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Preface

The Fehmarnbelt project reached a great number of milestones in 2016.

On 11 February 2016, Femern A/S published an updated financial analysis, based on the final prices from the contractors of the four major civil works contracts, which illustrates that the project economy is sound and solid. The construction budget in the financial analysis was DKK 52.6 billion, including a reserve of DKK 7.3 billion.

On 4 March 2016, the political parties behind the Fehmarnbelt Link entered into a political agreement concerning the future of the project, giving Femern A/S a mandate to negotiate conditional contracts with the winning contractors.

On 30 May 2016, the company signed the four major civil works contracts under the condition that the construction works were to commence upon receipt of a plan approval from the relevant German authority.

Having secured the contracts the company is currently focused on the German plan approval procedure, which is the final last process to complete before the construction works can commence.

The company’s latest plan approval documents were processed in a public hearing in Germany in the summer of 2016. The competent authority, LBV Kiel, received approximately 12,600 objections in conjunction with the hearing, which will be responded to in the beginning of 2017.

Read more on Femern A/S and the Fehmarnbelt project at www.femern.dk, where you can also subscribe to the company’s newsletter.

Peter Frederiksen  
Chair of the Board  
Femern A/S

Claus F. Baunkjær  
CEO  
Femern A/S
Management Report

Femern A/S is responsible for planning and constructing the fixed link across Fehmarnbelt on behalf of the Danish state, as well as providing the data needed for the plan approval of the coast-to-coast section.

The overall framework for the company’s work is laid down by the treaty signed in September 2008 between Denmark and Germany on plan approval, financing, construction and operation of a fixed link across the Fehmarnbelt between Rødbyhavn and Puttgarden.

The treaty has been approved in Germany by an act passed in the Bundestag and Bundesrat in 2009, and in Denmark, the Danish Parliament has passed a planning act (Act on the planning of a fixed link across the Fehmarnbelt with associated landworks, April 2009).

The Danish Parliament passed the "Act on the construction and operation of a fixed link across the Fehmarnbelt with associated landworks in Denmark" on 28 April 2015. The Construction Act is the final Danish environmental approval for the project. The Danish EIA report, which was considered at a public hearing in 2013, has also been granted with the commencement of the Construction Act.

Danish regulations

With the commencement of the Construction Act, the company became obliged to pay compensation for the take-over (compulsory acquisition) of a number of areas to be used for production facilities, as well as the take-over of wind turbines in accordance with earlier agreements.

In addition, the commencement of the Construction Act meant that the company incurred a number of costs for undertaking activities that had awaited the passing of the Act. In particular, preparation of land on Lolland, archaeological surveys and the removal of identified polluted soil. These activities were designed to ensure that Femern A/S can make land available to contractors on time in the ramp and portal area, the alignment corridor and the area designated for the tunnel element factory.

According to the legislative history of the Construction Act, any remaining issues concerning the project’s budget and German plan approval procedure had to be resolved before the major tunnel contracts could be signed.

With regard to this background, the professional services firm EY has performed external quality assurance of reserves and risks associated with the Fehmarnbelt Fixed Link between November 2015 and January 2016 on behalf of the Danish Ministry of Transport and Building, including a review of the company’s risk register.

In the context of the quality assurance, EY estimated the necessary reserves of the project at DKK 7.3 billion, which has been the foundation of the financial analysis published by Femern A/S on 11 February 2016. The construction budget for the coast-to-coast section is estimated at DKK 52.6 billion in the financial analysis, including the reserve of DKK 7.3 billion estimated by EY. The updated financial analyses demonstrates that the budget for the project is sound and robust.

The tender process

On 15 September 2015, Femern A/S received the final and binding bids from the bidding consortia for the four major coast-to-coast tunnel contracts.

In the light of the received bids and the stage of the German approval process, the political parties behind the Fehmarnbelt link (the Lib-
eral-Democratic Party, the Social Democratic Party, the Danish People’s Party, Liberal Alliance, the Danish Social-Liberal Party, the Socialist People’s Party and the Danish Conservative Party)) entered into a political agreement on 4 March 2016 concerning the continuation of the project. The agreement authorised Femern A/S to enter into conditional contracts with the preferred contractors.

The four major contracts were signed on 30 May 2016 under the condition that the construction works only commence upon approval from German authorities. The conditional contracts run until 2019. If plan approval has not been granted by German authorities at this time there is an integrated renegotiation clause to extend the contracts beyond 2019, if this is considered the best option at the time.

In spring 2016, the company received complaints regarding the tender process for three of the four tunnel contracts from JV Salini-Impregilo-Samsung-Bunte and Hochtief & Züblin.

Sund & Bælt Holding A/S published a corporate statement on 23 December 2016, according to which the plaintiffs have withdrawn their complaints. Thus, there are no more current complaints, as the complaints window has expired.

**Plan approval in Germany**

The German plan approval process is at the core of the company’s work, as it constitutes a condition for the start of the construction works. The Fehmarnbelt project was approved by German authorities after a comprehensive application process. The application was submitted to the German plan approval authority in Kiel in October 2013 and the first public hearing was initiated on 5 May 2014 in Germany.

Femern A/S and the German co-applicant LBV Lübeck has extended the original project application from just over 11,000 pages to approximately 14,000 pages, due to the results from the comprehensive initial hearing process in 2014-15 and as a consequence of the legal development.

Following quality assessment of the updated application the independent hearing and plan approval authority, LBV Kiel, initiated a new public hearing on 12 July 2016, which lasted until 26 August 2016. This hearing allowed private individuals, businesses, environmental organisations and authorities in Germany to raise objections and offer statements for the updated application. LBV Kiel received more than 12,600 objections and statements based on the hearing, which were handed over to Femern A/S during the autumn of 2016. As was the case in the first hearing, Femern A/S and the co-applicant, LBV Lübeck, are obliged to respond to all received objections and statements in writing.

Upon receiving responses to the complaints from the company, LBV Kiel will continue the hearing and plan approval process by arranging hearings with affected parties in Schleswig-Holstein. Once the hearing process is finally completed, LBV Kiel will issue the plan approval.

The Ministry of Transport in Schleswig-Holstein issued a report on 31 October 2016 regarding the status of the German plan approval process for the Fehmarnbelt project. The status report stated that the target to gain plan approval by the end of 2017 is highly ambitious, given the large number of objections from the public hearing.

Once Femern A/S has submitted responses to all complaints in February 2017, the Ministry of Transport in Schleswig-Holstein will evaluate the schedule for the German plan approval process in consultation with LBV Kiel.
The schedule for the Fehmarnbelt project assumes subsequent legal procedures at the Federal Administrative Court in Leipzig to last for at least two years. Thus, they should conclude before the end of 2019 in order for construction to commence in early 2020.

**Corporate Social Responsibility (CSR)**

Femern A/S is a company that practices social responsibility and our CSR policies reflect our commitment to responsibility, transparency and respect. The company believes that the preparations for and the construction of the Fehmarnbelt fixed link should be conducted under orderly and safe conditions. This means that Femern A/S actively takes responsibility for how the company influences the community and seeks to prevent and reduce any negative impact on society, nature and the environment from the company’s activities.

To prevent and mitigate any adverse impacts on the community, environment or economy, Femern A/S has decided to base the company’s CSR policy on the UN Global Compact, combined with the company’s own values and principles.

Femern A/S has chosen to work on the following focus areas:

- Corporate Governance and Leadership
- Health, Safety and Job Satisfaction
- The Environment, Nature Protection and Climate
- Communication and Dialogue

In 2016, Femern A/S continued its efforts to implement the company’s CSR policy and comply with its established goals within the four focus areas. These efforts will continue in 2017 with new sub-targets to ensure that the efforts to integrate CSR in the company’s core operations are continuously incorporated in the work to establish a fixed link between Denmark and Germany.

The four focus areas for 2016 are explored further below:

**Corporate Governance and Leadership**

Femern A/S constantly seeks to secure a professional work environment with respect for the individual. Daily operations are conducted based on the values of professionalism, creativity, teamwork, commitment and credibility.

The company’s self-evaluation illustrated that the company met its targets according to the UN Global Compact. Work to update the HR strategy has commenced. There is a constant focus on compliance with CSR provisions based on the UN Global Compact in our interactions with providers and contractors; this is integrated in all relevant contracts.

**Health, Safety and Job Satisfaction**

Femern A/S is committed to health, safety and job satisfaction for those who work on the project, which has also constituted a core component when entering into agreements with contractors. Furthermore, contractors, consultants and providers are required to comply with local health and safety legislation as well as other relevant legislation, respect international obligations and norms and maintain high standards for health and safety.

In 2016, focus has been directed at establishing a project plan for health and safety and establish a structure for Femern A/S’ health and safety management during the construction phase. Detailed plans for special areas, such as tunnel work during the construction phase, are under development. This structure must comply with the requirements stipulated in our contracts.

We have furthermore focused on establishing a plan for "comprehensive emergency planning", which complies with the guide-
lines from the Danish Emergency Management Agency. Danish as well as German authorities have been consulted with regard to this plan, with the purpose of ensuring that Femern A/S can implement them as the link is constructed and taken into use.

The Environment, Nature Protection and Climate

The German application documents that were published on 11 July 2016 have been updated in a number of areas, based on the results of the hearing in 2014, new legal requirements and dialogue with German authorities. For example, ten management concepts have been developed in relation to control and supervision of construction works and with regard to mitigation and compensation measures, which are described in a separate appendix to the application. The compensation measures include among others, measures for specific protection of breeding areas for birds, hibernation facilities for amphibians, the reduction of nitrogen emissions in the Baltic Sea and the establishment of a stone reef in the sea off the Fehmarn.

A number of preventative measures have already been implemented on the Danish side, as part of the company's obligations according to the Construction Act. For example, a number of ponds have been established and their ecological functionality is constantly monitored and maintained. Thus, the ponds provide sufficient provisions for the continuous development of the population of those amphibian species that are protected in this area, which the substitute ponds are designed to protect.

Sanitation works of polluted soil have been undertaken in the construction area east of Rødbyhavn and the polluted soil has been reused in the noise barrier surrounding the new go-kart track. Thus, the area has been released and the contractors are free to conduct their duties as stipulated in the contracts. Furthermore, an evaluation of the factory area for the tunnel element has been conducted to ensure that the character of the area does not change prior to the start date and to ensure that invasive species – popularly known as landscape weeds – are not present in the area. The monitoring of the established non-forested wilderness areas shows that maintenance plans must be implemented, and that hay should be grown to ensure that the areas do not become forested or invaded by invasive species.

Communication and Dialogue

The three major milestones in the Fehmarnbelt project were reached in 2016 and thoroughly covered in the media. Appointing the selected contractors, signing the contracts and delivering the updated application for plan approval in Germany received great attention in Danish, German and international media.

The company's PR department has focused specifically on communication and press activities in Germany in 2016. In 2016, the company also committed to accommodating the local concerns about the Fehmarnbelt link in Fehmarn and Ostholstein. In Fehmarn there have been information meetings for the two towns located closest to the construction site. Femern A/S has provided information materials at local events, such as town festivals, Christmas markets, party congresses and Landegartenschau.

