme in the European bond market with a maximum borrowing limit of USD 1 billion of which almost USD 250 million has been utilised. Thus, an available credit limit of USD 750 million remains.

Since 2002, the companies have had the opportunity to raise direct loans from Danmarks Nationalbank on behalf of the State to the companies based on a specific government bond, and subject to the same conditions under which the bond is traded in the market.

In 2013, funding requirements were exclusively covered by direct loans from Danmarks Nationalbank, which were a particularly attractive source of funding. A/S Storebælt raised direct loans to a nominal value of DKK 400 million and A/S Øresund direct loans of DKK 1.1 billion.

The extent of A/S Storebælt's funding in any individual year is largely decided by the size of the repayments on the existing debt (refinancing) and the impact from operations. In 2014, such refinancing will amount to approx. DKK 1.4 billion, and the expected net borrowing requirements will be around DKK 2.0 billion. This is besides what is needed for the financing of any extraordinary repurchase of existing loans.

The extent of A/S Øresund's funding in any individual year is largely decided by the size of the repayments on the existing debt (refinancing) and the impact from operations. In 2014, such refinancing will amount to approx. DKK 1.2 billion and the expected net borrowing requirements will be around DKK 0.8 billion. This is besides what is needed for the financing of any extraordinary repurchase of existing loans.

The companies have the flexibility to maintain a liquidity reserve of up to 6 months' liquidity consumption with the objective of reducing the risk of borrowing at times when the general loan terms in the capital markets are temporarily unattractive.

Financial risk exposure

The companies are exposed to financial risks inherent in the funding of the infrastructures and linked to the financial management as well as operational decisions, including bond issuance and loans from credit institutions, the use of derivatives and deposit of liquid funds for the liquidity reserve, receivables from customers and trade payables.

Risks relating to these financial risk exposures primarily comprise:

- Currency risks
- Interest rate risks
- Inflation risks
- Credit risks
- Liquidity risks

Financial risks are identified, monitored and controlled within the framework approved by the Board of Directors as determined in the companies' financial policy and strategy, operational procedures and in accordance with the guidelines from the Danish Ministry of Finance/Danmarks Nationalbank, which has issued guarantees for the companies' liabilities.

Note 23 Financial risk management (continued)

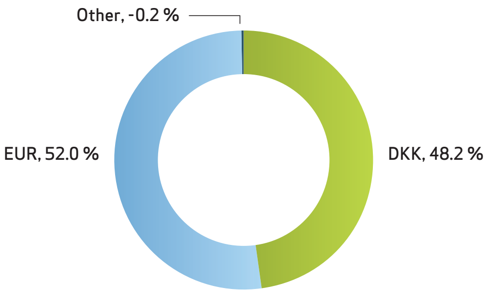
(DKK million)

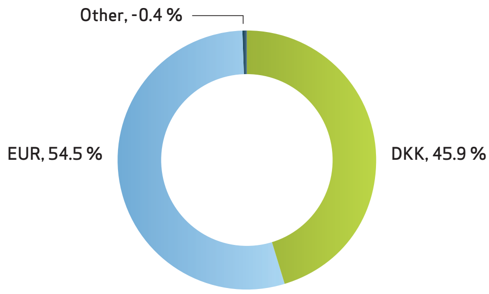
Currency risks

The companies' exposure to currency risks primarily relates to the part of the net debt denominated in currencies other than the base currency (DKK). Financial derivatives and liquid funds are recognised in the disclosure of the currency risk measured at fair value.

A/S Storebælt's currency exposure at fair value in DKK million 2013 and 2012

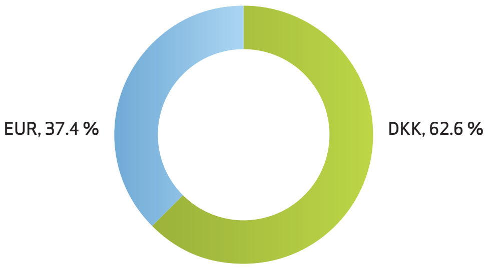
Currency exposure 2013 Currency	Fair value	Currency exposure 2012 Currency	Fair value
DKK	-12,746	DKK	-13,485
EUR	-13,757	EUR	-16,055
Other	56	Other	121
Total 2013	**-26,447**	**Total 2012**	**-29,419**





A/S Øresund's currency exposure at fair value in DKK million 2013 and 2012

Currency exposure 2013 Currency	Fair value	Currency exposure 2012 Currency	Fair value
DKK	-7,824	DKK	-7,138
EUR	-4,671	EUR	-6,012
Other	1	Other	6
Total 2013	**-12,494**	**Total 2012**	**-13,144**



The Danish Ministry of Finance has stipulated that the companies may have currency exposures in DKK and EUR. The companies' currency risks are managed within the limits of the currency allocation and can be allocated with no constraint between DKK and EUR.

Note 23 Financial risk management (continued)

(DKK million)

Based on the stable Danish fixed exchange rate policy and the relatively narrow fluctuation band vis-a-vis EUR +/-2.25 per cent in the ERM2 agreement, exposure in EUR is not considered to represent any substantial risk. The currency distribution between DKK and EUR will, over the coming years, depend on the exchange rate and interest rate relationship between the two currencies. The companies' debt portfolio was more or less evenly split between EUR and DKK, and the foreign exchange risk was considered to be minimal.

Other currencies comprise JPY, NOK, USD and SEK, and are attributed to the hedging of bond loans in these currencies where premium/discounts in the currency swap result in an exposure based on market-to-market values although the cash flows are completely hedged.

Foreign exchange sensitivity for A/S Storebælt amounted to DKK 48 million in 2013 (DKK 59 million in 2012) calculated as Value-at-Risk.

Foreign exchange sensitivity for A/S Øresund amounted to DKK 16 million in 2013 (DKK 22 million in 2012) calculated as Value-at-Risk.

Value-at-Risk for foreign exchange sensitivity expresses the maximum loss from an unfavourable development in the exchange rate within one year, with a 95 per cent probability. Value-at-Risk has been calculated based on historical volatility and correlations within one year in the currencies that pose a risk.

Interest rate and inflation risks

The companies' financing expenses are exposed to interest rate risks because of the ongoing funding for the refinancing of debts maturing, refixing of interest rates on floating rate debt and deposit of liquidity from operations and investments. The uncertainty arises as a consequence of fluctuations in market interest rates.

The companies' interest rate risk is actively managed by several lines and limits, and the combination of these limits the interest rate risk on the net debt.

For A/S Storebælt, the following framework for 2013 is applied in the interest rate risk management:

- Interest rate refixing risk may not exceed 40 per cent of the net debt
- Duration target on net debt is 3.5 years (variation limit: 3.0-4.25 years)
- Limits for interest rate exposure with fluctuation bands.

For A/S Øresund, the following framework for 2013 is applied in the interest rate risk management:

- Interest rate refixing risk may not exceed 45 per cent of the net debt
- Duration target on net debt is 4.25 years (variation limit: 3.5-5.0 years)
- Limits for interest rate exposure with fluctuation bands.

The companies' interest rate risk is actively managed through the use of interest rate and currency swaps and other derivatives.

Floating rate debt or debt with a short remaining maturity imply that the loan must have the interest rate reset at market interest rates within a given time frame, which typically involves higher risks than fixed rate debts with long maturity when fluctuations in the current interest expenses form the basis of the risk management.

By contrast, financing expenses are usually a rising function of the maturity, and the choice of debt allocation is thus a question of balancing financing expenses and risk profile.

The debt allocation between fixed and floating rate nominal debt and real rate debt in conjunction with the maturity profile (maturity on the fixed rate debt) and the currency distribution comprise the uncertainty on the financing expenses.

