Sund≈Bælt

Annual Report 2015

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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, also the link across the Fehmarnbelt. These responsibilities are carried out with due regard for maintaining high levels 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
- 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 I/S
- Managing and maintaining the port facilities at Odden, Ebeltoft, Spodsbjerg and Tårs.
- Operating and maintaining Sprogø offshore wind farm
- Being responsible for the planning, feasibility studies and construction works for the coast-coast link for the fixed link across Fehmarnbelt
- Being responsible for the ownership and financing of the Danish landworks in connection with the Fehmarnbelt fixed link
- Being responsible for the co-ordination of the planning and construction works for the fixed link across the Fehmarnbelt comprising the coast-to-coast link and the Danish landworks
- 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 userpaid infrastructures via BroBizz A/S.


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 I/S
Share
100 %
50 %

An eventful year for Sund & Bælt

2015 delivered a number of impressive results, both financially and of a traffic nature. It was a year of records for Storebælt, where no fewer than five traffic records were beaten in the summer and, at the end of the year, it was clear that the year's record had become a reality with over 11.9 million vehicles.

The impressive traffic levels and low interest rates gave us a good result for the year, with a profit of nearly DKK 2.5 billion. This means that we can once again reduce the debt, and that we can pay a good dividend to our owner. We note with satisfaction that the state guarantee model that underpins our business is still proving to be robust and a good foundation for the development and operation of our infrastructure facilities.

The Group's financial progress and good results have meant that the state's share of rail fees for the Storebælt link and the Øresund railway can be removed. Similarly, the price of a commuter contract on Storebælt has been reduced considerably as of 1 January 2016. We are happy to contribute, but it is also clear that the reduced revenue limits the companies' financial horizons and hence the potential to contribute in a similar way in the future.

A significant milestone was reached with the adoption of the Construction Act for the Fehmarnbelt link and the associated landworks in Denmark on 28 April. The legal basis for Femern A/S and A/S Femern Landanlæg to start work is in place and on 4 March 2016, the political parties behind the Fehmarnbelt link entered into a political agreement on the further procedure for the Fehmarnbelt link. The Fehmarnbelt link, which, as with the Group's other infrastructure facilities is based on the state guarantee model, will not only give a significant boost to the Danish and Scandinavian infrastructure to the continent, the upgrade of the Danish landworks will also mean a reduction in travel time by train between Copenhagen and Nykøbing Falster, which in itself provides completely new development opportunities in South Zealand and Lolland-Falster.

On 1 September, we took over the responsibility for maintenance of and reinvestment in the Øresund railway from Banedanmark, and this means that we now have responsibility for the maintenance of all of our facilities. Although it is a new task, we have the experience from Storebælt, and this gives us the ability to create even more synergies within the Group by taking advantage of staffing and equipment across the two rail facilities.

The extensive project to equip the East Bridge's main cables with a dehumidification system was completed and tested satisfactorily in the autumn. At the same time, we finished replacing our entire SCADA system on the Storebælt link. These were major and expensive projects – but were urgently needed to secure the life of the facilities for many years and high accessibility levels for road users and rail passengers.

Keeping the facilities up-to-date, however, requires more than maintenance, it requires a high degree of development. As a result, we commenced a range of tests in November that will give us knowledge about the use of GNSS technology for payment collection, so we are ready to handle all future collection systems. The GNSS project is also Sund & Bælt's contribution to the common European EETS and REETS work, which aims to develop and implement a common standard for payment devices, such as BroBizz®, to pay for the spread of user-financed infrastructure across the EU.

The BroBizz company participates in the REETS partnership as an issuer company. Over the past year, the company has been in close discussions with selected countries and is working to agree on the scheduling of the pilot project with one or more of them. In addition, BroBizz A/S has extensive experience of payment services across national borders via its participation in the EasyGo partnership, which will be used to maintain the company's position in this competitive market in future. The focus is initially on the Nordic region, but we will turn our attention southwards in the longer term as the REETS partnership spreads.

We put great emphasis on our social responsibility in the Group. In partnership with Slagelse Municipality, we have decided to lead the way with the transition to green transport and, as a result of the opening of a hydrogen fuelling station in Korsør, we replaced two of our work vehicles on Storebælt with hydrogen vehicles. We have also been involved in the Groundbreaking Constructions exhibition to promote Danish construction in and outside Denmark; and we again allowed Danish cyclists to cross Storebælt in the Aarhus-Copenhagen cycle race.

In the Annual Report you can read more about how we manage our social responsibility, which we also report to the UN Global Compact. We will continue to apply and respect the UN Global Compact's 10 principles in 2016 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

Highlights of the year

Traffic

Road traffic on the Storebælt Bridge set a number of records in 2015, including the full year record, which now stands at 11.9 million vehicles. Traffic grew 4.6 per cent compared to 2014, with passenger car traffic rising by 4.8 per cent and lorry traffic by 1.6 per cent. Train traffic accounted for just under 8.2 million passengers in 2015, a fall of 5.6 per cent compared to 2014.

On the Øresund Bridge, road traffic increased by 1.8 per cent in 2015, with a total of 7.0 million vehicles. Lorry traffic rose by 6.4 per cent compared to 2014 while passenger car traffic grew by 1.6 per cent. Commuter traffic was unchanged, but other passenger car traffic rose by 2.7 per cent, which was primarily due to an increase in leisure traffic of 4.8 per cent. Train traffic increased by 3.5 per cent compared to 2014 and accounted for 11.8 million passengers.

Financial position

The result before fair value adjustments and tax – including the share from Øresundsbro Konsortiet I/S – was a profit of DKK 2,158 million and was therefore about DKK 80 million lower than in 2014.

The result was affected by higher turnover of 4.3 per cent from road revenue at Storebælt or approximately DKK 120 million; lower rail fees paid to Storebælt of approximately DKK 190 million; higher depreciation at A/S Øresund of about DKK 125 million; lower net interest expenses of around DKK 55 million; and improved results at Øresundsbro Konsortiet I/S of some DKK 60 million.

The profit after tax amounted to DKK 2,487 million. This was positively affected by recognised fair value adjustments of DKK 1,032 million and was equivalent to DKK 800 million after tax.

Based on a proposed dividend of DKK 1,200 million from A/S Storebælt, Sund & Bælt Holding A/S expects to pay an extraordinary dividend of DKK 1,200 million in 2016.

Profitability

For A/S Storebælt, the repayment period remains unchanged from last year at 31 years. For Øresundsbro Konsortiet I/S, the repayment period increased by 1 year to 34 years. The increase is mainly because the Consortium has updated its long-term traffic forecasts and anticipates slightly lower growth than previous forecasts. The repayment period for A/S Øresund has increased by 7 years to 52 years, mainly due to the reduced rail fees.

Turnover from the road link across Storebælt totals DKK 2,904 million and increased by 4.3 per cent compared to 2014.

In 2015, DKK 1.1 billion was repaid on A/S Storebælt's interest-bearing net debt, which totalled DKK 22.5 billion at the end of the year.

DKK 900 million in dividend was paid to the shareholder.

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)	**2,466.4**		**2,466.4**
Total financial income and expenses	156.3	-914.2	-757.9
Profit before share of jointly managed company	**2,622.7**		**1,708.5**
Profit from jointly managed company	567.0	-117.4	449.6
Profit before fair value adjustment and tax			**2,158.1**
Fair value adjustment		1,031.6	1,031.6
Profit before tax	**3,189.7**		**3,189.7**
Tax	-702.9		-702.9
Profit for the year	**2,486.8**		**2,486.8**

CSR – Corporate Social Responsibility

Sund & Bælt helps to create growth and cohesion in Denmark by operating a responsible company whose aim is to bind humans and regions together and balances respect for economy, people and the environment in its daily operations. A safe and efficient traffic flow is the foundation of the Group 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 daily work.

Sund & Bælt has joined the UN Global Compact and through its membership is required to respect, comply and work with the 10 principles of the Global Compact. Sund & Bælt does this through its CSR policy and risk assessment with related activities. For example, respect for and observance of human rights are incorporated as part of its human resources policy and a clear environmental and climate policy has been drawn up.

This is the statutory report on Corporate Social Responsibility c.f. ÅRL § 99a and § 99b.

CSR objectives and results for 2015
The targets for 2015 were almost met. Absence due to illness was, however, 2.2 per cent against a target of 2.0 per cent c.f. page 43. This year, absence due to illness was affected by long-term illness, but nevertheless fell from 2.7 per cent in 2014. In addition, there was one industrial accident which resulted in a two-day absence. Finally, there was one traffic accident with one fatality.

Read more about Sund & Bælt's Corporate Social Responsibility at www.sundogbaelt.dk/en/our-social-responsibility.

- No accidents at work leading to absence
  – 1 accident resulted in absence
- Max 2 % absenteeism due to illness
  – 2.2 % absenteeism
- No issues concerning equal opportunities or the psychological working environment
  – No issues

- High level of traffic safety
  – 1 accident with fatal consequences
  – 1 accident with serious consequences
- No environmental emissions, no adverse impact on nature
  – No environmental emissions, no adverse impact on nature
- Focus on energy and resource consumption
  – Focus maintained

- No instances where a supplier's possible breach of Sund & Bælt's Code of Conduct or contractually agreed social clauses are not dealt with
  - No issues

- No corruption cases and no unprocessed whistleblower referrals
  – No issues
- Compliance with the Danish Open Administration Act
  – Complied with in all 19 access aplications
- No reprimands/complaints from the authorities
  – No reprimands/complaints

Traffic

Traffic on the Storebælt road link beat a number of records in 2015. It was the greatest year in the history of the bridge with a total of 11.9 million vehicles, which is 4.6 per cent higher than the record from 2014. Furthermore, August was the highest ever month with 1.18 million vehicles, while Sunday 9 August was the highest single day with 48,257 vehicles.

The many records can be attributed to a healthy increase in the number of passenger cars, which saw higher growth than lorries for the first time in three years. The greatest increase in passenger cars compared to 2014 was in July, December and in the spring months from March to May. This may therefore suggest that holiday and leisure traffic in particular is driving growth on Storebælt.

On average, 32,548 vehicles crossed the bridge each day over the whole of 2015. This comprised 28,857 passenger cars, 3,581 lorries and 110 coaches. The latter make up a relatively small proportion of the traffic on the Storebælt road link. Conversely, however, it saw an increase of almost 50 per cent in 2015 because more scheduled long-distance coach services were in operation on Storebælt between West and East Denmark.

Sund & Bælt endeavours to ensure that the operation and maintenance of the facilities results in minimum disruption to traffic as this reduces fuel consumption and thereby CO_2 emissions into the atmosphere. In 2015, traffic on the roads emitted over 90,800 tonnes CO_2 while passenger and freight trains emitted almost 7,300 tonnes CO_2.

Traffic records on Storebælt – top 5

Year	Number of passengers per year
2015	11,880,022
2014	11,361,421
2008	11,025,788
2012	10,894,082
2013	10,883,248

Annual percentage traffic growth on Storebælt

	2014-2015	2013-2014	2012-2013
Passenger cars	4.8	4.1	-0.1
Lorries	1.6	7.0	1.9
Coaches	49.3	2.2	11.4
Total	**4.6**	**4.4**	**0.2**

Daily traffic on Storebælt

	2015	2014	2013
Passenger cars	28,857	27,529	26,450
Lorries	3,581	3,525	3,295
Coaches	110	74	72
Total	**32,548**	**31,128**	**29,817**

Quarterly traffic growth in 2015 compared to the corresponding quarter in 2014

	Q1	Q2	Q3	Q4
Passenger cars	4.8	4.1	5.4	4.9
Lorries	2.9	0.2	1.2	2.2
Coaches	28.5	62.1	46.2	54.7
Total	**4.6**	**3.9**	**5.1**	**4.7**

2015: a year of records

In the past year, five records were set on the Storebælt Bridge. It was the greatest year in the history of the bridge, August was the greatest ever month while Sunday 9 August was the highest single day.

Financial position

Despite a weak trend in the economic cycle, the result for the year was satisfactory. The result before financial value adjustments and tax, including the share in Øresundsbro Konsortiet I/S amounted to a profit of DKK 2,158 million against a profit of DKK 2,240 million in 2014. The result was positively affected by an improved performance from A/S Storebælt of around DKK 5 million and Øresundsbro Konsortiet I/S at around DKK 60 million, while A/S Øresund affected it negatively by approximately DKK 155 million.

Group turnover fell by 1.9 per cent and totalled DKK 3,683 million. Turnover from the Storebælt road link showed a net increase of 4.3 per cent, equivalent to DKK 119 million and totalled DKK 2,904 million. This increase comes primarily from traffic growth of 4.6 per cent. The reason for the decrease in Group turnover was primarily due to a net reduction of DKK 190 million in rail fees that Banedanmark must pay to use the rail line across Storebælt.

Costs amounted to DKK 467 million and increased by DKK 3 million compared to 2014. This increase was due to higher operating expenses at A/S Øresund following the transfer of responsibility for maintenance and reinvestments on the Øresund line. This was counterbalanced to some extent by lower operating expenses for A/S Storebælt.

Depreciation increased by DKK 121 million compared to 2014 and amounted to DKK 750 million. This is primarily because A/S Øresund has taken over responsibility for maintenance and reinvestments on the Øresund line.

2015 was characterised by very low inflation in Denmark and not least in Europe. This contributed to both short and long-term interest rates remaining at historically low levels. This climate was favourable for Sund & Bælt and led to a lower inflation indexation on the real interest rate debt than anticipated in the budget.

The portfolio's duration at A/S Storebælt at year end 2015 was virtually unchanged from year end 2014, while it increased over the year at A/S Øresund.

Net interest expenses were DKK 55 million lower than in 2014 and stood at DKK 758 million.

Fair value adjustments (including adjustments at Øresundsbro Konsortiet I/S) amounted to an income of DKK 1,032 million in 2015 against an expense of DKK 2,026 million in 2014. The value adjustments consisted in part of income related to fair value adjustments of financial assets and liabilities of a net DKK 1,086 million, and partly of an expense from foreign exchange adjustments totalling DKK 54 million.

Fair value adjustments are an accounting item that does not affect the repayment period of the Group's debt.

Net financing expenses including fair value adjustments (excluding adjustments at Øresundsbro Konsortiet) were an income of DKK 156 million against an expense of DKK 2,504 million in 2014.

The profit share from Øresundsbro Konsortiet I/S was an income of DKK 567 million, which contained positive fair value adjustments totalling DKK 117 million. The share of the result before fair value adjustment was positive at DKK 450 million, and DKK 59 million higher than 2014. The share was affected by an increase in road revenues of 5.0 per cent as well as lower interest expenses.

Tax on the Group's results amounted to an expense of DKK 703 million.Tax expenses in the period include an income of DKK 46 million from the adjustment of the Group's deferred tax asset as a result of the amendment in 2013 to reduce the tax rate.

The Group's profit after tax was DKK 2,487 million.

Sund & Bælt supports Engineer the Future

Denmark's technological alliance, Engineer the Future, is growing steadily. The Alliance now comprises many major companies, educational institutions and other interested parties. The partners include Novo Nordisk, HOFOR (Greater Copenhagen Utility) and Microsoft. Earlier this year, they were joined by Sund & Bælt. The partners in Engineer the Future aim to bring Danish engineers and technology experts to the forefront and to encourage more specialists within the fields of natural and technical sciences.

In the interim financial statements for Q2 and Q3, expectations for the year's results before financial value adjustments were revised up by a total of approximately DKK 230 million compared to the budget. The actual profit before fair value adjustments and tax was approximately DKK 100 million better than the revised profit and is thus approximately DKK 330 million better than expected at the beginning of the financial year. The improvement derives mainly from higher traffic revenues and lower interest expenses.

Group equity at 31 December 2015 was negative at DKK 2,997 million. Against the background of estimated operating results for the subsidiaries and the Group's dividend policy, it is expected that Group equity will be restored within a time frame of 5-6 years from the end of 2015.

Sund & Bælt Holding A/S received a dividend of DKK 900 million from A/S Storebælt in 2015 and subsequently paid an extraordinary dividend of DKK 900 million to the shareholder.

After the distribution of the expected extraordinary dividend in 2016 of DKK 1.2 billion, Sund & Bælt Holding A/S will have distributed DKK 3.0 billion in total.

Future operating results are estimated on the basis of the Ministry of Transport and Building's fixed fees from Banedanmark for use of the rail links and on the basis of traffic forecasts for A/S Storebælt and Øresundsbro Konsortiet I/S. The latter is recognised at 50 per cent, which corresponds to the shareholding.

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, and against a guarantee commission of 0.15 per cent, the Danish state has extended separate guarantees for interest and repayments and other ongoing liabilities associated with the companies' borrowings. In addition, and without further notification of each individual case, the Danish state guarantees the companies' other financial obligations. Øresundsbro Konsortiet A/S' liabilities 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 the Fehmarnbelt with associated landworks in Denmark for A/S Femern Landanlæg and Femern A/S, and the Act on Construction and Operation of a Fixed Link across the Fehmarnbelt with associated landworks in Denmark, the Danish state has extended separate guarantees for interest and repayments and other ongoing liabilities relating to the companies' borrowings against payment of a guarantee commission of 0.15 per cent. In addition, and without further notification of each individual case, the Danish state guarantees the companies' other financial liabilities.

Cash flow for the Group's operations amounted to DKK 2,181 million, which is DKK 1,326 million less than in 2014. The difference is primarily due to changes in working capital.

Cash flow for investing activities totalled DKK 1,264 million, due mainly to investments in road and rail facilities.

The free cash flow arose from operations less capital costs and constituted DKK 918 million. Free cash flow expresses the Group's ability to generate liquidity for financing interest and repayment of liabilities.

Financing activities include borrowing, repayments, interest expenses and dividend payments, which amounted to DKK 2,492 million net.

In total, the Group's cash at bank and in hand decreased by DKK 1,574 million, so that cash at bank and in hand at the end of 2015 was positive at DKK 39 million.

Finance

2015 was also marked by inflation – or lack thereof. In Europe, ongoing inflation was above 0 per cent during the spring, but has since found it difficult to rise further. The US saw positive numbers despite everything, but the low wage inflation worries continued. As so often before, oil prices were in focus again, with the emphasis on its negative consequences for ongoing inflation. Oil prices fell late in the year to below USD 40 per barrel, the lowest level in over 10 years.

Growth in Europe and the United States developed largely as expected, with quite reasonable growth in the US economy and somewhat lower, but still positive growth in Europe. The "spectre" in 2015 was the BRIC countries led by China. Just a few years ago these countries were declared to be the world's primary economic engine.

Finally, a new wildcard appeared in January when the Swiss National Bank abandoned its EUR cap on CHF, which was allowed to appreciate by over 15 per cent. Then DKK came suddenly into focus, and the Nationalbanken had to utilise its entire arsenal to take the situation back under control. Even so, leading Danish interest rates remain in negative territory.

Both short and long-term interest rates remain at historically low levels. The Federal Reserve launched its expected monetary tightening policy, while in Europe the ECB extended its bond buying programme, which will maintain the low long-term rates.

Debt repayments in 2015 were DKK 1.1 billion for A/S Storebælt and DKK 0.2 billion for A/S Øresund.

At the end of 2015, interest-bearing net debt at A/S Storebælt was DKK 22.5 billion. At A/S Øresund the total interest-bearing net debt was DKK 11.0 billion.

Financial strategy

Sund & Bælt's objective is to maintain active and comprehensive financial management that minimises the long-term financial costs with due regard for financial risks. Among other things, financial risks are minimised by having exposure to DKK and EUR, while optimisation of the loan portfolio is achieved through the use of swaps and other derivative financial instruments.

Also, both A/S Storebælt and A/S Øresund only raised loans via the Nationalbanken throughout 2015. Such on-lending remains very attractive compared to alternative funding sources.

The Group's cautious approach to credit risk meant that the companies did not lose money in 2015 because of financial counterparties' insolvency.

The companies' real interest rate exposure of approximately 1/3 of the total net debt also gave rise to inflation indexation for both A/S Storebælt and A/S Øresund in 2015. This was somewhat under budget and below the result for 2014. The reason is that Danish inflation also remained at a very low level in 2015 as a result of further declines in energy prices, falling food prices and continued low wage pressure in the economy. Inflation is expected to rise in 2016 – not least because the ongoing decline in oil prices of recent years will fall out of the calculations.

The debt duration at A/S Storebælt is virtually unchanged from the end of 2014, while it increased further at A/S Øresund. The benchmark for 2016 has been recalibrated so that the future duration is calculated without discounting and is respectively 3.25 years for A/S Storebælt and 9.0 years for A/S Øresund.

Sund & Bælt acquires hydrogen vehicles

In 2015, Sund & Bælt bought two hydrogen vehicles, which have been put at the disposal of employees on the Storebælt Bridge for inspections and maintenance. The advantage of hydrogen production is that energy can be stored, and when the vehicles are in use, they emit no harmful CO_2, only water. In fact, it is possible to drink the water, but it probably wouldn't taste very pleasant. A hydrogen refuelling station also opened in Korsør to enable the vehicles to be refuelled quickly and easily. The vehicles can drive 600 km per tank, and it takes about three minutes to fill the vehicles up with hydrogen.