The most significant single event for the communication effort in Germany was the Fehmarnbelt Days 2016, where approximately 900 attending politicians, businesspeople, researchers and organisations discussed the potential of the Fehmarn link's potential for growth and cooperation in the Baltic region. The company had a stand and organised a number of well-attended events during the conference. The Fehmarnbelt
Days 2016 were given positive coverage in Danish and German media.

The development of a communication strategy for Germany for 2017-2020 began in 2016. The purpose of the strategy is to raise awareness of and establish support for the Fehmarnbelt project in Schleswig-Holstein.

Communication efforts in Denmark have primarily been focused on local information in Lolland and Region Zealand. For example, the company has attended several town festivals in Lolland to inform the residents of the project and entered into cooperation with the Danish Road Directorate and Banedanmark for a joint exhibition for the municipalities of South Zealand.

During the Fehmarnbelt Days 2016, Femern A/S entered into an agreement with the project company behind the Brenner tunnel between Austria and Italy. The projects face similar challenges and an exchange of experiences and best practises in terms of communication and citizen involvement will be valuable.

Femern A/S has continuously focused on social media in 2016. Femern A/S’ Facebook followers have grown from approximately 11,000 to approximately 31,000 in 2016. Five or six information videos about the Fehmarnbelt link have been produced for use on social media and in presentations. Together, these videos have been seen by more than half a million people.

The figure below indicates the specific initiatives that the company implemented in financial year 2016 with a view to realising its CSR policy.

Read more about Femern A/S’ CSR at http://femern.com/da/About-us/CSR.
CSR results for 2016

Continued focus on suppliers and internal operations

- Self assessment was performed in the autumn of 2016.
- Work to update the HR strategy has commenced.
- Dialogue with contractors on CSR for the major tunnel contractors is complete, and the contracts contain a number of CSR requirements. In addition, the company lays down a number of CSR obligations for suppliers in all major invitations to tender.

Continued focus on health, safety and job satisfaction

- The plan for health and safety (HSE plan) has been updated and approved by the Danish authorities.
- The strategy for health and safety has been finalised and incorporated into the turnkey contractor contracts.
- Preparing internal procedures for the HSE work during the construction phase is in progress and will continue into 2017.
- The plan for collaborating with the authorities is described in “Project Plan Preparedness Planning”
- Workplace assessment has been performed and fol-

Corporate Governance & Leadership

Health, Safety and Job Satisfaction

The Environment, Nature Protection & Climate

Dialogue & Communication

Continued focus on health, safety and job satisfaction

- The plan for health and safety (HSE plan) has been updated and approved by the Danish authorities.
- The strategy for health and safety has been finalised and incorporated into the turnkey contractor contracts.
- Preparing internal procedures for the HSE work during the construction phase is in progress and will continue into 2017.
- The plan for collaborating with the authorities is described in “Project Plan Preparedness Planning”
- Workplace assessment has been performed and fol-

Continued focus on the company's responsibility for protecting the environment, nature and climate

- The German application documents are still in the approval phase.
- The ecological functionality has been and will be retained by implementing the maintenance plans.
- Sanitation works of polluted soil have been undertaken and the polluted soil has been reused in the noise barrier surrounding the new go-kart track and the areas have therefore been released.
- The excavated areas have been restored to the extent required. Areas where polluted soil has been removed in and on access roads have been restored.

Continued focus on dialogue and communication

- Focus on the company's social responsibility via use of social clauses and responsibility for training young people.
- In accordance with the principle of “comply or explain”, social clauses on training and work experience agreement have been incorporated into all relevant building and civil works contracts and service contracts.
- Overall plan for provision of apprenticeships and traineeships followed: contracts for 505 apprentice years signed, including the conditional contracts.
Corporate issues

Femern A/S is a state-owned limited company, established under civil law.

Femern A/S is part of Sund & Bælt Holding A/S via A/S Femern Landanlæg, which is fully owned by the Danish Ministry of Transport and Building. The Ministry of Transport and Building is authorised, with reference to the Planning Act or the Construction Act, to provide specific or general instructions to the company with regard to matters related to its operations.

The head office is in Copenhagen. Furthermore, the company has offices in Burg on Fehmarn, in Kiel and Rødbyhavn, as well as a representative office in Berlin.

The company is managed by a Board of Directors, elected at the general meeting on the recommendations of the Minister for Transport and Building. There are also four members elected by and among the company's employees. Peter Frederiksen was appointed chair of the board at the AGM on 26 April 2016, replacing Henning Kruse Petersen. David Meyer was elected to the board at the same meeting. Ruth Schade and Lene Lange were elected to the board at the EGM on 10 May 2016 and David Meyer was appointed deputy chair of the board. The Articles of Association were also amended to allow up to two deputy chairs and that the chair selects which of the deputy chairs should stand in their stead in their absence. Mikkel Haugård Hemmingsen was elected to the board at the EGM on 14 November 2016.

The Board of Directors currently consists of Peter Frederiksen (chair), Carsten Koch (deputy chair), David Meyer (deputy chair), Pernille Sams, Walter Christophersen, Mette Boye, Rainer Feuerhake, Claus Jensen, Lene Lange, Ruth Schade and Mikkel Haugård Hemmingsen. Employee-elected representatives are Villads Engstrøm, Kirsten Margrethe Christensen, Jeanne Christensen and Mette Koch Sonnenborg.

Femern A/S has signed an agreement with Øresundsbro Konsortiet concerning financial management.

The Fehmarnbelt project is a priority project within the trans-European transport network and as such receives EU funding. The EU funding has made a significant contribution to financing the planning and preliminary studies and will also contribute significantly to financing the construction works.

Employees

Femern A/S is a project organisation, still in the structuring process. At the end of 2016, the company had 87 employees, corresponding to 80 full-time employees.

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<tr>
<th>Femern A/S</th>
<th>2016</th>
<th>2015</th>
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<tbody>
<tr>
<td>Number of employees</td>
<td>87</td>
<td>117</td>
</tr>
<tr>
<td>Of whom -</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Female</td>
<td>40 pct.</td>
<td>41 pct.</td>
</tr>
<tr>
<td>- Male</td>
<td>60 pct.</td>
<td>59 pct.</td>
</tr>
<tr>
<td>Gender composition, senior managers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Female</td>
<td>36 pct.</td>
<td>29 pct.</td>
</tr>
<tr>
<td>- Male</td>
<td>64 pct.</td>
<td>71 pct.</td>
</tr>
<tr>
<td>Gender composition, other management levels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Female</td>
<td>13 pct.</td>
<td>25 pct.</td>
</tr>
<tr>
<td>- Male</td>
<td>87 pct.</td>
<td>75 pct.</td>
</tr>
<tr>
<td>Educational background</td>
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</tr>
<tr>
<td>- Higher</td>
<td>68 pct.</td>
<td>60 pct.</td>
</tr>
<tr>
<td>- Intermediate</td>
<td>22 pct.</td>
<td>22 pct.</td>
</tr>
<tr>
<td>- Short</td>
<td>10 pct.</td>
<td>18 pct.</td>
</tr>
<tr>
<td>Staff turnover</td>
<td>17.0 kr.</td>
<td>15.8 kr.</td>
</tr>
<tr>
<td>Average age</td>
<td>47</td>
<td>47</td>
</tr>
<tr>
<td>Training per employee</td>
<td>13.182 kr.</td>
<td>7.580 kr.</td>
</tr>
<tr>
<td>Absenteeism (incl. long-term absence due to illness)</td>
<td>2.0 pct.</td>
<td>1.5 pct.</td>
</tr>
</tbody>
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In the agreement for employee compensation, the effects of staff changes in 2015 have been incorporated, cf. the press release from 21 September 2015 as well as the resignation of staff in relation to group internal task outsourcing.

The organisation consists of Danish, Swedish, German, British and other nationalities.
**Diversity**

Femern A/S stays committed to equality between men and women on all levels of management. At the end of 2016, women constituted 36 per cent of the highest level of management.

**Finance**

The company’s result before tax was a loss of DKK 2.4 million, and after tax a profit of DKK 1.2 million.

The company incurred costs in 2016 for DKK 591 million. Estimated EU funding comprises DKK 43 million, which is set off against overall costs and on that basis, DKK 548 million is capitalised under fixed assets.

Of the overall project costs, DKK 111 million can be attributed to planning work, primarily the plan approval procedure in Schleswig-Holstein and the completion of tendering process and related information activities. Otherwise, DKK 355 million was capitalised concerning construction activities brought forward, primarily environmental compensation in the form of the acquisition of ecological sites in Germany and compensation to bidders for the delayed start of construction. The remaining DKK 125 million was used for salaries and administration, including rent and IT as well as financing.

Since Femern A/S was established, project costs have amounted to DKK 4,521 million, of which DKK 4,351 million has been capitalised in the balance sheet. EU funding is set off totalling DKK 1,381 million.

**Financing**

Apart from the company's invested capital, activities are financed by borrowing and EU funding via the EU Commission’s TEN-T/CEF programme. The EU Commission selected the Fehmarnbelt project as a priority project in 2003 within the trans-European transport net (TEN-T/CEF). The Fehmarnbelt project was granted funding from the EU Commission for 2008-2015 totalling EUR 204.9 million, corresponding to just over DKK 1.5 billion. In 2017, the EU Commission will complete the revision of submitted documentation for target completion and incurred costs. The calculation of the support will be based on this, whereupon any remaining amounts will be paid.

Disbursement of the EU funding is in the form of advance payments of the budgeted annual amount of funding and as final payments once the company has documented that eligible expenses have been incurred.

DKK 1,261 million has so far been paid out of the full amount of funding, whilst the company's receivables from the EU at the end of 2016 amount to around DKK 120 million.

EU funding is paid to cover the company's costs for the planning and construction phase, and DKK 43 million is included in the accounts for 2016.

The EU funding programme for development of an improved European transport network for 2014-2020 is called the "Connecting Europe Facility" (CEF). In 2015, the EU Commission decided to allocate DKK 589 million EUR, or DKK 4.4 billion, in support of the project in 2015-2019. In 2016, the Commission decided to extend the eligibility period to cover 2020. The amount awarded is based on the CEF-program awarding a maximum of 40 per cent in support of cross-border rail activities, which is designed to constitute 51 per cent of the total activities of the Fehmarnbelt project.

In 2018/2019 there will be opportunities to apply for further funding within the ongoing CEF programme. It will be possible to apply for funding for 2021-2028 at a later, yet unknown, stage. The EU Commission has announced that the Fehmarnbelt project is a strong candidate for more funding from the CEF program.
In pursuance of the Planning Act, the company can borrow and use other financial instruments with a state guarantee for financing its activities. As from 2015, the company’s finances are stipulated in a Construction Act passed on 28 April 2015.

The company has two different means of borrowing:

- Direct state loan via Danmarks Nationalbank (relending)
- Borrowing on the money and capital markets based on state guarantee

The company financed its activities in 2016 via EU funding and relending via the Nationalbank. New loans were taken out for a nominal DKK 400 million, whilst existing loans for DKK 1,250 million were refinanced. Total loan financing at the end of 2016 thus nominally comprises DKK 2,350 million, whilst the fair value comprises DKK 2,485 million.

Net financing costs in 2016 including fair value adjustments comprised an expense of DKK 1.3 million, compared with DKK 10.7 million in 2015. The financial value adjustments represented an expense of DKK 0.3 million against an expense of DKK 8.1 million in 2015. Note that the Danish government provides a special guarantee for interest and repayments plus other ongoing obligations related to the company’s borrowing against a guarantee commission of 0.15 per cent. Net interest-bearing debt at the end of 2016 comprised DKK 2,442 million.