Besides representing an isolated balancing of financing expenses and interest rate refixing risk on the net debt, the companies' risk profile is also affected by the correlation between revenue from operations and financing expenses. As a result, a debt composition with some degree of positive correlation between revenue and finance expenses may have a lower risk when revenue and uncertainties as to the companies' assets and financial liabilities are assessed collectively.

Typically, floating rate debt and the inflation indexation on the real rate debt have a positive correlation with general economic growth because monetary policy will often seek to balance the economic cycle by hiking interest rates when economic growth and inflation are high – and vice versa.

The economic relationship between operating revenue and financing expenses justifies a relatively large proportion of floating rate debt. Developments in road traffic revenue, which is the primary income source, are particularly dependent on economic conditions and low economic growth typically entails low traffic growth, and thus a less favourable development in revenue. This revenue risk can, to a certain extent, be offset by a high proportion of floating rate debt in that adverse economic trends normally lead to lower interest rates, notably at the short end of the maturity spectrum.

Fixed rate debt may, on the other hand, serve as a hedge against stagflation, with low growth and high inflation, which cannot be passed on to the tolls for crossing the bridge.

In addition to the above considerations concerning the correlation to macro-economic developments, there is also an isolated balancing of financing expenses and interest rate refixing risk on the nominal debt.

Furthermore, the companies have a strategic interest in real rate debt where the financing expenses comprise a fixed real rate plus indexation dependent upon general inflation. The reason is that operating income, by and large, can be expected to follow inflation developments as both road tolls and rail revenue are normally indexed. Real rate debt, therefore, represents a low risk and works as a hedge of operating revenue and the companies' long-term project risk.

Note 23 Financial risk management (continued)

(DKK million)

Based on the overall financial management objective – to attain the lowest possible financing expenses within a risk level approved by the Board of Directors – the companies have established a strategic benchmark for the debt portfolio's interest rate allocation and the nominal duration.

This benchmark serves as an overall guideline and a financial framework for the debt management and implies that the companies target a real rate debt allocation of 25-45 per cent and a duration of 3.5 years for A/S Storebælt and 4.25 years for A/S Øresund on the nominal debt.

Maximum variation limits for the interest rate allocation and duration target are established.

The basis for determining the strategic benchmark in the debt management is economic model simulations that estimate the expected outcome of earnings from the companies' assets and liabilities on a large number of relevant portfolio combinations with different interest rate allocations and maturity profiles, and consists of a balancing of financing expenses and revenue risk.

Besides the above-mentioned strategic elements, the interest rate risk is also managed on the basis of the expectations for short-term interest rate developments.

The duration of the strategic benchmark for 2014 is maintained for A/S Storebælt, as it was applicable in 2013, and the target for the real rate debt ratio also remains unchanged.

For A/S Storebælt the actual duration was in the interval of 3.2-3.5 years, i.e. close to the strategic benchmark and the real rate debt ratio remained unchanged.

The duration of the strategic benchmark for 2014 was extended for A/S Øresund to 5.0 years with a fluctuation band of +/- 1 year, which should be seen in the light of a continued protracted debt repayment period and the currently low interest rate level. The target for the real rate debt ratio remains unchanged.

For A/S Øresund the actual duration was in the interval of 3.7-5.5 years, and the duration was extended in line with refinancing and, towards the end of the year, increased in connection with the implementation of the new duration target of 5.0 years. The extension of the duration was primarily obtained through direct loans with a maturity of around 25 years. The real rate debt ratio remained unchanged.

The financial markets were characterised by a shift in sentiment towards a greater degree of optimism regarding the financial outlook and the FED's notice and subsequent decision concerning a gradual reduction of bond buying. In Euroland, the ECB has contained the sovereign debt crisis, which has now been followed by a gradual recovery albeit with subdued growth prospects after a long period of recession. In the US, the yield on ten-year maturities in the swap market has increased by about 1.3 percentage points, which has also lifted interest rates in Europe, but less so as a result of lower growth. In Denmark, interest rates increased by 0.7 percentage points, which was little more than the corresponding development in Germany. Inflation forecasts have also eased thus real rates have consequently risen more than norminal interest rates. The development in interest rates and inflation during the year has produced a profit from fair value adjustments in both companies.

For A/S Storebælt, the resulting unrealised positive fair value adjustments are DKK 1,210 million.

For A/S Øresund, the resulting unrealised positive fair value adjustments are DKK 538 million.

The management of the interest rate risk aims at attaining the lowest possible longer-term financing expenses with no specific regard for the annual fluctuations in the fair value adjustment. The fair value adjustment has, however, no impact on the companies' economy, including the repayment period.

The yield exposure on the net debt is based on the nominal value (the notional) split in time buckets at the earliest of the time to maturity or the time to the next interest rate refixing. Thus, the floating rate debt is included in the next financial year and shows the cash flow exposure to the interest refixing risk.

The companies use derivatives to adjust the allocation between floating and fixed rate nominal debt and real rate debt, including, primarily, interest rate and currency swaps, FRAs, swaptions and interest rate guarantees.

Note 23 Financial risk management (continued)

(DKK million)

Yield exposure disclosed on nominal notional amounts, A/S Storebælt

Yield buckets	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Nominal value	Fair value
Cash at bank and in hand	300	821	0	0	0	0	1,121	1,122
Bond loans and other loans	-1,939	-3,949	-1,594	-6,659	-1,776	-8,618	-24,535	-27,261
Interest rate and currency swaps	-4,843	3,949	339	2,995	1,030	-4,140	-670	-567
Forward exchange contracts	-6	0	0	0	0	0	-6	-6
Other derivatives	0	0	0	0	0	0	0	0
Credit institutions	266	0	0	0	0	0	266	266
Net debt	**-6,222**	**821**	**-1,255**	**-3,664**	**-746**	**-12,758**	**-23,823**	**-26,447**
Of this, real rate instruments:								
Real rate loans	-639	0	0	0	0	-3,498	-4,137	-4,808
Real rate swaps	639	0	-109	0	0	-5,334	-4,804	-5,566
Real rate instruments, total	**0**	**0**	**-109**	**0**	**0**	**-8,832**	**-8,941**	**-10,374**

Yield exposure > 5 years is allocated as follows

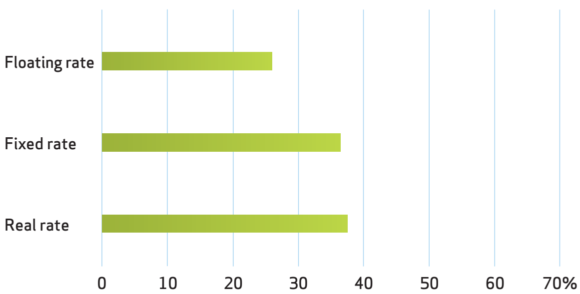
Yield buckets	5-10 years	10-15 years	10-20 years	> 20 years
Net debt	-9,051	-3,162	-545	0
Of which real rate instruments	-6,149	-2,344	-339	0

The fixed rate nominal debt is more or less equally weighted between 5-10 year interest rate buckets while the real rate debt predominantly has maturities of around 10 years.

