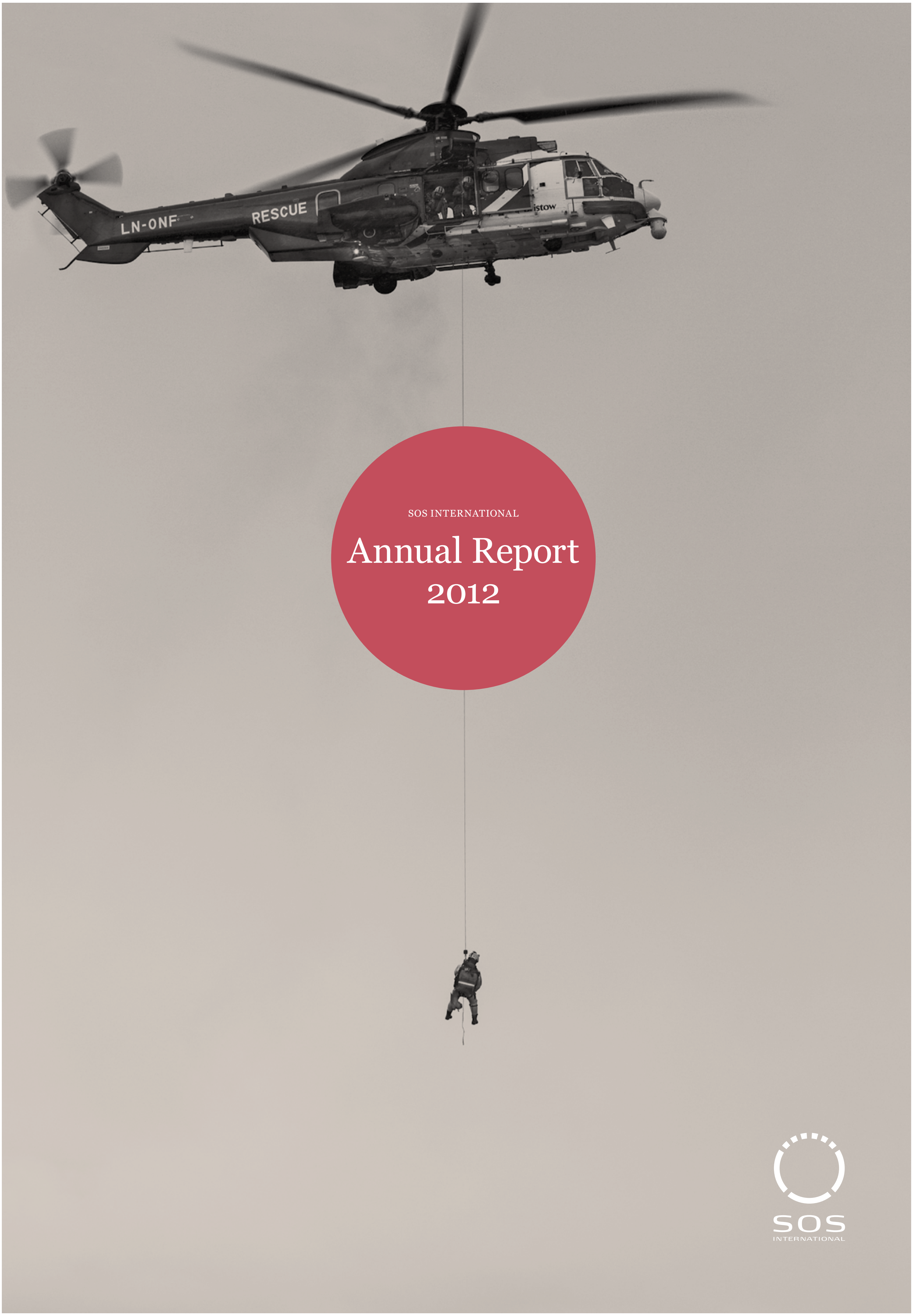


SOS INTERNATIONAL

Annual Report 2012

SOS INTERNATIONAL

Preface

The 2012 Annual Report before you will provide you with details of the past year and also a general overview. In doing so, we are focusing on the most important events of the past year and our outlook for 2013.