Equity at the end of the year comprised DKK 525 million.

**Cash flow**

Cash flow from operations comprises DKK 188 million, derived primarily from changes in the working capital, which consists of current assets and short-term debt. Investment in fixed assets comprises DKK 585 million net.

Borrowing of DKK 571 million comes under financing activities in addition to EU funding, plus financing costs comprising DKK 1 million.

The company’s cash reserves at the end of 2016 totalled DKK 0 million.

**Events after balance sheet date**

In accordance with a previous agreement, on 15 February 2017 Femern A/S submitted responses to the 12,600 objections to the plan approval authority, LBV Kiel, in Schleswig-Holstein, which were raised during the second hearing for the Fehmarn tunnel in Germany in the summer of 2016.

In consultation with more than 150 German and international experts, Femern A/S and the German co-applicant LBV Lübeck have developed detailed responses to all queries that were raised during the hearing.

The plan approval authority in Schleswig-Holstein, LBV Kiel, is responsible for the continuation of the plan approval procedure until German plan approval is granted, which includes hearings with affected parties in Schleswig-Holstein. Once the hearing process is finally completed, LBV Kiel will issue the plan approval.

No other events have occurred after balance sheet date of significance to the annual report for 2016.
Outlook for 2017

Project costs amounting to DKK 225 million are budgeted for the year to come (DKK 217 million at 2015 prices). Income in the form of EU funding is expected in 2017 in the amount of DKK 120 million.

DKK 223 million of the total costs of DKK 225 million are expected to be capitalised, and the pre-tax profit is expected to be around DKK -2 million.

Expenses in 2017 will be covered by EU funding and to a lesser degree by loan funding. Loan financing will mainly occur via direct state loans (relending).

Corporate governance

The management structure of Femern A/S is two-tiered and consists of the Board of Directors and Board of Management, which are independent of each other and have no common members.

Femern A/S seeks to manage the company according to principles that always meet best practice for corporate governance.

NASDAQ Copenhagen’s recommendations for corporate governance correspond to the recommendations from the Danish Komitéen for God Selskabsledelse (Committee on Corporate Governance) updated in November 2014. Femern A/S generally fulfils the NASDAQ OMX' recommendations for corporate governance. Exceptions to the recommendations arise from the group’s special ownership situation, with the state as the sole shareholder.

The following exceptions to the recommendations exist:

- No formal rules concerning age and number of board posts a board member can hold have been formulated. This is taken into account by the shareholder in connection with new elections.
- The shareholder decides on remuneration for the Board of Directors, whereas the board decides the management’s salaries. No incentive pay or bonus schemes apply to the Board of Management or Board of Directors. Therefore, there is no remuneration committee.
- The members of Board of Directors elected by the general meeting are up for re-election every other year. According to the recommendations, the members should be up for re-election every year.

The Board has held five board meetings during the year and all members are considered independent in 2016.

In relation to which executive posts the company's management hold in other commercial enterprises, please refer to the section on the Board of Directors and Board of Management.

The recommendations of Komitéen for God Selskabsledelse can be found at www.corporategovernance.dk.

Risk management and control environment

Risk management is an integrated part of Femern A/S’s management concept and has been a central theme in all completed or ongoing processes in the Danish plan approval process, the bidding and tender processes, the German plan approval process, any remaining smaller bidding or tendering processes and, importantly, throughout the entire construction phase.

The company's risk management concept is based on principles and guidelines from international standards.
The purpose of Femern A/S’ risk management is to identify, quantify, assess, address and manage threats and opportunities in such a way as to promote the project’s objectives. Furthermore, that the entire organisation should be capable of establishing and maintaining focus on “risks” through the course of the project. Management of simple risks is a central element, both for management and in the individual divisions and departments.

Femern A/S’s risk committee assesses and evaluates risk management in Femern A/S and supervises the risk reserve and the use thereof. The committee meets regularly to monitor and document the development of the project’s overall risk profile, the most significant risks at the moment and in following quarters and develop mitigation strategies for individual risks.

In practice, the risk management in the planning phase has been organised by appointing a number of risk officers for each area of responsibility, whose tasks include identifying possible risks and planning/executing mitigating measures and monitoring on a continuous basis. With a view to strategically consolidating the risk measures, up to reporting to shareholders and the board, a fixed procedure for quarterly risk reporting has been designed and documented.

The company’s risk management and internal controls related to accounting and financial reporting are designed to minimise the risk of material error. The internal control system has clearly defined roles and areas of responsibility, reporting requirements and procedures for certification and approval. The internal controls are scrutinised by the auditors and reviewed by the Board of Directors.
CSR targets for 2017

Continue focus on suppliers and internal operations
- Intensification of supplier monitoring by the company
- The company continues dialogue with suppliers and contractors concerning CSR
- Selskabet fortsætter dialog med leverandører og entreprenører om CSR-forhold
- Self assessment of the company is performed
- Preparation and implementation of updated HR strategy

Corporate Governance & Leadership

Health, Safety and Job Satisfaction

The Environment, Nature Protection & Climate

Dialogue & Communication

Continued focus on health, safety and job satisfaction
- Preparation and completion of HSE plans at detail level
- Plan for collaboration with the authorities at detail level
- Internal procedures for the HSE work to be completed
- Preparation of emergency plans for the construction phase
- Preparation and approval in principle of emergency plans for the construction phase
- Clarification of overall interfaces with the authorities concerning fire and rescue in the construction phase.

Continued focus on the company’s responsibility for protecting the environment, nature and climate
- Focus on ensuring the validity of EIA
- Focus on the open landscape established developing as intended
- Continued focus on the ecological functionality of the ponds established
- Intensification of collaboration with the Danish and German authorities on bathing water quality during the construction phase

Continued focus on dialogue and communication
- Close collaboration with local bodies in Fehmarn and Ostholstein
- Active presence in northern Germany and Region Zealand
- Growth in communication with the public, including via social media
- Working closely with educational institutions in the Fehmarnbelt region
- Implementation of a communications strategy in Germany
- Greater awareness of the Fehmarnbelt project in northern Germany
- Active presence in Brussels/EU
Key figures and financial ratios (DKK 1,000)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses</td>
<td>-638</td>
<td>-1.480</td>
<td>-1.503</td>
<td>-2.028</td>
<td>-2.374</td>
</tr>
<tr>
<td>Operating loss</td>
<td>-638</td>
<td>-1.480</td>
<td>-1.503</td>
<td>-2.028</td>
<td>-2.374</td>
</tr>
<tr>
<td>Profit/loss for the year</td>
<td>-475</td>
<td>12.358</td>
<td>6.867</td>
<td>2.181</td>
<td>1.221</td>
</tr>
<tr>
<td>Net capital investments during the year</td>
<td>283.174</td>
<td>330.121</td>
<td>426.906</td>
<td>644.731</td>
<td>545.875</td>
</tr>
<tr>
<td>Equity</td>
<td>502.567</td>
<td>514.925</td>
<td>521.792</td>
<td>523.973</td>
<td>525.194</td>
</tr>
<tr>
<td>Balance sheet total</td>
<td>1.648.283</td>
<td>1.911.317</td>
<td>2.568.838</td>
<td>2.939.811</td>
<td>3.403.112</td>
</tr>
</tbody>
</table>

Financial ratios, per cent:
- Profit ratio (primary operations)
  - 2012: 0.0%
  - 2013: 0.0%
  - 2014: 0.0%
  - 2015: 0.0%
  - 2016: 0.0%
- Rate of return (primary operations)
  - 2012: 0.0%
  - 2013: 0.0%
  - 2014: 0.0%
  - 2015: 0.0%
  - 2016: 0.0%

Note: 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.

Note: The majority of the company’s expenses are capitalised in the balance sheet.
Comprehensive income statement 1 January – 31 December 2016 (DKK 1,000)

<table>
<thead>
<tr>
<th>Note</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Other operating expenses</td>
<td>-1.751</td>
<td>-1.361</td>
</tr>
<tr>
<td>3 Staff expenses</td>
<td>-623</td>
<td>-667</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-2.374</strong></td>
<td><strong>-2.028</strong></td>
</tr>
<tr>
<td>Operating loss</td>
<td><strong>-2.374</strong></td>
<td><strong>-2.028</strong></td>
</tr>
<tr>
<td>Loss before tax</td>
<td><strong>-2.374</strong></td>
<td><strong>-2.028</strong></td>
</tr>
<tr>
<td>4 Tax</td>
<td>3.595</td>
<td>4.209</td>
</tr>
<tr>
<td><strong>Profit for the year and comprehensive income</strong></td>
<td><strong>1.221</strong></td>
<td><strong>2.181</strong></td>
</tr>
</tbody>
</table>

Profit appropriation: It is proposed that the annual profits of DKK 1,221 (thousand) be carried forward to next year.

Femern A/S has no other comprehensive income in the current financial year or comparative year.
## Balance sheet 31 December 2016 (DKK 1,000)

<table>
<thead>
<tr>
<th>Note</th>
<th>Assets</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Software</td>
<td>6,380</td>
<td>2,618</td>
</tr>
<tr>
<td></td>
<td>Total intangible assets</td>
<td>6,380</td>
<td>2,618</td>
</tr>
<tr>
<td></td>
<td>Property, plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Road and rail link in progress</td>
<td>3,100,104</td>
<td>2,560,351</td>
</tr>
<tr>
<td>7</td>
<td>Land and buildings</td>
<td>6,580</td>
<td>6,960</td>
</tr>
<tr>
<td>8</td>
<td>Leasehold improvements</td>
<td>1,806</td>
<td>3,561</td>
</tr>
<tr>
<td>9</td>
<td>Operating plant</td>
<td>4,666</td>
<td>5,056</td>
</tr>
<tr>
<td></td>
<td>Total property, plant and equipment</td>
<td>3,113,156</td>
<td>2,575,928</td>
</tr>
<tr>
<td></td>
<td>Total non-current assets</td>
<td>3,119,536</td>
<td>2,578,546</td>
</tr>
<tr>
<td></td>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Receivables</td>
<td>170,154</td>
<td>157,457</td>
</tr>
<tr>
<td>12+17</td>
<td>Derivatives, assets</td>
<td>0</td>
<td>69</td>
</tr>
<tr>
<td>11</td>
<td>Prepayments and accrued income</td>
<td>113,410</td>
<td>2,644</td>
</tr>
<tr>
<td></td>
<td>Total receivables</td>
<td>283,564</td>
<td>160,170</td>
</tr>
<tr>
<td>13</td>
<td>Cash at bank and in hand</td>
<td>12</td>
<td>201,095</td>
</tr>
<tr>
<td></td>
<td>Total current assets</td>
<td>283,576</td>
<td>361,265</td>
</tr>
<tr>
<td></td>
<td>Total assets</td>
<td>3,403,112</td>
<td>2,939,811</td>
</tr>
</tbody>
</table>
### Balance sheet 31 December 2016 (DKK 1,000)