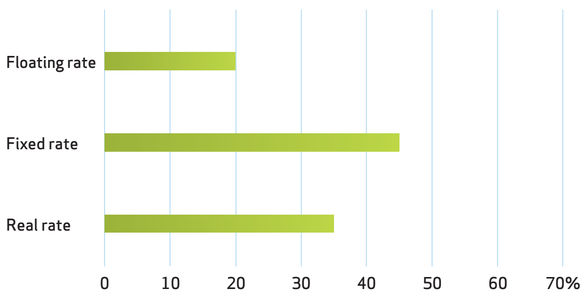
Yield buckets, A/S Storebælt

2013	Interest rate allocation in per cent	2012
26.1	Floating rate	19.6
36.4	Fixed rate	45.2
37.5	Real rate	35.2
100.0	**Total**	**100.0**

Interest rate risk incl. hedging, 2013



Interest rate risk incl. hedging, 2012



The yield exposure is distributed with an allocation of 87.6 per cent to interest rates in DKK and 12.4 per cent in EUR. As regards real rate debt, this is exposed to the Danish Consumer Price Index (CPI).

Note 23 Financial risk management (continued)

(DKK million)

The financing expenses' sensitivity to an interest or inflation rate change of 1 percentage point can be estimated at DKK 67 million and DKK 89 million respectively and the impact will be symmetrical since there is no hedging of the floating interest rate exposure, and since the inflation sensitivity is symmetrical.

Yield exposure disclosed on nominal notional amounts, A/S Øresund

Yield buckets	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Nominal value	Fair value
Cash at bank and in hand	250	0	0	0	0	0	250	250
Bond loans and other loans	-1,412	-1,500	-2,101	-2,500	0	-3,712	-11,225	-13,125
Interest rate and currency swaps	-1,663	1,400	427	2,163	0	-2,492	-165	88
Forward exchange contracts	1	0	0	0	0	0	1	0
Credit institutions	293	0	0	0	0	0	293	293
Net debt	**-2,531**	**-100**	**-1,674**	**-337**	**0**	**-6,204**	**-10,846**	**-12,494**
Of this, real rate instruments:								
Real rate swaps	0	-100	-76	0	0	-3,301	-3,477	-3,942
Real rate instruments, total	**0**	**-100**	**-76**	**0**	**0**	**-3,301**	**-3,477**	**-3,942**

Yield exposure > 5 years is allocated as follows

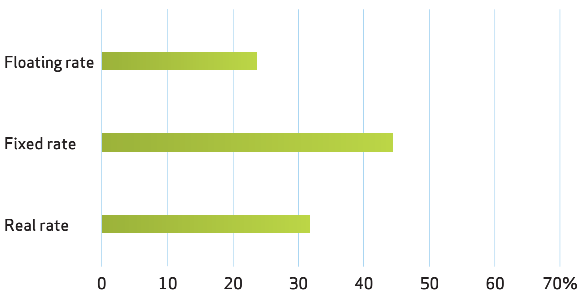
Yield buckets	5-10 years	10-15 years	10-20 years	> 20 years
Net debt	-1,345	-2,067	-1,885	-200
Of which real rate instruments	0	-1,418	-1,877	0

The fixed rate nominal debt is more or less equally weighted between 3, 10 and 25 year interest rate buckets, while the real rate debt is equally weighted between 10 and 15 year maturities.

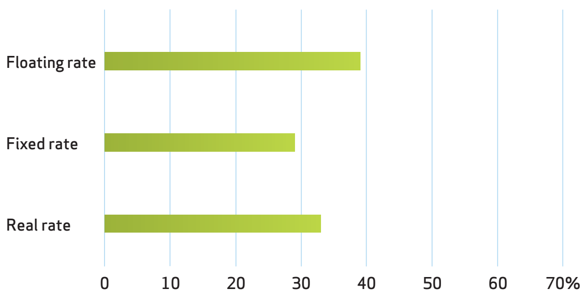
Interest rate allocation, A/S Øresund

2013	Interest rate allocation in per cent	2012
23.3	Floating rate	39.1
44.6	Fixed rate	29.2
32.1	Real rate	31.7
100.0	**Total**	**100.0**

Interest rate risk incl. hedging, 2013



Interest rate risk incl. hedging, 2012



The yield exposure is distributed with an allocation of 86.4 per cent to interest rates in DKK and 13.6 per cent in EUR. As regards real rate debt, this is exposed to the Danish Consumer Price Index (CPI).

Note 23 Financial risk management (continued)

(DKK million)

The financing expenses' sensitivity to an interest or inflation rate change of 1 percentage point can be estimated at DKK 31 million and DKK 35 million respectively and the impact will be symmetrical since there is no hedging of the floating interest rate exposure, and with current level of inflation, the sold "floor" on inflation (principal EUR 190 million) will not be effective.

When interest rates change, this affects the market value (fair value) of the net debt and, in this respect, the impact and risk are greater on fixed rate debt with long maturities. This is owing to the discounting effect and corresponds to the alternative cost or gain relating to fixed rate debt obligations in comparison to financing at current market interest rates.

The duration denotes the average remaining maturity on the net debt. A long duration implies a low interest rate refixing risk since a relatively smaller proportion of the net debt needs to be reset to the current interest rate.

The duration also expresses the interest rate sensitivity on the net debt stated at market value.

Duration, A/S Storebælt

2013				2012		
Duration (years)	BPV*)	Fair value		Duration (years)	BPV*)	Fair value
3.4	5.5	-16,073	Nominal debt	3.6	6.6	-18,154
6.6	6.8	-10,374	Real rate debt	7.5	8.4	-11,265
4.7	**12.3**	**-26,447**	**Net debt**	**5.1**	**15.0**	**-29,419**

*) Basis point value (BPV) expresses the price sensitivity to a parallel shift in the yield curve of 1 bp.

A/S Storebælt's duration totalled 4.7 years at 31 December 2013, of which 3.4 years relate to the nominal debt and 6.6 years to the real rate debt. The price sensitivity can be calculated at DKK 12.3 million, when the yield curve is shifted in parallel by 1bp. This will imply a positive fair value adjustment in the income statement and balance sheet when interest rates rise by 1bp, and vice versa.

Duration, A/S Øresund

2013				2012		
Duration (years)	BPV*)	Fair value		Duration (years)	BPV*)	Fair value
5.3	4.6	-8,552	Nominal debt	3.8	3.2	-8,658
11.6	4.5	-3,942	Real rate debt	12.4	5.5	-4,486
7.3	**9.1**	**-12,494**	**Net debt**	**6.7**	**8.7**	**-13,144**

*) Basis point value (BPV) expresses the price sensitivity to a parallel shift in the yield curve of 1 bp.

A/S Øresund's duration totalled 7.3 years at 31 December 2013, of which 5.3 years relate to the nominal debt and 11.6 years to the real rate debt. The price sensitivity can be calculated at DKK 9.1 million, when the yield curve is shifted in parallel by 1bp. This will imply a positive fair value adjustment in the income statement and balance sheet when interest rates rise by 1bp, and vice versa.

The sensitivity calculations have been made on the basis of the net debt on the balance sheet date, and the impact is similar in result and balance sheet as a result of the accounting policies where financial assets and liabilities are recognised at fair value.

Note 23 Financial risk management (continued)

(DKK million)

Credit risks

Credit risks are defined as the risk of losses arising as a result of a counterparty not meeting its payment obligations. Credit risks arise in connection with the deposit of excess liquidity, receivables from derivative transactions and trade receivables.

The credit policy for the deposit of excess liquidity has continuously been tightened with increased requirements for rating, credit limits and maximum duration to ensure diversification and limit the exposure with individual counterparties. The size of the liquidity reserve is a balance between credit risk and attaining financing on favourable terms.

Excess liquidity has been placed as bank deposits with financial counterparties with a high credit rating and there have been no incidents involving overdue payments or a decline in value as a result of credit events.

The companies' derivative transactions are regulated by an ISDA master agreement for each individual counterparty. It is explicitly set out that netting of positive and negative balances will apply.

