COWIannualreport
2006

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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 3,500 employees are leaders within theirs.

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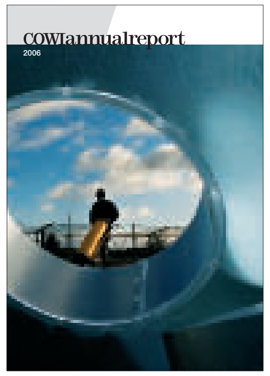
COWI



It was a beautiful and dramatic sight, when an old industrial building was given a new facade – saving DKK 150,000 a year on heating bills. The building is owned by DADES, the parent company of property managers DATEA.

Content

Annual report 2006

International network of consultants with local roots

The international consultancy sector is undergoing considerable change. There is a growing trend for clients to look locally for consultancy services in their own country in preference to importing them from elsewhere. This is an obvious, natural development given the emergence of adequate, competent consultancies offering their services to the local markets.

Alongside our clients

Having recognised this, COWI, which carries out 40 per cent of its consultancy work in countries outside Scandinavia, has launched a strategy and planning process for the future with the aim of ensuring that our international activities are increasingly conducted at local level and in partnership with our clients. Our intention is to build strong regional units in those places where imminent, vigorous growth is predicted: Central and Eastern Europe, Africa and the Arabian Gulf. Working in close dialogue with clients, these regional units can draw on the Group's vast international network, thereby giving the individual client access to top international expertise. Underlying the strategy is the dramatic rise in demand which is anticipated for complex and comprehensive consultancy services, notably in the transport, water, energy and health sectors in both industrialised and developing countries.

Best results ever

As leading consultants, we at COWI are ideally placed and well equipped to help to redefine the international consultancy sector. 2006 saw an increase in our employee numbers, a better increase in client numbers and financial results well in excess of any previous results. We have made gains in Scandinavia, in the new and emerging EU member states in Central and Eastern Europe, in Africa and in the Arabian Gulf. We have invested considerably in our knowledge sharing network, which is vital if we are to provide consultancy services which cover all angles, respect all cultural diversities and are responsive to local practice. The market has also been favourable within the specialist disciplines and business areas in which we have historically concentrated our endeavours. We have increased our activities in the fields of marine and coastal engineering, airports and buildings and have consolidated our position within major bridge, tunnel, digital mapping, environment, transport and energy projects.

Key figures and financial ratios for the COWI Group	2002 DKKm	2003 DKKm	2004 DKKm	*2005 DKKm	2006 DKKm	2006 EURm
Net turnover	2,016.4	2,605.3	2,594.3	2,676.5	2,808.9	376.7
Operating profit before amortisation, depreciation and impairment losses (EBITDA)	108.3	113.6	156.1	194.4	225.4	30.2
Operating profit (EBIT)	54.2	32.9	90.8	120.0	160.2	21.5
Profit before tax	53.8	40.4	96.7	139.7	176.8	23.7
COWI's share of profit for the year	25.1	22.0	60.6	115.0	120.4	16.1
Balance sheet total	1,415.7	1,519.4	1,562.9	1,783.2	1,945.1	260.9
Equity	385.1	390.3	446.1	455.3	587.2	78.8
Free cash flow	(84.9)	(15.5)	129.4	137.3	149.4	20.0
Operating margin (EBIT margin)	2.7%	1.3%	3.5%	4.5%	5.7%	
Equity ratio	27.2%	25.7%	28.5%	25.5%	30.2%	
Return on equity	6.5%	5.7%	14.5%	25.5%	23.1%	

DKK/EUR rate at 31 December 2006 745.60
*Adjusted to the change in the applied accounting policies

Employee development and training

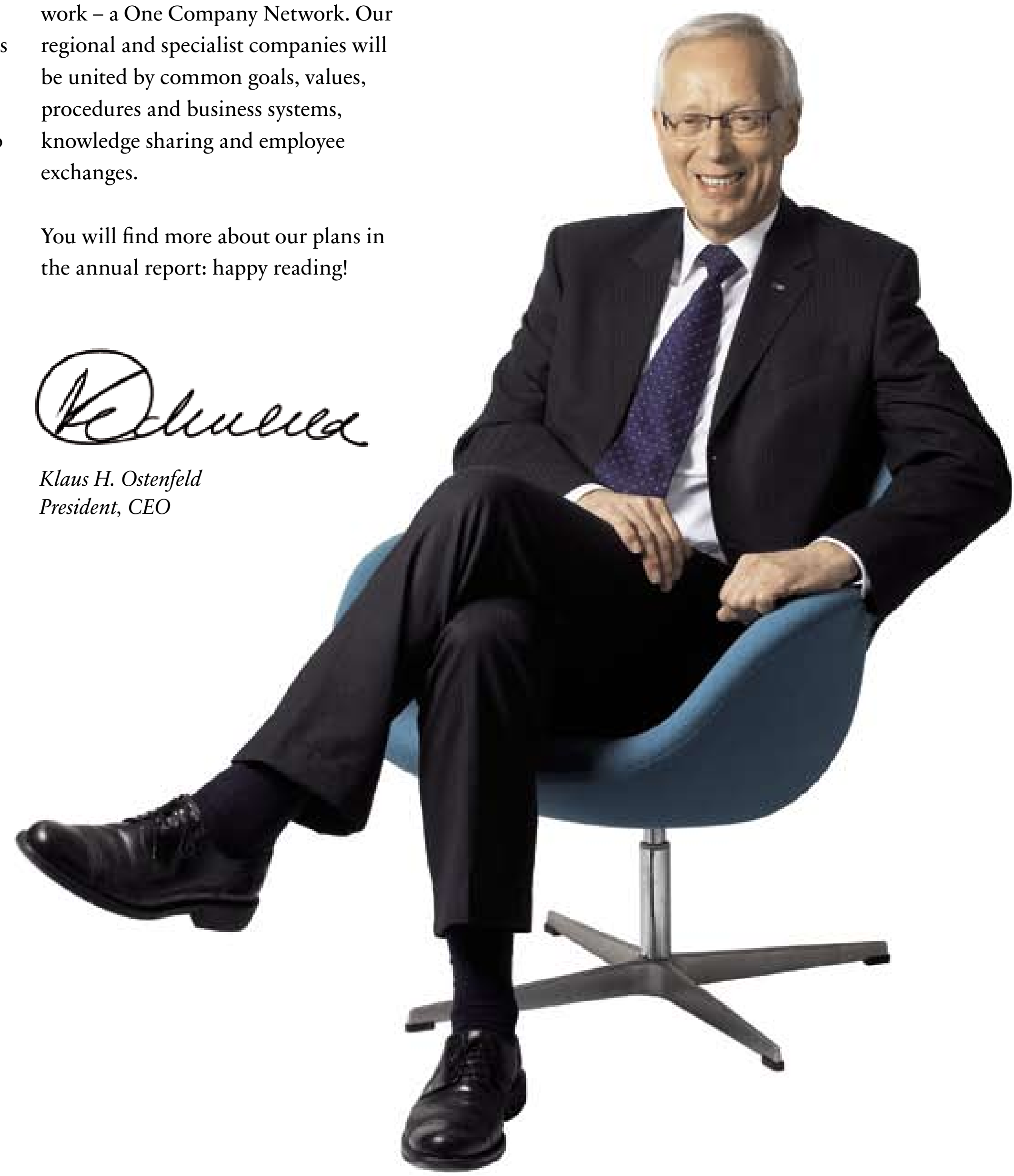
As part of our new strategy we have launched an ambitious development and training programme for our employees. Its aim is to give our employees both continuous development and optimum leadership as new requirements are made of them. This will help achieve a harmonious convergence of the needs of the company and those of the individual employee for the challenges ahead. It is people, their skills, relationships and values which drive our company and take it forward.

2007 will be a year of transformation

2007 will be a year of exciting transformation, the start of COWI's metamorphosis from a large, dominant parent company with a considerable number of subsidiaries – "satellites" – into a close-knit, mutually committed network – a One Company Network. Our regional and specialist companies will be united by common goals, values, procedures and business systems, knowledge sharing and employee exchanges.

You will find more about our plans in the annual report: happy reading!

Klaus H. Ostenfeld
President, CEO

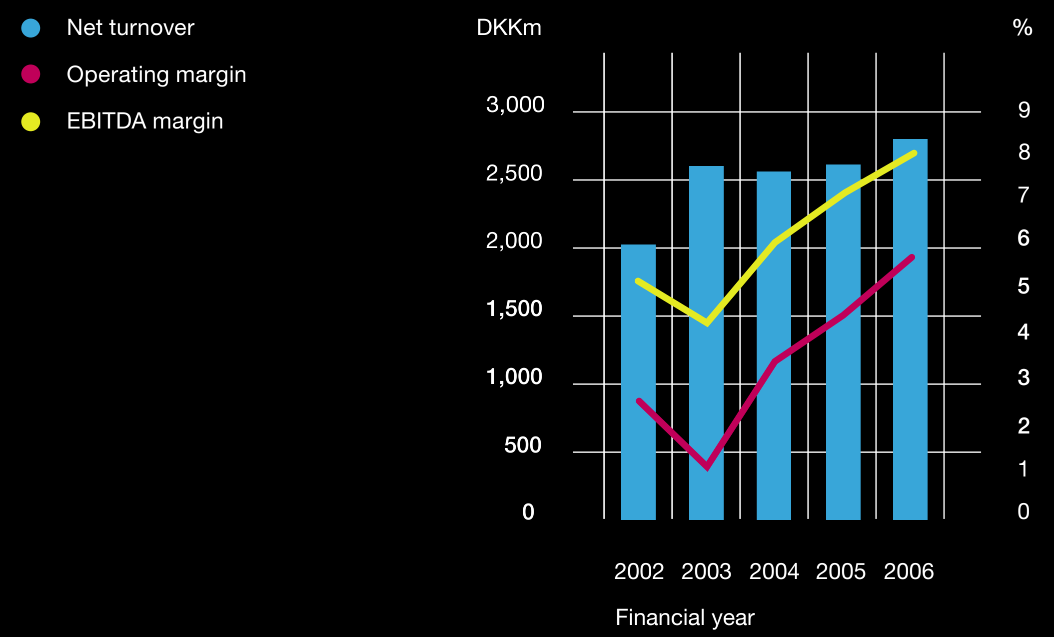


Group key figures and financial ratios

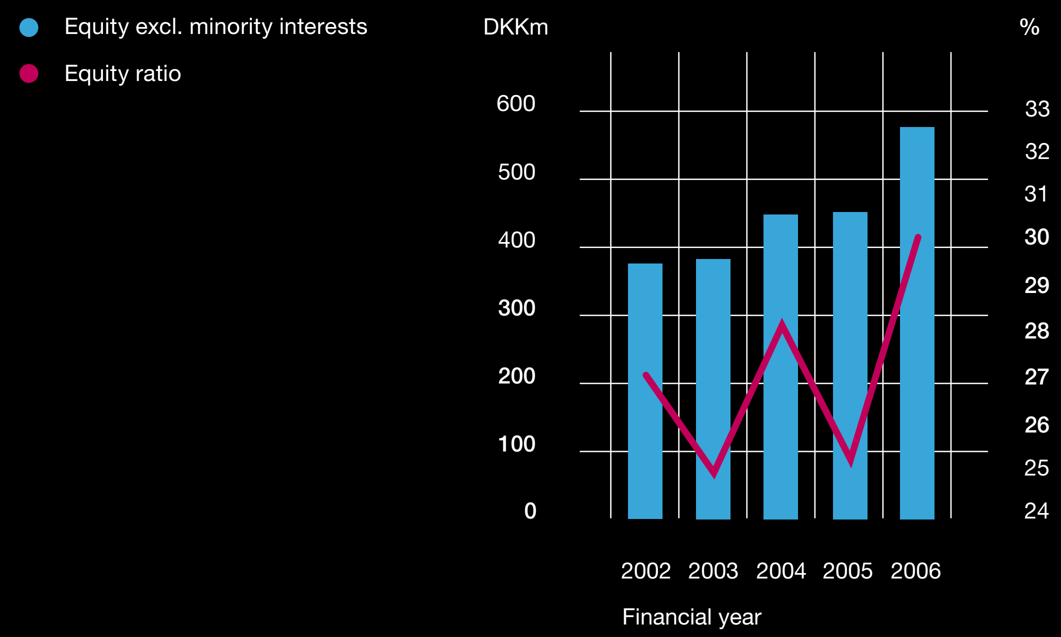
	2002 DKKm	2003 DKKm	2004 DKKm	*2005 DKKm	2006 DKKm	2006 EURm
Key figures						
Amounts in DKKm						
DKK/EUR rate at 31 December 2006						745.60
Net turnover	**2,016.4**	**2,605.3**	**2,594.3**	**2,676.5**	**2,808.9**	**376.7**
Operating profit before amortisation, depreciation and impairment losses (EBITDA)	108.3	113.6	156.1	194.4	225.4	30.2
Operating profit on ordinary activities	59.6	33.9	91.3	117.3	161.8	21.7
Operating profit (EBIT)	**54.2**	**32.9**	**90.8**	**120.0**	**160.2**	**21.5**
Net financials	(0.5)	7.6	5.9	19.6	16.6	2.2
Profit before tax	**53.8**	**40.4**	**96.7**	**139.7**	**176.8**	**23.7**
Profit for the year	28.0	24.7	62.4	117.0	123.9	16.6
COWI's share of profit for the year	**25.1**	**22.0**	**60.6**	**115.0**	**120.4**	**16.1**
Group goodwill	147.7	242.6	228.9	229.9	216.0	29.0
Other fixed assets	140.1	158.6	144.2	154.4	160.1	21.5
Current assets	1,127.9	1,118.2	1,189.8	1,398.9	1,569.0	210.4
Total assets	**1,415.7**	**1,519.4**	**1,562.9**	**1,783.2**	**1,945.1**	**260.9**
Share capital	34.8	34.8	34.8	34.8	34.8	4.7
Equity	**385.1**	**390.3**	**446.1**	**455.3**	**587.2**	**78.8**
Provisions	218.2	221.1	245.4	367.4	350.3	47.0
Long-term debt	20.3	24.9	14.4	11.0	8.1	1.1
Short-term debt	776.5	867.7	846.1	940.6	988.3	132.6
Cash flow from operating activities	130.6	174.5	167.1	208.8	213.9	28.7
Investment in tangible fixed assets, net	(64.7)	(39.4)	(25.5)	(40.7)	(43.5)	(5.8)
Other investments, net	(150.8)	(150.6)	(12.2)	(30.8)	(21.0)	(2.8)
Cash flow from investing activities, net	(215.5)	(190.0)	(37.7)	(71.5)	(64.5)	(8.7)
Free cash flow	**(84.9)**	**(15.5)**	**129.4**	**137.3**	**149.4**	**20.0**
Cash flow from financing activities	58.1	(30.2)	(58.8)	(35.6)	(15.2)	(2.0)
Total cash flow	**(26.8)**	**(45.7)**	**70.7**	**101.7**	**134.2**	**18.0**
Financial ratios						
EBITDA margin	5.4%	4.4%	6.0%	7.3%	8.0%	
Operating margin (EBIT margin)	2.7%	1.3%	3.5%	4.5%	5.7%	
Return on invested capital	7.6%	3.6%	10.5%	12.7%	16.9%	
Equity ratio	27.2%	25.7%	28.5%	25.5%	30.2%	
Return on equity	6.5%	5.7%	14.5%	25.5%	23.1%	
Average number of employees	**2,850**	**3,448**	**3,364**	**3,308**	**3,442**	

* Adjusted to the change in the applied accounting policies

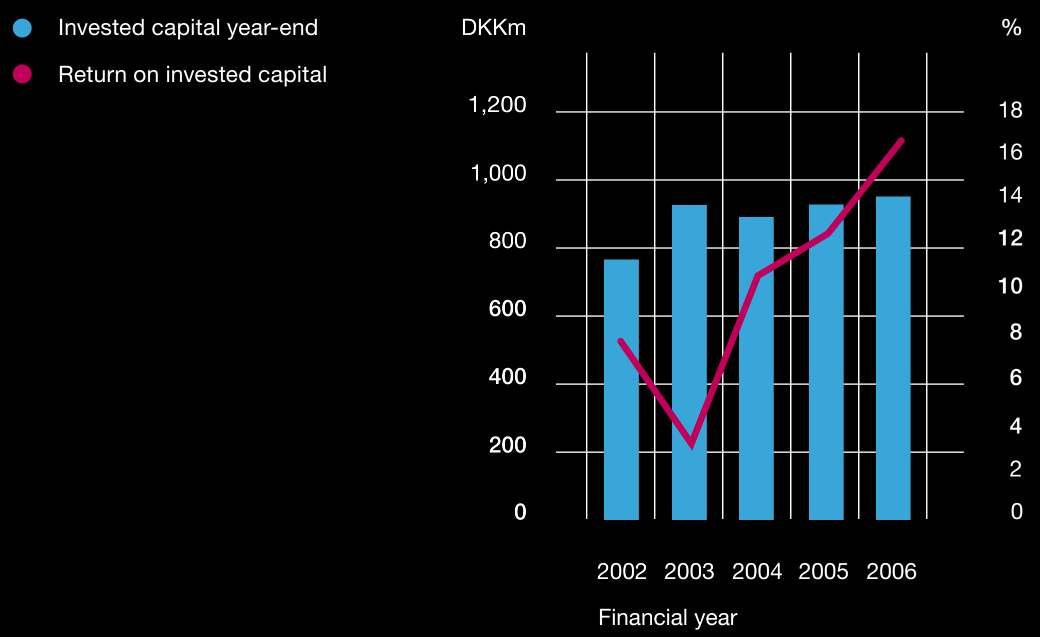
Development in net turnover, operating margin and EBITDA margin



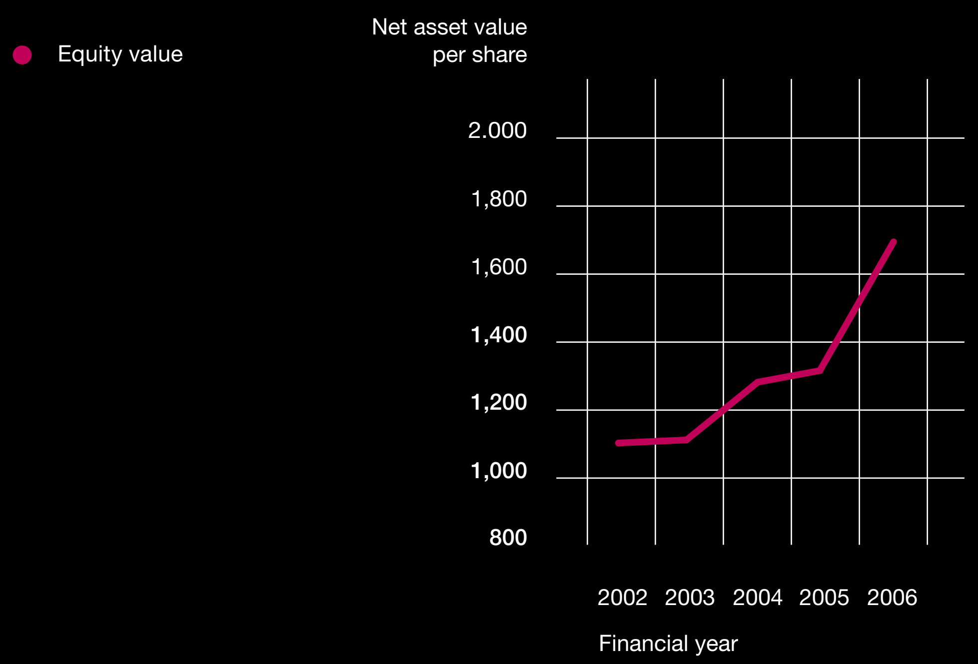
Development in equity and equity ratio



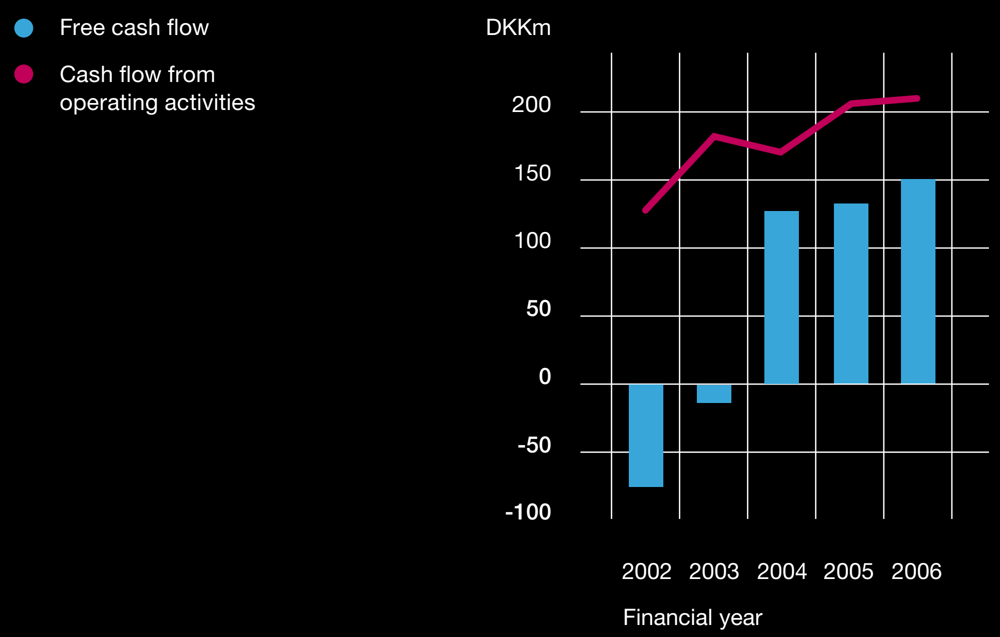
Development in invested capital year-end and return on invested capital



