ANNUAL REPORT 2010

COWI

COWI

COWI is a leading northern European consulting group. We provide state-of-the-art services within the fields of engineering, environmental science and economics with due consideration for the environment and society.COWI is a leader within its fields because COWI's 6,061 employees are leaders within theirs

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Tunnel and train on time

Under budget and finished before time. There was no time to waste when COWI signed up to the joint venture behind Malmö's new City Tunnel, which will both double capacity and shave up to twenty minutes off the journey from Malmö Central Station to the Swedish part of the Oresund Link.

NEW MARKET CONDITIONS MEAN NEW BUSINESS OPPORTUNITIES

2010 was an exciting and challenging year for COWI: exciting because the global market conditions within which we operate have undergone greater, more rapid change than ever before, and challenging because competition has never been tougher

In spite of difficult market conditions we have sustained a pleasing growth rate at 11.7 per cent, due in particular to acquisitions.

However, this growth masks considerable variations. Parts of COWI have achieved satisfactory growth and earnings. Others have faced major challenges. The infrastructure business area achieved excellent growth and solid earnings in 2010, with highly satisfactory development throughout the world. Other areas, such as buildings at global level and our consultancy markets in Sweden and Central and Eastern Europe, were hard hit by the economic crisis. We achieved moderate growth in 2010, and the results are acceptable given the difficult market conditions, but they do not live up to our long-term earnings expectations.

High growth sectors with significant potential

As a consequence of these conditions, the economic crisis and increasing global competition put pressure on prices – and therefore on our earnings. However, global development also means new business opportunities, and in 2010 we adapted our organisation accordingly, making ourselves even more competitive. We identified four high growth sectors – transport, water, energy and health care – where the potential for COWI is substantial. In the autumn of 2010 we intensified the dialogue with

Lars-Peter Søbye, President, CEO

our customers in all our regions to ensure that we can adapt the services we provide to our customers' needs. Furthermore, our acquisition of the shares which SEB Pensionsforsikring A/S and Danica Pension Livsforsikringsaktieselskab held in COWI made 2010 the year in which close to 20 per cent of our employees became co-owners of the company. This was an important step towards making COWI a company wholly owned by COWIfonden (the COWIfoundation) and the employees.

The global economic crisis demonstrated that our focus on strong geographic regions and international specialist leader services (ISLs), such as Major Bridges and Tunnels, is the right strategy for succeeding in a global market. Accordingly, we restructured our organisation with effect from 1 January 2011, consolidating our regions and streamlining from the previous six down to four regions, and consolidating our three strongest ISLs to create COWI's first major business line. In addition, we have amalgamated our emerging markets in the new unit COWI Seed, and we have also set up two new units dedicated to business development on the one hand and operational excellence on the other.

The managers of the regions and the new major business line will have seats on the Group Management Board, COWI's strategic and operational management forum, whose task it is, together with COWI's other managers, to implement the new strategy which is being introduced in the course of 2011 and which will replace the current strategy S2010. Business development and operational excellence will also be important areas of managerial focus in 2011.

ISLs have never been stronger

COWI's competitive edge is based on our strong competencies. Our ISLs have never before been more highly placed on Engineering News-Record's lists of the world's leading consultants, and many of our business areas have achieved top ranking. Our highly professional standards secured us a number of new, ground-breaking projects in 2010, such as the forthcoming light railway in Aarhus, Denmark, and the Hong Kong-Zhuhai-Macau link with the world's longest immersed tunnel to date.

I anticipate further intensification of global competition in the course of 2011, with all the falling prices which that entails. In 2010, in order to retain our competitive edge and improve our competencies we introduced changes in COWI in a number of strategically important areas, so that we will remain our customers' preferred consultants, a profitable company for our shareholders and an attractive workplace for current and future employees alike.

KEY FIGURES AND FINANCIAL RATIOS

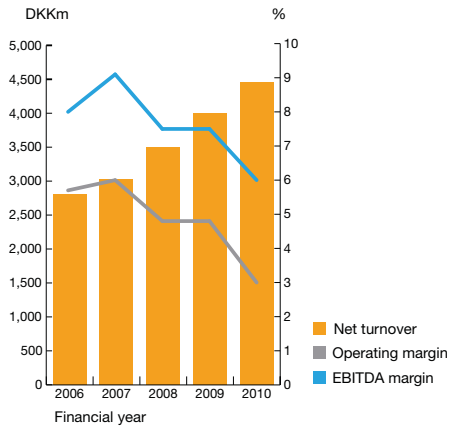
KEY FIGURES AND FINANCIAL RATIOS FOR THE COWI GROUP

	2006 DKKm	2007 DKKm	2008 DKKm	2009 DKKm	2010 DKKm	2010 EURm
Key figures						
DKK/EUR rate at 31 December 2010						745.44
Net turnover	**2,808.9**	**3,031.4**	**3,498.0**	**3,993.4**	**4,461.5**	**598.5**
Operating profit before amortisation, depreciation and impairment losses (EBITDA)	225.4	275.8	261.8	297.7	266.8	35.8
Operating profit on ordinary activities	161.8	138.0	165.0	188.4	129.1	17.3
Operating profit (EBIT)	**160.2**	**180.8**	**167.4**	**189.8**	**132.0**	**17.7**
Net financials	16.6	11.5	9.0	25.3	5.7	0.8
Profit before tax for the year	**176.8**	**192.3**	**176.4**	**215.1**	**137.7**	**18.5**
Profit for the year	123.9	155.3	128.3	153.8	78.2	10.5
COWI's share of profit for the year	**72.5**	**94.7**	**77.7**	**93.3**	**77.9**	**10.5**
Group goodwill	216.0	246.1	258.0	464.3	474.6	63.7
Other non-current assets	191.5	276.7	298.7	335.8	309.4	41.5
Current assets	1,524.1	1,782.9	1,812.8	1,954.5	2,162.1	290.0
Total assets	**1,931.6**	**2,305.7**	**2,369.5**	**2,754.6**	**2,946.0**	**395.2**
Share capital	206.5	206.5	206.5	206.5	267.8	35.9
Equity	**351.7**	**430.3**	**459.4**	**563.3**	**875.4**	**117.4**
Provisions	350.3	357.8	367.5	415.3	428.3	57.5
Long-term debt	8.1	28.1	29.2	62.3	189.0	25.4
Short-term debt	988.3	1,215.1	1,218.2	1,358.2	1,450.0	194.5
Cash flow from operating activities	213.9	168.9	150.4	333.2	(21.0)	(2.8)
Investment in property, plant and equipment, net	(43.5)	(78.7)	(39.9)	(43.8)	(35.4)	(4.7)
Other investments, net	(21.0)	(103.4)	(125.5)	(323.9)	(42.5)	(5.7)
Cash flow from investing activities, net	(64.5)	(182.1)	(165.4)	(367.7)	(77.8)	(10.4)
Free cash flow	**149.4**	**(13.2)**	**(15.0)**	**(34.5)**	**(98.9)**	**(13.3)**
Cash flow from financing activities	(15.2)	0.5	20.4	78.2	85.0	11.4
Cash flow for the year	**134.2**	**(12.7)**	**5.4**	**43.7**	**(13.8)**	**(1.9)**
Financial ratios						
EBITDA margin	8.0%	9.1%	7.5%	7.5%	6.0%	
Operating margin (EBIT margin)	5.7%	6.0%	4.8%	4.8%	3.0%	
Return on invested capital	17.1%	17.2%	13.9%	13.2%	7.7%	
Equity ratio	18.2%	18.7%	19.4%	20.4%	29.7%	
Return on equity	25.2%	24.2%	17.5%	18.2%	10.8%	
Book value per share in DKK				272.6	327.1	
Average number of employees	**3,442**	**3,820**	**4,475**	**5,436**	**6,031**	

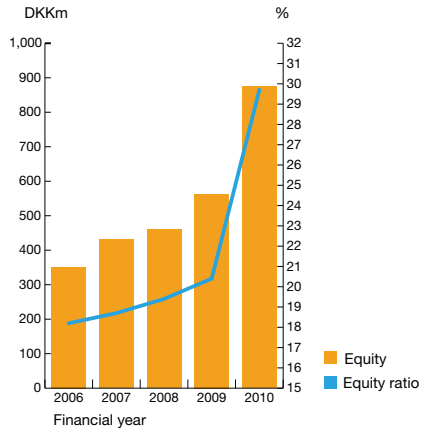
COWI Holding A/S was formed on 7 May 2010. The Group was formed by applying the uniting-of-interests method, cf. the section on accounting policies. Key figures and financial ratios have consequently been prepared on this basis.

Book value per share for 2009 has been calculated based on the company's formation on 7 May 2010.

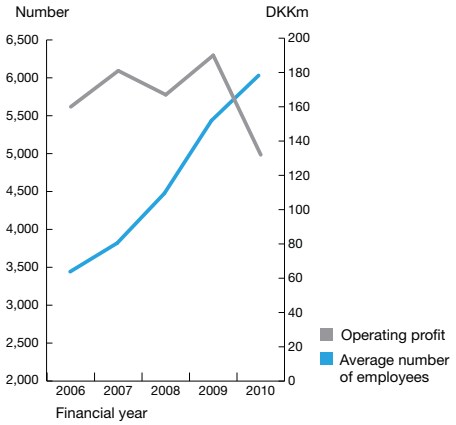
DEVELOPMENT IN NET TURNOVER, OPERATING MARGIN AND EBITDA MARGIN



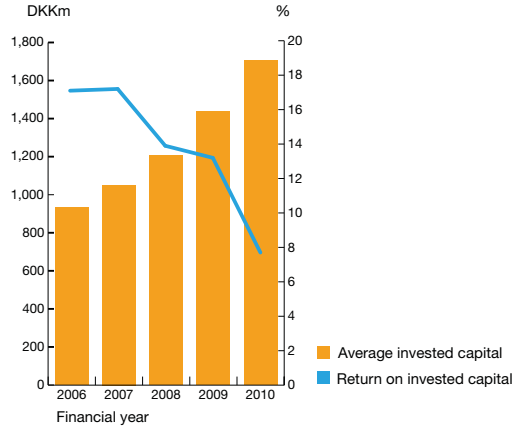
DEVELOPMENT IN EQUITY AND EQUITY RATIO



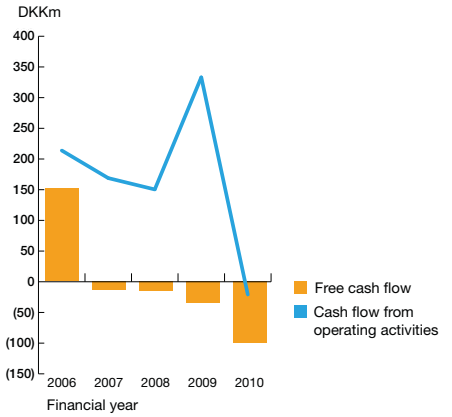
DEVELOPMENT IN AVERAGE NUMBER OF OPERATING PROFIT AND EMPLOYEES



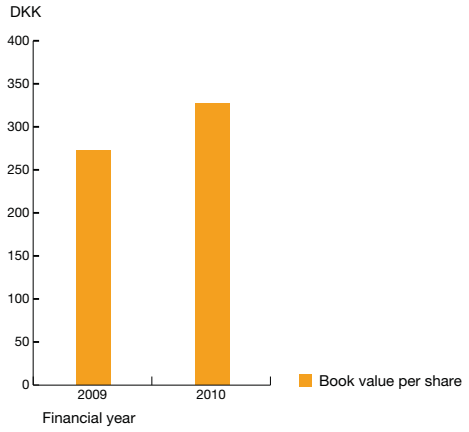
DEVELOPMENT IN AVERAGE INVESTED CAPITAL AND RETURN ON INVESTED CAPITAL

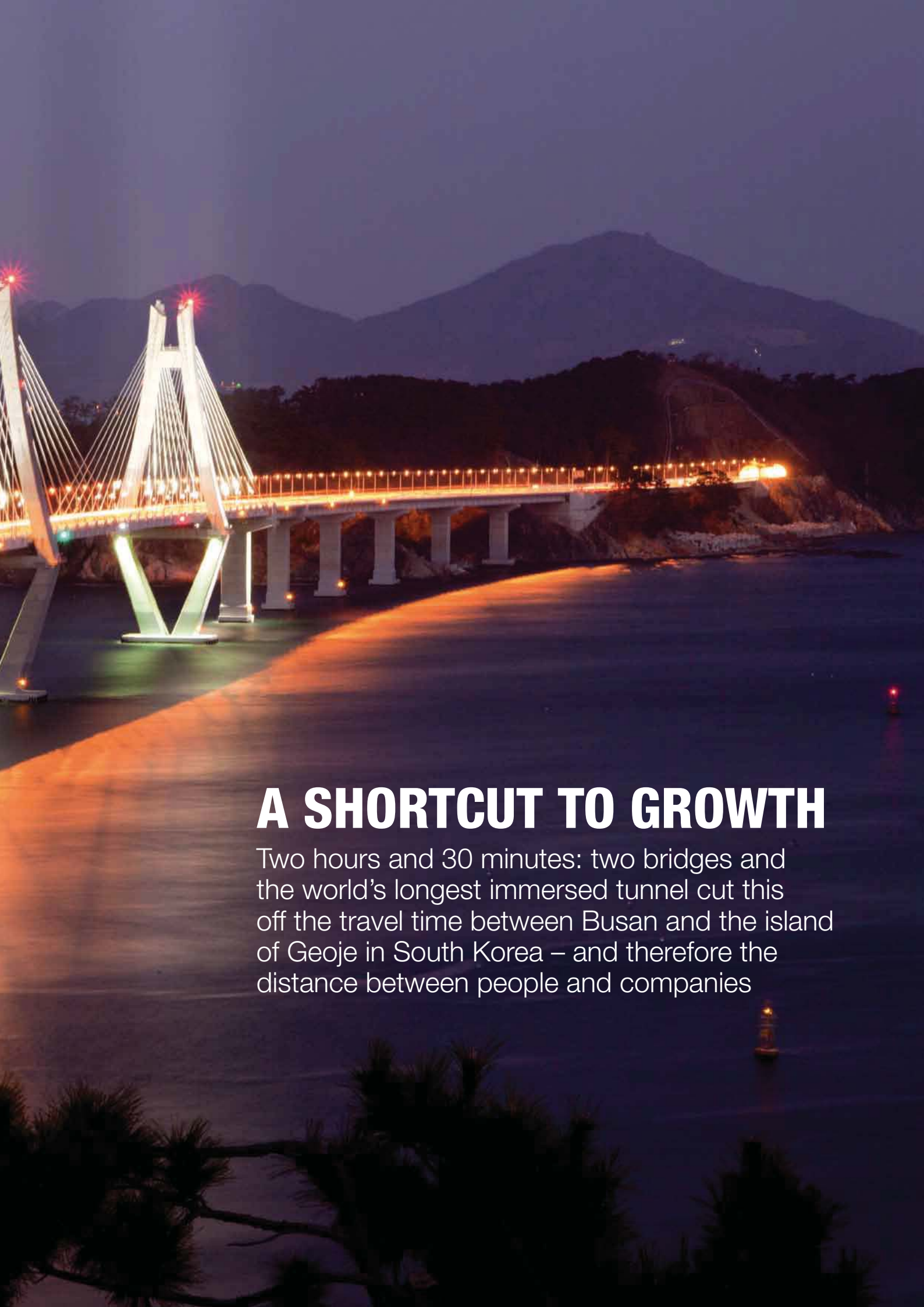


DEVELOPMENT IN CASH FLOW



DEVELOPMENT IN BOOK VALUE PER SHARE





A SHORTCUT TO GROWTH

Two hours and 30 minutes: two bridges and the world's longest immersed tunnel cut this off the travel time between Busan and the island of Geoje in South Korea – and therefore the distance between people and companies

WORLDWIDE CONSULTANCY SERVICES

COWI approaches challenges set by customers from every angle in order to provide consultancy services – from economic analyses through environmental impact assessments to designing major bridges

ECONOMICS, MANAGEMENT AND PLANNING

Economic analyses and tools
Financial analyses and law
Evaluation and impact assessment
Organisational development and social studies
Communication and policy advice
Transport planning and modelling
Public transport and ITS
Spatial planning and urban development

WATER AND ENVIRONMENT

Health, safety and environment
Water supply and wastewater
Water and natural resources management
Environmental impact assessment and monitoring
Solid waste management
Contaminated sites
Strategic environmental consultancy

GEOGRAPHICAL INFORMATION AND IT

GIS and IT
3D visualisation and modelling
Maps and geodata products
Mapping and data capture
Surveying
Property rights and land administration

INDUSTRY AND ENERGY

Industry
Energy
Oil and gas

BRIDGE, TUNNEL AND MARINE STRUCTURES

Bridges
Tunnels
Structures for infrastructure
Offshore wind farms
Marine, coastal and geotechnical engineering
Operation and maintenance
Risk management and analysis
Service life design

BUILDINGS

Building design
Sustainable and green buildings
Fire engineering
Hospitals and health care
Project management consultancy
High-rise
Master planning and urban development
Refurbishment and retrofit

RAILWAYS, ROADS AND AIRPORTS

Roads and highways
Railways
Light rails
Metros
Airports

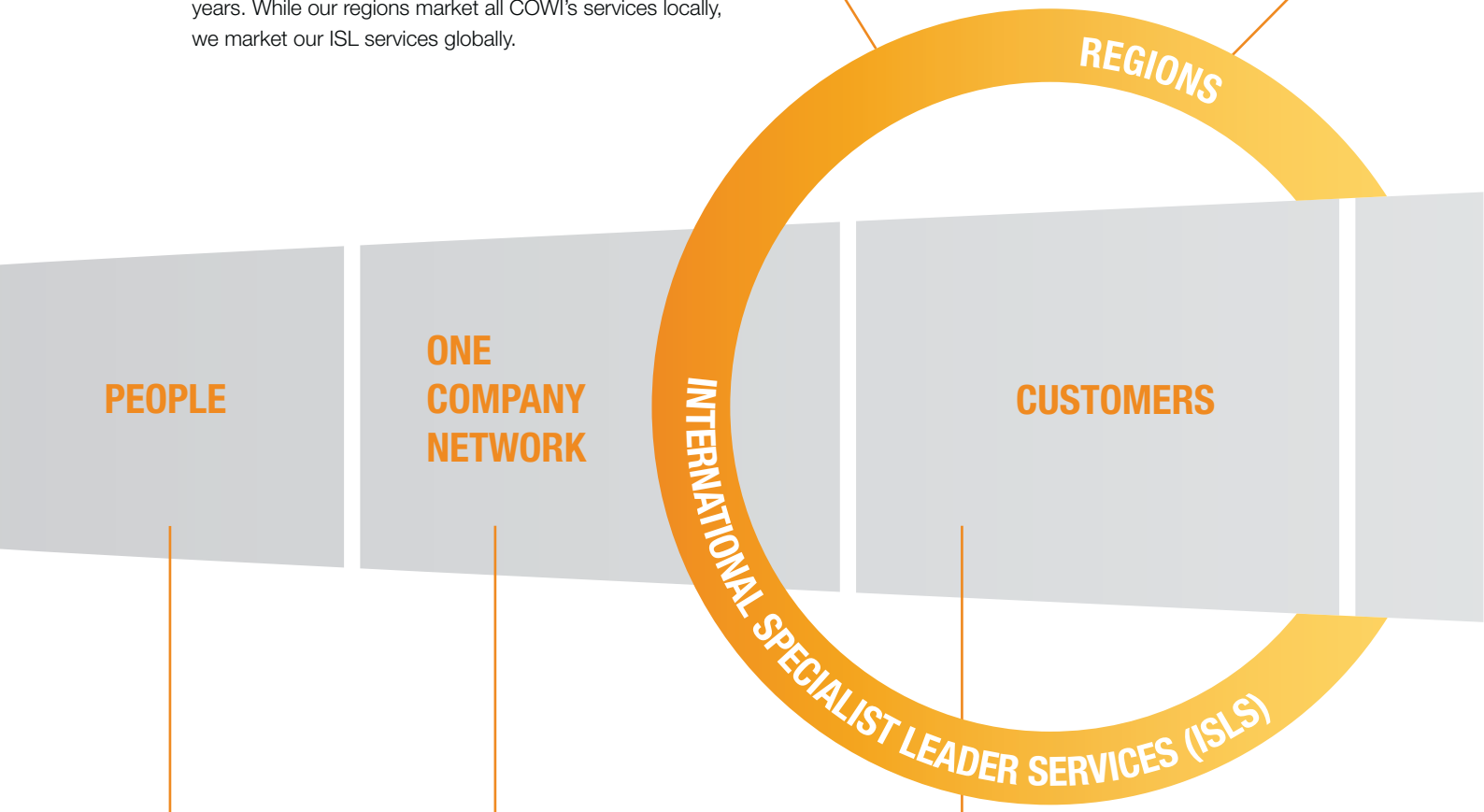
COWI's broad line of consultancy services means that we can tackle professional challenges from a range of vantage points

THE END OF STRATEGY S2010

Since 2006 when our current strategy S2010 was introduced, COWI's turnover has increased by 59 per cent. The strategy now needs to be updated so that we can continue to meet the demands of the market

INTERNATIONAL SPECIALIST LEADER SERVICES (ISLs)

The projects of the future will increasingly grow in scale and complexity. COWI has therefore prioritised the development of a number of international specialist leader services, setting their sights on becoming world leaders within ten years. While our regions market all COWI's services locally, we market our ISL services globally.



PEOPLE

Successful projects have skilled employees with high-level competencies as their starting point. COWI therefore invests heavily in management and competency development, personal development plans and new career paths, all of which make working for COWI a desirable option.

ONE COMPANY NETWORK

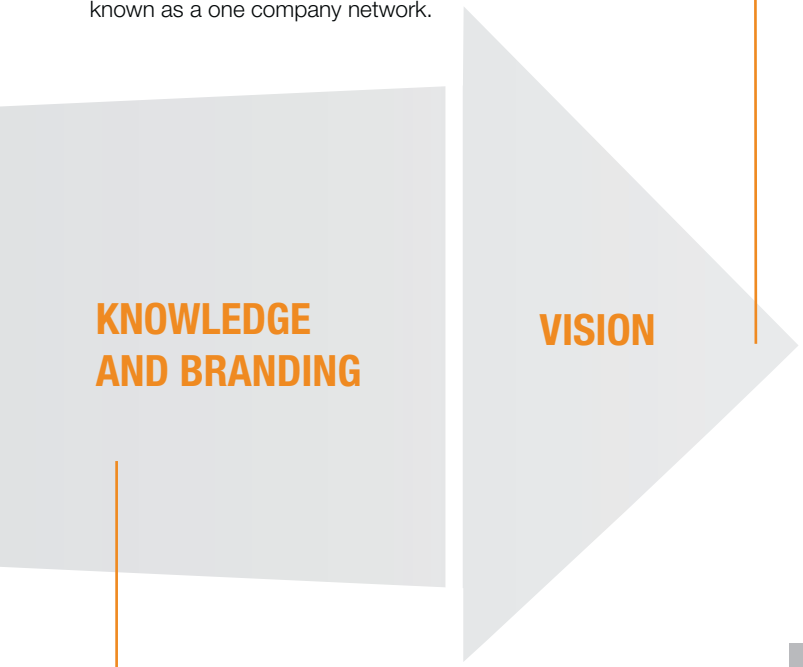
Increased globalisation means greater opportunities for growth and development. To secure development and synergies in the regions we have established new structures, systems and networks across the organisation. Thus, a shared IT platform and a new corporate solution that will integrate project, resource and financial management is being rolled out throughout the COWI Group. At the same time we are working on improving the mobility of resources across regions and services.

CUSTOMERS

One of many points of departure for our work on S2010 was that customer relations and building up an understanding of our customers' value generation process were the key to developing improved solutions. We therefore intensified our dialogue with our customers and developed a new career path which focuses exclusively on customer relations and management.

REGIONS

Our customers demand local knowledge coupled with international, top-level competencies. Through a programme of increased investment and acquisitions which provided a platform for growth, we established six regions which have now been consolidated into four strong regions. In addition, new interdisciplinary staff and knowledge-sharing systems ensure that the regions act as a single, integrated entity known as a one company network.



KNOWLEDGE AND BRANDING

Knowledge is at the heart of the services COWI provides. We therefore invested in new, global knowledge-sharing platforms in the form of technology, tools and networks which improve communication and promote innovation. We are working with the clear aim of building a strong brand in the market, emphasising our strengths in terms of knowledge levels and top-quality services.

COWI'S STRATEGIC VISION

COWI is a leading, innovative consultancy firm with operations worldwide. Based on our core values, we deliver consultancy services within engineering, economics and environmental science.

The starting point of S2010 was the three essential focal points of COWI's strategic vision, namely:

STRONG REGIONS

S2010 was first and foremost an ambitious growth strategy rooted in strong regions. We have therefore consolidated our regions and broadened out our activities considerably in recent years, notably in the Arabian Gulf and through a major acquisition in Sweden in 2009.

WORLD CLASS SPECIALISTS

At the same time COWI aims to become world leaders within a number of international specialist leader services, known as ISLs. Over the last five years, we have considerably improved our international ratings, with top rankings in the Engineering News-Record within several areas including major bridges, tunnels and marine structures.

CUSTOMER-FOCUSSED EXPERTS

Finally, it is COWI's ambition to gain an ever deeper understanding of our customers and their needs. We have therefore developed our competencies within customer relations and management and have invested heavily in competency and management development, ensuring that we can always be relied on to provide the most competent employees.

NEXT STEP AFTER S2010

S2010 has provided the foundations for COWI's growth. At the end of 2010 when the strategy also came to an end, COWI had more than 6,000 employees. As there is still untapped potential in S2010, we are using it as the basis on which we are building our new strategy.

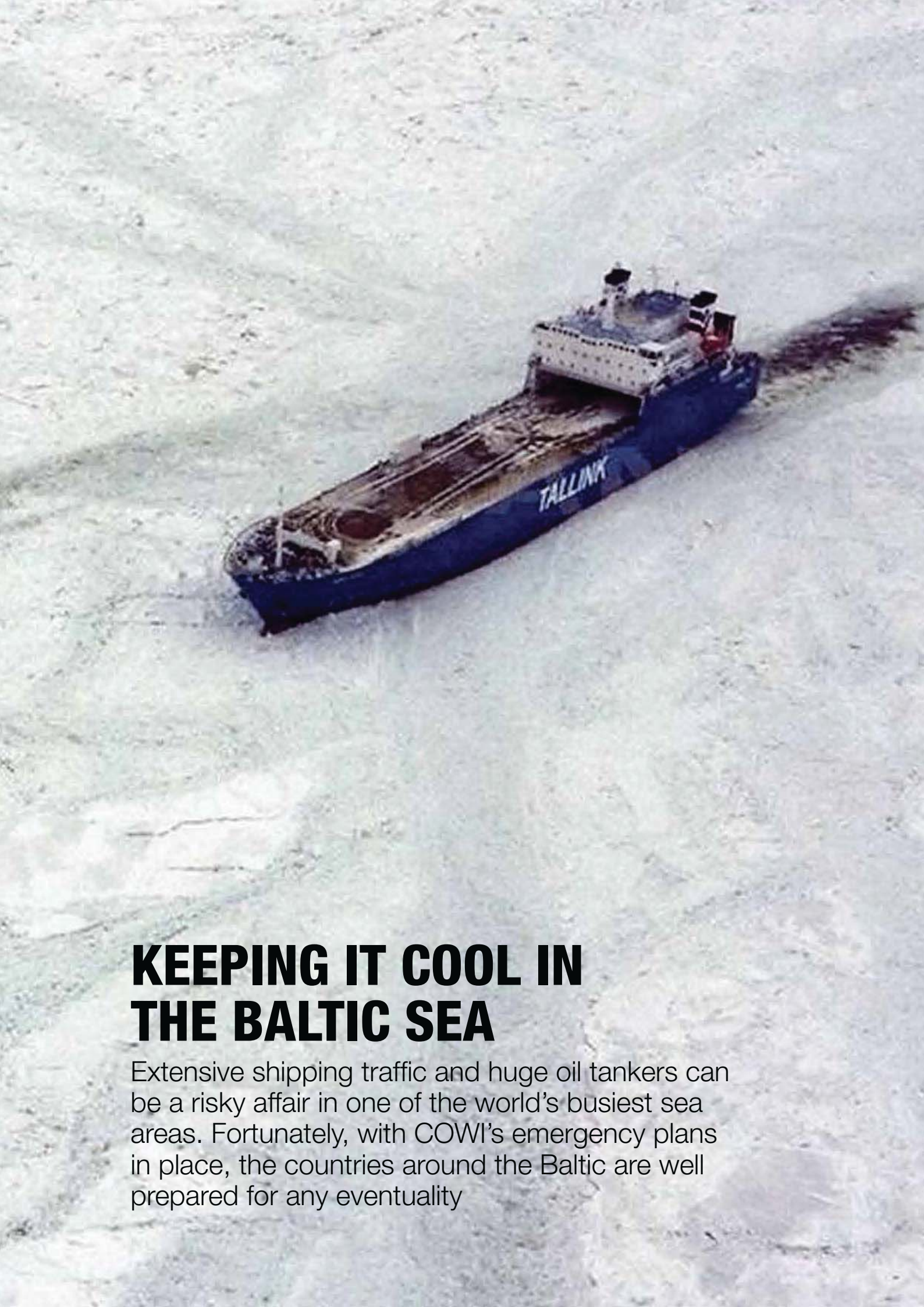
COWI's new strategy will build on the following six strategic components:

- customers
- employees
- regions
- international specialist leader services (ISLs)
- sustainability
- operational excellence.

