

NATIONAL REPORT

DENMARK 2005

Mr. Mogens Hansen, Finance Director of Sund & Baelte Holding A/S

1. General

Sund & Baelte Holding A/S owns - through its subsidiaries A/S Storebaelt and Oeresundsbro Konsortiet - the only two user paid infrastructure roads in Denmark, viz. the two large bridge links: the Storebaelt link connecting the two biggest islands in Denmark and the Oeresund link connecting Denmark and Sweden.

Both links are combined road and rail links and fees are paid by both road users and railway operators.

2. The year 2005

1.1 Network length

The Storebaelt link is 18 km long and the Oeresund link is 16 km long, totalling 34 km user paid motorway. This is unchanged from 2004. The Danish motorway road system totals almost 1,000 km. Apart from the above bridges, the motorways are not user paid.

2.2 Openings in 2006

No new user paid motorways are planned for 2006. However, other issues are being discussed that may lead to an increase in the use of road pricing:

- Investigation into the potential for constructing a tunnel at the port of Copenhagen to reduce traffic load in central Copenhagen including

financing by user fee. Preliminary investigations were carried out in 2005.

- The municipality of Copenhagen has completed a feasibility study on the introduction of road pricing in Copenhagen. The study describes different models for road pricing and includes an evaluation of the impact on traffic, economy and environment together with consequences to residents and trade and industry. The results of the study will form basis for further political discussions.

- PPP projects in connection with the construction of motorways, tunnels and bridges to be financed by user fees.

3.3 Investments

As stated above, no investments in new user paid roads are planned to take place in 2006.

3.4 Financing

The two infrastructure links have been financed by loans raised in the capital markets. The Danish state guarantees for the affiliated companies' commitments and in the case of Oeresundsbro Konsortiet the guarantee is shared by the Swedish and the Danish states.

2.5 Traffic

The traffic growth has been calculated on the basis of the number of vehicles crossing the bridge links cf. the below specification for the two bridges.

Table 1. Growth in traffic 1999 – 2005 (percentage)

	1999	2000	2001	2002	2003	2004	2005
Storebaelt	11	9	3	4	2	5	7
Oeresund	-	-	11	16	10	14	15
The Danish road system	3.6	0.3	-0.3	2.2	1.4	1.5	1.0

Note: Storebaelt was opened in June 1998 and Oeresund in July 2000

For comparison, growth in Danish economy is expected to total 2.4 pct. for 2005.

2.6 Tolls

Below are stated the price per passage and the price per driven km for private cars and HGVs, respectively. It should be noted that the price

per km is very high as it covers infrastructures comprising bridges and tunnels, for which construction costs have been very high. The construction cost for Storebaelt inclusive of land works totalled DKK 36 billion (EUR 4.8 billion) and for Oeresund exclusive of land works DKK 19.6 billion (EUR 2.6 billion).

Table 2. Fees 2005

EUR	Storebaelt		Oeresund	
	Price per passage	Price per km	Price per passage	Price per km
Private cars	27*	1.5	31***	2.0
HGVs	127**	7.1	100****	6.3

Notes:* A 5 pct. reduction is granted in ETC lanes. Further, reductions of up to 40 pct. can be obtained on special days, and for periods during the day. Special commuter products offer reductions of up to 67 pct.

** A 5 pct. reduction is granted in ETC lanes. Further, special quantity discounts of up to 10 pct. are granted.

*** Different products are offered granting discounts of up to 50 pct. Commuters may obtain reductions of up to 78 pct.

****Reductions of up to 60 pct. are granted.

In mid 2005 prices for the crossing of Storebaelt were lowered by 20 pct. for private cars and 5 pct. for HGVs. At Øresund the general raise in

prices in 2005 totals app. 2 pct. corresponding to the retail price index.

7.7 Revenues

Table 3. Revenues 2005

Million	2005		2004		Growth pct. (basis DKK)
	DKK	EUR	DKK	EUR	
Storebaelt*	2,142	287	2,197	296	-2.5
Oeresund	729	98	668	90	9.1
Total	2,871	385	2,865	386	0.2

Note: The figures in EUR are based on the rate of exchange late 2005 of 746.05 and 2004 of 743.32, respectively

As anticipated, revenue on Storebælt fell as a consequence of the substantial reduction of tolls which were implemented mid-2005 of 20 pct. for private cars and 5 pct for HGVs, respectively. It is estimated that the price

reductions have created an increase in traffic of approx. 6 pct.

Oeresund being in its fifth year of operation is facing a substantial and expected growth

in traffic. Being located in the urban areas of Copenhagen and Malmoe, traffic is expected to grow substantially during the coming years.

7.8 Safety

7.9 Long-term forecasts and tendencies

Reference is made to section 2.2.

In 2005 Germany and Denmark carried out preliminary investigations in connection with the establishment of a fixed link across

Table 4. Safety 2005

Number for one billion km. travelled	Storebælt			Øresund		
	2005	2004	Variation in pct.	2005	2004	Variation in pct.
Personal injury rate	10.0	27.0	-63	0.0	14.5	-100
Fatal accident rate	0.0	5.3	-100	0.0	0.0	-
Rate of dead	0.0	10.6	-100	0.0	0.0	-

Fehmarnbelt. The results of the investigations will form part of political discussions prior to an agreement to implement the project. If the project is realised it will be financed by user payment.

The Danish motorway system is to a great extent fully built out. However a number projects concerning extensions to the existing motorway system in the Copenhagen area are progressing as well as construction of minor new motorway sections.

2.10 Significant actions already started and foreseen for 2006

In 2004 an agreement was made between Vägverket (Sweden), Statens Vegvesen (Norway) and the two bridge companies in Denmark, Oeresundsbro Konsortiet and Sund

& Baelt Holding A/S to establish a common Scandinavian interoperable system for users of ETC - NORITS (Nordic Interoperability for Tolling Systems). Expected commercial commissioning is second half of 2006.

Today, the ETC-system (Called BroBizz) is already used by two ferry companies and the two bridge companies start up a pilot project for parking facilities early 2006.

3. Main ASECAP key figures

Table 5. Key figures 2005 Denmark

	2005
Network length – 2x lanes	34 km.
No. of km. under construction	0 km.
Forecasts of opening motorway sections	0
Annual toll revenue	385 million EUR
Permanent staff	250
Average daily traffic (LV)	34,720 vehicles
Average daily traffic (HV)	4,315 vehicles
Average daily traffic (LV+HV)	39,035 vehicles
Total number of accidents	26
No. of personal injury accidents	2
No. of dead	0
Km. travelled (1.000.000 km.)	246.5
No. of toll plazas	2
No. of lanes	44
No. of teletoll equipped lanes	12
No. of teletoll subscribers	300,000
No. of rest areas with station services	0
No. of rest areas	0
No. of restaurants	0
No. of hotels	0