A/S Storebælt – financial ratios 2015

	DKK million	Per cent per annum
Borrowing 2015	2,505	
– of which on-lending from Nationalbanken	2,505	
Total gross debt (fair value)	26,124	
Net debt (fair value)	24,723	
Interest bearing net debt	22,472	
Real rate (before value adjustment)		**1.60**
Interest expenses	447	2.07
Value adjustment	-362	-1.58
Total financing expenses*	**114**	**0.50**

A/S Øresund – financial ratios 2015

	DKK million	Per cent per annum
Borrowing 2015	1,651	
– of which on-lending from Nationalbanken	1,651	
Total gross debt (fair value)	12,826	
Net debt (fair value)	12,302	
Interest bearing net debt	10,956	
Real rate (before value adjustment)		**1.80**
Interest expenses	229	2.29
Value adjustment	-556	-5.57
Total financing expenses*	**327**	**3.27**

* Note: The amount excludes the guarantee commission, which totals DKK 36.3 million for A/S Storebælt and DKK 16.7 million for A/S Øresund.

A/S Storebælt profitability

A/S Storebælt's debt will be repaid from revenue from road and rail traffic. As a basis for calculating the repayment period for the long-term profitability calculations, the company has, since 2006, used a real rate of 3.5 per cent. In the light of the recent years' sharp fall in interest rates, and the subdued expectations for future interest rate trends, the company decided in 2014 to change its interest rate assumption to a real rate of 3.0 per cent.

As part of the Government's 2016 Budget, the annual fee for the rail companies' use of the fixed links across Storebælt and Øresund was adjusted downwards. For A/S Storebælt this means a significant reduction in fees over the coming years – in 2016, the reduction is in the order of DKK 264 million. From and including 2016, this amount will be dependent on actual train traffic, whereas there was a fixed amount previously determined in the Budget. Although this reduction will have a negative impact on the repayment period, this year it is offset by lower financing costs and higher growth in traffic.

Overall, the repayment period has remained unchanged on the year and amounts to 31 years on the basis of the most recently updated repayment period calculation. Calculated from the opening year, this means that the company will be debt-free in 2029.

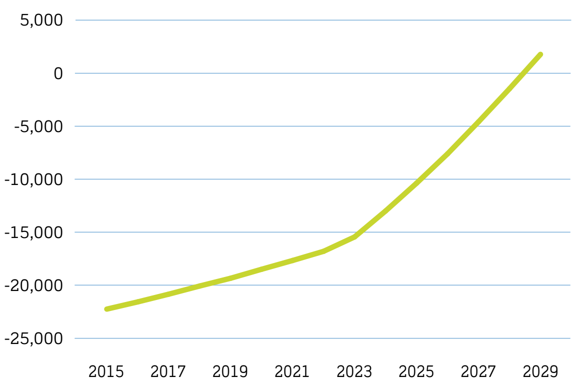
Co-financing of the political agreement, "A Green Transport Policy" of 29 January 2009, is included in the repayment period calculation where the company pays dividend to the state of DKK 9.0 billion (in 2008 prices) up to the financial year 2022 and ceases to do so after the agreement is concluded. After distribution of the proposed DKK 1,200 million in dividend for the 2015 financial year, the company will have distributed a total of DKK 3,000 million.

Groundbreaking Construction

An exhibition entitled Groundbreaking Construction opened on Copenhagen Culture Night at the Danish Architecture Centre. The Storebælt Bridge was, of course, among the exhibits. A small seminar was held prior to the opening on the crucial – and rewarding – collaboration between engineers and architects in the building of largescale structures. In the weeks following the exhibition, Sund & Bælt hosted visits to the Storebælt Bridge and to Sprogø where Sund & Bælt's Technical Director, Lars Fuhr Pedersen, gave a briefing on the bridge's construction.

The main uncertainties in the profitability calculations relate to the long-term traffic development and the real rate. 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 inflation. Moreover, there is some uncertainty in relation to the size and timing of reinvestments in the rail link.

A/S Storebælt – forecast debt trend, DKK million



A/S Øresund profitability

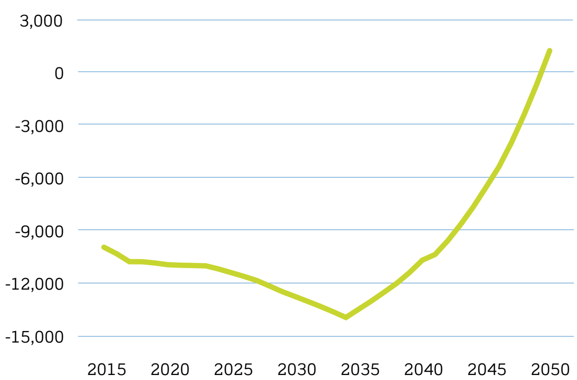
Investments in the Øresund fixed link's landworks will be repaid partly through fees from Banedanmark for use of the Øresund rail line and partly through dividend payments from Øresundsbro Konsortiet I/S of which A/S Øresund owns 50 per cent. A/S Øresund will also be affected by the above-mentioned changes in the 2016 Budget where the annual fee for the railway's use of the fixed links will be gradually reduced over the coming years. In addition, A/S Øresund is obliged to pay the Danish state's rail contribution to Øresundsbro Konsortiet I/S until 2024 on a gradual basis.

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 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. A/S Øresund can thus advance the use of its tax loss over time.

The repayment period for A/S Øresund is now calculated to be 52 years, which is 7 years longer than last year. The increase is primarily due to the change in fees for the railway.

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

A/S Øresund – forecast debt trend, DKK million



Events after the balance sheet date

On 11 February 2016, Femern A/S published a new financial analysis of the overall economics of the Fehmarnbelt project (coast-to-coast link and the Danish landworks). The analysis shows that it is possible to reduce the construction budget by DKK 2.5 billion and simultaneously strengthen the reserves within the construction budget by over DKK 3.5 billion to a comfortable DKK 7.3 billion. In addition, extra funds have been allocated for continued work on the Fehmarnbelt project in light of delays in the German approval process.

Overall, the construction finances were bolstered by some DKK 6 billion, which is due to a reduction in the construction budget, and a significant strengthening of reserves.

An analysis of reserves and risk allocation on the Fehmarnbelt link, conducted by the consulting company EY – published on 8 February 2016 – states that the size and proportion of the reserves is deemed appropriate. The revised assumptions mean that the debt repayment period is now 36 years against the previous 39 years.

On 4 March 2016, the political parties behind the Fehmarnbelt link (Liberal Party; Social Democrats, the Danish People's Party, Liberal Alliance, Social Liberals, Socialist People's Party and the Conservative People's Party) reached a political agreement on the further procedure for the Fehmarnbelt link. The parties have agreed to give Femern A/S the mandate to negotiate conditional contracts with the preferred contractors. The condition for commencing the construction work is that final German environmental approval is obtained before mid-2019. With final German environmental approval in 2019, construction work could begin in 2020 and be completed in 2028. For A/S Femern Landanlæg the decision means that construction works on the Ringsted-Nykøbing Falster section can get underway so that the section is upgraded to dual track and a new signalling system in 2021 and electrified in 2024. The section between Nykøbing Falster and Rødbyhavn will be upgraded so that the facilities are complete prior to the opening of the coast-to-coast link.

Moreover, on 4 March 2016, Femern A/S awarded the contracts for the four major tunnel contracts. In this connection, Femern A/S also inserted a Voluntary Ex-Ante Transparency Notice. At the end of the standstill period, a complaint was received from one of the bidding participants, JV Salini-Impregilo-Samsung-Bunte concerning Femern A/S' execution of the bids for Tunnel North, Tunnel South and Tunnel Portals and Ramps contracts.

The financing of the investments in the landworks for the Fehmarnbelt fixed link rests with A/S Femern Landanlæg. This will take place within the framework of the Construction Act in the form of state on-lending or borrowing using state guarantees. The increased financing activity will be incorporated in the company's financing strategy.

Henning Kruse Petersen will step down from the post of Chairman of Sund & Bælt Holding A/S at the Annual General Meeting on 26 April 2016. He will step down from his other directorships in the Group at the same time.

Leo Larsen has decided to retire as CEO of Sund & Bælt Holding A/S at the end of June 2016. He will also step down as CEO of A/S Storebælt, A/S Øresund and A/S Femern Landanlæg subsidiaries at the same time and as Chairman of the subsidiaries Sund & Bælt Partner and BroBizz A/S.

There are no further events after the balance sheet date that are of importance to the Annual Report for 2015.

Outlook for 2016

The economic and financial outlook for 2016, and hence the Group's expectations for the financial result for the year, are subject to some uncertainty.

Projections for the Danish economy suggest a slight increase in growth rate through 2016, along with a moderate increase in inflation. These developments affect the outlook for revenue performance. Against this background and because of traffic trends in 2015, it is estimated that traffic will develop positively in 2016. Revenues will be adversely affected by the Parliamentary decision to reduce the fees from rail companies for the use of the railways across Storebælt and Øresund, by a total of about DKK 275 million in 2016. Interest rates in 2016 are expected to be more or less unchanged compared to 2015.

According to the budget for 2016, which was prepared at the end of 2015, the result before financial value adjustments and tax is expected to be a profit of about DKK 1,620 million.

CSR work in 2016

The CSR objectives for 2016 are a continuation of those for 2015.

Read more about Sund & Bælt's CSR objectives for 2016 at www.sundogbaelt.dk/en/our-social-responsibility.

- No accidents at work leading to absence
- Max 2 % absenteeism due to illness
- No issues concerning equal opportunities or the psychological working environment

- High level of traffic safety
- No environmental emissions, no adverse impact on nature
- Focus on energy and resource consumption

- No instances where a supplier's possible breach of Sund & Bælt's Code of Conduct or contractually agreed social clauses are not dealt with

- No corruption cases and no unprocessed whistleblower referrals
- Compliance with the Danish Open Administration Act
- No reprimands/complaints from the authorities

Road

Storebælt

Maintenance and reinvestments

The company's maintenance strategy is based on long-term profitability, proactive preventive maintenance of all critical systems and maximum accessibility, availability and safety for road users. This will become more visible as the infrastructure ages and wears, new technology allows for optimisations and new environmental regulations require adjustments.

It is increasingly necessary to implement reinvestments in infrastructure facilities that were designed back in the late 80s and early 90s, and which have now been in operation for 17 years.

The main cables on the East Bridge were about to be re-painted and, because of this, alternative ways were investigated in order to protect the cables as much as possible in the long term. A new solution featuring permanent dehumidification of the main cables under a protective membrane has gradually become a proven model in use on other large suspension bridges around the world. Dehumidification systems for the prevention of corrosion had already been installed at 14 other locations on the bridge, including the bridge girders and anchor blocks. A cost-benefit analysis showed that the solution to drying the main cables would be the optimum solution, and the system was implemented and commissioned in 2015.

Another major investment project that was completed is the upgrade of the Storebælt fixed link's SCADA system (Supervisory Control And Data Acquisition), which is common to the road and rail links. The new SCADA system has been implemented, and there is an ongoing verification process.

Sund & Bælt's maintenance strategy is based on outsourcing to qualified contractors and consultants. This means that the Group retains only a lean, qualified team for monitoring the condition of the facilities and the outsourced partners, as well as the management of maintenance and reinvestments. As a result, 2015 once again saw the tendering and contracting out of a variety of tasks. These include the consultant tasks relating to railway engineering, joint tenders for the maintenance of the railway engineering system on Storebælt's railway and the Øresund line and service contracts for the wind turbines.

The Øresund motorway

Traffic on the Øresund motorway

The Øresund motorway continues to play a central role in the development of Amager and is an indispensable link between Copenhagen and the outside world via the airport and the Øresund Bridge. It plays very much into the daily management of the critical infrastructure facility that has a very high traffic intensity.

As a result, accessibility, convenience and safety for motorists are always in focus when carrying out maintenance and reinvestments on this section of road. This means that operations are essentially, and where possible, scheduled at off-peak times of day. However, prolonged upgrades may also be undertaken during the day in order to make the disruption as short as possible. Such activities are always based on thorough analysis of traffic flow and clear communication to neighbours, road users and other partners.

Traffic on the Øresund motorway grew by approximately 3.8 per cent in 2015 compared to 2014. This means that around 87,800 vehicles per day drive west of Ørestad and about 79,400 vehicles per day east of Ørestad.

Huge dehumidification project completed

The world's largest retro-fit cable dehumidification project for a suspension bridge was completed in 2015. The UK's Spencer Group was responsible for the installation of the dehumidification system on Storebælt Bridge's main cables. It is probably the first and only time that Spencer will undertake such a large and complex project as the two suspension bridges in the world bigger than the Storebælt Bridge were built with dehumidification systems from the start. The project lasted 18 months and cost almost DKK 75 million.

Partnership with the Nature Agency regarding extreme precipitation
An agreement was entered into with the Danish Nature Agency to explore the possibility of a partnership in which A/S Øresund – in normal situations – supplies water from its drainage systems to the part of West Amager that is located on the south side of the Øresund motorway. The objective is a desired improvement in the biotope. The system has to be designed so that it can function as a relief to the A/S Øresund drainage system in extreme rainfall situations, where capacity is exhausted. The Nature Agency provided for this through support from the Danish AgriFish Agency fund for Natura 2000 sites for the establishment of natural water level conditions.

Extension of the dyke at West Amager
Following on from the successful reinforcement of the existing coastal dyke between Kalvebod Bridge and Kongelunden in 2012, the partnership with the Tårnby and Dragør municipalities to extend the Kalvebod dyke to provide additional security against flooding has been further extended with Copenhagen Municipality and the Metro company.

Copenhagen municipality is working on a solution to secure central Copenhagen, where the Kalvebod dyke is included with a lock across Kalvebodløbet at the motorway bridges and a corresponding lock in Nordhavn at Trekroner.

Key figures, DKK million

Road – Storebælt	2015	2014
Operating income	2,906.1	2,787.6
Operating expenses	-248.2	-249.1
Depreciation	-227.0	-224.3
Operating profit (EBIT)	2,430.9	2,314.2
Net financials	-0.1	-40.2
Profit before financial value adjustments	**2,430.8**	**2,274.0**

Road – Øresund	2015	2014
Operating income	2.0	2.0
Operating expenses	-25.4	-23.0
Depreciation	-28.2	-28.0
Operating loss (EBIT)	-51.6	-49.0
Net financials	-86.3	-79.2
Loss before financial value adjustments	**-137.9**	**-128.2**

Maintenance on the Øresund line from 1 September

With the Minister of Transport and Building's signature on a government order in mid-August, it became official that maintenance and reinvestments on the Øresund line would be transferred from Banedanmark to Sund & Bælt with effect from 1 September 2015. The Øresund line comprises a 18 km section for passenger and freight trains. The line for passenger trains is 12 km long and runs between Copenhagen Central Station and Copenhagen Airport. The line is of great importance to traffic between Denmark and Sweden and is used by many millions of passengers annually.

Railway

Storebælt
Overall traffic on Storebælt's rail section fell by 5.6 per cent compared to 2014 and totalled 48,526 trains. Passenger numbers fell by 4.9 per cent in 2015 and totalled almost 8.15 million. Freight traffic increased by 6.9 per cent compared to 2014 and totalled 10,084 freight trains in 2015.

Storebælt's rail section comprises approximately 25 km of dual track, including stations at Nyborg and Korsør. Through the use of a SCADA system (Supervisory Control And Data Acquisition) there is 24 hour a day 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 speed of 180 km/h.

Punctuality
The framework conditions for operational impact of trains on the Storebælt rail line were set to a maximum of 588 delayed trains in 2015. At the year end, 485 delayed trains were recorded, which corresponds to approximately 82 per cent of the authorised maximum number of delayed trains. There is an ongoing analysis of errors with a view to improvement and prevention.

Improving safety culture
Following the accident on the West Bridge on 26 August 2014, when a personnel carrier with a work crew of 10 men was hit during night-time shunting after work on the bridge, and one person was seriously injured, Sund & Bælt increased its focus on safety culture and analysis of events in 2015. Meetings were also conducted with the involved contractors' staff with a view to improving railway safety and the working environment.

The hour model
Part of the "Hour model" to reduce transport time from Copenhagen to Odense to under one hour, includes the upgrade of the Storebælt railway line to 200 km/h.

Simulations of the catenary system's static fixed data for running at 200 km/h in 2015 showed that the catenary system can – from a technical viewpoint – be used to run at 200 km/h.

In the spring of 2016 testing of the catenary system with test trains will be conducted in order to identify whether the system's catenary design meets the requirements for train operations at speeds of 200 km/h.

Internet in trains
In light of the company's ambition to make it easier to be a traveller, discussions with telecommunications companies have begun with a view to improving mobile and Internet connections on the Group's rail infrastructure, including the Storebælt tunnel.

Øresund line
The Øresund railway's takeover, maintenance and reinvestments
The Øresund line comprises an 18 km rail section from Copenhagen Central Station to and including Kastrup station at Copenhagen Airport and the freight section from Ny Ellebjerg to Kalvebod Bridge. After the establishment of the Øresund railway in 1998, Banedanmark had full responsibility for managing this rail section, with A/S Øresund as infrastructure owner. As part of the Act on Sund & Bælt Holding A/S and the Railway Act, responsibility for the maintenance and reinvestments of the Øresund railway was transferred to A/S Øresund on 1 September 2015.

In conjunction with the takeover of the Øresund railway, an update of mode data from Banedanmark was undertaken. In addition, inspections and examinations were carried out on all the railway engineering installations on the Øresund railway.

The overall experience is that A/S Øresund has acquired a railway line, where a number of the rail engineering installations (catenary systems, mechanical and electrical systems and structures) are in a reasonable state.

6,000 cyclists on the bridge

It was not only four-wheeled vehicles that crossed the Storebælt Bridge in 2015. 6,000 cyclists also made use of the facility for the Aarhus-Odense-Copenhagen cycle race on Saturday 12 September. Despite strong winds, the majority succeeded in making the crossing. As drivers had been alerted to the presence of the cyclists beforehand, there was little traffic during the event.

As regards track installations, drainage facilities and green areas as well as access facilities, there is a need for an upgrade. Replacement of rails and track components was carried out in 2015, and this work will continue in 2016. Efforts to improve the maintenance level are performed on the basis of the methodology that is used on the Storebælt railway.

Traffic on the Øresund railway for 2015 was 109,061 passenger trains and 7,888 freight trains.

Punctuality
The framework conditions for operational impact of trains on the Øresund railway were set to a maximum of 1,800 delayed passenger trains and 139 freight trains in 2015. At year end, 1,785 delayed passenger trains were recorded, which corresponds to approximately 99 per cent of the authorised maximum number of delayed trains; while 135 delayed freight trains were recorded, which represents approximately 97 per cent of the maximum authorised number of delayed trains. There is an ongoing analysis of deficiencies on the Øresund railway with a view to improvement and prevention.

Capacity ratio on the Øresund railway
The decision to introduce an ID check at Kastrup station for travellers to Sweden, will affect train traffic on the Øresund railway for a period, with the introduction of a 20-minute service.

In the longer term it seems that train traffic will rise as a result of the increased rail freight traffic, which is expected because of the Fehmarnbelt link.
The company has participated in a working group under the auspices of Denmark's Ministry of Transport and Building to investigate the possibilities for increasing the capacity of selected parts of the section.

Key figures, DKK million

Railway – Storebælt	2015	2014
Operating income	593.0	787.8
Operating expenses	-125.5	-130.2
Depreciation	-278.2	-283.6
Operating profit (EBIT)	189.3	374.0
Net financials	-492.5	-517.1
Loss before financial value adjustments	**-303.2**	**-143.1**

Railway – Øresund	2015	2014
Operating income	110.7	105.2
Operating expenses	-22.3	-9.5
Depreciation	-175.8	-52.6
Operating profit/loss (EBIT)	-87.4	43.1
Net financials	-159.6	-145.4
Loss before financial value adjustments	**-247.0**	**-102.3**

Ports and ferry services

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

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

There have been only minor changes to services on the Spodsbjerg-Tårs route; while Mols-Linien A/S, after a significant reduction from 2013 to 2014, increased the number of return trips across the Kattegat by 9 per cent in 2015. This is reflected in the traffic volumes where Mols-Linien A/S has had a significant growth of 10 per cent in total in the number of vehicles on the Odden-Aarhus and Odden-Ebeltoft routes, while Spodsbjerg-Tårs had an increase of 3 per cent in 2015.

The operating subsidy for Spodsbjerg-Tårs amounted to DKK 34.1 million in 2015 against DKK 38.5 million in 2014.

Key figures, DKK million

Ports	**2015**	**2014**
Operating income	28.6	28.4
Operating expenses	-4.3	-4.1
Depreciation	-13.9	-13.8
Operating profit (EBIT)	10.4	10.5
Net financials	-6.3	-6.9
Profit/loss before financial value adjustments	**4.1**	**-3.6**

Ferries	**2015**	**2014**
Operating income	0.0	0.0
Operating expenses	-34.1	-38.5
Depreciation	0.0	0.0
Operating loss (EBIT)	-34.1	-38.5
Net financials	0.0	0.0
Loss before financial value adjustments	**-34.1**	**-38.5**

Wind turbines

Sales prices for electricity were below expectations on the Nordic Electricity Exchange in 2015. This is partly due to large amounts of rainfall in the Nordic region and hence high electricity production from Norwegian hydropower. The negative electricity prices, as well as imbalances in the Danish and the German power grid, halted Storebælt's wind turbines under an agreement on a temporary stop to the turbines. In these situations, A/S Storebælt receives compensation for the lost power generation.