OVERVIEW OF STRATEGY S2010

ELEMENTS OF S2010	OUR PRIMARY OBJECTIVES
REGIONS	• Geographic proximity to customers with scope for international specialist leader services (ISLs) and high-profile presence via development of several regional business units through organic growth, through development and through strategic acquisitions.
ISLs	• Focussed development of competitive ISLs in seven areas: Major Bridges, Tunnels, Marine Structures, Development Planning, Environmental Due Diligence, Mapping and Airports.
PEOPLE	• Goal-oriented and ambitious focus on employee and management development, as well as matching of overall corporate business targets with the individual employees' professional and personal goals.
ONE COMPANY NETWORK	• Consolidation of corporate profile and interdisciplinary collaboration, and development and implementation of shared networks and identity, processes and business systems.
CUSTOMERS	• Development of new quasi-partnership relations with customers, focusing on understanding their value-generation processes and new forms of collaboration.
KNOWLEDGE AND BRANDING	• Knowledge sharing across the company and becoming: – the customers' preferred consultants – the most attractive employers for professionals who wish to build a consultancy career within business, management or a specialism – leading, innovative consultants within engineering, environmental science and economics.

TARGETS ACHIEVED BY 31 DECEMBER 2010	FORWARD-LOOKING ACTIVITIES BUILDING ON S2010
• With the acquisition of the Swedish Flygfältsbyrån (FB) in the autumn of 2009 and the merger with COWI AB, COWI Sweden was established, and COWI's head count rose to 6,061 at the end of 2010.	• We are consolidating our regions from six to four. Meanwhile, we are intensifying our activities in a number of countries in our emerging markets outside the regions.
• At the end of S2010, COWI had five ISLs. • The ISLs Tunnels and Marine Structures currently rank among the top three on the Engineering News-Record's lists of the world's leading consultants. ISL Major Bridges are number four on the lists, ISL Airports are number seven, and Mapping is one of the top three in Europe.	• COWI's three strongest ISLs: Major Bridges, Tunnels and Marine Structures, are amalgamated and constitute COWI's first major business line. The ISLs Mapping and Airports remain unchanged. Meanwhile, COWI plans to develop new ISLs within hospital buildings and railways. The previous ISLs within environmental due diligence and development planning now form part of our regional consultancy services.
• Development of the leadership development programme (LDP) and personal development plans (PDP). • Development of new career system.	• Implementation of new career system throughout the COWI Group and development of project management competencies in the years ahead.
• Development and launch of employee share programme. • Development and rolling out of employee portal for knowledge sharing and global, professional networking. • Development and rolling out of shared IT platform throughout the Group (not completed). • Setting up shared services.	• Development and implementation of new corporate solution that will integrate project, resource and financial management (Financial Focus). • The Group Management Board now becomes COWI's strategic and operational management forum. • A planned operational excellence unit will be designed to ensure the optimisation of COWI's processes both in business units and in shared services. The unit is to be managed by a Senior Technical Director.
• Development of new business development streams in the career system designed to enhance COWI's customer relations. • Group-wide customer-focussed campaign.	• COWI will, in the forthcoming strategy period, appoint a Chief Market Officer, who will be given the tasks of directing keener focus on business development and customer relations. • COWI has identified four high-growth sectors – transport, water, energy and health care – with considerable business potential.
• Communications platform for mass-communication about the climate including conducting a special climate campaign to position COWI in the market for sustainable solutions. • Ranked second in the 'Ideal Employer' category in the Universum Professional Survey 2010 within engineering/ natural sciences in Denmark.	• COWI will boost its global brand platform, including a new brand architecture and a new communications strategy.



KEEPING IT COOL IN THE BALTIC SEA

Extensive shipping traffic and huge oil tankers can be a risky affair in one of the world's busiest sea areas. Fortunately, with COWI's emergency plans in place, the countries around the Baltic are well prepared for any eventuality

From his base at Roskilde Airport, Denmark, COWI Section Manager Per Nørgreen is in charge of a fleet of aeroplanes that fly missions over Norway, Sweden, Great Britain, Germany, Serbia, Lithuania and Denmark.

PROFIT FOR THE YEAR

In 2010, COWI achieved nice growth in both turnover and own production. Profit for the year is acceptable, given the difficult market conditions, but does not live up to the Group's long-term earnings expectations

For 2010 the COWI Group achieved turnover of DKK 4,462 million, representing an increase of DKK 468 million or 11.7 per cent on 2009 figures. The Group's own production increased by DKK 478 million, which represents growth of 14.6 per cent. Developments in turnover were affected by exchange rate movements and by the recognition of turnover from the Swedish consultancy Flygfältsbyrån (FB) for the full calendar year of 2010, compared with the recognition of only four months in the 2009 financial statements. Exclusive of these factors, COWI's own production was at level with 2009. The table shows developments in own production in COWI's six regions.

DEVELOPMENT IN OWN PRODUCTION FROM 2009 TO 2010 PER REGION

Regions	2009 DKKm	2010 DKKm	Growth in %	Growth in DKKm
Denmark	2,077	2,121	2%	44
Norway	586	717	22%	131
Sweden	189	475	151%	286
The Arabian Gulf	292	318	9%	26
Central & Eastern Europe	76	66	(13%)	(10)
Africa	47	48	3%	1
Total	**3,267**	**3,745**	**15%**	**478**

The economic crisis had a general, negative effect on demand for consultancy services in 2010. Nevertheless, COWI maintained or increased own production in every region with the exception of Central & Eastern Europe where there was a slight downturn.

Growth in COWI Denmark was attributable in particular to a considerable rise in the number of infrastructure projects, whereas there was a decline in the demand for our consultancy services within buildings, economics and management as well as industry and energy.

Norway achieved nice growth, attributable mainly to positive developments in the hospitals and transport sectors and the acquisition of two small companies.

Growth in Sweden was attributable mainly to the acquisition of two small companies and to the inclusion for the full 12 months of the acquired company, Flygfältsbyrån (FB), in the 2010 financial statements.

Growth in the Arabian Gulf was attributable mainly to exchange rate movements, as there was a slight decline measured in local currency.

In Central & Eastern Europe, own production declined in Lithuania and Turkey, but improved in Poland, Russia and Hungary.

In Africa there was slight growth in Mozambique and Zambia, but decline in Uganda.

At the end of 2010, COWI had a head count of 6,061 as opposed to 6,000 at the end of 2009. The number of employees rose in the regions of Norway, Sweden, the Arabian Gulf and Africa, whereas we made adjustments to staffing levels in the regions of Denmark and Central & Eastern Europe.

In 2010, COWI achieved profit before interest, tax, depreciation and amortisation (EBITDA) of DKK 267 million. This represents an EBITDA margin of 6.0 per cent, down DKK 31 million on 2009, when the EBITDA margin was 7.5 per cent.

The downturn in earnings was largely due to a general reduction in earnings in the fields of buildings as well as industry and energy. However earnings rose in the field of infrastructure.

In addition to these general factors, COWI's earnings for 2010 were negatively affected by accounting losses in the companies in Lithuania, Turkey and Qatar, which were all hard hit by falling demand, amortisation and depreciation on individual projects and restructuring of activities. Finally, earnings in Sweden were considerably lower than expected as demand for consultancy services in industry did not match capacity until the end of 2010.

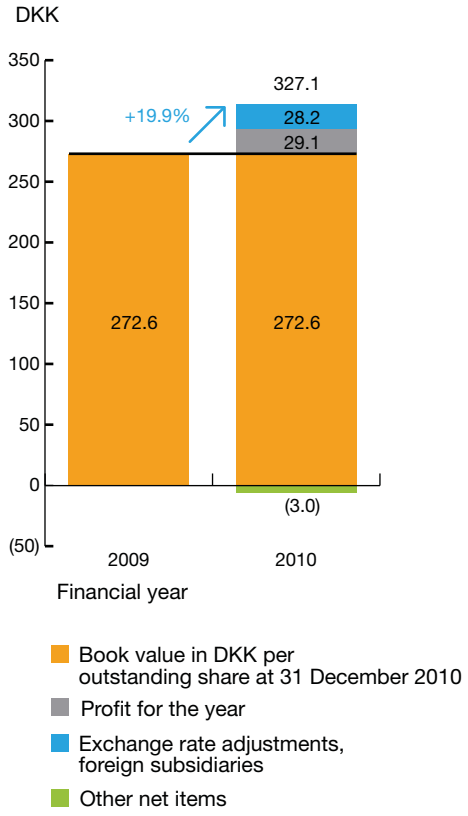
Profit for the year was also affected by costs associated with the restructuring of activities in other parts of the Group. Finally, COWI invested in the development of a corporate IT platform in 2010 and a new corporate solution that will integrate project, resource and financial management. These restructuring measures and investments will provide the basis for improved earnings in the years ahead.

The EBIT margin for 2010 amounted to 3.0 per cent as against 4.8 per cent for 2009. Over and above the falling profit before depreciation and amortisation, the decline is attributable also to an increase in goodwill amortisation, including a goodwill impairment loss of DKK 10 million in Lithuania.

COWI's share of profit for the year amounted to DKK 78 million, down DKK 15 million on 2009.

This performance was acceptable against the background of difficult market conditions in 2010, but falls short of our long-term earnings targets.

The graph below shows the development in book value per outstanding share at the end of 2010 compared with the same time in 2009. The book value per outstanding share has increased by 19.9 per cent to DKK 327.1 per share due mainly to the profit for the year and exchange rate adjustments which have increased equity.



The Board of Directors proposes that a dividend of 3.5 per cent of the share capital be paid, and that the remaining profit be carried forward to next year. For 2009, the dividend yield was also at 3.5 per cent.

SIGNIFICANT ACHIEVEMENTS

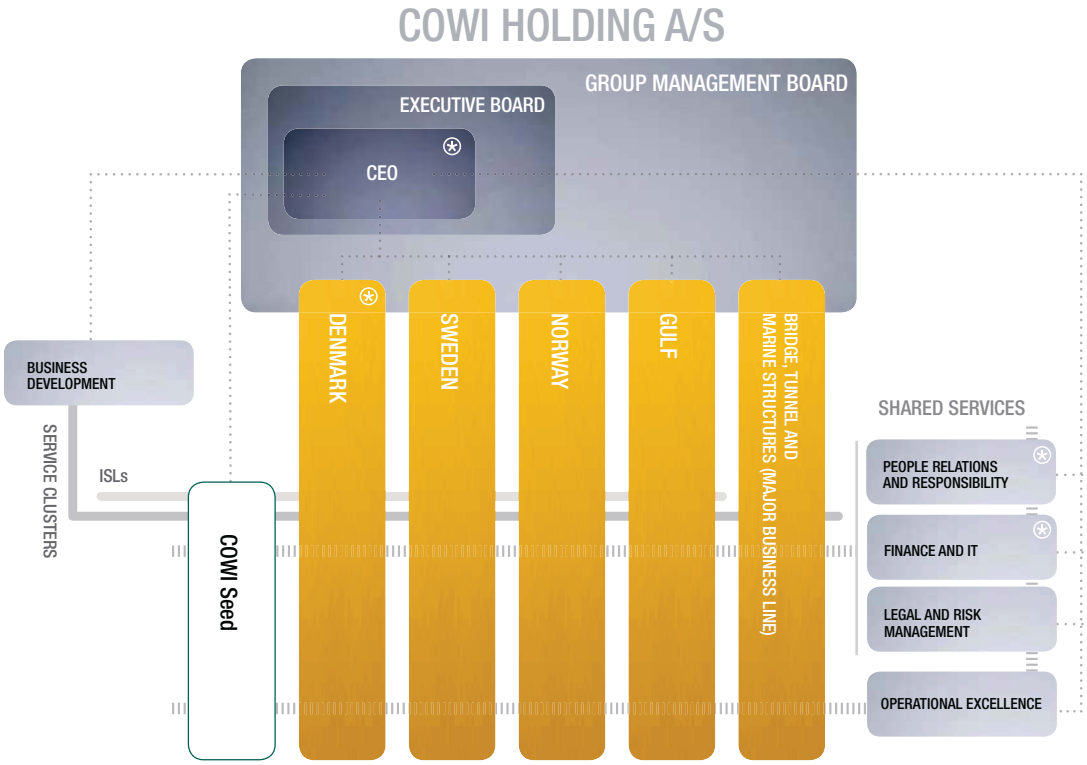
2010 was the year in which COWI introduced a series of new initiatives aimed at making our company more productive and efficient, with an even greater competitive edge in the global market

In 2010, employees became co-owners of COWI via an ambitious share ownership programme. We also carried out a comprehensive, global, customer-focussed campaign, optimised our organisation and started work on a new corporate solution that will integrate project, resource and financial management.

COWI's efficiency drive with new organisation

2010 was a challenging year for COWI, as indeed we expect 2011 to be. In our opinion, the prerequisite for competitiveness will in future be a combination of global reach and a powerful commercial impact. With this in mind, we have introduced changes to our organisation with effect from 1 January 2011. Strategy S2010 showed that strong regions, international specialist leader services (ISLs) and strong consultancy services are the key to running COWI successfully in future.

We therefore consolidated our regions, going from six regions to four, and integrated our three strongest ISLs into COWI's first major business line. We also



⊛ MEMBER OF THE EXECUTIVE BOARD

With effect from 1 January 2011, COWI restructured its organisation. We consolidated our regions going from six regions to four and integrated our three strongest ISLs into COWI's first major business line.

COWI intern Kristoffer Nielsen collects soil samples using hand-powered core samplers. Analysis results from the samples will show the CO_2 emissions from Denmark's agricultural wetlands.

combined our emerging markets within the new unit COWI Seed, and we are setting up two more new units, one dedicated to business development and the other to operational excellence.

The managers of the strongest regions and the new major business line will have seats on the Group Management Board, COWI's strategic and operational management forum, who will be responsible for implementing the new strategy.

In the course of 2010, COWI's Executive Board went from five to four members.

Other changes in the organisation

In the interests of making collaboration across all our organisational units easier, we restructured our regions in 2010, so that they are now all organised on the basis of business areas rather than geographical location. We also extended our operations in India which we expect will make a significant contribution to our future competitiveness and earnings. In addition, we adjusted staffing levels in the business areas where levels of activity were low in 2010. Finally, we carried out an exceptional amortisation of goodwill as part of a major recovery plan for our businesses in Turkey and Lithuania.

New corporate approach to improving earnings and competitiveness

COWI's ability to manage projects, lead employees and plan and carry out interdisciplinary activities involving several stakeholders is crucial to our company's competitiveness. In the next three years, we are introducing a new corporate solution that will integrate project, resource and financial management. This solution, whose overall development and launch within the Group entails substantial investment, is entitled Financial Focus. It will both underpin the realisation of our one company network, considerably improve the toolkits our project and line managers have at their disposal and enhance our profit-making capacity and efficiency.

Global customer-focussed campaign provides valuable input

The global, customer-focussed campaign which we launched in the autumn of 2010 provided invaluable input into COWI's new strategy. Our competitiveness depends heavily on keeping our business and services adjusted to the needs of our customers – in the long term as much as the short. Accordingly, last autumn we intensified our dialogue with our customers in all COWI's regions, to enable us to adapt our business to their needs. This way our customers help to ensure that COWI can continue to provide the consultancy services which a global market demands.

Share ownership programme for COWI's employees

In April 2010, we launched a sizeable share ownership programme for our employees. The programme resulted from a decision made by COWIfonden (the COWIfoundation) and the Board of Directors of COWI A/S that in future COWI should be owned solely by COWIfonden and the Group's employees and from a desire to set up a new ownership structure for COWI's activities as a whole. A vital factor for the implementation of this plan was the repurchase in March 2010 of the shares in COWI A/S held by SEB Pensionsforsikring A/S and Danica Pension Livsforsikringsaktieselskab. This created the basis for offering a large part of the Group's employees co-ownership of the company.

In principle, the share ownership programme is aimed at all COWI's employees, but in the first instance shares were offered in countries where we have more than 100 employees and where the tax and legal frameworks for the share programme are in place. Thus, shares were offered to COWI's employees in Bahrain, Denmark, Lithuania, Norway, Oman, Qatar, Sweden and Tanzania.

The share ownership programme is a prerequisite if as an organisation we are to achieve our aim of binding our employees more closely to the company as shareholders. We perceive bringing the employees into the fold of ownership to be one of the key building blocks of COWI's success in the years ahead.

After the annual general meeting in 2011 shares will again be offered for sale to employees. We are looking into the longer-term possibility of broadening the geographic spread of the share ownership programme to more of the countries in which COWI has companies, enabling even more of our employees to become shareholders in the company.

25-year old Jimi Hansen (BSc in engineering) rediscovered an old fascination with trains and secured himself a job after having been a trainee in COWI's department for railways and metro.

Formation of COWI Holding A/S

COWI Holding A/S was formed in May 2010 by COWIfonden by way of non-cash contributions of COWIfonden's A and B shares to COWI A/S. Coinciding with this, the company's other shareholders were invited to convert their B shares in COWI A/S to new B or C shares in COWI Holding A/S. Given that in August 2010 COWI Holding A/S owned 99 per cent of the outstanding share capital in COWI A/S, the Board of COWI Holding A/S decided that the other shareholders in COWI A/S should have their shares redeemed, in accordance with sections 70-72 of the Danish Companies Act.

COWI Holding A/S is the ultimate holding company in the COWI Group. The intention is that in future all large companies in the Group should be owned directly by COWI Holding A/S, so that the Group's legal structure reflects its organisational structure.

Major airport projects in Oman have moved to the construction phase

The two major airport projects in Oman – Muscat International Airport and Salalah Airport – have now progressed to the construction phase, with work on the major civil engineering and construction contracts with a total value of approximately DKK 25 billion starting at the beginning of 2011. During this phase, COWI Larsen JV will be responsible for the construction management and supervision of all contracts, providing employment for more than 400 architects and engineers.

COWI will exploit commercial potential in four high growth sectors

In the course of COWI's S2010 process we identified four high growth sectors – transport, water, energy and health care – where the commercial potential for COWI is substantial. We therefore carried out comprehensive analyses, which identified and defined prospective business opportunities. We have decided to prioritise railways and hospital buildings with a view to developing new ISLs in the course of the next five years.

Successful integration of COWI Sweden

In September 2009, as part of the strategy for establishing a new region in Sweden, COWI acquired Flygfältsbyrån (FB), one of the leading Swedish consultancy firms. The process of integrating with the rest of the COWI Group began immediately on acquisition. An analysis carried out by COWI in 2010 shows that the integration process was well organised, to the satisfaction of the employees and managers involved.

Acquisition and integration of two Swedish companies

In the course of 2010, COWI Sweden completed the acquisition of two companies, namely Aqualog and Elinvent. At the time of the takeover, the hydrogeological and environmental specialists, Aqualog, had 11 employees and offices in Gothenburg and Stockholm. With the acquisition of Elinvent, whose 17 employees had a base in Malmö and local offices in Helsingborg and Ystad, COWI Sweden has added to its competencies within building services technology. With these acquisitions COWI Sweden has extended its coverage in Stockholm and Malmö.

The civil engineering and construction contracts for Oman's two new airports amount to an approximate value of DKK 25 billion

Integration of two Norwegian companies

In the course of 2010, COWI Norway integrated two new companies – Sørlandskonsult and FB Engineering Norway – both of which were 2009 acquisitions. The integration of both companies was successful. In addition to completing the Norwegian range of professional expertise within water and drainage, buildings, waste, waste collection and project administration, Sørlandskonsult brings to COWI Norway its specialist competencies in the fields of environmental consultancy and sports venues facilities. Sørlandskonsult, which has offices in Kristiansand, has enjoyed steady growth in recent years.

For COWI Norway, the integration with FB Engineering Norway, a Norwegian subsidiary of the Swedish firm Flygfältsbyrån (FB), meant a significant reinforcement of its competencies in the fields of industry, oil, gas and mapping.

PEOPLE

The implementation of COWI's people strategy is ongoing. New systems and a global organisation reinforce COWI's brand and knowledge sharing and improve our competitiveness and earnings

COWI's business proposition is to sell highly qualified employees' knowledge and provide better services and solutions for our customers. This demands a high level of competencies among our employees and a strong brand. COWI's people strategy therefore formed an important part of strategy S2010. The four overarching objectives of the people strategy are:

- to produce better managers, who support our employees' abilities to develop competencies and business across cultures, geography and our organisation
- greater innovation, with everyone playing a part in knowledge sharing
- to optimise the potential of our individual employees, and to attract and retain the skilled employees we need to attain our strategic goals
- to have a strong brand and be a communicating organisation, generating value and developing our business through branding, communication and interaction.

We have worked hard in recent years to achieve these aims and have in the process taken several emphatic steps towards being able to deliver strategic services at corporate level.

HR plays a more strategic role

In the course of 2010, HR optimised its organisation in order to be able to provide combined services which support COWI's competitiveness and earnings. We have, among much else, developed combined guidelines for using resources across the entire COWI Group, which will improve our efficiency, for example via internal sourcing.

COWI achieved excellent second place in the 'Ideal Employer' category in Universum's Danish Professional Survey 2010

Career system produces clear roles

The prerequisite for selling the knowledge accumulated by highly qualified, motivated and ambitious people is a well-managed career system which provides for the professional development of all our employees. In 2010, we launched the implementation of a new, globally effective career system, whose components include a new, fourth career path dedicated to customer focus and sales. All employees, at whatever level, will be entered into the career system in the course of 2011. The implementation process is going according to plan.

Shared culture via shared management tools

The prerequisite of COWI's commercial success is having the best managers. COWI's internal management development programme – the leadership development programme (LDP) – plays a central role in the one company network strand of COWI's strategy. LDP's aim is to build a shared culture by means of shared management tools operated across line management, professional management, project management and business development. By 31 December 2010, more than 300 managers had either completed all three LDP modules or participated in one or more modules in the course of the S2010 strategy period.

COWI is also working specifically to increase the number of women in management. Details of our work on the 'Charter for more women in management' initiative are set out in the intellectual capital report.

Charlotte Hybschmann Jacobsen is a computer specialist working with the database-managed SmartPlant software system, which allows for 3D online collaboration with project partners around the world.

Employee competencies at international level

At COWI the competencies of our individual employees are required to be up to international standards. Accordingly, we draw up personal development plans enabling the individual employees to pursue their chosen course of development within COWI. At the end of 2010, 88 per cent of the Group's employees with a minimum of one year's employment had a personal development plan.

In 2010, 88 per cent of the COWI Group's employees with a minimum of one year's employment had a personal development plan

Excellent result: runners up in Universum's Professional Survey 2010

Exciting projects and strong competencies are drawing new recruits to us. The strength of COWI's brand as employers was highlighted by the excellent second place we achieved behind Novo Nordisk in the 'Ideal Employer' category in Universum's Danish Professional Survey 2010 of employers in engineering/natural science.

COWI develops strong intellectual capital brand

By way of response to the tough prevailing international competition, COWI is in the process of developing a strong intellectual capital brand which will feed into an even stronger profile within our varied markets. With this in mind, we undertook an extensive analysis in 2010, interviewing both customers and employees about their perceptions of COWI's brand.

CORPORATE GOVERNANCE

In order to meet future standards for responsible management, COWI has put good corporate governance and sustainability high on the agenda. This applies both in house and to our stakeholders

In the course of 2010, we set up a new management group for sustainability and climate issues, to coordinate and implement relevant sustainability and climate-related initiatives throughout COWI's regions and business areas.

COWI initiatives arising from recommendations of the Committee on Corporate Governance

The Nørby Committee's original recommendations in 2001 provided invaluable input into COWI's endeavours to develop a professional management practice. Prompted by the most recent recommendations of the Committee on Corporate Governance (the Scheibye Committee, formerly the Nørby Committee), we introduced a number of additional initiatives in 2010 aimed at enhancing our communications, transparency and interaction with our shareholders and other stakeholders. In the course of 2011, we intend to set out on www.cowi.com details of

Senior Business Coordinator Abdullah Almahrugi discusses work on Muscat International Airport and Salalah Airport with his colleagues in COWI in Oman.

our response to the individual recommendations of the Committee on Corporate Governance.

Good collaboration between COWI's Executive Board and Board of Directors

In accordance with the recommendations for good corporate governance, we have for some years conducted an annual appraisal of the work of the Board of Directors and the Executive Board. As in 2010, the appraisal of the Board of Directors was carried out by external consultants and determined that both the Executive Board and the Board of Directors find that the collaboration is more than satisfactory.

Four meetings of the Board of Directors of COWI Holding A/S have been held since the company was established in May 2010. The members of the Board of Directors elected by the general meeting are elected for a year at a time and may be re-elected, but must stand down no later than at the annual general meeting following the end of the financial year in which they reach the age of 65. The Board of Directors has not appointed management/executive committees.

Sustainability and climate issues at the heart of our business

Throughout 2010, COWI experienced increasing interest in sustainability consultancy services, which integrate social, environmental and economic factors into the finished product.

To promote COWI's endeavours in this field we appointed a management group in 2010 to coordinate and launch relevant sustainability and climate-related initiatives across COWI's regions and business areas. In 2010, the group directed its focus most intensively on sustainable buildings and urban development, on adapting to climate change and on cutting CO_2 emissions. In all four areas COWI distinguished itself as a highly effective consulting company and was awarded contracts in all our regions.

Our 2010 sustainability report illustrates COWI's approach to the question of sustainability and is part of COWI's response to the global UN initiative, Global Compact, to which COWI has belonged since 2006. The report can be downloaded from www.cowi.com/sustainability.

New best practice policy for COWI's suppliers

In 2010, COWI Denmark formulated a suppliers' policy which stipulates that its suppliers must foster best practice in terms of the environment, working conditions, health and safety, corporate social responsibility (CSR) and anti-corruption. At the end of 2010, COWI began introducing this policy to all COWI Denmark's suppliers, with whom we will remain in regular dialogue to ensure that they comply with the policy.

New programme for even closer link between risk management and quality management

COWI is operating in a rapidly changing business environment and is subject to ever more exacting pressure on our approach to and procedures for enterprise risk management (ERM). In 2010, risk management roles, tasks and responsibilities were defined across the entire Group. Our regions and shared services have also identified and taken responsibility for the risks which attach to their respective areas of responsibility, and set in train the preventative measures which are called for in order to avoid substantial risks. This process is repeated at fixed intervals for all business areas, so that at all times the risk profile and consequential risks are known and understood. Risk management and quality management have become even more closely linked, in part because the Group's regional risk managers also undertake quality management in the regions.

Anti-corruption and business ethics hotline working well

In 2009, we opened an anti-corruption and business ethics hotline which employees can use to report anonymously their suspicions of irregular conduct such as breaches of our corporate code of conduct or fraud. The hotline was used five times in 2010 and served its purpose well. The hotline has been approved by the Danish Data Protection Agency and as such meets the highest standards of data-protection of employees.

OUTLOOK FOR 2011

All indications are that the forthcoming years will see a weak upturn in international trends and intensified competition. Given these conditions, COWI expects limited organic growth in turnover, but increased earnings in 2011. Investment in a new corporate solution that will integrate project, resource and financial management will reduce our earnings in the short term, but will improve both our earnings and competitiveness in the long term

At the end of 2010, we detected signs of fragile yet positive developments in the global economy, a recovery which is expected to continue in 2011. At the same time, competition in our most important markets is becoming tougher. This sets the scene for a challenging year for COWI in 2011.

There is still uncertainty about the distribution and sustainability of any global growth. Against the background of a fragile upturn in the global economy, COWI forecasts a slight increase in demand for consultancy services in 2011. We expect demand to be greatest for consultancy services within infrastructure and transport as well as energy and sustainability and to be driven by the private sector to a far greater extent than in 2010, when growth was generated by public sector consumption and investment. We anticipate that in Scandinavia, Russia, Poland and in the Arabian Gulf demand will be slightly higher than in 2010. We also expect a continued increase in activity in our markets in India, the USA and Africa – underpinned notably by investments in infrastructure.

In 2011, COWI expects limited organic growth, but increased earnings

At the end of 2010 there was considerable overcapacity in the consultancy sector, leading inevitably to intense competition and falling prices. Competition is set to become even tougher in 2011, which will put pressure on COWI's turnover and earnings. In 2010, we launched a number of initiatives aimed at improving our competitive edge and earnings capacity, and our intention now is to keep momentum focussed more on the most profitable work.

Within our growth areas, competition for the most skilled employees remains fierce in all our markets. We therefore continue to devote energy to maintaining our position as one of the sector's most attractive employers.

Against the background of rising demand in certain markets, increased competition and falling prices, we expect COWI to achieve limited organic growth in turnover, but increased earnings in 2011.

Earnings will also be affected by the three-year programme, known as Financial Focus, on which COWI is embarking in 2011, investing millions in development and implementation of a new corporate solution that will integrate project, resource and financial management. Investment in Financial Focus will of course make a short-term impact on our results in 2011, but in the longer term our improved project management tools will be of immense benefit to our earnings and competitiveness.

Cash flow from operating activities is expected to exceed DKK 200 million in 2011, but investment in Financial Focus and a shared IT platform will have a negative impact on free cash flow.