<table>
<thead>
<tr>
<th>Note</th>
<th>Equity and liabilities</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Share capital</td>
<td>500.000</td>
<td>500.000</td>
</tr>
<tr>
<td>15</td>
<td>Free reserves</td>
<td>25.194</td>
<td>23.973</td>
</tr>
<tr>
<td></td>
<td><strong>Total equity</strong></td>
<td>525.194</td>
<td>523.973</td>
</tr>
<tr>
<td></td>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Deferred tax liabilities</td>
<td>264.416</td>
<td>225.838</td>
</tr>
<tr>
<td>17</td>
<td>Bond loans and amounts owed to credit institutions</td>
<td>2,485.483</td>
<td>709.619</td>
</tr>
<tr>
<td></td>
<td><strong>Total non-current liabilities</strong></td>
<td>2,749.899</td>
<td>935.457</td>
</tr>
<tr>
<td>17</td>
<td>Bond loans and amounts owed to credit institutions</td>
<td>35.693</td>
<td>1,283.451</td>
</tr>
<tr>
<td>18</td>
<td>Trade and other payables</td>
<td>92.326</td>
<td>196.930</td>
</tr>
<tr>
<td></td>
<td><strong>Total current liabilities</strong></td>
<td>128.019</td>
<td>1,480.381</td>
</tr>
<tr>
<td></td>
<td><strong>Total liabilities</strong></td>
<td>2,877.918</td>
<td>2,415.838</td>
</tr>
<tr>
<td></td>
<td><strong>Total equity and liabilities</strong></td>
<td>3,403.112</td>
<td>2,939.811</td>
</tr>
</tbody>
</table>

1  Accounting policies
17  Financial risk management
19  Securities
20  Contingent liabilities
21  Related parties
22  Events after the balance sheet date
23  Approval of the annual report for publication
Statement of changes in equity (DKK 1,000)

<table>
<thead>
<tr>
<th></th>
<th>Share capital</th>
<th>Free reserves</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 January 2015</strong></td>
<td>500.000</td>
<td>21.792</td>
<td>521.792</td>
</tr>
<tr>
<td>Profit for the year and comprehensive income</td>
<td>0</td>
<td>2.181</td>
<td>2.181</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2015</strong></td>
<td>500.000</td>
<td>23.973</td>
<td>523.973</td>
</tr>
<tr>
<td><strong>Balance at 1 January 2016</strong></td>
<td>500.000</td>
<td>23.973</td>
<td>523.973</td>
</tr>
<tr>
<td>Profit for the year and comprehensive income</td>
<td>0</td>
<td>1.221</td>
<td>1.221</td>
</tr>
<tr>
<td>Total income</td>
<td>0</td>
<td>1.221</td>
<td>1.221</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2016</strong></td>
<td>500.000</td>
<td>25.194</td>
<td>525.194</td>
</tr>
</tbody>
</table>
Cash flow statement (DKK 1,000)

<table>
<thead>
<tr>
<th>Note</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss before net financials</td>
<td>-2.374</td>
<td>-2.028</td>
</tr>
<tr>
<td>Adjustments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>3.595</td>
<td>4.209</td>
</tr>
<tr>
<td>Cash flow from operations (operating activities) before change in</td>
<td>1.221</td>
<td>2.181</td>
</tr>
<tr>
<td>working capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in working capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables, prepayments and accrued income</td>
<td>-123.395</td>
<td>65.643</td>
</tr>
<tr>
<td>Creditors and other liabilities</td>
<td>-66.026</td>
<td>-3.958</td>
</tr>
<tr>
<td>Total cash flow from operating activities</td>
<td>-188.200</td>
<td>63.866</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>-585.250</td>
<td>-770.007</td>
</tr>
<tr>
<td>Sale of property, plant and equipment</td>
<td>36</td>
<td>283</td>
</tr>
<tr>
<td>Total cash flow from investing activities</td>
<td>-585.214</td>
<td>-769.724</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>-773.414</td>
<td>-705.858</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EU subsidy received</td>
<td>42.889</td>
<td>119.156</td>
</tr>
<tr>
<td>Borrowing</td>
<td>528.107</td>
<td>372.681</td>
</tr>
<tr>
<td>Financing expenses</td>
<td>1.335</td>
<td>10.722</td>
</tr>
<tr>
<td>Total cash flow from financing activities</td>
<td>572.331</td>
<td>502.559</td>
</tr>
<tr>
<td>Change for the period in cash at bank and in hand</td>
<td>-201.083</td>
<td>-203.299</td>
</tr>
<tr>
<td>Cash at bank and in hand at 1 January</td>
<td>201.095</td>
<td>404.394</td>
</tr>
<tr>
<td>Cash at bank and in hand at 31 December</td>
<td>12</td>
<td>201.095</td>
</tr>
<tr>
<td>Cash at bank and in hand is composed as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand and deposit accounts</td>
<td>12</td>
<td>201.095</td>
</tr>
<tr>
<td>Cash at bank and in hand at 31 December</td>
<td>12</td>
<td>201.095</td>
</tr>
</tbody>
</table>

The cash flow statement cannot be derived from the financial statements only.
Notes

Note 1 Accounting policies

General
The annual accounts are presented in accordance with the International Financial Reporting Standards approved by the EU and additional Danish disclosure requirements for annual accounts as stipulated in the IFRS Executive Order issued in accordance with the Danish Financial Statements Act.

The applied accounting policies are consistent with those used in the annual accounts for 2015.

The company has opted to use the Fair Value Option in IAS 39. This means that all financial assets and liabilities (loans, deposits and derivatives) are measured at fair value and that changes in fair value are included in the statement of comprehensive income. Loans and liquid assets are classified at fair value measurement at the time of first being recognised on the balance sheet, whereas derivatives are always recognised at fair value, cf. IAS 39.

The reason for opting for the Fair Value Option is that the company consistently applies a portfolio consideration in connection with financial management, which implies that the intended exposure to various financial risks is achieved through a range of different financial instruments - primary and derivative. This means that no distinction is made between for example loans and derivatives in the management of the financial market risk, focus is solely on the overall exposure. The choice of financial instruments for covering financial risk in financial management can therefore give rise to accounting asymmetries unless the Fair Value Option is used.

In the opinion of the company, the Fair Value Option is the only measurement principle permitted under IFRS that reflects this view. The reason is that the other principles all give rise to inappropriate asymmetries between otherwise identical exposures, depending on whether the exposure was established in the form of loans or derivatives, or necessitate extensive requirements for documentation of hedging as is the case with the rules on "hedge accounting". As derivatives, financial assets and loans are measured at fair value, measurement in the accounts will achieve the same result for loans and associated cover with derivatives when the covering of the financial risk is effective, and the company thus achieves symmetry in its accounting methods. Loans without associated derivatives are measured at fair value, as opposed to the main rule of IAS 39, which recognises loans at amortised cost price, naturally giving rise to fluctuations in the result for the year due to value adjustments.

The annual accounts are presented in DKK, which is also the group's functional currency. All amounts are stated in thousand DKK unless otherwise indicated.

Femern A/S is a subsidiary of A/S Femern Landanlæg and appears in the consolidated accounts for Sund & Bælt Holding A/S, which is the ultimate parent company.

To assist readers of the accounts, some of the details required according to the IFRS are also contained in the Management Report. Similarly, details not deemed to be important to readers of the accounts have been omitted.
New account regulations

New and changed standards and interpretations from 2016 have not entailed any changes to our accounting policy.

The following changes to existing and new standards, along with interpretations, have not yet taken effect and do not apply to the preparation of the annual accounts for 2016: IAS 7 and 12, plus IFRS 9, 15 and 16. The new standards and interpretations will be implemented when they take effect.

Implementation of IFRS 9 will change the classification and measurement of financial assets and liabilities, among other things. The implementation of this standard is expected to have some importance, but the overall effect has not yet been ascertained.

The implementation of the other standards and interpretations is not expected to have any monetary impact on the statement of the company's result, assets, liabilities and equity in connection with the presentation of the accounts.

Income statement and statement of comprehensive income

The company's objective is to undertake project planning and developer's management of the fixed link across the Fehmarnbelt. The company's expenses are capitalised and included in the cost price for "roads and railways under construction" under tangible assets. Only part of the company's general costs for administration is recognised in the income statement and statement of comprehensive income.

Accrual basis of accounting

Accrual of all significant income and expenses is performed.

Public funding

Public funding includes EU subsidies and guarantees provided by the Danish government. It is recognised when reasonably likely that the conditions for funding are fulfilled and that funding will be received.

Funding to cover costs is recognised in the statement of comprehensive income over the periods in which related costs are recognised. Funding is offset against costs incurred.

Public funding linked to the building of roads and railways is deducted from the asset's cost price.

Writedown of assets

Intangible, tangible and financial fixed assets are tested for loss in the event of impairment (other assets are covered by IAS 39) when there is an indication that the accounting value may not be recovered. A loss due to impairment is recognised at the amount by which the asset's book value exceeds the recoverable amount, i.e. the asset's net sales price or value in use, whichever the higher. Value in use is calculated at the present value of the expected future cash flow using a discount factor, which reflects the market's current required rate of return. With regard to estimating impairment, the assets are grouped in the smallest group of assets that produce independent identifiable cash flows (cash flow-producing units).

Losses due to impairment are recognised in the statement of comprehensive income.
**Tax on profit or loss for the year**

The company is subject to the Danish rules on mandatory joint taxation of Sund & Bælt group companies. Subsidiaries are jointly taxed from the date on which they are included in the consolidated accounts, and until the date on which they are excluded from the consolidated accounts. Following the expiry of the tax exception for the infrastructure companies in the Sund & Bælt group, the subsidiaries Sund & Bælt Partner A/S and BroBizz A/S will be included in the mandatory joint taxation with the other companies in the Sund & Bælt group.

Sund & Bælt Holding A/S is the management company for the joint taxation and as a result settles all payments of corporation tax with the tax authorities.

Balances below the interest deduction limitation rules of the Danish Corporation Tax Act are distributed among the jointly taxed companies according to the joint taxation agreement. Deferred tax liabilities concerning such balances are recognised in the balance sheet, but deferred tax assets are only recognised if the criteria for doing so are fulfilled.

The current Danish corporation tax is distributed by settlement of joint taxation contributions among the jointly taxed companies in proportion to their taxable earnings. Furthermore, the companies with tax losses receive a joint taxation contribution from companies able to use these losses to reduce their own tax profits.

Tax for the year consists of corporation tax, joint taxation contribution for the year and changes in deferred tax – including as a result of changes in the taxation rate; it is recognised in the statement of comprehensive income by the part that can be attributed to the profit or loss for the year, and directly in the equity by the part that can be attributed to entries made directly in the equity.

**Current tax and deferred tax**

According to the joint taxation rules, Sund & Bælt Holding A/S and the jointly taxed companies are liable for tax on earnings etc. for the jointly taxed companies and for any obligations to include tax at source on interest, royalties and dividends for the jointly taxed companies.

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on taxable income for the year, adjusted for tax on taxable income for previous years and for tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet under inter-company accounts.

Deferred tax is measured according to the liability method for all temporary differences between book value and value for tax of assets and liabilities. When the statement definition of value for tax can be performed according to different taxation rules, deferred tax is measured on the basis of the management's planned use of the assets or settlement of the liability, respectively.