Power generated by Storebælt's wind farm was 65.0 GWh in 2015. The wind farm stopped production in 2015 as a result of the agreement regarding a stop to the turbines in the periods in which about 6.2 GWh in total could have been produced. Total potential production was 71.2 GWh in 2015, which is about 5.2 GWh more than expected in a normal year. The stop to the turbines took place primarily in the second half of 2015.

Total income from the sale of power from the Storebælt turbines was DKK 28.7 million, of which DKK 1.2 million arose from compensation for stopping the turbines. The state subsidy for Sprogø wind farm is 25 øre/kWh and is expected to be discontinued by the end of 2016. The reason is that the wind turbines will have been in operation for 22,000 full load hours by this time.

The accessibility of the wind turbines, which is an expression of their technical quality, is still high. In 2015, the availability amounted to 98.97 per cent, which means that they are still among the best performing turbines in Vestas' entire stock of offshore wind turbines of this type in the world. An excellent result.

A new service contract was signed with MHI Vestas Offshore Wind A/S in March 2015. The agreement runs for three years with an option for a one-year extension. The annual service check was completed without significant deficiencies being noted.

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 NRGi Elsalg | A/S. A contract has been signed with NRGi Elsalg | A/S in conjunction with Vindenergi Danmark to manage the balance of production from the wind turbines in relation to Energinet.dk/en.

Key figures, DKK million

Wind turbines	2015	2014
Operating income	28.7	31.2
Operating expenses	-8.1	-11.2
Depreciation	-16.2	-16.2
Operating profit (EBIT)	4.4	3.8
Net financials	-15.8	-17.0
Loss before financial value adjustments	**-11.4**	**-13.2**

Wind turbine contract continues

MHI Vestas Offshore Wind has looked after Sprogø Offshore Wind Farm for five years in collaboration with technicians from Sund & Bælt. The team will continue to do so for the next three years because the contract with Vestas Offshore was extended in the spring of 2015.

Consultancy

Sund & Bælt Partner A/S, Sund & Bælt's consulting company, offers consultancy services to developers and operators in Denmark and abroad. The consultancy services are based on the bridge companies' significant experience and knowledge from the construction and operation of the major infrastructure projects that have been undertaken over the past decades.

Sund & Bælt Partner A/S has a close partnership with Danish consulting companies among others. Through the contacts that Sund & Bælt Partner A/S establishes through its consultancy services for foreign companies, the company acts as a bridgehead between foreign clients and Danish companies for the benefit of Danish industry.

The consultancy includes financing, where the state guaranteed financing model with user-paid repayment is of particular interest. Other services include planning, preparation and implementation of client-related projects in close partnership with the authorities, as well as operation and maintenance of infrastructure facilities. Among other things, the latter concerns optimisation based on long-term profitability and optimum handling of the environment, the working environment and safety. It also relates to ensuring the best possible conditions for robust, efficient and safe traffic flow and communication with road users.

In 2015, Sund & Bælt Partner A/S' knowledge was needed for a number of financial advisory assignments for planning new infrastructure facilities, including Letbanen (the light rail), which will run through a number of Copenhagen's suburban municipalities, and knowledge of operation and maintenance of new major infrastructure facilities, such as the new San Francisco Oakland Bay Bridge in California, USA. Consulting support was also given regarding the railway engineering for Banedanmark's Copenhagen-Ringsted project and a series of lectures were given on infrastructure management.

The company is not covered by the state guarantee.

Key figures, DKK million

Partner	2015	2014
Operating income	3.5	3.1
Operating expenses	-3.4	-3.1
Depreciation	0.0	0.0
Operating profit (EBIT)	0.1	0.0
Net financials	0.2	0.3
Profit before financial value adjustments	**0.3**	**0.3**

The issuer company BroBizz A/S

BroBizz A/S develops and manages the BroBizz® concept that facilitates automatic payment on, among other things, bridges, ferries, toll roads and car parking facilities.

Through its participation in the EasyGo partnership, BroBizz A/S has good experience of payment services across national borders. BroBizz is currently used on more than 50 toll roads, bridges and ferries in Denmark, the rest of Scandinavia and in Austria.

The company has a dual objective business strategy. One part consists of expanding the number of sites using BroBizz; and the other is to become an EETS issuer (the European electronic toll service).

The company has also been focusing on creating more opportunities for customers with BroBizz in 2015. The major event of the year's activities was when the company launched a partnership with Danske Færger, a ferry company, in November. This was to undertake contract administration for customers using Danske Færger's routes, including the Bornholm and Spodsbjerg-Tårs routes. The agreement means that customers can use their BroBizz on virtually every ferry route in Denmark. The partnership is important for the objective of continuously developing the company's services for the customers' benefit.

BroBizz A/S also agreed a partnership with GoMore in the autumn of 2015. This will help to focus on social, cheap and environmentally friendly car sharing. The partnership is expected to generate interest in BroBizz among younger drivers. It is also expected that the company's existing customers will continue to become more aware of the possibility of choosing a more environmentally friendly solution when they need to travel across the country. Persuading more people to use GoMore's transport solutions, through providing them with a BroBizz, means the environment is protected and it becomes less expensive for customers.

The company also focused on continuing to develop and improve the services provided to customers. In this context, a new website was launched in spring 2015.

The favourable development is also seen in relation to the company's customers with the number of BroBizz units issued standing at 796,000 at year end 2015, an increase of 9 per cent.

In the autumn of 2015, BroBizz A/S completed the annual overall customer satisfaction survey, which showed that there is still a high degree of satisfaction with its services. In 2016 there will be continued focus on creating new opportunities and maintaining a high level of service to customers with more self-service offerings and new applications.

There was also an exciting development on the European front in 2015. The company participates in the EU REETS project, which aims to promote the spread of the European EETS toll service through a full-scale pilot project, in which a number of European countries take part. BroBizz A/S has been in close dialogue with selected countries in the past year, and is working to conclude an agreement on the launch of the pilot project with one or more of them.

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	2015	2014
Operating income	62.4	58.6
Operating expenses	-43.7	-39.1
Depreciation	-12.9	-12.1
Operating profit (EBIT)	5.7	7.5
Net financials	2.4	1.9
Profit before financial value adjustments	**8.1**	**9.4**

Take the ferry with BroBizz

It can be quite a business keeping track of the various payment methods when crossing bridges and using ferry services. With a contract with the Færgen shipping line it has become easier to sail to Bornholm, Samsø, Fanø, Als, Langeland and Lolland because payment via BroBizz® became possible in 2015. BroBizz can already be used on a large number of ferry crossings, toll roads and bridge crossings in Scandinavia. The device can also be used for parking at Kastrup and Billund airports as well as for street parking in a number of major European cities.

Partnerships for the collection of road tolls

Partnerships on road tolls

Sund & Bælt wishes to enter into partnerships on the collection of road tolls, in part to promote efficiency in the flow of traffic on the companies' own infrastructure and partly to help to extend the use of BroBizz® to other infrastructure operators and operators of transport-related services.

Sund & Bælt participates in the EU REETS project

The project stems from the joint European Electronic Toll Service (EETS), which is regulated by an EU directive of 2004 and a subsequent EU Commission decision from 2009. This aims to establish a common platform for electronic payment of tolls for the use of roads, tunnels and bridges. The fulfilment of the EU directive implies that it will be possible to pay with the same OBE (equivalent to a BroBizz) on all toll roads, bridges and tunnels across the EU, and only receive one invoice and hence one charge.

In order to kick-start the implementation of EETS, the EU Commission decided to grant TEN-T funding to a project, which, to begin with, would be able to demonstrate joint solutions over a limited area. The REETS project was established in 2013 and comprises eight countries: France, Italy, Spain, Germany, Austria, Poland, Switzerland and Denmark. Each of the countries has experience with various technologies to register traffic and collect tolls. The objective, however, is a single technical and contractual partnership for the benefit of Europe's motorists. REETS stands for Regional European Electronic Toll System.

At the end of 2014, the project entered the implementation phase, where the various players in the form of operators (infrastructure owners) and issuers (companies responsible for issuing vehicle equipment, for example BroBizz, that handle customer contact and charging) entered into agreements and prepared for an initial pilot scheme and the subsequent full-scale operation. The Sund & Bælt subsidiaries, A/S Storebælt and Øresundsbro Konsortiet I/S as operators and BroBizz A/S as issuer, are participating in the project.

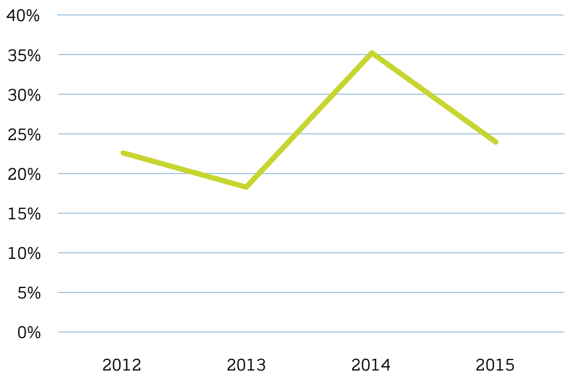
External issuers have shown great interest in entering into agreements with the operators of Sund & Bælt, and 2015 saw a process in which five foreign issuers received approval for the technical solution proposals that were presented. Clarification of legal issues was completed at the end of 2015, and it is expected that agreements can be signed in early 2016. At that point the pilot test can be conducted over the period until the autumn of 2016, after which operations can begin.

EasyGo

EasyGo® is a regional partnership involving Denmark, Norway, Sweden and Austria, where motorists can use on-board vehicle equipment (OBE) to pay for the use of roads, bridges, tunnels and ferries in Scandinavia and Austria. The partnership was established in 2007 and was the first project in Europe to offer a cross-border payment service, which was based on the requirements set out in the EETS directive.

The partnership has been very successful with good growth rates year on year, as well as the entry of new operators. Revenue from EasyGo was approximately DKK 880 million in 2015.

Annual increase in the use of EasyGo



As a result of the EasyGo collaboration, OBE from other issuers was used 717,000 times on Storebælt in 2015. BroBizz was used 2,637,000 times for payment at other facilities. This represents annual increases of 7 per cent and 25 per cent respectively.

Sund & Bælt implements GNSS project

Sund & Bælt is conducting a test trial, Test of GNSS Tolling Systems, which will collect knowledge and experience with GNSS technology and thus prepare its business for use of GNSS. The project will, based on a test trial, gather knowledge and experience about the business, responsibilities and tasks assigned to the role of the operator and issuer using GNSS technology.

The test trial includes the design of a range of test routes and "payment borders" in and around Copenhagen. Over the period from October 2015 - February 2016, the routes were traversed by three test vehicles containing GNSS equipment (OBE) from two suppliers – Siemens and Kapsch. In the test experiment, the suppliers recorded the test runs using the installed GNSS equipment and calculated the price for all three vehicles to use that piece of infrastructure. To test the reliability of the systems, the test routes were designed so that they presented many different challenges for the equipment, for example by driving complex routes through the dense city. When the test runs are completed, the collected data from the study will be worked through and analysed to obtain knowledge of the GNSS registration's and the toll calculations' continuity, robustness and reliability. The test trial results, based on the collected data, are expected to be available in the second half of 2016.

Fehmarnbelt

Coast-to-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 results from the Treaty, which was signed in September 2008 between Denmark and Germany for regulatory approval, financing, construction and operation of a fixed link across the Fehmarnbelt between Rødbyhavn and Puttgarden.

In Germany, the Treaty was adopted through a law passed by the Bundestag and Bundesrat and, in Denmark, the Danish parliament approved it through a Planning Act (Act on the Planning of a fixed link across the Fehmarnbelt with associated landworks, April 2009).

On the basis of the Planning Act, the Danish Minister of Transport and Building appointed Femern A/S to be responsible for the planning, feasibility studies and preparations in relation to the establishment of the coast-to-coast link.

Femern A/S has conducted intensive studies on both sides of the Fehmarnbelt and in the belt itself since 2009, e.g. of marine and land environments, soil conditions and shipping safety.

The results of the studies are a key part of the documentation submitted for regulatory approval, just as they have been included in the preparation of the tender documents.

Femern A/S examined a range of bridge and tunnel solutions. Based on the results of these studies, an immersed tunnel was selected as the preferred technical solution. The Minister of Transport and Building and the political parties behind the fixed link agreed with the company's recommendation in February 2011.

Rødbyhavn was pre-selected as the most appropriate production space for the major tunnel elements. This was established by the parties behind the fixed link in June 2011, when they agreed to the recommendation from Femern A/S.

The Danish parliament's Finance Committee approved a legal document in March 2013 on advance activities etc. As a result, a range of construction works has been carried on the island of Lolland. This preparatory work is to facilitate the commencement of the actual tunnel construction.

On 28 April 2015, the Danish parliament adopted the *Act on Construction and Operation of a Fixed Link across the Fehmarnbelt with Associated Landworks in Denmark*.

Regulatory approval in Denmark
In 2015, the company's Danish regulatory work concentrated on providing technical contributions to the Construction Act for the project and follow-up and implementation of its provisions.

When the Construction Act came into force on 6 May 2015, the company was required to pay compensation for acquisition (expropriation) of a number of land areas for the establishment of production facilities and acquisition of wind turbines in accordance with previous agreements.

The Construction Act also meant that the company had to incur a number of costs for the implementation of activities that had awaited the adoption of the Construction Act. This was mainly about preparing the areas on Lolland, archaeological surveys and the removal of identified contaminated soil. The activities aimed to ensure that Femern A/S could make land available for contractors at the right time in the ramp and portal area, the alignment corridor and for the construction of the tunnel element factory.

It was also clear from the Construction Act process that a number of uncertainties concerning the project finances and the German regulatory approval process had to be settled before the major tunnel contracts could be signed.

The work on delivering the decision basis is substantially completed through a comprehensive financial analysis of the project and external reviews of the traffic forecast and the company's risks and reserves.

The final political decision on the further progress of the project is expected in spring 2016.

The tender process

As provided in the Construction Act and within the framework of the competitive dialogue, Femern A/S held discussions with the tendering contractor consortia on the four major coast-to-coast tunnel contracts. This was with the aim of creating a sound basis for reducing the total construction costs and thus increasing the reserves in the construction budget.

On 15 September 2015, the company received the final and binding offer prices on the four major coast-to-coast tunnel contracts. The offers represented significant cost reductions in relation to those received by the company on 22 December 2014.

In light of the status of the German authorities' regulatory approval process, on 21 October 2015 the company was given a mandate from the political parties behind the link, to enter into discussions with the contractors to retain the final tenders on the four major tunnel contracts for an extended period in a financially sound manner.

The company has therefore conducted a series of intensive discussions with the bidders. The outcome of these discussions was presented to the Minister of Transport and Building in order that it can be included in the overall assessment of the project's economics and further progress, cf. the Construction Act.

Regulatory approval in Germany

In Germany, approval of the Fehmarnbelt project by the German road and rail authorities is on the basis of an extensive project application. Femern A/S filed this application to the German authorities in Kiel in October 2013.

The extensive material comprises 17 binders containing a summary "application" (approx. 225 pages) and 29 appendices, covering a total of approx. 10,000 pages and over 200 technical drawings. Sections of the material were submitted for information purposes only (approx. 2,000 pages), but the majority are registered as legally binding for plan approval.

The application includes 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, there is an EIA report for all the technical solutions examined, based on the comprehensive feasibility studies undertaken by the company.

The public consultation was launched in Germany on 5 May 2014. The consultation closed in early July 2014 and, by the end of that month, Femern A/S had received over 3,000 objections. There were fewer objections resulting from the German consultation process than expected. On the other hand, the analysis revealed that a number of the objections were more complex and more extensive than expected, especially concerning environmental issues.

On 2 October 2015, the Schleswig-Holstein Transport Minister, Reinhard Meyer, stated that final German regulatory approval could be expected in 2017 after a second full round of public consultation. Added to this is the risk of a judicial review, with a possible further delay, which according to the Transport Minister could put the final approval back to 2019.

Summer party in Rødbyhavn

The marquee in front of Femern's information centre at Rødbyhavn was packed when Femern A/S held its annual summer reception one Saturday in June. Several hundred local residents met up to hear about the work on the fixed link, which is of great significance to the community. For the adults at the event, it was a good opportunity to chat with Femern A/S' employees and hear more about the project. As for the youngsters, they enjoyed a whole range of activities at the new activity area.

In light of the German Transport Minister's announcement, Femern A/S undertook an analysis of alternative models in order to retain the current offers for an extended period in a financially sound manner, and included a range of scenarios for opening the link in the financial analysis.

Advance activities

Femern A/S initiated a range of advance activities around the Rødbyhavn area in September 2013 as a result of a legal document adopted by the Danish Parliamentary Finance Committee.

The purpose of the advance activities is primarily to prepare the area around Rødbyhavn for building the major construction sites for the tunnel construction.

The advance activities ensure increased robustness in the time schedule, but also contribute to economic activity and new jobs on Lolland.

With regard to the advance activities, a production site at Rødbyhavn has been prepared with facilities for power, water and sewerage. In addition, there were preparations for a new pumping station to handle drainage and lowering of the water table in the area as well as the establishment of the main water supply on Lolland.

Femern A/S set out requirements for trainee and apprenticeships – where appropriate to the activity – in the contracts for the advance activities. By the end of 2015, Femern A/S had secured apprenticeships equivalent to just over 20 apprentice years.

The advance activities were essentially complete at the end of 2015. There remains, however, some ongoing finishing work, which is expected to be completed in mid-2016.

Throughout 2015, the Femern A/S organisation adapted to developments in the Danish and German authorities' approval processes and, at year end, there were 117 permanent employees.

The company's total expenditure in 2015 came to DKK 766 million and was offset by EU support of DKK 119 million. Of the total net cost of DKK 645 million, DKK 643 million was capitalised under fixed assets.

Key figures, DKK million

Femern	2015	2014
Operating expenses	-2.0	-1.5
Depreciation	0.0	0.0
Operating profit (EBIT)	-2.0	-1.5
Net financials	0.0	0.0
Loss before financial value adjustments	**-2.0**	**-1.5**

Read more about the company's CSR policy and social responsibility at: www.femern.com/en/About-us/CSR.

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

The company was established in order to administer the ownership and financing of the Danish landworks in connection with the fixed link across the Fehmarnbelt. Planning for the rail facility is undertaken by Banedanmark, while planning work for the road facility is carried out by the Danish Road Directorate. Banedanmark received EU support with regard to the railway element of the project.

Sund & Bælt Holding A/S is responsible for coordinating the planning and construction activities in the various sub-projects for the overall Fehmarnbelt project. Among other things, this work consists of coordinating the planning and construction work for the coast-to-coast link, the Danish railway landworks and the Danish landworks. This applies to interfaces between the coast-to-coast link and the Danish landworks for the railway engineering solutions and road engineering solutions, progress in project planning, resources and a common timetable. Furthermore, the company handles budget control and quarterly reporting to the Ministry of Transport and Building.

The planning work on the rail facilities was completed by the end of 2012. Planning expenditure amounted to DKK 160.7 million (DKK 151.6 million in 2008 prices).

With the legal document 149 of 15 June 2011 and the legal document of 13 March 2013, the Finance Committee granted authority for the detailed planning, the tender process and advance acquisitions to be initiated before the Construction Act was in place. These activities commenced in 2012 and are scheduled for completion in 2016.

On 28 April 2015, a majority in the Danish parliament adopted the Act on the Construction and Operation of a Fixed Link across the Fehmarnbelt with Associated Landworks in Denmark. The Act authorised A/S Femern Landanlæg to build and operate the Danish landworks associated with a fixed link across the Fehmarnbelt. In issuing the executive order on the delegation of certain tasks and powers for the construction and operation of a fixed link across the Fehmarnbelt with associated landworks in Denmark on 17 September 2015, the role of client was given to Banedanmark, while A/S Femern Landanlæg remains responsible for the ownership and financing of the landworks.

The notes to the Construction Act state that a reassessment of the overall economics of the project, including an updated risk assessment, must be submitted to the political parties behind the Fehmarnbelt project before construction work can commence. The total cost for the upgrading of the Danish landworks is budgeted at DKK 9.5 billion (2015 prices).

The company's capitalised construction costs were DKK 712 million in 2015. This amount comprised project costs of DKK 969 million, offset by EU subsidies of DKK 257 million.

Key figures, DKK million

Femern Landanlæg	2015	2014
Operating expenses	-0.2	-0.2
Depreciation	0.0	0.0
Operating profit (EBIT)	-0.2	-0.2
Net financials	0.0	0.0
Loss before financial value adjustments	**-0.2**	**-0.2**

Øresund Bridge's 15th anniversary

For a long time, Danes and Swedes dreamed about a fixed link across Øresund, which could bring them closer together and create one integrated region across the Sound. The decision was taken in 1990 and the Øresund Bridge opened on 1 July 2000. In 2015, the link celebrated its 15th birthday.

Øresundsbro Konsortiet I/S

In 2015, Øresundsbro Konsortiet I/S posted a profit before value adjustment of DKK 899 million, which was an increase of DKK 117 million over the previous year. The improvement reflects an increase in turnover of DKK 76 million, higher expenses of 16 DKK million and lower interest expenses of DKK 57 million.

Road revenues increased by DKK 60 million compared to 2014 and amount to DKK 1,271 million.

Total vehicle traffic rose by 1.8 per cent compared to 2014. In July, a record was set for both the number of vehicles per day and for the month. On average, 19,300 vehicles drove across the Øresund Bridge each day.