The beginning of 2011 has seen political and social turmoil in several countries in the Middle East and North Africa. COWI has subsidiaries and is working on projects in these countries, and any unstable situation could

negatively affect COWI's turnover, earnings and cash flow in 2011. If economic trends defy expectations and take a downturn we might see a drop in demand for COWI's services and therefore lower turnover, earnings and cash flow than forecast. Substantial weakening of the currencies (USD, NOK and SEK) to which COWI is exposed, might also have a detrimental effect on turnover and earnings. Sudden closure, variation or other unforeseen problems affecting major individual projects would also constitute a risk to COWI's turnover and earnings in 2011.

Project Manager in COWI, Steen K. Nielsen, was responsible for work supervision and construction management on the project to upgrade and strengthen the dykes along the west coast of Jutland, Denmark, and the dam leading to the island of Rømø.

FINANCIAL REVIEW

Changed group structure

In connection with the issue of employee shares in 2010, COWI's corporate structure was changed. COWI Holding A/S was formed on 7 May 2010 by non-cash contribution of COWIfonden's (the COWIfoundation) shares in COWI A/S, so that today COWI A/S is wholly owned by COWI Holding A/S. Prior to the formation, COWI A/S had repurchased the shares in COWI A/S held by SEB Pensionsforsikring and Danica Pension Livsforsikrings-aktieselskab. The former and present employees who were shareholders in COWI A/S had their COWI A/S shares converted into shares in COWI Holding A/S.

The annual report for COWI Holding A/S comprising the group and parent company financial statements has been prepared according to the uniting-of-interests method, which means that even though the company was formed on 7 May 2010, the annual report, as well as the comparative figures, are presented as if COWI Holding A/S had been in existence during the full calendar year.

Income statement

For 2010, the COWI Group's net turnover increased by DKK 468 million or 11.7 per cent to DKK 4,462 million compared with 2009. This increase can be attributed mainly to the acquisition of COWI AB (the former Flygfältsbyrån), which was acquired in September 2009, as well as to increasing foreign exchange rates. Adjusted for acquired enterprises and exchange rate movements in our subsidiaries, turnover fell by DKK 96 million corresponding to 2.4 per cent.

DEVELOPMENT IN TURNOVER	DKKm
Realised turnover for 2009	3,993
Foreign exchange effect	163
Acquisition of enterprises	402
Net development, turnover	(96)
Realised turnover for 2010	**4,462**

The Group's own production, which shows the selling price of the activities that the Group's employees have performed in 2010, increased by 14.6 per cent corresponding to an increase in own production from DKK 3,267 million in 2009 to DKK 3,745 million in 2010. Adjusted for acquired enterprises and exchange rate movements in our subsidiaries, COWI's own production is at level with 2009.

Generally, demand has been under pressure in 2010, but most of the Group's regions have succeeded in growing their own production. As a consequence of the economic crisis, Central & Eastern Europe saw a declining own production.

In 2010, the market area of infrastructure generally experienced growth, whereas economics and management, environment, buildings as well as industry met with declining demand.

In 2010, total operating expenses, excluding financial income and expenses, increased by DKK 536 million or 17.4 per cent. The most important operating expense, employee expenses, went up by 18.0 per cent, which is attributable to the inclusion of the acquired enterprise in Sweden for the year as a whole. Amortisation, depreciation and impairment losses amounted to DKK 135 million. This amount relates primarily to depreciation of technical installations, operating and other equipment, amortisation of goodwill as well as own-developed mapping products, which are amortised concurrently with the delivery of the products. Furthermore, an impairment test identified an indication of impairment of DKK 10 million in respect of goodwill in Lithuania.

The head count of the COWI Group rose by 61 employees in 2010.

DEVELOPMENT IN HEAD COUNT

Regions	2009	2010	Change
Denmark	2,961	2,872	(89)
Norway	712	795	83
Sweden	792	838	46
Arabian Gulf	654	700	46
Africa	202	220	18
Central & Eastern Europe	419	370	(49)
Shared services	260	266	6
Total number of employees	**6,000**	**6,061**	**61**

The increase in head count Norway and Sweden results from a combination of organic growth and the acquisition of enterprises. The growth in the Arabian Gulf and Africa is organic and reflects an increasing level of activity. In Denmark as well as in Central & Eastern Europe, the number of employees declined. In Denmark, the head count was reduced within economics and management, environment, buildings as well as industry and energy, whereas employees have been added within the areas of roads, railways and bridges as well as tunnels and marine structures. In Central & Eastern Europe, primarily in Turkey, Lithuania and Poland accounted for fewer employees.

The Group's operating profit fell by DKK 58 million from DKK 190 million in 2009 to DKK 132 million in 2010.

The drop in earnings is attributable mainly to muted demand for services within buildings, industry as well as within the oil and gas areas. Furthermore, earnings were affected by the writedown of goodwill in Lithuania amounting to DKK 10 million as a result of an impairment test. The performance was also influenced by restructuring expenses in Denmark, Lithuania, Sweden and the Arabian Gulf. Earnings were positively affected by strong demand for services within infrastructure.

The Group's operating margin, calculated as operating profit as a percentage of turnover, amounted to 3.0 per cent and has decreased compared with 2009. Net financials of the Group, showing net income of DKK 8 million, decreased by DKK 17 million compared with 2009. The decrease is attributable to primarily higher interest expenses in connection with the raising of subordinate loan capital in 2010. Net financials were positively influenced by increasing interest income on cash and capital gains on securities.

Profit before tax and profits attributable to minority shareholders in subsidiaries amounted to DKK 138 million compared with DKK 215 million in 2009.

The Group's tax on ordinary activities for 2010 amounted to DKK 60 million, corresponding to an effective tax rate for 2010 of 42.6 compared with 28.5 in 2009. The increase results mainly from higher foreign taxes as well as increased amortisation and impairment losses in respect of goodwill, which are not tax deductible. In addition, expenses regarding the formation of COWI Holding A/S are not tax deductible. Profit after tax and profit attributable to minority shareholders in subsidiaries amounted to DKK 78 million compared with DKK 93 million for the previous year.

Balance sheet

The Group's total assets at 31 December 2010 amounted to DKK 2,946 million, an increase of DKK 191 million on the previous year.

The Group's accounts receivable, services, rose by DKK 232 million to DKK 994 million, as a result mainly of increased funds tied up in major individual projects, e.g. in the Arabian Gulf. Furthermore, 2010 saw reduced ability to pay with many customers.

In the course of 2010, the Group's cash and cash equivalents fell by DKK 14 million, so that the Group's cash and cash equivalents, including the securities portfolio, amounted to DKK 579 million corresponding to 19.7 per cent of the Group's total assets.

In connection with COWI's acquisition of SEB Pensionsforsikring's and Danica Pension Livsforsikrings-aktieselskab's shares in March 2010, a subordinate loan amounting to DKK 131 million was taken out with the two companies.

Equity at 31 December 2010 amounted to DKK 875 million, which corresponds to an equity ratio of 29.7 per cent. In 2010, the return on equity was 10.8 per cent.

Cash flow statement

Cash flow from operating activities amounted to a negative DKK 21 million, down DKK 354 million on 2009. The negative development is attributable to an increase in funds tied up in amounts receivable, services. This development was aggravated by the one-off deferral in Denmark of the payment deadline for tax deducted from income at source and labour market contributions, which at 31 December 2009 amounted to DKK 36 million. The extended credit periods were terminated in 2010.

Cash flow from investing activities, which for 2010 came to a negative DKK 78 million, relates primarily to investment in property, plant and equipment as well as acquisition of enterprises.

Free cash flow amounted to a negative DKK 99 million, down DKK 64 million on 2009.

At 31 December 2010, the Group's total financial resources comprising cash and cash equivalents as well as undrawn committed credit facilities amounted to DKK 1,007 million.

At the end of 2009, the financial resources came to DKK 1,200 million.

Uncertainty in respect of recognition and measurement

Contract work in progress
Measurement of the company's work in progress includes estimates of determination of stages of completion. In particular for large-scale projects, the actual realisation may result in material positive or negative variances in relation to the recognised estimates.

Goodwill
Goodwill impairment tests require estimates to be made in respect of future cash flows, discount rates and growth rates. A degree of uncertainty attaches to such estimates and any changes made to them can have major implications.

Accounts receivable
Management makes writedowns for bad and doubtful debts on the basis of the risk of loss resulting from customers' inability to pay. If the customers' financial conditions deteriorate resulting in reduced ability to pay, additional writedowns may be required. As the management continuously assesses customers' creditworthiness, terms of payment and risk of loss, the uncertainty attached to writedowns for bad and doubtful debts is considered to be limited.

Tax on profit for the year
Tax on profit for the year and deferred tax include some uncertainty, especially with regard to the taxation of foreign branches and permanent establishments. The local taxation of branches and permanent establishments may vary materially in relation to the recognised tax on profit for the year and deferred tax liabilities due to the tax administration procedures of the local tax authorities.

Events subsequent to the balance sheet date

No events have occurred after the balance sheet date that materially affect the assessment of the annual report.

Risk exposures and risk management

The COWI Group's risk exposures fall into five categories: market risks, operational risks, financial risks, liquidity risks and other risks.

Market risks
We endeavour to minimise risks from changes in the political picture and fluctuations in the economic trends by maintaining a balanced project portfolio. The balanced portfolio entails spreading risks across geographic markets, service areas and public/private sectors. Changes on the political scene, notably in politically unstable regions, constitute a clear risk factor.

Operational risks
We minimise loss on projects by carrying out not only risk assessment of each individual project, but also by such project management and supervision as the assessment requires. Contracts with subcontractors and partners can constitute a risk in the event of failure to deliver on time, within budget or up to expected standards. We endeavour to minimise risks by means of dialogue, careful selection and contract monitoring.

Overcapacity in relation to the scope of projects in progress is a risk which we handle through control systems for resource management and forecasting.

We use professional liability insurances to limit the risks associated with criteria specified by customers, partners and subcontractors.

We have drawn up an IT security policy and an IT contingency plan to safeguard our central IT systems from damage. We review the plan once a year.

Financial risks
We endeavour to minimise foreign exchange risks related to our projects by matching as closely as possible the income and expenses in the same currency on the individual projects. In addition, net foreign exchange positions are hedged in terms of business operations by currency hedging. In principle, no hedging of the translation risk related to investments in subsidiaries occurs. Interest rate risk is restricted as a result of COWI's limited net interest-bearing debt. Our portfolio of securities forms part of an external portfolio management programme which is managed within set parameters placing the greatest importance on Danish bonds with limited maturities. Over the years, we have made several acquisitions and therefore formulated a fundamental valuation method as well as an integration strategy to minimise acquisition risks.

Liquidity risks
Liquidity risk is the risk that adequate liquidity will not be available. COWI has a policy according to which liquidity must be available on both the short and the long term to ensure that the Group has sufficient liquidity to secure the funding of the anticipated development in COWI's

volume of business and activities. In the management's opinion the COWI Group has sufficient liquidity available to fulfil the continued development of COWI's activities.

Other risks

COWI supplies services to public and private customers in many parts of the world. Our reliability and trustworthiness as a consultancy firm depend heavily on our commercial integrity. We have therefore drawn up a business integrity management system which sets out a code of conduct: guidelines for best practice for all units, managers and employees.

Risk management

In addition to the above risk management activities, we have guidelines for risk management in our best practice code for good corporate governance.

Overall strategic risk management is based on a risk profile which we draw up once a year for the Board of Directors to assess, discuss and classify. We set 12-month goals for modifications to risk profiles within five to ten areas of risk.

Internal control and risk management systems

Internal control and risk management systems in connection with the financial reporting procedures are described below.

Control environment

Responsibility and powers are defined in the Board of Directors' instructions to the Executive Board and adopted policies. The Board of Directors approves COWI's primary policy for communications, exchange rate and treasury policy as well as risk management. The Executive Board approves other policies and procedures, and the responsible functions issue guidelines and monitor the use of all policies and procedures. Systems have been established to ensure adequate separation of functions in the accounting department. The organisational structure and internal guidelines form the control environment.

Risk assessment

There is a relatively higher risk of errors for the items in the financial statements based on estimates or which are generated through complex processes than for other items. A detailed risk assessment with the purpose of identifying these items and specifying the scope of the attached risks is coordinated by the Group's management control function. The high-risk items include primarily work in progress, claims and tax liabilities concerning branches and permanent establishments abroad.

Control activities

The aim of the control activities is to prevent, discover and correct any errors and irregularities. The activities are integrated in COWI's accounting and reporting procedures and include for instance procedures for certification, authorisation, approval, reconciliation, analyses of results, separation of incompatible functions, controls concerning IT applications and general IT controls. COWI has introduced standards for internal control, i.e. standards for control activities concerning the presentation of financial statements. All risk assessments and related controls are associated with the Group's strategy and goals.

Information and communication

COWI maintains information and communication systems to ensure that the presentation of the financial statements is correct and complete. The Group's accounting rules and procedures for the presentation of the financial statements are set out in specifications and instructions. Accounting and other reporting instructions, including procedures for budgets and monthly financial statements, are updated as needed. These statements are available on the Group's intranet to employees in the finance and accounting function as well as to other relevant employees. This also applies for other policies of relevance to internal controls in respect of the presentation of the financial statements, such as project budgeting.

Monitoring

COWI uses a comprehensive management control system to monitor the company's results which makes it possible at an early stage to detect and correct any errors and irregularities in the presentation of the financial statements, including disclosed weaknesses in the internal controls, lack of compliance with procedures, policies, etc.

Compliance with the Group's accounting policies is monitored on an ongoing basis at group and company level.

COWI
Aerial Survey

AFRICA REACHES NEW HEIGHTS

Adverse weather conditions forced COWI's plane up to a height of 9,000 metres during a mapping mission in Northern Namibia, but the images were still so sharp that we could count the animals on the ground

COWI'S SIX REGIONS

Based on COWI's six regions, we delivered thousands of projects all over the world in 2010. On 1 January 2011, we consolidated our regions, going from six to four, and also set up COWI's first major business line

ANALYSIS OF ECONOMIC IMPACT OF DANISH ANGLING

UNDERWATER ANALYSES IN NEW JERSEY

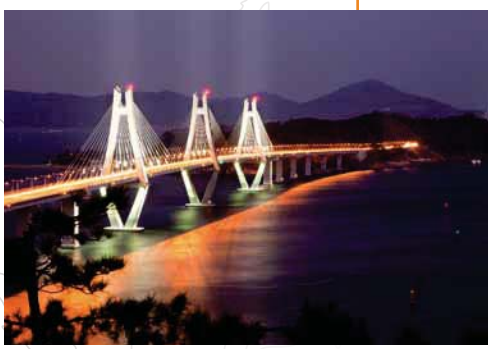
AERIAL PHOTO AND MAPPING OF NORTHERN NAMIBIA

REGION DENMARK **REGION NORWAY** **REGION SWEDEN**

MANAGING RISK IN THE BALTIC SEA

CO_2-FREE BIOFUEL OF THE FUTURE

FASTER TRAIN OPERATIONS IN DENMARK



FIXED LINK BETWEEN BUSAN AND THE ISLAND OF GEOJE IN SOUTH KOREA

THE CROWNING GLORY OF THE SULTAN'S MOSQUE

REGION GULF

REGION CENTRAL & EASTERN EUROPE

REGION AFRICA

Rasmus Ødum
Executive Vice President

GROWTH IN THE FIELD OF INFRASTRUCTURE

In spite of the global economic crisis, COWI Denmark delivered a modest increase in earnings compared to 2009 figures. Performance was particularly good in the field of infrastructure

REGION **DENMARK**

Overall status

Despite the year being made difficult by the global economic crisis, COWI Denmark succeeded in achieving a modest increase in earnings compared with 2009.

These results nevertheless mask considerable variations. We achieved strong results and growth within infrastructure and maintained our position as Denmark's leading environmental consultants. Our focus on sustainability, which also strengthened our position in the market, now forms an integral part of many of our projects, notably within the field of buildings.

However, the business areas buildings, economics and management and many sections of industry and energy were adversely affected by the economic downturn, and we had to adapt to this situation in the course of the year. Thus, our employee numbers in Denmark were reduced during the year. Yet in India and North America head count grew in 2010.

Most important achievements during the year

In 2010, we reinforced our position as international specialist leaders in the fields of major bridges, tunnels, marine structures, airports and mapping, among others.

Our work on the Cityringen metro line in Copenhagen and new commissions such as the Copenhagen/Ringsted railway line and the new light railway in Aarhus provide a solid basis for future growth in the railways sector.

In 2010, we also consolidated our basis for future activities, and in collaboration with our customers honed our strategic priorities to ensure that they match market needs.

At the same time, COWI's other regions formed considerable elements of our growth strategy. Thus we intensified work in the hospital buildings sector, where we are expanding in conjunction with COWI Norway. Meanwhile, COWI Sweden reinforced our platform within the industry and energy sectors.

Finally, we optimised our production processes and improved our competitiveness by broadening our design function in India to enable us to deliver our high-quality services at more competitive prices. In the closing months of the year, we won a number of infrastructure and construction projects, on which a substantial proportion of the work is to be undertaken by our Indian colleagues.

Market prospects

We expect the fierce competition for work and the increased pressure on prices in the market to continue unabated in 2011. Therefore we must re-intensify our endeavours in respect of sourcing and distributed engineering, which is to say the capacity to distribute work within the COWI Group in a cost-effective manner, and to develop our customer relations.

We expect the main growth in 2011 to be achieved outside Denmark, which makes it all the more important to concentrate our endeavours on developing the key areas of our international competitiveness and COWI's high profile as international employers.

Number of employees
2,872

Specialisms
Airports
Major bridges
Mapping
Marine structures
Railways
Tunnels

Subsidiaries
COWI Belgium SPRL
COWI Consulting (Beijing) Ltd. Co.
COWI India Private Ltd.

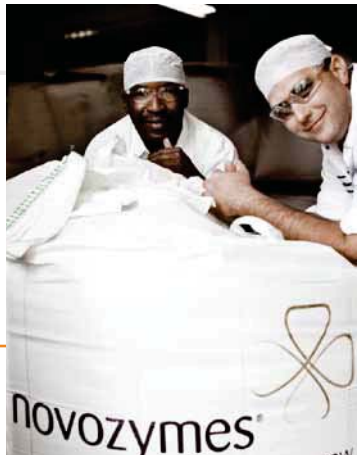
Region Denmark's contribution to COWI's overall own production

56.6%

SUSTAINABLE TOWN HALL FOR VIBORG

At the end of 2011, Viborg Municipality will be able to welcome its citizens to a new town hall. The 20,000 m^2 building meets the demands of the future for sustainability and reduced energy consumption and is one of Denmark's first office buildings in low energy class 1. COWI was responsible for all the engineering disciplines involved in this sustainable building, which consumes 50 per cent less energy than a conventional office building.

RISK ASSESSMENT IN NOVOZYMES



As part of the company's risk management process, Novozymes assessed its access to water, and its options for handling waste water and biomass in future. The aim was to assess the risks associated with the different development scenarios for six enzyme production companies in Denmark, China and the USA. COWI was responsible for the risk assessment of future restrictions to water supplies and potential changes to the legislation governing water.

FUTURE LIGHT RAILWAY IN AARHUS

The Aarhus Light Rail Secretariat is working to bring the vision of an integrated light rail network for East Jutland to fruition. The first stage is expected to reach completion in 2015 and will link two existing tracks with a new light rail network of approximately 12 kilometres. COWI, the main consultants on the project, also manages a significant number of Danish and foreign sub-consultants. A comprehensive environmental impact assessment (EIA) has been conducted and approval is expected at the beginning of 2011. The project is approaching the implementation phase, and COWI's work on the design is well advanced.

CARBON-NEUTRAL SETTLEMENT IN TRONDHEIM

COWI is one of four teams which are developing Brøset into a carbon-neutral settlement in the middle of Trondheim. The pilot project is a strand of the 'Cities for the future' vision, which is a joint venture between Norway's largest cities and the state. The aim is to build towns and cities with a beneficial urban environment and healthy living conditions. COWI's team comprises landscape architects, architects, structural engineers, transport planners and cradle-to-cradle consultants.

NORWAY'S MOST MODERN ABATTOIR

In Trondheim, COWI has been involved in the project of building Norway's largest and most modern abattoir for cattle and sheep. The performance of this contract drew on COWI Denmark's specialist competencies in the field of abattoir and meat production facilities and on the local expertise of employees at COWI's offices in Trondheim. The project includes a whole new production facility, annexes and the overhauling of existing buildings.

INNOVATION IN NYTT ØSTFOLDSYKEHUS HOSPITAL

Patient service centres will mean that each patient encounters fewer people, is transferred fewer times and is treated in only one place in the Nytt Østfoldsykehus hospital. The next few years will see a new building of just under 85,000 m^2 and the overhauling of some 10,000 m^2 of existing buildings. The plan is to establish a well-run, reliable hospital with excellent facilities and systems which are fit for purpose and will enable the hospital to function as designed. COWI is providing design management, building technology, plumbing, heating and electrical engineering services, fire safety consultancy, acoustics and other engineering disciplines.

Terje Bygland Nikolaisen
President

CONSIDERABLE GROWTH AND LARGE MARKET FLUCTUATIONS

In spite of large fluctuations both in the market and in earnings, COWI Norway managed to keep 2009 levels. This is due in part to major projects in the hospitals and transport sectors

Number of employees
795

Specialisms
Acoustics
Airports
Environment and waste
Fire safety
Hospital buildings
Sustainability
Traffic planning

Subsidiaries
Norsas AS

Region Norway's contribution to COWI's overall own production

19.1%

Overall status

2010 was an exciting and challenging year characterised by huge fluctuations in terms of both the market and earnings. Sections of the Norwegian market – notably within industry and mapping – were under considerable pressure. Increased public sector investment in infrastructure, transport and hospital buildings resulted in a number of exciting projects for COWI Norway. We were particularly successful in winning large-scale projects in the hospitals and transport sectors, and it is mainly here that COWI Norway achieved its growth in 2010. The business areas which fell short of expectations in the course of 2010 were showing small signs of improvement by the end of the year. We are now focussing on these areas on a long term.

On 1 December 2010, Terje Bygland Nikolaisen took over as President of COWI Norway after four months as acting President.

Most important achievements during the year

In the course of 2010, COWI Norway integrated two new companies, Sørlandskonsult and FB Engineering Norway, both 2009 acquisitions. Sørlandskonsult not only supplemented our Norwegian professional expertise within water and drainage, buildings, waste, waste collection and project administration, but also broadened COWI Norway's specialist competencies to include environmental consultancy and sports venue facilities.

Substantial fluctuations within individual business areas notwithstanding, COWI Norway had a steady flow of orders in 2010. We won a number of major projects within our main areas of activity: hospital buildings, transport, energy and water. Moreover, by entering into a new hospital contract for Nytt Østfoldsykehus in Sarpsborg as well as a number of other major projects in the field of hospital buildings, we consolidated our position as the leading hospital planners in Norway.

Market prospects

COWI Norway expects to grow in 2011, by means of strategic acquisitions, a series of new appointments and organic development. We intend to build on the strong position we have in our core areas and to direct more focus on our markets and customers. The results of an intensified drive targeting the public sector in 2010 bore fruit as early as the end of the year. In 2011, we expect to continue to see relatively high levels of investment in the public sector, and we have ambitions in terms of further growth and increased market share in the areas of transport and infrastructure, hospital buildings and water. We also expect moderate growth in the market for buildings in the course of 2011, due in part to increased interest in investment by the private sector. Furthermore, we anticipate that onshore industry will develop.

Anders Rydberg
President

STRONG MARKET POSITION ON THE THRESHOLD OF 2011

Standstill in the Swedish industrial sector meant a difficult year for COWI Sweden. However, two acquisitions in 2010 helped to ensure a strong market position on the threshold of 2011

REGION **SWEDEN**

Overall status

In the course of 2010, we carried out several infrastructure projects, and we expect levels of activity in this field to remain high. Last year saw a gradual improvement in the buildings sector. The Swedish industrial sector had a challenging year, with low investment and only small-scale projects. However, we strengthened our position within processing and energy and entered 2011 strongly placed in the market. All in all, 2010 was a difficult year.

Most important achievements during the year

2010 was the year in which we changed our name from Flygfältsbyrån (FB) to COWI and were fully integrated into the COWI Group. Over the course of the year, we built up a closer relationship with our customers. As a result, we expect to be playing a part in forthcoming large-scale projects, mainly by our major industrial customers. Elsewhere, we directed focus on increasing our business in the field of harbours, parti-cularly environmental audits. The market for sustainability is also rewarding, and we therefore worked on clarifying our concepts relating both to sustainable buildings and to sustainable industry and energy.

In the course of 2010, we completed the acquisition of two companies, Aqualog and Elinvent. At the time of takeover, Aqualog, which specialises in hydrogeology and environmental management, had 11 employees and offices in Gothenburg and Stockholm. With the acquisition of Elinvent, whose 17 employees have their base in Malmö and local offices in Helsingborg and Ystad, COWI Sweden increased its competencies within building services. These acquisitions enhanced our presence in Stockholm and Malmö.

In addition, close collaboration with other COWI regions enabled us to develop our business in such areas as due diligence, high-rise buildings and industry.

Market prospects

We expect business to improve in 2011 in the fields of harbours, sustainability, infrastructure, tunnels and in the energy sector, particularly nuclear power, combined heat and power plants, wind power and bioenergy. We also expect to be able to benefit from the excellent partnerships which have been established between Sweden, Norway and Denmark, where the combination of international experts and local employees with close links to their respective markets is extremely strong. We also have high expectations in the hospitals sector.

Number of employees
838

Specialisms
Bridges and tunnels
Environment
Processes and energy
Risk and safety
Sustainable buildings

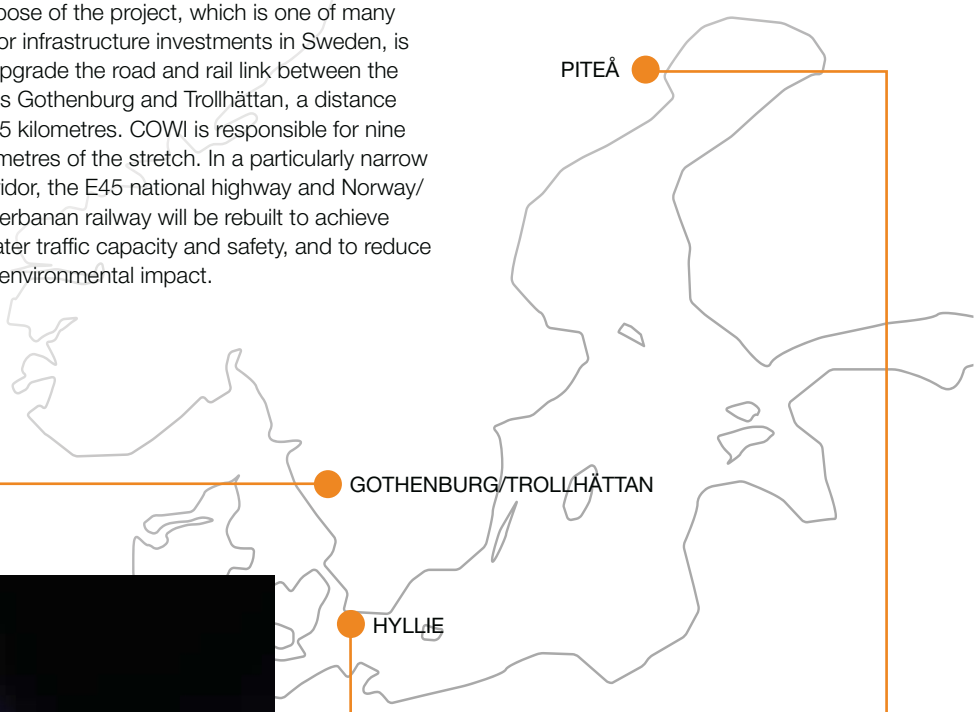
Subsidiaries
AEC AB
COWI Management AB

Region Sweden's contribution to COWI's overall own production

12.7%

INCREASED TRAFFIC CAPACITY ON THE E45

COWI was involved in the Swedish E45/ Norway-Vänerbanan infrastructure project. The purpose of the project, which is one of many major infrastructure investments in Sweden, is to upgrade the road and rail link between the cities Gothenburg and Trollhättan, a distance of 75 kilometres. COWI is responsible for nine kilometres of the stretch. In a particularly narrow corridor, the E45 national highway and Norway/ Vänerbanan railway will be rebuilt to achieve greater traffic capacity and safety, and to reduce the environmental impact.



NEARLY CO_2-FREE BIOFUEL

A new chemical plant in Piteå will produce a clean, almost CO_2-neutral biofuel which has the potential in 20 years to replace half the diesel fuel which is used for land-based cargo in the EU. COWI Sweden was commissioned by Chemrec to design, plan and build the entire facility in Piteå as part of a paper mill which is owned by the Irish company Smurfit Kappa.

NEW SHOPPING CENTRE NEAR MALMÖ

The Steen and Ström group is building a new shopping centre, Emporia, in the town of Hyllie, south of Malmö. Designed by the architects Wingårdh Architects, the 160,000 m^2 development will house shops, offices, apartments and a car park. COWI Sweden is responsible for the geotechnics, building structures and steel structures of the centre, which is scheduled for completion in 2012.

SUSTAINABLE RESIDENTIAL AREA

COWI Gulf developed and designed the award-winning conceptual design for the sustainable tourist destination at Salman Bay, just north of Jeddah in Saudi Arabia. The project site covers 42 km^2 with a developable area of over 14 km^2. The residential mixed-use destination will include a number of iconic tourist attractions, five-star hotels, marinas, private islands and a range of innovative residential typologies to accommodate a Saudi Arabian community of up to approximately 90,000 inhabitants.