Deferred tax assets, including the value for tax of tax losses that can be carried forward, are recognised under other long-term assets at the value at which they are expected to be used, either by elimination of tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Balances below the interest deduction limitation rules of the Danish Corporation Tax Act are distributed among the jointly taxed companies according to their joint taxation agreement. Deferred
tax liabilities concerning such balances are recognised in the balance sheet, but tax assets are only recognised if the criteria for deferred tax assets are met.

Adjustment of deferred tax is performed as regards eliminations of non-realised inter-company profits and losses.

**Financial items**
Financial items contain interest income and expenses, capital gains and losses for cash at bank and in hand, securities, debts and derivatives as well as foreign currency transactions. Furthermore, realised gains and losses are included as regards derivative financial instruments.

Financial costs for financing assets under construction are included in the cost price for the assets.

**Financial assets and liabilities**
Recognition of financial assets and liabilities is performed for the first time on the trading day.

Cash in hand and at bank is recognised at fair value initially and subsequently when measured in the balance sheet. Differences in fair value between balance sheet dates are recognised in the results under financial items. All cash in hand and at bank will be classified when recognised as assets valued at fair value.

Loans are recognised at fair price in the balance sheet at the first recognition date and subsequently. All loans are classified on the recognition date as financial liabilities measured at fair value via the statement of comprehensive income. Regardless of the extent of interest rate hedging, all loans are measured at fair value with continuous recognition of fair value adjustments that are stated as the difference in fair value between balance sheet dates.

The fair value of loans is determined as market value in the event of discounting of known future and expected cash flows with the relevant discount rates. Discount rates are determined based on current market rates deemed to be available to the company as a borrower.

Loans with contractual maturity in excess of 1 year are included as long-term debt.

According to IFRS 13, fair values of financial assets and liabilities are stated according to a 3-level hierarchy for the valuation method. At the first level of the valuation hierarchy, the financial assets and liabilities are recognised at liquid and available market prices. The second level follows at quoted market prices as input to recognised and common valuation methods and pricing formulas. Finally, the third level of assets and liabilities in the balance sheet, the value of which is not based on observable market data and therefore requires special mention.

The company has based its statement of fair values on quoted market prices as input to common, recognised and standardised valuation methods and pricing formulas for the entire balance sheet, which is why all financial assets and liabilities appear at level 2, cf. the valuation hierarchy in IFRS 13. There have not been any transfers between the levels during the year.

**Currency conversion**
Transactions in foreign currency are converted when first recognised at the rate in effect on the date of the transaction. Exchange rate differences occurring between the date of transaction and the payment date are recognised in the statement of comprehensive income as a financial item.
Receivables, debt and other monetary items in foreign currencies are converted to the exchange rate of the balance sheet date. The difference between the balance sheet date exchange rate and that in effect when the receivable or debt arose or the exchange rate on the preceding balance sheet date is recognised in the statement of comprehensive income under financial items.

Non-monetary assets and liabilities in foreign currencies that are not revalued at fair value are converted to transaction date exchange rate on the transaction date.

Exchange rate conversion of financial assets and liabilities is part of the value adjustment, and currency conversion of debtors, creditors etc. is attributed to financial income and costs.

**Intangible assets**
Intangible assets are measured at cost price when first recognised. Assets are subsequently measured at cost price less depreciation and writedowns performed.

Intangible assets are depreciated according to the straight-line method over the expected useful lives; however over 5 years at the most.

**Tangible assets**
Tangible assets are measured at cost price when first recognised. Cost price includes acquisition price plus costs directly related to acquisition up to the date on which the asset is ready for use. Assets are subsequently measured at cost price less depreciation and writedowns performed.

The value of roads and railways during the construction period is stated according to the following principles:

- Costs for the facilities based on agreements and contracts signed are capitalised directly
- Other direct or indirect costs are capitalised as the value of the company's own work
- Net financing costs are capitalised as interest during construction
- EU funding received is set off against the cost price

Areas include investments in land and buildings planned for use by the project during the construction and operations phases.

**Depreciation**
Other assets are stated at cost price and depreciated according to the straight-line method over the useful lives of the assets, which amount to:

- Administrative IT systems and programs (software) 0-5 years
- Improvements of leased premises, lease term, but max. 5 years
- Other plant, machinery and equipment 5-10 years
- Buildings for permanent use 25 years

Depreciation is recognised in road and railways under construction.

The depreciation method and useful lives are reassessed annually and revised if any major change in conditions or expectations has occurred. In the event of a change in the depreciation period, the effect is recognised moving forward as a change in accounting estimate.
The basis of depreciation is stated in consideration of the asset's scrap value and is reduced by writedowns, if any. The scrap value is determined on the date of acquisition and is revised annually. If the scrap value exceeds the book value of the asset, depreciation will cease.

Gains and losses from disposal of tangible assets are calculated as the difference between sales price less cost of sales and book value on the date of sale. Gains or losses are recognised in the statement of comprehensive income under other operating costs.

Other operating costs
Other operating costs include costs incurred during the year concerning operation. They include costs for external assistance, offices and premises, etc.

Personnel costs
Personnel costs include all costs for personnel, the Board of Management and Board of Directors. The total costs include direct payroll costs, pension payments, the cost of courses and other costs directly related to personnel.

Personnel costs are recognised as an expense for the period in which the work was performed. The same applies to costs for pay-related taxes, earned holiday allowance and similar expenses.

Operational leasing
Operational leasing is recognised for roads and railways under construction according to the straight-line method over the period of the leasing contract, unless another systematic method better reflects the lessee's benefit within the contract period. The leasing contracts are for leasing periods of 1 to 6 years. Operational leasing exclusively refers to offices.

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

Prepayments and accrued income, assets
Prepayments and accrued income recognised under assets include costs paid concerning the subsequent financial year.

Cash at bank and in hand
Cash at bank and in hand includes cash funds and short-term deposits that can be converted to cash funds without hindrance, and which entail only an insignificant risk of changes in value.

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

Deferred income, liabilities
Deferred income recognised under liabilities includes payments received concerning earnings in the subsequent years.

Cash flow statement
The cash flow statement for the company is compiled according to the indirect method based on the entries in the statement of comprehensive income for the year. The company's cash flow shows cash flow for the year, changes in cash reserves for the year and the company's cash reserves at the start and end of the year.
Cash flows from operations are stated as the result before financial items adjusted for non-cash result items, calculated corporation tax and changes in the working capital. The working capital includes the operations-related balance sheet items under current assets and short-term debt.

Cash flows from investment activity include the buying and selling of intangible, tangible and financial assets.

Cash flows from financing activity include borrowing, repayment of debt and financing items, including non-cash adjustments of the company's financial assets and liabilities included as separate items in the cash flow statement.

Unused credit facilities are not included in the cash flow statement.

Financial ratios
The financial ratios are compiled in accordance with the CFA Society of Denmark's "Recommendations and Financial Ratios 2015".

The financial ratios presented in the key figures and financial ratios summary are calculated as follows:

Profit margin: The result of primary activities less other earnings as a percentage of turnover.

Return on capital employed: The result of main activities less other earnings as a percentage of all assets.
Note 2 Other operating expenses (DKK 1,000)

Other operating expenses include costs for administration, premises and project work.

They include a fee of DKK 70,000 to the company auditor, who was appointed at the Annual General Meeting.

<table>
<thead>
<tr>
<th>Fees to the company's auditor elected by the Annual General Meeting</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory audit</td>
<td>70</td>
<td>200</td>
</tr>
<tr>
<td>Other assurance statements</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Tax advice</td>
<td>0</td>
<td>477</td>
</tr>
<tr>
<td>Other services</td>
<td>59</td>
<td>233</td>
</tr>
<tr>
<td><strong>Total fees to the company's auditor elected by the Annual General Meeting</strong></td>
<td><strong>129</strong></td>
<td><strong>924</strong></td>
</tr>
<tr>
<td>Recognised in road and rail facilities in progress</td>
<td>-59</td>
<td>-724</td>
</tr>
<tr>
<td><strong>Fees to the company's auditor elected by the Annual General Meeting in the comprehensive income statement</strong></td>
<td><strong>70</strong></td>
<td><strong>200</strong></td>
</tr>
</tbody>
</table>

Note 3 Staff expenses (DKK 1,000)

Staff expenses include all costs for personnel, the Board of Management and Board of Directors. The total costs include direct payroll costs, pension payments, the cost of courses and other costs directly related to personnel.

<table>
<thead>
<tr>
<th>Wages and salaries, remuneration and emoluments</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension contributions</td>
<td>2.374</td>
<td>2.832</td>
</tr>
<tr>
<td>Social security</td>
<td>1.308</td>
<td>1.038</td>
</tr>
<tr>
<td>Other staff expenses</td>
<td>5.112</td>
<td>4.530</td>
</tr>
<tr>
<td><strong>Total staff expenses</strong></td>
<td><strong>85.068</strong></td>
<td><strong>104.829</strong></td>
</tr>
<tr>
<td>Recognised in road and rail facility in progress</td>
<td>-84.445</td>
<td>-104.162</td>
</tr>
<tr>
<td><strong>Staff expenses in the comprehensive income statement</strong></td>
<td><strong>623</strong></td>
<td><strong>667</strong></td>
</tr>
</tbody>
</table>

Average number of employees

89 107

Remuneration for Management Board

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claus F. Baunkjær</td>
<td>2.405</td>
<td>2.380</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.405</strong></td>
<td><strong>2.380</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Remuneration for Management Board</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claus F. Baunkjær</td>
<td>2.405</td>
<td>2.380</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.405</strong></td>
<td><strong>2.380</strong></td>
</tr>
</tbody>
</table>

For 2016

| Claus F. Baunkjær      | 2.405| 2.380 |
| **Total**              | **2.405** | **2.380** |

For 2015

| Claus F. Baunkjær      | 2.405| 2.380 |
| **Total**              | **2.405** | **2.405** |
Note 3 Staff expenses cont.

*Board members receive their fee from Sund & Bælt Holding A/S.

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

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 4 Tax (DKK 1,000)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax paid (joint taxation contribution)</td>
<td>43.115</td>
<td>61.313</td>
</tr>
<tr>
<td>Change in deferred tax</td>
<td>-42.644</td>
<td>-60.861</td>
</tr>
<tr>
<td>Adjustment of tax paid, previous year</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Adjustment of deferred tax, previous year</td>
<td>3.124</td>
<td>-149</td>
</tr>
<tr>
<td>Effect of changed tax rate</td>
<td>0</td>
<td>3.886</td>
</tr>
<tr>
<td><strong>Total tax</strong></td>
<td><strong>3.595</strong></td>
<td><strong>4.209</strong></td>
</tr>
</tbody>
</table>

**Tax on the year’s results is specified as follows:**

Calculated 23,5 per cent tax on year’s results (24,5 per cent 2014) | 522 | 477 |
Effect of changed tax rate | 0 | 3.886 |
Other adjustments | 3.073 | -154 |
**Total** | **3.595** | **4.209** |
**Effective tax rate** | **-151%** | **-177%** |
Note 5 Software (DKK 1,000)

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

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original cost at 1 January</td>
<td>10.633</td>
<td>9.573</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>5.205</td>
<td>1.060</td>
</tr>
<tr>
<td>Disposals for the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Original cost at 31 December</strong></td>
<td><strong>15.838</strong></td>
<td><strong>10.633</strong></td>
</tr>
<tr>
<td>Depreciation at 1 January</td>
<td>8.015</td>
<td>6.612</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>1.443</td>
<td>1.403</td>
</tr>
<tr>
<td><strong>Depreciation at 31 December</strong></td>
<td><strong>9.458</strong></td>
<td><strong>8.015</strong></td>
</tr>
<tr>
<td>Balance at 31 December</td>
<td>6.380</td>
<td>2.618</td>
</tr>
<tr>
<td>Depreciation recognised in road and rail facility in progress</td>
<td>1.443</td>
<td>1.403</td>
</tr>
</tbody>
</table>

Note 6 Road and rail link in progress (DKK 1,000)

In road and rail links in progress, financing expenses (net) for the year are recognised at DKK 1,335 thousand and the capitalisation rate is 100 per cent.