Lorry traffic rose by 6.4 per cent compared to 2014. The market share of lorry traffic across the Øresund remains at 53 per cent.

Passenger car traffic grew by 1.6 per cent compared to 2014, while commuter traffic was unchanged. Other passenger traffic rose by 2.7 per cent, primarily due to a growth in leisure traffic of 4.8 per cent. The number of BroPas contracts increased by approximately 32,000 compared to 2014 and now stands at 366,000.

Train traffic increased by 3.5 per cent compared to 2014 and now amounts to 11.8 million passengers.

EBIT was a profit of DKK 1,226 million, which is an improvement of DKK 59 million over 2014. After value adjustments, the result for the year was a profit of DKK 1,134 million.

Equity at 31 December 2015 was negative at DKK 758 million.

Equity is expected to be restored in 2016-2017, which will provide for a dividend to the parent companies. The repayment period increased by one year to 34 years from the opening in 2000. The primary reason is that the company has updated its long-term traffic forecasts and this shows a slightly lower traffic growth than previous forecasts.

The EU Commission's ruling on the complaint on State aid to Øresundsbro Konsortiet I/S was brought before the General Count of the European Union by the plaintiff.

Øresundsbro Konsortiet I/S publishes an independent report on social responsibility and sustainable development, which is found under the category "Society and Environment" at: www.oresundsbron.com/samfund-sansvar (in Danish only).

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

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

Key figures, DKK million

Øresundsbro Konsortiet	**2015**	**2014**
Operating income	1,797.4	1,721.9
Operating expenses	-296.8	-284.2
Depreciation	-274.2	-270.8
Operating profit (EBIT)	1,226.4	1,166.9
Net financials	-327.2	-384.6
Profit before financial value adjustments	899.2	782.3
Value adjustments	234.8	-670.8
Profit for the year	**1,134.0**	**111.5**
Group share of profits	**567.0**	**55.8**

Percentage traffic growth

	2015	**2014**	**2013**
Øresund Bridge	1.8	3.4	-1.2

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 November 2014. 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 Danish 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. According to the recommendations, members should stand for election every year.
- The Board of Directors has not carried out an evaluation of the work of the Board of Directors and Management Board.

Sund & Bælt meets the diversity requirements at senior management levels. There is a 40/60 distribution between the sexes among board members.

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 2015.

With regard to significant concurrent positions held by the senior management outside the company, 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/english.

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 Danish facilities. 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 companies' 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.

Environment and climate

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 climate and the environment. This is achieved through a proactive approach to preventing and minimising the impact from the Group's activities on the surrounding world. The work is based on an environmental and climate policy, annual environmental targets and selected focus areas

Key figures for selected environmental indicators

	2015	2014	Trend
Waste volumes (tonnes)	515	490	↗
Water consumption (m³)	16,017	12,594	↗
Water discarge (m³)	2.7 million	2.6 million	↗
Electricity consumption (kWh)	9.7 million	9.7 million	→
Electricity production, Sprogø Offshore Wind Farm (kWh)	65.0 million	67.1 million	↘

Detailed information about Sund & Bælt's environmental work and its impact is available from the green accounts for 2015 at www.sundogbaelt.dk/grøntregnskab (in Danish only).

A safe working environment

Sund & Bælt works proactively to be an attractive workplace that takes care of the safety, health and well-being of its employees. Our objective is to maintain a healthy and safe working environment free from industrial accidents. Working environment conditions in terms of moving around and working on our road and rail facilities and at the Storebælt Bridge toll station are of crucial importance to Sund & Bælt. Our efforts are founded upon a working environment policy and a management system that supports continuous improvement.

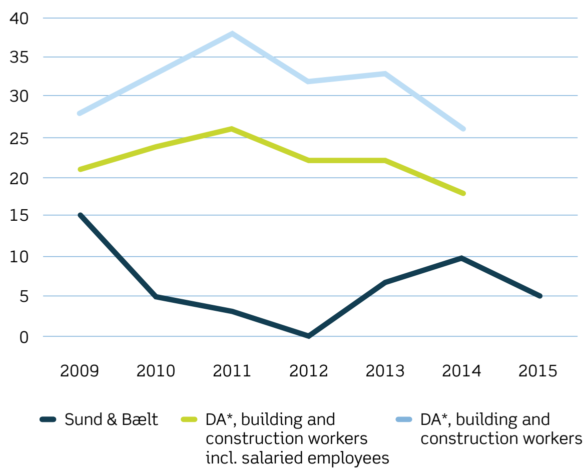
We conduct mandatory safety courses for all employees and contractors who carry out work on Storebælt's road and railway. On an annual basis, around 35 safety courses were held for new employees. Follow-up courses are held every other year for employees who have completed the basic courses. In total, about 700 employees at Sund & Bælt and their contractors are trained every year.

Sund & Bælt is certified in accordance with DS/OHSAS 18001:2008 in the working environment area as part of the targeted effort in this area.

All accidents with or without absence from work as well as "near misses" are analysed in order to prevent recurrences and make improvements. All contractors who work on our facilities are obliged to report accidents and near-misses to Sund & Bælt. In 2015, specific focus was trained on monitoring and near-misses, which could have resulted in personal injury.

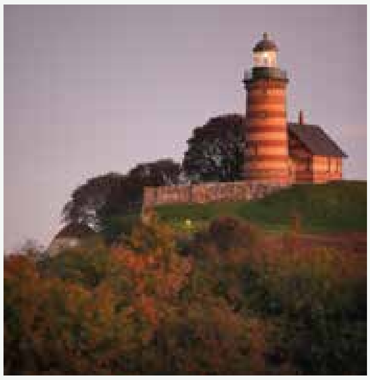
In 2015, contractors and Sund & Bælt employees spent almost 565,000 working hours at the facilities, at Sprogø offshore wind farm, at workshops and in offices – and have managed to maintain a low number of accidents.

Number of industrial accidents per 1 million working hours



Tree felling on Sprogø

Sund & Bælt has responsibility for nature conservation on Sprogø. The tree felling in November was part of the island's conservation plan and was a joint initiative by Slagelse municipality, the Danish Agency for Culture and Storebælt's voluntary nature team. The plan was to fell some of the trees on Fyrbakken to reveal the original lines of the protected area and to restore the grassy slopes, which benefit insects, butterflies, flowers and birds.



Traffic safety on the road link

One of Sund & Bælt's objectives is that it must be at least as safe to drive on the motorway across Storebælt and on the Øresund motorway as it is on Denmark's other motorway network. Sund & Bælt takes a proactive approach to traffic safety, i.e. by preventing accidents through analysis and screening all incidents. In 2015, there was one traffic accident with one fatality on the Storebælt link and one accident involving personal injury on the Øresund motorway.

In 2015, the Storebælt Bridge was closed to traffic for 17½ hours for traffic safety reasons. In connection with the Aarhus-Copenhagen cycle race on 12 September 2015, the carriageway from Funen to Zealand was closed between 16.00 and 20.00 and traffic was diverted to the northern part of the link.

Nature conservation on Sprogø

Sund & Bælt's 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.

Sprogø is located in Natura 2000 area 116, which includes the bird protection area 98. Consequently, particular account has to be taken of the area's designated protected birds. In the Natura 2000 plan 2010-2015, eider and sandwich tern have been designated as protected species on Sprogø.

Sandwich tern nest on Sprogø, and in recent years, a number of nature conservation projects for the benefit of the sandwich tern have been initiated. This resulted in nearly 1,000 breeding pairs on Sprogø in 2015. By contrast, until 2008, there were less than 25 breeding pairs.

As part of the regular nature monitoring on Sprogø, the first part of a two-year inventory of the green toad began in 2015. The green toad is a rare species and historically, there has been a large population of Sprogø.

Read more about Sund & Bælt's nature conservation at www.sundogbaelt.dk/en/our-social-responsibility

Employees

The Sund & Bælt Group has 270 full-time 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 seeks to attract, develop and retain employees with the qualifications and skills necessary for the effective fulfilment of Sund & Bælt's objectives.

The Group offers its employees attractive conditions for perfoming their jobs and is receptive to the wishes and needs of its employees and managers. Sund & Bælt wishes to provide a workplace where people wish to work irrespective of age and experience.

The framework for creating a good working life is defined in Sund & Bælt's human resources policy which comprises policies for the family, senior employees, health and well-being, alcohol and smoking, pay conditions, harassment, trainees/placements/flex jobs and equal rights as well as in Sund & Bælt's values and internal guidelines.

Status 2015

At the end of 2015, the percentage of female managers was 37 per cent, which is a rise of 10 per cent over the year. The percentage of female directors is 20 per cent and is the same as 2014. As there is equal gender distribution on Sund & Bælt's Board of Directors, no targets have been set up.

Sund & Bælt remains committed to appointing more females to managerial positions and the equal opportunities policy for the Group helps to ensure a higher proportion of females. The aim is that within a 9 year period, an even more balanced composition of male and female for senior positions will have been achieved.

The key figures for 2015 continue to show a low rate of absenteeism due to illness, which fell from 2.7 per cent in 2014 to 2.2 per cent in 2015. Employees absent for reasons of long-term illness are all retained in their jobs. Following a relatively low level of staff turnover in 2014 (3.4 per cent), the figure increased to 8.6 per cent, which is regarded as an appropriate level.

Donation of used IT equipment to Nepal

In 2013, Sund & Bælt entered into a five-year agreement with Dhulikhel Hospital in Nepal concerning the ongoing donation of used IT equipment to the hospital. Dhulikhel 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. In 2015, we once again collected used IT equipment for the hospital. We also supported the hospital with a cash sum following the earthquake.

School partnerships

In February, around 40 school pupils visited Sund & Bælt and were shown around the BroBizz A/S offices to get an impression of a workplace. In April, the pupils visited Sprogø to learn more about what is required to build and maintain the Storebælt Bridge. Sund & Bælt supports school projects which the law firm, Plesner, organises. The purpose of the school projects is to highlight to pupils the importance of schooling and the many job opportunities available.

Sund & Bælt Holding A/S

	2015	2014
Number of employees	129	122
Male/female ratio		
– Females	40 per cent	45 per cent
– Males	60 per cent	55 per cent
Gender distribution, Management Board group		
– Females	20 per cent	20 per cent
– Males	80 per cent	80 per cent
Gender distribution, other management levels		
– Females	37 per cent	27 per cent
– Males	63 per cent	73 per cent
Educational background		
– Higher	43 per cent	43 per cent
– Intermediate	32 per cent	35 per cent
– Basic	25 per cent	22 per cent
Staff turnover	8.6 per cent	3.4 per cent
Average age	51	50
Training per employee	DKK 9,800	DKK 8,600
Absence due to sickness (incl. long-term sickness)	2.2 per cent	2.7 per cent

Employees in the BroBizz issuer organisation

BroBizz A/S is an issuer organisation established on 1 June 2013.

BroBizz A/S

	2015	2014
Number of employees	24*	23
Male/female ratio		
– Females	62 per cent	74 per cent
– Males	38 per cent	26 per cent
Gender representation, Management Board		
– Females	100 per cent	100 per cent
– Males	0 per cent	0 per cent
Male/female ratio, managers		
– Females	67 per cent	100 per cent
– Males	33 per cent	0 per cent
Educational background		
– Higher	8 per cent	4 per cent
– Intermediate	16 per cent	18 per cent
– Basic	76 per cent	78 per cent
Staff turnover	17.3 per cent	13.7 per cent
Average age	41	38
Training per employee	DKK 10,200	DKK 4,437
Absence due to sickness (incl. long-term sickness)	5.5 per cent	3.6 per cent

* In addition a varying number of student placements.

A call that made an impression

On the Tuesday before Easter 2015, drivers reported ice falling from the Storebælt Bridge's cables and the bridge was subsequently closed. This resulted in many calls to customer service, but one made a particular impression on Lone Grave. The call came from a woman with a sick child who was caught up in a queue. Lone called her several times to check whether everything was OK. Afterwards, the customer called to thank Lone for the way she had handled things. She also posted an entry on Facebook where Storebælt's customer service was warmly praised.

Employees in the Femern construction organisation
Femern A/S is a project-based 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

	2015	2014
Number of employees	117	120
Male/female ratio		
– Females	41 per cent	42 per cent
– Males	59 per cent	58 per cent
Gender representation, senior executive level	29 per cent	29 per cent
– Females	29 per cent	29 per cent
– Males	71 per cent	71 per cent
Gender represention, other management levels	75 per cent	87 per cent
– Females	25 per cent	13 per cent
– Males	75 per cent	87 per cent
Educational background		
– Higher	60 per cent	63 per cent
– Intermediate	22 per cent	23 per cent
– Basic	18 per cent	14 per cent
Staff turnover	16 per cent	9 per cent
Average age	47	47
Training per employee	DKK 7,580	DKK 11,457
Absence due to sickness (incl. long-term sickness)	1.5 per cent	1.0 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	2015 total*	2014 total
Operating profit/loss (EBIT)	19	2,576	-134	0.1	-0.2	-2.0	5.7	2,466	2,662
Financing expenses excl. value adjustment	899	-513	-246	0.2	-	-	2.5	-758	-813
Profit/loss before value adjustment	**918**	**2,063**	**-380**	**0.3**	**-0.2**	**-2.0**	**8.2**	**1,708**	**1,849**
Value adjustments, net	-2	363	556	-0.2	-	-	-1.4	914	-1,691
Profit/loss before inclusion of share of jointly managed company and tax	916	2,426	176	0.1	-0.2	-2.0	6.8	2,622	158
Profit from jointly managed company	-	-	567	-	-	-	-	567	56
Profit/loss before tax	**916**	**2,426**	**743**	**0.1**	**-0.2**	**-2.0**	**6.8**	**3,189**	**214**
Tax	-4	-539	-163	-0.2	0.1	4.2	-1.6	-703	-48
Profit for the year	**912**	**1,887**	**580**	**-0.1**	**-0.1**	**2.2**	**5.2**	**2,486**	**166**

* Note: There is a difference between the sum of the individual companies and the consolidated results (column: 2015 total) of approx. DKK 900 million related to inter-company trading and dividend payment.

Key figures and financial ratios

Key figures and financial ratios for the Sund & Bælt Group

DKK million

	2011	2012	2013	2014	2015
Operating income, road	2,450	2,572	2,637	2,785	2,904
Operating income, rail	863	877	888	892	703
Other income incl. ports and wind turbines	78	82	79	77	76
Operating expenses	-413	-434	-459	-464	-467
Depreciation	-701	-668	-619	-628	-750
Operating profit (EBIT)	2,277	2,428	2,526	2,662	2,466
Net financials before value adjustment	-1,604	-1,540	-1,095	-813	-758
Profit before value adjustment	673	888	1,431	1,849	1,708
Value adjustments, net	-2,118	-762	1,763	-1,691	914
Profit/loss before inclusion of share of jointly managed company and tax	-1,445	126	3,194	158	2,622
Profit/loss from jointly managed company (Øresundsbro Konsortiet I/S) *)	-533	39	1,039	56	567
Profit/loss before tax	-1,978	166	4,233	214	3,190
Tax	495	-42	-1,235	-48	-703
Profit/loss for the year	-1,482	124	2,998	166	2,487
Capital investment in the year	712	686	605	874	1,210
Capital investment, at the end of the year	36,358	36,205	36,068	36,150	36,523
Bond loans and bank loans	44,194	45,031	42,027	42,023	40,763
Net debt (fair value)	44,018	43,600	40,605	41,253	39,862
Interest bearing net debt	39,440	38,486	37,391	36,630	36,187
Equity	-6,972	-6,847	-3,850	-4,584	-2,997
Balance sheet total	**45,494**	**46,863**	**43,892**	**44,458**	**43,464**
Financial ratios, per cent.:					
Profit ratio (EBIT)	67.1	68.8	70.1	70.9	66.9
Rate of return (EBIT)	5.0	5.2	5.8	6.0	5.7
Return on facilities (EBIT)	6.3	6.7	7.0	7.4	6.8

NB: The financial ratios have been stated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2015". Please refer to definitions and concepts in note 1 Accounting Policies.

* Øresundsbro Konsortiet I/S' share of the results for 2015 includes an income of DKK 117 million (expense of DKK 335 million in 2014) relating to value adjustments. The result before value adjustments amounts to profits of DKK 450 million (DKK 391 million in 2014).

Accounts

Notes

Comprehensive income statement

DKK million

Sund & Bælt Holding A/S				Sund & Bælt Group	
2014	2015	Note		2015	2014
			Income		
141.3	148.9	4	Operating income	3,683.4	3,754.2
141.3	**148.9**		**Total income**	**3,683.4**	**3,754.2**
			Expenses		
-38.5	-38.1	5	Other operating expenses	-363.8	-366.3
-83.0	-87.0	6	Staff expenses	-103.3	-97.4
-1.1	-4.6	8-12	Depreciation and amortisation of intangible fixed assets and property, plant and equipment	-749.9	-628.4
-122.6	**-129.7**		**Total expenses**	**-1,217.0**	**-1,092.1**
18.7	**19.2**		**Operating profit (EBIT)**	**2,466.4**	**2,662.1**
		16	**Financial income and expenses**		
900.0	900.0		Received dividend from participating interests	0.0	0.0
1.3	15.1		Financial income	400.9	412.7
-11.6	-16.2		Financial expenses	-1,158.8	-1,226.1
8.0	-2.8		Value adjustments, net	914.2	-1,690.8
897.7	**896.1**		**Total financial income and expenses**	**156.3**	**-2,504.2**
916.4	**915.3**		**Profit before inclusion of share of results in jointly managed company and tax**	**2,622.7**	**157.9**
0.0	0.0	15	Share of results in jointly managed company	567.0	55.8
916.4	**915.3**		**Profit before tax**	**3,189.7**	**213.7**
-4.1	-3.8	7	Tax	-702.9	-47.6
912.3	**911.5**		**Profit for the year**	**2,486.8**	**166.1**
0.0	0.0		Other comprehensive income	0.0	0.0
0.0	0.0		Tax on other comprehensive income	0.0	0.0
912.3	**911.5**		**Comprehensive income**	**2,486.8**	**166.1**
			Appropriated as follows:		
912.3	**911.5**		**Retained earnings**	**2,486.8**	**166.1**

Balance sheet
31 December 2015 - Assets

DKK million

Sund & Bælt Holding A/S				Sund & Bælt Group	
2014	2015	Note	Assets	2015	2014
			Non-current assets		
			Intangible assets		
0.0	0.0	8	Software	28.3	33.7
0.0	**0.0**		**Total intangible assets**	**28.3**	**33.7**
			Property, plant and equipment		
0.0	0.0	9	Road and rail links	35,980.3	35,578.7
0.0	0.0	10	Port facilities	237.5	250.1
0.0	0.0	11	Wind turbine facilities	304.8	320.9
0.0	0.0	12	Land and buildings	96.3	102.7
18.3	20.3	12	Other fixtures and fittings, plant and equipment	51.8	51.8
18.3	**20.3**		**Total property, plant and equipment**	**36,670.7**	**36,304.2**
			Other non-current assets		
6.4	7.7	13	Deferred tax	539.7	1,240.1
976.0	976.0	14	Participating interests in subsidiaries	0.0	0.0
982.4	**983.7**		**Total other non-current assets**	**539.7**	**1,240.1**
1,000.7	**1,004.0**		**Total non-current assets**	**37,238.7**	**37,578.0**
			Current assets		
			Receivables		
0.0	0.0		Inventory	1.5	1.5
486.8	88.9	17	Receivables	816.5	964.7
0.0	0.0		Securities	2,011.2	870.7
0.0	0.0	18	Derivatives	2,994.8	3,314.4
7.2	7.2	19	Prepayments and accrued income	16.1	19.2
494.0	**96.1**		**Total receivables**	**5,840.1**	**5,170.5**
0.0	**0.0**	**20**	**Cash at bank and in hand**	**384.8**	**1,709.7**
494.0	**96.1**		**Total current assets**	**6,224.9**	**6,880.2**
1,494.7	**1,100.1**		**Total assets**	**43,463.6**	**44,458.2**

Balance sheet
31 December 2015 – Equity and liabilities

DKK million

Sund & Bælt Holding A/S				Sund & Bælt Group	
2014	2015	Note	Equity and liabilities	2015	2014
			Equity		
355.0	355.0	21	Share capital	355.0	355.0
145.8	157.3	21	Retained earnings	-3,351.9	-4,938.7
500.8	512.3		Total equity	-2,996.9	-4,583.7
			Liabilities		
			Non-current liabilities		
0.0	0.0	15	Provisions	379.1	946.1
356.0	448.8	22	Bond loans and amounts owed to credit institutions	35,149.7	35,823.1
356.0	448.8		Total non-current liabilities	35,528.8	36,769.2
			Current liabilities		
104.1	0.0	22	Current portion of non-current liabilities	5,267.3	6,104.0
21.4	28.3		Credit institutions	345.8	96.1
512.4	110.7	25	Trade and other payables	1,003.7	1,080.6
0.0	0.0	18	Derivatives	4,283.5	4,960.8
0.0	0.0	26	Accruals and deferred income	31.4	31.2
637.9	139.0		Total current liabilities	10,931.7	12,272.7
993.9	587.8		Total liabilities	46,460.5	49,041.9
1,494.7	1,100.1		Total equity and liabilities	43,463.6	44,458.2

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Statement of changes in equity