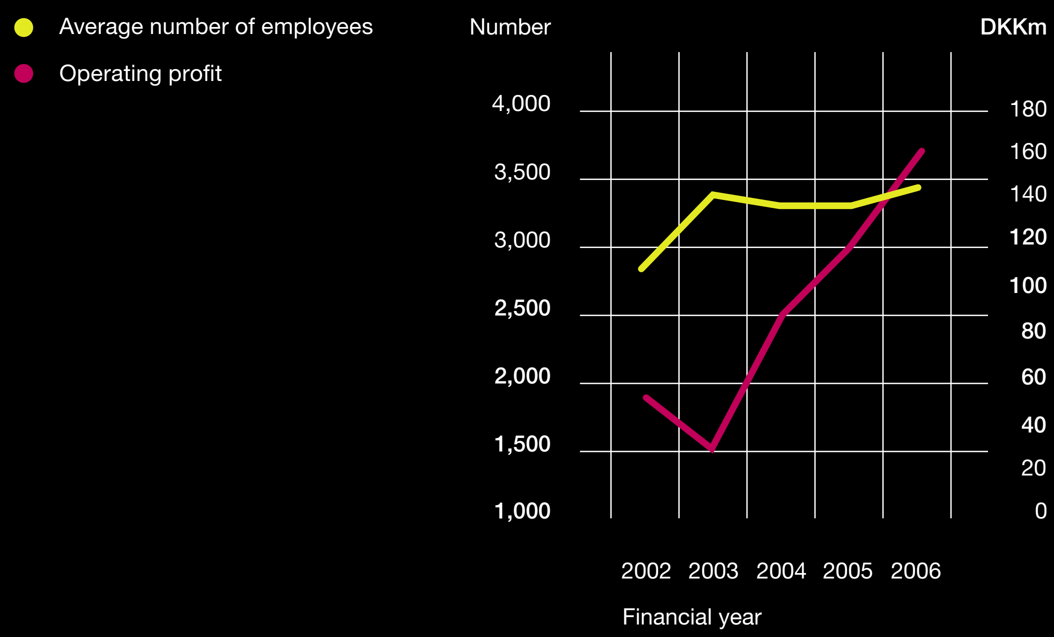
Development in equity value



Development in cash flow



Development in average number of employees and operating profit



Management's review

Results for the year

In 2006, the COWI Group achieved a turnover of DKK 2,808.9 million or growth of DKK 132.4 million, representing a 4.9 per cent improvement on 2005. The Group's own production increased by DKK 183.2 million, corresponding to a rise of 9.3 per cent.

In general, economic trends in 2006 were encouraging. Economic growth resulted in solid demand for consultancy services. We have experienced the strong demand in most geographic markets and within most consultancy areas. Turnover was on the increase, particularly in Denmark, Norway and the Arabian Gulf, with a significant share of the increase being attributable to services within the transport and construction segments.

Given the positive market and strong demand, the task of recruiting sufficient, well-qualified employees was ever more challenging.

Operating profit came to DKK 160.2 million, which is an improvement of DKK 40.1 million or 33.4 per cent. Profit before tax amounted to DKK 176.8 million, up DKK 37.2 million or 26.6 per cent.

The positive trends in earnings over the last three years were maintained in 2006. This earnings growth is attributable mainly to the markets in Denmark, Norway and the Arabian Gulf.

Operating margin rose from 4.5 per cent to 5.7 per cent. We are satisfied with COWI's performance which exceeds our expectations.

Profit for the year after tax and minority interests amounted to DKK 120.4 million or an improvement of DKK 5.3 million. Excluding the extraordinary positive tax adjustment in the 2005 accounts amounting to DKK 18.4 million, profit for the year after tax and minority interests was up DKK 23.7 million on 2005.

In 2006 as in the previous year, our operations generated a positive cash flow of more than DKK 200 million.

The Board of Directors recommends payment of a dividend of 20 per cent, with the remaining profit being carried forward to next year. The dividend payout has increased from 15 per cent in 2005.

Significant events

Two international airports in Oman

In a joint venture with Larsen Architects COWI has continued to act as the main consultant on the construction of two new international airports in Oman. The consultancy contract includes all the phases of the project.

The master plans allow for phased development of the airports. The Seeb International Airport's capacity will be upgraded to twelve million passengers in the initial phase and later to 48 million. Capacity at Salalah Airport will be expanded to two million passengers in the initial phase and later to ten million when construction has been completed. Both airport projects involve completely new terminals and associated facilities totalling more than 590,000 m².

The preliminary design was submitted as planned at the beginning of 2006 and received government approval in principle in June 2006. Preparatory works are under way on site and tenders are expected to be invited in the course of 2007. Completion of the airports is scheduled for the end of 2010. The project offices at Seeb Airport have been extended and now accommodate more than 200 employees.

Messina Bridge

Throughout the first half of 2006 we supported Eurolink, our client in the Messina Bridge project, in the contract negotiations and were responsible for planning the range of future project activities. As a result the contract for the construction of the bridge was signed with the client, Stretto de Messina, on 27 March 2006. However, following the Italian elections in April 2006 the project was postponed.

Acquisition of British mapping company

As part of our strategic development of the mapping and geodata business sector we bought the UK mapping company The Mapping Place Ltd. to boost our local presence in the UK market for aerial photography, mapping and digital mapping products.

Innovative recruitment campaign a success

"We are looking for engineers as fantastic and as good as we are – and as modest, of course!" This advertisement and four others along the same ironic lines were the core elements of a recruitment campaign in the Danish media in November-December 2006.

Demand for COWI's services grew to such an extent that we needed to recruit over 100 new engineers, economists and other academics. We decided to take a new approach to the task of finding the well-qualified recruits we needed. As well as mounting a recruitment campaign externally through traditional media outlets, we also looked internally and asked our own employees to spread the word that COWI was looking for applicants of the same calibre as those we already had. The approach was a success, attracting 400 good applicants over the five weeks of the campaign. The Danish paper, Berlingske Tidende, named the job advertisement as the best of its kind in Q4 2006.

New generation of business matchmakers

The knowledge and consultancy sector is one of the most interaction-driven of all sectors. Here at COWI we now provide employees with specialist training in sales, sales planning and relationship-building. The new generations of business matchmakers serve as role models and corporate culture envoys within the organisation.

COWI signs up to Global Compact

As a logical progression of our long-standing commitment to ethical business, COWI has joined the UN Global

Lone Hass
Executive Vice President, HR

Lars-Peter Søbye
Executive Vice President, Denmark

Klaus H. Ostenfeld
President, CEO

Christian Nørgaard Madsen
Executive Vice President, Norway

Henning H. Therkelsen
Executive Vice President, M&A

Keld Sørensen
Executive Vice President, Finance

Compact. Our values, based as they are on trustworthiness, integrity and good corporate governance are at the core of our involvement. Our social responsibility is high on our agenda. We have a responsibility for our consultancy services in respect of our clients and of society. Our aspiration is to build sustainability into all the consultancy services we deliver. We are now committed to integrating the ten principles of Global Compact in respect of responsible business conduct into our strategy, culture and day-to-day operations. In addition, we undertake to report annually on the steps we have taken and to be active emissaries for this global initiative.

Good corporate governance

The recommendations made by the Nørby Commitee on corporate governance made a valuable contribution to COWI's early endeavours to formulate a professional management practice. Although the Committee's recommendations are aimed primarily at listed companies, COWI's management has long had a natural affinity with, and readily conformed to, the recommendations.

As a result management has in the last couple of years introduced a number of changes to the Company's articles of association and rules of procedure. We have also implemented new initiatives to improve the company's communication, transparency and responsibility in relation to our clients, employees and shareholders. In 2006, as in the previous year, we conducted the annual assessment of the Board of Directors, the Executive Board and the interaction between them.

Our website sets out a comparison between our implementation of good corporate governance and the recommendations of the Nørby Committee.

COWI's new strategy

Our overriding aim is to be our clients' consultants of choice; and good consultancy is all about being close to the client. Globalisation has on the one hand intensified competition within the consultancy sector but has on the other brought greater opportunities to those who have established a close relationship with their clients. Local presence is a prerequisite for competitive players in the global market place: a criterion which we intend to fulfil in the forthcoming years by regionalising COWI in line with our new strategy, which covers the period leading up to 2010.

Regionalisation in a tight network

Our vision for COWI is that it should evolve from being a large, dominant parent company with a large number of 'satellites' into a group made up of a close-knit, mutually committed network – a One Company Network – of several regional and equally ranked consultancy establishments. The regions will be built up in the forthcoming years through a process of organic development and acquisitions. The regional units and our specialist units will be integrated in a network which is bound together by common goals, values, procedures and business systems, knowledge sharing and employee secondment or pooling. COWI's regionalisation so far extends to five regions:

- Denmark
- Norway
- East EU
- The Arabian Gulf
- Africa

In Denmark and Norway, where we are already the leading consultants, COWI will develop its business units through organic growth and strategic acquisitions. In East EU, the Arabian Gulf and Africa, where we have a long-established presence, we will amalgamate the existing companies into regional units.

Investment in human resources development

It is people, with their skills, relationships and values, who drive and take the company forwards. We therefore invest considerable sums in the development and training of our human resources within management, knowledge sharing, development of personal and professional potential and communication.

Our aim is to make COWI the most attractive employer for professionals who are looking for a specialist, commercial or management career path within consultancy. To achieve this, our strategy includes developing tight partnership-like relationships between company and employees, matching the Group's overall commercial needs with the professional and personal aspirations of the individual employee.

In recent years COWI has succeeded with a business model, whereby we market the whole range of our services at local, regional market level while at global level we market selected international specialist services. We intend to develop this model. The interplay between local interdisciplinary business entities and the specialist international export services gives us a considerable competitive edge.

Sectors with exceptional growth

An important strand in our strategy for the forthcoming years is to maximise growth across the Group within four selected sectors: transport, water, energy and health. The international community is facing momentous challenges within these sectors. It is vital to develop sustainable solutions in response to these challenges by pooling expertise from the engineering, economics and environmental disciplines. We anticipate a steep rise in demand for complex and holistic consultancy services within transport, water, energy and health in both industrialised and developing countries as part of strong social development.

Developing client relations

We have for many years invested in developing our relationships with clients. We are redoubling our endeavours and will now focus on building up and nurturing partnership-like relationships with our clients. Client relations and insight into our clients' internal value-adding process are key triggers of strategic development. The conduct of all our projects will be devised on the basis of our aim to provide the best possible match between the requirements of a commission, the client's skills and COWI's expertise. Our aspiration is to improve our skills in looking into and understanding our clients' internal value-adding process and success criteria, while at the same time consolidating our clients' understanding and expectations of our services through a process of good communication.

New Executive Board

To implement our new strategy we enlarged our Executive Board from four to six members at the turn of 2006/7. We intend our management input to focus on good, close client relations, regionalisation of the Group, acquisition of businesses and development and training of our employees.

The new members of the Executive Board are Lone Hass, formerly Senior Vice President of Novo A/S, who, as Executive Vice President, HR, is responsible for developing human resources in the Group; and Christian Nørgaard Madsen, Managing Director of COWI AS in Norway, who now joins the Board with special responsibility for the Group's growth in Norway.

Market development

Denmark

COWI has witnessed positive developments in its levels of activity and output within the Danish consultancy market, albeit with geographic and market-related fluctuations. Both the public and the private sectors have shown keen willingness to invest. We anticipate that for some years after the recent reform of the municipal system in Denmark there will be an increased call for consultancy services.

We have seen positive trends within residential and commercial construction, with growth in projects and site development, including planning new districts in former industrial and harbour areas, and within development and beautification of urban spaces and public areas. Commissions for roads, bridges and site preparation projects have increased and we are experiencing growth in the market for geographic information. Geographic information systems (GIS) are increasingly integrated as a strand of general consultancy business, which in turn means new services for our clients.

We have also made headway in terms of environmental and energy consultancy, notably within district heating, oil and gas and also management. Capitalising on our status as Denmark's highest concentration of expertise within economics and management service we have again extended our market lead in the area. We have achieved growth within consultancy services to contract manufacturers, for example within IT and automation.

The health and management consultants at COWI's Danish subsidiary MUUSMANN having now firmly established themselves in the Norwegian market, have now moved personnel in at COWI AS in Oslo.

We are gratified by the market response to our broad professional range, from general municipal plans, local plans and strategic environmental assessments, including visualisations of environmental audits and geotechnical surveys to traffic analyses, land development, detailed design and supervision. Danish turnover within COWI's six business areas may be broken down as follows:

Denmark DKKm	2005	2006
Nature and environment	130.7	144.9
Society and economics	90.0	110.4
Transport	254.5	282.5
Buildings	268.6	283.0
Industry	115.6	97.0
Utilities and energy	155.6	171.4
Other	4.0	0.9
Total	1,018.9	1,090.1
Elimination*	(58.9)	(95.6)
Total	960.0	994.5

*Intercompany sales and purchases

Norwegian and other international turnover broken down by COWI's six business areas is as follows:

International DKKm	2005	2006
Nature and environment	216.1	173.1
Society and economics	452.9	420.2
Transport	538.1	681.8
Buildings	343.2	342.4
Industry	85.3	58.8
Utilities and energy	316.3	261.9
Other	11.7	5.4
Total	1,963.5	1,943.5
Elimination*	(247.0)	(129.1)
Total	1,716.5	1,814.4

*Intercompany sales and purchases

Norway

Operating activities in COWI AS in 2006 have benefited from the excellent market conditions enjoyed by the Norwegian market. We have achieved nearly all our financial and strategic targets.

In 2006, COWI AS achieved a turnover of NOK 576.4 million, with profit before tax for the period amounting to NOK 43.6 million and turnover up 20 per cent from growth which is mainly organic. COWI AS has 528 employees.

We have integrated the employees from the two companies, Strand og Grindahl AS in Fredrikstad/Oslo and Aadnesen AS in Oslo. We have owned Strand og Grindahl AS for many years whereas we acquired the construction company, Aadnesen AS, at the beginning of 2006. The positive, forward-looking and collaboration-minded approach shared by the employees at both companies made for a successful outcome of the integration.

At our Trondheim offices we have also boosted our competency-development within building and civil engineering. This new department, which has increased to nine employees, complements the services provided by the other 120 employees in Trondheim. We have decided to build new offices in order to realise our vision: to become the most attractive consultants in the Nedre Glomma region.

We have once again confirmed our strong position in the market for healthcare facilities. By winning the competition to design a new 48,000 m² psychiatric care centre for children, young people and adults in connection with the Haukeland University in Bergen, our cutting-edge skills within the healthcare buildings sector were made known throughout every region in Norway.

International level

Developments in our international markets in Northern Europe, the Arabian Gulf, Central and Eastern Europe have been excellent, characterised chiefly by organic growth, supplemented by the acquisition of two companies in England and Latvia. International activities contribute to the increase in the Group's turnover and earnings. International business is our term for the activities we undertake for clients outside Denmark and Norway.

Over half of the Group's international activities are managed from Copenhagen; the remainder by some 20 subsidiaries, of which most are wholly owned by COWI A/S.

In order to secure a strong market platform for local clients we are expanding and reinforcing our subsidiaries through our regionalisation plans. This is of particular importance in Central and Eastern Europe and in Africa, where countries receive financial support from international organisations and development banks. These organisations are in the process of decentralising their contract management, a process which necessitates local offices for good client contact and production.

We have carried out an increasing number of infrastructure projects in partnership with international contractors, with COWI being responsible for planning and design.

Germany

European Transport Consultants (ETC) in Germany have had a difficult year with stagnant turnover in a steadily declining market for public transport systems. To counteract this trend we are broadening our activities into the western regions and opening branch offices in Hessen and Nordrhein-Westphalia. ETC's international activities are increasingly carried out in collaboration with other members of the Group. ETC has 79 employees.

Central and Eastern Europe

Economic growth in the new EU member states means increased demand for consultancy services within transport, water, environment, as well as in the building and energy sectors. Working closely with our companies in Russia, Serbia and Turkey, our companies in Latvia, Lithuania and Hungary have consolidated the market for top-quality consultancy services. Considerable national and EU funding, in combination with vigorous development in the private sector, have generated annual economic growth rates of five to ten per cent in the region.

Turnover in Central and Eastern Europe rose to DKK 52 million, supplemented by activities managed from Denmark and accounting for DKK 160 million.

COWI Baltic, Lithuania

With its 59 employees, COWI Baltic has established itself as one of Lithuania's four major consulting engineering firms. The company has expanded its capacity to deliver specialist and total solutions in the fields of installations and project management in the building sector; management of water and wastewater; solid waste management; and EIA consultancy for industrial clients and regional authorities.

COWI Hungary

COWI Hungary has completed a challenging commission, supporting the National Development Agency and the Danish Structural Fund's executive authorities to promote and advance investment projects for the European Regional Development Fund. A growing number of new municipalities have become our customers as regards traffic planning and the preparation of investment projects; demand for environmental services is also rising. The company has 34 employees.

COWI Latvia

COWI Latvia has expanded both its business area and its employee numbers. Having initially been involved with water, transport and planning projects, construction has now been added to its range of services. The three largest commissions in the last year were the National Library, services for architects and quality management for the Latvian Ministry of Finance. The company acquired SIA Udens Inzenieri – a firm which has specialised in consultancy within water utilities and drainage. The company has 14 employees.

COWI Moscow, Russia

COWI Moscow has augmented its services within both the energy and the economics sectors. The company also

COWI trains employees in sales and client relations. Ann-Pia Puggaard, Laila Stub and Jasper Kyndi belong to the first generation of business matchmakers.

provides consultancy services within environmental and hydraulic engineering and has expanded its private client list. The company has 24 employees.

COWI Serbia

COWI Serbia is a newcomer to the market for traffic planning and transport services but in its first year has already broadened its range of services to include the municipal water sector. The company has five employees.

COWI Anadolu, Turkey

COWI Anadolu has completed its inaugural year of providing environmental and economic consultancy services at local and national government levels. The company has ten employees.