Femern A/S signed civil works contracts for a total value of approximately DKK 30 billion on 30 May 2016 with the international construction companies charged with the construction of the 18 km long Fehmarn tunnel between Rødbyhavn and Puttgarden. The contracts are contingent on environmental approval being granted by German authorities. The total liabilities for the conditional contracts until 2019 amount to a maximum of DKK 342 million and DKK 24 million (2015 prices).
Note 7 Land and buildings (DKK 1,000)

Buildings are depreciated on a straight-line basis over the expected useful life of 25 years.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original cost at 1 January</td>
<td>9,450</td>
<td>9,450</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Original cost at 31 December</strong></td>
<td><strong>9,450</strong></td>
<td><strong>9,450</strong></td>
</tr>
<tr>
<td>Depreciation at 1 January</td>
<td>2,490</td>
<td>2,111</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>380</td>
<td>379</td>
</tr>
<tr>
<td><strong>Depreciation at 31 December</strong></td>
<td><strong>2,870</strong></td>
<td><strong>2,490</strong></td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>6,580</td>
<td>6,960</td>
</tr>
<tr>
<td>Depreciation recognised in road and facility in progress</td>
<td>380</td>
<td>379</td>
</tr>
</tbody>
</table>

Note 8 Leasehold improvements (DKK 1,000)

Leasehold improvements are depreciated on a straight-line basis over the term of the lease, however, over a maximum of 5 years.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original cost at 1 January</td>
<td>30,875</td>
<td>30,437</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>0</td>
<td>438</td>
</tr>
<tr>
<td><strong>Original cost at 31 December</strong></td>
<td><strong>30,875</strong></td>
<td><strong>30,875</strong></td>
</tr>
<tr>
<td>Depreciation at 1 January</td>
<td>27,314</td>
<td>25,568</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>1,755</td>
<td>1,746</td>
</tr>
<tr>
<td><strong>Depreciation at 31 December</strong></td>
<td><strong>29,069</strong></td>
<td><strong>27,314</strong></td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>1,806</td>
<td>3,561</td>
</tr>
<tr>
<td>Depreciation recognised in road and rail facility in progress</td>
<td>1,755</td>
<td>1,746</td>
</tr>
</tbody>
</table>

Note 9 Operating equipment (DKK 1,000)

Operating equipment is depreciated on a straight-line basis over the expected useful life of 5 years.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original cost at 1 January</td>
<td>14,271</td>
<td>11,827</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>1,228</td>
<td>2,897</td>
</tr>
<tr>
<td>Disposals for the year</td>
<td>-311</td>
<td>-453</td>
</tr>
<tr>
<td><strong>Original cost at 31 December</strong></td>
<td><strong>15,188</strong></td>
<td><strong>14,271</strong></td>
</tr>
<tr>
<td>Depreciation at 1 January</td>
<td>9,215</td>
<td>7,858</td>
</tr>
<tr>
<td>Additions for the year</td>
<td>1,581</td>
<td>1,511</td>
</tr>
<tr>
<td>Disposals for the year</td>
<td>-274</td>
<td>-154</td>
</tr>
<tr>
<td><strong>Depreciation at 31 December</strong></td>
<td><strong>10,522</strong></td>
<td><strong>9,215</strong></td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>4,666</td>
<td>5,056</td>
</tr>
<tr>
<td>Depreciation recognised in road and rail facility in progress</td>
<td>1,581</td>
<td>1,511</td>
</tr>
</tbody>
</table>
Note 10 Receivables (DKK 1,000)

Receivables comprise EU subsidies receivable, balances with members and recharged expenditure. The book value of receivables represents the expected realisable value.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members</td>
<td>41,498</td>
<td>61,461</td>
</tr>
<tr>
<td>EU subsidy receivable</td>
<td>119,556</td>
<td>76,667</td>
</tr>
<tr>
<td>VAT receivable</td>
<td>6,868</td>
<td>18,847</td>
</tr>
<tr>
<td>Accrued interest financial instruments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other receivables</td>
<td>2,232</td>
<td>482</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>170,154</strong></td>
<td><strong>157,457</strong></td>
</tr>
</tbody>
</table>

Note 11 Prepayments and accrued income (DKK 1,000)

Other advance payments comprise advance payments for the conditional contracts for the construction of the Fehmarn tunnel.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>298</td>
<td>438</td>
</tr>
<tr>
<td>Other prepayments</td>
<td>113,112</td>
<td>2,206</td>
</tr>
<tr>
<td><strong>Total prepayments and accrued income</strong></td>
<td><strong>113,410</strong></td>
<td><strong>2,644</strong></td>
</tr>
</tbody>
</table>

Note 12 Derivatives, assets

<table>
<thead>
<tr>
<th></th>
<th>2016 Assets</th>
<th>2016 Liabilities</th>
<th>2015 Assets</th>
<th>2015 Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forward exchange contracts</td>
<td>0</td>
<td>0</td>
<td>69</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total derivatives</strong></td>
<td>0</td>
<td>0</td>
<td>69</td>
<td>0</td>
</tr>
</tbody>
</table>

Note 13 Cash at bank and in hand (DKK 1,000)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>12</td>
<td>201.095</td>
</tr>
<tr>
<td>Fixed term deposit accounts</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total cash at bank and in hand</strong></td>
<td><strong>12</strong></td>
<td><strong>201.095</strong></td>
</tr>
</tbody>
</table>
Note 14 Share capital

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of shares with a nominal value of DKK 100 at 1 January</td>
<td>5.000.000</td>
<td>5.000.000</td>
</tr>
<tr>
<td>Number of shares with a nominal value of DKK 100 at 31 December</td>
<td>5.000.000</td>
<td>5.000.000</td>
</tr>
</tbody>
</table>

At 31 December 2016, the share capital comprised 5,000,000 shares at a nominal value of DKK 100.

The entire share capital is owned by A/S Femern Landanlæg, which is wholly-owned by Sund & Bælt Holding A/S, which is wholly-owned by the Danish state. The company is included in the consolidated accounts for Sund & Bælt Holding A/S, which is the smallest and largest group.

Financial 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 Danish state guarantees Femern A/S’ financial liabilities.

Note 15 Free reserves (DKK 1,000)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 January</td>
<td>23.973</td>
<td>21.792</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>1.221</td>
<td>2.181</td>
</tr>
<tr>
<td>At 31 December</td>
<td>25.194</td>
<td>23.973</td>
</tr>
</tbody>
</table>

Note 16 Deferred tax liability (DKK 1,000)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>-225.838</td>
<td>-168.717</td>
</tr>
<tr>
<td>Deferred tax for the year</td>
<td>-42.644</td>
<td>-60.861</td>
</tr>
<tr>
<td>Adjustment of deferred tax, previous year</td>
<td>3.124</td>
<td>-149</td>
</tr>
<tr>
<td>Effect of changed tax rate</td>
<td>0</td>
<td>3.886</td>
</tr>
<tr>
<td>Other adjustments</td>
<td>942</td>
<td>3</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td><strong>-264.416</strong></td>
<td><strong>-225.838</strong></td>
</tr>
</tbody>
</table>

Deferred tax relates to:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible fixed assets and property, plant and equipment</td>
<td>-446.434</td>
<td>-404.857</td>
</tr>
<tr>
<td>Trimmed net financing costs</td>
<td>953</td>
<td>0</td>
</tr>
<tr>
<td>Tax loss</td>
<td>181.065</td>
<td>179.019</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-264.416</strong></td>
<td><strong>-225.838</strong></td>
</tr>
</tbody>
</table>
Note 17 Financial risk management

Financing
Financial management in the company is performed within the framework set by the company's Board of Directors and applicable guidelines from the Danish Ministry of Finance, which administers the Danish government's unlimited guarantee for the company's activities. The Board of Directors determine the framework for currency and interest rate exposure, the composition of the company's borrowing and thus the overall financing.

The overall objective of financial management is to achieve the lowest possible cost of financing for the project throughout its useful life with regard to an acceptable level of risk acknowledged by the Board of Directors. The company is subject to the same types of financial risks as other enterprises, but as a result of the nature of the project has a very long time horizon. A long-term perspective in weighing results and risks related to financial management is applied.

The company has access to relending, a form of borrowing provided by Danmarks Nationalbank on behalf of the government to the company, based on a specific government bond and with the same terms as government bonds sold on the market.

The company has borrowed DKK 1.815 million in 2016 including refinancing. Expected borrowing requirement in 2017 comprises up to DKK 200 million for covering operations. There will be no refinancing in 2017.

Currency risks
The company's currency risks are related to the currency composition of its net debt, including derivatives, cash funds and debt to suppliers. Currency risks are managed through parameters for the composition of currencies.

The company can freely use DKK and EUR, and the current distribution is determined by the currency and interest rate relationship between the two currencies. Other currencies are always hedged when the counter value of exposure exceeds DKK 5 million.

Currency exposure distributed by DKK -52 million in EUR, DKK 1 million in SEK and DKK 1 million in GBP and can be attributed to cash funds.

Exchange rate sensitivity can be valued at DKK 2.7 million in the event of a currency fluctuation of +/- 5 per cent in all currencies different from the base currency. The calculated exchange rate sensitivity is not an expression of expected volatility in the currencies that the company is exposed to.

Interest rate risk
Variable-rate debt or debt with a short remaining term to maturity necessitate interest rate adjustment in the short term to market rates for the debt, which usually involves higher risk than fixed-rate debt with a long time to maturity, when fluctuations in current interest expenses are used as risk measurement. On the other hand, interest expenses are often higher for longer times to maturity, as the rate curve normally has a positive slope and the choice of debt spread is therefore a weighing of interest expenses and risk profile.
The company only has limited variable-rate binding and the borrowing need for 2017 is low while there will be no refinancing. The sensitivity to a 1 per cent change in interest rates would have an impact of DKK 1-2 million, which is very limited.