The credit risk on financial counterparties is managed and monitored on a daily basis through a specific line and limit system which has been approved by the Board of Directors in respect of the companies' financial policy and determines the principles for calculating these risks and limits for acceptable risks. The allocation of limits for acceptable credit exposures is determined on the basis of the counterparty's long-term rating by either Standard and Poor's (S&P), Moody's Investor Service (Moody's) or Fitch Ratings.

The credit risk is limited to the greatest possible extent by diversifying the counterparty exposure and reducing the risk exposure on individual counterparties. The financial counterparties must adhere to high standards for credit quality and agreements are only entered into with counterparties that have a long-term rating above A3/A- unless rigorous collateral requirements are met and the country of the counterparty meets the rating requirements of at least Aa2/AA, after which a rating of a minimum of Baa2/BBB is acceptable for the counterparty.

The companies have entered into collateral agreements (CSA agreements) with the majority of the financial counterparties and since 2005 have only entered into derivative contracts that are regulated by such agreements. The CSA agreements are two-way and imply that both the company and the counterparty must pledge collateral in the form of government bonds or mortgage bonds with high credit quality when the balance is in favour of one of the parties. The parties gain ownership of the collateral with a mandatory obligation to return income and securities in the absence of bankruptcy.

Credit exposure is effectively limited by a rating-dependent threshold for unhedged receivables and more collateral is required for counterparties with lower credit quality. The threshold value is EUR 10 million for counterparties with an AA rating and zero for an A rating, while the companies because of their high credit rating have a threshold of EUR 65 million. The bonds, provided as collateral, must have a minimum rating of Aa3/AA-.

A process has been intitiated which will make collateral agreements more market standard, which should be seen in light of the fact that the companies are not covered by EMIR's central clearing obligation for derivative transactions.

The majority of the companies' financial counterparties are located at the low end of the rating scale as a consequence of the increasingly protracted financial and economic crisis. Solvency among the companies' financial counterparties is deemed to be intact and predominantly covered by collateral.

IFRS stipulates that the credit risk is calculated gross excluding netting (offsetting of positive and negative balances with the individual counterparty), unless there is an intent and a legal right of set off. The net exposure is disclosed as additional information and constitutes a better measure of the companies' actual credit risk.

Note 23 Financial risk management (continued)

(DKK million)

Credit risks on financial assets recognised at fair value distributed on credit quality 2013, A/S Storebælt
Total counterparty exposure (market value)

Rating	Deposits and bond assets	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	822	3	0	0	2
AA	300	851	610	534	4
A	0	1,204	510	448	10
BBB	0	0	0	30	1
Total	**1,122**	**2,059**	**1,120**	**1,012**	**17**

Credit risks on financial assets recognised at fair value distributed on credit quality 2012, A/S Storebælt
Total counterparty exposure (market value)

Rating	Deposits and bond assets	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	1,089	0	0	0	2
AA	0	1,463	1,092	1,043	6
A	0	2,542	1,201	982	9
BBB	0	0	0	0	1
Total	**1,089**	**4,005**	**2,293**	**2,025**	**18**

A/S Storebælt has 17 financial counterparties, including Germany as bond issuer, while the business volume with the remaining 16 counterparties is related to derivative transactions of which 12 counterparties are covered by collateral agreements.

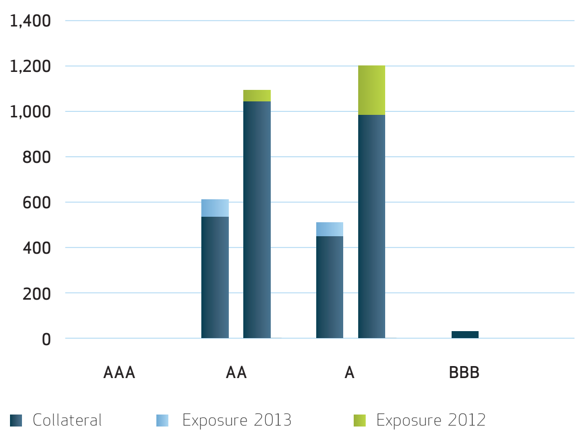
The credit exposure is fairly evenly divided between the AA and A rating category, and is largely covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 1,012 million and collateral amounts to DKK 1,012 million. Counterparty exposure without collateral agreements totals DKK 109 million on a single counterparty in the A rating category.

The company has pledged collateral for DKK 684 million to safeguard an outstanding exposure from derivative transactions in favour of one counterparty. Otherwise, the company has not pledged any collateral because of the relatively high threshold value as a consequence of the company's high credit rating.

The amounts related to credit risks and collateral are stated at market value at the balance sheet date.

Distribution of counterparty exposure on rating categories 2013 and 2012, A/S Storebælt



Note 23 Financial risk management (continued)

(DKK million)

Credit risks on financial assets recognised at fair value distributed on credit quality 2013, A/S Øresund
Total counterparty exposure (market value)

Rating	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	0	0	0	2
AA	258	251	140	4
A	986	920	1,068	5
Total	**1,244**	**1,171**	**1,208**	**11**

Credit risks on financial assets recognised at fair value distributed on credit quality 2012, A/S Øresund
Total counterparty exposure (market value)

Rating	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	0	0	0	2
AA	474	446	241	5
A	1,361	1,115	1,204	7
Total	**1,835**	**1,561**	**1,445**	**14**

A/S Øresund has 11 financial counterparties and the business volume is primarily related to derivative transactions of which 8 counterparties are covered by collateral agreements.

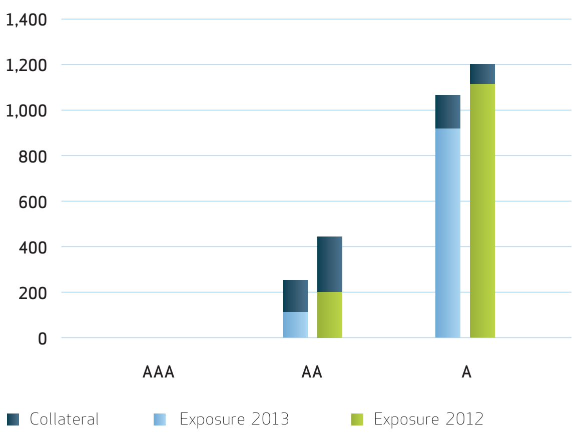
The credit exposure is primarily concentrated on the A rating category and is largely covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 1,132 million and collateral amounts to DKK 1,208 million. Counterparty exposure without collateral agreements totals DKK 39 million spread across the AA rating category.

A/S Øresund has not pledged any collateral since the credit exposures in the counterparties' favour do not require this due to the company's high credit rating.

The amounts related to credit risks and collateral are stated at market value at the balance sheet date.

Distribution of counterparty exposure on rating categories 2013 and 2012, A/S Øresund



Note 23 Financial risk management (continued)

(DKK million)

Liquidity risk

Liquidity risk is the risk of losses arising if the companies have difficulties meeting their financial obligations, both in terms of debt and derivatives.

The guarantee provided by the Danish State, and the flexibility to maintain a liquidity reserve of up to 6 months' liquidity consumption imply a limited liquidity risk for the companies. In order to avoid significant fluctuations in the refinancing for individual years, the objective is for the principal payments to be evenly dispersed. Unexpected cash outflow can arise from demands for collateral as a result of market value changes on derivative transactions.