QATALUM ALUMINIUM SMELTING PLANT

COWI has been entrusted with a framework agreement by the iconic aluminium smelter of Qatalum in a joint venture between Qatar Petroleum and Norsk Hydro. We have been retained to deliver the broad range of detailed installation and procurement engineering services required in connection with the operations and expansion of the massive smelter.

CONSTRUCTION OF 72 KILOMETRES OF NEW ROAD

The Musandam Peninsular project comprises 92 kilometres of completely new road alignment connecting the accessible northern and southern parts of the peninsular. The alignment is planned to provide the first overland access to the coastal villages. Digital terrain models were developed using COWI's aerial mapping expertise and used in our design development and as well for accurate visual images for the customer.

Ervin Nordahl Haukrogh
Regional Vice President

RENEWED OPTIMISM IN THE ARABIAN GULF

2010 was a challenging year in economic terms for COWI Gulf, but in the course of the year the first signs of improvement began to show in a number of markets, indicating that the region's economy is making headway once more

Number of employees
700

Specialisms
Design and inspection of hotels and leisure facilities
Design of high-rise buildings and eco-builds
Traffic planning
Sustainability
Urban development

Countries
Bahrain
Oman
Qatar
Saudi Arabia
The United Arab Emirates

Subsidiaries
COWI & Partners LLC
COWI Gulf A/S

Region Gulf's contribution to COWI's overall own production
8.5%

Overall status

2010 was a financially challenging year for COWI Gulf in the construction sector, which constitutes the main part of our activities in the region. The main reasons should be found in cancelled start-up of several large-scale projects, the shelving of projects until the end of the economic crisis and the insolvency of individual customers. However, improvements began to show in the course of 2010 in the various infrastructure markets and the market for master planning services.

It is our assessment that the markets are about to turn, as the various governments' interventions to combat the economic crisis begin to bear fruit. There is also considerable investment in urban planning and master planning projects, both areas in which we are well placed and equipped for future projects.

Most important achievements during the year

In the course of 2010, we targeted endeavours towards closer relationships with our customers and intensified our work on broadening our customer portfolio to include a diversity of private and public sector customers in both the infrastructure and construction sectors.

The two major airport projects in Oman – Muscat International Airport and Salalah Airport – are now in the construction phase. Work on the large-scale civil engineering and construction contracts, with a total value of approximately DKK 25 billion, is scheduled to start at the beginning of 2011. In this phase, COWI Larsen JV will be responsible for the construction management and supervision of all the contract works, providing employment for more than 400 architects and engineers.

Market prospects

In 2011, we will continue our endeavours to foster ever closer relationships with our customers. Given the positive signals from the market in 2010, we expect to emerge in 2011 from the current consolidation phase and to see that growth is within reach. Our expectations include several commissions within traffic planning, domestic airports, urban development and integrated planning, water and waste management. In addition, as a rapidly developing sector in most of the countries in the Arabian Gulf, the industrial sector is also one of our new focus areas.

Our re-organisation in 2010 enables us to make better use in future of the professional breadth across the region's offices and to collaborate with the rest of the COWI Group. In addition, we are continuing the efficiency drive targeting our production processes and cutting costs through sourcing.

Because of our strong base in Qatar, we are seeing several substantial business opportunities associated with the 2022 football World Cup which has been awarded to Qatar. We anticipate that several large-scale infrastructure projects will result from this.

Peter Hostrup Rasmussen
Senior Vice President

CONSOLIDATION IN COWI CENTRAL & EASTERN EUROPE

Although individual business areas in COWI Central & Eastern Europe did well, 2010 was in general dominated by the economic crisis and associated low growth rates

REGION **CENTRAL & EASTERN EUROPE**

Overall status

Large parts of Central and Eastern Europe are still hard hit by the economic crisis and the associated low or negative growth rates – this is particularly the case in the Baltic region where the market came close to total collapse in 2010. We have experienced sharp falls in prices as a result of greater competition, for example in Poland, and the election in Hungary brought our tender invitation portfolio to a standstill in what is normally a sizeable market for COWI. We are currently concentrating on consolidating our position in the region and have in the process restructured our organisation.

Latvia shows signs of recovery as a result of a number of new infrastructure projects, including Riga Airport. The field of infrastructure is generally doing well throughout the region, whereas the demand for environmental and water management services is stalling and the buildings sector remains in a critical condition. Although the market in Hungary is in flux, our Hungarian company did particularly well.

Most important achievements during the year

2010 brought us success in breaking into the markets in the Caucasus region, notably Georgia. COWI Russia achieved nice growth in the fields of energy, water and environmental science, growth which was achieved in part through COWI Russia's new offices in Kazakhstan, which opened in 2010 and which have already won several major contracts in the fields of water and environmental science.

We defined a number of strategic measures designed to help us gain a foothold in the transport markets in Poland and Russia. We also opened a new office in Szeged in Hungary in order to have a presence closer to our customers there and to be better placed to participate in local invitations to tender in Szeged.

Market prospects

Having consolidated our business in 2010, we are well poised for 2011. With the recovery plan for Lithuania in place, we expect this part of our business to stabilise, whereas we anticipate that the market in Turkey will remain troubled. Our expectations include new customers and partnerships as a result of the greater market share we now have because of our Western Balkan project, a technical support project for the development of the Balkan infrastructure. We continue to pursue our strategy in the Caucasus, particularly in Georgia. Central and Eastern Europe offers enormous potential for energy efficiency and infrastructure, both markets which we are targeting.

On 1 January 2011 all our activities in COWI Central & Eastern Europe came under the umbrella of COWI Seed, COWI's unit for emerging markets.

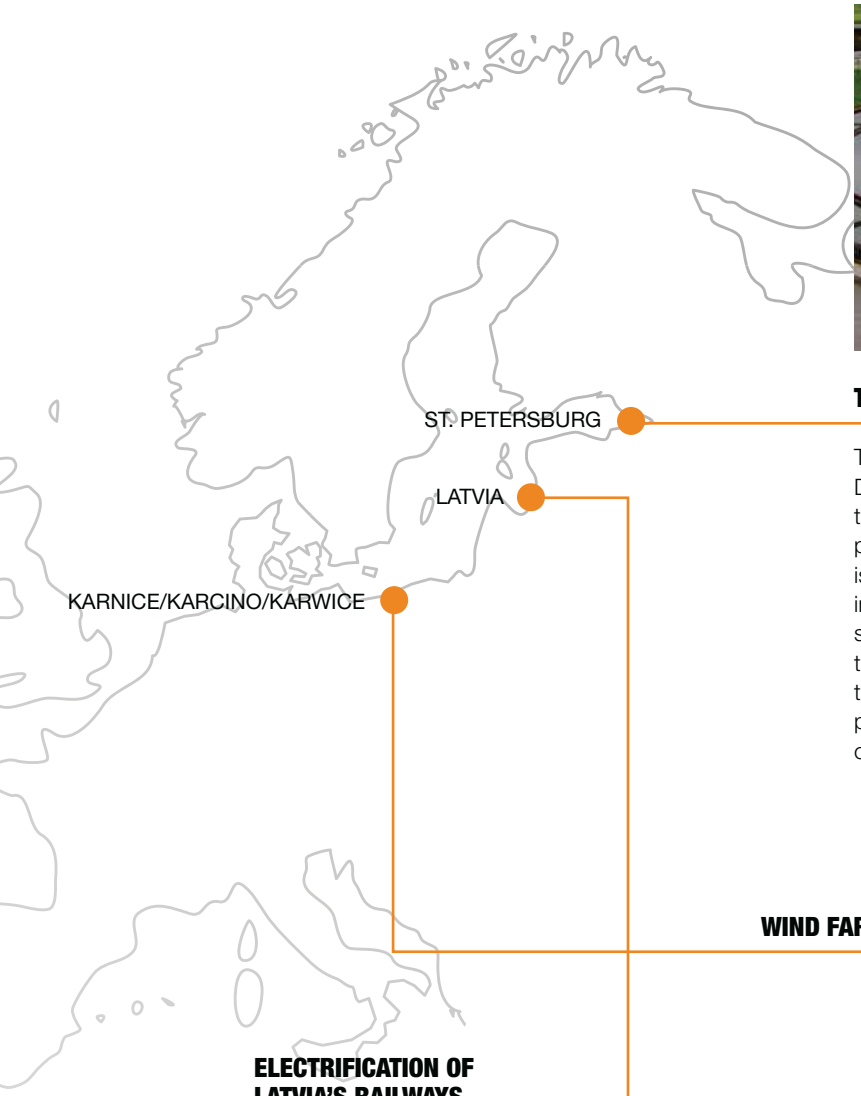
Number of employees
370

Specialisms
Environment
Infrastructure

Countries
Hungary
Latvia
Lithuania
Poland
Russia
Serbia
Turkey

Region Central & Eastern Europe's contribution to COWI's overall own production

1.8%



TREATING RUSSIA'S WASTE WATER

The objective of the Russian Neva Direct Discharges Closure programme is to develop the sewer systems and wastewater treatment plants so that all waste water in St. Petersburg is collected and treated by 2015. The project involves constructing a large sewage pumping station as well as overhauling and modernising the Northern Wastewater Treatment Plant to which a new unit for chemical removal of phosphorus will be added. The project is being carried out by a COWI-led consortium.

WIND FARM IN POLAND

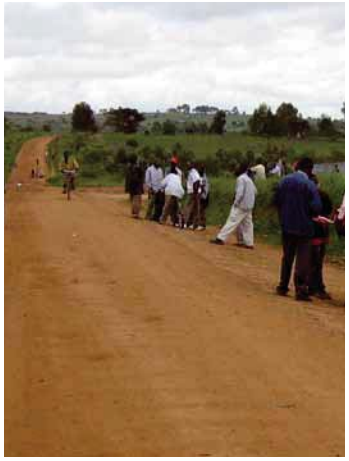
COWI Polska and COWI Denmark assisted DONG Energy with the implementation of a number of wind farm projects in the towns of Karnice, Karcino and Karwice in Poland. The wind farms in Karnice and Karcino comprise ten Siemens and 17 Vestas wind turbines, while Karwice has a total of 16 wind turbines. COWI assisted with geotechnical surveys and design of the foundations for the wind turbines.

ELECTRIFICATION OF LATVIA'S RAILWAYS

COWI is a part of an ETC-led consortium which is carrying out a feasibility study of the electrification of Latvia's railway network. The country's entire railway network is being analysed at the request of the customer, Latvian Railways. In 2010, demand forecasts and evaluation of alternatives were carried out. The project is scheduled for completion in June 2011.

WATER SUPPLY IN TANZANIA

COWI Tanzania, having won four district water supply and sanitation contracts, now has work in progress in 16 districts. The objective of the projects is to improve sanitary conditions and provide clean water to rural villages and thereby reduce poverty and improve health and quality of life.



INFRASTRUCTURE PROJECT IN TANZANIA

COWI Tanzania commenced a design-build contract for the China Railway 15 Bureau Group JV, where we are the main consultants on the upgrading of the Sumbawanga-Matai-Kasanga Port Road, which will be 112 kilometres long. In addition to upgrading to bitumen standard, the project involves drainage structures, erosion protection, spur roads and other supplementary works.

TANZANIA

MOZAMBIQUE

ENVIRONMENTAL AUDITS IN MOZAMBIQUE

On behalf of Mozambique's National Water Directorate, and in connection with the enlargement of one dam and the construction of three new dams in Mozambique, AustralCOWI will continue its work in 2011, together with COWI Denmark and the South African company Aurecon, on three audits which include assessments of the environmental impact (EIA) and social implications of the damming programme and of an associated rehousing programme. The dams are designed both to help to control water levels and to generate electricity. The quality of the audits is important as they will provide one strand of the basis for the World Bank's decision in respect of investments.

Jan Mosbech Kieler
Senior Vice President

GROWTH IN COWI AFRICA

Recent years have seen a dramatic improvement in conditions for running a business in Africa, and 2010 was a good year for COWI Africa, which entered into several African growth markets

Number of employees
220

Specialisms
Economics
Roads
Water

Countries
Mozambique
Tanzania
Uganda
Zambia

Region Africa's contribution to COWI's overall own production

1.3%

Overall status

Our market in Africa was far less affected by the economic crisis than the COWI Group's other markets. Conditions for doing business in Africa have improved enormously in recent years, with definite advances in general conditions for the private sector and growth in Africa almost on a par with growth in Asia.

Most important achievements during the year

For Africa in general, one of the year's most important events was the football World Cup, when the attention of the whole world was focussed on the continent, which emerged as a highly successful 'brand'. COWI Africa's focus in 2010 was directed mainly on the business areas roads, economics and water.

In recent years, countries such as Uganda, Tanzania, Zambia and Mozambique have achieved high levels of growth, due in part to increased investment in the exploitation of Africa's raw materials, and to the fact that aid to Africa remains unchanged despite the economic crisis.

Throughout 2010, we made good use of the combination of COWI's consultancy services and range of international consultancy expertise to gain a foothold as a desirable partner within Africa's growth markets, and this helped us to achieve our target for 2010.

Market prospects

It is our expectation that the positive development in the market will continue in the next few years at an annual rate of between seven and ten per cent. The driver for this growth will, rather than foreign aid, be the steadily improving general conditions in the private sector. In addition to this, investment continues to flow into the exploitation of Africa's natural resources and into its infrastructure. We are seeing the emergence of a number of new players in the market from China, India and South Africa, putting pressure on prices and obliging us to continue to factor sourcing into our future strategy for Africa.

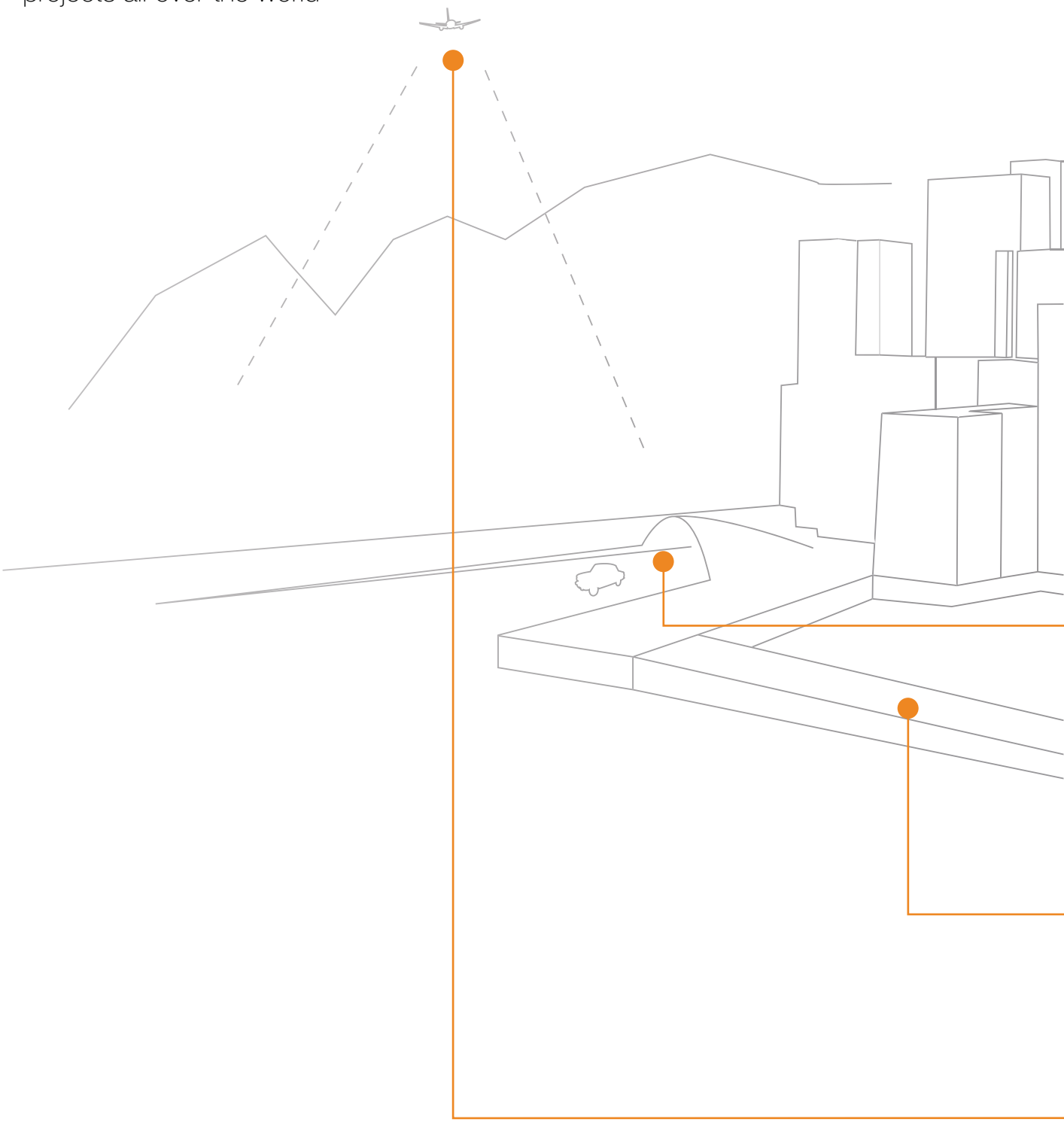
On 1 January 2011, all our activities in COWI Africa came under the umbrella of COWI Seed, COWI's unit for emerging markets.

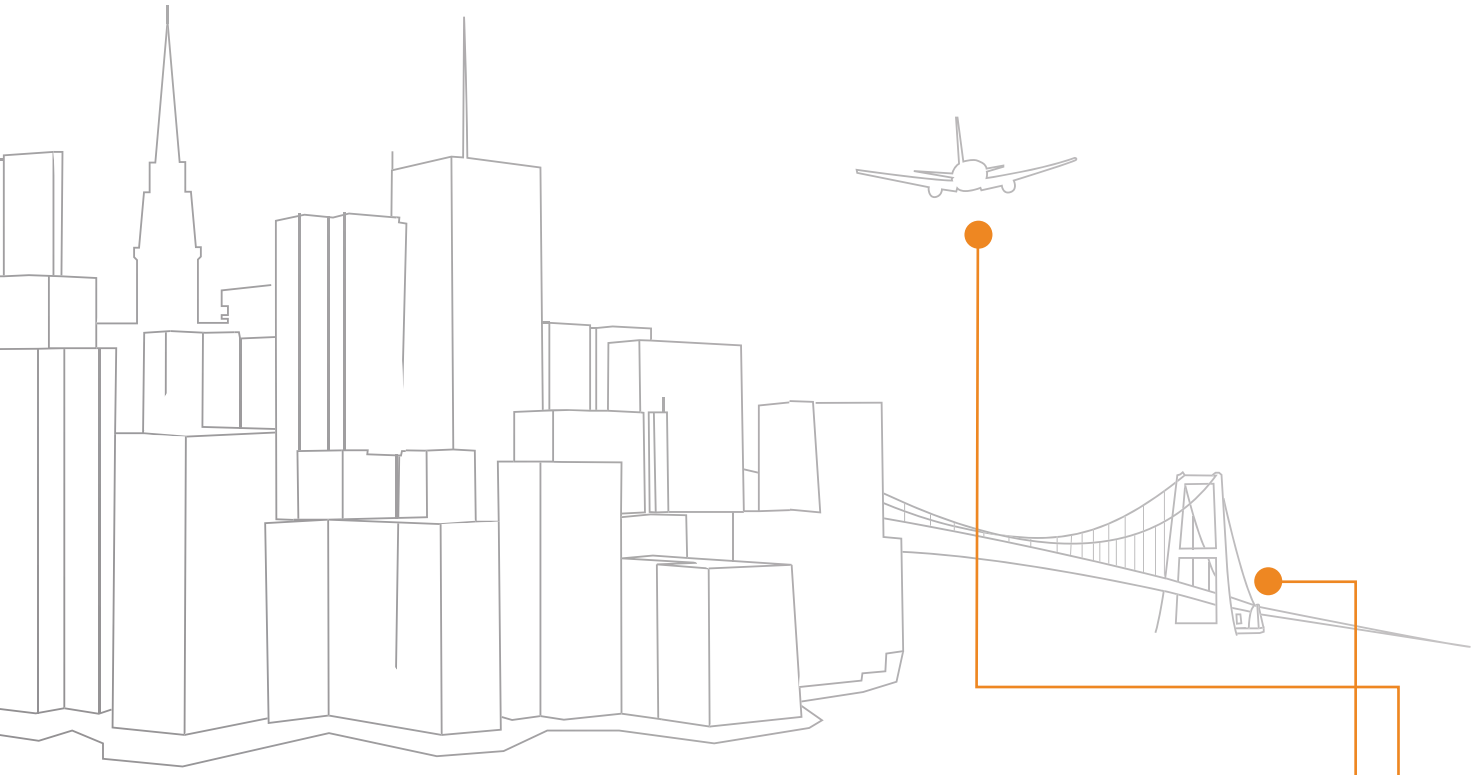
CLIMATE SOLUTIONS ARE STRAIGHT AHEAD

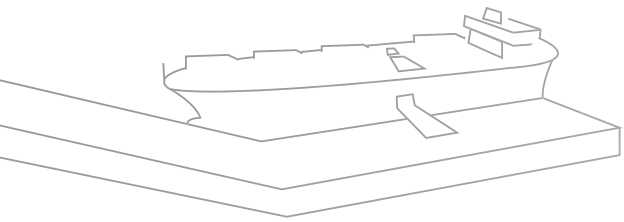
We are ready to cut corners if it's for the good of the environment. So we are straightening out most of the bends on the rail track between Aalborg and Aarhus: we cut down on travel time, diesel and CO_2 emissions

INTERNATIONAL SPECIALIST LEADER SERVICES (ISLs)

COWI aims to be world leaders in the fields of our international specialist leader services (ISLs), drawing on their expertise to deliver specialist projects all over the world







ISL TUNNELS

For example immersed tunnels, bored tunnels and cut and cover tunnels

ISL MAJOR BRIDGES

From cable-stayed bridges and suspension bridges through ship collision analyses and concrete technology to service life design

ISL MARINE STRUCTURES

From offshore wind power and oil terminals to waterfront development

ISL AIRPORTS

Planning, design, building and civil engineering works for the construction and extension of airports

ISL MAPPING

Not only mapping, topographic maps and orthophotography, but also mobile mapping and thermography

Michael Bindseil
Business Development Director

ISL TUNNELS AT THE FOREFRONT OF IMMERSED TUNNELS

ISL Tunnels is among the world's leading consultants for immersed tunnel projects and bored tunnels. This was one of the reasons why 2010 was a good year, a positive trend which we expect to continue in 2011

ISL TUNNELS

Overall status

Our work over recent years has made us one of the world's leading immersed tunnel consultants, and with the Cityringen metro line, Malmö City Tunnel, Hallandsås Tunnel and Copenhagen's district heating tunnel we have also positioned ourselves well in the field of bored tunnels as the leading consultants in South Scandinavia.

Most important achievements during the year

One of the indisputably most important achievements of the year was the opening of the fixed link between South Korea's southernmost and second largest city, Busan, and the island of Geoje. The link includes a 3.4 kilometre immersed tunnel, one of longest in the world, and two cable-stayed bridges, each two kilometres in length. Both tunnel and bridges were designed by COWI.

The 4 December 2010 saw the opening of the Malmö City Tunnel, a railway tunnel under Malmö city centre, connecting Malmö Central Station with the Oresund Link between Sweden and Denmark. We acted as consultants on the project in a joint venture with SWECO.

In addition, as international consultants for China Communications Construction Co., we were involved in cutting the first turf for the Hong Kong-Zhuhai-Macau Link at the end of 2010. When the link opens in 2016 it will include the world's longest immersed tunnel.

Market prospects

We expect continued positive development and increasing activity in the fields of both immersed tunnels and bored tunnels, an expectation based on the fact that there is a large and, for many reasons, growing market for tunnels. Infrastructure, including metro systems, is high on the agenda of many cities and seems to have negotiated the economic crisis well. This is due in part to the steadily increasing flow of people into the cities, creating increased demand for drainage and other utility systems, simply to keep pace. This is the case, for example, in the Middle East, where there is rapid urban development, and where the cities' utility networks are inadequate for the increasing population.

Specialisms
Bored tunnels
Cut and cover tunnels
Immersed tunnels

COPENHAGEN'S NEW METRO LINE

The Cityringen metro line is an extension of Copenhagen's existing metro. The work on designing the building and civil engineering works for the Cityringen in Copenhagen is in its fourth year. In 2010, COWI took part as the lead partner in a joint venture with Arup and Systra in negotiations with the three contracting consortia, and the most economically advantageous tender was chosen. From the outset of the project, COWI has been the main consultant for Metroselskabet A/S in respect of dealing with utility relocations and preparing compulsory purchase documentation.

THE WORLD'S LONGEST IMMERSED TUNNEL

On 20 December 2010, the first turf was cut for the immersed tunnel of the Hong Kong-Zhuhai-Macau Link. When it opens in 2016, this landmark structure will include the world's longest immersed tunnel. China Communications Construction Co. (CCCC), the main contractor of the consortium which won the design and build contract for the tunnel project, has appointed COWI as its international consultant.

NEW SEWER TUNNEL IN ABU DHABI

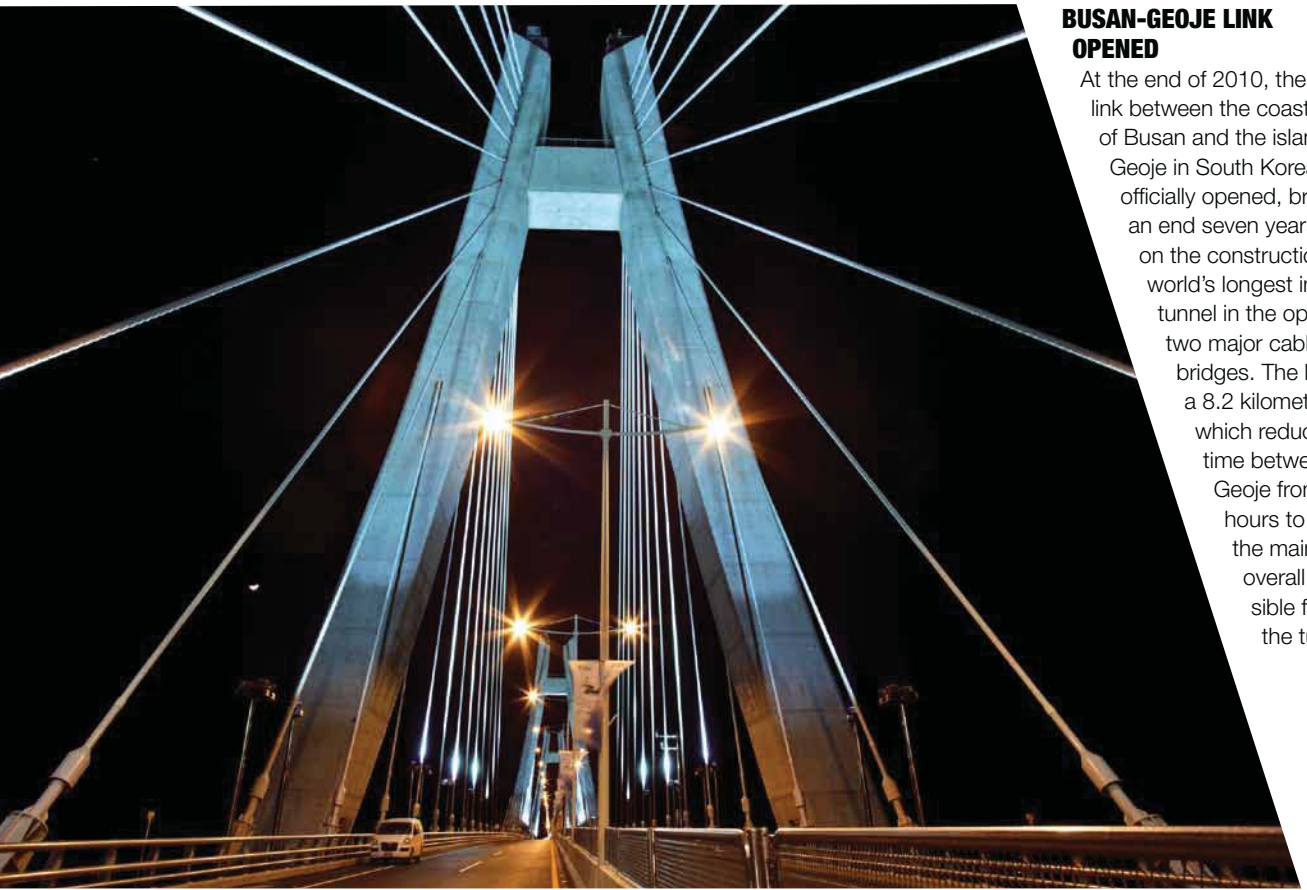
The Abu Dhabi Strategic Tunnel Enhancement Programme (STEP) is intended to provide major improvements to the capacity of Abu Dhabi's wastewater system. The programme involves a new deep gravity sewer tunnel, 40 kilometres in length, which will take the main sewage flows from Abu Dhabi to a new treatment works outside the city. COWI is responsible for the detailed design of two of the three major contracts.