The report contains a number of articles and discussions that, taken as a whole, will serve as a presentation of SOS International for our customers, owners and stakeholders and anyone seeking more detailed information about SOS International.

At SOS International, we are committed to delivering the best service for our customers. All the time and everywhere. We do that by offering innovative products, by optimising our processes and financial management as well as by expanding in new markets. We discuss this aspect in the articles on the year's acquisitions and the synergies realised within Roadside, a new product within our business area Health and the introduction of our new supplier practice regarding ambulance flights.

The Annual Report will therefore give you an overview of our strategic priorities within Health, Roadside and Travel as well as specific insights into our business processes and new initiatives. In the back of the report, you will find the financial key figures for 2012.

Enjoy.


AMBULANCE AIRCRAFT

New supplier agreements lead to improved and more cost effective services

New tools and changes to our patient transport organisation and practice resulted in 10 per cent savings for SOS International's customers already in 2012.

These years, our travel patterns are constantly changing. We travel more frequently; we travel farther; and we are older as we go to exotic destinations. In order to be sure that we maintain an optimal presence in the preferred vacation spots of Scandinavians, it is therefore critical for SOS International to keep a close eye on the critical challenges we face at, for example, new destinations. From one day to the next, such destinations can receive many hundreds of new tourists. And some of those tourists naturally risk having to return home in a slightly different way than the way they got there — on an SOS International ambulance aircraft or on a scheduled flight on a stretcher.

Challenges of demographic trends

In addition to geographic considerations, it is particularly demographic trends that make demands on and pose challenges with respect to SOS International's transport solutions: The great post-war generation is travelling around the world like never before. They have the means and the adventurous spirit to explore new and remote places — but they are also a potentially vulnerable group.

This trend is clearly illustrated in the statistics. In two years, the number of ambulance aircraft transports rose from 255 in 2010 to 398 in 2012; a percentage increase of 56 per cent. This also applies to patient transports on scheduled flights. There, the number of issued tickets rose by 18 per cent.

The rise in demand for special transport solutions means increased costs, and it made SOS International rethink its transports generally and how supplier agreements are drafted.

Focus on cost efficiency and quality

From having to negotiate repatriations on an ad hoc basis with several different suppliers through tenders, SOS International has now entered into contracts with fixed transport suppliers at unit prices.

Since SOS International now has greater possibility in adjusting anticipated needs with the proper number of aircrafts and prebookings, transports have become both significantly less expensive and also more flexible. Additionally, SOS International now has the capacity to staff aircrafts with our own physicians and nurses, who speak a Nordic language; this is something that is very important to patients who are naturally in a vulnerable situation during transport.

In 2012, SOS International planned more systematically than previously on consolidating patients on transports and thereby on optimising the occupancy rates on aircrafts. In 2012, the consolidation factor stood at 65 per cent; in other words, for 65 per cent of all return transport cases, several patients were transported home using the same ambulance aircrafts.

This optimisation generated savings for SOS International's customers of 10 per cent — approx. DKK 13 million — in 2012. These savings are realised in spite of the various components of a transport service that cannot be affected, such as fuel prices, taxes and duties.

New strategy requires new tools

As part of the systematic efforts to optimise transports, SOS International's emergency centre — which handles the practical work and coordination of the many patient transports — has acquired a new tool: A simple and dynamic calculator that generates transport rates across such variables as distances, prices and consolidation opportunities. And, not least of all, it also functions as a documentation and risk management tool that ensures that SOS International will always be able to document to its customers and owners that the solution found was indeed the most optimal, at the best possible price.

CLAIMS COST ANALYZER

New analytical tool reduces costs and produces valuable insights

In 2012, SOS International introduced the Claims Cost Analyzer (CCA), an advanced analytical tool that has generated highly positive results in only a brief time and uncovered great potential for even more efficient cost controls and savings.