The Arabian Gulf

COWI's operations in the Arabian Gulf are based at three permanent offices in Bahrain, Qatar and Oman; we also have project offices in Kuwait for the Subiyah Causeway project. All these achieved considerable growth in the past year as a result of the booming levels of activity in the markets.

In Oman we have some 110 employees, of whom 50 have been seconded to the project offices of COWI-Larsen JV in the context of the project to plan and design the Seeb and Salalah airports. We have carried out a number of dramatic and challenging building projects such as the detailed design for the first phase of Nizwa University, the Algerian Embassy, the House of Musical Arts (concert hall/opera house with 1,000 seating capacity), a variety of large buildings in the retail sector (Carrefour Hypermarket, Lulu Hypermarket, Sultan Centre), a 40,000-m² prestigious office building, Muscat Golf Course projects and the Quriyat Resort and Flying Club.

The Bahrain offices provide consultancy services within the building and civil engineering sectors and project management for a wide range of clients. Now acknowledged as the Group's centre of expertise in high-rise buildings, our portfolio already boasts such signature projects as Bahrain Financial Harbour and Pearl Towers. Added to this are consultancy services within the transport sector – notably the prestigious Sitra Causeway project currently in progress. The Bahrain offices have 39 employees.

The Qatar offices have experienced a boom, where permanent payroll numbers have leapt from 15 to 50. Consultancy services are provided in the marine structures, oil and gas sectors. Twenty employees are involved with site supervision of marine structure projects, earthworks and enabling works for the Lusail Development, Qatar's most important property investment project with a total value of approx. USD five billion.

China

COWI Consulting (Beijing) Ltd. Co. was set up in April 2005 and now has six employees. The company has a good footing in the Chinese market for consultancy services within the district heating sector and Kyoto-related projects – or so-called CDM-projects. Our experience of the Danish district heating model enables us to help Chinese district heating companies and international operating companies to optimise energy consumption, to achieve security of supply and to run district heating plants in a more energy-efficient operation.

International specialist services

We have also achieved progress with our international specialist services notably in the Far East and the Arabian Gulf. At the core of COWI's international specialist consultancy business are services within seven areas: major bridges, tunnels, marine and coastal engineering, airports, mapping and geodata, environmental due diligence and development planning. Within each of these services we are amongst the leading consultants in the international market.

Major bridges

In India, we were awarded a contract to design a bridge over the River Hoogly; and we are assisting the National Highways Authority with the operation and maintenance of the Naini cable-stayed bridge over the Yamuna River in Allahabad, including the management of all operational activities for eight years.

In Korea, COWI has been involved in a number of cable-supported bridge projects, including the suspension bridge for the Yeosu-Sandan Link, where we assisted the successful contractor Hyundai/Daelim with the bid design. The bridge will, when completed, be the longest spanning suspension bridge in Korea.

Some of the largest cable-stayed bridges in the world are under construction in Asia. In China, we are consultants for the construction of the Sutong Bridge and the Chongming Bridge. In Korea, we have completed our design services and are now assisting the contractor during the construction of the bridges for the Busan Geoje Fixed Link. In Malaysia, we were awarded the contract to design the temporary works for the Sungai Johor Bridge.

In Norway, we won a competition to design a bridge over the Niedelven together with COWI Norway and Dissing+Weitling.

In Scotland, COWI and Fairhurst have been selected to carry out a feasibility study for the replacement and strengthening of the main cables and supports of the Forth Road suspension bridge.

In Qatar, we are designing nine "landmark bridges" for the Lusail Development, in total around 40,000 m² of bridge deck.

Buckland & Taylor Ltd., Canada

Buckland & Taylor's principal line of business is the design of major bridges. The company has, amongst others, won two major bridge contracts for the St. Francisville Bridge in Lousiana, USA, and the Golden Ears Bridge in British Colombia, Canada. The growth in turnover and earnings achieved by the company in recent years was sustained in 2006. The company has a staff of 74.

COWI Korea

COWI Korea, whose main area of activity is the design of bridges for contractors, continues its positive course. During 2006, COWI Korea has participated in the projects for the Second Inchon Bridge and the Busan-Geoje Fixed Link. Furthermore, COWI Korea and COWI Denmark participated in the successful bid design for the Yeosu suspension bridge project in Korea, featuring a main span of 1,443 m. The company has a staff of 14.

Marine and coastal engineering

The last year has seen significant growth in marine and coastal engineering, with 40 per cent growth notably in Europe, the Middle East and North America. We are involved in a steadily growing number of major international projects working on ports, marine and coastal engineering, delivering interdisciplinary consultancy services. Our vigorous growth is attributable above all to new projects for existing and new clients, contractors and developers, for oil and gas ports and terminals, for land reclamation with artificial islands and beaches; and for foundation concepts for offshore wind farms. Growth has been seen chiefly within the international markets, which account for 85 per cent of turnover.

At international level, we carried out the design for a gas terminal for tankers in Ruwais, Abu Dhabi, and designed several terminals for large gas tankers in Port Ras Laffan, Qatar; these terminals are used for the export of natural gas. In Qatar, we are involved in several projects: a new marine terminal, Gabbro Berth, has been designed for the import of aggregate and we remain heavily involved in the large Pearl of the Gulf land reclamation project, where civil works on the artificial islands and beaches have now been completed. This major project has been followed by another, even larger-scale land reclamation and urban development project, Lusail, again in Qatar. We are now supervising the execution of these works which we designed, while at the same time we are designing so-called "landmark bridges" which will provide access to the new artificial islands from the mainland.

On the basis of the experience and expertise we have gained from these

Pearl of the Gulf. The civil engineering works on the artificial islands and beaches have now been completed.

and other projects we have won new contracts for coastal engineering and land reclamation projects in other parts of the world. The largest of these is Dellis Cay in the Turks and Caicos islands in the Caribbean. We have also seen growth in the sectors of designing foundation structures for offshore wind farms, geotechnical surveys, studies and calculations for major bridges and immersed tunnels. Our group of specialists within studies and numerical modelling, i.e. MIKE 21 numerical modelling, has also expanded vigorously.

In Denmark, the largest port and marine projects have been the reconstruction of Helsingør Harbour, the project to redevelop Tuborg South Port into a marina and the development of residential areas on reclaimed land in Tuborg Harbour.

Ben C. Gerwick, Inc., USA

Ben C. Gerwick, Inc., is involved primarily in marine structures, locks and dams, foundations for bridges and tunnels for both public clients and private contractors. The company has designed an LNG import terminal in San Diego, California, a seismic reinforcement of the Bath Tunnel abutments in San Francisco and a gigantic fish ladder at Wanapum Dam on the Columbia River. The levels of activity and earnings have been high. The company has a staff of about 35.

Tunnels

Our services within immersed and bored tunnels are much in demand. In Korea, we are working on the immersed Busan Tunnel providing technical follow-up on the construction of one of the world's largest, most technically complex immersed tunnels. In Greece, we are providing design management and detailed design for a Greek contractor on the Thessaloniki immersed tunnel; and in Venezuela, we have just begun work on the scheme design for an approximately ten km long bridge and immersed tunnel link for both road and rail traffic.

In the Øresund region, four tunnel boring machines, the so-called TBMS, are in operation on COWI projects and we are contributing key TBM expertise to all areas of work. Copenhagen's district heating tunnel for which we undertook the detailed design, and are now supervising, has reached the halfway mark, and the boring has in both technical and time scheduling terms been successful. In Sweden, boring works are also in progress on the Malmö City Tunnel and the challenging and complex Hallandsås Tunnel; and we are assisting the Swedish railway network's client organisations with supervisory tasks. We have consolidated our strength within major bored tunnel projects in China, most recently with a contract for the Nanjing Tunnel whose diameter will be 16 m.

Airports

With vigorous growth in turnover from the airports sector and with our current market ranking of number seven, COWI is well on the way up the Engineering News Record's top 20 list of leading international airport consultants. Our aim is to be recognised by our clients as Top Five consultants. We are working on two airports in Oman (the Seeb and Salalah Airports), where a team of over 200 employees are working on the detailed design. Hyderabad Airport in India is under construction and it is our task to approve the contractor's detailed design. A new runway, constructed under our supervision, has just been commissioned at Sofia Airport in Bulgaria. In addition, we are involved in a review of Zia Airport in Bangladesh. Several of the above are BOT projects: the development of new types of partnership is important to our consultancy business.

Mapping and geodata

COWI is one of Europe's leading providers of geodata and all forms of 2D and 3D mapping. With our extensive business network with subsidiaries in countries including India, Spain and

COWI's operations in the Arabian Gulf are based at three permanent offices in Bahrain, Qatar and Oman (picture).

Britain, and with access to a wide range of international subcontractors, we have created a strong framework for an efficient production and marketing system with some 500 employees. We have our own aircraft and equipment for digital data capture and full digital workflow in the production lines: we are therefore in a position to take on large-scale production of mapping and data at competitive prices.

We have increased our investment in the latest technology and our acquisition of a UK mapping business has brought us a higher profile in the British market, where we continue to work closely with the Ordnance Survey as the main supplier. In Denmark, we have invested in the development of a new national digital elevation model and a new edition of our national orthophoto which, in conjunction with our capacity within 3D modelling and visualisation, will help to underpin and differentiate our services within environmental and area planning, for example, and within major infrastructure projects.

Kampsax India Ltd., India

Kampsax India Ltd. (KIL) is COWI's subsidiary in India. It has a payroll of some 300 and represents the backbone of our performance within the mapping sector.

The company has reinforced its position as sub-supplier for a range of US companies.

Caribersa, Spain

Caribersa is COWI's marketing platform in the Spanish market. With a staff of 17, the company focuses its energies on the Spanish engineering market.

COWI Mapping UK Limited

COWI Mapping UK Limited emerged from the UK company The Mapping Place Ltd., which we acquired in November 2006. Its team of six employees, with its cutting-edge expertise within photogrammetry and orthophoto production, acts as our marketing spearheads in the UK market.

Development planning

COWI's development assistance activities in Africa and Asia offer many exciting challenges. We are adapting to new clients, new issues and new countries. There is an increasing international focus on post-conflict areas such as the Sudan and Afghanistan. Work towards donor harmonisation to enhance aid effectiveness, while at the same time reducing administration, is beginning to produce significant results. At the same time, European donors are untying aid, leading to new and exciting opportunities.

We have undertaken assignments for a number of European aid organisations including those from the UK, France and Germany, and have built up a good working relationship with the Nordic donors, the EU and the World Bank. A new trend is the facilitation and communication work we do on behalf of a growing number of groups of donors working together. Amongst our major assignments are a gender evaluation for the British government agency, DFID, a capacity assessment of the Sudanese local authorities for the World Bank, support for decentralisation in Cambodia, donor harmonisation in Benin, South Africa, Zambia and South Sudan, and an assessment of civil-military cooperation in Iraq and Afghanistan. Our projects in Ghana include support to the development of business codes of conduct with the private sector, based on the UN Global Compact. We are in the process of implementing the last of three pilot projects in Africa within a new type of "results-based aid" for the World Bank. With World Bank guarantees, private investors and local authorities share responsibility for financing the water supply for small towns. This model has proved successful and will now be used on a wider scale in a range of countries in Africa and Asia.

Greater involvement in Africa

Africa is high on the international agenda and is now in receipt of a large share of the international aid budget. It is increasingly national institutions which are in charge of buying consultancy services. We have redoubled our involvement in Africa, where we have permanent representatives in Tanzania, Uganda, Mozambique and Zambia. In Tanzania, our commissions have included designing not only bridges, roads and ports but also water supply projects. In Zambia, we are involved in two major Danida-financed projects in the water sector. In Uganda, we are assisting the Ministry of Transport with rural infrastructure development, while in Mozambique we are assisting the authorities with a municipal reform development programme. Having consolidated our position in francophone West Africa we have been awarded commissions within the road and water sectors in Benin and Burkina Faso.

Environmental due diligence

We continued to achieve vigorous growth in the field of environmental due diligence. COWI has proved itself as one of Denmark's leading consultants in the sector, and we have been involved in the extensive acquisition and sale of companies and properties in Denmark and our Danish clients' acquisition and sale of companies and properties outside Denmark.

Outside Denmark, we have experienced particular growth in Norway, Sweden, Poland and Russia. Our position has been reinforced via the joint venture company CAT Alliance Ltd. through which we have access to a wide range of international clients. COWI owns one third of this joint venture company and our interdisciplinary profile has prompted CAT Alliance Ltd. to use us on its behalf to provide international clients with such services as client consultancy in connection with hotel refurbishment on Aruba, technical status assessment of oil storage facilities in the Philippines and the introduction of a chemicals management system in 35 production units in Europe, Asia, South Africa and South America. Numbered amongst our important clients are Teesland iog Nordic, Keops, Danfoss, Chr. Hansen, Icopal and Altor.

Knowledge of clients, markets and employees

cowi's client list has grown in 2006. And its share of private and international clients is rising steadily, as demonstrated in the annual intellectual capital report on the parent company cowi a/s, which is set out in full on pages 66-67.

This publication – the ninth – reports on developments and trends in markets and consultancy types, and on clients and employees. Knowledge is our most important raw material. The lion's share of our competencies and areas of expertise comprises specialist experience and social skills embodied by the individual employees and the cowi ethos. These are competencies which cannot be quantified but which come to the fore when they are put into practice. The intellectual capital report therefore covers not only our knowledge resources but also our knowledge procedures and their output.

Clients and markets

cowi's client list has grown by six per cent and the proportion represented by private clients now amounts to 44 per cent of the client base, which is on a par with the number of public and semi-public clients. Numbers of public clients in Denmark have dropped as a result of the Danish structural reform while, conversely, individual public clients require more services. Numbers of international clients continue to rise steadily, now numbering 20 per cent of our clients; and 33 per cent of our projects are international.

Types of consultancy services

The style of our consultancy services is tailored to the client's requirements and the nature of the commission. The types of consultancy range from project management, expert support, planning, analysis, design, tendering, supervision, product supplies and suchlike.

Consultancy types in 2006

Project management	24%
Expert assistance, planning and analysis	37%
Design, tendering and supervision	30%
Product supplies	5%
Other	4%

Employee numbers up

The Group now has an increased staff of permanent employees, as illustrated below:

Number of permanent employees at year-end

	Denmark	The Group
01/02	1,643	2,282
02/03	1,972	3,501
2003	1,960	3,433
2004	1,923	3,294
2005	1,879	3,322
2006	1,969	3,561

The proportion of graduates among our staff is now 73 per cent.

The average age of our employees has fallen to 44.2 years of age. At the same time, experience in the business world has risen to an average of 17.5 years of experience. As many as 60 per cent of our employees have had experience of project management and 26 per cent have had experience of international project management.

Best in-house magazine

We set great store by, and invest in, improving internal communications. cowi's Danish in-house magazine "os selv" (Ourselves) won the Dansk Personalebladsforening's award for the In-house Magazine of the Year, 2006.

Best consultants

In 2006, cowi was yet again ranked the top consultant engineering company in the annual image-based top 100 list of Danish engineering companies. The Danish magazine Ingeniøren awarded cowi first place amongst engineers and students alike.

Risks and risk management

The risks to which the cowi Group is exposed may be divided between market risks, operational risks, and financial and other risks.

Market risks

We endeavour to minimise risk arising from changes in political circumstances and fluctuations in economic cycles by maintaining a balanced project portfolio: a mix of projects distributed across geographic markets, service areas and public/private sectors. Notably in politically unstable areas changes in political circumstances will represent a significant risk.

Operational risks

We minimise loss on projects by conducting a risk assessment of every single project and following it up with the project management and monitoring prescribed by the assessment.

Contracts with subcontractors and partners may constitute a risk in the event of failure to deliver on time, within budget or to the requisite standards of quality. We endeavour to minimise risk through dialogue and meticulous selection and verification of delivery.

Stipulations made by clients, partners and/or subcontractors constitute risks which we try to limit by means of professional liability insurance.

Excess capacity in terms of the scope of work in progress is a risk which we manage by means of new control systems which provide better scope for resource management and forecasting.

We have formulated an it security policy and an it contingency plan to pre-empt physical damage to our central it systems; the plan is reviewed once a year.

Financial risk

We seek to minimise foreign currency risks related to our projects by matching as closely as possible revenue and costs in the same currency for the individual projects. In addition, net currency positions are hedged at company level. There is in principle no hedging of the translation risk related to investments in subsidiaries.

Interest rate risk is limited as a result of cowi's low net interest-bearing debt. Our portfolio of securities forms part of an external portfolio management programme which is managed within set parameters placing main importance on short-lived Danish bonds. Over the years, we have made several acquisitions and therefore formulated basic methods for valuation and integration to minimise acquisition risk.

Other risks

cowi supplies services to public and private clients in many parts of the world. Our trustworthiness as a consultancy firm depends 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 laid down 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 amendments we would like to see to risk profiles within five to ten areas of risk.

Events after the end of the financial year

- In January 2007 cowi acquired 51 per cent of the shares in cowi-Almoayed Gulf W.L.L., thereby becoming outright owner of the company in Bahrain. The company has 39 employees and its main activity is consultancy services within building and civil engineering including high-rise buildings. It will become an integrated component of our Arabian Gulf region which we will develop substantially in accordance with our strategy.
- In January 2007 cowi acquired the Norwegian company Ing. Jan Johannesen as in Stavanger. This consulting electronic engineering firm has nine employees.
- In February 2007 cowi sold its 70 per cent share in the Norwegian company Hjellnes cowi. The cowi Group will now pursue its strategy for becoming leading consultants in Norway through cowi as.
- In February 2007 cowi acquired the Turkish company sns which specialises in planning and design of water, wastewater and waste management systems. The company has 25 employees and will be amalgamated with cowi's other company in Ankara, cowi Anadolu, which has ten employees.
- In February 2007 cowi bought Sven Allan Jensen as, an urban planning company with a staff of 25. This acquisition made cowi Denmark's leading consultants within traffic and urban planning and in the field of municipal and local plans.

Outlook

We anticipate sustained, generally positive economic trends in 2007; and that this outlook will mean that demand for our services will remain at a satisfactory level in most of the markets on which we concentrate our focus.

In the Danish market, we also anticipate good economic growth to continue albeit at slightly lower rates than in 2006. Investment in commercial and residential properties will continue to rise but again at a slower pace. We anticipate good demand for our civil engineering services, which in 2007 will notably feature the launch of a new city ring line (metro) in Copenhagen. The structural reform in Denmark will have considerable impact on demand for consultancy services, potentially undermining demand in the short term; but we anticipate that the long-term impact of the reform will be beneficial to cowi. With our wealth of experience, competencies and interdisciplinary services, cowi has excellent scope for maximising sales of our consultancy services to the regions and municipalities.

In the Norwegian market, we expect growth to continue in 2007. Demand may tail off towards the end of the year. cowi enjoys a strong position within the public sector, where we anticipate that demand for consultancy services will remain high.

We also anticipate vigorous growth in our international markets. We will intensify our efforts in rapidly growing markets in Central and Eastern Europe and in the Arabian Gulf. We will also reinforce the specialist areas where our international position already is – or could be – dominant.

We have just started to implement the Group's new Strategy 2010: a strategy which will entail considerable investment in the development of markets, services, managers, employees and business systems. Investment will boost organic growth in these areas and will be channelled towards the acquisition of businesses in selected markets and areas of expertise.

Investments will affect turnover, earnings, profitability and cash flow. We anticipate a rise in turnover and profitability in line with 2006. We expect cash flow from operating activities to match that of 2006; however, as a result of investment in the business areas and companies, free cash flow will be reduced.

Financial review

General

The COWI A/S annual report 2006 has been drawn up in accordance with the provisions of the Danish Financial Statements Act for a large class C enterprise and supplemented with the provisions of IAS 19 "Employee Benefits" of the International Financial Reporting Standards (IFRS) concerning employee benefits.

The accounting policies applied remain unchanged from the annual report 2005, with the exception of the recognition of employee benefits which, in a change from the superseded corridor method, are now fully recognised in the balance sheet.