THE LONGEST MAIN SPAN IN THE USA

The John James Audubon cable-stayed bridge over the Mississippi River, Louisiana, USA, is due for completion in 2011. At 971 metres in length, with a main span of 482, the bridge will have the longest span in the USA. Buckland & Taylor is part of the design-build team which is responsible for the final design and construction engineering of the bridge.

STRENGTHENING THE WEST GATE BRIDGE

The COWI Group's UK-based company Flint & Neill provided the international expertise necessary within the locally formed West Gate Bridge Strengthening Alliance to strengthen and upgrade the 860 metre cable-stayed steel box girder bridge in Australia. The main challenge was to increase the capacity from eight to ten lanes and add a high safety barrier along both sides whilst keeping the traffic flowing at all times.



BUSAN-GEOJE LINK OPENED

At the end of 2010, the fixed link between the coastal city of Busan and the island of Geoje in South Korea was officially opened, bringing to an end seven years of work on the construction of the world's longest immersed tunnel in the open sea and two major cable-stayed bridges. The link constitutes a 8.2 kilometre highway which reduces the travel time between Busan and Geoje from three and a half hours to 40 minutes. COWI, the main consultant on the overall project, is responsible for the design of both the tunnel and the bridge.

Lars Hauge
Business Development Director

ISL MAJOR BRIDGES – LEADERS IN THE GLOBAL MARKET

2010 brought several major bridge projects all over the world for ISL Major Bridges, which had a record year

Specialisms
Aerodynamics
Cable-stayed bridges
Concrete technology
Construction supervision
Risk analyses
Service life design
Ship collision analyses
Suspension bridges

Subsidiaries
Buckland & Taylor Ltd.
COWI Korea Co., Ltd.
Flint & Neill Limited

Overall status

If 2010 has to be expressed in a single word, as far as ISL Major Bridges is concerned it has to be 'international'. We had a fantastic year with a number of exciting large-scale projects in nearly every part of the world, which confirms our leading position in the global market for major bridges.

Most important achievements during the year

Among these many projects in different parts of the world in 2010 we were involved in the project to build the world's largest suspension bridge, the Messina bridge in Italy, and in conjunction with international contractor consortia prepared the tender projects for the suspension bridge over İzmit Bay in Turkey and the new cable-stayed bridge across the Firth of Forth in Scotland. In Canada, COWI's Canadian subsidiary Buckland & Taylor's projects included the South Perimeter Road project in Vancouver, renovation work on the Angus L. Macdonald suspension bridge in Halifax and designing the John James Audubon cable-stayed bridge over the Mississippi River in Louisiana, USA.

In Denmark, in a joint venture with our German partner OBERMEYER, we were responsible for planning the project to build a bridge link over the Fehmarnbelt between Denmark and Germany.

Turning finally to Qatar, our many activities included the participation in a design competition for a new crossing for Doha Bay. We also expect heavy involvement in Qatar in the work in advance of the football World Cup in 2022.

Market prospects

In recent years, we have benefitted from high levels of investment in infrastructure in response to the economic crisis. As 2010 progressed we saw early signs that investment would begin to taper off. Nevertheless, we expect to be able to sustain the same high tempo as in 2010 as we expect the projects which have been launched to continue. Moreover, we made preparations in 2010 for the heightened competition which will prevail in the years ahead.

Ole Juul Jensen
Business Development Director

ONE OF THE WORLD'S THREE LEADING CONSULTANTS WITHIN MARINE STRUCTURES

ISL Marine Structures not only maintained market shares in 2010, but also became one of the world's three leading consultants within marine structures

ISL MARINE STRUCTURES

Overall status

ISL Marine Structures' aim has long been to become one of the world's three leading marine structures consultants, an aim which we achieved in the Engineering News-Record's rankings at the end of 2010. In the course of 2010, we encountered a degree of sluggishness in our various markets, but nevertheless managed to retain our market share due to a very stringent, growth-orientated strategy.

Growth in 2010 was somewhat uneven by comparison with 2009. Our best results were achieved by our international marine structures department and in the USA where our subsidiary Ben C. Gerwick achieved growth in spite of a challenging market.

Before the economic crisis, man-made islands constituted a significant strand of the waterfront development services. 2010 saw this market come to a standstill all over the world. We therefore steered our business towards offshore wind power and achieved a breakthrough in the North American market. We were also heavily engaged in designing the foundations for the world's largest offshore wind farm, the London Array.

Most important achievements during the year

We are currently represented in most of the world and have close to 350 employees. In 2010, our attention was focussed on creating the best conditions for collaboration and for making the best use of the whole range of our workforce. In addition, using COWI's strong IT platform enabled us to collaborate on and carry out projects throughout the world and to provide added value for our customers.

This was particularly true in 2010 in collaborations between the business units in Denmark, the Arabian Gulf and India in contexts such as a number of new projects in the Arabian Gulf to investigate and design major cooling water systems for power plants, desalination and other industrial plants. These enabled us to increase turnover in the Arabian Gulf after the cancellation of major embankment projects associated with man-made islands, among other works.

Market prospects

We have positive expectations of further growth in 2011, notably in the field of offshore wind power where the global market is booming both in Europe and in North America. COWI has developed this field in recent years and, with its competency portfolio and project references from the USA, Germany, France and the UK, is now recognised as leading consultants at international level. We also expect to see further growth in the fields of cooling water systems and construction management for large-scale marine projects.

Specialisms
Offshore-wind power
Oil terminals
Waterfront development

Subsidiaries
Ben C. Gerwick, Inc.
Ocean & Coastal Consultants, Inc.

WORLD'S LARGEST OFFSHORE WIND FARM

Water depths of 25 metres and highly varied soil mixtures are among the challenges facing the design team of the world's largest offshore wind farm, the London Array. A consortium of DONG, E.ON and Masdar has commissioned the Aarsleff/Bilfinger Berger joint venture (ABJV) as contractor to undertake fabrication and installation of the steel foundations. COWI is leading a joint venture with IMS GmbH, COWI-IMS JV, and has been engaged by ABJV to carry out the detailed design of the steel foundations.

LARGE-SCALE GAS PLANT IN RUWAIS

COWI was appointed engineering designer of the fourth process line of the natural gas liquid (NGL) cooling water system that provides process cooling for a major gas plant complex in Ruwais in the United Arab Emirates. We used the advanced SmartPlant 3D modelling system for the detailed design.

DESIGNING NEW EXPORT TERMINAL

In June 2010, COWI was awarded the contract for designing the Kuwait National Petroleum Company's new terminal in Mina Al-Ahmadi, Kuwait, for the export of granulated sulphur. COWI was responsible for a range of design projects and field studies as well as the tender invitation project for the export terminal, which includes a 1.2 kilometre access trestle and a 240 metre berth for loading of sulphur carriers ranging in size from 16,000 DWT to 60,000 DWT.

EXPANSION OF AIRPORTS IN OMAN

In a joint venture with Larsen Architects, COWI is the main consultant on the expansion of two airports in Oman, namely Muscat International Airport and Salalah Airport.

In 2010, contracts were agreed for the construction of terminal buildings, the control tower and support facilities for Muscat International Airport and for all the building and civil engineering works for Salalah Airport. The completion of the civil engineering works in Muscat will be followed up in 2011 by civil engineering works in Salalah and building works in both Muscat and Salalah.

Muscat International Airport will have capacity for 12 million passengers per annum in the first building phase and will be completed in 2014. The slightly smaller Salalah Airport will have capacity for a million passengers per annum in the first construction phase and is scheduled for completion in 2013.

EXPANSION OF OSLO AIRPORT

In a joint venture with the architects Narud-Stokke-Wiig and Norconsult, among others, COWI is responsible for the substantial enlargement of Oslo Airport, Gardermoen. The project includes an extension of approximately 120,000 m^2 of the existing terminal, a new pier with 19 gates, the reorganisation of the apron with new taxiways and a redesign of the forecourt areas. In 2010, we delivered the conceptual design, and the team will continue its work on the detailed design in the year ahead.

Jens Christoffersen
Business Development Director

MAJOR ASSIGNMENTS ENSURED A GOOD YEAR FOR ISL AIRPORTS

The market for airports was good in 2010. The major assignments won during the year give ISL Airports an optimistic view of the future

Specialisms
Interdisciplinary integration and cross-optimisation in connection with planning, design and erection of buildings and civil engineering works on new or expanding airports

Overall status

ISL Airports was extremely busy throughout 2010, which is one of the reasons for our position in the Engineering News-Record's top ten of the world's leading airport consultants. The whole airport sector was affected by the economic crisis in terms of both passenger and freight traffic, but we managed well in spite of this due to a number of major commissions. Essentially, the market looked better in 2010 than in 2009.

Most important achievements during the year

One of the main reasons for the upturn in our airports business was that we were able to reap the benefits of COWI's regions network. Although the airport projects in Oman are still our largest, an increasing portion of our turnover was generated in the regions of Norway, Denmark and Central and Eastern Europe. Towards the end of 2010, our team in Oslo started work on the detailed design for the major expansion of Oslo Airport, Gardermoen. We also benefitted considerably in 2010 from COWI Central & Eastern Europe's proximity to the market, which enabled COWI, among much else, to win yet another exciting project in Riga Airport.

Market prospects

We are optimistic about the future, an optimism based on the IATA (International Air Transport Association) forecast that growth in air travel in 2011 will be at the same level as in 2010 in all parts of the world. The Middle East, where COWI has a strong presence, was the only part of the world where air travel achieved double-digit growth in 2010. In general, growth in this sector is one and a half times that of the economic growth in a given area. On this basis, we expect the BRIC nations in particular (Brazil, Russia, India and China) to contribute some of the highest growth rates in air travel in 2011.

Lars Green Lauridsen
Business Development Director

TURNOVER INCREASED BY 25 PER CENT

2010 saw growth in both turnover and head count for ISL Mapping. Yet it was a year of mixed fortunes with major challenges in certain markets

ISL **MAPPING**

Overall status

ISL Mapping had an excellent year in 2010, when we increased our employee numbers by 20 per cent and turnover by 25 per cent. Our overall results were satisfactory although fortunes were mixed as certain markets faced major challenges. The Danish and Swedish markets did well, and productivity and earnings in India were high. The British and Spanish markets were still adversely affected by the global economic crisis, to the extent that a number of existing contracts, which were in progress in Spain, were brought to a halt. Market demand for mobile mapping was good. Together with COWI's unit for railways, roads and airports we were well positioned in this market, as we are able as a team to deliver a product which is high on our customers' scale of values, combining as it does knowledge and data collection.

Most important achievements during the year

Our various markets saw an interesting development in the course of 2010: we found that commissions are coordinated by the authorities in the respective countries, pooled together and put out to tender with major pressure on competitive pricing. We expect this to be a growing trend from now on.

We attribute our success in Denmark, Norway, Sweden and Finland in part to the partnerships we formed to carry out major assignments. Using the same strategy of forming partnerships with local firms with insight into the actual market conditions, we won projects in France and Holland. COWI's strength in comparison with the local firms is that we have access to new technology such as mobile mapping and 3D technology, a substantial production capacity and excellent project references.

Last but not least we stepped up our sales drive in the course of 2010 by setting up new sales offices in India, Canada and the Arabian Gulf with the aim of establishing a stronger local presence.

Market prospects

Overall, we expect to maintain our current market share in 2011 and to grow as a result of our new sales offices.

In addition, we must step up our activities at global level and be in a position both to prioritise and vary our sales input according to individual markets and in this connection to work together with local partners on the services we offer, the tenders we bid for and relations we build. We must also draw even more on the whole international range and scope within the COWI Group in order to be able to enter into dialogue with the most interesting customers and win the large-scale projects.

Specialisms

Mapping – from the traditional topographical maps and ortho-photos to advanced mapping methods using lasers, 3D models, mobile mapping and thermography.

Subsidiaries

Caribersa S.L. & Eurocarto S.A.
COWI India Private Ltd.
COWI Mapping UK Ltd.

3D MODEL OF MONACO'S BUILDINGS

New 3D technology makes it possible to produce a detailed 3D model of Monaco's buildings. COWI is part of a consortium producing the lifelike 3D model on the basis of aerial photos and vehicle-mounted laser scanning of house facades. The model of the city is important for the country as Monaco is extremely limited in terms of space and is hemmed in by mountains. Planning and planning legislation are therefore based on the volume rather than the footprint of buildings.

AERIAL PHOTOGRAPHY OF LITHUANIA

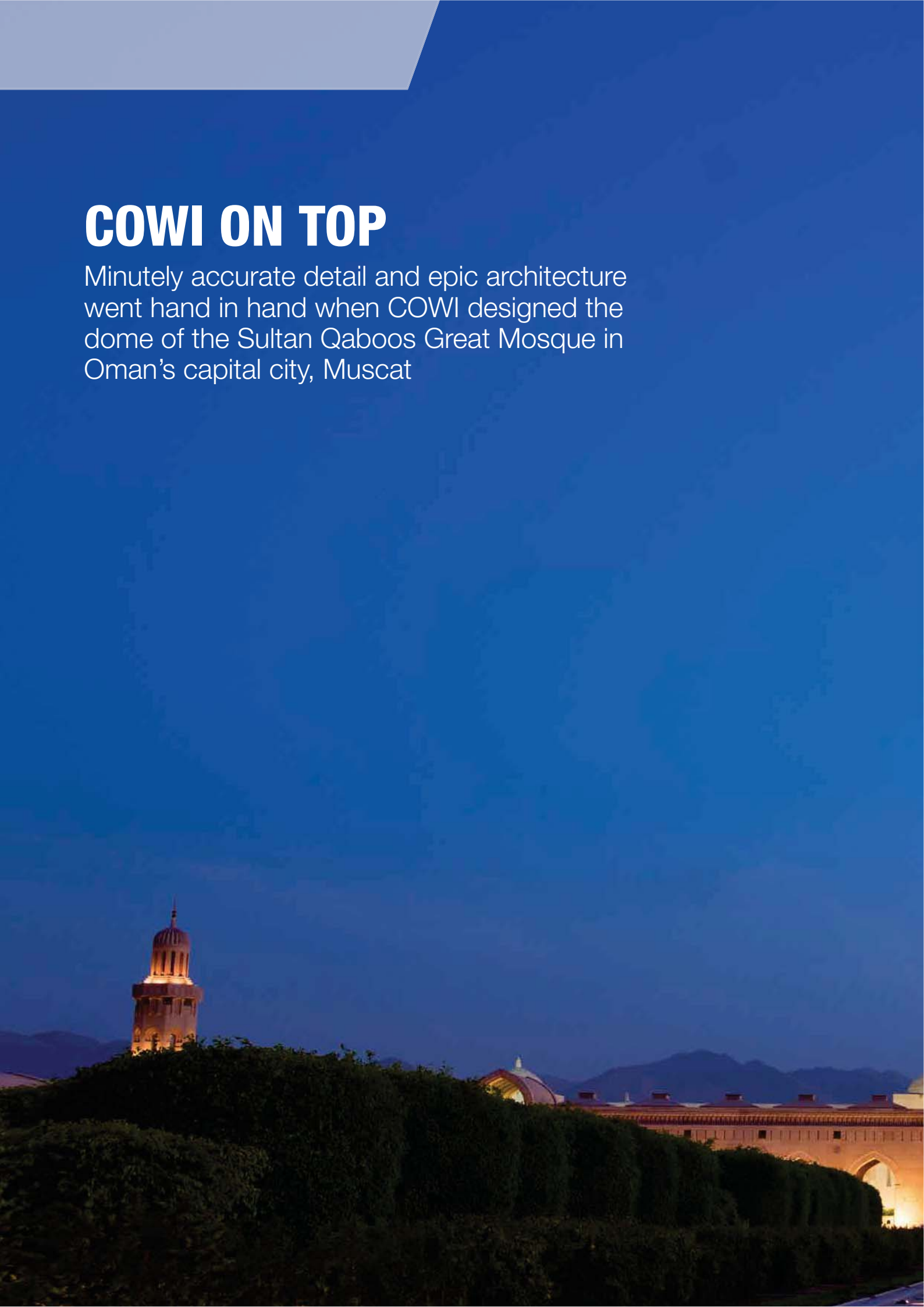
In November 2010, COWI completed the aerial photographing and laser scanning of Lithuania, which was conducted from our own aircraft. A digital height model of the entire country was produced together with orthophoto maps with a resolution of 50 centimetres. The project was funded by the Lithuanian government.

MOBILE MAPPING OF TWO MUNICIPALITIES

COWI uses a mobile mapping system with both cameras and laser scanners mounted on the roof of a car to gather data of the roads as well as roadside equipment in Silkeborg and Tønder municipalities in Denmark. Camera and laser points make it possible to record with great accuracy everything from gullies and signposting to verges and ditches. This enables the Municipalities to supplement their area and equipment records with current data.

COWI ON TOP

Minutely accurate detail and epic architecture went hand in hand when COWI designed the dome of the Sultan Qaboos Great Mosque in Oman's capital city, Muscat



COWI consolidated financial statements »

ACCOUNTING POLICIES

The 2010 annual report of COWI Holding A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act for a large class C enterprise with the adoption of IAS 19 'Employee Benefits' in respect of defined benefit plans.

The accounting policies applied remain unchanged from the Group's previous accounting policies.

Formation of COWI Holding A/S - the uniting-of-interests method

COWI Holding A/S was formed on 7 May 2010 by COWIfonden (the COWIfoundation) by non-cash contribution of COWIfonden's shares in COWI A/S. Before and after the formation, COWIfonden has unchanged control of COWI A/S and thereby the COWI Group. The company's group and parent company financial statements have therefore been prepared by applying the uniting-of-interests method in accordance with the Danish Financial Statements Act, section 123 and section 43a, respectively. Under the uniting-of-interests method, the group and parent company financial statements are presented for the period in which the uniting of interests has occurred as if the enterprises had been combined starting from the earliest accounting period forming part of the financial statements. Consequently, and irrespective of the formation in May 2010, the company's financial statements also include accounting figures for the previous periods as if the company had also then existed and been the parent company of the COWI Group.

Recognition and measurement

In the income statement, revenue is recognised as earned and include recognition of value adjustments of financial assets and liabilities measured at fair value or amortised cost. Similarly, all expenses, including amortisation, depreciation and impairment losses, are recognised in the income statement. Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and when the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and when the value of the liability can be reliably measured. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual item below.

Certain financial assets and liabilities are measured at amortised cost where constant effective interest is recognised over the maturity. Amortised cost is stated as original cost less any principal payments plus or minus the cumulative amortisation of any difference between cost and nominal amount. In this way capital losses and gains are amortised over the maturity.

Recognition and measurement take into consideration anticipated losses and risks that arise before the time of presentation of the annual report and which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency used is Danish kroner (DKK). All other currencies are considered as foreign currency.

Group financial statements

Consolidation policy

The consolidated financial statements include the parent company, COWI Holding A/S, as well as enterprises in which the parent company directly or indirectly holds the majority of the voting rights or in which the parent company through its shareholding or otherwise exercises a controlling interest. Enterprises in which the Group holds between 20 and 50 per cent of the voting rights and exercises a significant but not controlling interest are treated as associates.

On consolidation, items of a uniform nature will be combined. Intercompany profits and expenses, shareholdings, dividends and balances as well as realised and unrealised gains and losses on transactions between consolidated enterprises have been eliminated.

The financial statements applied for the Group's annual report have been presented in accordance with group accounting policies. The Group's annual report has been prepared on the basis of the financial statements of COWI Holding A/S and the subsidiaries by combining items of a uniform nature.

Investments in subsidiaries are eliminated at the relevant proportion of the net asset value of the subsidiaries at the time of acquisition.

On acquisition of new enterprises, any differences between the acquisition cost and the net asset value of the enterprise acquired are stated at the time of acquisition after adjusting the individual assets and liabilities at fair value (the purchase method) and allowing for recognition of any reconstruction provisions in respect of the enterprise acquired. Any remaining positive differences are recognised in the balance sheet under intangible assets as group goodwill and amortised on a straight-line basis over the expected economic life, however at a maximum of 20 years. Any negative differences are recognised in the balance sheet.

Goodwill from acquired enterprises is adjusted as a result of changes in recognition and measurement of net assets for a period of up to a total financial year following the time of acquisition.

Minority interests

On statement of group results and group equity the share of results and equity in subsidiaries that is attributable to minority interests is recognised as separate items in the income statement and the balance sheet. Minority interests are recognised at fair value on the basis of a remeasurement of acquired assets and liabilities at the time of acquisition of subsidiaries.

Corporate income tax and deferred tax

The company is jointly taxed with the Danish consolidated enterprises. Foreign subsidiaries are not subject to joint taxation.

COWI Holding A/S functions as the management company. The total Danish tax on the Danish subsidiaries' taxable profits is paid by COWI Holding A/S. The tax effect of the joint taxation with the subsidiaries is distributed on the Danish profit- and loss-making enterprises in proportion to their taxable profits (full allocation with refund concerning tax losses).

Income tax for the year, consisting of current tax and deferred tax for the year, is recognised in the income statement with the share attributable to profit for the year, and is recognised directly in equity with the share attributable to entries recognised directly in equity.

Current tax liabilities and current tax receivable are recognised net in the balance sheet as tax computed on taxable income for the year adjusted for tax on taxable income for previous years.

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between accounting and tax values of assets and liabilities. However, no deferred tax is recognised in respect of temporary differences concerning amortisable goodwill not deductible for tax purposes as well as other items, apart from acquisition of enterprises, where temporary differences have arisen at the time of acquisition without any effect on accounting and taxable profits. In cases where the computation of the tax value may be made according to alternative tax rules, deferred tax is recognised on the basis of the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the value at which they are expected to be utilised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities. Deferred tax assets and liabilities are presented set off within the same legal tax entity and jurisdiction.

Adjustment of deferred tax is made concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured on the basis of the tax rules and tax rates legally effective in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax as a consequence of amendments to tax rates are recognised in the income statement.

Translation policies

Transactions in foreign currencies are translated by applying standard rates approximating the foreign exchange rates ruling at the transaction dates. In respect of accounts receivable, any exchange differences arising between the transaction date rates and the rates at the date of payment are recognised in the income statement as part of net turnover. For other items, the realised gains or losses are recognised as financial income or financial expenses in the income statement.

Accounts receivable and payable and other monetary items in foreign currencies are translated into the exchange rates ruling at the balance sheet date. Unrealised exchange gains or losses arising from differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or payable arises are recognised in the income statement.

Unrealised exchange gains or losses in respect of accounts receivable are recognised under net turnover in the income statement, while unrealised exchange gains or losses in respect of accounts payable or other monetary items are recognised under financial income or expenses in the income statement.

Non-current assets acquired in foreign currencies are translated at the rates ruling at the transaction date. On recognition of foreign subsidiaries and associates that are separate legal entities, income statements are translated at monthly average exchange rates, and balance sheet items are translated at the exchange rates at the balance sheet date. Exchange differences arising on translation of the opening equity of foreign subsidiaries to the exchange rates at the balance sheet date and on translation of income statements from average exchange rates to the rates at the balance sheet date are recognised directly in equity.

On recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates ruling at the balance sheet date. Non-monetary items are translated at the rates at the time of acquisition or at the time of any subsequent revaluation or writedown for impairment of the asset.

Income statement items are translated at transaction-date exchange rates; however, items derived from non-monetary items are translated at the historical rates in respect of the non-monetary item.

Exchange adjustments of intercompany balances and transactions with foreign subsidiaries that are considered additions to or deductions from the equity of separate subsidiaries are recognised directly in equity. Similarly, exchange gains and losses on loans and derivative financial instruments contracted for hedging purposes by independent foreign subsidiaries are recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and subsequently remeasured at their fair value. Positive and negative fair values of derivative financial instruments are included in prepayments under assets and in deferred income under liabilities, respectively.

Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or liability are recognised in the income statement together with any changes arising in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments that are designated as and qualify as future asset and liability hedges are recognised in prepayments/deferred income or equity, respectively. Where the forecast transaction results in the recognition of an asset or a liability, amounts that have been deferred in equity are transferred from equity and included in the cost of the asset and the liability, respectively. Where the forecast transaction results in income or expenses, amounts that have been deferred in equity are transferred to the income statement in the period during which the hedged item affects the income statement.

Changes in the fair value of any derivative financial instruments that do not qualify for hedge accounting are recognised on a current basis in the income statement.

Segment information

Information is provided on geographical markets. Information on geographical markets is based on the Group's internal financial reporting system.

Incentive schemes

There are no incentive schemes for the current financial year in addition to cash bonus plans which are not considered to be significant in relation to the remuneration of the management. Cash bonus to the Executive Board is recognised in ‘Remuneration, Executive Board’ in the note ‘Employee expenses’.

Income statement

Net turnover

Net turnover is determined at the selling price of work performed for the year. As the completion of the individual projects will generally progress over several accounting periods, the percentage-of-completion method is applied for revenue recognition. Accordingly, profits on work performed are recognised as income and by reference to the stage of completion.

Project expenses

Project expenses include expenses directly attributable to projects, excluding salaries and including travel expenses, external expenses as well as other expenses.

External expenses

External expenses include administrative expenses, office expenses, marketing expenses as well as other expenses.

Other operating income/expenses

Other operating income and other operating expenses include items of a secondary nature compared with the

company's core activities, including removal expenses as well as profits and losses from the disposal of non-current assets.

Net financials

Financial income and expenses include interest, financial expenses related to finance leases, realised and unrealised foreign exchange adjustments, value adjustments on securities as well as amortisation of long-term receivables.

Balance sheet

Intangible assets

Goodwill

Goodwill is amortised over the estimated economic life determined on the basis of management's experience with the individual business areas. The amortisation period is 5-20 years, the longest period applying to acquired enterprises with a strong market position and an expected long earnings profile.

Own-developed products

Own-developed products that are clearly defined and identifiable where the technical utilisation rate, sufficient resources and a potential future market or development opportunity in the enterprise can be verified and where the intention is to market or use the project are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of the future earnings can cover the expenses involved. Own-developed products that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Own-developed products include salaries, amortisation and other expenses that are directly or indirectly attributable to the company's development activities. Capitalised own-developed product costs are measured at the lower of cost, less accumulated amortisation and impairment losses, or recoverable amount.

On completion of the development work, own-developed products are amortised on a straight-line basis over the period in which the work is expected to generate economic benefits. The amortisation period is two to five years.

Software and licenses

Software is measured at the lower of cost, less accumulated amortisation on a straight-line basis and impairment losses, or value in use. The amortisation period is three to five years.

Licenses include software licenses which are amortised over the contract period.

Summary of amortisation periods for intangible assets

Goodwill	5-20 years
Own-developed products	2-5 years
Software	3-5 years

Property, plant and equipment

Land and buildings

Land is measured at cost and is not depreciated.

Buildings are measured at cost less accumulated depreciation and impairment losses and depreciated on a straight-line basis over 50 years.

Special installations in buildings are depreciated on a straight-line basis over 10-15 years.

Technical installations, operating and other equipment

Technical installations, operating and other equipment, including leasehold improvements, are measured at cost less accumulated depreciation and impairment losses and depreciated on a straight-line basis over three to ten years. Aircrafts are also included and measured at cost less accumulated depreciation and impairment losses and depreciated on a straight-line basis over 20 years.

Assets held under finance leases

At the inception of the lease, leases in respect of property, plant and equipment in terms of which the individual group companies assume substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the fair value of the leased asset where a fair value can be established. Alternatively, the net present value, if lower, of future lease payments at the inception of the lease is applied. When computing the net present value, the interest rate implicit in the lease is applied as the discount rate or an approximated value thereof.

Assets held under finance leases are depreciated and impaired like the Group's other property, plant and equipment.

The residual lease obligation is capitalised and recognised in the balance sheet as debt under liabilities, and the interest element on the lease payment is charged to the income statement as incurred over the term of the lease. All other leases are considered to be operating leases. Lease payments under operating leases are recognised in the income statement over the term of the lease.

Summary of depreciation periods for property, plant and equipment

Buildings	50 years
Special installations in buildings	10-15 years
Technical installations, operating and other equipment, including leasehold improvements	3-10 years
Aircrafts	20 years

Writedown for impairment of non-current assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment exceeding the writedowns in connection with general amortisation and depreciation. Where writedown for impairment is required, writedown is made to the recoverable amount, if lower.

The recoverable amount of the asset is determined as the higher of the net selling price or the value in use. Where it is not possible to determine the recoverable amount of the individual asset, the impairment requirement is assessed in respect of the smallest group of assets for which it is possible to determine the recoverable amount.

Financial assets

Investments in associates

Investments in associates are recognised using the equity method so that the accounting amount of the investments constitutes the Group's proportional share of the net assets of the enterprises.

Profit after tax of investments in associates has been recognised as a separate line in the income statement.

Associates with negative net asset value are included without any value. Where the Group has a legal or constructive obligation to cover the associate's negative balance, the obligation is recognised under provisions.

Other investments and securities

Other investments and securities include bonds and shares measured at fair value at the balance sheet date. Listed securities are measured at the official market price at the balance sheet date. Unlisted securities are measured at selling price based on a computed value in use.

Current assets

Receivables

Accounts receivable are measured at the lower of amortised cost or net realisable value corresponding to the nominal value less losses on uncollectibles

Losses on uncollectibles are calculated on the basis of an individual assessment of each account receivable, and an additional general provision is made in respect of trade accounts receivable.

Contract work in progress

Contract work in progress is recognised in the balance sheet net of amounts invoiced on account. Gross work in progress is measured at the selling price of the work performed. The selling price is measured in proportion to the stage of completion at the balance sheet date and the total expected profit on the individual projects (the percentage-of-completion method).