SOS International is among the world's seven largest assistance companies. Our volume, knowledge and experience mean that we have the capacity to realise economies of scales within almost all business areas. This is resulting in lower claims costs for insurance companies; and it means that we have a world-wide assistance network for policyholders who can obtain assistance and guidance regardless of whether they are in Salzburg or South Africa.

New targets require new tools

SOS International has always been focused on maintaining the lowest possible claims costs. In 2011, this focus resulted in documented savings of 18 per cent — or DKK 194 million — for SOS International on its total SBU Travel claims costs. These were savings after volume rebates and negotiated price reductions. Cost reductions reached the same percentage level in 2012 — and in 2013, our target is clear and specific: With the Claims Cost Analyzer (CCA) and in close partnership with our customers, we will be able to attain additional savings on claims costs of 3 per cent, which will mean projected overall savings of DKK 235 million.

This target will be reached through such measures as the cost management tool CCA, which was developed by the SAS Institute in 2012 in close collaboration with SOS International.

The purpose of CCA is to create a genuinely comparable data baseline that is adjusted for expenses beyond the influence or control of SOS International. This includes changes to travel patterns, the age of travellers, inflation and foreign exchange rates as well as accidents and disasters. The end result is a data set that can clearly illustrate trends in "adjusted" claims costs from year to year. That is necessary in order for SOS International to be able to record the results of its many daily cost reduction initiatives.

So far, the tool has analysed one million cases, and these data will serve as the tool's statistical basis for making subsequent comparisons.

More than a price calculator

The CCA is more than a claims costs reduction tool. Insurance companies will find it highly usable for developing new and refining existing products. The CCA generates analyses and explicit data related to the composition of claims profiles. Based on those, new products can be developed or existing products can be modified to suit demand and, if relevant, various cost scenarios.

Early warning

The CCA is also a warning system for identifying cases that are projected to become particularly costly. These will often be cases that are particularly complex with respect to treatment and repatriation — and in such instances, the CCA will flag the case for close monitoring by the SOS International team. There are good reasons for this: 79 per cent of our total claims costs are derived from only 19 per cent of all cases. There is therefore a great potential for further cost reductions in monitoring and managing major and complex cases.

“With the Claims Cost Analyzer and in close partnership with our customers, we will be able to attain additional savings on claims costs of 3 per cent, which will mean projected overall savings of DKK 235 million.”


TAXI-METER

PUBLIC TRAVEL MEDICAL INSURANCE

SOS International regains the Yellow Health Insurance Card in Denmark

In 2012, for the second time in a row, SOS International won a three-year contract to administer the travel insurance component of the Danish Yellow Health Insurance Card. This will ensure simplified procedures and flexible treatment for the thousands of Danes who get hurt while travelling abroad every year.

The travel insurance component of the Yellow Health Insurance Card has been administered by SOS International since 2008. SOS International has now won that privilege again, which means that the same excellent service will continue — but with a stronger emphasis on even more flexibility and digital development.

SOS International can handle the job
Each year, about 50,000 cases are filed with the Yellow Health Insurance Card scheme and the claims costs total about DKK 150 million annually. This volume requires a dynamic organisation that has a sharp focus on the effective coordination of everything from patient transport and medical assistance to excellent supplier agreements and a continuously updated network in the areas relevant to Danes travelling abroad in need of assistance.

In addition to assisting people who run into problems abroad, we are also tasked with creating value for money. This focus will be sharpened even further in 2013 when SOS International will emphasise handling costs related to the Yellow Health Insurance Card vis-à-vis providing the right treatment at the right price.

New app may save lives
SOS International has refined its well-known services and, within that context, is launching a new app for smartphones that can also be used for claims submissions — in addition to handling all the customer's insurance information. The app can also be tracked via satellite, so that SOS International can locate users in distress and send instructions about how they should behave in case of e.g. avalanches, disasters, and terrorism, etc. Generally, our customers have welcomed our new electronic advances; during peak season, almost half of all our policyholders submit claims online.