At Group level the effect of the amendment to the accounting policies has been a rise in operating profit (EBIT) for 2006, up DKK 4.0 million (2005: an additional DKK 2.9 million), a net reduction of equity at 31 December 2006, down DKK 74.8 million (31 December 2005: a negative DKK 99.8 million), and a drop in the balance sheet total at 31 December 2006, down DKK 6.8 million (31 December 2005: a positive DKK 0.3 million). This amendment to the accounting policies has had no impact on the cash flow statement.

The comparative figures for the profit and loss account and the balance sheet have been restated to the new accounting policies.

Profit and loss account

The Group achieved net turnover in 2006 of DKK 2,808.9 million, up DKK 132.4 million or 4.9% on 2005 figures. The Group's own production, which reflects the selling price of the Group's activities carried out in 2006, increased by 9.3% from DKK 1,966.6 million in 2005 to DKK 2,149.8 million in 2006. This growth was achieved mainly in the Danish and Norwegian markets and in the Arabian Gulf, and notably in the transport and building service areas.

Total operating costs exclusive of net financials rose in 2006 by 7.8% to DKK 1,989.6 million. The highest operating cost – staff expenses – rose by 9.4%, which must be taken in the context of a rise in headcount for 2006 with the inflow of 239 recruits. Operating costs in 2006 benefitted from the receipt of a refund on COWI's professional liability insurance payments in previous years and from a reduction of the annual premium.

Depreciation, amortisation and impairment losses fell by 12.2% to DKK 65.3 million, due to a reduction in amortisation of own-developed mapping products. The background for this decrease is that several of the former map products have now been fully amortised while at the same time the new map products were only ready for sale at the very end of the financial year.

Operating profit rose by DKK 40.1 million from DKK 120.0 million in 2005 to DKK 160.2 million in 2006. This improvement in earnings figures is attributable to a rise in earnings in Denmark, Norway and in several international markets. Again, the transport and building sectors have contributed notably to this improvement.

Group operating margin, which is calculated as operating profit, as a percentage of turnover, came to 5.7% as against 4.5% the year before.

The Group's net financials recognise net income of DKK 16.6 million as against DKK 19.6 million in 2005. In 2006 capital gains on securities were down on 2005, although this is offset to some extent by the DKK 8.8 million improvement in the Group's net interest income.

Pre-tax profit and minority shareholders' share of profits in subsidiaries amounted to DKK 176.8 million against DKK 139.7 million in 2005.

Group tax on profit from ordinary activities in 2006 amounted to DKK 52.9 million, equivalent to an effective tax rate of 30% for 2006.

Profit for the year after tax and minority shareholders' share of profits in subsidiaries amounted to DKK 120.4 million against DKK 115.0 million in 2005. After correction allowing for an extraordinary positive tax adjustment of DKK 18.4 million, profit for 2006 after tax and minority shareholders' dividends were up DKK 23.8 million on 2005.

Balance sheet

The Group's total assets amounted to DKK 1,945.1 million at 31 December 2006, an increase of DKK 161.9 million on the previous year.

The Group's accounts receivable from services rose by DKK 28.7 million to DKK 563.7 million, reflecting significant levels of invoicing for discrete, major international projects at the end of the financial year.

In the course of 2006 the Group's cash and cash equivalents rose by DKK 134.2 million, bringing the Group's total cash holdings including securities at 31 December 2006 to DKK 556.8 million, which represents 28.6% of the Group's total assets.

At 31 December 2006 equity amounted to DKK 587.3 million, a rise of DKK 131.9 million. Increased equity was generated by profit for the year of DKK 120.4 million and DKK 22.2 million (incl. deferred tax) derived from fresh changes planned in respect of defined benefit plans; and offset by foreign exchange adjustments of investments and hedging instruments amounting to a total of DKK 5.6 million and dividend payments of DKK 5.1 million for the financial year 2005.

Return on equity for 2006 was 23.1% compared with 25.5% in 2005.

The equity ratio rose from 25.5% in 2005 to 30.2% in 2006.

Cash flow statement

Cash flow from operating activities amounted to DKK 213.9 million, up DKK 5.0 million on 2005 figures. At DKK 64.5 million, cash flow from investment activities reflected the impact of investment in equipment and aircraft for map production, IT equipment and software as well as acquisitions in the UK and India.

Free cash flow amounted to DKK 149.4 million, an increase of DKK 12.1 million which constitutes a rise of 8.8% on 2005 figures.

At the end of 2006 the Group's cash and cash equivalents consisting of cash and securities amounted to DKK 556.8 million. The addition of committed but undrawn credit facilities brings the Group's financial resources at 31 December 2006 to DKK 741.0 million.

Group and annual accounts

Applied accounting policies

The 2006 annual report of COWI A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act for a large class C enterprise.

Change in the applied accounting policies

The Group has changed its applied accounting policies in connection with the recognition and measurement of defined benefit obligations. Clarification and information about the effect on the current and previous financial year appear from the financial review. Comparative figures for the financial year have been restated.

Apart from this, the applied accounting policies remain the same as last year.

Recognition and measurement

In the profit and loss account, revenue is recognised as earned and includes 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 profit and loss account.

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.

Group accounts

Consolidation policy

The annual report includes the parent company, COWI 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% of the voting rights and exercises a significant but not controlling interest are treated as associates.

On consolidation, 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 accounts 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 accounts of COWI 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 acquisition 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 fixed 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 profit and loss account 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.

Corporation tax and deferred tax
The Company is jointly taxed with Danish subsidiaries. The tax effect of the joint taxation with the subsidiaries is distributed on Danish profit- and loss-making enterprises in proportion to their taxable income (full allocation with refund in respect of tax losses). The jointly taxed companies are included in the Danish tax prepayment scheme.

Tax for the year, consisting of current tax and deferred tax for the year, is recognised in the profit and loss account 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. Any share of the tax carried in the profit and loss account which arises from profit/loss on extraordinary activities for the year is attributed to the profit and loss account, while the remaining share is attributed to profit/loss on ordinary activities for the year.

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 utilised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities 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 profit and loss account.

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 profit and loss account as part of net turnover. For other items, the realised gains/losses are recognised as financial income or financial expenses in the profit and loss account.

Accounts receivable and payable and other monetary items in foreign currencies are translated at 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 profit and loss account. Unrealised exchange gains or losses in respect of accounts receivable are recognised under net turnover in the profit and loss account, while unrealised exchange gains or losses in respect of accounts payable or other monetary items are recognised under financial income or expenses in the profit and loss account.

Fixed 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, profit and loss accounts 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 profit and loss accounts 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 applying at the time of acquisition or at the time of any subsequent revaluation or write-down for impairment of the asset. Profit and loss account 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 as and qualify as fair value hedges of a recognised asset or liability are recognised in the profit and loss account 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 profit and loss account in the period during which the hedged item affects the profit and loss account.

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 profit and loss account.

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

Incentive schemes
The material provisions of the employee share schemes are disclosed in the notes to the Group accounts and have no effect on the profit and loss account. At present, there are no incentive schemes.

Profit and loss account

Net turnover
Net turnover corresponds to an approximate and conservatively assessed 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 expense as well as other expenses.

Other operating expenses, net
Other operating expenses, net, include items of a secondary nature compared with the Company's core activities, including removal expenses as well as profits and losses from the sale of intangible and tangible fixed assets.

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

Balance sheet

Intangible fixed 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.

Rights

Rights are amortised on a straight-line basis over 5 years.

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 fixed 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 profit and loss account 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 2-5 years.

Software

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 3-5 years.

Summary of amortisation periods for intangible fixed assets

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

Tangible fixed assets

Land and buildings

Land and buildings are measured at cost less accumulated depreciation and impairment losses and depreciated on a straight-line basis over 50 years. Land is not depreciated.

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 3-10 years.

Aircraft 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 tangible fixed assets in terms of which the individual subsidiaries 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 as the Group's other tangible fixed assets.

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 profit and loss account, 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 profit and loss account over the term of the lease.

Summary of depreciation periods for tangible fixed assets

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

Writedown for impairment of fixed assets

The carrying amounts of intangible and tangible fixed assets 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 net selling price and value in use. Where it is not possible to determine the recoverable amount of the individual asset, the impairment writedown requirement is assessed in respect of the smallest group of assets for which it is possible to determine the recoverable amount.

Fixed asset investments

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured using the equity method in the parent company's annual report.

The parent company profit and loss account recognises the proportionate share of the subsidiaries' results before tax for the year under the item profit before tax in subsidiaries, while the share of tax in subsidiaries is included in the item tax on profit. Group goodwill amortisation is presented separately in the profit and loss account under the item goodwill and Group goodwill amortisation.

The profit and loss accounts of the Group and of the parent company include the proportionate share of results before tax for the year of associates under the item profit before tax in associates, while the share of tax in associates is included in the item tax on profit. Group goodwill amortisation is presented separately in the profit and loss account under the item goodwill and Group goodwill amortisation.

Under the item Investments in associates, the Group's balance sheet includes the relevant equity interest proportion of the net asset value of the associates measured under the parent company's accounting policies subject to deduction or addition of the share of unrealised intercompany profits or losses.

Under the items Investments in subsidiaries and Investments in associates, the parent company's balance sheet includes the relevant equity interest proportion of the net asset value of the enterprises measured under the parent company's accounting policies subject to deduction or addition of the share of unrealised intercompany profits or losses.

Investments in subsidiaries and associates at negative carrying amounts are measured at DKK 0, and any receivable from these enterprises is written down, to the extent estimated to be uncollectible, by the parent company's share of the negative net asset value. Where the negative net asset value exceeds the amount receivable, the residual amount is recognised under provisions to the extent that the parent company has a legal or constructive obligation to cover the enterprise's negative balance.

The total net revaluation of investments in subsidiaries and associates is transferred in the parent company over the distribution of profit to reserve for net revaluation according to the equity method under equity.

Positive and negative differences are separately included under the item Group goodwill both in the parent company's balance sheet and in the Group accounts.

Enterprises acquired during the financial year are included in the parent company and Group accounts from the time of acquisition, and enterprises disposed of are included until the time of disposal. Comparative figures are generally not adjusted for new acquisitions and disposals.

Any gains or losses on disposal or liquidation of subsidiaries are computed as the difference between the sales sum or the liquidation amount and the carrying amount of net assets at the time of disposal or liquidation, including non-amortised goodwill and expected sales or liquidation expenses. Any gains or losses are recognised in the profit and loss account.

Other investments and participating interests

Other investments and participating interests 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

Stocks

Stocks are measured at cost according to the FIFO method. If the net realisable value is lower than cost, stocks are written down to the lower value.

Cost includes purchase price with addition of landing costs.

The net realisable value of stocks is determined as the selling price less completion costs and costs incurred to execute sale, and is fixed with due consideration to marketability, obsolescence and movements in expected selling prices.

Receivables

Accounts receivable are measured at the lower of amortised cost or net realisable value corresponding to the nominal value less losses for 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 profit and loss account on a current basis by reference to the stage of completion.

The stage of completion is measured by the proportion that project expenses incurred for work performed to date bear to the estimated total project expenses. Where total project expenses are likely to exceed the total revenues from a project, the expected loss is recognised as an expense in the profit and loss account.

The share of work in progress etc. performed in working partnerships is included in work in progress.

Own shares
Own shares are shares acquired by COWI A/S for use in future allotments to employees. Own shares are measured at cost and tied up in a special reserve under equity. Any gains/losses on disposal are recognised in the profit and loss account.

Current asset investments
Current asset investments 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.

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 PBO) less the actual value of the pension funds plus payroll tax on 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 cash flows at the interest rate 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 profit and loss account 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.

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.

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

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

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 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.

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 so that the difference between the proceeds and the nominal value (the capital loss) is recognised in the profit and loss account over the loan period.

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

Deferred income and other liabilities
End-of-period adjustments required by accrual accounting and 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, interest income and expenses, amounts paid in respect of extraordinary items and corporation tax paid.

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

Cash flow from investment activities
Cash flows from investment activities include cash flows from acquisitions and disposals of intangible and tangible fixed assets as well as fixed asset investments.

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 at bank and in hand as well as securities recognised as current asset investments.

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	$\frac{\text{Operating profit before depreciation and amortisation x 100}}{\text{Net turnover}}$
Operating margin (EBIT margin)	$\frac{\text{Operating profit x 100}}{\text{Net turnover}}$
Return on invested capital	$\frac{\text{Operating profit x 100}}{\text{Non-financial assets less advance invoicing}}$
Equity ratio	$\frac{\text{Equity excl. minority interests, year-end x 100}}{\text{Total liabilities and equity, year-end}}$
Return on equity	$\frac{\text{COWI Group share of profit for the year x 100}}{\text{Equity excl. minority interests, average}}$

Profit and loss account 1 January – 31 December

Parent company 2005 (adjusted)	Parent company 2006	DKK '000	Note	Group 2006	Group 2005 (adjusted)
1,855,628	1,815,490	Net turnover	1	2,808,877	2,676,488
(606,291)	(509,142)	Project expenses		(659,070)	(709,922)
1,249,337	1,306,348	Own production		2,149,807	1,966,566
(178,879)	(169,651)	External expenses	2	(329,516)	(318,775)
(943,745)	(992,873)	Staff expenses	3	(1,593,262)	(1,456,165)
(44,161)	(32,268)	Amortisation, depreciation and impairment losses	4	(65,259)	(74,306)
82,552	111,556	Operating profit on ordinary activities		161,770	117,320
3,800	(458)	Other operating expenses, net	5	(1,590)	2,727
86,352	**111,098**	**Operating profit**		**160,180**	**120,047**
46,697	61,418	Profit before tax in subsidiaries	6	-	-
66	79	Profit on ordinary activities before tax in associates	7	1,445	1,613
(15,354)	(15,354)	Goodwill and Group goodwill amortisation	4	-	-
29,062	29,096	Financial income	8	36,846	29,456
(9,377)	(13,753)	Financial expenses	9	(21,649)	(11,457)
137,446	**172,584**	**Profit before tax**		**176,822**	**139,659**
(22,414)	(52,209)	Tax on profit	10	(52,891)	(22,709)
115,032	**120,375**	**Profit for the year**		**123,931**	**116,950**
-	-	Profit/loss from subsidiaries attributable to minority shareholders		(3,556)	(1,918)
115,032	**120,375**	**COWI's share of profit for the year**		**120,375**	**115,032**

Proposed distribution of net profit

2005	2006	DKK '000
5,138	6,762	Proposed dividend at 20%
109,894	113,613	Retained earnings
115,032	**120,375**	

Balance sheet at 31 December

Parent company 2005 (adjusted)	Parent company 2006	DKK '000	Note	Group 2006	Group 2005 (adjusted)
108,201	101,643	Goodwill and rights		12,250	13,747
121,744	114,384	Group goodwill		216,027	229,946
9,215	5,398	Software		6,302	10,412
1,561	10,371	Own-developed products		10,371	1,561
240,721	**231,796**	**Intangible fixed assets**	11	**244,950**	**255,666**
4,049	3,936	Land and buildings		7,837	7,132
73,768	78,474	Technical installations, operating and other equipment		112,887	109,799
457	296	Fixed assets in course of construction		363	1,016
78,274	**82,706**	**Tangible fixed assets**	12	**121,087**	**117,947**
84,334	163,930	Investments in subsidiaries	6	-	-
895	929	Investments in associates	7	5,058	5,787
19,822	22,433	Loans to subsidiaries		-	-
261	266	Other investments and participating interests		5,027	4,898
105,312	**187,558**	**Fixed assets investments**	13	**10,085**	**10,685**
424,307	**502,060**	**Total fixed assets**		**376,122**	**384,298**
356	**364**	**Stocks**		**373**	**358**
345,922	392,382	Accounts receivables, services		563,683	534,978
179,677	181,522	Contract work in progress, net	14	292,521	288,968
38,685	32,192	Receivables from subsidiaries		-	-
-	-	Receivables from associates		6,353	3,346
35,023	40,988	Other receivables		61,215	59,924
-	-	Deferred tax assets	21	33,431	40,173
26,944	34,173	Prepayments	16	41,182	42,144
626,251	**681,257**	**Receivables**		**998,385**	**969,533**
6,420	**13,447**	**Own shares**	17	**13,447**	**6,420**
182,334	**189,646**	**Current assets investments**	18	**191,297**	**183,669**
130,282	**209,578**	**Cash at bank and in hand**		**365,474**	**238,905**
945,643	**1,094,292**	**Total current assets**		**1,568,976**	**1,398,885**
1,369,950	**1,596,352**	**TOTAL ASSETS**		**1,945,098**	**1,783,183**

to be continued

Balance sheet at 31 December

Parent company 2005 (adjusted)	Parent company 2006	DKK '000	Note	Group 2006	Group 2005 (adjusted)
34,750	34,750	Share capital		34,750	34,750
6,420	13,447	Share premium account		-	-
408,995	532,289	Retained earnings		545,736	415,415
5,138	6,762	Proposed dividend		6,762	5,138
455,303	**587,248**	**Equity excl. minority interests**	**19**	**587,248**	**455,303**
-	**-**	**Minority interests**	**20**	**11,168**	**8,928**
171,911	205,693	Deferred tax	21	212,426	179,119
29,500	29,500	Net pension benefit obligations	15	99,699	134,800
33,366	20,080	Other provisions	22	38,130	53,436
234,777	**255,273**	**Provisions**		**350,255**	**367,355**
8,864	7,215	Credit institutions		8,108	11,040
8,864	**7,215**	**Long-term debt**	**23**	**8,108**	**11,040**
33,704	30,462	Credit institutions		45,027	45,094
14,516	27,457	Amounts owed to subsidiaries		-	-
76,326	84,318	Accounts payable, suppliers		117,170	110,688
40,216	44,949	Taxes and VAT payable		113,626	99,252
343,156	359,979	Amounts invoiced in advance	14	415,567	424,003
135,249	148,671	Accrued holiday allowance		198,433	180,817
25,947	41,686	Other accounts payable		81,143	67,262
1,892	9,094	Deferred income		17,353	13,441
671,006	**746,616**	**Short-term debt**		**988,319**	**940,557**
679,870	**753,831**	**Total debt**		**996,427**	**951,597**
1,369,950	**1,596,352**	**TOTAL LIABILITIES AND EQUITY**		**1,945,098**	**1,783,183**
		Contingent liabilities, commitments and guarantees	24		
		Notes without reference	25-27		

Statement of changes in equity

Statement of changes in equity of the COWI Group

DKK '000	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2005	34,750	406,175	5,213	446,138
Change in the applied accounting policies		(89,688)		(89,688)
Equity after change in the accounting policies	34,750	316,487	5,213	356,450
Distributed dividend			(5,213)	(5,213)
Profit for the year		115,032		115,032
Value adjustment of investments in subsidiaries		(691)		(691)
Exchange adjustment, foreign subsidiaries		(1,711)		(1,711)
Value adjustment of own shares in foreign subsidiaries		(33)		(33)
Value adjustment of hedging instruments, beginning-of-year		3,727		3,727
Change in estimates/pension plan changes		(17,025)		(17,025)
Deferred tax concerning changed estimates/pension plan changes		4,767		4,767
Proposed dividend		(5,138)	5,138	-
Equity at 1 January 2006	**34,750**	**415,415**	**5,138**	**455,303**
Distributed dividend			(5,138)	(5,138)
Profit for the year		120,375		120,375
Exchange adjustment, foreign subsidiaries		(7,390)		(7,390)
Value adjustment of investments in foreign subsidiaries		(1,046)		(1,046)
Value adjustment of hedging instruments, year-end		2,952		2,952
Change in estimates/pension plan changes		30,822		30,822
Deferred tax concerning changed estimates/pension plan changes		(8,630)		(8,630)
Proposed dividend		(6,762)	6,762	-
Equity at 31 December 2006	**34,750**	**545,736**	**6,762**	**587,248**