Yield exposure disclosed on nominal notional principals (DKK 1,000):

<table>
<thead>
<tr>
<th>Yield buckets</th>
<th>0-1 years</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-4 years</th>
<th>4-5 years</th>
<th>&gt;5 years</th>
<th>Nom. Value</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Bond loans and other loans</td>
<td>-35.693</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-35.693</td>
<td>-35.693</td>
</tr>
<tr>
<td>Forward exchange contracts</td>
<td>0</td>
<td>-1.500.000</td>
<td>-850.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-2.350.000</td>
<td>-2.485.483</td>
</tr>
<tr>
<td>Net debt</td>
<td>-35.681</td>
<td>-1.500.000</td>
<td>-850.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-2.385.681</td>
<td>-2.521.095</td>
</tr>
</tbody>
</table>

For 2015

<table>
<thead>
<tr>
<th>Yield buckets</th>
<th>0-1 years</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-4 years</th>
<th>4-5 years</th>
<th>&gt;5 years</th>
<th>Nom. Value</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>201.095</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>201.095</td>
<td>201.095</td>
</tr>
<tr>
<td>Bond loans and other loans</td>
<td>-1.250.000</td>
<td>0</td>
<td>-700.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-1.950.000</td>
<td>-1.993.070</td>
</tr>
<tr>
<td>Forward exchange contracts</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>69</td>
</tr>
<tr>
<td>Other derivatives</td>
<td>-1.048.905</td>
<td>0</td>
<td>-700.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-1.748.905</td>
<td>-1.791.906</td>
</tr>
</tbody>
</table>

The duration indicates the average time to maturity of net debt. A high duration entails a relatively lower rate adjustment risk and vice versa.

The Macaulay duration of the net debt is 2.2 years. The impact of a rate change of 1 per cent point will affect the cash flow by DKK 55 million by 31 December 2016.

Sensitivity calculations are performed on the basis of net debt on the balance sheet date.

Credit risks

Credit risks are defined as the risk of loss arising as a result of a counterparty failing to fulfil its payment obligations. The company's exposure to credit risks can be attributed to placing of excess liquidity, receivables from derivative contracts and customer receivables etc. The credit risk from financial counterparties is controlled and monitored continuously using a special line and limit system that defines the principles for calculating such risks as well as a maximum for how the risks acceptable for a single counterparty. The latter is measured in relation to the counterparty's rating with international rating agencies (Moody's, Standard & Poor and Fitch/IBCA).

Financial counterparties must meet requirements for high credit quality, and agreements are basically only entered into with counterparties with a long-term rating higher than A1/A+, unless tougher requirements for the provision of security can be fulfilled. The financial counterparties must also sign a Credit Support Annex (CSA agreement) providing security in the form of a deposit of government or mortgage credit bonds with high credit quality to cover a receivable from derivative contracts.

Credit exposure is effectively limited by the threshold value of the CSA agreement, which depends on the counterparty's rating. The threshold value is the maximum unhedged receivable that can be accepted for a single counterparty.

The company does not have any credit exposure at the time of the balance sheet, either from derivative transactions or placing of excess liquidity.
The company’s maximum credit exposure is an expression of the receivables recognised in the accounts.

The fair value of the company’s receivables and supplier debt measured at amortised cost price is deemed to approximately correspond to the book value.

**Liquidity risk**

The company has limited liquidity risk due to its access to relending and the guarantee from the Danish government, as well as flexibility to maintain a liquidity reserve of up to 6 months’ requirement, which helps reduce the risk of having to raise loans on unfavourable terms due to temporary circumstances.

**Maturity on receivables, debt and trade payables (DKK 1,000):**

<table>
<thead>
<tr>
<th>Maturity</th>
<th>0-1 years</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-4 years</th>
<th>4-5 years</th>
<th>&gt;5 years</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Receivables and debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>certificates</td>
<td>-35,693</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-35,693</td>
</tr>
<tr>
<td>Receivables</td>
<td>170,154</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>170,154</td>
</tr>
<tr>
<td>Derivatives, assets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Debt</td>
<td>0</td>
<td>-1,500,000</td>
<td>-850,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-2,350,000</td>
</tr>
<tr>
<td>Derivatives, liabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>-41,270</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-41,270</td>
</tr>
<tr>
<td><strong>Total principal amount</strong></td>
<td>93,203</td>
<td>-1,500,000</td>
<td>-850,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-2,256,797</td>
</tr>
</tbody>
</table>

**Note 18 Trade and other payables (DKK 1,000)**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors</td>
<td>40,569</td>
<td>69,780</td>
</tr>
<tr>
<td>Members</td>
<td>698</td>
<td>7,296</td>
</tr>
<tr>
<td>Affiliated companies</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>4,861</td>
<td>4,238</td>
</tr>
<tr>
<td>Received prepayments (EU subsidy)</td>
<td>24,205</td>
<td>0</td>
</tr>
<tr>
<td>Other payables</td>
<td>21,990</td>
<td>115,612</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>92,326</td>
<td>196,930</td>
</tr>
</tbody>
</table>

**Note 19 Security**

The company has not provided any security.
Note 20 Contingent liabilities (DKK 1,000)

### Operating leasing

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>The leasing of premises and vehicles, which are regarded as operating leasing, are included in road and rail facilities in progress (corresponding to minimum lease payments):</td>
<td>12,720</td>
<td>14,351</td>
</tr>
<tr>
<td>Non-terminability for operating leasing are:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-1 years</td>
<td>15,807</td>
<td>14,710</td>
</tr>
<tr>
<td>1-5 years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>After 5 years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total operating leasing</strong></td>
<td><strong>15,807</strong></td>
<td><strong>14,710</strong></td>
</tr>
</tbody>
</table>

The company is part of a Danish joint taxation scheme with Sund & Bælt Holding A/S as the management company. As from the financial year 2013, according to the rules of the Danish Corporation Tax Act, the company is therefore jointly liable with the other jointly taxed companies for the total corporation tax of DKK 0 and as from 1 July 2012 for any obligations to collect tax at source on interest, royalties and dividends for the jointly taxed companies.

As stated earlier, Scandlines and others have submitted a complaint to the EU Commission regarding allegedly illegal government funding for the Fehmarnbelt project, primarily because of government guarantees for the project’s borrowing etc. The EU Commission rejected the complaint in July 2015 and declared that the guarantees etc. are fully compatible with the EU’s rules on government funding. Should the Fehmarnbelt project need to take out state-guaranteed loans after 55 years after the opening of the fixed link, the Commission will have to be notified accordingly.

Scandlines and others have referred the ruling to the EU General Court. Subsequently, Scandlines have added two further claims against the Commission in the Court. These concern the annulment of a decision from September 2016 regarding a number of other complaints, and alleged passivity due to insufficient responses to other complaints. The Fehmarnbelt project is not aware when the EU General Court will make its ruling. The court’s ruling can be appealed to the EU Court of Justice.

With regard to the conditional contracts for the construction of the Fehmarn tunnel, the company has a contingency liability of DKK 85 million, which is a portion of its liabilities for the conditional contracts, which amount to DKK 342 million.

Otherwise, the company has no other obligations.
Note 21 Related parties (DKK 1,000)
Related parties comprise the Danish government, companies and institutions owned by it.

<table>
<thead>
<tr>
<th>Related parties</th>
<th>Registered office</th>
<th>Affiliation</th>
<th>Transactions</th>
<th>Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Danish State</td>
<td>Copenhagen</td>
<td>100% ownership of Sund &amp; Bælt Holding A/S</td>
<td>Guarantee for company's debt Guarantee commission</td>
<td>Determined by legislation. Accounts for 0.15 per cent of the nominal debt</td>
</tr>
<tr>
<td>Ministry of Transport</td>
<td>Copenhagen</td>
<td>100% ownership via Sund &amp; Bælt Holding A/S</td>
<td>Purchase of consultancy</td>
<td>Market price</td>
</tr>
<tr>
<td>Sund &amp; Bælt Holding A/S</td>
<td>Copenhagen</td>
<td>100% ownership of A/S Femern Landanlæg</td>
<td>Handling of operational tasks Joint taxation contribution</td>
<td>Market price</td>
</tr>
<tr>
<td>A/S Femern Landanlæg</td>
<td>Copenhagen</td>
<td>100% ownership of Femern A/S</td>
<td>Common payment VAT</td>
<td></td>
</tr>
<tr>
<td>Sund &amp; Bælt Partner A/S</td>
<td>Copenhagen</td>
<td>Subsidiary of Sund&amp;Bælt Holding A/S</td>
<td>Handling of joint functions</td>
<td>Market price</td>
</tr>
<tr>
<td>A/S Storebælt</td>
<td>Copenhagen</td>
<td>Subsidiary of Sund&amp;Bælt Holding A/S</td>
<td>Sale of consultancy</td>
<td>Market price</td>
</tr>
<tr>
<td>A/S Øresund</td>
<td>Copenhagen</td>
<td>Subsidiary of Sund&amp;Bælt Holding A/S</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Øresundsbro Konsortiet</td>
<td>Copenhagen / Malmö</td>
<td>Partnership owned 50% by A/S Øresund</td>
<td>Purchase of consultancy</td>
<td>Market price</td>
</tr>
<tr>
<td>BroBizz A/S</td>
<td>Copenhagen</td>
<td>Subsidiary of Sund&amp;Bælt Holding A/S</td>
<td>Handling of common functions</td>
<td>Market price</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Related party</th>
<th>Description</th>
<th>Amount 2016</th>
<th>Amount 2015</th>
<th>Balance at 31 December 2016</th>
<th>Balance at 31 December 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Danish State</td>
<td>Guarantee commission Consultancy</td>
<td>-3.325</td>
<td>-2.468</td>
<td>-3.325</td>
<td>-2.468</td>
</tr>
<tr>
<td>Ministry of Transport</td>
<td>Handling of operational tasks Joint taxation contribution</td>
<td>-17.975</td>
<td>-25.821</td>
<td>-694</td>
<td>-901</td>
</tr>
<tr>
<td>Sund &amp; Bælt Holding A/S</td>
<td>Common payment VAT Joint expenses</td>
<td>40.858</td>
<td>61.330</td>
<td>40.858</td>
<td>61.330</td>
</tr>
<tr>
<td>A/S Femern Landanlæg</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-6.390</td>
<td></td>
</tr>
<tr>
<td>Sund &amp; Bælt Partner A/S</td>
<td>Joint expenses</td>
<td>454</td>
<td>139</td>
<td>567</td>
<td>131</td>
</tr>
<tr>
<td>A/S Storebælt</td>
<td>Consultancy</td>
<td>-65</td>
<td>-75</td>
<td>28</td>
<td>-5</td>
</tr>
<tr>
<td>Øresundsbro Konsortiet</td>
<td>Joint expenses and consultancy</td>
<td>-936</td>
<td>-1.096</td>
<td>-3</td>
<td>-4</td>
</tr>
<tr>
<td>BroBizz A/S</td>
<td>Joint expenses</td>
<td>-55</td>
<td>-93</td>
<td>-3</td>
<td>0</td>
</tr>
</tbody>
</table>
Note 22 Events after the balance sheet date

In accordance with a previous agreement, on 15 February 2017 Femern A/S submitted responses to the 12,600 objections raised during the second hearing for the Fehmarn tunnel in Germany in the summer of 2016 to the plan approval authority in Schleswig-Holstein, LBV Kiel.

In consultation with more than 150 German and international experts, Femern A/S and the German co-applicant, LBV Lübeck, have developed detailed responses to all queries that were raised during the hearing.

The plan approval authority in Schleswig-Holstein, LBV Kiel is responsible for the continuation of the plan approval procedure until German plan approval (construction permit) is granted, which includes hearings with affected parties in Schleswig-Holstein. Once the hearing process is finally completed, LBV Kiel will issue the plan approval.

No other events have occurred after the balance sheet date of significance to the annual report for 2016.