Synergies realised
Since SOS International handles 80 per cent of all submissions for private travel insurance policies, we have harvested good and fruitful experiences that can be fed directly into handling the Yellow Health Insurance Card. Ultimately, this means safety and security for Danes who find themselves in vulnerable situations far from home.

EMERGENCY MEDICAL HELICOPTER

Night vision — looking towards the future

As Denmark's first civilian aircraft, SOS International's emergency medical helicopter has been licensed by the Danish Public Transport Authority to be flown by pilots wearing night vision goggles.

Night vision goggles allow the pilot and the crew to see even the smallest details in the dark. The goggles, which until recently were designated for exclusive military use, thus increase flight safety, not least with respect to night landings.

The goggles also improve our emergency preparedness level. Before we were permitted to use the goggles, the medical helicopter was only allowed to land in airports and on illuminated helipads at night. With the goggles, the helicopter may now land on non-illuminated sports fields, grasslands and similar surfaces — around the clock.

This means that the helicopter can now get far closer to patients at night and thus ensure even faster transport from the site of the accident to the hospital.

The emergency medical helicopter was originally a one-year trial project, which was extended in the summer of 2012. In the 2013 Danish Finance Act, the scheme was made permanent from 2014 with the creation of a national medical helicopter scheme with three helicopters staffed around the clock.

The invitation to tender for the national helicopter scheme is expected to be published over the course of 2013 — and SOS International is ready to submit a tender for the scheme.

ROADSIDE

The business area Roadside has grown significantly in recent years. In 2013, we will be focusing on synergies within the areas of quality of delivery, product innovation, costs and technology in the Nordic market.

Visibility and synergy across the Nordic road system

This past year, SOS International has carried out major auto assistance business acquisitions in Denmark and Finland. The strategic objective has been to achieve critical mass that will provide us with opportunities to realise synergies across the Nordic countries.

In 2012, SOS International acquired Dansk Autohjælp, whose profile has been that of a strong and reliable player in Denmark for three decades. By acquiring Dansk Autohjælp, SOS International will be able to market itself directly to end users for the first time.

In the Finnish market, SOS International acquired Assistance Finland Oy and launched SOS Hinaus. In doing so, our position in Finland has been strengthened significantly with a separate salvage network and a new brand on the roads.

In Sweden, SOS International's roadside assistance business has attained a dominant position through white-label services to a portfolio of major customers. In 2012, we executed several new agreements with, among other things, automobile dealers and insurance companies.

Focus on Norway

In 2013, we will prioritise the Norwegian market with respect to developing the existing salvage network of 135 contractors — as well as drawing on the experiences and competencies of our combined Nordic activities.

In the Baltics, we optimised our collaboration with local partners in order to strengthen the business in the three countries.