Maturity on debt as well as liabilities and receivables from financial derivatives, A/S Storebælt

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-1,711	-4,002	-1,606	-6,671	-1,788	-8,755	-24,533
Derivative liabilities	-1,947	-5,180	-1,392	-602	-1,976	-8,964	-20,061
Derivative receivables	2,029	5,090	1,294	575	1,883	8,505	19,376
Assets	300	821	0	0	0	0	1,121
Total	**-1,329**	**-3,271**	**-1,704**	**-6,698**	**-1,881**	**-9,214**	**-24,097**
Interest payments							
Debt	-908	-851	-685	-646	-387	-679	-4,156
Derivative liabilities	-576	-495	-474	-440	-349	-1,688	-4,022
Derivative receivables	796	747	533	503	393	1,058	4,030
Assets	2	2	0	0	0	0	4
Total	**-686**	**-597**	**-626**	**-583**	**-343**	**-1,309**	**-4,144**

Maturity on debt as well as liabilities and receivables from financial derivatives, A/S Øresund

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-1,192	-1,500	-2,101	-2,500	0	-3,936	-11,229
Derivative liabilities	-2,500	-1,298	-847	-21	-21	-2,876	-7,563
Derivative receivables	2,500	1,265	822	21	21	2,771	7,400
Assets	250	0	0	0	0	0	250
Total	**-942**	**-1,533**	**-2,126**	**-2,500**	**0**	**-4,041**	**-11,142**
Interest payments							
Debt	-444	-394	-336	-298	-213	-1,856	-3,541
Derivative liabilities	-155	-166	-154	-134	-122	-1,548	-2,279
Derivative receivables	318	260	176	155	112	1,321	2,342
Total	**-281**	**-300**	**-314**	**-277**	**-223**	**-2,083**	**-3,478**

Debt, derivative liabilities and receivables, as well as financial assets, are recognised in the liquidity projection and repayments and principal amounts are entered at the earliest due date. Interest payments are recognised at agreed terms and implicit forward interest rates and inflation form the basis for the variable interest payments and inflation indexation. Repayments, principal amounts and interest payments are disclosed for the net debt and neither refinancing nor cash flows from operating activities is included, c.f. IFRS 7.

Note 24 Note 24 Profitability

(DKK million)

A/S Storebælt
A/S Storebælt's debt will be repaid from the revenue from road and rail traffic.

The repayment period is unchanged on the year and based on the most recently updated traffic forecast is calculated at 31 years.

Calculated from the opening year, the aforementioned repayment period means that the company will be debt free in 2029.

Co-financing of the political agreement regarding "A green transport policy", as a result of the decision of the Danish parliament on 29 January 2009, is included in the calculation of the repayment period where the company pays dividend to the state of DKK 9.0 billion (in 2008 prices) until 2022 and assumes to cease doing so after the agreement has been fulfilled. As a result of profit developments, equity is now sufficiently well consolidated for the company to begin to pay dividends. The profitability calculations assume a dividend of DKK 900 million in 2014, and a similar amount is expected going forward.

The main uncertainties in the profitability calculations relate to the long-term traffic development and the real rate, which is estimated at 3.5 per cent. Traffic growth is expected to average 1 and 1.5 per cent for lorries and passenger cars respectively, although zero growth in traffic is expected in the next few years. Operating expenses are expected to rise in line with inflation. Moreover, there is some uncertainty in relation to the size and timing of reinvestments in the rail link.

A/S Øresund
Investments in the Øresund fixed link's landworks will be repaid partly through fees from Banedanmark for use of the Øresund rail link and partly through dividend payments from Øresundsbro Konsortiet of which A/S Øresund owns 50 per cent.

Moreover as a consequence of the joint taxation with the Group's other companies, A/S Øresund obtains a liquidity benefit. This benefit is achieved because the joint taxation with A/S Storebælt means that A/S Storebælt can utilise the tax loss in A/S Øresund in return for paying the proceeds of the tax savings to A/S Øresund. Thus A/S Øresund can advance the use of its tax loss in time.

The repayment period for A/S Øresund is now calculated at 48 years, which is one year longer than last year. In 2014, A/S Øresund is expected to take over responsibility for maintenance of the Øresund line, which means that the annual expenses for maintenance and reinvestments will increase by over DKK 60 million when the assignment is fully phased in. The takeover of the maintenance responsibility on the Øresund line is the main reason for the extension of the repayment time.

Conversely, an advancement of the date for receipt of the first dividend payment from Øresundsbro Konsortiet by three years has positively supported the development in the repayment period. The background is a more positive development in equity in Øresundsbro Konsortiet than previously assumed as a result of positive fair value adjustments. According to the forecast, equity in Øresundsbro Konsortiet will be reestablished in 2017, after which dividend can be paid to the parent companies.

A/S Øresund is sensitive to changes in the economy of the above two companies.

Note 25 Trade and other payables

(DKK million)

Sund & Bælt Holding A/S 2012	Sund & Bælt Holding A/S 2013		Sund & Bælt Group 2013	Sund & Bælt Group 2012
1.8	1.5	Trade payables	153.9	127.9
7.2	110.4	Debt group enterprises – group companies	0.0	0.0
1.7	0.4	Affiliated companies	1.7	5.0
0.0	0.8	Guarantee commission payable	54.9	56.4
0.0	0.0	Accrued interest, financial instruments (see note 22)	720.8	981.3
17.4	17.2	Other payables	216.2	348.9
28.1	**130.3**	**Total**	**1,147.5**	**1,519.5**
		Accrued interest		
0.0	0.0	Deposits and securities	1.5	0.1
0.0	0.0	Loans	408.2	493.4
0.0	0.0	Interest rate swaps	310.3	485.0
0.0	0.0	Currency swaps	0.7	2.7
0.0	0.0	Forward exchange contracts	0.1	0.1
0.0	**0.0**	**Accrued interest, total**	**720.8**	**981.3**

Note 26 Accruals and deferred income

(DKK million)

Accruals and deferred income comprise payments received relating to income in subsequent years.

Sund & Bælt Holding A/S 2012	Sund & Bælt Holding A/S 2013		Sund & Bælt Group 2013	Sund & Bælt Group 2012
0.0	0.0	Prepaid income	24.8	33.9
1.6	1.4	Other accruals	2.5	1.6
1.6	**1.4**	**Accruals and deferred income, total**	**27.3**	**35.5**

Note 27 Contractual obligations, contingent liabilities and securities

(DKK million)

The Group's contractual obligations comprise construction, operation and maintenance contracts with expiry dates up to 2018 at an overall balance of DKK 424 million (DKK 339 million in 2012). Work under contracts amounted to DKK 338 million (DKK 311 million in 2012).

Operating leasing comprises contracts with a maturity of between 1-7 years. The leasing obligation totals DKK 95.6 million (DKK 70.5 million in 2012) of which DKK 24.7 million falls due in 2014.

In accordance with the Act on Ferry Operations, the company is required to maintain to a defined extent car ferry operations between Zealand and Jutland across Kattegat and between Spodsbjerg and Tårs. For the Spodsbjerg and Tårs service, this means that the company has signed a contract with Sydfynske A/S concerning the operation of the service until 30 April 2018. In 2014, the costs are expected to total DKK 40 million.

In 2009, a contractor who participated in the construction of the Storebælt Bridge lodged a claim relating to the termination of AMBI in 1992. In 2011, the contractor submitted the case to the court of arbitration with a claim for reimbursement of AMBI plus interest compensation. In 2012, the parties submitted a reply and a rejoinder to the arbitration board, which considered the matter in 2013. In its findings of 19 September 2013, the Court of Arbitration cleared A/S Storebælt in all matters. At the same time, with the acquittal of A/S Storebælt, the Court of Arbitration has ordered the Italian contractor to pay costs to the Court of Arbitration following a statement of account and a demand from the Arbitration Board. In addition, the Italian contractor must pay DKK 1.5 million in costs to A/S Storebælt. Subsequently, the Italian contractor has taken A/S Storebælt to the Civil Court in Rome, Italy. The management's view is that the contractor is not entitled to compensation at the Civil Court either. On this basis, no amount has been set aside in the accounts to cover this.