Note 23 Approval of the Annual Report for publication

At the meeting of the Board of Directors on 17 March 2017, the Board of Directors approved the Annual Report for publication. The Annual Report will be presented to the shareholders of Femern A/S for approval at the Annual General Meeting on 18 April 2017.
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 2016 for Femern A/S.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements in the Financial Statements Act.

It is our view that the annual accounts give a true and fair view of the company’s assets, liabilities and financial position at 31 December 2016, as well as the results of the company’s activities and cash flow for the financial year 1 January – 31 December 2016.

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

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 17 March 2017

Management Board

Claus F. Baunkjær
CEO

Board of Directors

Peter Frederiksen
Chair
David P Meyer
Deputy chair
Carsten Koch
Deputy chair

Pernille Sams
Claus Jensen
Rainer Feuerhake

Mette Boye
Walter Christophersen
Ruth Schade

Lene Lange
Mikkel Haugård Hemmingsen
Jeanne Christensen

Mette Koch Sonnenborg
Villads Engstrøm
Kirsten Margrethe Christensen
The independent auditor's report

To the shareholders of Femern A/S

Opinion
In our opinion, the annual accounts give a true and fair view of the company’s assets, liabilities and financial position at 31 December 2016 and of the results of the company’s operations and cash flows for the financial year 1 January – 31 December 2016 in accordance with International Financial Reporting Standards as adopted by the EU and other additional Danish disclosure requirements in the Financial Statements Act.

We have audited the annual accounts for Femern A/S for the financial year 1 January – 31 December 2016, which comprise the income statement, the comprehensive income statement, the balance sheet, statement of changes in equity, cash flow statement and notes, including the accounting policies (“the accounts”).

Basis for opinion
We have conducted our audit in accordance with international auditing standards and additional requirements under Danish auditing legislation. Our responsibility according to these standards and requirements can be found in section The Auditor's responsibility for auditing the accounts in the auditor's statement. We are independent of the company in compliance with international ethical guidelines for auditors (IESBA’s ethical guidelines) and any further requirements in Denmark, and we have complied with any other ethical obligations pursuant to such regulations and requirements. In our opinion, the audit evidence obtained is sufficient and suitable as the basis of our conclusion.

Opinion on the Management Report
The Management Board is responsible for the Management Report

Our conclusion concerning the accounts does not comprise the Management Report, and we do not express any opinion with regard to the Management Report.

It is our duty to read the Management Report in the context of auditing the accounts and consider if it is significantly inconsistent with the accounts or knowledge gained through the audit or appears to contain any other significant incorrect information.

Furthermore, it is our responsibility to consider if the Management Report contains required information pursuant to the Financial Statements Act.

On this basis, we are of the opinion that the information in the Management Report is in accordance with the annual accounts and prepared in accordance with the requirements of the Financial Statements Act. We have not found any significant incorrect information in the Management Report.

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

When preparing the accounts the Board of Directors and Management Board are responsible for evaluating the company's future prospects, inform of circumstances concern-
ing the continuation of operations where relevant, as well as prepare the accounts based on the accounting principle concerning continued operations, unless the Board of Directors and Management Board either intends to liquidate the company, cease operations or has no realistic alternative but to do this.

The auditor’s responsibility for the audit of the accounts
Our goal is to achieve a significant degree of certainty concerning the general accuracy of the accounts, whether due to fraud or error, and to issue an auditor’s report with an opinion. High levels of certainty is an enhanced level of certainty, but not a guarantee that an audit, conducted pursuant to international auditing standards and Danish requirements, will always detect significant inaccuracies. Inaccuracies may also arise from fraud or errors and may be seen as significant if it can reasonably be expected that they independently or jointly influence financial decisions made based on the accounts.

As part of the audit, pursuant to international auditing standards and Danish requirements, we undertake professional evaluations and maintain professional scepticism throughout the process. Furthermore:

- We identify and assess the risk for material misstatement in the accounts, irrespective of whether due to fraud or error, design and produce auditing documents in response to these risks, and collect auditing evidence where necessary to support our conclusion. The risk of not detecting material misstatement due to fraud is higher than that material misstatement caused by error, as fraud can include conspiracy, forgery, deliberate omission, misrepresentation or breaches of internal controls.

- We gain an understanding of internal controls for the purpose of the audit in order to design audit procedures that are appropriate in the circumstances but not to express an opinion on the effectiveness of the company’s internal controls.

- We consider the suitability of the accounting practices used by the Board of Directors and Management Board as well whether used estimates and information are reasonable.

- We make a recommendation on whether the accounts, based on its accounting principles, indicate grounds for continued operations, and whether evidence from the audit suggest significant uncertainty related to events and conditions that may impede the company’s ability to undertake further operations. If we conclude that such uncertainty is present we will indicate such information in the accounts or, in the event that such information is unavailable, qualify our opinion. Our conclusions are based on the auditing evidence that we have accessed until the date of our report. Future events or conditions can indicate that the company will be unable to continue operations.

- We assess the overall presentation, structure and content of the accounts, including the notes, and whether the accounts reflect underlying transactions and events in such a way as to provide a fair picture thereof.
We communicate with top management about the planned extent and timing of the audit, and significant auditing observations, including potential significant flaws in internal controls, which we identify in the course of the audit.

Copenhagen, 17 March 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No. 33 77 12 31

Christian Fredensborg Jakobsen
state-authorised public accountant

Jens Otto Damgaard
state-authorised public accountant
Board of directors and Management Board

Board of Directors

Peter Frederiksen (chair)
Director
Chair since 2016
Joined the board in 2016
Term expires in 2018

Board member in
- Sund & Bælt Holding A/S (chair)
- A/S Storebælt (chair)
- A/S Øresund (chair)
- A/S Femern Landanlæg (chair)
- A/S United Shipping & Trading Company
- Bunker Holding A/S
- Uni-Tankers A/S

Carsten Koch (deputy chair)
Director
Deputy chair since 2009
Joined the board in 2009
Term expires in 2017

Board member in
- Udviklingselskabet By og Havn I/S (chair)
- Københavns Havns Pensionskasse (chair)
- Forca A/S (chair)
- FredericiaC P/S (chair)
- NærHeden P/S (chair)
- Vækstfonden (chair)
- Professionshøjskolen UCC (chair)
- Sund & Bælt Holding A/S (deputy chair)
- A/S Storebælt (deputy chair)
- A/S Øresund (deputy chair)
- A/S Femern Landanlæg (deputy chair)
- AS3 A/S (deputy chair)
- Øresundsbro Konsortiet I/S
- CMP A/B
- Investeringsforeningen Maj Invest

Chair of the National Council of Employment, under the Ministry of Employment.

David P. Meyer (deputy chair)
Director
Deputy chair since 2016
Joined the board in 2016
Term expires in 2018

Board member in
- Dansani A/S (chair)
- C&H System A/S (chair)
- KD Group A/S (chair)
- Damasec ApS (chair)
- Sund & Bælt Holding A/S (deputy chair)
- A/S Storebælt (deputy chair)
- A/S Øresund (deputy chair)
- A/S Femern Landanlæg (deputy chair)
- Øresundsbro Konsortiet I/S (deputy chair)
- Pressalit A/S (deputy chair)
- Atrium Partners A/S
- Dameca A/S
- Kohsel Elektronik A/S
Pernille Sams
Director
Joined the board in 2009
Term expires in 2017
Board member in
- Danske Selvstændige Ejendomsmæglere ApS (chair)
- Pernille Sams Ejendomsmæglerfirma ApS
- Foreningen Nordea Liv og Pension
- World Animal Protection
- Sund & Bælt Holding A/S
- Øresundsbro Konsortiet I/S
- A/S Storebælt
- A/S Øresund
- A/S Femern Landanlæg

Mette Boye
Director
Joined the board in 2011
Term expires in 2017
Board director of
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- A/S Femern Landanlæg
- Danish Institute for Human Rights

Walter Christophersen
Self-employed
Joined the board in 2011
Term expires in 2017
Board director of
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- A/S Femern Landanlæg

Claus Jensen
President of the Danish Metal Workers Union
Joined the board in 2014
Term expires in 2017
Board director of
- CO-industri (chair)
- Tænketanken EUROPA (chair)
- Sund & Bælt Holding A/S
- A/S Storebælt
- A/S Øresund
- A/S Femern Landanlæg
- Danish Federation of Trade Unions (LO)
- European Workers Participation Fund, EWPF
- IndustriALL – European Trade Union
- IndustriALL - Global
- Industrianställda i Norden, IN
- A/S A-Pressen
- Akademiet for de Tekniske Videnskaber, ATV
- Arbejderbevægelsens Erhvervsråd, AE
- Arbejderbevægelsens Kooperative Finansieringsfond, AKF
- Arbejdernes Landsbank
- Arbejdsmarkedets Tillægspension, ATP
- CPH Vækstkomité
- Danmarks Nationalbank
- Danmarks Vækstråd
- Det Blå Danmark
- The Danish Economic Council
- Folk & Sikkerhed
- Fonden Peder Skram
- Industriens Kompetenceudviklingsfond, IKUF
- Industriens Pensionsforsikring A/S
- Industris Pensions Service A/S
- Industris Uddannelses- og Samarbejdsfond, IUS
- Industripension Holding A/S
- InnovationsFonden
- Interforcekomitéen
- Markedsmodningsfonden
- Innovationsfonden
- Olympisk Idrætsforum
- Produktionspanel 4.0
- Ulandssekretariatet
- Young Enterprise/Fonden for Enterprenørskab
Ruth Schade
EVP
 Joined the board in 2016
 Term expires in 2018
Board director of
 • Sund & Bælt Holding A/S
 • A/S Storebælt
 • A/S Øresund
 • A/S Femern Landanlæg
 • Maj Invest Holding A/S
 • Fondenmæglerselskabet Maj Invest A/S
 • Ma Dansk Retursystem A/S
 • Harboe Ejendomme A/S
 • Skaelskør Bryghus A/S
 • Vejmrøøegård ApS
 • Buskysminde A/S
 • Lundegård A/S
 • Rugbjerggård A/S
 • Keldernæs A/S
 • Visbjerggården A/S
 • Danfrugt Skaelskør A/S
 • BG af 31. december 2010 A/S

Lene Lange
Attorney-at-law
 Joined the board in 2016
 Term expires in 2018
Board director of
 • Sund & Bælt Holding A/S
 • A/S Storebælt
 • A/S Øresund
 • A/S Femern Landanlæg
 • Øresundsbro Konsortiet I/S
 • Compositelligence ApS
 • PatentCo ApS

Rainer Feuerhake
 Joined the board in 2010
 Term expires in 2017

Mikkel Haugård Hemmingsen
 Joined the board in 2016
 Term expires in 2018
Board member in
 • BroBizz A/S (chair)
 • Sund & Bælt Partner A/S (chair)

Jeanne Christensen
HR Assistant (employee representative)
 Joined the board in 2009
 Term expires in 2019

Mette Koch Sonnenborg
Contract Administrator (employee representative)
 Joined the board in 2014
 Term expires in 2019

Villads Engstrøm
Design Coordination Manager, TPR (employee representative)
 Joined the board in 2015
 Term expires in 2019

Kirsten Margrethe Christensen
Head of Department, Operation Support Technical Division (employee representative)
 Joined the board in 2015
 Term expires in 2019

Board of Management

Claus F. Baunkjær
CEO
 Board member in
 • Sund & Bælt Partner A/S