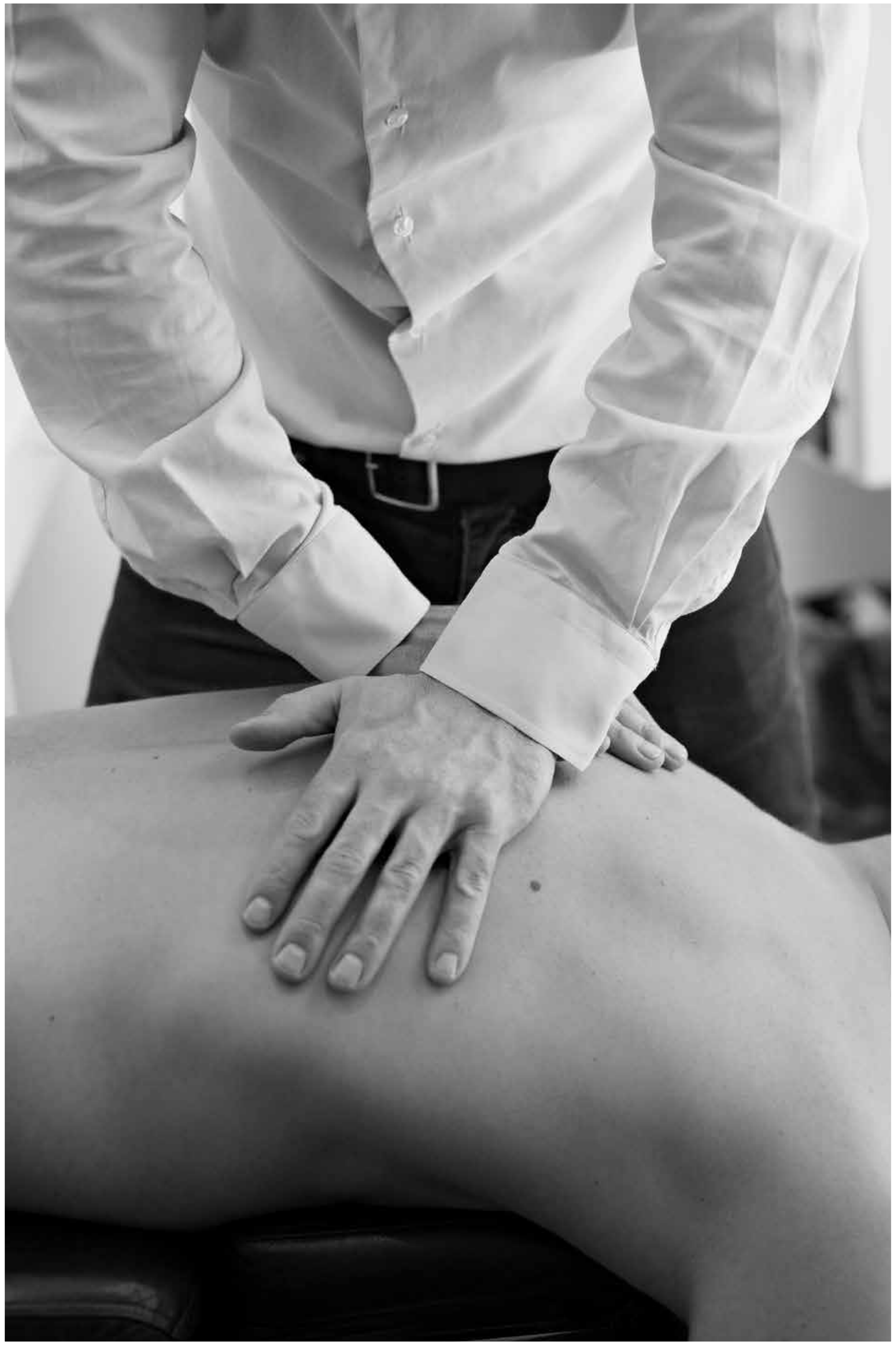
With the previous year's intense acquisition, alliance and purchase activities, the headline for 2013 will be continued growth as well as capitalising on our Nordic volume. The obvious synergistic benefits are within IT systems, concept development, internationalisation, joint procurement and new technology.

Over the next years, the latter will be an even more critical competitive parameter as, among other things, automated calling systems are developed in new vehicle models. This means that assistance organisations must have the capacity to match these new, technological opportunities.

Upgrading of technological skills

Technology and knowledge also play a decisive role in being able to handle a number of problems already over the phone — and thereby saving SOS International's customers and partners an assistance deployment. This requires constant continuing training and upgrading of skills for the Nordic alarm centres.

The growth strategy for the business area Roadside will therefore be a clearly defined guidepost in coming years that will not only position SOS International as the Nordic market leader but also ensure that the group will remain a leader within operational quality, cost efficient operations, customer oriented innovation and modern technology.



PCP PORTAL

New health portal is off to a good start

On 1 January 2013, SOS International launched a new product within the Health business area — a health portal, which is a unique service combining online tests and self-help programmes with telephone counselling and subsequent opportunities for treatment or talks. In two months, the new portal has had more than 1,000 visitors.