DKK million

Sund & Bælt Holding A/S Share capital	Retained earnings	Total		Sund & Bælt Group Share capital	Retained earnings	Total
355.0	133.6	488.6	Balance at 1 January 2014	355.0	-4,204.8	-3,849.8
0.0	-900.0	-900.0	Payment of extraordinary dividend	0.0	-900.0	-900.0
0.0	912.3	912.3	Profit for the year and comprehensive income	0.0	166.1	166.1
355.0	**145.8**	**500.8**	**Balance at 31 December 2014**	**355.0**	**-4,938.7**	**-4,583.7**
355.0	145.8	500.8	Balance at 1 January 2015	355.0	-4,938.7	-4,583.7
0.0	-900.0	-900.0	Payment of extraordinary dividend	0.0	-900.0	-900.0
0.0	911.5	911.5	Profit for the year and comprehensive income	0.0	2,486.8	2,486.8
355.0	**157.3**	**512.3**	**Balance at 31 December 2015**	**355.0**	**-3,351.9**	**-2,996.9**

Cash flow statement

DKK million

Sund & Bælt Holding A/S 2014	Sund & Bælt Holding A/S 2015	Note		Sund & Bælt Group 2015	Sund & Bælt Group 2014
			Cash flow from operating activity		
18.7	19.2		Profit before net financials	2,466.4	2,662.1
			Adjustments		
1.1	4.6	8-12	Amortisation, depreciation and write-downs	749.9	628.4
-4.6	-5.1		Joint taxation contribution	-86.8	-79.9
0.6	0.1		Adjustment for other non-cash items	-11.4	-0.9
15.8	**18.8**		**Cash flow from operations (operating activities) before change in working capital**	**3,118.1**	**3,209.7**
			Change in working capital		
-371.9	398.0	17, 19	Receivables, prepayments and accrued income	-354.6	-487.2
482.9	-401.3	25, 26	Trade and other payables	-582.1	785.0
126.8	**15.5**		**Total cash flow from operating activity**	**2,181.4**	**3,507.5**
			Cash flow from investing activity		
900.0	900.0		Dividend from subsidiaries and associated companies	0.0	0.0
-17.0	-6.6	8-12	Purchase of intangible assets and property, plant and equipment	-1,263.7	-903.1
0.0	0.0		Purchase of securities	0.0	-81.9
883.0	**893.4**		**Total cash flow from investing activity**	**-1,263.7**	**-985.0**
1,009.8	**908.9**		**Free cash flow**	**917.7**	**2,522.5**
			Cash flow from financing activity		
0.0	101.1		Raising of loans	5,183.9	4,044.7
-107.2	-100.0		Reduction of liabilities	-6,007.4	-4,788.1
0.0	0.1		Interest received	3.0	7.1
-0.7	-17.0		Interest paid	-890.9	-1,030.9
0.0	0.0		Received EU subsidy	119.2	205.4
-900.0	-900.0		Paid dividend to shareholder	-900.0	-900.0
-1,007.9	**-915.8**		**Total cash flow from financing activity**	**-2,492.2**	**-2,461.8**
1.9	**-6.9**		**Change for the period in cash at bank and in hand**	**-1,574.5**	**60.7**
-23.3	-21.4		Cash at bank and in hand at 1 January	1,613.6	1,552.8
-21.4	**-28.3**		**Cash at bank and in hand at 31 December**	**39.1**	**1,613.5**
			Cash at bank and in hand is composed as follows:		
-21.4	-28.3		Cash at bank and in hand	39.1	430.6
0.0	0.0		Securities and fixed term deposit accounts	0.0	1,182.9
-21.4	**-28.3**	20	**Cash at bank and in hand in total at 31 December**	**39.1**	**1,613.5**

The cash flow statement cannot be deduced from the accounts only.

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 listed companies. Additional Danish disclosure requirements for annual reports are laid down in the IFRS order issued pursuant to the Danish Financial Statements Act and NASDAQ OMX.

The accounting policies are in accordance with those applied in the Annual Report 2014.

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 measured 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 associated derivatives when the hedging is effective. Thus the company will achieve accounting symmetry. Loans without associated 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's Report. Similarly, information that is not considered material to the financial reader is omitted.

New accounts adjustment

With effect from 1 January 2015, the Group has implemented "Annual improvements to IFRS' 2011-2013 cycle", which comprises a number of clarifications for, among others, IAS 40 and IFRS 3, 11 and 13.

The following amendments to existing and new standards and interpretations have not yet come into force and are not applicable in connection with the preparation of the Annual Report for 2015: IAS 1, 16, 19, 27, 28, 38 and 41 as well as IFRS 9, 10, 11, 12, 14, 15 and 16. The new standards and interpretations will be implemented when they become effective.

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

The implementation of the other standards and interpretations are not expected to have any financial effect on the Sund & Bælt Group's results, assets and liabilities or equity in connection with financial reporting for 2016, 2017, 2018 and 2019, when they are expected to enter into force.

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.

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.

Note 1 Accounting policies (continued)

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 discounting 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 consolidation 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. This regulation has been changed so that with effect from 1 January 2016, these two companies are included in the compulsory joint taxation with the other companies in the Sund & Bælt Group.

Sund & Bælt Holding A/S is the administrating company for joint taxation and therefore settles all corporation 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 distributed 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.

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 joint taxation contribution from companies that have been able to use such losses against their own taxable profits.

Tax for the year, which comprises the year's current corporation 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 & Bælt 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.

Note 1 Accounting policies (continued)

Tax owed and joint tax contribution receivable are included in the balance sheet under balances 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 distributed 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 liabilities 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 recognised at fair value on initial recognition in the balance sheet as well as on subsequent recognition. 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.

Holdings and returns on treasury shares 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 fair value both at initial recognition and subsequently in the balance sheet. At the time of recognition, all loans are classified as financial liabilities at fair value through comprehensive income. Irrespective of interest rate guarantees, all loans are measured at fair value with ongoing income recognition of the fair value adjustments, stated as the difference in fair value between the balance sheet dates.

The fair value of loans is stated as the present value through discounting future known and expected cash flows with the relevant discounting rates, as there are typically no quotations available for unlisted bond issuers 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 associated structured financial instruments is determined together and the market value of any option element in the interest and instalment payments on the loan is determined with standardised and recognised valuation methods (closed formulas) where the volatility in reference rates and foreign exchange is included.

Loans which contractually fall due after more than one year are recognised as non-current debt.

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 sheet 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 included with financial counterparties and are OTC derivatives. There are no listed quotations for such transactions. 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 expected cash flow. The discounting 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.

The fair value of derivatives with an optionality element in the cash flows, e.g. foreign currency options, interest rate guarantees and swaptions, is measured on the basis of generally accepted, standard valuation methods (closed formulas) where the volatility in the underlying reference rates and currencies are included. Derivatives comprising a number of underlying financial instruments are included together with the sum of the fair value on each financial instrument.

Note 1 Accounting policies (continued)

According to IFRS 13, financial assets and liabilities, which are recognised at fair value, should be attributable to a 3-layer hierarchy for valuation methodology. Level 1 of the valuation hierarchy includes assets and liabilities recognised with cash and available exchange rates. Next, level 2 valuation of assets and liabilities using quoted market prices as input to generally accepted valuation methods and pricing formulas. Lastly, there is level 3 with assets and liabilities in the balance sheet that are not based on observable market data, and therefore require special mention.

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 during 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, 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 rate 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 are recognised in value adjustments and translation of receivables, payables etc. are assigned to 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 are 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 commenced when the construction work was completed and the facilities were taken into use. The facilities are depreciated on a straight-line basis over the expected useful lives. For the road and rail links across Storebælt and Øresund, the facilities 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.

With effect from 1 September 2015, the above-mentioned depreciation policies have also been used for A/S Øresund's rail link since the company has assumed responsibility for its maintenance and normal reinvestments from this date. Until this time, the rail facility was depreciated over a useful life of 100 years. The difference is treated as a change in the accounting estimates and judgments.

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

Administrative IT systems and programmes (software)	0-5 years
Leasehold improvements, the lease period, but max.	5 years
Acquired rights	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 judgments.

Note 1 Accounting policies (continued)

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 1-9 years. Operating leasing 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 shares 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 sales 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.

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 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.

Note 1 Accounting policies (continued)

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 the purchase and sale of intangible assets, property, plant and equipment and investments.

Cash flow from financing activities comprises borrowing, repayment of debt and financial income and expenses.

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 lines are not included in the cash flow statement.

Information on operations
The Group's operations are divided into Road, Railway, Ports and Ferry Services, Wind Turbines, Consultancy and Issuer Operations as shown in the Management's 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 2015".

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

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

Note 2 Significant accounting estimates and judgments

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 financial reporting 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 the 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 the repayment periods is an essential estimate, see note 24, Profitability.

In calculating relevant financial ratios and assumptions, the Group has estimated the following key parameters included in 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):
- Discounting rate
- Traffic growth
- Inflation
- Capital return requirements
- Terminal value
- Beta (asset's risk in relation to general market risk)
- Activity risk compared to general market risk
- Operating expenses

The calculation of fair value on financial instruments is based on estimates of the relevant discounting rate for the Group, volatility of reference rates and currency for financial instruments with the option for cash flows and estimates for future inflation development for real rate loans and swaps. Assessments for determining fair values and the need for impairment are, as far as possible, tied to observable market data and continuously assessed with actual price indications, see note. 1.

Note 3 Information on operations

The Group's operations are divided into Road, Railway, Ports and Ferry Services, Wind Turbines, Consultancy and Issuer Operations as evidenced by the Management's 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

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 the 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 and Building.

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 2015	A/S Storebælt	A/S Øresund	Other companies	Total
Income from road links	2,903.6	0.0	0.0	2,903.6
Income from rail links	592.4	110.6	0.0	703.0
Income from port facilities	28.6	0.0	0.0	28.6
Income from wind turbines	28.7	0.0	0.0	28.7
Other income	2.9	2.0	14.6	19.5
Total income	**3,556.2**	**112.6**	**14.6**	**3,683.4**

Sund & Bælt Group Specification of income in 2014	A/S Storebælt	A/S Øresund	Other companies	Total
Income from road links	2,784.9	0.0	0.0	2,784.9
Income from rail links	787.0	105.2	0.0	892.2
Income from port facilities	28.4	0.0	0.0	28.4
Income from wind turbines	31.2	0.0	0.0	31.2
Other income	2.9	2.1	12.5	17.5
Total income	**3,634.4**	**107.3**	**12.5**	**3,754.2**

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

Note 5 Other operating expenses

Other operating expenses comprise expenses related to the technical, transport 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 for Sund & Bælt Group

2015	Statutory audit	Other assurance statements	Tax advice	Other	Total
Deloitte	1.2	0.2	0.8	0.9	3.1
Audit fees, total	**1.2**	**0.2**	**0.8**	**0.9**	**3.1**
2014					
Deloitte	1.1	0.3	1.6	1.5	4.5
Audit fees, total	**1.1**	**0.3**	**1.6**	**1.5**	**4.5**

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

2015	Statutory audit	Other assurance statements	Tax advice	Other	Total
Deloitte	0.3	0.0	0.3	0.7	1.3
Audit fees, total	**0.3**	**0.0**	**0.3**	**0.7**	**1.3**
2014					
Deloitte	0.3	0.0	0.1	0.8	1.2
Audit fees, total	**0.3**	**0.0**	**0.1**	**0.8**	**1.2**

Vehicle leasing is recognised in the income statement and is regarded as operating leasing.
The notice periods for operating leasing payments are as follows:

Sund & Bælt Holding A/S			Sund & Bælt Group	
2014	2015		2015	2014
6.8	31.5	0-1 years	32.3	30.5
14.1	120.4	1-5 years	120.6	100.1
12.5	37.7	After 5 years	37.7	47.0
33.4	**189.6**	**Leasing payments total**	**190.6**	**177.6**
7.6	**7.6**	**Minimum leasing payments recognised in profit/loss for the year**	**26.6**	**30.7**

Note 6 Staff expenses

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 2014	Sund & Bælt Holding A/S 2015		Sund & Bælt Group 2015	Sund & Bælt Group 2014
71.9	75.2	Wages and salaries, remuneration and emoluments	184.2	165.5
7.0	7.8	Pension contributions	11.7	8.1
1.2	1.4	Social security expenses	2.8	2.1
2.9	2.6	Oher staff expenses	8.8	9.3
83.0	**87.0**	**Total staff expenses**	**207.5**	**185.0**
0.0	0.0	Recognised in property, plant and equipment in progress	-104.2	-87.6
83.0	**87.0**	**Staff expenses as per comprehensive income statement**	**103.3**	**97.4**
117	132	Average number of employees	268	239
122	129	Number of employees at 31 December	270	266

Fees to Management Board (DKK 1,000)

	Fixed salary	Pensions	Non-monetary benefits	Total
2015				
Leo Larsen	2,359	392	3	2,754
Other members of the Management Board (4 people)	4,578	455	333	5,366
Total	**6,937**	**847**	**336**	**8,120**
2014				
Leo Larsen	2,313	384	3	2,700
Other members of the Management Board (4 people)	4,590	455	323	5,368
Total	**6,903**	**839**	**326**	**8,068**

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

Fees 2015	
Henning Kruse Petersen (Chairman)	250
Carsten Koch (Vice-Chairman)	188
Pernille Sams	125
Mette Boye	125
Walter Christophersen	125
Claus Jensen	125
Jesper Brink	125
Martin Duus Hansen	125
Christian Hein	125
Total	**1,313**

Fees 2014	
Henning Kruse Petersen (Chairman)	250
Carsten Koch (Vice-Chairman)	188
Pernille Sams	125
Mette Boye	125
Walter Christophersen	125
Claus Jensen (joined board 21/8 2014)	46
Jørgen Elikofer (retired 21/8 2014)	80
Jesper Brink	125
Martin Duus Hansen	125
Christian Hein	125
Total	**1,314**

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

One of the 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 Directors and the Management Board, are remunerated as shown above.

Note 7 Tax

Sund & Bælt Holding A/S			Sund & Bælt Group	
2014	2015		2015	2014
-4.6	-5.1	Tax paid	-25.5	-1.3
0.5	1.5	Change in deferred tax	-723.8	-51.6
0.0	0.0	Adjustment tax paid, previous year	23.9	0.0
0.0	-0.1	Adjustment deferred tax, previous year	-23.7	0.0
-0.1	-0.1	Effect of change in tax rate	46.2	5.3
-4.2	**-3.8**	**Total tax**	**-702.9**	**-47.6**
		Tax on the year's results is specified as follows:		
-224.5	-215.1	Computed 23.5 per cent tax on annual results	-749.6	-52.4
0.0	-0.1	Effect of change in tax rate	46.2	5.3
220.3	211.4	Other adjustments*	0.5	-0.5
-4.2	**-3.8**	**Total**	**-702.9**	**-47.6**
25.7	**24.8**	**Effective tax rate**	**22.0**	**22.3**

* The adjustment for Sund & Bælt Holding A/S is related to the received dividend from the subsidiary.

The effect of the change in the tax rate is related to the deferred tax and due to the gradual reduction of the Danish corporation tax rate from 25 per cent in 2013 to 24.5 per cent in 2014, 23.5 per cent in 2015 and 22 per cent in 2016 and going forward. The effect in 2015 is due to the changes in the estimate of when the temporary differences are realised in relation to what was expected in the preparation for the annual report for 2014.

Note 8 Software

Sund & Bælt Holding A/S			Sund & Bælt Group	
2014	2015		2015	2014
1.0	1.0	Original cost at 1 January	91.6	84.0
0.0	0.0	Additions for the year	6.3	7.6
0.0	0.0	Disposals for the year	-0.1	0.0
1.0	**1.0**	**Original cost at 31 December**	**97.7**	**91.6**
0.9	1.0	Depreciation at 1 January	57.9	47.0
0.1	0.0	Additions for the year	11.6	10.9
1.0	**1.0**	**Depreciation at 31 December**	**69.4**	**57.9**
0.0	**0.0**	**Balance at 31 December**	**28.3**	**33.7**
0.0	0.0	Depreciation is recognised in Projects in progress	1.4	0.7

Note 9 Road and rail facilities

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

Sund & Bælt Group	Directly capitalised expenses	Value of own work	Financing expenses (net)	Project in progress	Total 2015	Total 2014
Original cost at 1 January	31,895.5	1,563.0	10,085.1	2,274.5	45,818.1	45,173.9
Additions for the year	91.6	0.0	0.0	1,117.1	1,208.7	871.0
Received EU subsidy	0.0	0.0	0.0	-119.2	-119.2	-205.4
Disposals for the year	-298.2	0.0	0.0	0.0	-298.2	-21.4
Original cost at 31 December	**31,688.9**	**1,563.0**	**10,085.1**	**3,272.4**	**46,609.4**	**45,818.1**
Depreciation at 1 January	7,607.4	332.6	2,299.4	0.0	10,239.4	9,693.9
Additions for the year	537.4	17.9	132.6	0.0	687.9	566.9
Disposals for the year	-298.2	0.0	0.0	0.0	-298.2	-21.4
Depreciation at 31 December	**7,846.6**	**350.5**	**2,432.0**	**0.0**	**10,629.1**	**10,239.4**
Balance at 31 December	**23,842.3**	**1,212.5**	**7,653.1**	**3,272.4**	**35,980.3**	**35,578.7**

With regard to projects in progress, financing expenses for the year are recognised at DKK 10.9 million (2014: financing expenses DKK 1.5 million). All financing expenses in the companies with projects in progress are used 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 2015, DKK 119 million was recognised for Femern A/S (2014: DKK 205 million).

In connection with the project, Banedanmark receives EU subsidies. In the costs incurred by A/S Femern Landanlæg of DKK 969 million (2014: DKK 681 million) EU subsidies of DKK 257 million were offset (2014: DKK 326 million).

Note 10 Port facilities

Sund & Bælt Group	2015	2014
Original cost at 1 January	341.4	338.9
Additions for the year	1.2	2.5
Original cost at 31 December	**342.6**	**341.4**
Depreciation at 1 January	91.3	77.5
Additions for the year	13.8	13.8
Depreciation at 31 December	**105.1**	**91.3**
Balance at 31 December	**237.5**	**250.1**

Note 11 Wind turbine facilities

Sund & Bælt Group	Directly capitalised expenses	Financing expenses (net)	Total 2015	Total 2014
Original cost at 1 January	401.2	1.5	402.7	402.7
Original cost at 31 December	**401.2**	**1.5**	**402.7**	**402.7**
Depreciation at 1 January	81.4	0.4	81.8	65.7
Additions for the year	16.1	0.0	16.1	16.1
Depreciation at 31 December	**97.5**	**0.4**	**97.9**	**81.8**
Balance at 31 December	**303.7**	**1.1**	**304.8**	**320.9**

Note 12 Land, buildings and other plant

Sund & Bælt Group	Land and buildings	Machinery, fixtures and fittings	Leasehold improvements	Total 2015
Original cost at 1 January	162.5	144.0	51.3	195.3
Additions for the year	0.0	14.2	6.1	20.3
Disposals for the year	0.0	-4.3	-0.2	-4.5
Original cost at 31 December	**162.5**	**153.9**	**57.2**	**211.1**
Depreciation at 1 January	59.7	115.3	28.2	143.5
Additions for the year	6.5	12.7	6.3	19.0
Disposals for the year	0.0	-3.1	-0.2	-3.3
Depreciation at 31 December	**66.2**	**124.9**	**34.3**	**159.2**
Balance at 31 December	**96.3**	**29.0**	**22.9**	**51.9**
Depreciation is recognised in Projects in progress	0.4	1.5	1.7	3.2

Sund & Bælt Group	Land and buildings	Machinery, fixtures and fittings	Leasehold improvements	Total 2014
Original cost at 1 January	161.7	133.4	33.4	166.8
Additions for the year	0.7	10.6	18.0	28.6
Disposals for the year	0.0	0.0	-0.1	-0.1
Original cost at 31 December	**162.4**	**144.0**	**51.3**	**195.3**
Depreciation at 1 January	53.2	98.9	24.5	123.4
Additions for the year	6.5	16.4	3.7	20.1
Depreciation at 31 December	**59.7**	**115.3**	**28.2**	**143.5**
Balance at 31 December	**102.7**	**28.7**	**23.1**	**51.8**
Depreciation is recognised in Projects in progress	0.4	2.2	2.7	4.9

Note 12 Land, buildings and other plant (continued)

Sund & Bælt Holding A/S	Machinery, fixtures and fittings	Leasehold improvements	Total 2015
Original cost at 1 January	0.6	20.7	21.3
Additions for the year	0.9	5.7	6.6
Original cost at 31 December	**1.5**	**26.4**	**27.9**
Depreciation at 1 January	0.6	2.4	3.0
Additions for the year	0.0	4.6	4.6
Depreciation at 31 December	**0.6**	**7.0**	**7.6**
Balance at 31 December	**0.9**	**19.4**	**20.3**

Sund & Bælt Holding A/S	Machinery, fixtures and fittings	Leasehold improvements	Total 2014
Original cost at 1 January	0.6	3.8	4.4
Additions for the year	0.0	17.0	17.0
Disposals for the year	0.0	-0.1	-0.1
Original cost at 31 December	**0.6**	**20.7**	**21.3**
Depreciation at 1 January	0.6	1.4	2.0
Additions for the year	0.0	1.0	1.0
Depreciation at 31 December	**0.6**	**2.4**	**3.0**
Balance at 31 December	**0.0**	**18.3**	**18.3**

Note 13 Deferred tax

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 managed the construction of the fixed links across Storebælt and Øresund and during the construction phase, the companies realised tax losses in that the revenue base could only be realised when the links were ready for use. The use of the companies' losses carried forward extends over a period than longer five years, but since the main components of the companies' property, plant and equipment have an estimated service life of 100 years, it is deemed prudent to recognise the tax value of the losses carried forward without write-down.