Statement of changes in equity

Statement of changes in equity of COWI A/S

DKK '000	Share capital	Own shares	Net re-valuation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 January 2005	34,750	-	15,041	391,134	5,213	446,138
Change in the applied accounting policies			(15,041)	(74,647)		(89,688)
Equity after change in the accounting policies	34,750	-	-	316,487	5,213	356,450
Distributed dividend					(5,213)	(5,213)
Profit for the year				115,032		115,032
Transfer to reserve for own shares		6,420		(6,420)		-
Exchange adjustment, foreign subsidiaries				(1,711)		(1,711)
Value adjustment of investments in subsidiaries				(691)		(691)
Value adjustment of own shares in foreign subsidiaries				(33)		(33)
Value adjustment of hedging instruments, beginning-of-year				3,727		3,727
Change in estimates/pension plan changes				(17,025)		(17,025)
Deferred tax concerning changed estimates/pension plan changes				4,767		4,767
Proposed dividend				(5,138)	5,138	
Equity at 1 January 2006	**34,750**	**6,420**	**-**	**408,995**	**5,138**	**455,303**
Distributed dividend					(5,138)	(5,138)
Profit for the year				120,375		120,375
Transfer to reserve for own shares		7,027		(7,027)		-
Exchange adjustment, foreign subsidiaries				(7,390)		(7,390)
Value adjustment of investments in foreign subsidiaries				(1,046)		(1,046)
Value adjustment of hedging instruments, year-end				2,952		2,952
Change in estimates/pension plan changes				30,822		30,822
Deferred tax concerning changed estimates/pension plan changes				(8,630)		(8,630)
Proposed dividend				6,762	6,762	-
Equity at 31 December 2006	**34,750**	**13,447**	**-**	**532,289**	**6,762**	**587,248**

Cash flow statement

Group

DKK '000	Note	2006	2005
Operating profit		160,180	120,047
Amortisation and depreciation for the year as well as profit/(loss) from disposal of fixed asset		65,552	73,992
Unrealised value adjustments for the year, net		(7,390)	(5,216)
Other provisions for the year		(27,159)	3,517
Operating profit adjusted for non-cash movement		191,183	192,340
Net financial income paid for the year		15,197	17,999
Corporation tax paid		(8,473)	(7,821)
Cash flow from operating activities before change in working capital		**197,907**	**202,518**
Change in stocks		(15)	126
Change in work in progress		(11,989)	25,961
Change in accounts receivable		(28,705)	(49,595)
Change in accounts payable		6,482	1,538
Change in other receivables and prepayments		1,716	(7,575)
Change in other payables and deferred income		48,467	35,849
Cash flow from operating activities		**213,862**	**208,822**
Acquisition of intangible fixed assets		(14,658)	(6,789)
Disposal of intangible fixed assets		(47,117)	(43,325)
Disposal of tangible fixed assets		3,632	2,592
Acquisition of subsidiaries and activities		(6,708)	(24,820)
Acquisition of other fixed asset investments		(3,203)	(1,976)
Disposal of fixed asset investments		3,553	2,783
Cash flow from investing activities		**(64,501)**	**(71,535)**
Free cash flow		**149,361**	**137,287**
Repayment of financial accounts payable (net)		(2,999)	(23,955)
Distributed dividend/purchase of minority interests		(5,138)	(5,213)
Sale/(purchase) of own shares		(7,027)	(6,420)
Cash flow from financing activities		**(15,164)**	**(35,588)**
Cash flow for the year		**134,197**	**101,699**
Cash and cash equivalents, beginning-of-year		422,574	320,875
Cash and cash equivalents, year-end	27	**556,771**	**422,574**

The cash flow statement cannot be immediately derived from the profit and loss account.

Notes

Note 1 Segment information

Below, the Group's turnover, operating profit, fixed assets and liabilities are distributed by geographical market into the Danish market and the foreign markets. The Group's turnover distributed on business segments appears from management's review.

	Group		
DKK '000	Danish market	Foreign markets	Total
Net turnover	994,487	1,814,390	2,808,877
Operating profit	67,585	92,595	160,180
Fixed assets	76,172	299,950	376,122
Liabilities	563,386	412,217	975,603

Note 2 Fees for auditor elected by the annual general meeting

Parent company			Group	
2005	2006	DKK '000	2006	2005
(1,400)	(1,225)	Audit fee	(2,625)	(2,809)
(2,455)	(1,695)	Fees, services other than audit	(2,127)	(2,821)
(3,855)	**(2,920)**	**Total fees for the auditor elected by the annual general meeting**	**(4,752)**	**(5,630)**

Note 3 Staff expenses

Parent company			Group	
2005	2006	DKK '000	2006	2005
(965)	(1,067)	Remuneration for Board of Directors, parent company	(1,067)	(965)
(907,968)	(960,478)	Salaries and wages	(1,439,636)	(1,336,973)
(6,289)	(4,044)	Pensions and social security	(65,937)	(67,341)
(28,523)	(27,284)	Other staff expenses	(86,622)	(50,886)
(943,745)	**(992,873)**	**Staff expenses**	**(1,593,262)**	**(1,456,165)**
(7,499)	(9,615)	Remuneration, Executive Board	(9,615)	(7,499)
1,901	1,924	Average number of employees	3,442	3,308
1,879	**1,969**	**Number of employees at 31 December**	**3,561**	**3,322**

Note 4 Amortisation, depreciation and impairment losses

Parent company			Group	
2005	2006	DKK '000	2006	2005
(5,376)	(5,280)	Software	(5,763)	(6,132)
(14,953)	(3,471)	Own-developed products	(3,471)	(14,953)
(124)	(113)	Land and buildings	(267)	(259)
(23,708)	(23,404)	Technical installations, operating and other equipment	(38,707)	(36,850)
(44,161)	**(32,268)**		**(48,208)**	**(58,194)**
(6,558)	(6,558)	Goodwill and rights	(1,697)	(407)
(8,796)	(8,796)	Group goodwill	(15,354)	(15,705)
(59,515)	**(47,622)**	**Amortisation, depreciation and impairment losses**	**(65,259)**	**(74,306)**

Note 5 Other operating expenses, net

Parent company			Group	
2005	2006	DKK '000	2006	2005
73	-	Profits from sale of fixed assets	387	321
-	(339)	Loss from sale of fixed assets	(680)	(7)
4,484	717	Royalty income	-	3,293
(757)	(836)	Removal expenses	(1,297)	(880)
3,800	**(458)**	**Other operating expenses, net**	**(1,590)**	**2,727**

Note 6 Investments in subsidiaries

					COWI Group's share			
Name	Domicile	Ownership %	Share capital	Equity	Profit/loss for the year	Profit before tax	Equity
			(1,000)	DKK '000	DKK '000	DKK '000	DKK '000
Ben C. Gerwick Inc.	USA	94.7%	876 USD	14,640	1,924	4,314	13,870
Bruun & Sørensen Energiteknik A/S	Denmark	100%	2,000 DKK	6,340	315	437	6,340
COMAR Engineers A/S	Denmark	100%	849 DKK	1,814	(5)	(5)	1,814
COWI & Partners LLC	Oman	100%	20 OMR	683	2,165	2,569	683
COWI Anadolu Musavirlik Limited Sirketi	Turkey	100%	160 TRY	1,064	171	214	1,064
COWI AS	Norway	100%	23,200 NOK	40,413	32,006	40,967	40,413
COWI Belgium SPRL	Belgium	100%	7 EUR	603	324	552	603
COWI d.o.o. Belgrade Ltd.	Serbia	100%	8,593 CSD	177	(354)	(331)	177
COWI Canada Ltd.	Canada	100%	1,079 CAD	11,302	4,209	6,837	11,302
COWI Consulting (Beijing) Ltd. Co.	China	100%	4,025 CNY	1,430	(272)	(279)	1,430
COWI de El Salvador, S.A. de C.V.	El Salvador	100%	11 USD	(3,642)	(2,378)	(2,484)	(3,642)
COWI Hungary Ltd.	Hungary	100%	50,000 HUF	4,627	697	987	4,627
COWI Korea Co., Ltd.	Korea	60%	500,000 KRW	6,183	470	492	3,710
COWI Mapping UK Limited	UK	100%	2 GBP	1,634	(156)	(90)	1,634
COWI Consulting Engineers and Planners Ltd.	Tanzania	100%	20,000 TZS	8,643	2,658	1,559	8.643
COWI Zambia Limited	Zambia	100%	5,000 ZMK	(405)	(23)	175	(405)
COWI-Almoayed Gulf W.L.L.	Bahrain	49%	20 BHD	4,949	508	530	2,425
COWIconsult International Ltd.	UK	100%	126 EUR	1,492	256	364	1,492
COWI Uganda Ltd.	Uganda	100%	200,000 UGX	485	(168)	(167)	485
Danport A/S	Denmark	100%	500 DKK	557	3	4	557
Enviroplan International A/S (wound up)	Denmark	100%	500 DKK	-	(2)	(2)	-
ETC Transport Consultants GmbH	Germany	100%	1,790 EUR	21,853	(992)	(1,581)	21,853
Hjellnes COWI AS	Norway	70%	4,376 NOK	19,950	4,316	6,580	13,965
Kampsax India Private Limited	India	25%	41,000 INR	7,129	191	311	1,782
KX A/S	Denmark	100%	10,001 DKK	10,009	(858)	(1,264)	10,009
Matcon Rådgivende Ingeniørfirma A/S	Denmark	100%	500 DKK	1,721	1	1	1,721
MMS Norge AS	Norway	100%	100 NOK	34	(31)	(32)	34
Muusmann A/S Research & Consulting	Denmark	100%	934 DKK	6,159	28	80	6,159
SIA COWI Latvia	Latvia	100%	20 LVL	856	(35)	(35)	856
Studstrup og Østgaard A/S	Denmark	100%	1,125 DKK	2,942	95	132	2,942
UAB COWI Baltic Consulting Engineers and Planners	Lithuania	100%	200 LTL	3,340	237	583	3,340
						61,418	159,883
For companies with a negative equity, a set-off has been effected in receivables						-	4,047
						61,418	**163,930**

All subsidiaries are separate entities.

Six out of ten employees have experience of project management.

Every fourth employee has experience of international project management.

Note 7 Investments in associates

Name	Domicile	Owner-ship %	Share capital	Equity	Profit/loss for the year	Profit before tax	Equity
						COWI Group's share	
			(1,000)	DKK '000	DKK '000	DKK '000	DKK '000
CAT Alliance Ltd.	UK	33%	100 GBP	1,818	-	-	600
Covitecma S.A.	Spain	25%	180 EUR	1,316	236	79	329
COWI A/S' investments in associates					79	929	
Aviaplan AS	Norway	33%	100 NOK	203	-	-	67
ComputIT AS	Norway	46%	2,173 NOK	5,859	2,591	1,192	2,695
SDC ANS	Norway	50%	268 NOK	260	-	-	130
Lista Flypark AS	Norway	50%	100 NOK	(2,143)	(510)	-	-
Synkarion AS	Norway	34%	100 NOK	53	(171)	(58)	18
Interconsult Bulgaria	Bulgaria	50%	2.67 USD	2,438	-	232	1,219
Zeolite Investments (Private) Limited	Zimbabwe	35%	0.1 ZWD	400	-	-	-
Interconsult Zimbabwe (Private) Limited	Zimbabwe	35%	200 ZWD	60	-	-	-
IC Malawi	Malawi	33%	60 MWK	320	-	-	-
						1,445	**5,058**

Note 8 Financial income

Parent company 2005	Parent company 2006	DKK '000	Group 2006	Group 2005
7,313	12,979	Interest, cash at bank and in hand and securities etc.	18,541	9,310
3,300	804	Interest, subsidiaries	-	-
15,656	9,888	Realised and unrealised capital gains, investments	9,888	15,935
2,793	5,425	Foreign exchange gains	8,417	4,211
29,062	**29,096**	**Financial income**	**36,846**	**29,456**

Note 9 Financial expenses

Parent company 2005	Parent company 2006	DKK '000	Group 2006	Group 2005
(2,674)	(1,953)	Interest, bank and mortgage debt etc.	(5,920)	(5,560)
(1,075)	(382)	Interest, subsidiaries	-	-
(1,668)	(4,400)	Realised and unrealised capital loss, investments	(4,731)	(995)
(3,960)	(7,018)	Foreign exchange losses	(10,998)	(4,902)
(9,377)	**(13,753)**	**Financial expenses**	**(21,649)**	**(11,457)**

Note 10 Tax on profit for the year

Parent company 2005	Parent company 2006	DKK '000	Group 2006	Group 2005
-	-	Current tax	(9,184)	(4,088)
(3,045)	(847)	Current tax, foreign project offices	(847)	(3,045)
(25,478)	(33,782)	Deferred tax	(44,184)	(33,178)
4,767	(8,630)	Tax on movements in equity	(8,630)	4,767
-	-	Tax in associates	(282)	-
(11,493)	(17,285)	Tax in subsidiaries	-	-
10,460	-	Change of deferred tax due to reduction of Danish corporation tax rate	-	10,460
7,142	(295)	Adjustment in respect of prior periods	1,606	7,142
(17,647)	**(60,839)**	**Tax on profit for the year**	**(61,521)**	**(17,942)**

to be continued

Note 10 Tax on profit for the year – continued

Parent company 2005	Parent company 2006	DKK '000	Group 2006	Group 2005
		broken down as follows:		
(22,414)	(52,209)	Tax on profit for the year	(52,891)	(22,709)
4,767	(8,630)	Tax on movements in equity	(8,630)	4,767
(17,647)	**(60,839)**	**Total tax on profit for the year**	**(61,521)**	**(17,942)**
		Tax on profit can be broken down as follows:		
(37,650)	(48,324)	Tax on profit on ordinary activities before tax calculated at 28% (2005: 28%)	(49,510)	(38,270)
(1,443)	(858)	Adjustment in proportion to 28% (2005: 28%) of tax calculated in foreign subsidiaries	(858)	(1,443)
		Tax effect from:		
(2,639)	(2,639)	Book amortisation of goodwill disallowed for tax purposes	(2,639)	(2,639)
1,716	(95)	Other costs/other earnings disallowed for tax purposes	(1,490)	2,041
10,460	-	Change of deferred tax due to reduction of Danish corporation tax rate	-	10,460
7,142	(295)	Adjustment in respect of prior periods	1,606	7,142
(22,414)	**(52,209)**		**(52,891)**	**(22,709)**
16.3%	**30.3%**	**Effective tax rate**	**29.9%**	**16.3%**

Note 11 Intangible fixed assets

Group

DKK '000	Goodwill and rights	Group goodwill	Software	Own-developed products	Total
Cost at 1 January 2006	16,415	321,677	58,903	31,386	428,381
Currency adjustment	(400)	(11)	(106)	-	(517)
Additions from acquisitions of subsidiaries	-	1,435	-	-	1,435
Additions	543	-	1,834	12,281	14,658
Disposals	-	-	(305)	-	(305)
Cost at 31 December 2006	16,558	323,101	60,326	43,667	443,652
Amortisation and writedowns at 1 January 2006	2,668	91,731	48,491	29,825	172,715
Currency adjustment	(57)	(11)	(99)	-	(167)
Additions from acquisitions of subsidiaries	-	-	-	-	-
Amortisation	1,697	15,354	5,763	3,471	26,285
Disposals	-	-	(131)	-	(131)
Amortisation and writedowns at 31 December 2006	4,308	107,074	54,024	33,296	198,702
Carrying amount at 31 December 2006	**12,250**	**216,027**	**6,302**	**10,371**	**244,950**

Parent company

DKK '000	Goodwill and rights	Group goodwill	Software	Own-developed products	Total
Cost at 1 January 2006	131,153	190,172	50,171	31,386	402,882
Additions	-	1,435	1,463	12,281	15,179
Disposals	-	-	-	-	-
Cost at 31 December 2006	131,153	191,607	51,634	43,667	418,061
Amortisation and writedowns at 1 January 2006	22,952	68,427	40,956	29,825	162,160
Amortisation	6,558	8,796	5,280	3,471	24,105
Disposals	-	-	-	-	-
Amortisation and writedowns at 31 December 2006	29,510	77,223	46,236	33,296	186,265
Carrying amount at 31 December 2006	**101,643**	**114,384**	**5,398**	**10,371**	**231,796**

Note 12 Tangible fixed assets

Group

DKK '000	Land and buildings	Technical installations, operating and other equipment	Assets in course of construction	Total
Cost at 1 January 2006	8,774	332,500	1,016	342,290
Currency adjustment	(300)	(6,257)	(47)	(6,604)
Additions from acquisitions of subsidiaries	-	1,620	-	1,620
Additions	1,455	45,662	-	47,117
Disposals	(305)	(9,712)	(606)	(10,623)
Cost at 31 December 2006	9,624	363,813	363	373,800
Depreciation and writedowns at 1 January 2006	1,642	222,701	-	224,343
Currency adjustment	(38)	(4,523)	-	(4,561)
Additions from acquisitions of subsidiaries	-	829	-	829
Depreciation and writedowns	267	38,707	-	38,974
Disposals	(84)	(6,788)	-	(6,872)
Depreciation and writedowns at 31 December 2006	1,787	250,926	-	252,713
Carrying amount at 31 December 2006	**7,837**	**112,887**	**363**	**121,087**
Of which assets held under finance leases at	-	9,627	-	9,627

At 1 January 2006, the official valuation of Danish properties with a carrying amount of DKK 3,936 thousand amounted to DKK 4,790 thousand.

Parent company

DKK '000	Land and buildings	Technical installations, operating and other equipment	Assets in course of construction	Total
Cost at 1 January 2006	5,244	205,210	457	210,911
Additions	-	29,943	-	29,943
Disposals	-	(5,167)	(161)	(5,328)
Cost at 31 December 2006	5,244	229,986	296	235,526
Depreciation and writedowns at 1 January 2006	1,195	131,443	-	132,638
Depreciation and writedowns	-	23,404	-	23,404
Disposals	113	(3,335)	-	(3,222)
Depreciation and writedowns at 31 December 2006	1,308	151,512	-	152,820
Carrying amount at 31 December 2006	**3,936**	**78,474**	**296**	**82,706**
Of which assets held under finance leases at	-	9,627	-	9,627

At 1 January 2006, the official valuation of Danish properties with a carrying amount of DKK 3,936 thousand amounted to DKK 4,790 thousand.

The average age at COWI is 42.2 – and falling.

Our employees collaborate across the organisation in 59 specialist networks.

Note 13 Fixed assets investments

Group

DKK '000	Investments in associates	Other investments and participating interests	Total
Cost at 1 January 2006	6,259	5,175	11,434
Currency adjustment	(178)	(128)	(306)
Additions	2,524	679	3,203
Disposals	(3,112)	(1,875)	(4,987)
Cost at 31 December 2006	5,493	3,851	9,344
Revaluations at 1 January 2006	511	145	656
Additions	88	5	93
Disposals	(54)	-	(54)
Revaluations at 31 December 2006	545	150	695
Writedowns at 1 January 2006	983	422	1,405
Currency adjustment	(26)	(13)	(39)
Additions	23	53	76
Disposals	-	(1,488)	(1,488)
Writedowns at 31 December 2006	980	(1,026)	(46)
Carrying amount at 31 December 2006	**5,058**	**5,027**	**10,085**

Parent company

DKK '000	Investments in subsidiaries	Investments in associates	Loans to subsidiaries	Other investments and participating interests	Total
Cost at 1 January 2006	133,054	555	19,822	116	153,547
Additions	36,509	-	2,611	-	39,120
Disposals	-	-	-	-	-
Cost at 31 December 2006	169,563	555	22,433	116	192,667
Revaluations at 1 January 2006	69,928	511	-	145	70,584
Change in the applied accounting policies	(35,741)	-	-	-	(35,741)
Additions	9,988	88	-	5	10,081
Disposals	(1,489)	(54)	-	-	(1,543)
Revaluations at 31 December 2006	42,686	545	-	150	43,381
Writedowns at 1 January 2006	18,848	171	-	-	19,019
Change in the applied accounting policies	60,935	-	-	-	60,935
Additions	21,209	-	-	-	21,209
Disposals	(52,673)	-	-	-	(52,673)
Writedowns at 31 December 2006	48,319	171	-	-	48,490
Carrying amount at 31 December 2006	**163,930**	**929**	**22,433**	**266**	**187,558**

Note 14 Contract work in progress, net

Parent company			Group	
2005	2006	DKK '000	2006	2005
6,793,320	7,859,252	Selling price of work in progress	9,019,543	8,058,917
(6,956,799)	(8,037,709)	Amounts invoiced in advance	(9,142,589)	(8,193,952)
(163,479)	**(178,457)**	**Contract work in progress, net**	**(123,046)**	**(135,035)**
		Recognised in the balance sheet at:		
179,677	181,522	Contract work in progress	292,521	288,968
(343,156)	(359,979)	Amounts invoiced in advance	(415,567)	(424,003)
(163,479)	(178,457)		(123,046)	(135,035)

COWI A/S is a party to a number of working partnerships and has assumed joint and several liability for the liabilities of the working partnerships.