The new health portal — a customised product that helps people improve bad habits and promotes a healthier lifestyle — has so far been rolled out to a major Swedish insurance company's customers. A characterising feature of the health programme is that its users can form an overview of their health profile via tests across various areas, such as stress, alcohol consumption and exercise. Based on the test results, users are offered several opportunities for improving their health. These include measures such as access to online self-help programmes or telephone counselling by a psychologist, nurse or health coach. Telephone counselling can then subsequently be supplemented with talks or actual treatment.

This combined array of services across several platforms makes the health portal a unique and flexible product that combines elements from SOS International's own health services with the specific company's own health initiatives.

Health portal has great potential

In SOS International's assessment, a health portal has great potential of reaching specific customers, because the portal can be customised to suit the individual's needs; companies with stressful occupational environments may have a completely unique need for telephone counselling by a psychologist for their employees while others might place a greater emphasis on exercise, well-being, smoking cessation or something else entirely. The anonymous test and the confidential counselling make it easy and safe for users to accept the offer to improve their habits or broach a difficult discussion about, for example, bullying in the workplace.

Health services minimise claims costs

Preventive efforts benefit not only one particular person. In SOS International's opinion, the timely focus on conditions that may develop into long-term illness of both a physical and psychological nature will minimise claims costs for the benefit of the enterprise and the insurance company. In other words, there is economic value in preventive efforts.

LICENSE TO OPERATE

Certification creates improved conditions for growth

These years, SOS International is focusing on growth across all its business areas. An internationally recognised stamp from ISO creates transparency across and puts into system all processes and thereby optimises business procedures.

SOS International is widely recognised for delivering high quality services, both with respect to its core products and within information security.

In order to maintain this market perception going forward, it is important to define baseline standards for the quality delivered by SOS International.

This need is all the more important because we operate in a market that is becoming increasingly more tightly regulated by, among other things, EU legislation, and because SOS International — with its international focus — is required to comply with a myriad of security measures for the protection of personal data.

By completing an ISO certification process, SOS International's most important business areas will be systematically described, defined and documented. This initiative will result in an optimised enterprise where responsibility for the various processes is anchored locally; and this, in turn, provides a greater overview of individual focus areas and eliminates redundant processes.

ISO as a platform for growth

SOS International's customers will also be able to see the difference created by the ISO certification. With this kind of third-party certification, SOS International's customers will be able to save on their costs for mandatory supplier audits. Additionally, customers will gain greater insight into the products and services they purchase from SOS International.

At a time when SOS International is acquiring several new enterprises and increasing its exposure in new markets in new countries, an internationally recognised stamp such as ISO will serve to document the quality for which SOS International is known especially in the Nordic countries.

An ISO certificate may therefore contribute to SOS International's ability to continue its growth in 2013. Among other things, acquisitions will become simpler since all our processes and measures are already well defined. In this manner, ISO will also serve as a risk management tool that can contribute to eliminating costly errors.

SOS International tested

To go through an ISO certification process is an extensive and time-consuming task that will not end once SOS International, hopefully, receives ISO approval in the summer of 2013. After the approval, there will be continuous maintenance of the level achieved by SOS International — both through internal and external audits.

Therefore, ISO is not only about attaining a stamp of approval. It is viewed as an ongoing process that continuously aims at describing and optimising processes, in order to create more flexible work processes and greater transparency in how the most important business areas are handled.

STRATEGIC FOCUS

SOS International is proud of being part of some of the most important areas of our customers' lives. For general health, safety while travelling or roadside assistance for vehicles, SOS International is there and will provide emergency and personal assistance — anywhere in the world.

SOS International is where you need it

In November 2012, for the sixth time, SOS International was named the world's best assistance organisation at the International Travel Insurance Journal Conference. This ultimate honour is yet more evidence that SOS International is on the right strategic track professionally and commercially.