Sund & Bælt Holding A/S 2014	Sund & Bælt Holding A/S 2015		Sund & Bælt Group 2015	Sund & Bælt Group 2014
6.0	6.4	Balance at 1 January	1,240.1	1,286.5
0.5	1.5	Deferred tax for the year	-723.8	-51.6
0.0	-0.1	Adjustment deferred tax, previous year	-23.7	0.0
-0.1	-0.1	Effect of change in tax rate	46.2	5.3
0.0	0.0	Oher adjustments	0.9	-0.1
6.4	**7.7**	**Balance at 31 December**	**539.7**	**1,240.1**
		Deferred tax relates to:		
3.8	5.2	Intangible fixed assets and property, plant and equipment	-736.5	-356.0
0.0	0.0	Property, plant and equipment, Øresundsbro Konsortiet I/S	101.6	81.0
2.6	2.5	Reduced net financing expenses	708.5	903.9
0.0	0.0	Tax loss	466.1	611.2
6.4	**7.7**	**Total**	**539.7**	**1,240.1**

Differences during the year

Sund & Bælt Group	1 Jan 2014	Recognised in annual results 2014	31 Dec 2014	Recognised in annual results 2015	31 Dec 2015
Intangible fixed assets and property, plant and equipment	-422.7	66.7	-356.0	-380.5	-736.5
Property, plant and equipment, Øresundsbro Konsortiet I/S	52.1	28.9	81.0	20.6	101.6
Reduced net financing expenses	671.0	232.9	903.9	-195.4	708.5
Tax loss	986.1	-374.9	611.2	-145.1	466.1
Total	**1,286.5**	**-46.4**	**1,240.1**	**-700.4**	**539.7**

Sund & Bælt Holding A/S	1 Jan 2014	Recognised in annual results 2014	31 Dec 2014	Recognised in annual results 2015	31 Dec 2015
Intangible fixed assets and property, plant and equipment	3.5	0.3	3.8	1.4	5.2
Reduced net financing expenses	2.5	0.1	2.6	-0.1	2.5
Total	**6.0**	**0.4**	**6.4**	**1.3**	**7.7**

Note 14 Participating interests in subsidiaries

Participating interests in subsidiaries are valued at cost.

Sund & Bælt Holding A/S	2015	2014
Original cost at 1 January	976.0	976.0
Capital contribution for the year	0.0	0.0
Original cost at 31 December	**976.0**	**976.0**
Book value at 31 December	**976.0**	**976.0**

	Registered office	Ownership	Share capital	Equity 1 Jan	Profit/ loss	Dividend paid	Equity 31 Dec
A/S Storebælt	Copenhagen	100 per cent	355.0	2,143.7	1,887.0	-900.0	3,130.7
A/S Øresund	Copenhagen	100 per cent	5.0	-6,891.5	580.2	0.0	-6,311.3
A/S Femern Landanlæg	Copenhagen	100 per cent	500.0	511.7	-0.2	0.0	511.5
Sund & Bælt Partner A/S	Copenhagen	100 per cent	5.0	11.2	-0.1	0.0	11.1
BroBizz A/S	Copenhagen	100 per cent	30.0	108.4	5.2	0.0	113.6
Total			**895.0**	**-4,116.5**	**2,472.1**	**-900.0**	**-2,544.4**

Subsidiaries' activities

A/S Storebælt	The main responsibility is to own and operate the fixed link across Storebælt.
A/S Øresund	The main responsibility is to own and operate the fixed link across Øresund with associated landworks.
A/S Femern Landanlæg	The main objective is to own and co-ordinate the planning and construction works, including 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 transport 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 usage between the operators and the customer etc.

Note 15 Participating interest in jointly managed company

Øresundsbro Konsortiet I/S is a jointly managed company by A/S Øresund and SVEDAB AB. It is a shared ownership both legally and in terms of voting rights. Furthermore, the two owners are jointly and severally liable for the jointly managed company's liabilities, and the owners are not able to transfer rights or liabilities between each other without the prior consent of the other party.

Øresundsbro Konsortiet I/S is based in Copenhagen/Malmö and the Sund & Bælt Group's ownership interest is 50 per cent.

Sund & Bælt Group	2015	2014
Value of participating interest at 1 January	-946.1	-1,001.9
Share of annual profits	567.0	55.8
Participating interest at 31 December	**-379.1**	**-946.1**
Carried forward to provisions at 1 January	946.1	1,001.9
Amount carried forward for the year	-567.0	-55.8
Carried forward to provisions at 31 December	**379.1**	**946.1**
Value of participating interest at 31 December	**0.0**	**0.0**

Key figures from the jointly managed company	2015	2014
Operating income	1,797.4	1,721.9
Operating expenses	-296.8	-284.2
Depreciation	-274.2	-270.8
Financial income and expenses	-327.2	-384.6
Value adjustment	234.8	-670.8
Profit and comprehensive income	1,134.0	111.5
Current assets	1,183.3	1,291.0
– Of which cash and cash equivalents	98.3	650.5
Non-current assets	15,681.6	15,914.6
Equity	-758.3	-1,892.3
Current liabilities	4,290.9	5,389.7
– Of which short-term financial liabilities	4,036.9	5,129.4
Non-current liabilities	13,332.4	14,358.7
– Of which non-current financial liabilities	13,332.4	14,358.7
Contingent liabilities	106.6	108.9

Øresundsbro Konsortiet I/S' result for the year amounts to a profit of DKK 1,134 million (2014: DKK 112 million).

The Group's share of Øresundsbro Konsortiet I/S' results for the year of DKK 567.0 million (2014: DKK 55.8 million) is recognised in the income statement as Share of result in jointly managed company.

Note 16 Financial income and expenses

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 dates 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	
2014	2015		2015	2014
		Financial income		
900.0	900.0	Income from participating interests	0.0	0.0
1.3	15.1	Interest income, securities, banks etc.	18.6	7.4
0.0	0.0	Interest income, financial instruments	382.3	405.3
901.3	**915.1**	**Total financial instruments**	**400.9**	**412.7**
		Financial expenses		
-11.6	-16.2	Interest expenses, loans	-1,156.5	-1,232.1
0.0	0.0	Other financial income and expenses, net	-2.3	6.0
-11.6	**-16.2**	**Total financial expenses**	**-1,158.8**	**-1,226.1**
889.7	**898.9**	**Net financing expenses**	**-757.9**	**-813.4**
		Value adjustments, net		
0.0	0.0	- Securities	8.1	0.1
8.0	-2.8	- Loans	768.6	-598.6
0.0	0.0	- Currency and interest rate swaps	132.4	-1,093.7
0.0	0.0	- Currency options	4.6	-0.5
0.0	0.0	- Other value adjustments	0.5	1.9
8.0	**-2.8**	**Value adjustments, net**	**914.2**	**-1,690.8**
897.7	**896.1**	**Total financial income and expenses**	**156.3**	**-2,504.2**

Commission to the Danish state of DKK 57.1 million (2014: 55.4 million) is included in interest expenses.

Net financing expenses for the Group are DKK 55.5 million lower in 2015 compared to 2014, which is primarily related to the impact of a lower inflation level.

Note 17 Receivables

Trade receivables and services comprise amounts owed by customers and balances with payment card companies. As at 31 December 2015, payment card companies represent approximately 10 per cent of total receivables. As at 31 December 2015, in the total amount owed by customers of DKK 297 million there is a provision for unsecured receivables of DKK 5 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 are not 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	
2014	2015		2015	2014
1.9	1.3	Sales and services	296.5	281.7
484.8	86.6	Group enterprises	0.0	0.0
0.0	0.8	Affiliated company, Øresundsbro Konsortiet I/S	0.0	15.0
0.0	0.0	Accrued interest, financial instruments*	375.4	366.4
0.1	0.2	Other receivables	144.6	301.6
486.8	**88.9**	**Total receivables**	**816.5**	**964.7**
		Accrued interest		
0.0	0.0	Investments	4.7	4.5
0.0	0.0	Payables	0.1	0.1
0.0	0.0	Interest rate swaps	276.9	233.8
0.0	0.0	Currency swaps	93.7	128.0
0.0	0.0	Forward exchange contracts	0.0	0.0
0.0	**0.0**	**Total accrued interest**	**375.4**	**366.4**

* See note 22.

Note 18 Derivatives

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

Sund & Bælt Group	2015 Assets	2015 Liabilities	2014 Assets	2014 Liabilities
Interest rate swaps	1,710.5	-3,894.1	1,924.4	-4,531.9
Currency swaps	1,280.4	-389.4	1,389.0	-426.2
Forward exchange contracts	3.9	0.0	1.0	-2.7
Total derivatives	**2,994.8**	**-4,283.5**	**3,314.4**	**-4,960.8**

A/S Storebælt	2015 Assets	2015 Liabilities	2014 Assets	2014 Liabilities
Gross value derivatives	1,613.8	-2,941.3	1,927.0	-3,348.5
Accrued interest	213.1	-202.6	240.9	-198.5
Offsetting, c.f. IAS 32	0.0	0.0	0.0	0.0
Gross value, total	**1,826.9**	**-3,143.9**	**2,167.9**	**-3,547.0**
Offsetting options by default*	-1,146.1	1,146.1	-1,263.2	1,263.2
Collateral	-336.1	1,101.9	-521.2	1,247.7
Net value, total	**344.7**	**-895.9**	**383.5**	**-1,036.1**

* Offsetting options include netting of derivative contracts that give access to the balancing of positive and negative market values for a single net settlement amount.

A/S Øresund	2015 Assets	2015 Liabilities	2014 Assets	2014 Liabilities
Gross value derivatives	1,380.9	-1,342.3	1,387.3	-1,612.3
Accrued interest	157.6	-65.4	121.0	-58.1
Offsetting, c.f. IAS 32	0.0	0.0	0.0	0.0
Gross value, total	**1,538.5**	**-1,407.7**	**1,508.3**	**-1,670.4**
Offsetting options by default*	-106.1	106.1	-58.9	58.9
Collateral	-1,378.3	149.4	-1,379.3	230.5
Net value, total	**54.1**	**-1,152.2**	**70.1**	**-1,381.0**

* Offsetting options include netting of derivative contracts that give access to the balancing of positive and negative market values for a single net settlement amount.

Note 19 Prepayments and accrued income

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

Sund & Bælt Holding A/S			Sund & Bælt Group	
2014	2015		2015	2014
0.0	0.0	Prepaid rent	0.4	0.6
7.2	7.3	Prepaid insurance premiums	9.5	12.0
0.0	0.0	Prepaid expenses	6.2	6.6
7.2	**7.3**	**Total prepayments and accrued income**	**16.1**	**19.2**

Note 20 Cash at bank and in hand

Sund & Bælt Holding A/S			Sund & Bælt Group	
2014	2015		2015	2014
0.0	0.0	Cash at bank and in hand	384.8	526.8
0.0	0.0	Fixed term deposit accounts	0.0	1,182.9
0.0	**0.0**	**Total cash at bank and in hand**	**384.8**	**1,709.7**

Note 21 Equity

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	
2014	2015		2015	2014
355.0	355.0	Share capital	355.0	355.0
133.6	145.8	Retained earnings at 1 January	-4,938.7	-4,204.8
912.3	911.5	Profit for the year	2,486.8	166.1
-900.0	-900.0	Paid dividend	-900.0	-900.0
145.8	157.3	Retained earnings at 31 December	-3,351.9	-4,938.7
500.8	512.3	Equity at 31 December	-2,996.9	-4,583.7

Capital management

The Board of Directors regularly 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 "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 I/S' debt is guaranteed jointly and severally by the Danish and Swedish states.

Note 22 Net debt

Sund & Bælt Group 2015

Net debt spread across currencies	EUR	DKK	Other currencies	Net debt
Cash at bank and in hand	8.3	377.7	-1.2	384.8
Investments	1,924.6	86.6	0.0	2,011.2
Bond loans and amounts owed to credit institutions	-2,040.6	-34,157.4	-4,564.8	-40,762.8
Currency and interest rate swaps	-11,497.6	5,615.5	4,589.5	-1,292.6
Currency exchange contracts	1,781.9	-1,834.9	56.9	3.9
Accrued interest	-283.2	158.0	0.0	-125.2
Total (notes 17, 18, 20, 25)	**-10,106.6**	**-29,754.5**	**80.4**	**-39,780.7**

Other currencies comprise:

	AUD	GBP	JPY	NOK	SEK	USD	Total
Cash at bank and in hand	0.0	-0.1	0.0	0.0	-0.1	-1.0	-1.2
Bond loans and amounts owed to credit institutions	-26.1	0.0	-1,432.9	-2,251.6	-687.9	-166.3	-4,564.8
Currency and interest rate swaps	26.4	0.0	1,410.3	2,277.7	706.6	168.5	4,589.5
Currency exchange contracts	0.0	0.0	56.9	0.0	0.0	0.0	56.9
Total	**0.3**	**-0.1**	**34.3**	**26.1**	**18.6**	**1.2**	**80.4**

The items above are included in the following accounting items

	Derivatives assets	Derivatives liabilities	Total
Interest rate swaps	1,710.5	-3,894.1	-2,183.6
Currency swaps	1,280.4	-389.4	891.0
Forward exchange swaps	3.9	0.0	3.9
Total (note 18)	**2,994.8**	**-4,283.5**	**-1,288.7**

Accrued interest	Receivables	Other payables	Total
Deposits and securities	4.7	-2.1	2.6
Debt	0.1	-230.5	-230.4
Interest rate swaps	276.9	-267.8	9.1
Currency swaps	93.7	-0.2	93.5
Total (notes 17, 25)	**375.4**	**-500.6**	**-125.2**

Note 22 Net debt (continued)

Sund & Bælt Group 2014

Net debt spread across currencies	EUR	DKK	Other currencies	Net debt
Cash at bank and in hand	991.4	710.6	7.7	1,709.7
Investments	782.6	88.1	0.0	870.7
Bond loans and amounts owed to credit institutions	-2,049.9	-33,441.9	-6,531.4	-42,023.2
Currency and interest rate swaps	-16,521.1	8,325.0	6,551.4	-1,644.7
Currency exchange contracts	3,572.4	-3,625.4	51.3	-1.7
Accrued interest	-277.8	107.9	0.0	-169.9
Total (notes 17, 18, 20, 25)	**-13,502.4**	**-27,835.7**	**79.0**	**-41,259.1**

Other currencies comprise:

	AUD	GBP	JPY	NOK	SEK	USD	Total
Cash at bank and in hand	0.0	3.6	0.5	0.0	4.3	-0.7	7.7
Bond loans and amounts owed to credit institutions	-31.6	0.0	-1,486.0	-4,148.3	-679.1	-186.4	-6,531.4
Currency and interest rate swaps	31.9	0.0	1,461.2	4,177.0	692.3	189.0	6,551.4
Currency exchange contracts	0.0	0.0	51.3	0.0	0.0	0.0	51.3
Total	**0.3**	**3.6**	**27.0**	**28.7**	**17.5**	**1.9**	**79.0**

The items above are included in the following accounting items

	Derivatives assets	Derivatives liabilities	Total
Interest rate swaps	1,924.4	-4,531.9	-2,607.5
Currency swaps	1,389.0	-426.2	962.8
Forward exchange swaps	1.0	-2.7	-1.7
Total (note 18)	**3,314.4**	**-4,960.8**	**-1,646.4**

Accrued interest	Receivables	Other payables	Total
Deposits and securities	4.5	0.0	4.5
Debt	0.1	-279.7	-279.6
Interest rate swaps	233.8	-256.6	-22.8
Currency swaps	128.0	0.0	128.0
Total (notes 17, 25)	**366.4**	**-536.3**	**-169.9**

Note 23 Financial risk management

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 financing strategy, which regulates borrowing and liquidity reserves for specific years and sets the framework for the companies' credit, foreign exchange, inflation 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 infrastructure facilities over their useful lives with due regard for an acceptable risk level as acknowledged 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 2015 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 adhere to 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 companies' loan transactions shall consist of common and standardised loan constructions that, as far as possible, limit the credit risk. The loan transactions do not contain any special terms that require disclosure with reference to IFRS 7.

In certain cases, lending itself can profitably 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 0.8 billion has been utilised. Thus, an available credit limit of USD 4.2 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 50 million has been utilised. Thus, an available credit limit of USD 950 million remains.

Since 2002, the companies have had access to on-lending, which is a direct loan 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 2015, funding requirements were mainly covered by on-lending from Danmarks Nationalbank, which were a particularly attractive source of funding. A/S Storebælt raised on-lending to a nominal value of DKK 2.4 billion and A/S Øresund to a nominal value of DKK 1.3 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 2016, such refinancing will amount to approx. DKK 1.7 billion, and the expected net borrowing requirements will be around DKK 1.6 billion. This is beyond 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 2016, such refinancing will amount to approx. DKK 2.1 billion and the expected net borrowing requirements will be around DKK 2.3 billion. This is beyond 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 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 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.

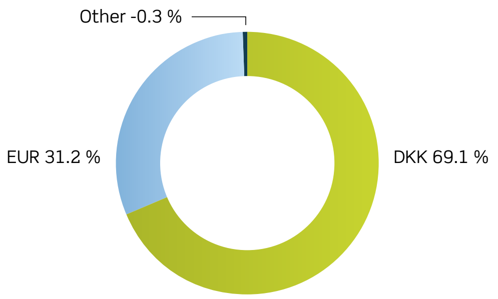
Currency risks

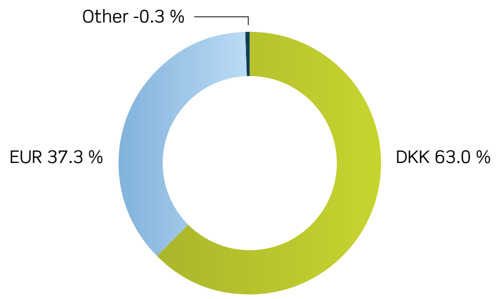
The companies' exposure to currency risks primarily relates to the part of the net debt denominated in currencies other than the base currency (DKK). Financial derivatives and liquid funds are recognised in the disclosure of the currency risk measured at fair value.

Note 23 Financial risk management (continued)

A/S Storebælt's currency exposure at fair value in DKK million 2015 and 2014

Currency	Fair value 2015	Currency	Fair value 2014
DKK	-17,093	DKK	-16,495
EUR	-7,711	EUR	-9,774
Other	81	Other	71
Total 2015	**-24,723**	**Total 2014**	**-26,198**





A/S Øresund's currency exposure at fair value in DKK million 2015 and 2014

Currency	Fair value 2015	Currency	Fair value 2014
DKK	-9,818	DKK	-9,299
EUR	-2,484	EUR	-3,785
Other	0	Other	1
Total 2015	**-12,302**	**Total 2014**	**-13,083**

Note 23 Financial risk management (continued)

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

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 to 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. In 2015, the companies reduced the proportion of EUR in the net debt as the repayment of the debt denominated in EUR was refinanced in DKK.

Other currencies comprise AUD, 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 70 million in 2015 (DKK 41 million in 2014) calculated as Value-at-Risk.

Foreign exchange sensitivity for A/S Øresund amounted to DKK 22 million in 2015 (DKK 16 million in 2014) calculated as Value-at-Risk.

Value-at-Risk for foreign exchange sensitivity expresses the maximum loss as a result of 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 2015 was 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 3.25 years (variation limit: 2.5-4.0 years)
- Limits for interest rate exposure with fluctuation bands.

For A/S Øresund, the following framework for 2015 was 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 7.0 years (variation limit: 6.0-8.0 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 tolerance.

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 refixing risk on the net debt, the companies' risk profile is also affected by linkages to the operations. This means that a balancing of risk occurs across assets and liabilities with the aim of achieving a lower risk by combining debt distribution so that there is a positive correlation between operating revenue and financing expenses. This relationship was evident in the downturn that followed the financial crisis, when a sluggish trend in traffic revenues was offset by lower financing expenses.

Typically, floating rate debt and 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.

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 very low risk and functions as a hedge of operating revenue and the companies' long-term project risk.

Note 23 Financial risk management (continued)

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 for 2015, the duration on the nominal debt was set at 3.25 years for A/S Storebælt and 7.0 years for A/S Øresund.

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 outcome and expected earnings development of 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 and an isolated balancing of financing expenses and interest rate refixing risk on the nominal debt.

For A/S Storebælt, the target for the duration on the nominal debt was 3.25 years for 2015 and the actual duration was between 3.3 years and 4.1 years and was predominately overweighted in relation to the benchmark. The existing nominal interest rate hedging was extended in line with the debt refinancing and maturing fixed rate exposure.

For A/S Storebælt, the duration on the strategic benchmark for 2016 was kept at 3.25 years and the target for the real rate debt ratio remained unchanged. The duration will be calculated without discounting.

For A/S Øresund, the target for the duration on the nominal debt was increased from 5 years to 7 years as part of adapting the maturity profile to the actual debt development combined with the fact that interest rates were at historically low levels in the first half of 2015.