At the end of the financial year, COWI A/S' liabilities through working partnerships of which COWI is the lead partner can be calculated as follows:

DKK '000	2006	2005
Total amount contracted for in working partnerships to which COWI A/S is a party	2,433,516	1,742,245
Stage of completion of the working partnerships	66.04%	88.67%
COWI A/S' share of amounts contracted for through working partnerships	1,094,944	629,312
COWI A/S' average stage of completion of own share of contract amounts	61.29%	65.77%

Note 15 Net pension benefit obligations

The COWI Group's Norwegian subsidiaries have arranged defined benefit plans for their employees.
In 2006 and 2005, this comprised the COWI AS Group and Hjellnes COWI AS.

DKK '000	2006	2005
Number of people covered by the benefit plan		
Active staff	623	623
Retired staff	109	87
Total number of people covered by the benefit plan	**732**	**710**
Net pension assets and pension benefit obligations		
Estimated pension benefit obligations at 31 December	(277,099)	(291,643)
Plan assets at 31 December	206,900	186,343
Estimated fair value, net obligations as at 31 December	**(70,199)**	**(105,300)**
Specification of net pension benefit obligations recognised in the profit and loss account:		
Pension earnings during the year	(15,739)	(12,094)
Interest expenses on accrued benefit obligations	(10,447)	(10,036)
Expected return on plan assets	9,455	9,062
Other changes in benefit obligations	(2,448)	(3,103)
Total benefit obligations recognised in the profit and loss account at 31 December	**(19,179)**	**(16,171)**

to be continued

Note 15 Net pension benefit obligations – continued

DKK '000	2006	2005
Benefit calculations are based on the following financial assumptions:		
Discount rate	4.65%	4.00%
Expected return	5.65%	5.00%
Salary adjustments	4.00%	3.66%
Long-term health regulation	3.75%	3.33%
Pension adjustments	1.60%	2.00%
Expected voluntary redundancy before 40 years of age	4.00%	4.00%
Expected voluntary redundancy after 40 years of age	2.00%	2.00%

In previous years, COWI A/S has approved defined benefit plans for a number of former and present members of management.

The value in use of these plans may be specified as follows:		
Benefit obligations to present members of management	(8,100)	(8,100)
Benefit obligations to former members of management	(21,400)	(21,400)
Benefit obligations in COWI A/S	**(29,500)**	**(29,500)**

Note 16 Prepayments

Parent company			Group	
2005	2006	DKK '000	2006	2005
7,507	7,507	Insurance premiums	9,550	15,892
11,470	11,470	Rent	12,161	13,706
7,967	15,196	Other	19,471	12,546
26,944	**34,173**	**Prepayments**	**41,182**	**42,144**

Note 17 Own shares

	Parent company		
DKK '000	Share capital percentage	Nominal value	Acquisition cost
Cost at 1 January 2006	0.2%	500	6,420
Additions for the year	0.2%	440	7,027
Disposals for the year	-	-	-
Portfolio at 31 December	**0.4%**	**940**	**13,447**

Note 18 Current asset investments

Parent company			Group	
2005	2006	DKK '000	2006	2005
49,904	49,188	Shares	49,188	49,925
132,430	140,458	Bonds	142,109	133,744
182,334	**189,646**	**Portfolio at 31 December**	**191,297**	**183,669**

More than a third of the staff holds employee shares.

As many as 73% of our highly qualified staff have a university or post-graduate degree.

Note 19 Share capital

The share capital consists of:

		2006
A shares:		**DKK '000**
2 shares of each DKK	1,000	2
1 share of DKK	2,998,000	2,998
1 share of DKK	7,000,000	7,000
1 share of DKK	10,000,000	10,000
		20,000
B shares:		
147,500 shares of each DKK 100	14,750,000	**14,750**

Each A share of DKK 100 carries ten votes whereas each B share of DKK 100 carries one vote.

Note 20 Minority interests

	Group	
DKK '000	**2006**	**2005**
Minority interests at 1 January	8,928	6,888
Disposals and additions	(1,461)	-
Share of profit for the year	3,556	1,918
Exchange adjustment	145	122
Minority interests at 31 December	**11,168**	**8,928**

68% of our employees are men; 32% are women.

12% of our staff give external lectures within their field.

Note 21 Deferred tax

Parent company			Group	
2005	**2006**	**DKK '000**	**2006**	**2005**
170,323	171,911	Deferred tax at 1 January	138,946	153,481
(7,907)	-	Reversal concerning previous years	-	(8,353)
-	-	Deferred tax change due to pension adjustment	(4,135)	(28,900)
(10,460)	-	Deferred tax change due to corporation tax rate reduction	-	(10,460)
25,478	33,782	Deferred tax for the year	44,184	33,178
(5,523)	-	Transferred from subsidiaries	-	-
171,911	**205,693**		**178,995**	**138,946**
		Recognised in the balance sheet as:		
-	-	**Deferred tax assets**	33,431	40,173
171,911	205,693	**Deferred tax**	212,426	179,119
171,911	**205,693**		**178,995**	**138,946**
		Deferred tax assets concerns:		
-	-	Intangible fixed assets	223	140
-	-	Tangible fixed assets	9,854	17,627
-	-	Fixed asset investments	939	-
-	-	Current assets	13,731	8,637
-	-	Provisions	36,949	52,375
-	-	Debts	9,131	7,124
-	-	Tax-loss carryforwards	10,077	18,910
-	-	Offset within legal tax entities and jurisdictions	(47,473)	(64,640)
-	**-**		**33,431**	**40,173**
		Deferred tax concerns:		
8,635	14,502	Intangible fixed assets	15,347	9,217
(14,639)	(6,435)	Tangible fixed assets	1,313	650
-	-	Fixed asset investments	-	-
200,041	199,065	Current assets	217,622	227,473
(18,860)	(14,874)	Provisions	25,417	6,416
(3,266)	13,435	Debts	200	3
-	-	Offset within legal tax entities and jurisdictions	(47,473)	(64,640)
171,911	**205,693**		**212,426**	**179,119**

Note 22 Other provisions

Parent company			Group	
2005	**2006**	**DKK '000**	**2006**	**2005**
18,922	25,770	Guarantees at 1 January	33,692	23,935
-	-	Currency adjustment	(97)	(33)
6,848	(13,286)	Adjustment for the year	(13,961)	9,790
25,770	12,484	**Guarantees at 31 December**	19,634	33,692
7,596	7,596	Other provisions at 1 January	19,744	20,792
-	-	Currency adjustment	(520)	(192)
-	-	Adjustment for the year	(728)	(856)
7,596	7,596	**Other provisions at 31 December**	18,496	19,744
33,366	**20,080**	**Other provisions at 31 December**	**38,130**	**53,436**

Note 23 Long-term debt

Parent company			Group	
2005	2006	DKK '000	2006	2005
934	351	Long-term debt falling due after more than 5 years	410	934
7,930	6,864	Long-term debt falling due after more than 1-5 years	7,698	10,106
8,864	**7,215**	**Long-term debt at 31 December**	**8,108**	**11,040**

Note 24 Contingent liabilities, commitments and guarantees

Parent company			Group	
2005	2006	DKK '000	2006	2005
		Contingent liabilities		
2,054	4,016	Lease commitments (operating leases)	16,284	18,986
233,511	191,801	Rental commitments in the period of termination	440,773	478,685
499,280	453,801	Recourse guarantees and performance bonds	454,588	499,845
40,046	37,749	Other guarantees and charges	86,606	93,101
		COWI 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. In the opinion of management, no material liabilities are incumbent on the Company as a consequence of this.		
		Current restructuring expenses are charged to the profit and loss account as incurred.		
		Guarantees		
		The following assets have been provided as guarantees to credit institutions:		
-	-	Technical installations, operating and other equipment at a carrying amount of	22,300	21,497
		For guarantees, the following assets have been provided as security to credit institutions:		
-	50,577	Cash and cash equivalents at a carrying amount of	50,577	-
-	189,646	Securities at a carrying amount of	189,646	-

Furthermore, COWI A/S has a total guarantee facility of DKKm 745 of which DKKm 454 had been spent by 31 December 2006 on performance bonds relative to projects in progress.

Note 25 Related party transactions

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

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

Note 26 Board of Directors and Executive Board

The Company's directors and members of Executive Board own the following nominal shareholdings in COWI 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 A/S, nom. holdings
Ole Steen Andersen, Chairman	Danfoss A/S (M), Sauer-Danfoss Inc. (MB) Danfoss Bionics (MB), Auriga A/S (MB) HTCC Inc. (MB)	-
Knud E. Østergaard Hansen, Vice Chairman	Dansk Standard (MB)	17,900
Henrik Gürtler	Novo A/S (MD), Novozymes A/S (MB), Københavns Lufthavne A/S (CB), Brdr. Hartmanns Fond (MB), Novo Nordisk A/S (MB)	-
Victor Danielsen Norman	Umoe AS, Oslo (MB) Bergshav Shipholding A/S, Grimstad (MB) Input AS, Bergen (MB) Stiftelsen Museet for Musikk og Visuell Kunst, Bergen (CB)	-
Majken Schultz	CBS, full-time MBA (professor and associate dean) Danske Bank A/S (MB), Fonden Realdania (MB), Dansk Selskab for Virksomhedsledelse (MB) Reputation Institute, New York (MB)	-
Lars Hauge		8,800
Niels Fog*		2,000
Henriette R. Bundgaard*		2,100
Jens Erik B. Jensen*		7,500
Executive Board		
Klaus H. Ostenfeld, President, CEO		17,900
Keld Sørensen, Executive Vice President, Finance		1,300
Lars-Peter Søbye, Executive Vice President, Denmark		7,400
Henning H. Therkelsen, Executive Vice President, M&A		17,900
Christian Nørgaard Madsen, Executive Vice President, Norway		-
Lone Hass, Executive Vice President, HR		-

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

Note 27 Cash and cash equivalents

	Group	
DKK '000	2006	2005
Securities	191,297	183,669
Cash at bank and in hand	365,474	238,905
Cash and cash equivalents 31 December	**556,771**	**422,574**
Committed undrawn credit facilities at 31 December not including guarantee facilities	184,220	197,763
Financial resources at 31 December	**740,991**	**620,337**

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 2006 of COWI 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 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 operations and the Group's cash flows.

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

Kongens Lyngby, 27 February 2007

Executive Board:

Klaus H. Ostenfeld
President, CEO

Keld Sørensen
Executive Vice President, Finance

Lars-Peter Søbye
Executive Vice President, Denmark

Henning H. Therkelsen
Executive Vice President, M&A

Christian Nørgaard Madsen
Executive Vice President, Norway

Lone Hass
Executive Vice President, HR

Board of Directors:

Ole Steen Andersen
Chairman

Knud E. Østergaard Hansen
Vice Chairman

Majken Schultz
Henrik Gürtler
Victor D. Norman
Lars Hauge
Henriette R. Bundgaard *
Niels Fog *
Jens E. Blumensaadt Jensen *

** Elected by the employees*

Independent Auditor's Report

To the Shareholders of COWI A/S

We have audited the Annual Report of COWI A/S for the financial year 1 January - 31 December 2006, which comprises Management's Statement, Management's Review, significant accounting policies, profit and loss account, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent Company and consolidated cash flow statement. The Annual Report is prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Annual Report

Management is responsible for the preparation and fair presentation of the Annual Report 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 an Annual Report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the Annual Report 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 Annual Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Annual Report, 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 Annual Report 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 Annual Report.

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 Annual Report gives a true and fair view of the financial position at 31 December 2006 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 2006 in accordance with the Danish Financial Statements Act.

Kongens Lyngby, 27 February 2007

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab
Torben Haaning
State Authorised Public Accountant
Jacob F Christiansen
State Authorised Public Accountant

Company information

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Fax +45 4597 2212
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www.cowi.dk
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Company reg. no. (CVR no.)
44 62 35 28
Registered address: Kongens Lyngby

Board of Directors
Ole Steen Andersen, *Chairman*
Knud E. Østergaard Hansen,
Vice Chairman
Majken Schultz
Henrik Gürtler
Lars Hauge
Victor D. Norman
Henriette R. Bundgaard
Niels Fog
Jens E. Blumensaadt Jensen

Executive Board
Klaus H. Ostenfeld, *President, CEO*
Keld Sørensen,
Executive Vice President, Finance
Lars-Peter Søbye,
Executive Vice President, Denmark
Henning H. Therkelsen,
Executive Vice President, M&A
Christian Nørgaard Madsen,
Executive Vice President, Norway
Lone Hass,
Executive Vice President, HR

Auditing
PricewaterhouseCoopers
Strandvejen 44
DK-2900 Hellerup
Torben Haaning and
Jacob F Christiansen

Annual general meeting
The annual general meeting will be held on 17 April 2007 at the Company address.

Mission
We provide consultancy services of the highest quality in the fields of engineering, environmental science and economics.

We create significant value for:
- Our clients because close client relations enable us to deliver the services which best match the needs of our clients.
- Our employees because we offer professional and personal development opportunities through challenging tasks in a healthy working environment.
- Our business and shareholders because we obtain good financial results and growth, at the same time considering society and the environment.

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

Strategic vision for COWI in 2010
COWI is a leading, innovative consultancy company within the 3 Es (Engineering, Environmental Science and Economics), built on COWI leadership values.
- We work internationally and have a position as leading consultants in selected regions. The units of the Group cooperate in a close network.
- We prioritise the development of competitive, international specialist services, which are marketed by all units of the Group.
- We develop strong, value-generating and professional partnership-like relations with our clients and employees.

Ownership
The share capital amounts to DKK 34.75 million, consisting of DKK 20 million A shares and DKK 14.75 million B shares. The A shares carry ten votes for each DKK 100 share, whereas the B shares carry one vote for each DKK 100 share. All A shares are owned by COWIfonden (COWIfoundation), which supports research and development within Danish engineering.

The insurance companies SEB Trygg Liv and Danica each owns DKK 4 million B shares, the employees own DKK 5.45 million, while COWIfonden owns DKK 0.36 million and COWI A/S the remaining DKK 0.94 million B shares.

Qatar's largest city development so far

Emerging from the arid sands of Qatar is Lusail, a city development covering 21 km² and incorporating five man-made islands and 30 km of waterfront

COWI has extensive experience in building man-made islands, notably in the Middle East. For example, in Qatar COWI has been involved in The Pearl-Qatar project, which comprises a new island approximately five km long and two km wide, and a new coastline of some 40 km.

Lusail is to the north of Doha, the capital of Qatar. Here the area is in the process of a dramatic metamorphosis, carefully taking into account the environment and local requirements. Former desert is being transformed into a new city development, with its coastline enhanced by five man-made islands and a total of 30 km of waterfront comprising sandy beaches, quay walls and rock structures.

A boom in Qatar

The project involves land reclamation on a massive scale, necessitating the shifting of approximately 25 million m³ of material for the construction of islands, beaches and canals.

"This country is experiencing a boom in both population and prosperity. Everyone wants to get out to the water and have access to recreational areas. Moreover, as it's normal here for people to have more than one home, this is probably not the last development of its kind we shall see in this region," reports Jørgen Juhl, chief project manager for COWI.

COWI is the subconsultant for the UK engineering company, Halcrow, and is carrying out design and supervisory work on the infrastructure of the development on behalf of the state-owned Qatari Diar Real Estate Investment Company.

Attracting locals and tourists

Lusail is intented to be a real estate development of 21 km² with a blend of luxury apartments, offices, an entertainment district including themed areas, golf courses, bathing beaches and first-class hotels, attracting locals and tourists alike.

When fully developed, Lusail will provide accommodation for up to 200,000 people and provide premises for local and international companies.

The development will be the largest in Qatar to date and is likely to reach full maturity after 2020.

Global is good for GM

CAT Alliance Ltd. was the right choice for General Motors (GM) and its US-based consultant TetraTech to support GM in the implementation of its hazardous material control system in its plants worldwide.

By having consultants worldwide, CAT Alliance, which is part-owned by COWI, met GM's requirements for a cost-effective service.

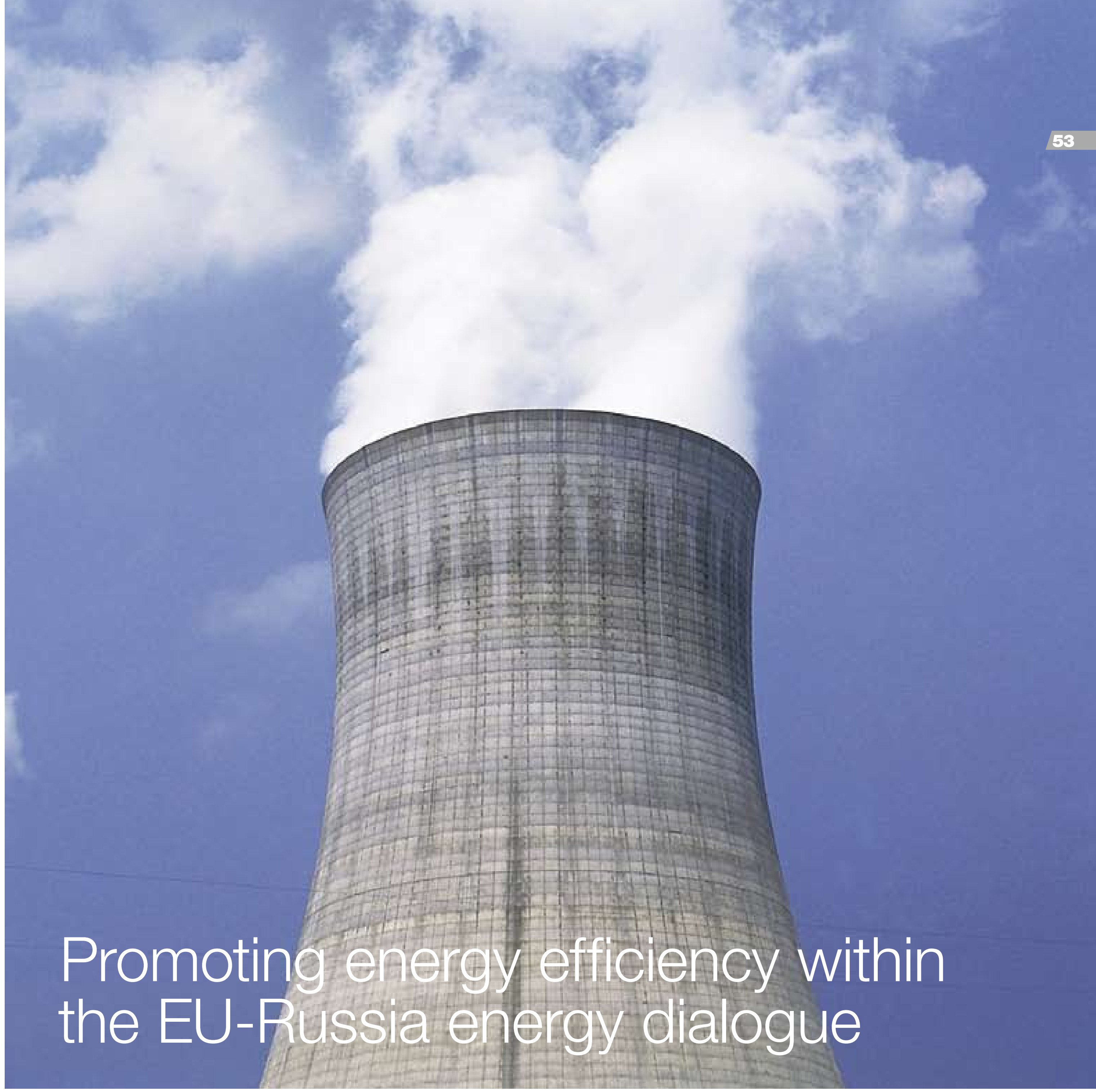
COWI is coordinating the international compilation and assessment of Material Safety Data Sheets and the entering of these into a database, which is going to contain all chemicals in use in GM's plants worldwide.