Under this principle, the expected profit on the individual projects is recognised in the income statement on a current basis by reference to the stage of completion.

The stage of completion is measured by the proportion that project expenses (in hours) incurred for work performed to date bear to the estimated total project expenses (in hours). Where total project expenses are likely to exceed the total revenues from a project, the expected loss is recognised as an expense in the income statement. The share of work in progress etc. performed in working partnerships is included in work in progress.

Marketable securities

Marketable securities include listed bonds and shares measured at fair value at the balance sheet date. Listed securities are measured at market price. Unlisted securities are measured at selling price based on a calculated value in use.

Prepayments

End-of-period adjustments required by accrual accounting and recognised as prepayments under assets include payments made in respect of subsequent financial years, typically prepaid rent, insurance premiums, subscriptions etc. as well as adjustments to fair value or derivative financial instruments with a positive fair value.

Equity

Dividends

Dividend is recognised as a liability at the time of adoption by the annual general meeting. Dividend expected to be distributed for the year is recorded in a separate item under equity.

Treasury shares

Purchase and sales amounts for treasury shares are recognised directly in equity. Dividend from treasury shares is recognised directly in equity in retained earnings.

Provisions

Net pension benefit obligations

The Group's Norwegian subsidiaries have entered into a number of defined benefit plans. The plans are financed through contributions to pension funds on the basis of periodic actuarial calculations and in accordance with current applicable rules. A defined benefit plan is a pension scheme defining the retirement benefit receivable by an employee on retirement. The retirement benefit will usually depend on one or more factors such as age, number of years with the company and salary level.

The net pension obligation recognised in the balance sheet in relation to benefit plans is the present value of the defined benefits as at the balance sheet date (gross pension benefit obligations or PBO) less the actual value of the pension funds plus payroll tax on net pension benefit obligation (net PBO).

The pension obligation is calculated annually by an independent actuary using a straight-line vesting period. The present value of the defined benefits is determined by discounting estimated, future benefit payments at the yield of a bond issued by a high-rated company in the same currency as the currency in which the benefits will be paid and with a term to maturity that is approximately the same as the term of the related pension obligation. Differences in estimates attributable to new information or changes in the actuarial assumptions are recognised in the equity for the period in which they occur.

Changes in the pension plan benefits are recognised in the income statement on a current basis unless, according to the new pension plan, the entitlement depends on the employee remaining employed for a specific period of time (the vesting period).

In that case, the cost is amortised to the changed benefit on a straight-line basis over the vesting period.

The Group's Swedish subsidiary has also entered into a defined benefit plan, but as the pension fund cannot determine the current net pension liability, the plan has been recognised as an ordinary defined contribution plan. So, the costs are expensed concurrently with receipts of collections from the pension fund. This procedure is in compliance with generally accepted accounting principles, including IFRS.

The Group's Danish subsidiary, COWI A/S, has made commitments to provide a number of previous and present executive employees with defined benefit plans. These pension commitments are recognised concurrently with the pension benefits being earned. The calculation of the pension commitment is based on an actuarial calculation.

Other provisions

Provisions are recognised when, as a consequence of an event before or on the balance sheet date, the Group has a legal or constructive obligation and it is probable that economic benefits must be sacrificed to settle the obligation. Other provisions include potential, legal obligations etc. on completed projects. Provisions with an expected maturity exceeding one year from the balance sheet date are discounted at the average bond yield.

Deferred tax is not discounted to present value.

Debt

Financial debts

Fixed-rate loans such as mortgages and loans from credit institutions intended held to maturity are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, borrowings

are stated at amortised cost corresponding to the capitalised value using the effective interest method; the difference between the proceeds and the nominal value (the capital loss) is recognised in the income statement over the loan period.

Initially, subordinate loan capital is recognised at fair value net of transaction costs incurred. Subsequently, subordinate loan capital is recognised at amortised cost so that the difference between the proceeds and the nominal value is recognised in the income statement as interest expenses over the term of the loan.

Other accounts payable are measured at amortised cost, materially corresponding to nominal value.

Employee bonds

In 2008 and 2009, the Group's Danish subsidiary, COWI A/S, issued employee bonds. The issuance was effected at a price of 100, and the bonds will be redeemed at par respectively on 1 January 2014 and on 1 January 2015.

Deferred income and other liabilities

End-of-period adjustments required by accrual accounting recognised as deferred income under liabilities include payments received in respect of income in subsequent periods as well as adjustments to fair value of derivative financial instruments with a negative fair value.

Cash flow statement

The cash flow statement shows the Group's cash flow for the year classified by operating, investing and financing activities, net changes for the year in cash and cash equivalents as well as group cash and cash equivalents at the beginning and end of the year.

Cash flow from operating activities

Cash flows from operating activities are calculated as group operating profit adjusted for non-cash operating items such as amortisation, depreciation and impairment losses, provisions as well as net change in working capital with the addition of interest income and expenses and corporate income tax paid.

Working capital includes current assets less short-term debt, excluding items included in cash and cash equivalents.

Cash flow from investing activities

Cash flows from investing activities include cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as financial assets.

Cash flow from financing activities

Cash flows from financing activities include cash flows from the raising and repayment of long-term debt as well as purchase of own shares and payments of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents include cash as well as marketable securities recognised as current assets.

The cash flow statement cannot be immediately derived from the published financial records.

Financial ratios

The financial ratios stated in 'Key figures and financial ratios' have been calculated as follows:

EBITDA margin

$$\frac{\text{Operating profit including depreciation and amortisation} \times 100}{\text{Net turnover}}$$

Operating margin (EBIT margin)

$$\frac{\text{Operating profit} \times 100}{\text{Net turnover}}$$

Return on invested capital

$$\frac{\text{Operating profit} \times 100}{\text{Average non-financial assets less average work in progress (liabilities)}}$$

Equity ratio

$$\frac{\text{Equity year-end} \times 100}{\text{Total liabilities and equity, year-end}}$$

Return on equity

$$\frac{\text{COWI's share of profit for the year} \times 100}{\text{Average equity}}$$

Book value per share

$$\frac{\text{Equity}}{\text{Nominal shareholding (excl. treasury shares)}}$$

INCOME STATEMENT

INCOME STATEMENT OF THE COWI GROUP FOR 1 JANUARY - 31 DECEMBER

DKK '000	Note	2010	2009
Net turnover	1	4,461,503	3,993,424
Project expenses		(716,596)	(726,196)
Own production	**1**	**3,744,907**	**3,267,228**
External expenses	2	(587,759)	(519,918)
Employee expenses	3	(2,893,190)	(2,451,027)
Amortisation, depreciation and impairment losses	4	(134,828)	(107,880)
Operating profit on ordinary activities		**129,130**	**188,403**
Other operating income	5	5,501	5,974
Other operating expenses	6	(2,627)	(4,591)
Operating profit		**132,004**	**189,786**
Profit after tax in associates	7	(1,958)	810
Financial income	8	43,888	52,546
Financial expenses	9	(36,224)	(28,010)
Profit before tax		**137,710**	**215,132**
Tax on profit for the year	10	(59,538)	(61,339)
Profit for the year		**78,172**	**153,793**
Profit/(loss) from subsidiaries attributable to minority shareholders	19	(235)	(60,453)
COWI's share of profit for the year		**77,937**	**93,340**

BALANCE SHEET

BALANCE SHEET OF THE COWI GROUP AT 31 DECEMBER

DKK '000	Note	2010	2009
Goodwill		90,948	96,278
Group goodwill		474,609	464,340
Software and licenses		9,163	16,472
Own-developed products		13,869	9,383
Intangible assets	**11**	**588,589**	**586,473**
Land and buildings		2,202	6,131
Technical installations, operating and other equipment		137,229	150,958
Property, plant and equipment in progress		120	76
Property, plant and equipment	**12**	**139,551**	**157,165**
Investments in associates		13,152	14,674
Other investments and securities		6,175	5,944
Deposits		36,518	35,839
Financial assets	**13**	**55,845**	**56,457**
Total non-current assets		**783,985**	**800,095**
Accounts receivable, services		994,234	761,890
Contract work in progress	**14**	446,109	452,923
Receivables from associates		9,287	7,613
Other receivables		23,803	24,552
Deferred tax assets	**20**	27,617	27,160
Prepayments	**15**	81,537	87,092
Receivables		**1,582,587**	**1,361,230**
Marketable securities	**16**	**231,674**	**235,767**
Cash		**347,791**	**357,530**
Total current assets		**2,162,052**	**1,954,527**
TOTAL ASSETS		**2,946,037**	**2,754,622**

BALANCE SHEET

BALANCE SHEET OF THE COWI GROUP AT 31 DECEMBER

DKK '000	Note	2010	2009
Share capital	17	267,801	206,521
Treasury shares	18	(129)	0
Retained earnings		598,381	345,049
Proposed dividend		9,369	11,761
Equity		**875,422**	**563,331**
Minority interests	19	**3,373**	**355,559**
Deferred tax	20	305,675	282,995
Net pension benefit obligations	21	94,043	100,958
Other provisions	22	28,568	31,307
Provisions		**428,286**	**415,260**
Subordinated loan capital		130,848	0
Credit institutions		3,276	7,372
Employee bonds		54,861	54,893
Long-term debt	23	**188,985**	**62,265**
Credit institutions		172,953	51,854
Contract work in progress	14	395,817	456,708
Accounts payable, suppliers		167,464	173,586
Amounts owed to group enterprises		18,001	0
Amounts owed to associates		83,425	37,208
Income tax payable		15,217	12,598
Other accounts payable	24	508,862	555,305
Deferred income		88,232	70,947
Short-term debt		**1,449,971**	**1,358,206**
Total debt		**1,638,956**	**1,420,471**
TOTAL EQUITY AND LIABILITIES		**2,946,037**	**2,754,622**

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STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY OF THE COWI GROUP

DKK '000	Share capital	Treasury shares	Retained earnings	Dividend	Total
Equity at 1 January 2009	206,521		241,085	11,752	459,358
Distributed dividend				(11,752)	(11,752)
Profit for the year			93,340		93,340
Foreign exchange adjustment, foreign subsidiaries			18,107		18,107
Value adjustment of hedging instruments, beginning-of-year			4,092		4,092
Value adjustment of hedging instruments, year-end			(1,052)		(1,052)
Change in estimate/pension plan changes			1,720		1,720
Deferred tax concerning changed estimates/pension plan changes			(482)		(482)
Proposed dividend			(11,761)	11,761	0
Equity at 1 January 2010	**206,521**	**0**	**345,049**	**11,761**	**563,331**
Capital increase	18,480	0	31,542	0	50,022
Formation of COWI Holding A/S on 7 May 2010	**225,001**	**0**	**376,591**	**(11,761)**	**613,353**
Distributed dividend			2,800	(11,761)	(8,961)
Profit for the year			77,937		77,937
Capital increase	42,800		73,873		116,673
Foreign exchange adjustment, foreign subsidiaries			75,522		75,522
Purchase of treasury shares		(129)	(223)		(352)
Employee share ownership plan			(7,497)		(7,497)
Value adjustment of hedging instruments, beginning-of-year			1,052		1,052
Value adjustment of hedging instruments, year-end			4,538		4,538
Change in estimate/pension plan changes			4,385		4,385
Deferred tax concerning changed estimates/pension plan changes			(1,228)		(1,228)
Proposed dividend			(9,369)	9,369	0
Equity at 31 December 2010	**267,801**	**(129)**	**598,381**	**9,369**	**875,422**

CASH FLOW STATEMENT

CASH FLOW STATEMENT OF THE COWI GROUP

DKK '000	Note	2010	2009
Operating profit		132,004	189,786
Amortisation, depreciation and impairment loss for the year		134,828	107,880
Value adjustments etc., net		67,301	22,668
Other provisions and allowances for the year		(10,191)	(4,496)
Operating profit adjusted for non-cash movement		**323,942**	**315,838**
Net financial income received for the year		7,664	24,536
Income taxes paid		(36,840)	(35,497)
Cash flow from operating activities before change in working capital		**294,766**	**304,877**
Change in contract work in progress		(53,023)	(75,764)
Change in deposits		(679)	(628)
Change in accounts receivable, services		(225,275)	30,472
Change in accounts payable, suppliers		(7,921)	1,112
Change in other receivables and prepayments		9,908	396
Change in other payables and deferred income		(38,776)	72,774
Cash flow from operating activities		**(21,000)**	**333,239**
Acquisition of intangible assets		(23,168)	(19,663)
Disposal of intangible assets		86	2,995
Acquisition of property, plant and equipment		(37,313)	(49,978)
Disposal of property, plant and equipment		1,936	6,155
Acquisition of subsidiaries and activities		(19,369)	(312,860)
Disposal of subsidiaries		0	5,662
Cash flow from investing activities		**(77,828)**	**(367,689)**
Free cash flow		**(98,828)**	**(34,450)**
Raising of bank loan, net		117,003	18,089
Employee bonds		(32)	34,051
Distributed dividend		(8,961)	(11,752)
Amounts owed to associates		46,217	37,208
Amounts owed to SEB Pensionsforsikrings and Danica Pension Livsforsikringsaktieselskab		130,848	0
Amounts owed to group enterprises		18,001	0
Sale/(purchase) of treasury shares		(218,080)	587
Cash flow from financing activities		**84,996**	**78,183**
Cash flow for the year		**(13,832)**	**43,733**
Cash and cash equivalents, beginning-of-year		593,297	549,564
Cash and cash equivalents, year-end	**28**	**579,465**	**593,297**

The cash flow statement cannot be immediately derived from the balance sheet and the income statement.

NOTES FOR THE COWI GROUP

NOTE 1 **SEGMENT INFORMATION**

Below, the Group's turnover and own production for 2010 are distributed in the following regions:

DKK '000	Net turnover	Own production
Denmark	2,820,772	2,121,073
Norway	839,221	716,835
Sweden	561,978	474,924
Central & Eastern Europe	103,587	65,884
The Arabian Gulf	389,758	317,624
Africa	112,681	48,687
Other and eliminations	(366,494)	(120)
Total	**4,461,503**	**3,744,907**

NOTE 2 **FEES TO AUDITORS**

DKK '000	2010	2009
Fee, statutory audit	(2,871)	(2,964)
Assurance engagements	(1,937)	(1,814)
Tax consultancy	(1,608)	(2,309)
Services other than audit	(3,471)	(1,820)
Total fees, PricewaterhouseCoopers	**(9,887)**	**(8,907)**

DKK '000	2010	2009
Fee, statutory audit	(1,029)	(862)
Assurance engagements	(394)	(205)
Tax consultancy	(702)	(279)
Services other than audit	(331)	(468)
Total fees, other accountancy firms	**(2,456)**	**(1,814)**

NOTE 3 **EMPLOYEE EXPENSES**

DKK '000	2010	2009
Salaries and wages	(2,569,793)	(2,242,269)
Pensions and social security	(236,875)	(137,673)
Other employee expenses	(86,522)	(71,085)
Employee expenses	**(2,893,190)**	**(2,451,027)**
Remuneration, Executive Board	(16,022)	(14,596)
Remuneration, former Executive Board and partners	(5,240)	(5,394)
Remuneration, Board of Directors, parent company	(1,317)	(1,293)
Remuneration to former Executive Board and partners also includes pensions paid in connection with defined benefit plans		
Average number of employees	6,031	5,436
Number of employees at 31 December	**6,061**	**6,000**

NOTE 4 AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

DKK '000	2010	2009
Goodwill	(22,704)	(10,793)
Group goodwill	(35,327)	(27,435)
Software and licenses	(9,595)	(8,323)
Own-developed products	(7,813)	(8,312)
Land and buildings	(176)	(307)
Technical installations, operating and other equipment	(59,213)	(52,710)
Amortisation, depreciation and impairment losses	**(134,828)**	**(107,880)**

NOTE 5 OTHER OPERATING INCOME

DKK '000	2010	2009
Profit from sale of property, plant and equipment	905	100
Royalty income etc.	414	131
Profit from disposal of associates	0	4,234
Compensations	1,216	0
Other operating income	2,966	1,509
Other operating income	**5,501**	**5,974**

NOTE 6 OTHER OPERATING EXPENSES

DKK '000	2010	2009
Loss from disposal of property, plant and equipment	(199)	(419)
Removal expenses	(516)	(2,062)
Loss from disposal of subsidiaries	0	(1,103)
Compensations	(1,347)	0
Other operating expenses	(565)	(1,007)
Other operating expenses	**(2,627)**	**(4,591)**

NOTE 7 **INVESTMENTS IN ASSOCIATES**

Name	Domicile	Share of results/ ownership		Share capital
COWI A/S' investments in major joint ventures:				('000)
COWI Arup Systra JV (Cityringen)	Denmark	58%		-
COWI ATKINS JV (Sydbanen)	Denmark	45%		-
COWI DEC JV (Korea tunnel)	South Korea	65%		-
COWI HIFAB JV (Sofia lufthavn)	Bulgaria	56%		-
COWI Larsen JV	Oman	84%		-
ECO-Culture	Denmark	52%		-
Western Balkan (IPF2)	Serbia	50%		-
COWI A/S' investments in associates:				
CAT Alliance Ltd,	UK	33%	GBP	100
ETC Transport Consultants GmbH	Germany	49%	EUR	1,790
COWI AS' (Norway) investments in associates:				
Aviaplan AS	Norway	30%	NOK	101
ComputIT AS	Norway	46%	NOK	2,174
NSFT co AS	Norway	50%	NOK	1,150
SDC ANS	Norway	50%	NOK	352
Synkarion AS	Norway	34%	NOK	100
Team T AS	Norway	25%	NOK	1,000
COWI AB's (Sweden) investments in associates:				
Intenso Rekrytering AB	Sweden	30%	SEK	877
Nebb Engineering AS	Sweden	34%	SEK	100

NOTE 8 **FINANCIAL INCOME**

DKK '000	2010	2009
Interest, cash, securities etc.	24,725	14,803
Realised and unrealised capital gains, investments	12,382	21,342
Foreign exchange gains	6,781	16,401
Financial income	**43,888**	**52,546**

NOTE 9 **FINANCIAL EXPENSES**

DKK '000	2010	2009
Interest, bank and mortgage debt etc.	(27,097)	(9,388)
Realised and unrealised capital losses, investments	(1,460)	(1,884)
Foreign exchange losses	(7,667)	(16,738)
Financial expenses	**(36,224)**	**(28,010)**

NOTE 10 **TAX ON PROFIT FOR THE YEAR**

DKK '000	2010	2009
Current tax	(34,057)	(31,459)
Current tax, foreign project offices	(3,496)	(4,423)
Deferred tax	(24,267)	(26,014)
Tax on movements in equity	(1,126)	(482)
Change of deferred tax due to reduction of Danish corporate income tax	(7)	2
Tax adjustment in respect of prior periods	2,289	555
Tax on profit for the year	**(60,664)**	**(61,821)**
Broken down as follows:		
Tax on profit for the year	(59,538)	(61,339)
Tax on movements in equity	(1,126)	(482)
Total tax on profit for the year	**(60,664)**	**(61,821)**
Tax on profit for the year can be broken down as follows:		
Tax calculated at 25% on profit before tax	(34,917)	(54,288)
Adjustment in proportion to 25% of tax calculated in foreign subsidiaries	(3,970)	234
Current tax, foreign project offices	(3,496)	(4,423)
Tax effect from:		
Amortisation of goodwill disallowed for tax purposes	(8,970)	(3,304)
Other expenses/other income disallowed for tax purposes	(3,999)	2,720
Reassessment of tax assets	(6,468)	(2,835)
Change of deferred tax due to reduction of Danish corporate income tax	(7)	2
Tax adjustment in respect of prior periods	2,289	555
	(59,538)	**(61,339)**
Effective tax rate	**42.6%**	**28.5%**

NOTE 11 **INTANGIBLE ASSETS**

DKK '000	Goodwill	Group goodwill	Software and licences	Own-developed products	Total
Cost at 1 January 2010	123,586	637,626	39,613	69,923	870,748
Value adjustment	6,335	34,702	886	(472)	41,451
Additions	12,744	18,979	2,047	12,382	46,152
Disposals	(1,159)	(66,992)	(3,283)	(42,323)	(113,757)
Cost at 31 December 2010	**141,506**	**624,315**	**39,263**	**39,510**	**844,594**
Amortisation and impairment losses at 1 January 2010	27,308	173,286	23,141	60,540	284,275
Value adjustment	1,671	2,384	562	(389)	4,228
Amortisation and impairment losses	22,704	35,327	9,595	7,813	75,439
Disposals	(1,125)	(61,291)	(3,198)	(42,323)	(107,937)
Amortisation and impairment losses at 31 December 2010	**50,558**	**149,706**	**30,100**	**25,641**	**256,005**
Carrying amount at 31 December 2010	**90,948**	**474,609**	**9,163**	**13,869**	**588,589**

NOTE 12 **PROPERTY, PLANT AND EQUIPMENT**

DKK '000	Land and buildings	Technical installations, operating and other equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2010	8,139	491,233	76	499,448
Value adjustment	358	20,454	7	20,819
Additions from acquisitions of enterprises	0	5,367	0	5,367
Additions	0	36,739	122	36,861
Disposals	(5,655)	(42,055)	(85)	(47,795)
Cost at 31 December 2010	**2,842**	**511,738**	**120**	**514,700**
Depreciation and impairment losses at 1 January 2010	2,008	340,275	0	342,283
Value adjustment	49	15,315	0	15,364
Additions from acquisitions of enterprises	0	3,618	0	3,618
Depreciation and impairment losses	176	59,213	0	59,389
Disposals	(1,593)	(43,912)	0	(45,505)
Depreciation and impairment losses at 31 December 2010	**640**	**374,509**	**0**	**375,149**
Carrying amount at 31 December 2010	**2,202**	**137,229**	**120**	**139,551**
Of which assets held under finance leases at	**0**	**6,311**	**0**	**6,311**

NOTE 13 **FINANCIAL ASSETS**

DKK '000	Investments in associates	Other investments and securities	Deposits	Total
Cost at 1 January 2010	12,989	5,753	35,839	54,581
Value adjustment	779	354	137	1,270
Additions from acquisitions of enterprises	0	44	38	82
Additions	1,777	0	2,223	4,000
Disposals	(815)	(298)	(1,719)	(2,832)
Cost at 31 December 2010	**14,730**	**5,853**	**36,518**	**57,101**
Revaluations at 1 January 2010	3,329	191	-	3,520
Value adjustment	76	(1)	-	75
Additions	16	201	-	217
Disposals	(2,603)	(59)	-	(2,662)
Revaluations at 31 December 2010	**818**	**332**	**-**	**1,150**
Impairment losses at 1 January 2010	1,644	0	-	1,644
Value adjustment	55	0	-	55
Additions	1,033	10	-	1,043
Disposals	(336)	0	-	(336)
Impairment losses at 31 December 2010	**2,396**	**10**	**-**	**2,406**
Carrying amount at 31 December 2010	**13,152**	**6,175**	**36,518**	**55,845**

NOTE 14 **CONTRACT WORK IN PROGRESS**

DKK '000	2010	2009
Selling price of work in progress	12,414,158	11,207,277
Amounts invoiced in advance	(12,363,866)	(11,211,062)
Contract work in progress, net	**50,292**	**(3,785)**
Recognised in the balance sheet as:		
Contract work in progress (assets)	446,109	452,923
Amounts invoiced in advance (liabilities)	(395,817)	(456,708)
	50,292	**(3,785)**

COWI is a party to a number of working partnerships and joint ventures and has assumed joint and several liability for the liabilities of the working partnerships and joint ventures. It is primarily the Group's Danish subsidiary, COWI A/S, which participates in joint ventures as the lead partner.

At the end of the financial year, the Danish subsidiary COWI A/S' commitments through working partnerships and joint ventures of which COWI is the lead partner can be calculated as follows:

DKK '000	2010	2009
Total amount contracted for in working partnerships and joint ventures to which COWI A/S is a party	3,944,622	4,080,818
Stage of completion of the working partnerships and joint ventures	75.97%	69.35%
COWI A/S' share of amounts contracted for through working partnerships and joint ventures	2,115,238	1,557,247
COWI A/S' average stage of completion of own share of contract amounts	76.05%	83.04%

NOTE 15 **PREPAYMENTS**

DKK '000	2010	2009
Insurance premiums	13,674	13,228
Rent	30,271	32,197
Other	37,592	41,667
Prepayments	**81,537**	**87,092**

NOTE 16 **MARKETABLE SECURITIES**

DKK '000	2010	2009
Shares	73,383	80,605
Bonds	158,291	155,162
Portfolio at 31 December	**231,674**	**235,767**

NOTE 17 **SHARE CAPITAL**

DKK '000	2010
The share capital consists of:	
A shares:	
2,000,000 shares of each DKK 100	200,000
B shares:	
500,475 shares of each DKK 100	50,048
C shares:	
177,530 shares of each DKK 100	17,753
Share capital in total	**267,801**

Each A share of DKK 100 carries ten votes, whereas each B and C share of DKK 100 carries one vote. All A shares are held by COWIfonden (the COWIfoundation), the B shares may be held by COWIfonden and employees and will as a main rule be sold back to the company when the employee leaves the company. The C shares were issued in connection with the conversion from COWI A/S shares and are held by present and former employees. All C shares will be repurchased by June 2015 at the latest.

NOTE 18 **TREASURY SHARES**

DKK '000	Share capital percentage	Nominal value
Portfolio at 1 January 2010	0.00%	0
Additions for the year	0.05%	129
Disposals for the year	0.00%	0
Portfolio at 31 December 2010	**0.05%**	**129**

Treasury shares consist of B shares only,

NOTE 19 **MINORITY INTERESTS**

DKK '000	2010	2009
Minority interests at 1 January	355,559	295,106
Value adjustment	308	0
Disposals and additions	(352,729)	0
Share of profit for the year	235	60,453
Minority interests at 31 December	**3,373**	**355,559**

NOTE 20 **DEFERRED TAX**

DKK '000	2010	2009
Deferred tax at 1 January	255,835	202,492
Value adjustments	(823)	2,217
Tax on change in equity	(1,228)	(502)
Additions from acquisitions	0	25,616
Deferred tax change due to Danish corporate income tax rate reduction	7	(2)
Deferred tax for the year	24,267	26,014
	278,058	**255,835**
Recognised in the balance sheet as:		
Deferred tax assets	**27,617**	**27,160**
Deferred tax	**305,675**	**282,995**
	278,058	**255,835**
Deferred tax assets concern:		
Intangible assets	1,930	530
Property, plant and equipment	3,692	2,528
Financial assets	695	6,682
Current assets	13,550	10,605
Provisions	29,740	36,115
Debt	5,691	5,193
Tax-loss carryforward, deductible for tax purposes	48,482	29,822
Offset within legal tax entities and jurisdictions	(60,543)	(55,163)
Reassessment of tax assets	(15,620)	(9,152)
	27,617	**27,160**
Deferred tax concerns:		
Intangible assets	26,829	25,546
Property, plant and equipment	1,594	625
Financial assets	0	37
Current assets	320,541	297,162
Provisions	15,860	14,424
Debt	1,394	364
Offset within legal tax entities and jurisdictions	(60,543)	(55,163)
	305,675	**282,995**

NOTE 21 **NET PENSION BENEFIT OBLIGATIONS**

Until 30 June 2007, the COWI Group's Norwegian subsidiaries operated defined benefit pension plans for all employees. From 1 July 2007, newly appointed employees have been offered defined contribution pension plans only, and at the same time all other employees have been offered transition to such plans. The note below does not include information on the defined contribution pension plans.

	2010	2009
Number of people covered by the benefit plan:		
Active staff	300	308
Retired staff	105	99
Total number of people covered by the benefit plan	**405**	**407**
DKK '000		
Net pension plan assets and pension benefit obligations:		
Estimated pension benefit obligation at 31 December	304,458	268,757
Plan assets at 31 December	(241,977)	(202,399)
Estimated fair value, net obligation at 31 December	**62,481**	**66,358**
Specification of net pension benefit obligations recognised in the income statement:		
Pension earnings during the year	(13,779)	(11,446)
Interest expenses on accrued benefit obligations	(11,789)	(9,559)
Expected return on plan assets	12,166	8,812
Other changes in benefit obligations	(3,681)	(3,168)
Total benefit obligations recognised in the income statement at 31 December	**(17,083)**	**(15,361)**
Benefit calculations are based on the following economic assumptions:		
Discount rate	4.00%	4.40%
Expected return	4.80%	5.60%
Salary adjustments	3.75%	4.00%
Long-term health regulation	3.75%	4.00%
Pension adjustments	0.50%	1.30%
Expected voluntary redundancy before 40 years of age	2.00%	2.00%
Expected voluntary redundancy after 40 years of age	2.00%	2.00%

In previous years, the COWI Group's Danish subsidiary, COWI A/S, has approved defined benefit plans for a number of former and present members of management.