The actual duration was between 5.5 years and 7.6 years and was predominately overweighted in relation to the benchmark. The existing interest rate hedging on the nominal debt was gradually extended over the course of 2015, primarily by entering into forward starting interest rate swaps, but also in conjunction with the debt refinancing. The real rate debt ratio was increased by over 10 per cent to 45 per cent with a view to adapting the overall maturity profile to the expected debt development.

For A/S Øresund, the duration on the strategic benchmark for 2016 was increased to 9.0 years and the target for the real rate debt ratio remained unchanged. The duration will be calculated without discounting.

There were significant fluctuations in market rates during 2015, but viewed over the year as a whole, interest rates increased by around 0.2 to 0.3 percentage points on long maturities. Following the ECB's quantitative purchase programme, European rates found a new low point in the first quarter of 2015, but then began to rise, albeit with significant fluctuations due to uncertainty about the growth picture – particularly in light of developments in China.

The development in interest rates has led to an unrealised gain of DKK 372 million for A/S Storebælt.

The development in interest rates has led to an unrealised gain of DKK 560 million for A/S Øresund.

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)

Yield exposure disclosed in nominal notional amounts 2015, 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	1,082	313	0	0	0	0	1,395	1,403
Bond loans and other loans	-1,784	-6,611	-3,183	-4,581	-1,271	-4,902	-22,332	-24,515
Interest rate and currency swaps	-2,889	2,947	2,437	1,702	-221	-4,847	-871	-1,321
Forward exchange contracts	0	0	0	0	0	0	0	4
Other derivatives	0	0	0	0	0	0	0	0
Credit institutions	-294	0	0	0	0	0	-294	-294
Net debt	**-3,885**	**-3,351**	**-746**	**-2,879**	**-1,492**	**-9,749**	**-22,102**	**-24,723**
Of this, real rate instruments:								
Real rate debt	0	0	0	-1,610	-572	-1,553	-3,735	-4,169
Real rate swaps	0	0	0	-3,269	572	-2,710	-5,407	-6,348
Real rate instruments total	**0**	**0**	**0**	**-4,879**	**0**	**-4,263**	**-9,142**	**-10,517**

Yield exposure > 5 years is allocated as follows:

Yield buckets	5-10 years	10-15 years	15-20 years	> 20 years
Net debt	-8,875	-874	0	0
Of which real rate instruments	-3,921	-342	0	0

Yield exposure disclosed in nominal notional amounts 2014, 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	930	484	0	0	0	0	1,414	1,420
Bond loans and other loans	-4,041	-1,563	-6,612	-1,641	-4,541	-5,198	-23,596	-26,452
Interest rate and currency swaps	-1,900	346	2,953	897	1,691	-5,197	-1,210	-1,377
Forward exchange contracts	0	0	0	0	0	0	0	-2
Other derivatives	0	0	0	0	0	0	0	0
Credit institutions	213	0	0	0	0	0	213	213
Net debt	**-4,798**	**-733**	**-3,659**	**-744**	**-2,850**	**-10,395**	**-23,179**	**-26,198**
Of this, real rate instruments:								
Real rate debt	0	0	0	0	-1,600	-2,101	-3,701	-4,162
Real rate swaps	0	-72	0	0	-3,251	-2,140	-5,463	-6,549
Real rate instruments total	**0**	**-72**	**0**	**0**	**-4,851**	**-4,241**	**-9,164**	**-10,711**

Yield exposure > 5 years is allocated as follows:

Yield buckets	5-10 years	10-15 years	15-20 years	> 20 years
Net debt	-6,343	-3,860	-192	0
Of which real rate instruments	-1,547	-2,694	0	0

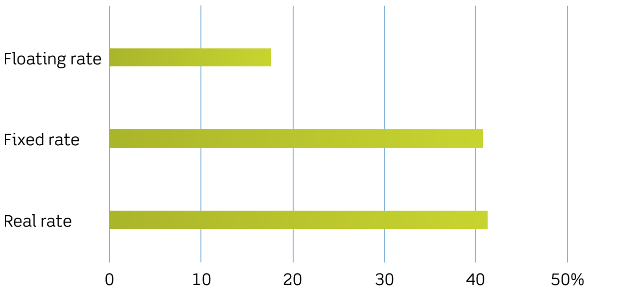
The fixed-rate nominal debt is primarily exposed to yield exposure in the 5 to 10-year yield segment, which applies to both nominal debt and real rate debt.

Note 23 Financial risk management (continued)

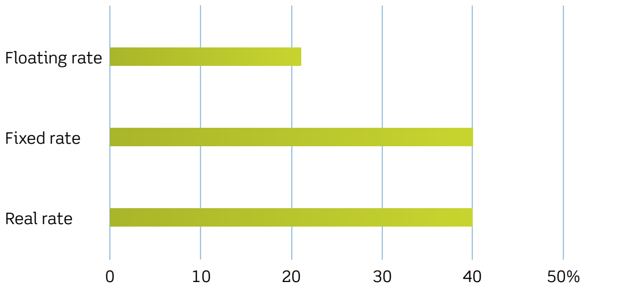
Interest rate allocation, A/S Storebælt

2015	Interest rate allocation in per cent	2014
17.6	Floating rate	20.7
41.0	Fixed rate	39.8
41.4	Real rate	39.5
100.0	**Total**	**100.0**

Interest rate risk incl. hedging, 2015



Interest rate risk incl. hedging, 2014



The yield exposure is distributed with an allocation of 107.6 per cent to interest rates in DKK and -7.6 per cent in EUR. As regards real rate debt, this is exposed to the Danish Consumer Price Index (CPI).

The financing expenses' sensitivity to an interest or inflation rate change of 1 percentage point can be estimated at DKK 69 million and DKK 91 million respectively and the impact will be symmetrical since there is no optionality in either the interest rate or inflation exposure.

Yield exposure disclosed in nominal notional amounts 2015, 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	522	0	0	0	0	0	522	524
Bond loans and other loans	-2,331	-2,500	0	-600	0	-4,912	-10,343	-12,932
Interest rate and currency swaps	-245	2,163	0	78	0	-2,146	-150	131
Forward exchange contracts	0	0	0	0	0	0	0	0
Other derivatives	0	0	0	0	0	0	0	0
Credit institutions	-25	0	0	0	0	0	-25	-25
Net debt	**-2,079**	**-337**	**0**	**-522**	**0**	**-7,058**	**-9,996**	**-12,302**
Of this, real rate instruments:								
Real rate debt	0	0	0	0	0	0	0	0
Real rate swaps	0	0	0	0	0	-4,496	-4,496	-5,305
Real rate instruments total	**0**	**0**	**0**	**0**	**0**	**-4,496**	**-4,496**	**-5,305**

Yield exposure > 5 years is allocated as follows:

Yield buckets	5-10 years	10-15 years	15-20 years	> 20 years
Net debt	-1,957	-100	-1,433	-3,568
Of which real rate instruments	-1,418	-846	-1,052	-1,180

Note 23 Financial risk management (continued)

Yield exposure disclosed in nominal notional amounts 2014, 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	0	298	0	0	0	0	298	298
Bond loans and other loans	-1,723	-2,101	-2,500	0	-600	-3,612	-10,536	-13,145
Interest rate and currency swaps	-594	456	2,164	0	79	-2,271	-166	-162
Forward exchange contracts	0	0	0	0	0	0	0	1
Other derivatives	0	0	0	0	0	0	0	0
Credit institutions	-75	0	0	0	0	0	-75	-75
Net debt	**-2,392**	**-1,347**	**-336**	**0**	**-521**	**-5,883**	**-10,479**	**-13,083**
Of this, real rate instruments:								
Real rate debt	0	0	0	0	0	0	0	0
Real rate swaps	-51	-47	0	0	0	-3,505	-3,603	-4,644
Real rate instruments total	**-51**	**-47**	**0**	**0**	**0**	**-3,505**	**-3,603**	**-4,644**

Yield exposure > 5 years is allocated as follows:

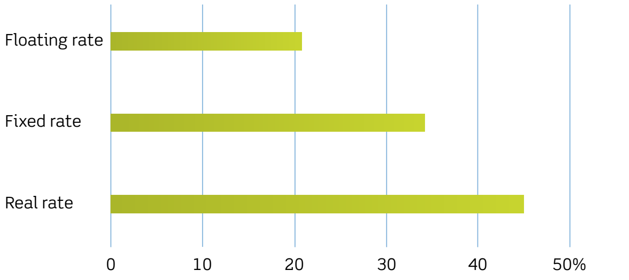
Yield buckets	5-10 years	10-15 years	15-20 years	> 20 years
Net debt	-2,887	-842	-1,053	-1,101
Of which real rate instruments	-1,414	-842	-1,048	-201

The fixed rate nominal debt with yield exposure above 5 years is more or less equally weighted between 10, 20 and 25 year yield buckets, while the real rate debt is primarily weighted between 10, 15 and 25 year maturities.

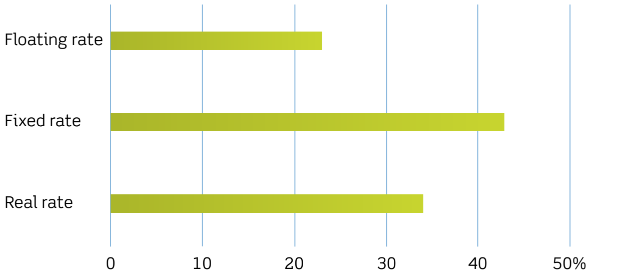
Interest rate allocation, A/S Øresund

2015	Interest rate allocation in per cent	2014
20.8	Floating rate	22.8
34.2	Fixed rate	43.3
45.0	Real rate	33.9
100.0	**Total**	**100.0**

Interest rate risk incl. hedging, 2015



Interest rate risk incl. hedging, 2014



The yield exposure is distributed with an allocation of 110.9 per cent to interest rates in DKK and -10.9 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)

The financing expenses' sensitivity to an interest rate change of 1 percentage point can be estimated at DKK 34 million and the impact will be symmetrical since there is no optionality in the interest rate exposure. With the current inflation level of close to 0 per cent, sensitivity to a change in inflation will be asymmetrical as a "floor" has been sold for inflation below 0 per cent on a principal of EUR 190 million. An increase in inflation of 1 percentage point will increase financing costs by DKK 45 million while a corresponding fall in inflation would reduce financing costs by DKK 38 million.

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 primarily owing to the discounting effect and offsets 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 small 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

2015				2014		
Duration (years)	BPV	Fair value		Duration (years)	BPV	Fair value
4.1	6.2	-14,206	Nominal debt	4.0	6.2	-15,487
5.8	5.8	-10,517	Real interest debt	6.7	7.2	-10,711
4.8	**12.0**	**-24,723**	**Net debt**	**5.1**	**13.4**	**-26,198**

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

A/S Storebælt's duration totalled 4.8 years at the end of 2015, of which 4.1 years relates to the nominal debt and 5.8 years to the real rate debt. Rate sensitivity can be calculated at DKK 12.0 million, when the yield curve is shifted in parallel by 1 bp. This will imply a positive fair value adjustment in the income statement and balance sheet when interest rates rise by 1 bp, and vice versa.

Duration, A/S Øresund

2015				2014		
Duration (years)	BPV	Fair value		Duration (years)	BPV	Fair value
7.6	5.4	-6,997	Nominal debt	5.3	4.5	-8,439
13.7	7.3	-5,305	Real interest debt	12.3	5.7	-4,644
10.2	**12.7**	**-12,302**	**Net debt**	**7.8**	**10.2**	**-13,083**

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

A/S Øresund's duration totalled 10.2 years at the end of 2015 of which 7.6 years relate to the nominal debt and 13.7 years to the real rate debt. Rate sensitivity can be calculated at DKK 12.7, when the yield curve is shifted in parallel by 1 bp. This will imply a positive fair value adjustment in the income statement and balance sheet when interest rates rise by 1 bp, 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)

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 exposure with individual counterparties.

The companies have, to the greatest possible extent, limited excess liquidity and have only had deposits in banks with high credit ratings or invested liquidity in German government bonds for pledging collateral. There have been no incidents of overdue payments as a result of credit events.

Companies' derivative transactions are regulated by an ISDA master agreement with each counterparty, and 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 to 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 with high credit quality when the balance is in favour of one of the parties. The parties have title of right to the collateral with mandatory return of income and securities in the absence of bankruptcy.

Credit exposure is effectively limited by low threshold values for unhedged receivables and greater collateral is required for counterparties with lower credit quality, i.e. with a requirement for supplementary collateral for lower ratings.

The bonds, provided as collateral, must have a minimum rating of Aa3/AA-.

The companies have renegotiated collateral agreements (CSA agreements) with derivative counterparties in order to meet the requirements of the market. The new collateral agreements contain a symmetrical threshold value of zero to limit the liquidity premium. So far, the companies have used a rating-dependent threshold value, which in practice gave rise to a liquidity premium in that the companies, by virtue of their high credit rating, should only provide collateral when counterparty exposures exceeded EUR 65 million while the threshold value for derivative counterparties was significantly lower.

The IFRS accounting standard stipulates that the credit risk is calculated gross excluding netting (the offsetting of positive and negative balances for each counterparty) even though such agreements exist. Net exposure is given as additional information and constitutes a better measure of the companies' actual credit risk.

Note 23 Financial risk management (continued)

Credit risks on financial assets recognised at fair value distributed on credit quality 2015, A/S Storebælt
Total counterparty exposure (market value)

Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	1,401	17	16	0	2
AA	0	821	201	129	4
A	0	835	376	177	7
BBB	0	96	0	30	2
Total	**1,401**	**1,769**	**593**	**336**	**15**

Credit risks on financial assets recognised at fair value distributed on credit quality 2014, A/S Storebælt
Total counterparty exposure (market value)

Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	1,420	11	6	0	2
AA	0	918	345	292	3
A	0	1,175	436	199	10
BBB	0	0	0	30	1
Total	**1,420**	**2,104**	**787**	**521**	**16**

A/S Storebælt has 15 financial counterparties, including Germany as bond issuer, while the business volume with the remaining 14 counterparties is related to derivative transactions of which 10 counterparties are covered by collateral agreements.

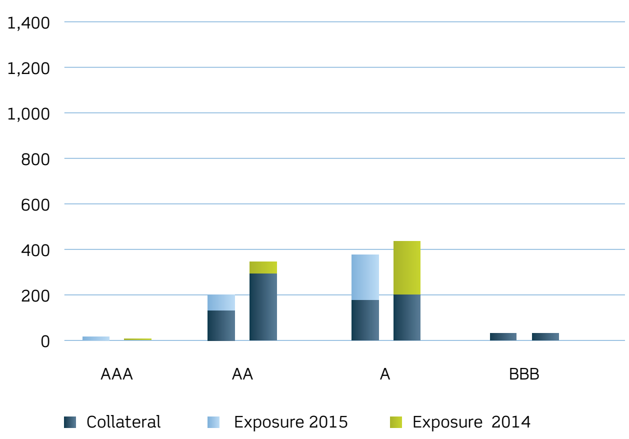
The credit exposure is fairly evenly divided between the AA and A rating category and is largely covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 376 million and collateral amounts to DKK 336 million. Counterparty exposure without collateral agreements totals DKK 217 million, primarily in the A rating category.

A/S Storebælt has pledged collateral for DKK 1,102 million to hedge outstanding exposure from derivative transactions in favour of three counterparties.

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 2015 and 2014, A/S Storebælt



Note 23 Financial risk management (continued)

Credit risks on financial assets recognised at fair value distributed on credit quality 2015, A/S Øresund
Total counterparty exposure (market value)

Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	524	0	0	0	2
AA	0	243	206	136	3
A	0	1,291	1,220	1,242	4
BBB	0	0	0	0	1
Total	**524**	**1,534**	**1,426**	**1,378**	**10**

Credit risks on financial assets recognised at fair value distributed on credit quality 2014, A/S Øresund
Total counterparty exposure (market value)

Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	298	0	0	0	3
AA	0	248	203	138	3
A	0	1,260	1,240	1,241	5
Total	**298**	**1,508**	**1,443**	**1,379**	**11**

A/S Øresund has 10 financial counterparties, including Germany as bond issuer, while the business volume with the remaining 9 counterparties is related to derivative transactions of which 8 counterparties are covered by collateral agreements.

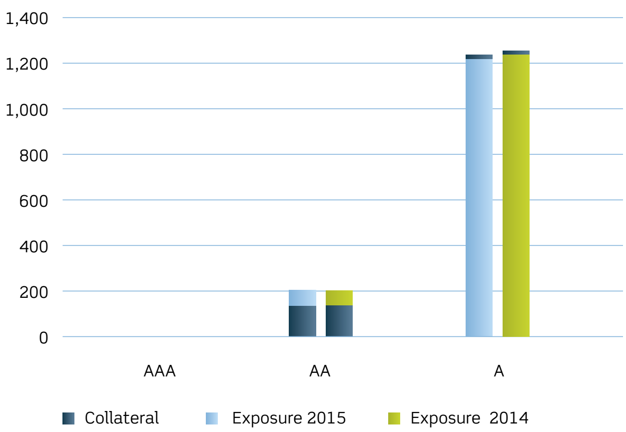
The credit exposure is primarily concentrated in the A rating category and largely covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 1,426 million and collateral amounts to DKK 1,378 million. There is no exposure to counterparties without collateral.

A/S Øresund has pledged collateral for DKK 149 million to hedge outstanding exposure from derivative transactions in favour of a single counterparty.

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 2015 and 2014, A/S Øresund



Note 23 Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk of losses arising if the companies have difficulties meeting their financial liabilities, 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, 2015

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-1,607	-6,600	-3,172	-4,564	-1,259	-5,000	-22,202
Derivative liabilities	-2,298	-510	-1,888	-1,660	-1,625	-668	-8,649
Derivative receivables	2,175	412	1,577	1,618	1,634	232	7,648
Assets	1,082	313	0	0	0	0	1,395
Total	**-648**	**-6,385**	**-3,483**	**-4,606**	**-1,250**	**-5,436**	**-21,808**
Interest payments							
Debt	-670	-631	-374	-334	-158	-336	-2,503
Derivative liabilities	-156	-160	-191	-245	-177	-674	-1,603
Derivative receivables	308	283	211	137	120	103	1,162
Assets	1	0	0	0	0	0	1
Total	**-517**	**-508**	**-354**	**-442**	**-215**	**-907**	**-2,943**

Maturity on debt as well as liabilities and receivables from financial derivatives, A/S Storebælt 2014

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-3,868	-1,578	-6,624	-1,653	-4,550	-5,323	-23,596
Derivative liabilities	-7,523	-1,290	-509	-1,882	-1,648	-2,240	-15,092
Derivative receivables	7,286	1,164	436	1,657	1,620	1,719	13,882
Assets	930	484	0	0	0	0	1,414
Total	**-3,175**	**-1,220**	**-6,697**	**-1,878**	**-4,578**	**-5,844**	**-23,392**
Interest payments							
Debt	-816	-654	-614	-356	-305	-405	-3,150
Derivative liabilities	-158	-151	-159	-187	-223	-838	-1,716
Derivative receivables	438	272	271	211	134	208	1,534
Assets	4	1	0	0	0	0	5
Total	**-532**	**-532**	**-502**	**-332**	**-394**	**-1,035**	**-3,327**

Note 23 Financial risk management (continued)

Maturity on debt as well as liabilities and receivables from financial derivatives, A/S Øresund, 2015

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-2,107	-2,500	0	-600	0	-5,136	-10,343
Derivative liabilities	-1,654	0	0	0	0	-1,536	-3,190
Derivative receivables	1,628	0	0	0	0	1,412	3,040
Assets	522	0	0	0	0	0	522
Total	**-1,611**	**-2,500**	**0**	**-600**	**0**	**-5,260**	**-9,971**
Interest payments							
Debt	-392	-352	-266	-267	-244	-2,065	-3,586
Derivative liabilities	-76	-76	-109	-106	-103	-504	-974
Derivative receivables	151	142	99	99	99	718	1,308
Total	**-317**	**-286**	**-276**	**-274**	**-248**	**-1,851**	**-3,252**

Maturity on debt as well as liabilities and receivables from financial derivatives, A/S Øresund, 2014

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-1,500	-2,101	-2,500	0	-600	-3,835	-10,536
Derivative liabilities	-2,521	-824	0	0	0	-1,520	-4,865
Derivative receivables	2,487	801	0	0	0	1,412	4,700
Assets	0	298	0	0	0	0	298
Total	**-1,534**	**-1,826**	**-2,500**	**0**	**-600**	**-3,943**	**-10,403**
Interest payments							
Debt	-416	-354	-316	-230	-231	-1,765	-3,312
Derivative liabilities	-66	-65	-72	-114	-117	-970	-1,404
Derivative receivables	195	135	128	99	99	757	1,413
Total	**-287**	**-284**	**-260**	**-245**	**-249**	**-1,978**	**-3,303**

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 Profitability

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

For calculating the repayment period, the company has used a real rate of 3.5 per cent as the basis for its long-term profitability calculations since 2006. In the light of the recent years' strong falls in interest rates and the subdued expectations going forward, the company decided in 2014 to change its interest rate assumption to a real rate of 3.0 per cent.

As part of the Government's 2016 Budget, the annual fee for the railway's use of the fixed links across Storebælt and Øresund was adjusted. For Storebælt this means a significant reduction in fees over the coming years – in 2016, the reduction is in the order of DKK 264 million. Although this reduction has a negative impact on the repayment period, this year it is offset by lower financing costs and higher growth in traffic.