LNG terminal market grows

In 2006, COWI's involvement in the construction of liquefied natural gas (LNG) terminals generated over DKK 25 million. LNG requires terminals at each end of the transport chain for condensing and regasification purposes. COWI sees these dual requirements as a promising revenue generator. Demand for LNG is expected to more than treble in the next 15 years, due to the high cost of oil and increased energy demands.

Vestas secures its dominant global position

In order to maintain its position as market-leader, Vestas – the world's largest manufacturer of wind turbines – is concentrating all its Danish development activities in a major R&D centre of 18,000 m² which will provide the infrastructure for up to 500 new workplaces. COWI has been selected as main consultant for the project and is in charge of design management, construction management and consultancy services across all disciplines.



Promoting energy efficiency within the EU-Russia energy dialogue

The Delegation of the European Commission to Russia and the Federal Ministry of Industry and Energy are starting the EUR 2.8 million project "Energy Efficiency at Regional Level in Astrakhan, Arkhangelsk & Kaliningrad, Russian Federation". The project will create a set of economic mechanisms and incentives promoting and stimulating the implementation of cost-effective energy efficiency and energy-saving projects, including the use of local/renewable energy sources.

The project will be carried out during 2007 in close cooperation with the administrations in the three regions. The specific focus in Kaliningrad is the industry sector, in Arkhangelsk the public and housing sector, while in Astrakhan the possibilities for energy efficiency in the electricity generation and transmission sector will be investigated.

COWI is the lead partner in the consulting consortium implementing the project.

A project team established in Moscow as well as in the three regions will prepare policy guidelines, energy efficiency action plans for each region and pre-feasibility studies indicating financially viable projects. Project director Else Bernsen looks forward to establishing good contacts with the energy community in Russia on this important and challenging contribution to the Energy Dialogue.

COWI evaluates UK's DFID gender policy

Important contributions to gender equality at policy and practice level have been made by the United Kingdom's Department for International Development (DFID), according to an evaluation carried out by COWI.

COWI looked at DFID's policy and practice in support of gender equality and women's empowerment by undertaking a series of country studies (India, Nigeria, and the Western Balkans) and thematic studies on budget support, international partnerships and justice/rights-based approach.

The evaluation, undertaken in 2005-2006, was three-fold. Firstly, an internal effectiveness evaluation addressing elements such as DFID's internal policies, strategies, procedures and incentive systems. Secondly, an external effectiveness evaluation addressing DFID's aid effectiveness in implementation partnerships; and thirdly, an international effectiveness evaluation focusing on policy dialogue issues.

COWI senior consultant Rikke Ingrid Jensen acknowledges DFID's progress but adds: "Contribution and impact is uneven. DFID should strengthen efforts to influence gender in national and international arenas, improve internal systems and further develop understanding of gender among staff and partners."

Danish civil-military reconstruction work in Afghanistan
On behalf of Danida and the Danish Ministry of Defence, COWI reviewed the Danish civil-military reconstruction work in Afghanistan. The review shows that the Danish contribution has made a difference to the local population. The report recommends to involve more civilian advisers and to give the soldiers more training for this type of operation.

Carlsberg in 3D
Carlsberg's long, well-known industrial history is being recorded for posterity with the help of laser scanner aerial images captured at low altitude by COWI in the course of 2006. The images were used inter alia in an architectural competition run by Carlsberg in the autumn of 2006 to allow the impact of the designs on the surroundings to be visualised.

Transforming transport in Budapest
Two transport modernisation projects will keep COWI Hungary busy in Budapest.

The first project concerns the modernisation and renewal of two major orbital tram lines, while the second is the modernisation of the suburban rail line to Szentendre, which is part of the city's planned north-south suburban rail operation.

Vital section of Poland's railway to be modernised
COWI is modernising a section of Poland's railway which provides a vital corridor approximately 500 km in length for goods and passenger traffic. The section is part of the E30 rail corridor which stretches from the German border through Wroclaw, Crakov and on to the Ukrainian frontier. This commission is COWI's largest foreign railway assignment to date.

Airports emerge from the golden sands

Across a vast stretch of land on the outskirts of Muscat, the capital of Oman, lorries shuttle back and forth, shifting mountains of golden desert sand and hardcore: preparation for the construction of one of the most modern airports in the world

In the shade of a huge digger a worker kneels with his forehead to the ground answering one of the five daily calls to prayer. Beside him a colleague eats rice from a billy can. Here, with the Gulf of Oman on one side and gentle mountains sloping away in the background, one of the world's most ultra-modern airports will stand in 2010. We are in Oman's capital city, Muscat.

Together with Copenhagen Airports A/S, COWI is involved here as the main consultant in a joint venture with Larsen Architects on the development of two major airports: Seeb International Airport in Muscat and Salalah Airport in Oman's second largest city, 1,000 km to the south.

The new Seeb airport is designed to cater for a throughput of twelve million passengers a year while Salalah will cater for two million. The task is the largest international project COWI has ever undertaken.

"The scale of the project is a huge challenge. Traffic prognosis shows that once Seeb opens, it will not be many years before it reaches its twelve million capacity. So we are making the design as flexible as possible so as to facilitate expansion for 24 million passengers; more if necessary," says COWI project director Carsten Kærgaard.

The project includes new passenger and cargo terminals, a new run-

Work has begun on the early developmental stages of the airport at Muscat, the capital of Oman.

way, runway upgrades, new taxiways, access roads, control towers, offices, fire stations, baggage facilities and all the other buildings and installations which a modern airport demands.

Making ready for tourists

The project has been masterminded by Oman's Ministry of Transport & Communications and Ministry of Finance. The Sultanate has five other smaller airports in the pipeline, paving the way for its future as a tourist destination.

"We have had several applications from airlines wanting to fly to Oman. For the time being we have to ask them to wait because the existing Seeb airport has long been operating at maximum capacity," says Mohammed Al Amry, undersecretary for Oman's Civil Aviation Authority.

The existing, run-down terminal at Seeb handles just under five million passengers. On completion of the two new airports – planned for 18 November 2010, the 40th anniversary of the birth of modern Oman – they will both have capacity for the world's largest airliner, Airbus 380, and will have state-of-the-art facilities.

"The airports will open the floodgates for the future development of Oman. We have enormous potential for tourists and international investment and our central location makes us a natural transit country. But we can only take steps to attract more visitors once we can receive them properly," says Saif Al Hinai, director of planning and projects at DGCAM, the Directorate General of Civil Aviation and Meteorology.

Tight schedule

Preparatory work is under way. Three shifts of workers are delivering up to ten million m³ fill materials to the site of the new terminal at Seeb. The terrain has to be raised by three metres to prevent flooding during the country's few but torrential downpours.

Close by, at the COWI-Larsen project offices are also a hive of activity amongst the 250 employees. Changes to Gulf Air's strategy last year altered the whole grounds for the layout of the Seeb terminal. The change makes for a completely different flow of passengers through the airport, including many more transit passengers. This has necessitated a significant reworking of the otherwise approved COWI-Larsen outline design.

"The architects are updating the drawings as we speak and we're designing for all we're worth. To complete in 2010 we have to start building the terminal no later than this autumn; so we're very busy," says project director Carsten Kærgaard.

Saif Al-Hinai and Mohammed Al Amry.

Bahrain buildings nearly complete
Construction of the Bahrain Financial Centre, comprising two 53-storey towers, the 12-storey Harbour House and a seven-storey financial mall complex, is nearly complete.

The work began in 2004, with COWI reviewing the structual design and providing structural supervision. Structures for all three buildings are now finished, and the exterior cladding is almost complete. Internal finishings as well as mechanical and electrical works are on schedule.

The project is expected to be finished in April 2007.

Qatar to have oil and gas centre
An international investment boom is creating the fertile medium for the growth of building, energy and ports. That means large-scale demand for oil and gas consultancy services – particularly in the Middle East.

COWI has taken on more than 20 engineers and technicians in Qatar and will add a further 10-20 employees this year to secure a firm foothold in the Middle East and create a centre of excellence for oil and gas in Qatar to service all the Gulf States.

New elevation model of Denmark can predict floods
Denmark is one of the first countries in the world for which a digital elevation model has been developed, detailing the whole country centimetre by centimetre. Data can be used for calculating the incidence of floods and to predict the effects of natural disasters. The elevation model has been mapped from COWI's aircraft, using aerial technology whereby laser scanners measure the differences in height between plane and terrain.

Turkey is one of several countries where COWI is developing projects to help them meet EU environmental acquis requirements. Key directives making up the acquis include air quality, urban wastewater and nature protection.

OK for EU

COWI has won two contracts with the EC Directorate General for Environment, to assist ministries, regional and local authorities in Bulgaria, Romania, Croatia and Turkey to ensure they meet the EU environmental acquis in a timely fashion.

Together with the beneficiaries, COWI is preparing environmental financing strategies, identifying projects and building capacity at a local and regional level.

Project manager Michael Jacobsen says: "This is a planning project, but the outputs are very specific and directly useful. In Croatia, for example, we are assisting the Ministry of Environment to prepare a financing strategy which is required by the European Commission; in Romania we are assisting district heating companies to identify projects that will allow them to keep operating; and in Samsun greater municipality, Turkey, our colleagues will assist the city in developing an integrated environmental management strategy, thus bringing EU accession to local government level.

For both contracts COWI is leading consortia which include a company from each country. Managing director of COWI, Anadolu Merih Kerestecioglu, says: "COWI has realised that working in true partnership with Turkish, Bulgarian, Romanian and Croatian resources is the key to success."

Transition in water use

EU is working with China to improve sustainable management and use of its two great rivers

Access to clean drinking water is under threat for millions of China's people whose water comes from its two great rivers, the Yangtze and the Yellow River. But pollution and over-exploitation of water resources means that in many places the water is not safe to drink. Today in China only one person in five has access to clean drinking water.

The breakneck growth of China's economy continues but at huge cost to the aquatic environment. As momentum gathers, China's water resources rapidly deteriorate due to pollution and over-utilisation, and inappropriate land-use causes soil erosion and consequent sedimentation and flooding.

China's water authorities have launched an extensive programme to revert the critical situation and the remit of the partnership with the EU is to develop and improve strategies for integrated management of the two river systems, inspired by the EU Water Framework Directive.

It's not too late

COWI is part of a consortium led by the Dutch company DHV and carrying out a 5-year planning project which is one of the largest to date under the auspices of the EU.

"The river systems have been under pressure for years but the last ten have seen particularly alarming environmental decline. It has been difficult for the authorities to protect the environment during this transitional phase but now is the time to shift the balance from economic growth towards better management of water resources," says project manager Jan Agerholm Høybye, COWI.

"Water scarcity and water pollution combined with inefficient use of water resources in China can impact water resources in neighbouring countries. When China gets thirsty, Asia gets thirsty," says Richard Hardiman from the EC Delegation in China. "Under this new EU-China River Basin Management Programme, European experience in water resource management particularly under the Water Framework Directive can provide China some of the tools to help resolve China's present water crisis."

One of the first generations of business matchmakers

An outward-looking approach and professional commitment, teamed with a strong focus on dialogue are important attributes when forging contacts with clients, reflects Jan Stæhr, 47, one of COWI's new business matchmakers

COWI's new intellectual capital report shows that its staff structure boasts as many as 59 different specialist networks. And six out of ten have experience of project management. Amongst them is senior project manager Jan Stæhr whose activities include environmental impact assessments for an EIA network. He also has broad experience of managing major interdisciplinary projects within water and water resource protection. He draws on this experience in his "matchmaking" work which involves fostering close links with clients and facilitating the development of new forms of partnership across the organisation.

COWI aims to increase its share of the market significantly in the near future. This means professionalising sales and marketing and training more staff as business matchmakers.

Ready to network

"I am convinced there are more potential business matchmakers within COWI," says Jan Stæhr. He believes that the multiplicity of specialist networks shows, inter alia, that people are well equipped for forging networks and working with many different people across the organisation. This is a great asset to the organisation and to the role of business matchmaker. He also highlights the recent 0.3 drop in the average age at COWI to 44.2 years, balanced by a rise in commercial experience: evidence that COWI is growing younger without jettisoning its specialist acumen.

"Every age has its qualities. Money can't buy a senior employee's experience. But an injection of youth adds dynamism. Young people bring a fresh outlook and are more open to new types of partnership and other challenges." Jan Stæhr stresses, however, that while figures in an intellectual capital report tell only part of the story, what really counts is the people behind the figures.

*See what cards COWI holds.
Go to the next page for more on the intellectual capital report.*

RESSOURCES

	2006	Accounts 2005	Accounts 2004
CLIENTS AND MARKETS			
1 Public sector clients	37%	40%	49%
2 Semi-public clients	7%	9%	8%
3 Private clients	44%	42%	32%
4 Other clients	12%	9%	10%
5 Individual clients, number	1,726	1,634	1,617
6 International projects	33%	32%	31%
7 International clients	20%	19%	18%
ORGANISATION			
13 Specialist networks, number (*)	59	58	56
14 Staff participation in specialist networks (*)	21	20	21
15 "Best practices" on the intranet, number (*)	1,197	1,022	978
16 Projects per employee, number	17	18	17
17 Active projects, number	6,573	5,326	4,958
18 Average turnover per project (DKK 1,000)	1,123	1,167	1,197
STAFF			
29 Employees, number	1,969	1,879	1,923
30 Average age, yrs	44.2	44.5	44.1
31 Length of education/training, yrs	6.0	6.3	6.3
32 Years of education/training, written down	3.9	4.1	4.2
33 Employees with top qualifications	4.0%	4.1%	4.0%
34 Higher education, technical	56%	54%	54%
35 Higher education, natural sciences	5%	5%	5%
36 Higher education, social sciences	10%	9%	9%
37 Other higher education	6%	5%	5%
38 Business experience, yrs	17.5	17.2	16.9
39 Length of service with COWI, yrs	10.4	10.9	10.6
40 Project management capacity, all projects	60%	61%	61%
41 Project management capacity, major projects	38%	40%	39%
42 Project management capacity, internat. projects	26%	26%	25%
43 International travel for COWI	24%	25%	23%

PROCESSES

	2006	Accounts 2005	Accounts 2004
CLIENTS AND MARKETS			
8 Lectures per 100 employees, number	12	12	10
9 Publications per 100 employees, number (*)	4	9	7
ORGANISATION			
19 Interdisciplinary collaboration, technical	14%	15%	16%
20 Interdisciplinary collaboration, natural sciences	50%	51%	51%
21 Interdisciplinary collaboration, social sciences	44%	45%	46%
22 Trading within COWI Group	6.3%	8.6%	12.9%
23 Staff exchange within COWI Group	0.7%	0.2%	0.5%
24 Long-term postings	8.9%	7.9%	7.3%
25 Development activity, externally funded	6.9%	6.3%	5.8%
26 Development activity, internally funded	1.2%	1.0%	0.9%
STAFF			
44 Ongoing training activity (*)	0,5%	0.8%	0.6%
45 Travel activities abroad	5,4%	6.8%	6.0%

RESULTS

	2006	Accounts 2005	Accounts 2004
CLIENTS AND MARKETS			
10 Client inflow	34%	30%	21%
11 Client outflow	21%	20%	13%
12 Media exposures, millions, number	n/a	n/a	185
ORGANISATION			
27 QA audits per 100 employees, number	3,3	4,6	4,4
28 Costs arising from external errors	0.1%	0.4%	0.2%
STAFF			
46 Employee inflow	18%	11%	11%
47 Employee outflow	13%	13%	13%
48 Employee satisfaction index (*)	67.3%	n/a	67.8%
49 Sick leave	2.5%	2.5%	2.5%
50 Employees with shares in COWI (*)	37%	42%	45%
51 Engineering students' favourite employer, rank (*)	13	7	7
52 Soc. sciences students' favourite employer, rank (*)	52	39	42
53 Employee flexibility	5%	6%	n/a
54 Company flexibility	6%	6%	n/a

Clients and markets

1-4 Share of the year's project salary costs by client category. "Other clients" includes international organisations, joint ventures etc.

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

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

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

8 Number of external lectures per 100 employees 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 clients in the year who are either new to COWI or former clients for whom COWI did not work in the preceding year. The number refers to the number of clients at the end of the preceding year.

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

12 Number (in millions) of media exposures in the year. The indicator is the sum of the number of readers/listeners/viewers of references to COWI in the printed and electronic media and TV/radio broadcasts excl. advertisements. Based on figures from Gallup and InfoMedia. Indicators for 2005 and 2006 are not available.

Organisation

13 Number of registered internal specialist networks at corporate level or within individual business units.

14 Proportion of employees forming part of one or more registered internal specialist networks.

15 Number of "best practice" statements which can be accessed on COWI's intranet.

16 Average number of active external projects, worked on by an employee during the year.

17 Number of active external projects.

18 Average budgeted fee (in DKK 1,000) per project, excl. VAT and reimbursables, incl. the year's active projects.

19 Average share of project activity for economists, biologists etc. on projects involving employees with technical qualification(s).

20 Average share of project activity for economists, engineers etc. on projects involving employees with natural sciences qualification(s).

21 Average share of project activity for engineers, biologists etc. on projects involving employees with social sciences qualification(s).

22 Share of COWI Group's total turnover invoiced from or to a foreign enterprise in the COWI Group. Most of our trading is with Kampsax A/S and affiliated enterprises.

23 Proportion of employees posted to or from a foreign enterprise in the COWI Group.

24 Proportion of employees on long-term postings to a foreign company in the COWI Group, permanent COWI offices or project offices abroad.

25-26 Overall development activity on external or internal projects by comparison with overall project activity.

27 Number of internal and external quality audits per 100 employees.

28 Share of turnover used for rectifying external errors and omissions reported in the year, i.e. after project approval.

Staff

29-30 Number of employees and their average age.

31 Average length of formal education/training after compulsory education.

32 Average length of education/training written down to 50% of initial value after 35 years.

33 Proportion of employees with top qualifications: LLB/PhD or other doctorate, MBA/MPA.

34-37 Proportion of employees with higher educational qualifications in technical disciplines, natural or social sciences, or other top qualifications (BSc or MSc).

38 Employees' average business experience since leaving formal education.

39 Employees' average length of service with COWI.

40 Proportion of employees who have been project managers within COWI.

41 Proportion of employees who have managed COWI projects with a fee in excess of DKK 1 million.

42 Proportion of employees who have been project managers on international projects within COWI.

43 Average foreign travel activities since joining COWI. Employees reach 100% at 200 travel days.

44 Ongoing training and development activities (courses, conferences etc.) as a proportion of total fixed working hours.

45 Proportion of fixed working hours spent as travel days abroad. Baseline: 220 working days per full-time employee per annum.

46-47 Inflow and outflow of employees in the year as a proportion of the number of employees at the end of the preceding financial year, incl. project-specific staff.

48 Employee satisfaction index based on weighted average of employees' responses to staff surveys. The index is derived from weighting satisfaction against the importance of a given issue. No satisfaction index was calculated in 2005.

49 Sick leave as a proportion of total fixed working hours. Excludes maternity/paternity leave and leave for 1st day of child's sickness.

50 Proportion of current staff with shares in COWI.

51 COWI's place on the list of "Students' favourite employer" according to a Universum survey of engineering students.

52 COWI's place on the list of "Students' favourite employer" according to a Universum survey of students of business studies and social sciences.