The value in use of these may be specified as follows:		
Benefit obligations to present and former members of management in COWI A/S	**31,562**	**34,600**
Total net pension benefit obligations	**94,043**	**100,958**

NOTE 22 **OTHER PROVISIONS**

DKK '000	**2010**	**2009**
Guarantees at 1 January	16,704	20,388
Value adjustment	414	932
Adjustment for the year	(2,172)	(4,616)
Guarantees at 31 December	**14,946**	**16,704**
Other provisions at 1 January	14,603	14,054
Currency adjustment	711	1,129
Adjustment for the year	(1,692)	(580)
Other provisions made at 31 December	**13,622**	**14,603**
Total other provisions at 31 December	**28,568**	**31,307**

NOTE 23 **LONG-TERM DEBT**

DKK '000	2010	2009
Subordinate loan falling due later than one year and not later than five years	130,848	0
Employee bonds falling due after more than five years	0	34,051
Employee bonds falling due later than one year and not later than five years	54,861	20,842
Credit institution loans falling due later than one year and not later than five years	3,276	7,372
Long-term debt at 31 December	**188,985**	**62,265**

In 2008 and 2009 the COWI Group's Danish subsidiary, COWI A/S, issued employee bonds falling due on 1 January 2014 and on 1 January 2015, respectively.

Subordinate loan capital:
The COWI Group's Danish subsidiary, COWI A/S, has entered into a loan agreement with SEB Pensionsforsikring A/S and Danica Pension Livsforsikringsaktieselskab, recpectively.The loan is an irredeemable bullet loan amounting to DKK 130.8 million. The loan will fall due for payment on 30 June 2015. The subordinate loan capital ranks after all other creditors in the company.

NOTE 24 **OTHER ACCOUNTS PAYABLE**

DKK '000	2010	2009
Accrued holiday allowance	259,476	257,223
Taxes and VAT payable	160,111	195,466
Other accounts payable	89,275	102,616
Other accounts payable at 31 December	**508,862**	**555,305**

NOTE 25 **CONTINGENCIES AND OTHER FINANCIAL COMMITMENTS**

DKK '000	2010	2009
Contingent liabilities		
Lease commitments (operating leases)	40,713	16,776
Rental commitments in the period of termination	821,266	753,173
Recourse guarantees and performance bonds	283,264	284,034
Other guarantees and charges	31,451	42,856

COWI Holding A/S is liable for taxes on the Group's jointly-taxed profit.

By virtue of its business operations, the COWI Group is a party to legal disputes that can be expected in the course of its business operations. Management keeps all such involvement under constant review and makes provisions accordingly, and management is of the opinion that neither in scope nor in nature will any of these disputes, singly or collectively, have a material impact on the Group.

DKK '000	2010	2009
Guarantees		
The following assets have been provided as guarantees to credit institutions:		
Technical installations, operating and other equipment at a carrying amount of	26,723	23,806
Accounts receviable, services	109,264	90,503
For guarantees, the following assets have been provided as security to credit institutions:		
Cash at a carrying amount of	0	361
Securities at a carrying amount of	229,356	113,782
Guarantee facility at 31 December	997,823	864,936
Drawn for performance bonds relating to projects in progress	283,264	284,034

COWI's guarantees through cash and securities can be terminated by the company from day to day.

The Group operates a share ownership programme for present and former employees, and the Group is under a duty to repurchase the employee shares at book value per share. As at 31 December 2010, the employees hold shares at a nominal value of DKK 45.1 million.

NOTE 26 **RELATED PARTY TRANSACTIONS**

COWIfonden (the COWIfoundation) owns all A shares in COWI Holding A/S and exercises a controlling influence on the company. COWIfonden does not carry out any independent business, and no material transactions are conducted between COWIfonden and the company.

Apart from the usual intercompany transactions and usual management remuneration, no transactions were made during the year with the Board of Directors, the Executive Board, managerial employees, principal shareholders, subsidiaries or other related parties.

NOTE 27 **THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD**

The company's directors and members of the Executive Board own the following nominal shareholdings in COWI Holding A/S and, at the end of the financial year, held the following directorships and executive functions in companies other than consolidated COWI companies:

Board of Directors	**Directorships and executive functions in other companies**	**Shares in COWI Holding A/S nominal holding**
Henrik Gürtler, Chairman	Novo A/S (MD) Novozymes A/S (CB) Københavns Lufthavne A/S (CB) Novo Nordisk A/S (MB)	0
Mogens Heering, Vice Chairman	CAT Alliance Ltd. (MB)	111,300
Jørgen V. L. Bardenfleth	Microsoft Danmark ApS (MD) GN Store Nord A/S (MB) DHI (MB) Vallø Stift (MB) IPTronics ApS (CB) Symbion (CB)	0
Majken Schultz	Professor and Associate Dean at the Copenhagen Business School Danske Bank A/S (MB) Realdania (MB) VL-Grupperne (MB) Reputation Institute, New York (MB)	0
Thomas Stig Plenborg	Professor and Associate Dean at the Copenhagen Business School Saxo Bank (MB)	0
Michael Bindseil		66,300
Niels Fog*		28,300
Jens Brendstrup*		66,300
Jens Erik Blumensaadt Jensen*		83,300
Executive Board		
Lars Peter Søbye, President, CEO	Mannaz (MB)	169,300
Keld Sørensen, Executive Vice President, CFO		177,300
Lone Hass, Executive Vice President, People Relations and Responsibility	DEA (MB)	172,300
Rasmus Ødum, Executive Vice President, COWI Denmark		137,300

(MD) = Managing Director
(CB) = Chairman of the Board of Directors
(MB) = Member of the Board of Directors
* = Elected by the employees

NOTE 28 **CASH AND CASH EQUIVALENTS**

DKK '000	2010	2009
Marketable securities	231,674	235,767
Cash	347,791	357,530
Cash and cash equivalents at 31 December	**579,465**	**593,297**
Undrawn committed credit facilities at 31 December not including guarantee facilities	427,203	606,544
Financial resources at 31 December	**1,006,668**	**1,199,841**

NOTE 29 **ENTITIES IN THE COWI GROUP**

Name	Domicile	Owner-ship		Share capital ('000)
COWI Holding A/S (parent company)	Denmark	-	DKK	267,801
COWI Invest A/S	Denmark	100%	DKK	500
COWI A/S	Denmark	100%	DKK	34,750
COWI A/S' subsidiaries:				
AustralCOWI Lda.	Mozambique	100%	MZN	6,808
COMAR Engineers A/S	Denmark	100%	DKK	849
COWI & Partners LLC	Oman	100%	OMR	20
COWI Holding AB	Sweden	100%	SEK	100
COWI Almoayed Gulf W.L.L.	Bahrain	100%	BHD	20
COWI AS	Norway	100%	NOK	23,200
COWI Belgium SPRL	Belgium	100%	EUR	7
COWI Canada Ltd.	Canada	100%	CAD	1,079
COWI Consulting (Beijing) Ltd. Co.	China	100%	CNY	10,833
COWI Consulting Engineers and Planners Ltd.	Tanzania	100%	TZS	20,000
COWI d.o.o.	Serbia	100%	CSD	53,736
COWI Engineering, Environmental and Economics Consulting Ltd.	Russia	100%	RUB	3,600
COWI GULF A/S	Denmark	100%	DKK	2,100
COWI Hungary Ltd.	Hungary	100%	HUF	50,000
COWI India Private Ltd.	India	100%	INR	30,800
COWI Korea Co., Ltd.	South Korea	60%	KRW	500,000
COWI Lietuva UAB	Lithuania	100%	LTL	12,201
COWI Mapping UK Ltd.	UK	100%	GBP	50
COWI Polska Sp. z o.o.	Poland	100%	PLN	1,000
COWI Uganda Ltd.	Uganda	100%	UGX	200,000
COWI USA Inc.	USA	100%	USD	1
COWI Zambia Ltd.	Zambia	100%	ZMK	1,569,373
COWIconsult International Ltd.	UK	100%	EUR	126
COWI-SNS Müsavrlik ve Mühendislik Ltd. Şti.	Turkey	100%	TRY	2,150
Flint & Neill Limited	UK	100%	GBP	100
KX A/S	Denmark	100%	DKK	10,001
Matcon Rådgivende Ingeniørfirma A/S	Denmark	100%	DKK	500
MRC Consulting A/S	Denmark	100%	DKK	500
SIA COWI Latvia	Latvia	100%	LVL	386
Studstrup og Østgaard A/S	Denmark	100%	DKK	1,125
Sven Allan Jensen A/S	Denmark	100%	DKK	500
The Danish Port Consultancy Group A/S	Denmark	100%	DKK	500
Tripod Wind Energy ApS	Denmark	100%	DKK	200

This note comprises only COWI Holding A/S, COWI Invest A/S and COWI A/S and its subsidiaries.

COWI Holding A/S financial statements
(parent company) »

ACCOUNTING POLICIES

Formation of COWI Holding A/S

COWI Holding A/S was formed on 7 May 2010 by COWIfonden (the COWIfoundation) by non-cash contribution of COWIfonden's shares in COWI A/S. Initial expenses in connection with the formation amounted to approximately. DKK 100,000. Costs related to capital increases during the year amounted to approximately. DKK 50,000. The company's group and parent company financial statements have been prepared by applying the uniting-of-interests method, cf. goup accounting policies, page 68.

The parent company financial statements have been prepared in accordance with the Danish Financial Statements Act.

The accounting policies applied are the same as those applied for the group financial statements apart from the following policies:

Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method. The equity interests are measured at the proportionate share of the equity value of the relevant subsidiary determined in accordance with the Group's accounting policies subject to deduction or addition of unrealised intercompany profits and losses, and subject to addition or deduction of the remaining value of positive or negative goodwill determined in accordance with the purchase method.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and any receivable from these enterprises are written down to the extent that the receivable is uncollectible. To the extent that the parent company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the remaining amount is recognised under provisions.

Cash flow statement

No separate cash flow statement has been prepared for the parent company – see the group cash flow statement on page 79.

INCOME STATEMENT

INCOME STATEMENT OF THE PARENT COMPANY, COWI HOLDING A/S, FOR 1 JANUARY - 31 DECEMBER

DKK '000	Note	2010	2009
External expenses	1	(795)	0
Operating profit		**(795)**	**0**
Profit after tax in subsidiaries	4	78,479	93,340
Financial income	2	71	0
Profit before tax		**77,755**	**93,340**
Tax on profit for the year	3	181	0
Profit for the year		**77,936**	**93,340**

Proposed distribution of profit for the year		
DKK '000		
Proposed dividend (3.5% of the share capital excl. own shares)	9,369	11,761
Retained earnings	68,567	81,579
	77,936	**93,340**

BALANCE

BALANCE SHEET OF THE PARENT COMPANY, COWI HOLDING A/S, AT 31 DECEMBER

DKK '000	Note	2010	2009
Investments in subsidiaries		869,070	563,331
Loans to subsidiaries		6,700	0
Financial assets	**4**	**875,770**	**0**
Total non-current assets		**875,770**	**563,331**
Receivables from subsidiaries		70	0
Deferred tax assets	**5**	181	0
Other receivables		41	0
Receivables		**292**	**0**
Total current assets		**292**	**0**
TOTAL ASSETS		**876,062**	**563,331**
Share capital	**6**	267,801	206,521
Treasury shares		(129)	0
Reserve for net revaluation according to the equity method		181,701	194,484
Retained earnings		416,680	150,565
Proposed dividend		9,369	11,761
Equity		**875,422**	**563,331**
Credit institutions		90	0
Amounts owed to subsidiaries		500	0
Accounts payable, suppliers		50	0
Short-term debt		**640**	**0**
Total debt		**640**	**0**
TOTAL LIABILITIES AND EQUITY		**876,062**	**563,331**
Contingencies and other financial commitments	**7**		
Related party transactions	**8**		
Board of Directors and Executive Board	**9**		

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY OF THE PARENT COMPANY, COWI HOLDING A/S

DKKt	Share capital	Treasury shares	Reserve for net revaluation according to the equity method	Retained earnings	Dividend	Total
Equity at 1 January 2010	206,521	0	78,759	162,326	11,752	459,358
Distributed dividend					(11,752)	(11,752)
Profit for the year			93,340			93,340
Foreign exchange adjustment, foreign subsidiaries			17,520			17,520
Sales of treasury shares			587			587
Value adjustment of hedging instruments, beginning-of-year			4,092			4,092
Value adjustment of hedging instruments, year-end			(1,052)			(1,052)
Change in estimate/pension plan changes			1,720			1,720
Deferred tax concerning changed estimate/pension plan changes			(482)			(482)
Proposed dividend				(11,761)	11,761	0
Equity at 1 January 2010	**206,521**	**0**	**194,484**	**150,565**	**11,761**	**563,331**
Increase of capital	18,480	0	(194,484)	226,026	0	50,022
Formation of COWI Holding A/S on 7 May 2010	**225,001**	**0**	**0**	**376,591**	**11,761**	**613,353**
Distributed dividend				**2,800**	**(11,761)**	**(8,961)**
Profit for the year			78,479	(543)		77,936
Increase of capital	42,800			73,873		116,673
Foreign exchange adjustment, foreign subsidiaries			75,523			75,523
Purchase of treasury shares		(129)		(223)		(352)
Sales of treasury shares			26,449	(26,449)		0
Employee share ownership plan			(7,497)			(7,497)
Value adjustment of hedging instruments, beginning-of-year			1,052			1,052
Value adjustment of hedging instruments, year-end			4,538			4,538
Change in estimate/pension plan changes			4,385			4,385
Deferred tax concerning changed estimate/pension plan changes			(1,228)			(1,228)
Proposed dividend				(9,369)	9,369	0
Equity at 31 December 2010	**267,801**	**(129)**	**181,701**	**416,680**	**9,369**	**875,422**

NOTES FOR THE PARENT COMPANY, COWI HOLDING A/S

NOTE 1 **EXPENSES**

Employee expenses
See note 3 to the group financial statements on page 80.
The company had no employees during the financial year.

Fee, auditor elected by the annual general meeting

DKK '000	2010	2009
Fee, statutory audit	50	0
Services other than audit	525	0
Total fees, PricewaterhouseCoopers	**575**	**0**

NOTE 2 **FINANCIAL INCOME**

DKK '000	2010	2009
Interest, subsidiaries	71	0
Financial income	**71**	**0**

NOTE 3 **TAX ON PROFIT FOR THE YEAR**

DKK '000	2010	2009
Current tax	0	0
Deferred tax	181	0
Tax on profit for the year	**181**	**0**
Broken down as follows:		
Tax on profit for the year	181	0
Tax on movements in equity	0	0
Total tax on profit for the year	**181**	**0**
Tax on profit for the year can be broken down as follows:		
Tax calculated at 25% on profit before tax excl. profit after tax in subsidiaries	181	0
	181	**0**
Effective tax rate	**25.0%**	**0.0%**

NOTE 4 FINANCIAL ASSETS

DKKt	Investments in subsidiaries	Loans to subsidiaries	Total
Cost at 1 January 2010	563,331	0	563,331
Additions	124,038	6,700	130,738
Disposals	0	0	0
Cost at 31 December 2010	**687,369**	**6,700**	**694,069**
Revaluations at 1 January 2010	0	0	0
Additions	181,701	0	181,701
Disposals	0	0	0
Revaluations at 31 December 2010	**181,701**	**0**	**181,701**
Impairment losses at 1 January 2010	0	0	0
Additions	0	0	0
Disposals	0	0	0
Impairment losses at 31 December 2010	**0**	**0**	**0**
Carrying amount at 31 December 2010	**869,070**	**6,700**	**875,770**

See note 29 to the group financial statements on page 90 for information on investments in subsidiaries.

NOTE 5 DEFERRED TAX ASSETS

Deferred tax at 1 January 2010	0
Deferred tax for the year	181
	181
Deferred tax assets concern:	
Tax-loss carryforward, deductible for tax purposes	181

NOTE 6 SHARE CAPITAL

See note 17 to the group financial statements on page 85 for information on share capital.

NOTE 7 CONTINGENCIES AND OTHER FINANCIAL COMMITMENTS

COWI Holding A/S is liable for taxes on the Group's jointly-taxed profit.

See note 25 to the group financial statements on page 88 for further information on contingencies and other financial commitments.

NOTE 8 RELATED PARTY TRANSACTIONS

See note 26 to the group financial statements on page 89 for information on related party transactions.

NOTE 9 THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

See note 27 to the group financial statements on page 89 for information on the Board of Directors and the Executive Board.

STATEMENTS ON THE ANNUAL REPORT

Statement by the Board of Directors and The Executive Board

Today, the Board of Directors and the Executive Board considered and approved the annual report for the financial year 1 January - 31 December 2010 of COWI Holding A/S. The annual report has been prepared in accordance with the Danish Financial Statements Act. In our opinion, the accounting policies applied are appropriate and the accounting estimates made are adequate.

Furthermore, we find the overall presentation of the annual report and the consolidated financial statements to be true and fair. In our opinion, the annual report gives a true and fair view of the Group's and the parent company's assets, liabilities, equity, financial position and results of the Group's and the parent company's activities and the Group's cash flows for the financial year 1 January – 31 December 2010 in accordance with the Danish Financial Statements Act.

In our opinion, management's review gives a fair presentation of the issues covered and describes the Group's most material risks and uncertainties.

The annual report is recommended for approval by the annual general meeting.

Kongens Lyngby, 28 February 2011

Executive Board:

Lars-Peter Søbye
President, CEO

Keld Sørensen
Executive Vice President, CFO

Lone Hass
Executive Vice President,
People Relations and Responsibility

Rasmus Ødum
Executive Vice President,
COWI Denmark

Board of Directors:

Henrik Gürtler
Chairman

Mogens Heering
Vice Chairman

Majken Schultz

Jørgen V. L. Bardenfleth

Thomas Stig Plenborg

Michael Bindseil

Jens Brendstrup*

Niels Fog*

Jens Erik Blumensaadt Jensen*

*Elected by the employees

Independent auditor's report

To the shareholders of COWI A/S

We have audited the financial statements, the consolidated financial statements and management's review of COWI Holding A/S for the financial year 1 January 2010 – 31 December 2010. The financial statements and the consolidated financial statements comprise income statement, balance sheet, statement of changes in equity, consolidated cash flow statement, notes and accounting policies. The financial statements, the consolidated financial statements and management's review are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and the consolidated financial statements in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements and consolidated financial statements that are free from material misstatement, whether due to fraud or error. The responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. Furthermore, management is responsible for preparing a management's review that includes a true and fair account in accordance with the Danish Financial Statements Act.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on the financial statements, the consolidated financial statements and management's review based on our audit. We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements, the consolidated financial statements and management's review are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements, the consolidated financial statements and management's review. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, the consolidated financial statements and management's review, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements and the consolidated financial statements and to the preparation of a management's review that includes a true and fair account in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements, the consolidated financial statements and management's review.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements and the consolidated financial statements give a true and fair view of the financial position of the company and the Group at 31 December 2010 and of the results of the company and the group operations and consolidated cash flows for the financial year 1 January 2010 - 31 December 2010 in accordance with the Danish Financial Statements Act.

Kongens Lyngby, 28 February 2011

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab

Mikael Sørensen	Jacob F Christiansen
State Authorised	State Authorised
Public Accountant	Public Accountant

Company information

COWI Holding A/S
Parallelvej 2
DK-2800 Kongens Lyngby
Tel. +45 4597 2211
Fax +45 4597 2212
www.cowi.com
www.cowi.dk
www.cowiholding.com
cowi@cowi.dk
Company registration no. (CVR no.) 32 89 29 73
Registered address: Kongens Lyngby

Board of Directors

Henrik Gürtler, Chairman
Mogens Heering, Vice Chairman
Jørgen V. L. Bardenfleth
Michael Bindseil
Thomas Plenborg
Majken Schultz
Jens Brendstrup
Niels Fog
Jens Erik Blumensaadt Jensen

Executive Board

Lars-Peter Søbye, President, CEO
Keld Sørensen, Executive Vice President, CFO
Lone Hass, Executive Vice President, People Relations and Responsibility
Rasmus Ødum, Executive Vice President, COWI Denmark

Auditing

PricewaterhouseCoopers
Strandvejen 44
DK-2900 Hellerup
State Authorised Public Accountants
Mikael Sørensen and Jacob F Christiansen

Annual general meeting

The annual general meeting will be held on 31 March 2011
at the company address.

Mission

COWI focuses on supplying consultancy services within engineering, environment and economics and activities that are associated with these areas. Our objective is to deliver consultancy services of the highest quality.
We add significant value to:

Our customers

- because interaction with our customers enables us to provide them with the solutions that best meet their business requirements.

Our employees

- because we facilitate professional and personal development in an excellent working environment through challenging assignments.

Our company and shareholders

- because we create sound financial results and growth

- with due respect for the environment and society.

Vision

The COWI Group's vision expresses the direction we want the company to take.

Strategic vision for COWI in 2010

COWI are leading consultants with operations worldwide. Based on our core values we deliver consultancy services within engineering, environmental science and economics.

- We have established ourselves as the leading consultants in selected regions. The individual units of the Group cooperate closely in what we call the one company network.

- We prioritise the development of specialist services that compete with the best consultants firms world-wide and which all of our group units help to market.

- We develop professional, strong and value-generating relations with our customers, partners and employees.

Ownership

The share capital amounts to DKK 267.8 million, consisting of DKK 200 million A shares, DKK 50.0 million B shares, and DKK 17.8 million C shares. The A shares carry ten votes for each DKK 100 share, whereas the B and C shares carry one vote for each DKK 100 share. All A shares are owned by COWIfonden (the COWIfoundation), which supports research and development within Danish engineering.

COWI Holding A/S' Danish subsidiary, COWI Invest A/S, owns DKK 0.1 million B shares, the employees own in total DKK 45.1 million B and C shares, while COWIfonden (the COWIfoundation) in total owns DKK 222.6 million A, B and C shares.

CUTTING FUEL

The cars of the future have to be good for the climate. COWI is therefore designing the biorefinery of the future for Chemrec in Sweden, to turn waste products from the timber industry into nearly CO_2-neutral fuel

Husqvarna

MORE INTERNATIONAL CUSTOMERS AND PROJECTS

COWI saw an increase in the number of international projects and customers in 2010. The number of public sector customers also increased, while the number of semi-public customers decreased

The global economic crisis has had a significant impact on COWI's customer portfolio over the past few years. Among the consequences was a decrease in the number of COWI Denmark's customers. In 2010, we had 2,047 individual customers, compared with 2,277 in 2009. State stimulus packages, particularly investments in infrastructure, led to an increase in the number of public sector customers from 32 per cent to 35 per cent. However, some private sector customers cancelled or postponed projects, leading to a fall in their share of overall customers from 45 per cent to 42 per cent. The share of semi-public customers fell one percentage point and now comprises 13 per cent of the total. But the economic crisis has not hit all our markets with the same force, and the number of international projects COWI Denmark is involved in increased as a share of the overall total from 30 per cent to 31 per cent. The number of international customers also rose, from 27 per cent to 28 per cent.

COWI listens to its customers

As the global competition becomes fiercer and prices for consultancy fall, success hinges increasingly on good relationships with customers. In order to remain competitive – both in the short term and in the long – we must constantly adjust our services to meet customer needs. In the autumn of 2010, we launched a customer-focussed campaign, redoubling our efforts to ensure that we are in close dialogue with our customers around the world.

COWI Denmark has categorised the feedback from its Danish customers into their three main requirements to us as consultants. Public, private and semi-public customers all expect us to:

- channel specialist knowledge gained abroad into our Danish projects
- understand the individual customer's situation and criteria for success
- particularly in the earliest phases of a project, listen to customers on behalf of COWI as a whole so that we are ready to draw on all of the company's competencies.

Senior Project Manager Claus Primdal Sørensen from COWI and Senior Manager Merete Fich from Novozymes reduced Novozymes' risks associated with future access to water and treatment of waste water at six enzyme production companies across the world.

	ACCOUNTS CUSTOMERS AND MARKETS	2010	2009	2008
Resources	1 Public-sector customers	35%	32%	31%
	2 Semi-public customers	13%	14%	10%
	3 Private customers	42%	45%	46%
	4 Other customers	10%	9%	13%
	5 Individual customers, number	2,047	2,277	2,228
	6 International projects	31%	30%	32%
	7 International customers	28%	27%	21%
Processes	8 Lectures per 100 employees, number	3	11	8
	9 Publications per 100 employees, number (*)	4	4	5
Results	10 Customer inflow	26%	31%	40%
	11 Customer outflow	30%	21%	21%

1–4 Share of the year's project salary costs by customer category. 'Other customers' includes international organisations, joint ventures etc.

5 Customers in the year with independent organisational status – own CVR number (Denmark) or VAT number (elsewhere).

6 Share of the year's project salary costs incurred on projects located/delivered outside Denmark.

7 Share of the year's project salary costs incurred on projects for non-Danish customers.

8 Number of external lectures per 100 employees recorded in the course of the year.

9 Number of publicly available publications per 100 employees recorded in the course of the year.

10 Share of customers in the year who are either new to COWI or former customers for whom COWI did not work in the preceding year. The number refers to the number of customers at the end of the preceding year.

11 Share of customers in the preceding year for whom COWI did not work in the financial year. See note 10.

General

A. Unless otherwise stated in the notes to the indicators, figures are as per the end of the accounting period.

B. Units are specified in the table by the title of the indicator or in the notes to the indicators.

Accounting policies

C. This intellectual capital report (ICR) relates to the parent company, COWI A/S.

D. The accounting period corresponds to the financial year: 1 January to 31 December.

E. As in 2009, the ICR is structured according to the legal entities: staff, customers and company; and according to what we possess (resources), what we do (processes) and what we achieve (results).

F. All customers, projects and employees who have a contractual relationship with COWI are included, irrespective of geographical location or type of contract, but excluding staff at local offices outside Denmark.

G. Indicators are – unless marked (*) – based on transaction data on customers, projects and employees held in COWI's central administrative systems.

H. Data has been collected and consolidated during a period after the end of the financial year, after which the ICR was closed. The final indicators are stated at 20 January 2011.

I. The ICR includes post-entries for the financial year 2009. Transactions in 2010, which are not included, will be post-entered in 2011.

J. The basic data is consistent with the financial accounts.

K. The externally published ICR is consistent with internal ICRs at department, business unit and company levels.

L. The ICR has not been externally audited. All definitions, calculations and results have been documented for administrative purposes.

(*) See note G

Birit Buhr Jensen, who heads the group-wide concrete and corrosion network, is seen making measurements of mortar prisms made of volcanic ash.

PROFESSIONAL NETWORKS POPULAR

Global knowledge-sharing platforms and professional networks increase productivity and innovation among COWI's employees. The number of professional networks at COWI Denmark has nearly doubled in the past year

COWI's business is built on productivity and innovation. To maintain our high level of competitiveness, we continuously invest in ways to improve knowledge sharing across departmental lines, disciplines and national borders. COWI's award-winning intranet platform, the COWIportal, underwent major expansion in 2010, and by the end of 2011 it will be available to nearly all COWI employees worldwide. COWI has also added new digital communication technologies and webcams to employees' workbench of tools. Doing so has brought the global organisation even closer together.

The new digital communication technologies have increased interest among employees in meeting to discuss professional issues. As a result, the number of professional networks, particularly in Denmark, has nearly doubled since 2009 when there were 78 such networks at COWI Denmark. In 2010, the number had increased to 157.

COWI's concrete and corrosion network is growing

One of the many professional networks at COWI is the concrete and corrosion network. Established in 2000, the network helps to gather and disseminate knowledge among its 500 or so members using physical and virtual meetings. Information and documents can also be exchanged among members on the COWIportal. The network collaborates with universities around the world to develop new services for COWI's customers. Most recently, the network has experimented with sustainable and transparent concrete and has looked into using ash from Icelandic volcano Eyjafjallajökull to make concrete. Members of the concrete and corrosion network primarily come from Denmark, North America, Norway and the Middle East. However, the network hopes to be able to expand to include members from the entire Group.

	ACCOUNTS ORGANISATION	2010	2009	2008
Resources	12 Specialist networks, number (*)	157	78	41
	13 Staff participation in specialist networks (*)	53	65	27
	14 Projects per employee, number	15	14	15
	15 Active projects, number	5,993	7,458	6,330
	16 Average turnover per project (DKK 1,000)	1,038	1,052	1,063
Processes	17 Interdisciplinary collaboration: technical	17%	17%	17%
	18 Interdisciplinary collaboration: natural sciences	54%	53%	53%
	19 Interdisciplinary collaboration: social sciences	46%	46%	42%
	20 Trading within the COWI Group	7.7%	6.7%	5.6%
	21 Development activity, externally funded	3.9%	4.5%	6.7%
	22 Development activity, internally funded	0.7%	0.7%	0.9%
Results	23 QA audits per 100 employees, number	7.5	5.5	2.8
	24 Costs arising from external errors	0.7%	0.4%	0.3%

12 Number of registered, internal specialist networks at corporate level or within individual business units.
13 Proportion of employees forming part of one or more registered internal specialist networks.
14 Average number of active, external projects worked on by an employee during the year.
15 Number of active, external projects.
16 Average budgeted fee (in DKK 1,000) per project, excluding VAT and reimbursables, including the year's active projects.
17 Average share of project activity for economists, biologists etcetera on projects involving employees with technical qualification(s).
18 Average share of project activity for economists, engineers etcetera on projects involving employees with natural sciences qualification(s).
19 Average share of project activity for engineers, biologists etcetera on projects involving employees with social sciences qualification(s).
20 Share of the COWI Group's total turnover invoiced from or to a foreign enterprise in the COWI Group.
21–22 Overall development activity on external or internal projects by comparison with overall project activity.
23 Number of internal and external quality audits per 100 employees.
24 Share of turnover used for rectifying external errors and omissions reported.

(*) See note G on page 105.

FOCUS ON DIVERSITY

Diversity is the key to increased innovation and growth. For this reason, COWI's top management made cultural diversity a priority in 2010. Doing so has resulted in an increase in the number of women in management

COWI is an international company that is growing in most of its markets. Cultural diversity among customers and employees generates new ideas and new points of view, which only increases innovation and competitiveness.