In connection with the authorities' approval of Sprogø Offshore Wind Farm, A/S Storebælt is obliged to dismantle the wind turbines 25 years from the date of establishment. At the present time, it is not possible to estimate the financial implications.

In cooperation with the Ministry of Transport and Banedanmark, the intention is for A/S Øresund to assume responsibility for the maintenance of the Øresund railway and associated reinvestments from Banedanmark at some point during 2014. Based on the current maintenance costs and investments in respect of the Øresund railway, it is estimated that the repayment period for A/S Øresund will be extended by 3-5 years. As the bridge companies have a target for maximum repayment periods of 50 years, a capital injection in A/S Øresund could be a possibility.

A complaint has been filed with the European Commission on Danish state subsidies to Øresundsbro Konsortiet I/S. The complaint also includes the tax regulations to which the Sund & Bælt Group is subject. On this basis, the European Commission has asked the Danish authorities for a detailed response to the allegations.

A/S Storebælt and A/S Øresund have entered into two-way collateral agreements (CSA agreements) with a number of financial counterparties and may, as a result, be obliged to provide a collateral guarantee by way of depositing bonds for outstandings on derivative contracts in the counterparty's favour. A/S Storebælt has currently provided a collateral guarantee for an outstanding with an individual financial counterparty in its favour for DKK 684 million. A/S Øresund has not provided collateral guarantees for outstandings with financial counterparties

Sund & Bælt Holding A/S is the management company in a Danish joint taxation. According to the Corporation Tax Act, the company is liable, from and including 2013, for income taxes etc. for the jointly taxed companies and, from and including 1 July 2012, for any obligations for withholding tax on interest, royalties and dividend for the jointly taxed companies.

The Group's companies have not provided any collateral.

Note 28 Related parties

(DKK million)

Related parties comprise the Danish State, companies and institutions owned by it. Transactions concerning the Group's senior executives are shown in note 6.

Related party	Registered office	Affiliation	Transactions	Pricing
The Danish State	Copenhagen	100 per cent ownership of Sund & Bælt Holding A/S	Guarantee for the company's debt. Guarantee commission	Stipulated by law. Accounts for 0.15 per cent of the nominal debt
Ministry of Transport	Copenhagen	100 per cent ownership of Sund & Bælt Holding A/S	Purchase of consultancy	Market price
Danish Road Directorate	Copenhagen	Part of the Ministry of Transport	Purchase of consultancy	Market price
A/S Storebælt	Copenhagen	100 per cent owned subsidiary. Partly shared board members. Shared Management Board	Management of subsidiary's operational tasks. Joint tax contribution	Market price
A/S Øresund	Copenhagen	100 per cent owned subsidiary. Partly shared board members. Shared Management Board	Management of subsidiary's operational tasks. Joint tax contribution	Market price
Femern A/S	Copenhagen	100 per cent owned subsidiary via A/S Femern Landanlæg	Purchase of consultancy. Joint tax contribution	Market price
A/S Femern Landanlæg	Copenhagen	100 per cent owned subsidiary. Partly shared board members. Shared Management Board	Management of subsidiary's operational tasks. Joint tax contribution	Market price
Sund & Bælt Partner A/S	Copenhagen	100 per cent owned subsidiary	Management of shared functions. Joint tax contribution	Market price
BroBizz A/S	Copenhagen	100 per cent owned subsidiary	Management of shared functions. Joint tax contribution	Market price
Øresundsbro Konsortiet	Copenhagen/Malmø	50 per cent ownership via A/S Øresund. Partly shared board members. Shared CFO	Purchase of treasury management	Market price
Banedanmark	Copenhagen	Owned by the Danish State	Payments for use of rail links in subsidiaries	Determined by the Minister of Transport

Note 28 Related parties (continued)

(DKK million)

Related party	Description	Amount 2013	Amount 2012	Balance at 31 December 2013	Balance at 31 December 2012
The Danish State	Guarantee commission	-55.4	-56.5	-55.4	-56.5
Ministry of Transport	Purchase of consultancy	0.0	-2.0	0.0	0.0
Danish Road Directorate	Purchase of consultancy	0.2	0.0	0.0	0.0
A/S Storebælt	Management of subsidiary's operational tasks	124.8	130.7	2.9	-2.6
	Joint taxation contribution	-112.4	0.0	-112.4	0.0
A/S Øresund	Management of subsidiary's operational tasks	6.5	6.7	0.2	0.1
	Joint taxation contribution	71.0	3.7	71.0	3.7
Sund & Bælt Partner A/S	Management of subsidiary's operational tasks	0.1	0.1	0.0	0.0
Femern A/S	Management of operational tasks	1.1	2.3	0.2	0.4
	Joint taxation contribution	20.0	0.0	20.0	0.0
A/S Femern Landanlæg	Management of subsidiary's operational tasks	0.5	0.4	0.1	0.0
	Joint taxation contribution	18.0	0.2	18.0	0.2
BroBizz A/S	Management of subsidiary's operational tasks	0.3	0.1	0.3	0.0
Øresundsbro Konsortiet	Purchase of treasury management	-2.3	-3.3	0.4	-2.0
Banedanmark	Payments for use of rail links in subsidiaries	741.3	794.1	68.2	12.7

Note 29 Events after the balance sheet date

A writ against A/S Storebælt was filed at the Civil Court in Rome, Italy. The application was lodged by the Italian entrepreneur, who lost the arbitration case against Storebælt in 2013, see note 27.

A complaint has been filed with the European Commission on Danish state subsidies to Øresundsbro Konsortiet I/S. The complaint also includes the tax regulations to which the Sund & Bælt Group is subject. On this basis, the European Commission has asked the Danish authorities for a detailed response to the allegations.

Apart from this, there are no events of importance to the Annual Report for 2013 that have occurred after the balance sheet date.

Note 30 Approval of Annual Report for publication

At the meeting of the Board of Directors on 25 March 2014, the Board approved the Annual Report for publication.

The Annual Report will be presented to the shareholders of Sund & Bælt Holding A/S for approval at the Annual General Meeting on 24 April 2014.

Statement by the Board of Directors and Management Board

The Board of Directors and Management Board have today considered and approved the annual report for the financial year 1 January – 31 December 2013 for Sund & Bælt Holding A/S.

The consolidated and parent company accounts have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for annual reports of issuers of listed bonds.

It is our view that the consolidated and parent company accounts give a true and fair view of the Group and parent company's assets, liabilities and financial position at 31 December 2013, as well as the results of the Group and parent company's activities and cash flow for the financial year 1 January - 31 December 2013.

It is also our view that the Management Report gives a true and fair view of developments in the Group and parent company's activities and financial conditions, the annual results and the Group and parent company's overall financial position and a description of the significant risks and uncertainty factors to which the Group and the parent company are exposed.

It is recommended that the annual report be approved at the Annual General Meeting.

Copenhagen, 25 March 2014

Management Board

Leo Larsen
CEO

Beoard of Directors

Henning Kruse Petersen
Chairman

Carsten Koch
Vice-Chairman

Pernille Sams

Jørgen Elikofer

Mette Boye

Walter Christophersen

Jesper Brink

Christian Hein

Martin Duus Hansen

The independent auditor's statement

To the owner of Sund & Bælt Holding A/S

Statement on the consolidated and parent company accounts

We have audited the consolidated and parent company accounts for Sund & Bælt Holding A/S for the financial year 1 January – 31 December 2013, which comprise the comprehensive income, the balance sheet, statement of changes in equity, cash flow and notes, including the accounting policies for the Group and parent company. The consolidated and parent company accounts are presented in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for issuers of listed bonds.