Overall, the repayment period has remained unchanged on the year and amounts to 31 years on the basis of the most recently updated repayment period. Calculated from the opening year, this means that the company will be debt-free in 2029.

Co-financing of the political agreement, "A Green Transport Policy", of 29 January 2009 is included in the repayment period calculation where the company pays dividend to the State of DKK 9.0 billion (in 2008 prices) up to the financial year 2022 and ceases to do so after the agreement is concluded. After distribution of the proposed DKK 1,200 million in dividend for the 2015 financial year, the company will have distributed a total of DKK 3,000 million.

The main uncertainties in the profitability calculations relate to the long-term traffic development and the real rate. 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 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 line and partly through dividend payments from Øresundsbro Konsortiet I/S of which A/S Øresund owns 50 per cent. A/S Øresund will also be affected by the above-mentioned changes in the 2016 Budget where the annual fee for the railway's use of the fixed links will be gradually reduced over the coming years. In addition, A/S Øresund is obliged to pay the Danish state's rail contribution to Øresundsbro Konsortiet I/S until 2024 on a gradual basis.

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 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. A/S Øresund can thus advance the use of its tax loss over time.

The repayment period for A/S Øresund is now calculated to be 52 years, which is 7 years longer than last year. The increase is primarily due to the change in fees for the railway.

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

Note 25 Trade and other payables

Sund & Bælt Holding A/S 2014	Sund & Bælt Holding A/S 2015		Sund & Bælt Group 2015	Sund & Bælt Group 2014
2.2	3.9	Trade payables	204.2	207.7
485.7	84.9	Debt group enterprises – group companies	0.0	0.0
0.4	0.0	Debt, Øresundsbro Konsortiet I/S	16.1	2.2
0.8	0.8	Guarantee commission payable	54.8	54.4
2.1	1.6	Accrued interest, financial instruments*	500.6	536.3
21.2	19.4	Other payables	228.0	280.0
512.4	**110.6**	**Total**	**1,003.7**	**1,080.6**
		Accrued interest		
0.0	0.0	Deposits and securities	2.1	0.0
2.1	1.6	Loans	230.5	279.7
0.0	0.0	Interest rate swaps	267.8	256.6
0.0	0.0	Currency swaps	0.2	0.0
2.1	**1.6**	**Total**	**500.6**	**536.3**

' Note: See note 22.

Note 26 Accruals and deferred income

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

Sund & Bælt Holding A/S 2014	Sund & Bælt Holding A/S 2015		Sund & Bælt Group 2015	Sund & Bælt Group 2014
0.0	0.0	Prepaid income	29.6	27.5
0.0	0.0	Other accruals	1.8	3.7
0.0	**0.0**	**Accruals and deferred income, total**	**31.4**	**31.2**

Note 27 Contractual obligations, contingent liabilities and collateral

The Group's contractual obligations comprise construction, operating and maintenance contracts with expiry dates up to 2019 at an overall balance of DKK 361 million (DKK 287 million in 2014). At year end, work under contracts amounted to DKK 381 million (DKK 380 million in 2014).

Operating leasing comprises contracts with a maturity of between 1-9 years. The leasing liability totals DKK 190.6 million (DKK 177.6 million in 2014) of which DKK 32.4 million falls due in 2016.

In accordance with the Act on Ferry Operations, A/S Storebælt is required to maintain to a specified 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 Danske Færger A/S concerning the operation of the service until 30 April 2018. In 2016, the costs are expected to total DKK 41 million.

In 2013, the Court of Arbitration ruled in the case brought by an Italian contractor who was involved in the construction of the Storebælt Bridge. The case concerned claims relating to the abolition of AMBI back in 1992. The Arbitration Board absolved A/S Storebælt of liability and ordered the Italian entrepreneur to pay the costs incurred as a result of the case, including DKK 1.5 million in legal costs to A/S Storebælt. The Italian contractor has not yet paid these costs to A/S Storebælt, which is why A/S Storebælt has initiated a judicial recovery of the debt in Italy. The Italian contractor has also taken A/S Storebælt to the Civil Court in Rome claiming that the Court of Arbitration's ruling should be declared invalid. The management is of the view that the contractor is not entitled to compensation at the Civil Court either. On this basis, no amount has been allocated 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 October 2014, the EU Commission ruled on the complaint concerning state aid to Øresundsbro Konsortiet I/S. The Commission found that Øresundsbro Konsortiet I/S is covered by the rules on state aid, but that the specific state aid in the form of state guarantees and, in Denmark's case, the special tax rules, are compatible with the EU Treaty. In February 2015, Scandlines Øresund etc. took the EU Commission's decision on Danish state aid to Øresundsbro Konsortiet I/S to the General Court of the European Union. The case also includes the tax regulations that the Sund & Bælt Group is subject to. At present it is not possible to estimate the economic consequences.

As previously announced, Scandlines etc. filed a complaint with the European Commission concerning alleged unlawful state aid for the Fehmarnbelt project, primarily because of the state guarantees for the Fehmarnbelt project's borrowing, etc. In July 2015, the EU Commission rejected the complaint and declared that the guarantees etc. are fully compatible with EU state aid rules. Scandlines etc. has brought the EU Commission's approval to the General Court of the European Union in order to get the approval annulled. The consequences of a possible annulment would usually be that the Commission would reexamine those aspects of the decision to be annulled. At present, it is not possible to estimate the economic consequences.

A/S Storebælt and A/S Øresund have entered into two-way collateral agreements (CSA agreements) with a number of financial counterparties and are, as a result, obliged to provide collateral by way of depositing bonds for balances on derivative contracts in the counterparty's favour. A/S Storebælt has currently provided collateral of DKK 1,102 million for balances with three different financial counterparties in their favour. A/S Øresund has provided collateral of DKK 149 million for outstandings with a financial counterparty in its favour.

Sund & Bælt Holding A/S is the management company with regard to Danish joint taxation. According to corporate tax legislation, the company is jointly and severally liable, from and including 2013, with the other jointly taxed companies for overall corporation tax of DKK 0 million and from and including 1 July 2012 for any liabilities for withholding tax on interest, royalties and dividend for the jointly taxed companies.

Otherwise, the Group's companies have not provided any collateral.

Note 28 Related parties

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	Guarantee for the company's debt. Guarantee Commission	Determined by legislation. Accounts for 0.15 per cent of the nominal debt.
Ministry of Transport and Building	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 and Building	Purchase of consultancy	Market price
A/S Storebælt	Copenhagen	100 per cent owned subsidiary. Partly common board members. Common Management Board	Management of subsidiary's operational tasks. Joint taxation contribution	Market price
A/S Øresund	Copenhagen	100 per cent owned subsidiary. Partly common board members. Common Management Board.	Management of subsidiary's operational tasks. Joint taxation contribution	Market price
Femern A/S	Copenhagen	100 per cent owned subsidiary via A/S Femern Landanlæg	Purchase of consultancy. Joint taxation contribution	Market price
A/S Femern Landanlæg	Copenhagen	100 per cent owned subsidiary. Partly common board members. Common Management Board	Management of subsidiary's operational tasks. Joint taxation contribution	Market price
Sund & Bælt Partner A/S	Copenhagen	100 per cent owned subsidiary	Management of shared functions. Joint taxation contribution.	Market price
BroBizz A/S	Copenhagen	100 per cent owned subsidiary	Management of shared functions. Joint taxation contribution.	Market price
Øresundsbro Konsortiet I/S	Copenhagen/ Malmø	50 per cent ownership via A/S Øresund. Partly common board members. Common CFO	Purchase of financial management	Market price
Banedanmark	Copenhagen	Owned by the Danish state	Payments for use of subsidiaries' rail links	Determined by the Minister of Transport and Building

In addition, the company's senior management are considered to be related parties, c.f. note 6.

Note 28 Related parties (continued)

Related party	Description	Amount 2015	Amount 2014	Balance at 31 December 2015	Balance at 31 December 2014
The Danish State	Guarantee commission	-57.1	-56.8	-57.8	-56.8
Ministry of Transport and Building	Purchase of consultancy	-0.7	0.0	0.0	0.0
	Analysis work	0.0	-0.3	0.0	0.0
Danish Road Directorate	Purchase of consultancy	-1.9	0.0	-0.3	0.0
A/S Storebælt	Management of subsidiary's operational tasks	145.4	134.0	7.3	0.6
	Common functions	-1.0	-0.1	-1.0	0.0
	Joint taxation contribution	80.5	481.5	80.5	481.5
A/S Øresund	Management of subsidiary's operational tasks	7.4	7.0	0.3	0.0
	Joint taxation contribution	-24.2	-407.5	-24.2	-407.5
Sund og Bælt Partner A/S	Management of subsidiary's operational tasks	0.0	0.1	0.0	0.0
Femern A/S	Management of subsidiary's operational tasks	25.5	14.7	0.9	0.3
	Joint taxation contribution	-61.3	-78.5	-61.3	-78.5
A/S Femern Landanlæg	Management of subsidiary's operational tasks	1.4	0.4	0.1	0.0
	Joint taxation contribution	-0.1	0.0	-0.1	0.0
BroBizz A/S	Management of subsidiary's operational tasks	5.0	1.7	-0.6	0.1
Øresundsbro Konsortiet I/S	Management of subsidiary's operational tasks	8.6	6.8	0.8	0.5
	Purchase of operational tasks	-0.5	-2.3	0.0	-0.4
Banedanmark	Payments for use of rail links in subsidiaries	704.9	899.2	12.6	3.5
	Consultancy	48.3	71.5	0.7	0.6
	Operations and maintenance	-321.3	-240.1	-68.4	-23.1

Note 29 Events after the balance sheet date

On 11 February 2016, Femern A/S published a new financial analysis of the overall economics of the Fehmarnbelt project (coast-to-coast link and the Danish landworks). The analysis shows that it is possible to reduce the construction budget by DKK 2.5 billion and simultaneously strengthen the reserves within the construction budget by over DKK 3.5 billion to a comfortable DKK 7.3 billion. In addition, extra funds have been allocated for continued work on the Fehmarnbelt project in light of delays in the German approval process.

Overall, the facilities' finances were bolstered by some DKK 6 billion, which is due to a reduction in the construction budget, and a significant strengthening of reserves.

An analysis of reserves and risk allocation on the Fehmarnbelt link, conducted by the consulting company EY – published on 8 February 2016 – states that the size and proportion of the reserves is deemed appropriate. The revised assumptions mean that the debt repayment period is now 36 years against the previous 39 years.

On 4 March 2016, the political parties behind the Fehmarnbelt link (Liberal Party; Social Democrats, the Danish People's Party, Liberal Alliance, Social Liberals, Socialist People's Party and the Conservative People's Party) reached a political agreement on the further procedure for the Fehmarnbelt link. The parties have agreed to give Femern A/S the mandate to negotiate conditional contracts with the preferred contractors. The condition for commencing the construction work is that final German environmental approval is obtained before mid-2019. With final German environmental approval in 2019, construction work could begin in 2020 and be completed in 2028. For A/S Femern Landanlæg the decision means that construction works on the Ringsted-Nykøbing Falster section can get underway so that the section is upgraded to dual track and a new signalling system in 2021 and electrified in 2024. The section between Nykøbing Falster and Rødbyhavn will be upgraded so that the facilities are complete prior to the opening of the coast-to-coast link.

Moreover, on 4 March 2016, Femern A/S awarded the contracts for the four major tunnel contracts. In this connection, Femern A/S also inserted a Voluntary Ex-Ante Transparency Notice. At the end of the standstill period, a complaint was received from one of the bidding participants, JV Salini-Impregilo-Samsung- Bunte concerning Femern A/S' execution of the bids for Tunnel North, Tunnel South and Tunnel Portals and Ramps contracts.

The financing of the investments in the landworks for the Fehmarnbelt fixed link rests with A/S Femern Landanlæg. This will take place within the framework of the Construction Act in the form of state on-lending or borrowing using state guarantees. The increased financing activity will be incorporated in the company's financing strategy.

Henning Kruse Petersen will step down from the post of Chairman of Sund & Bælt Holding A/S at the Annual General Meeting on 26 April 2016. He will step down from his other directorships in the Group at the same time.

Leo Larsen has decided to retire as CEO of Sund & Bælt Holding A/S at the end of June 2016. He will also step down as CEO of A/S Storebælt, A/S Øresund and A/S Femern Landanlæg subsidiaries at the same time and as Chairman of the subsidiaries Sund & Bælt Partner A/S and BroBizzA/S.

There are no further events after the balance sheet date that are of importance to the Annual Report for 2015.

Note 30 Approval of the Annual Report for publication

At the meeting of the Board of Directors on 31 March 2016, the Board of Directors 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 26 April 2016.

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 2015 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 2015, as well as the results of the Group and parent company's activities and cash flow for the financial year 1 January – 31 December 2015.

It is also our view that the Management's 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, 31 March 2016

Management Board

Leo Larsen, CEO

Board of Directors

Henning Kruse Petersen, Chairman

Carsten Koch, Vice-Chairman

Pernille Sams

Mette Boye

Walter Christophersen

Claus Jensen

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 2015, 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 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 judgment, 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 2015 and of the results of the Group and parent company's operations and cash flows for the financial year 1 January – 31 December 2015 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 restored within a time frame of 5-6 years. Reference should also be made to the fact 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, 31 March 2016

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 96 35 56

Lynge Skovgaard
State-authorised public accountant

Thomas Hjortkjær Petersen
State-authorised public accountant

Board of Directors, Management Board and Senior Executives

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 2016

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

Board member of
- Den Danske Forskningsfond (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 I/S (Chairman)
- Midgard Denmark K/S (Chairman)
- Asgard Ltd. (Vice-Chairman)
- Skandinavisk Holding A/S (Vice-Chairman)
- Fritz Hansen A/S (Vice-Chairman)
- Skandinavisk Holding II A/S (Vice-Chairman)
- Scandinavian Tobacco Group A/S
- William H. Michaelsens Legat
- ØK's Almennyttige Fond
- Midgard Group Inc.
- Dekka Holdings Limited

Carsten Koch, Vice-Chairman (date of birth:1945)
Director

Vice-Chairman since 2009
Joined the Board of Directors in 2004
Election period expires in 2016

Areas of expertise: Many years of management 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)
- NærHeden P/S (Chairman)
- Vækstfonden (Chairman)
- Professionshøjskolen UCC (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)
- AS3 A/S (Vice-Chairman)
- Øresundsbro Konsortiet I/S
- CMP A/B
- Investeringsforeningen Maj Invest

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 2016

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

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

Mette Boye (date of birth: 1974)
Director, Danish Ethical Trading Initiative

Joined the Board of Directors in 2011
Election period expires in 2016

Areas of expertise: Many years' experience of political organisations and board positions. Has particular competence within public transport, 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

Walter Christophersen (date of birth: 1951)
Independent businessman

Joined the Board of Directors in 2011
Election period expires in 2016

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

Claus Jensen (date of birth: 1964)
Union President, the Danish Metal Workers' Union

Joined the Board of Directors in 2014
Election period expires in 2016

Areas of expertise: Management experience gained through various managerial positions at the Danish Metal Workers' Union. In-depth social and international understanding, thorough knowledge of labour market conditions and the collective bargaining system, strong negotiation skills, experience of management systems, staffing and organisational issues, in-depth knowledge of budgeting, accounting, insurance and pensions.

Board member of
- CO-industri (Chairman)
- Tænketanken EUROPA (Chairman)
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- Femern A/S
- A/S Femern Landanlæg

- Danish Confederation of Trade Unions, LO
- European Workers Participation Fund, EWPF
- IndustriALL – European Trade Union
- IndustriALL - Global
- Industrianställda i Norden, IN
- A/S A-Pressen
- Danish Academy of Technical Sciences, ATV
- The Economic Council of the Labour Movement, AE
- Arbejderbevægelsens Kooperative Finansieringsfond, AKF
- Arbejdernes Landsbank
- Arbejdsmarkeds Tillægspension, ATP
- CPH Vækstkomité
- The Danish Growth Council
- The Danish Economic Council
- Folk & Forsvar
- Fonden Peder Skram
- Industriens Kompetenceudviklingsfond, IKUF
- Industriens Pensionsforsikring A/S
- Industriens Pension Service A/S
- Industriens Uddannelse- og Samarbejdsfond, IUS
- IndustriPension Holding A/S
- InnovationsFonden
- Interforcekomitéen
- University of Copenhagen Advisory Panell
- Lindø Industripark A/S
- The Market Development Fund
- Olympisk Idrætsforum
- Ulandssekretariatet
- Young Enterprise / Fonden for Entreprenørskab

Jesper Brink (date of birth: 1964)
Manager, Electrical Power Engineer
(elected by employees)

Joined the Board of Directors in 2009
Election period expires in 2017

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

Board member 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)
- BIOFOS Holding A/S (Chairman)
- BIOFOS A/S (Chairman)
- BIOFOS Lynettefællesskabet A/S (Chairman)
- BIOFOS Spildevandscenter Avedøre A/S (Chairman)
- Sund & Bælt Partner A/S (Chairman)
- BroBizz A/S (Chairman)
- Børn, Unge og Sorg (Vice-Chairman)

Senior Executives

Technical Department
Technical Director Lars Fuhr Pedersen

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 I/S

Board member of
- KommuneKredit

BroBizz A/S
CEO Helle Bech

Sund & Bælt Partner A/S
CEO Leif J. Vincentsen

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 2015". Please refer to definitions and concepts in note 1 Accounting Policies.

Sund & Bælt Holding A/S

Key figures, DKK million	2015	2014
Operating income	149	141
Operating expenses	-125	-122
Depreciation	-5	-1
EBIT	19	18
Net financials before value adjustment	899	890
Profit before value adjustment	918	908
Value adjustments, net	-3	8
Profit before tax	915	916
Tax	-4	-4
Profit for the year	912	912
Capital investment at year end	976	976
Equity	512	501
Balance sheet total	1,100	1,495
Financial ratios, per cent:		
Profit ratio (EBIT)	12.8	12.8
Rate of return (EBIT)	1.7	1.2

A/S Storebælt

Key figures, DKK million	2015	2014
Operating income	3,556	3,634
Operating expenses	-449	-460
Depreciation	-531	-536
EBIT	2,576	2,638
Net financials before value adjustment	-513	-581
Profit before value adjustment	2,063	2,057
Value adjustments, net	363	-795
Profit before tax	2,426	1,262
Tax	-539	-326
Profit for the year	1,887	936
Capital investment at year end	27,562	27,992
Bond and bank loans	24,637	26,238
Net debt (fair value)	24,723	26,198
Interest-bearing net debt	22,472	23,545
Equity	3,131	2,144
Balance sheet total	31,324	32,788
Financial ratios, per cent:		
Profit ratio (EBIT)	72.4	72.6
Rate of return (EBIT)	8.2	8.1
Return on facilities (EBIT)	9.4	9.4

A/S Øresund

Key figures, DKK million	2015	2014
Operating income	113	107
Operating expenses	-42	-26
Depreciation	-204	-80
EBIT	-133	1
Net financials before value adjustment	-246	-225
Loss before value adjustment	-379	-224
Value adjustments, net	555	-904
Profit from jointly managed company	567	56
Profit/loss before tax	743	-1,072
Tax	-163	277
Profit/loss for the year	580	-795
Capital investment at year end	5,688	5,883
Bond and bank loans	12,905	13,164
Net debt (fair value)	12,302	13,083
Interest bearing net debt	10,956	11,145
Equity	-6,311	-6,892
Balance sheet total	8,470	8,969

Financial ratios, per cent		
Profit ratio (EBIT)	-117.7	0.9
Rate of return (EBIT)	-1.6	0.0
Return on facilities (EBIT)	-2.3	0.0

Sund & Bælt Partner A/S

Key figures, DKK 1,000	2015	2014
Operating income	3,507	3,054
Operating expenses	-3,397	-3,091
Depreciation	0	0
EBIT	110	-37
Net financials	-2	303
Tax	-184	-61
Profit/loss for the year	-76	205
Capital investment	0	0
Equity	11,125	11,201
Balance sheet total	13,751	13,401

Financial ratios, per cent		
Profit ratio (EBIT)	3.1	-1.3
Rate of return (EBIT)	0.8	-0.3

A/S Femern Landanlæg

Key figures, DKK 1,000	2015	2014
Income	0	0
Operating expenses	-227	-190
EBIT	-227	-190
Net financials	0	0
Tax	53	47
Loss for the year	-174	-143
Capital investment	712,145	354,896
Equity	511,530	511,704
Balance sheet total	1,349,457	1,098,001

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

Femern A/S

Key figures DKK 1,000	2015	2014
Income	0	0
Operating expenses	-2,028	-1,503
EBIT	-2,028	-1,503
Net financials	0	0
Tax	4,209	8,370
Profit for the year	2,181	6,867
Capital investment	2,560,351	1,919,562
Equity	523,973	521,792
Balance sheet total	2,938,910	2,568,506

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 million	2015	2014
Operating income	62.4	58.6
Operating expenses	-43.7	-39.1
Depreciation	-12.9	-12.1
EBIT	5.7	7.5
Net financials	1.1	1.9
Tax	-1.6	-2.2
Profit for the year	5.2	7.2
Capital investment	40.1	42.5
Equity	113.3	108.4
Balance sheet total	483.2	463.4

Financial ratios. per cent		
Profit ratio (EBIT)	9.1	12.7
Rate of return (EBIT)	1.2	1.6

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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