But, for COWI, cultural diversity is about more than cultural and geographic background. In 2010, COWI once again focussed on the number of women in management positions. Consulting engineering firms have traditionally attracted more men than women. This holds true for COWI Denmark where 34 per cent of the 2,598 employees are women. The percentage of female managers, however, is significantly smaller. COWI intends to change that figure in the coming years, not least because customers prefer mixed-gender consultancy teams.

More women managers at COWI

Since 2008, when COWI signed the 'Charter for more women in management', we have worked to increase the number of women who hold management positions. And since then, the figure for COWI Denmark has risen to 12 per cent from 8 per cent.

In 2010, COWI introduced a number of initiatives aimed at increasing the number of women managers, including networks for women managers. In addition, COWI Group President and CEO, Lars-Peter Søbye, was an ambassador for more women in management, and served as mentor for a woman being considered for an executive position at Danish pension fund ATP. In turn, ATP CEO, Lars Rohde, mentored a female COWI manager.

COWI also runs several initiatives to ensure equal carrer opportunities within the company. COWI's newly established global career system, implemented in 2010, includes detailed descriptions of the requirements and responsibilities associated with individual management positions, making it easier to evaluate a candidate's qualifications on an objective basis. This way, all COWI employees, regardless of gender, are able to pursue their individual career goals.

Lars Rohde, CEO of Danish pension fund ATP, was a mentor for Helle Gaub, Head of Hospitals and Health Buildings in COWI's Danish business unit for Buildings.

	ACCOUNTS EMPLOYEES	2010	2009	2008
Resources	25 Employees. number	2,598	2,748	2,585
	26 Women	34%	34%	34%
	27 Men	66%	66%	66%
	28 Average age. years	44.1	43.5	43.9
	29 Length of education/training. years	5.2	5.2	5.3
	30 Length of education/training. written down	3.5	3.5	3.5
	31 Employees with top qualifications	3.5%	3.2%	3.2%
	32 Higher education. technical	53%	53%	53%
	33 Higher education. natural sciences	6%	6%	6%
	34 Higher education. social sciences	9%	9%	9%
	35 Other higher education	7%	7%	7%
	36 Work experience. years	15.9	15.5	15.7
	37 Length of service with COWI. years	9.1	8.5	8.5
	38 Project management capacity. all projects	56%	54%	53%
	39 Project management capacity. major projects	36%	33%	32%
	40 Project management capacity. international projects	22%	21%	21%
Processes	41 Ongoing training activity (*)	0.5%	0.6%	0.6%
Results	42 Employee inflow	10%	16%	29%
	43 Employee outflow	14%	10%	11%
	44 Sick leave	2.5%	2.7%	2.6%
	45 Employees with shares in COWI (*)	41%	14%	25%
	46 Engineering students' favourite employer, rank (*)	3	4	4
	47 Social sciences students' favourite employer, rank (*)	40	42	54
	48 Employee flexibility	8%	8%	7%
	49 Company flexibility	8%	8%	8%

25-28 Number of employees, gender and average age.
29 Average length of formal education/training after compulsory education.
30 Average length of education/training written down to 50 per cent of initial value after 35 years.
31 Proportion of employees with top qualifications (LLB/PhD or other doctorate, MBA/MPA).
32–35 Proportion of employees with higher educational qualifications in technical disciplines, natural or social sciences or other top qualifications (BSc or MSc).
36 Employees' average work experience since leaving formal education.
37 Employees' average length of service with COWI.
38 Proportion of employees who have been project managers within COWI.
39 Proportion of employees who have managed COWI projects with a fee in excess of DKK 1 million.
40 Proportion of employees who have been project managers on international projects within COWI.
41 Ongoing training and development activities (courses, conferences etc.) as a proportion of total fixed working hours.
42-43 Inflow and outflow of employees in the year as a proportion of the number of employees at the end of the preceding financial year, including project-specific staff.
44 Sick leave as a proportion of total fixed working hours. Excludes maternity/paternity leave and leave for first day of child's sickness.
45 Proportion of current staff with shares in COWI.
46 COWI's rank on the list of 'Students' favourite employer' according to a Universum survey of engineering students.
47 COWI's rank on the list of 'Students' favourite employer' according to a Universum survey of students of business studies and social sciences.
48 Working hours over and above the standard number of hours in relation to the daily norm. Every day in the period is analysed.
49 Working hours falling short of the standard hours, as a proportion of the daily norm. Every day in the period is analysed.

(*) See note G on page 107.

EMPLOYEES AND SUCCESSORS IN THE COWI GROUP 2010

		2010	2009
Employees in %	Men	67%	68%
	Women	33%	32%
Successors in %	Men	72%	75%
	Women	28%	25%

During 2010, the share of female successors in the COWI Group increased by three per cent to 28 per cent. As such we are getting closer to our goal of ensuring that the number of female successors reflects the number of female employees, which was 33 per cent in 2010.

Canteen Manager Hughes Schneider can attest to the benefits of the waste disposal unit that was installed in COWI's headquarters. Over the past year, it has cut the amount of kitchen waste by 85 per cent.

EVEN SHALLOWER CARBON FOOTPRINT IN 2010

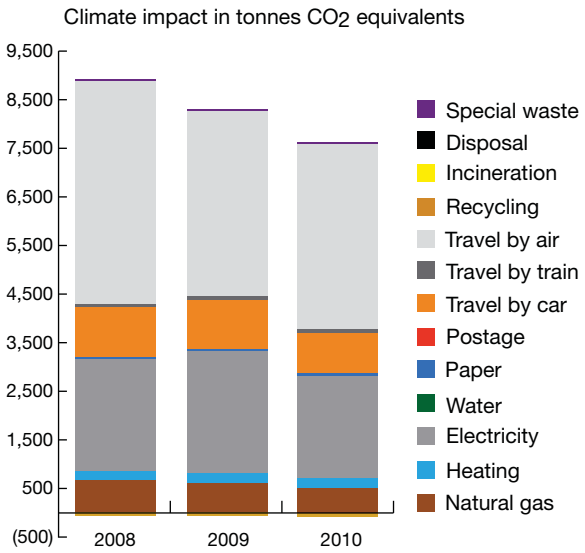
Internal efficiency and improved environment go hand in hand for COWI Denmark. In 2010, we cut our electricity, water and heating bills

COWI's long-standing focus on the environment and natural resources resulted again in 2010 in lower levels of resource consumption as well as a lower impact on the climate, both overall and per employee. Electricity consumption fell by five per cent in 2010, water consumption fell by three per cent and heating needs declined by ten per cent. At COWI's headquarters in Lyngby, Denmark, the decline in electricity consumption was due in part to a partial conversion to LED lighting. A new dishwasher in the headquarters canteen helped reduce water consumption, and we cut heating use considerably by making it possible to adjust heating and ventilation in individual rooms. The total carbon footprint per employee fell by six per cent in 2010 to 3.6 tonnes of CO_2 equivalents. The biggest challenge remains reducing the carbon footprint of air travel, which currently accounts for half of the company's carbon footprint. On the other hand, we were able to cut the footprint of domestic travel by car and train by 13 per cent.

Significant decline in kitchen waste at COWI's headquarters

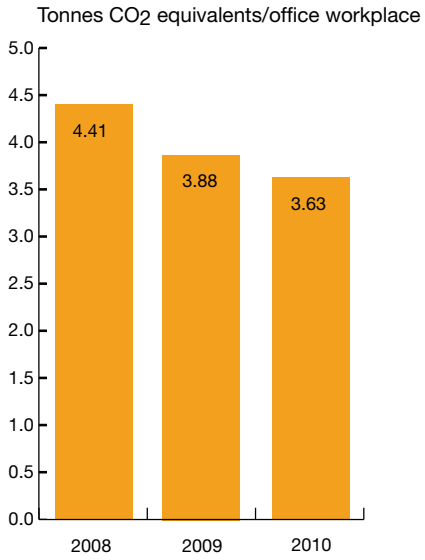
As part of COWI's on-going efforts to reduce the amount of waste we produce, at the end of 2009 we installed a

CLIMATE IMPACT IN TONNES CO_2 EQUIVALENTS



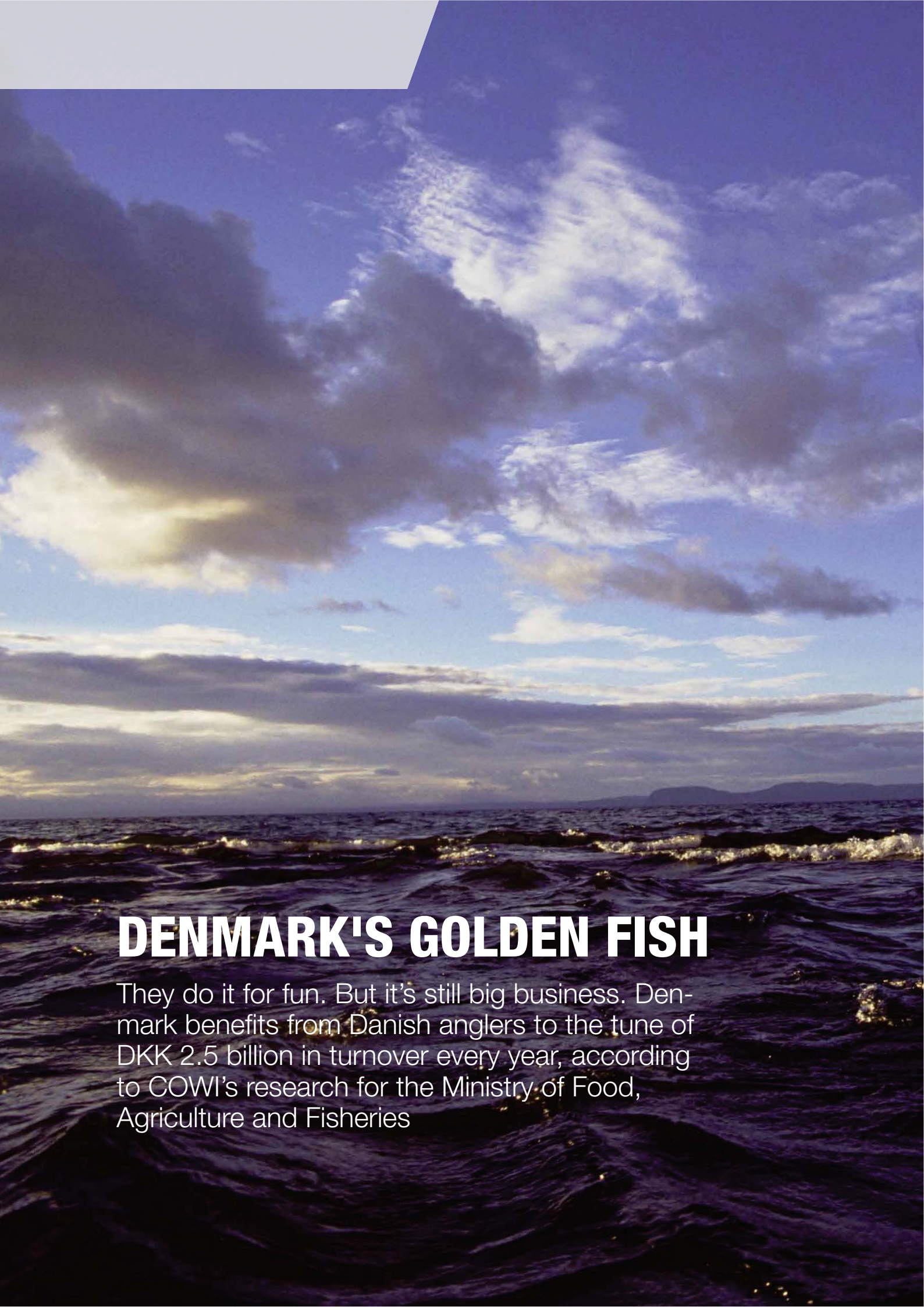
*Some figures are so low that they are not visible in the graph.

CLIMATE IMPACT PER OFFICE WORKPLACE



new waste disposal unit in the kitchen in the canteen of our headquarters in Lyngby. The result: a fall of 85 per cent in the amount of kitchen waste, from nine tonnes in 2009 to 1.3 tonnes in 2010.

When employees return their tableware after eating lunch, water is used to flush leftover food and other organic waste into the waste disposal unit, which is located in the basement. After being filtered to remove any grease, excess water is recycled and reclaimed for use on the same day. The waste is compacted, shredded and winds up as biological waste which can be converted to district heating through a biogas plant. In addition to reducing the volume of kitchen waste, the waste disposal unit has significantly reduced the need for waste removal.



DENMARK'S GOLDEN FISH

They do it for fun. But it's still big business. Denmark benefits from Danish anglers to the tune of DKK 2.5 billion in turnover every year, according to COWI's research for the Ministry of Food, Agriculture and Fisheries

COWI's organisation as of 28 February 2011

BOARD OF DIRECTORS

EXECUTIVE BOARD

Lars-Peter Søbye
President, CEO

Keld Sørensen
Executive Vice President, CFO

Lone Hass
Executive Vice President, People Relations and Responsibility

Rasmus Ødum
Executive Vice President, COWI Denmark

SHARED SERVICES

REGIONS

COWI DENMARK

Rasmus Ødum
Executive Vice President

Economics, Management and Planning

Water and Environment

Geographical Information and IT

Railways, Roads and Airports

Bridge, Tunnel and Marine Structures

Buildings

Industry and Energy

SUBSIDIARIES

Caribersa S.L. & Eurocarto S.A (Spain)

COWI Mapping UK Ltd. (UK)

COWI India Private Ltd. (India)

COWI Consulting (Beijing) Ltd. Co. (China)

COWI Belgium SPRL (Belgium)

Tripod Wind Energy ApS (Denmark)

DANISH REGIONS

Mid Jutland

South

North Jutland

Zealand

COWI NORWAY

Terje Bygland Nikolaisen
President

Water

Environmental and Social Planning

Industry and Energy

Buildings

Transport

Norsas AS

COWI SWEDEN

Anders Rydberg
President

Buildings

Industry

Infrastructure

AEC AB

COWI GULF

Ervin Nordahl Haukrogh
Regional Vice President

Bahrain

Qatar

United Arab Emirates

Oman

MAJOR BUSINESS LINE

Anton Petersen
Senior Vice President

Tunnels

Major Bridges

Marine Structures

SUBSIDIARIES

Ben C. Gerwick, inc. (USA)

Buckland & Taylor Ltd. (Canada)

Flint & Neill Limited (UK)

COWI Korea Co., Ltd. (South Korea)

Ocean & Coastal Consultants, Inc. (USA)

COWI SEED

Peter Hostrup Rasmussen
Senior Vice President

Turkey

Uganda

Latvia

Poland

Lithuania

Hungary

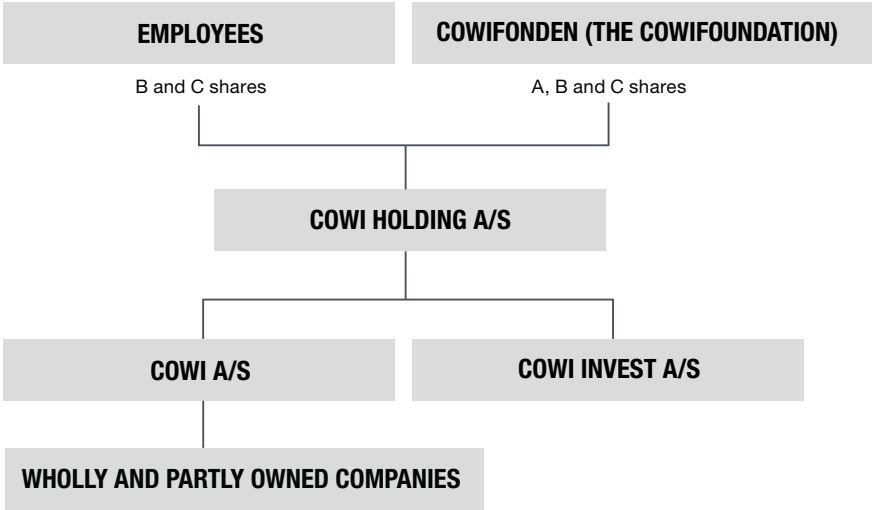
Tanzania

Mozambique

Zambia

Serbia

Russia



COWI'S PERMANENT OFFICES

BAHRAIN
COWI Gulf A/S, Bahrain

BELGIUM
COWI Belgium SPRL

CANADA
Buckland & Taylor Ltd.

CHINA
COWI Consulting
(Beijing) Ltd. Co.

DENMARK
Lyngby (head office)
Esbjerg
Holstebro
Kolding
Odense
Ringsted
Roskilde
Silkeborg
Svendborg
Vejle
Viborg
Aarhus
Aabenraa
Aalborg

HUNGARY
COWI Hungary Ltd.
Budapest
Szeged

INDIA
COWI India Private Ltd.
Delhi (Gurgaon)
Chennai

LATVIA
SIA COWI Latvia

LITHUANIA
COWI Lietuva UAB
Vilnius
Kaunas
Klaipeda
Vakaru projektai

MOZAMBIQUE
AustralCOWI Lda.

NORWAY
COWI AS, Norway
Oslo
Bergen
Bodø
Drammen
Flekkefjord
Frederikstad
Hamar
Haugesund
Hønefoss
Kongsberg
Kristiansand S
Kristiansund
Larvik
Levanger
Molde
Narvik
Norheimsund
Notodden
Stavanger
Tromsø
Trondheim
Voss

Norsas AS

OMAN
COWI & Partners LLC

POLAND
COWI Polska Sp. z o.o.
Wroclaw
Bielsko - Biala
Warsaw

QATAR
COWI A/S, Qatar

RUSSIA
COWI Engineering,
Environmental and
Economic Consulting
Ltd.
Moscow
Yaroslavl

SERBIA
COWI d.o.o.

SOUTH KOREA
COWI Korea Co., Ltd.

SPAIN
Caribersa S.L. &
Eurocarto S.A.

SWEDEN
COWI AB, Sweden
Gothenburg
Alingsås
Helsingborg
Herrljunga
Jönköping
Karlstad
Kristianstad
Linköping
Malmö
Skövde
Stenungsund
Stockholm
Vänersborg
Ystad
Örnsköldsvik

AEC AB
Gothenburg
Stockholm

TANZANIA
COWI Consulting
Engineers and Planners
Ltd.

TURKEY
COWI-SNS Müsavirlik ve
Mühendislik Ltd. Şti.
Istanbul
Ankara

UGANDA
COWI Uganda Ltd.

UNITED ARAB EMIRATES
COWI Gulf A/S,
United Arab Emirates
Dubai
Abu Dhabi

UNITED KINGDOM
COWI Mapping UK Ltd.

Flint & Neill Limited
London
Stone

USA
Ben C. Gerwick, Inc.
Oakland, California
Houston, Texas
Long Beach, California
New Orleans, Louisiana
Seattle, Washington
San Francisco, California

Ocean & Coastal
Consultants, Inc.
Trumbull, Connecticut
Gibbsboro, New Jersey
Mt. Pleasant,
South Carolina
Plymouth, Massachusetts

ZAMBIA
COWI Zambia Ltd.

COWI'S MANAGEMENT

BOARD OF DIRECTORS

Henrik Gürtler
Chairman. Born 1953.
MSc (Engineering) and Managing Director of Novo A/S. On the Board of COWI A/S since 2000. On the Board of COWI Holding A/S since its formation in 2010.

Mogens Heering
Vice Chairman. Born 1950.
BSc (Engineering) and with COWI since 1976. On the Board of COWI A/S from 1992 to 1997 and again since 2007. On the Board of COWI Holding A/S since its formation in 2010.

Jørgen V. L. Bardenfleth
Born 1955.
MSc (Electronic Engineering) and MBA. Country General Manager of Microsoft Danmark ApS. On the Board of COWI A/S since 2008. On the Board of COWI Holding A/S since its formation in 2010.

Michael Bindseil
Born 1959.
MSc (Engineering) and with COWI since 1991. On the Board of COWI A/S since 2010. On the Board of COWI Holding A/S since its formation in 2010.

Thomas Plenborg
Born 1967.
MSc (Economics) and PhD. Professor at Copenhagen Business School. On the Board of COWI A/S since 2010. On the Board of COWI Holding A/S since its formation in 2010.

Majken Schultz
Born 1958.
MA (Political Science) and PhD. Professor and Associate Dean at Copenhagen Business School and Partner in Reputation Institute. International Research Fellow, Saïd Business School, Oxford University. On the Board of COWI A/S since 2005. On the Board of COWI Holding A/S since its formation in 2010.

Jens Brendstrup
Elected by the employees.
Born 1951.
BSc (Engineering) and with COWI since 1986. On the Board of COWI A/S since 2010. On the Board of COWI Holding A/S since its formation in 2010.

Niels Fog
Elected by the employees.
Born 1960.
MSc (Engineering) and with COWI since 1996. On the Board of COWI A/S since 2006. On the Board of COWI Holding A/S since its formation in 2010.

Jens Erik Blumensaadt Jensen
Elected by the employees.
Born 1956.
MSc (Engineering) and with COWI since 1987. On the Board of COWI A/S since 2006. On the Board of COWI Holding A/S since its formation in 2010.

EXECUTIVE BOARD

Lars-Peter Søbye
President, CEO. Born 1960.
MSc (Engineering) and with COWI since 1986.

Keld Sørensen
Executive Vice President, CFO. Born 1956.
MSc (Political Science) and Graduate Diploma in Business Administration (Management Accounting). With COWI since 2000.

Lone Hass
Executive Vice President, People Relations and Responsibility. Born 1962.
MSc (Business Economics and International Development) and PhD. With COWI from 1990 to 1993 and again since 2007.

Rasmus Ødum
Executive Vice President, COWI Denmark. Born 1965.
MSc (Agricultural Economics) and with COWI since 1997.

COWI DENMARK

Rasmus Ødum
Executive Vice President, COWI Denmark. Born 1965.
MSc (Agricultural Economics) and with COWI since 1997.

Stig P. Christensen
R&D Director, COWI Denmark. Born 1954.
MSc (Mathematics and Economics) and with COWI since 1980.

Knud Erik Christensen
Senior Vice President, Economics, Management and Planning. Born 1962.
MSc (Agricultural Economics) and with COWI since 1999.

Mogens Heering
Senior Vice President, Water and Environment. Born 1950.
BSc (Engineering) and with COWI since 1976.

Lars Green Lauridsen
Senior Vice President, Geographical Information and IT. Born 1961.
MSc (Chartered Surveyor) and with COWI since 2007.

Jens Christoffersen
Senior Vice President, Railways, Roads and Airports. Born 1968.
MSc (Engineering), PhD and Graduate Diploma in Business Administration (Finance). With COWI since 1995.

Steffen Gøth
Senior Vice President, Buildings. Born 1952.
MSc (Engineering) and PhD. With COWI since 1995.

Brian Seeberg Larsen
Senior Vice President, Industry and Energy. Born 1963.
BSc (Engineering) and with COWI since 1989.

DANISH REGIONS

Søren Adamsen
Senior Market Director,
Mid Jutland. Born 1965.
MA (Political Science) and MBA.
With COWI since 2002.

John Dyrlund
Senior Market Director, South.
Born 1952.
BSc (Engineering) and with
COWI since 1976.

Torben Søgaard Jensen
Senior Market Director,
North Jutland. Born 1949.
BSc (Engineering) and with
COWI since 1983.

Peter Terman Petersen
Senior Market Director, Zealand
(outside Greater Copenhagen).
Born 1959.
BSc (Engineering) and with
COWI since 1985.

COWI DENMARK SUBSIDIARIES

Juan Antonio Martinez
Managing Director, Caribersa S.L. & Eurocarto S.A., Spain. Born 1953.
MSc (Engineering) and MBA. With COWI since 2002.

William Michael McKay
Managing Director, COWI Mapping UK Ltd., UK. Born 1948.
MSc (Chartered Surveyor) and with COWI since 2006.

Simon Musaeus
Managing Director, COWI India Private Ltd., India. Born 1967.
MSc (Engineering Surveying and Geodesy) and with COWI since 2001.

Mads Jensen Møller
Managing Director, COWI Consulting (Beijing) Ltd. Co., China. Born 1973.
MSc (Geophysics) and Graduate Dimploma in Business Administration (Organisation and Management). With COWI since 2001.

Raphaël Zayat
Managing Director, COWI Belgium SPRL, Belgium. Born 1966.
MSc (Transport Economics) and with COWI since 2002.

COWI NORWAY AS OF 1 JUNE 2011

Terje Bygland Nikolaisen
President, COWI AS Norway.
Born 1968.
MSc (Engineering) and with COWI since 2005.

Egil Bøckmann
Senior Vice President, Water.
Born 1952.
MSc (Engineering) and with COWI since 1976.

Barbro Sørlid Engh
Senior Vice President, Environmental and Social Planning and Managing Director, Norsas AS, Norway. Born 1959.
MSc (Engineering) and with COWI since 1995.

Jørn Christen Johnsen
Senior Vice President, Industry and Energy. Born 1966.
MSc (Engineering) and with COWI since 1991.

Kirsti Engebretsen Larssen
Senior Vice President, Buildings.
Born 1967.
BSc (Engineering) and with COWI since 2002.

Knut Næss
Senior Vice President, Transport.
Born 1954.
MSc (Engineering) and with COWI since 1985.

COWI SWEDEN

Anders Rydberg
President, COWI AB, Sweden.
Born 1950.
MSc (Engineering) and with COWI since 1989.

Håkan Adelwald
Vice President, Buildings, COWI AB, Sweden. Born 1963.
BSc (Engineering) and with COWI since 2008.

Kenth Arvidsson
Vice President, Industry, COWI AB, Sweden. Born 1952.
BSc (Engineering) and with COWI since 1985.

Torbjörn Spetz
Vice President, Infrastructure, COWI AB, Sweden. Born 1968.
MSc (Engineering) and with COWI since 1988.

Anders Jacobsson
Managing Director, AEC AB, Sweden. Born 1972.
BSc (Engineering) and with COWI since 2000.

COWI GULF

Ervin Nordahl Haukrogh
Regional Vice President, COWI Gulf. Born 1955.
MSc (Engineering) and with COWI since 1985.

Anthony J. Carpenter
Regional Chief Operating Officer, COWI Gulf A/S and Managing Director, Branch office of COWI Gulf A/S, Bahrain. Born 1962.
BSc (Engineering) and with COWI since 1997.

Torkel Cornelis Rørstrand
Managing Director, Branch office of COWI A/S, Qatar. Born 1974.
BSc (Engineering and Business Administration). With COWI since 2004.

Jesper S. Damgaard
Managing Director, Branch office of COWI Gulf A/S, United Arab Emirates. Born 1965.
MSc (Engineering) and with COWI since 2007.

David McCann
Managing Director, COWI & Partners LLC, Oman. Born 1965.
BSc (Engineering) and with COWI since 1997.

COWI MAJOR BUSINESS LINE

Anton Petersen
Senior Vice President, Bridge, Tunnel and Marine Structures. Born 1950.
MSc (Engineering) and with COWI since 1975.

Michael Bindseil
Business Development Director, Tunnels. Born 1959.
MSc (Engineering) and with COWI since 1991.

Lars Hauge
Business Development Director, Major Bridges. Born 1962.
MSc (Engineering) and with COWI since 1990.

Ole Juul Jensen
Business Development Director, Marine Structures. Born 1950.
MSc (Engineering) and with COWI since 1995.

COWI MAJOR BUSINESS LINE SUBSIDIARIES

Dale E. Berner
President, Ben C. Gerwick Inc., USA. Born 1957.
MSc (Engineering) and PhD. With COWI since 1987.

Steve G. Hunt
Managing Director, Buckland & Taylor Ltd., Canada. Born 1958.
MSc (Engineering) and with COWI since 2009.

David MacKenzie
Managing Director, Flint & Neill Limited, UK. Born 1962.
MSc (Engineering) and with COWI since 1984.

Chan-Min Park
Managing Director, COWI Korea Co., Ltd., South Korea. Born 1963.
MSc (Engineering) and PhD. With COWI since 2010.

Stanley M. White
Managing Director, Ocean & Coastal Consultants, Inc. and COWI USA Inc., USA. Born 1950.
MSc (Engineering) and with COWI since 2007.

COWI SEED

Peter Hostrup Rasmussen
Senior Vice President, COWI Seed. Born 1965.
BSc (Engineering) and Graduate Diploma in Business Administration (Marketing).
With COWI since 1989.

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MSc (Geography) and MSc (Business Administration).
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MSc (Engineering) and with COWI since 1991.

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Managing Director, COWI Lietuva UAB, Lithuania. Born 1953.
MSc (Physics) and with COWI since 1992.

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Managing Director, COWI Hungary Ltd., Hungary. Born 1958.
MSc (Economics) and with COWI since 1997.

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Managing Director, COWI Consulting Engineers and Planners Ltd., Tanzania. Born 1967.
MSc (Engineering) and with COWI since 1996.

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Managing Director, Austral-COWI Lda., Mozambique. Born 1966.
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Managing Director, COWI d.o.o., Serbia. Born 1976.
MSc (Engineering) and with COWI since 2008.

Sergey Stephanischev
Managing Director, COWI Engineering, Environmental and Economic Consulting Ltd., Russia. Born 1962.
MSc (Hydrogeology and Engineering Geology) and PhD.
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