The Board of Directors' and Management Board's responsibility for the consolidated and parent company accounts

The Board of Directors and the Management Board are responsible for preparing the consolidated and parent company accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for issuers of listed bonds. The Board of Directors and Management Board also have responsibility for the internal control that the management regards as necessary for preparing consolidated accounts and parent company accounts free of material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated and parent company accounts on the basis of our audit. We have conducted our audit in accordance with international auditing standards and additional requirements under Danish auditing legislation. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the consolidated and parent company accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence for the amounts and disclosures in the consolidated and parent company accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the consolidated and parent company accounts whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the company's preparation of consolidated and parent company accounts that give a true and fair view. The purpose herewith is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and Management Board, as well as evaluating the overall presentation of the consolidated and parent company accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

Opinion

In our opinion, the consolidated and parent company accounts give a true and fair view of the Group and parent company's assets, liabilities and financial position at 31 December 2013 and of the results of the Group and parent company's operations and cash flows for the financial year 1 January – 31 December 2013 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for issuers of listed bonds.

Emphasis of matter relating to the Annual Accounts

Without this having influenced our opinion, we refer to note 21 (with reference to the section "Financial Position" in the Management Report) in which it is stated that the Group's equity is negative. This is expected to be reestablished within a time frame of 5-6 years. Reference should also be made to note 21 whereby it is stated that A/S Storebælt's, A/S Øresund's, A/S Femern Landanlæg's and Femern A/S' operations are secured by the Danish State's guarantee for the companies' obligations and, in respect of Øresundsbro Konsortiet I/S, also by the Swedish State.

Statement concerning the Management Report

In accordance with the Financial Statements Act, we have read the Management Report. We have not performed any procedures in addition to the audit of the consolidated and parent company accounts.

On this basis, we are of the opinion that the information in the Management Report is in accordance with the consolidated and parent company accounts.

Copenhagen, 25 March 2014

Deloitte
Statsautoriseret Revisionspartnerselskab

Anders O. Gjelstrup
State Authorised
Public Accountant

Thomas Hjortkjær Petersen
State Authorised
Public Accountant

Board of Directors

Henning Kruse Petersen, Chairman (date of birth: 1947)
Director
Chairman since 2009
Joined the Board of Directors in 2004
Election period expires in 2014

Areas of expertise: Experience as director and board member of private, public and listed companies. Possesses particular skills within strategy, economics, financing, risk management and the acquisition and sale of companies.

Board member of
- Den Danske Forskningsfond (Chairman)
- Soclé du Monde ApS (Chairman)
- Erhvervsinvest Management A/S (Chairman)
- Scandinavian Private Equity Partners A/S (Chairman)
- A/S Det Østasiatiske Kompagni (Chairman)
- C.W. Obel A/S (Chairman)
- Sund & Bælt Holding A/S (Chairman)
- A/S Storebælt (Chairman)
- A/S Øresund (Chairman)
- Femern A/S (Chairman)
- A/S Femern Landanlæg (Chairman)
- Øresundsbro Konsortiet (Vice-Chairman)
- Asgard Ltd. (Vice-Chairman)
- Skandinavisk Holding A/S (Vice-Chairman)
- Fritz Hansen A/S (Vice-Chairman)
- Skandinavisk Holding II A/S
- Scandinavian Tobacco Group A/S
- William H. Michaelsens Legat
- ØK's Almennyttige Fond
- Midgard Group Inc.

Carsten Koch, Vice-Chairman (date of birth: 1945)
Director
Vice-Chairman since 2009
Joined the Board of Directors in 2004
Election period expires in 2014

Areas of expertise: Many years of leadership experience in the private and public sector. Also has many years' experience of board positions, including as Chairman of public sector companies. Has particular competence within strategy, management, economics and financing.

Board member of
- Udviklingsselskabet By og Havn I/S (Chairman)
- Københavns Havns Pensionskasse (Chairman)
- Forca A/S (Chairman)
- FredericiaC P/S (Chairman)
- Vækstfonden (Chairman)
- Sund & Bælt Holding A/S (Vice-Chairman)
- A/S Storebælt (Vice-Chairman)
- A/S Øresund (Vice-Chairman)
- Femern A/S (Vice-Chairman)
- A/S Femern Landanlæg (Vice-Chairman)
- Øresundsbro Konsortiet
- Dades A/S
- Investeringsforeningen Maj Invest
- Kærkommen Holding ApS
- GES Investment Services Denmark A/S
- Pluss Leadership A/S
- Nordgroup A/S

Chairman of the Employment Council and Chairman of the Panel of Experts on Employment Policy under the Ministry of Employment.

Pernille Sams (date of birth: 1959)
Director, State authorised estate agent, LLM
Joined the Board of Directors in 2003
Election period expires in 2014

Areas of expertise: Many years of experience of board positions as well as legal, business and political experience. Special competence within communication, risk management, analysis and strategy as well as social and nature-related issues.

Board member of
- Danske Selvstændige Ejendomsmæglere (Chairman)
- Pernille Sams Ejendomsmæglerfirma ApS
- Øresundsbro Konsortiet
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- Femern A/S
- A/S Femern Landanlæg

Jørgen Elikofer (date of birth: 1944)
Managing Director, Elikofer & Co
Joined the Board of Directors in 2009
Election period expires in 2014

Areas of expertise: Many years of experience from politically managed organisations and board positions. Special competence within management, industrial policy, energy and infrastructure, Research & Development and technology development.

Board member of
- Øresundsbro Konsortiet
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- Femern A/S
- A/S Femern Landanlæg

Jesper Brink (date of birth: 1964)
Maintenance Manager, Electrical Power Engineer
(elected by employees)
Joined the Board of Directors in 2013
Election period expires in 2017

Mette Boye (date of birth: 1974)
Head of Department, Consumer Council
Joined the Board of Directors in 2011
Election period expires in 2014

Areas of expertise: Many years' experience of political organisations and board positions. Has particular competence within environmental and consumer policies, management, CSR and social and environmental matters.

Board member of
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- Femern A/S
- A/S Femern Landanlæg

Chairman of the Danish Initiative for Ethical Trade. Member of the Government Council for Social Responsibility.

Walter Christophersen (date of birth: 1951)
Independent businessman
Joined the Board of Directors in 2011
Election period expires in 2014

Areas of expertise: Many years' experience from the private sector and with political work. Has particular competence within business, traffic and societal issues.

Board member of
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- Femern A/S
- A/S Femern Landanlæg

Martin Duus Hansen (date of birth: 1964)
Manager, Construction and Installations
(elected by employees)
Joined the Board of Directors in 2013
Election period expires in 2017

Christian Hein (date of birth: 1977)
Operations Assistant, Toll station (elected by employees)
Joined the Board of Directors in 2013
Election period expires in 2017

Management Board

Leo Larsen
CEO

CEO of
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- A/S Femern Landanlæg

Member of the Board of Directors of
- HOFOR Vand Holding A/S (Chairman)
- HOFOR Holding A/S (Chairman)
- HOFOR A/S (Chairman)
- HOFOR Spildevand Holding A/S (Chairman)
- HOFOR Forsyning Holding P/S (Chairman)
- HOFOR Forsyning Komplementar A/S (Chairman)
- Vores Rens Holding A/S (Chairman)
- Vores Rens Service A/S (Chairman)
- Vores Rens Lynettefællesskabet A/S (Chairman)
- Vores Rens Spildevandscenter Avedøre A/S (Chairman)
- Sund & Bælt Partner A/S (Chairman)
- BroBizz A/S (Chairman)
- Børn, Unge og Sorg (Vice-Chairman)
- Fonden Tropebyen Slagelse

Senior Executives

Technical Department
Technical Director Leif J. Vincentsen

Member of the Board of Directors of
- Sund & Bælt Partner A/S

Finance Department
CFO Mogens Hansen

Member of the Board of Directors of
- Sund & Bælt Partner A/S
- BroBizz A/S

Commercial Department
Commercial Director Tine Kirk Pedersen

Member of the Board of Directors of
- BroBizz A/S

Treasury Department
Treasury Director Kaj V. Holm
Vice CEO and CFO Øresundsbro Konsortiet

BroBizz A/S
CEO Helle Bech

Sund & Bælt Partner A/S
CEO Peter Lundhus

Femern A/S
CEO Claus F. Baunkjær

Key figures and financial ratios

NB: The financial ratios have been stated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2010". Please refer to definitions and concepts in note 1: Accounting Policies.