53 Hours worked in excess of standard hours, as a proportion of the daily norm. Every day in the period is analysed.

54 Working hours falling short of the standard hours, as a proportion of the daily norm. Every day in the period is analysed.

General

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

B. Units are indicated in the table by the title of the indicator or in the notes on the indicators.

Accounting policies

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

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

E. The ICR is structured as in 2005, i.e. according to legal entities: staff, clients and company; and according to what we possess (resources), what we do (processes), and what we achieve (results).

F. All clients, 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 clients, projects and/or employees and held in COWI's central administrative systems.

H. Data having been collated and consolidated during a period after the end of the financial year, a line is duly drawn under the ICR; the final indicators are as at 10 January 2007.

I. The ICR includes post-entries for the financial year 2005. Transactions in 2006 which are not included will be post-entered in 2007.

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

K. The externally published ICR is consistent with internal ICRs at department, division 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

Engineering skills and modern socio-economic analyses

COWI provides 33 consultancy services within six business aeras

COWI's consultancy services are based on the three Es: Engineering, Environmental Science and Economics. Although engineering remains the main component of the majority of our services, economics and the environment now play a highly significant role for the business, something which is unique in our sector. Our consultancy services are extensive: from classical engineering through the environment to modern socio-economic analyses. These are the skills we bring to bear when we provide consultancy on socio-economic infrastructure: How do we complete the project, what consequences does it have for the environment, and what will it cost to implement?

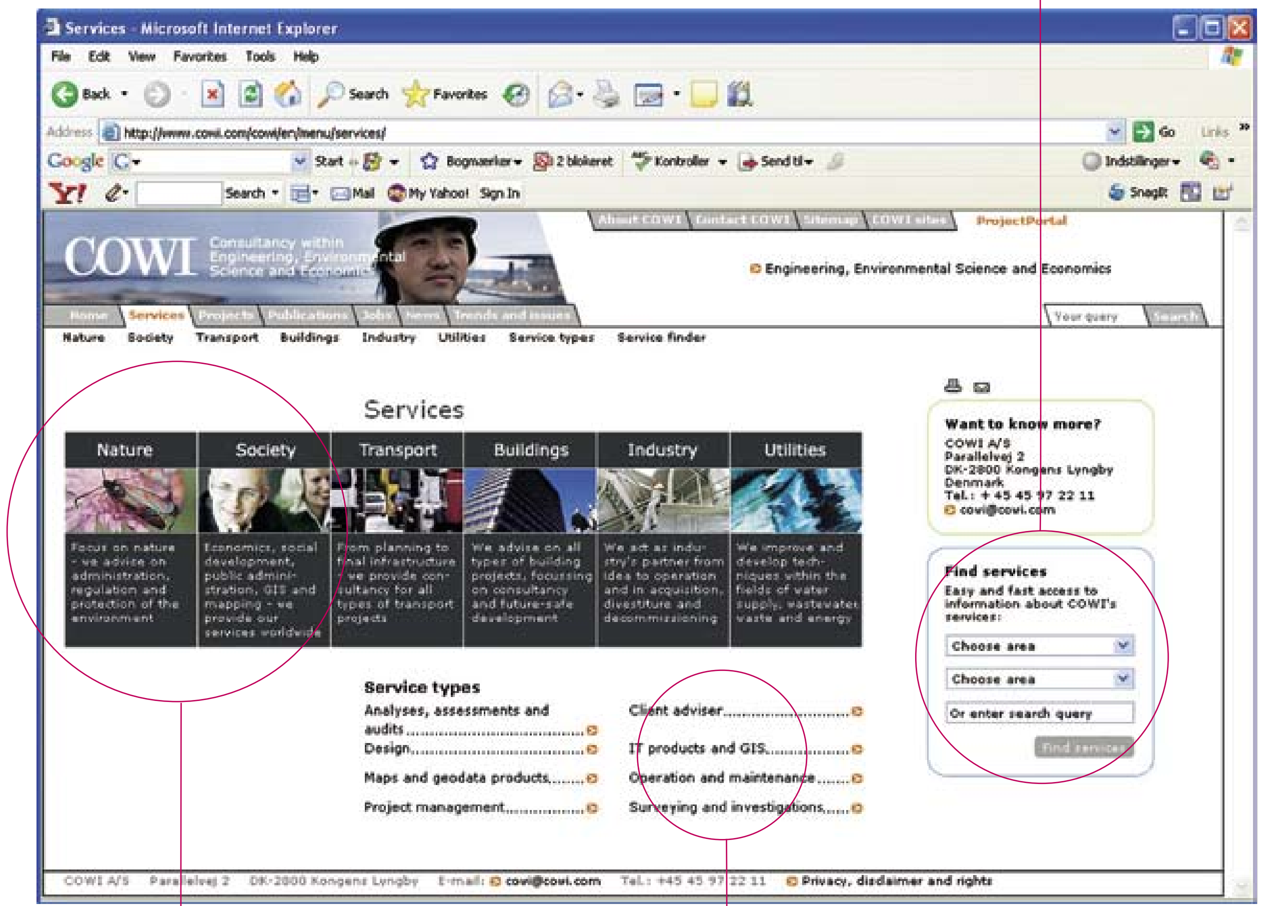
International network

When COWI's skills complement each other, we create synergy and total solutions for our clients. Our strength lies in our extensive international network. Throughout the history of our company we have acquired research expertise from every corner of the globe. We offer our members of staff the opportunity to develop professionally, culturally and linguistically in other countries. We understand each other across diverse areas of work, national borders and educational backgrounds, and we collaborate effortlessly. This means that our clients benefit from high quality services at affordable prices, and that responsibility for resolving a problem, however complex it may be, resides in one place.

33 consultancy services

Based around engineering, environmental science and economics, we offer 33 services within six business areas: nature, society, transport, buildings, industry and utilities. All services have one thing in common: they must be of the highest possible quality, by national as well as international standards. Our daily quest for quality is so important that it is written into the company's mission statement.

We have a great deal of information available about our services and products. To find exactly what you are looking for, use the "Find services" navigation box.



All 33 consultancy services are listed on COWI's website at www.cowi.com. The different services are accessed via the six business areas: nature, society, transport, buildings, industry and utilities. Contact details are provided for every service, making it simple to obtain further information.

In addition to these services, COWI offers several types of interdisciplinary consultancy as well as a range of maps and geodata products, IT and GIS products. These are described on the website under "Services".

COWI worldwide

COWI's organisation at 31 December 2006

Board of Directors

Executive Board

Central services

DK regions

Economics and Management	MUUSMANN, COWI Moscow, COWI Belgium, COWI Hungary, COWI Belgrade, COWI Anadolu (Turkey)
Development Planning	COWI Uganda, COWI Zambia, COWI Moçambique
Water and Environment	COWI Latvia, CAT Alliance (UK)
Geographical information and IT	Kampsax India, Caribersa (Spain), COWI Mapping
Railways, Roads and Airports	COWI Tanzania
Bridge, Tunnel and Marine Structures	Ben C. Gerwick (USA), COWI Korea, Buckland & Taylor (Canada)
Building and Operation	
Industry and Energy	COWI Consulting (Beijing)
COWI Norway	Interconsult Bulgaria, Norsas (Norway)
	COWI Almoayed Gulf (Bahrain)
	ETC (Germany)
	COWI Baltic (Lithuania)
	COWI & Partners (Oman)

Subsidiaries

Regions:
North Jutland
Mid Jutland
South Jutland
Funen
Zealand

COWI's organisation at 1 March 2007

Board of Directors

Executive Board

Central services

- Region Denmark
- Region Norway
- Region Gulf
- Region East EU
- Region Africa

COWI Group at 31 December 2006

Employees – B shares

COWIfoundation – A shares

SEB Trygg Liv og Danica – B shares

Danish offices

Lyngby *(head office)*

Esbjerg
Holstebro
Kolding

Odense
Ringsted
Silkeborg

Svendborg
Vejle
Viborg

Århus
Aabenraa
Aalborg

Wholly and partly owned companies

MUUSMANN A/S
Research & Consulting
Copenhagen, Denmark (100%)

COWI AS
Oslo, Norway (100%)

Norsas AS
Oslo, Norway (100%)

COWI AB
Gothenburg, Sweden (100%)

ETC Transport Consultants GmbH
Berlin, Germany (100%)

COWI Belgium SPRL
Brussels, Belgium (100%)

COWI Mapping UK Limited
Stroud, UK (100%)

Caribersa S.L.
Madrid, Spain (100%)

UAB COWI Baltic Consulting Engineers and Planners
Vilnius, Lithuania (100%)

COWI Hungary Ltd.
Budapest, Hungary (100%)

SIA COWI Latvia
Riga, Latvia (100%)

COWI d.o.o. Belgrade Ltd.
Beograd, Serbia (100%)

COWI Anadolu Müsarvirlik Limited Sirketi
Ankara, Turkey (100%)

COWI Moscow, representative office of COWIconsult International Ltd.
Moscow, Russia (100%)

Interconsult Bulgaria
Sofia, Bulgaria (50%)

COWI-ALMOAYED GULF W.L.L.
Manama, Bahrain (100%)

COWI & Partners LLC
Ruwi, Oman (65%)

COWI Uganda Ltd.
Kampala, Uganda (100%)

COWI Consulting Engineers and Planners Ltd.
Dar es Salaam, Tanzania (100%)

COWI Zambia Limited
Lusaka, Zambia (100%)

COWI MOÇAMBIQUE LIMITADA,
Maputo, Moçambique (100%)

Kampsax India Private Limited
New Delhi, India (76%)

COWI Consulting (Beijing) Ltd. Co.
Beijing, China (100%)

COWI Korea Co., Ltd.
Seoul, Korea (60%)

Buckland & Taylor Ltd.
Vancouver, Canada (100%)

Ben C. Gerwick, Inc.
San Francisco, USA (95%)

CAT Alliance Ltd.
London, UK (33%)

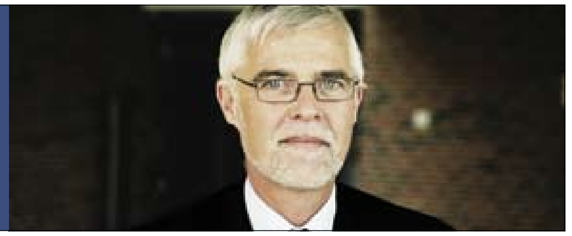
COWI's management

Board of Directors

Ole Steen Andersen
Chairman
Born 1946. M.Sc. (Engineering).
President and CEO of Danfoss.
Board member since 1992.

Knud Østergaard Hansen
Vice Chairman
Born 1941. M.Sc. (Engineering).
With COWI since 1967 and board member since 2004.

Henrik Gürtler
Born 1953. M.Sc. (Chemistry) and Managing Director of NOVO A/S.
Board member since 2000.



Lars Hauge
Born 1962. M.Sc. (Engineering) and with COWI since 1990.
Board member since 2006.

Victor Danielsen Norman
Born 1946. M.A. (Economics) and Ph.D. (Education, learning and productivity). Professor at the Norwegian School of Economics and Business Administration.
Board member since 2006.

Majken Schultz
Born 1958. Ph.D. Master of political science. Professor at the Copenhagen Business School and partner in Reputation Institute.
Board member since 2005.

Henriette Bundgaard
Elected by the employees
Born 1968. Graduate Diploma in Business Administration (Accounting). With COWI since 1993 and board member since 1998.

Niels Fog
Elected by the employees
Born 1960. M.Sc. (Engineering) and with COWI since 1996.
Board member since 2006.

Jens Erik Blumensaadt Jensen
Elected by the employees
Born 1956. M.Sc. (Engineering) and with COWI since 1987.
Board member since 2006.

Executive Board

Klaus H. Ostenfeld
President, CEO
Born 1943.
M.Sc. (Engineering).
With COWI from 1966-70 and again since 1977.

Keld Sørensen
Executive Vice President, Finance
Born 1956. M.Sc. (Political Science) and Graduate Diploma in Management Accounting.
With COWI since 2000.

Henning H. Therkelsen
Executive Vice President, M&A
Born 1946. M.Sc. (Engineering), Ph.D and with COWI since 1977.

Lone Hass
Executive Vice President, HR
Born 1962. M.Sc. (Business Economics and International Development), Ph.D. With COWI from 1990-93 and again from 2007.

Lars-Peter Søbye
Executive Vice President
Denmark
Born 1960. M.Sc. (Engineering) and with COWI since 1986.

Christian Nørgaard Madsen
Executive Vice President, Norway
Born 1963. M.Sc. (Engineering) and with COWI since 2003.

Vice Presidents

Stig P. Christensen
Vice President,
Economics and Management
Born 1954. M.Sc. (Mathematics and Economics) and with COWI since 1980.

Jan M. Kieler
Vice President,
Development Planning
Born 1953. M.Sc. (Geography) and with COWI since 1985.

Mogens Heering
Vice President,
Water and Environment
Born 1950. B.Sc. Engineering (Hons) and with COWI since 1976.

Rasmus Ødum
Vice President,
Geographical Information and IT
Born 1965. M.Sc. (Agricultural Economics) and with COWI since 1997.

Jens Christoffersen
Vice President,
Railways, Roads and Airports
Born 1968. M.Sc. (Engineering), Ph.D. and Graduate Diploma in Finance. With COWI since 1995.

Anton Petersen
Vice President,
Bridge, Tunnel and Marine Structures
Born 1954. M.Sc. (Engineering) and with COWI since 1975.

Henrik Rossen
Vice President,
Building and Operation
Born 1957. B.Sc. Engineering (Hons) and with COWI since 2004.

Birgitte Brinch Madsen
Vice President,
Industry and Energy
Born 1963. M.A. (Economics and Finance) and with COWI since 1996.

Regional Directors in Denmark

Torben Søgaard Jensen
Regional Director, North Jutland
Born 1949. B.Sc. Engineering (Hons) and with COWI since 1983.

Brian Seeberg Larsen
Regional Director, Mid Jutland
Born 1963. B.Sc. Engineering and with COWI since 1989.

John Dyrlund
Regional Director, South Jutland
Born 1952. B.Sc. Engineering and with COWI since 1976.

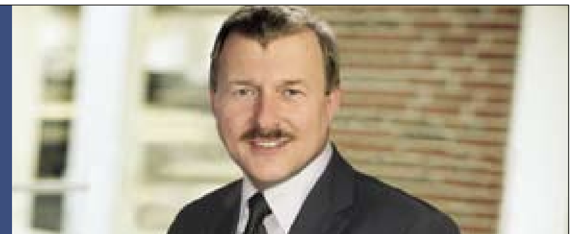
Henrik Theilgaard
Regional Director, Funen
Born 1964.
B.Sc. Engineering (Hons.) and with COWI since 1992.

Peter Terman Petersen
Regional Director, Zealand
Born 1959. B.Sc. Engineering (Hons) and with COWI since 1985.

Subsidiaries and offices abroad – management

Christian Nørgaard Madsen
Managing Director,
COWI AS, Norway
Born 1963. M.Sc. (Engineering) and with COWI since 2003.

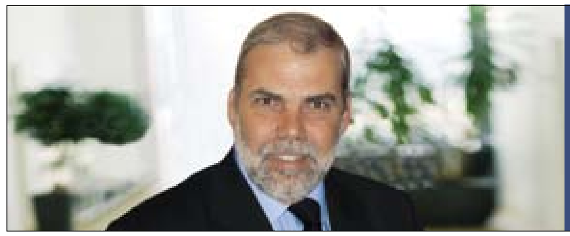
Barbro Sørlid Engh
Managing Director,
Norsas AS, Norway
Born 1959. M.Sc. (Chemical Engineering) and with COWI since 2003.



Gernot Steinbrink
Managing Director,
ETC Transport Consultants GmbH, Germany
Born 1955. M.Sc. (Engineering) and with COWI since 2001.

Raphael Zayat
Managing Director,
COWI Belgium SPRL, Belgium
Born 1966. M.Sc. (Transport Economics) and with COWI since 2002.

Juan Antonio Martínez
Managing Director,
Caribersa S.L., Spain
Born 1955. M.Sc. (Engineering) and MBA. With COWI since 2002.



William Michael McKay
Managing Director,
COWI Mapping UK Limited, UK
Born 1948. B.A. (Surveyor) and with COWI since 2006.

Andrius Koncius
Managing Director,
UAB COWI Baltic, Lithuania
Born 1953. M.Sc. (Physics) and with COWI since 1992.

Zsuzsanna Lehoczki
Managing Director,
COWI Hungary Ltd., Hungary
Born 1958. M.A. (Economics) and with COWI since 1997.

Uldis Kaknens
Managing Director,
SIA COWI Latvia, Latvia
Born 1975. M.Sc. (Economics) and with COWI since 2006.

Mirko Radovanac
Managing Director,
COWI d.o.o. Belgrade Ltd., Serbia
Born 1949. M.Sc. (Transport) and with COWI since 2005.

Merih Kerestecioglu
Managing Director, COWI Anadolu Müsavirlik Limited Sirketi, Turkey
Born 1955. M.Sc. (Environmental Engineering), Ph.D. (Environmental Management) and with COWI since 2005.

Sergey Stepanischev, Managing Director, COWI Moscow, representative office of COWIconsult International Ltd., Russia
Born 1962. M.Sc. (Hydrogeology and Engineering Geology), Ph.D. (Hydrogeology) and with COWI since 1995.

Stoian Boev
Managing Director,
Interconsult Bulgaria, Bulgaria
Born 1955. M.Sc. (Process Automation) and with COWI since 2003.

Anthony J. Carpenter
Managing Director,
COWI-ALMOAYED GULF W.L.L., Bahrain
Born 1962. M.Sc. (Engineering) and with COWI since 1997.

Anthony J. Carpenter
Acting Managing Director,
COWI & Partners LLC, Oman
Born 1962. M.Sc. (Engineering) and with COWI since 1997.

Michael Lorentzen
Managing Director,
COWI Consulting Engineers and Planners Ltd., Tanzania
Born 1967. M.Sc. (Engineering) and with COWI since 1996.

Marcus J. Wattam
Managing Director,
COWI Uganda Ltd., Uganda
Born 1972. M.Sc. (Engineering for Development) and with COWI since 2005.

Leonard Magara
Managing Director,
COWI Zambia Limited, Zambia
Born 1963. B.Sc. Engineering (Hons) and with COWI since 2003.

Lars Peter Christensen
Managing Director,
COWI – MOÇAMBIQUE, LIMITADA, Mozambique
Born 1951. M.A. (Political Science) and with COWI since 1994.

Pierre de Rancourt
Managing Director,
Kampsax India Private Limited, India
Born 1958. M.Sc. (Engineering) and with COWI since 1997.

Birgitte Brinch Madsen
Acting Managing Director,
COWI Consulting (Beijing) Ltd. Co., China
Born 1963. M.A. (Economics and

Man Seop Lee
Managing Director,
COWI Korea Co., Ltd., Korea
Born 1955. M.Sc. (Engineering) and with COWI since 2003.

Jorge Torrejon
President,
Buckland & Taylor Ltd., Canada
Born 1945. M.Sc. (Engineering) and with COWI since 1998.

Robert Bittner
President,
Ben C. Gerwick, Inc., USA
Born 1946. M.Sc. (Engineering) and with COWI since 1996.

Claus Primdal Sørensen
Managing Director,
CAT Alliance Ltd., UK
Born 1968. M.Sc. (Engineering) and with COWI since 2001.

New regional Vice Presidents – March 2007

Ervin Nordal Haukrogh
Vice President,
Region Gulf
Born 1955. M.Sc. (Engineering) and with COWI since 1985.

Peter Hostrup Rasmussen
Vice President,
Region East EU
Born 1965. B.A. Engineering (Hons) and Graduate Diploma in Business Administration (Marketing). With COWI since 1989.

Jan M. Kieler
Vice President,
Region Africa
Born 1953. M.Sc. (Geography) and with COWI since 1985.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