Sund & Bælt Holding A/S

Key figures, DKK million	2013	2012
Operating income	134	138
Operating expenses	-115	-118
Depreciation	-1	-1
EBIT	18	19
Net financials before value adjustment	-10	-14
Profit before value adjustment	8	4
Value adjustments, net	12	6
Profit before tax	20	11
Tax	-6	-3
Profit for the year	14	8
Capital investment	976	877
Equity	489	474
Balance sheet total	1,105	898

A/S Storebælt

Key figures, DKK million	2013	2012
Operating income	3,494	3,420
Operating expenses	-444	-422
Depreciation	-532	-581
EBIT	2,518	2,417
Net financials before value adjustment	-807	-1,129
Profit before value adjustment	1,711	1,288
Value adjustments, net	1,213	-543
Profit before tax	2,924	745
Tax	-780	-186
Profit for the year	2,144	559
Capital investment	28,385	28,844
Bond loans and bank loans	26,968	30,363
Net debt (fair value)	26,447	29,433
Interest bearing net debt	24,277	25,963
Equity	2,108	-36
Balance sheet total	32,758	34,950

Financial ratios, per cent:		
Profit ratio (EBIT)	72.1	70.7
Rate of return (EBIT)	7.7	6.9
Return on facilities (EBIT)	8.9	8.4

A/S Øresund

Key figures, DKK million	2013	2012
Operating income	107	105
Operating expenses	-32	-25
Depreciation	-80	-86
EBIT	-5	-6
Net financials before value adjustment	-279	-397
Loss before value adjustment	-284	-403
Value adjustments, net	538	-225
Profit from jointly managed company	1,039	39
Profit/loss before tax	1,293	-589
Tax	-465	147
Profit/loss for the year	828	-442
Capital investment	5,961	6,038
Bond loans and bank loans	13,033	13,261
Net debt (fair value)	12,494	13,144
Interest bearing net debt	11,446	11,508
Equity	-6,096	-6,924
Balance sheet total	9,228	10,245

Financial ratios, per cent:		
Profit ratio (EBIT)	-4.7	-5.7
Rate of return (EBIT)	-0.1	-0.1
Return on facilities (EBIT)	-0.1	-0.1

Sund & Bælt Partner A/S

Key figures DKK 1,000	2013	2012
Operating income	3,190	3,400
Operating expenses	-3,047	-3,520
Depreciation	0	-39
EBIT	143	-159
Net financials	-204	226
Tax	11	-17
Profit/loss for the year	-50	50
Capital investment	0	0
Equity	10,996	11,046
Balance sheet total	11,860	11,944

Financial ratios, per cent:		
Profit ratio (EBIT)	4.5	-4.7
Rate of return (EBIT)	1.2	-1.3

Femern A/S

Key figures DKK 1,000	2013	2012
Income	0	0
Operating expenses	-1,480	-638
EBIT	-1,480	-638
Net financials	0	0
Tax	13,838	163
Profit/loss for the year	12,358	-475
Capital investment	1,498,063	1,175,549
Equity	514,925	502,567
Balance sheet total	1,911,317	1,648,676

Financial ratios, per cent:		
Profit ratio (EBIT)	0.0	0.0
Rate of return (EBIT)	0.0	0.0

A/S Femern Landanlæg

Key figures DKK 1,000	2013	2012
Income	0	0
Operating expenses	-202	-101
EBIT	-202	-101
Net financials	0	0
Tax	2,314	25
Profit/loss for the year	2,112	-76
Capital investment	234,144	147,065
Equity	511,847	509,735
Balance sheet total	982,471	749,877

Financial ratios, per cent:		
Profit ratio (EBIT)	0.0	0.0
Rate of return (EBIT)	0.0	0.0

BroBizz A/S

Key figures DKK 1,000	2013	2012
Driftsindtægter	32,545	488
Operating expenses	-25,904	-369
Depreciation	-7,419	-68
EBIT	-778	51
Net financials	1,162	2
Tax	-93	-13
Profit for the year	291	40
Capital investment	44,481	108
Equity	101,207	1,916
Balance sheet total	373,076	2,408

Financial ratios, per cent:		
Profit ratio (EBIT)	-2.4	10.5
Rate of return (EBIT)	-0.2	2.1

Financial glossary

Swaps
The exchange of payments between two counterparties – typically a company and a bank. A company may, for example, raise a fixed interest loan and subsequently enter a swap with the bank by which the company receives fixed interest corresponding to the interest on the loan and pays variable interest +/- a premium. The company's net obligation will be the payment of the variable interest +/- the premium. Such transactions are called swaps. In a currency swap, payments in two different currencies are exchanged. Interest rate and currency swaps may also be combined.

Denominated
... issued in ... A bond can be issued (denominated) in EUR, but carry interest related to an amount in DKK.

Cap/floor structure
A cap is an agreement that allows a borrower to choose the maximum interest rate payable over a set period. A floor is the opposite of a cap. A floor restricts the interest rates from falling below a certain level. Accordingly, if a cap/floor has been entered into, the maximum and minimum interest to be paid has been fixed (interest can only fluctuate within a certain interval).

Collar structure
Another term for a cap/floor structure. A zero-cost collar, for example, is purchase of a cap financed by the sale of a floor. If the market rates increase, a cap has been set for the amount of interest to be paid. If, on the other hand, interest rates fall below the floor, this cannot be taken advantage of.

Cap hedge
Hedging of significant interest rate increases on the variable rate debt against payment of a premium. Is used as an alternative to entering a fixed rate for the entire loan period.

Interest-bearing net debt
The interest-bearing net debt is comprised of financial assets and liabilities measured at amortised cost, excluding interest due and receivable under accruals and deferred income.

Fair value
Fair value is the accounting term for market value and expresses current purchase and selling rates on financial assets and liabilities. Changes in the fair value can be primarily attributed to developments in the level of interest rate, exchange rates and inflation.

Fair value adjustment
An accounting principle in financial reporting requiring the value of assets/liabilities to be determined at their market value (fair value) – i.e. the value at which an asset could be sold or a liability settled in the market. In the period between the raising and repayment of loans the fair value will change as interest rates change.

AAA or AA rating
International credit rating agencies rate companies according to their creditworthiness. Companies are usually rated with a short and a long rating that expresses the company's ability to settle its liabilities in the short-term and the long-term respectively. The rating follows a scale, with AAA being the best rating, AA the second best rating etc. The Danish State, which guarantees the liabilities of Storebælt and the Øresund fixed link, has the highest credit rating: AAA. The largest credit rating agencies are Moody's and Standard & Poor's.

Real rate
The nominal interest rate minus inflation.

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