The organisation's ability to deliver top-tier assistance across the globe is naturally based on SOS International's many years of experience and skilled employees, not to mention an exceptionally high annual volume of assistance events worldwide; it is because of the great number of cases that SOS International is able to preserve and maintain its network of world-class partners, even in the most remote parts of the globe.

Strategy is clear

That is why SOS International must continue to grow as an organisation and business; we need to have the capacity to deliver comprehensive services of a quality, scope and at the price our customers expect. Additionally, the growth means that SOS International will gain a broader platform for selling its products throughout the world.

Our excellent results in 2012 therefore do not mean that we will rest on our laurels. Quite the contrary. We have set ambitious goals also for the upcoming years — embedded in the new strategy 'Nordic Consolidation and International Expansion'. The new business strategy pursues the ambition of increasing revenues threefold in five years.

Business areas, each with its own focus

SOS International is off to a good start with its strategy within all three business areas.

Thus, in 2012 SOS International acquired Dansk Autohjælp and Assistance Finland as part of its strategy of giving its business area Roadside an even stronger market position in the Nordic countries. In this area, 2013 will be spent consolidating our markets in Sweden and Denmark, while there is still room for expansion in Norway and Finland.

Within Travel, the goal for 2013 is still international growth. The opening of new offices in such different countries as Singapore, China, Poland, Qatar and India is on the agenda and shows that SOS International's global network and robust product portfolio within travel insurance and assistance activities can be marketed, sold and delivered in a globalised market.

The business area Health is focusing on new products and customised health solutions for major corporations and insurance companies across the world. Our most recent products include digital preventive solutions that reduce policyholders' need for treatment, which results in increased well-being for the insured person and lower claims costs for the insurance company.

The new strategy is therefore the pointer that will strengthen delivery quality, create stability and make SOS International less vulnerable in both our domestic and world markets.


LUNDYS

ACCOUNTING 2012

CONTENTS

MANAGEMENT'S REVIEW

SOS International increases revenue again

2012 was a good year for SOS International. The Group ended 2012 with revenues in excess of DKK 2.1 billion compared to DKK 1.8 billion the previous year. An increase of DKK 283 million, which we can ascribe to organic growth and the acquisition of Dansk Autohjælp, recognised in the Consolidated Financial Statement as of 24 August 2012. SOS International had budgeted revenue growth of 6 % but realised almost 15 %, which far exceeds expectations.

FINANCIAL REVIEW

Statement of Income

For 2012, total consolidated results before tax were profits of DKK 67.7 million (DKK 52.1 million in 2011). This corresponds to a pre-tax earnings margin (EBT) of 3.2 % (2.9 % in 2011). These results are considered very satisfactory.

The purchase of Dansk Autohjælp affected gross revenue positively by DKK 119 million. The general increase is owing to a mix of new contracts and extended collaboration with several existing customers particularly in SOS International's Danish, Norwegian and Finnish companies. Costs have been stable throughout the year. We remain focused on process optimisations, preparing for ISO certification in 2013, implementation of major contracts as well as the acquisition and integration of Dansk Autohjælp.

STAFF COSTS

Converted to full-time employees, there were 650 employees at SOS International in 2012, which is an increase of 14.4 % over the previous year (568 full-time employees in 2011). In 2012, staff costs stood at DKK 396 million, compared with DKK 356 million in 2011 or an increase of DKK 40 million. The increase was primarily due to Dansk Autohjælp and higher levels of activity related to the execution of new contracts.

OTHER EXTERNAL COSTS

Other external costs include expenses for rent, insurance, consultants, legal counsel, software and IT projects. In 2012, these costs stood at DKK 113 million (DKK 97 million in 2011). In relation to the contribution margin, other costs are at the previous year's level. Major IT development projects have been launched, but they are recognised in the Statement of Financial Position and amortised over 3–5 years. The establishment of, among other things, a Legal Department and a Governance, Risk and Compliance Department has changed the cost structure from "Other external costs" to "Staff costs." The continued focus on procurement policies and supplier agreements has also affected the item in a positive direction.

DEPRECIATION AND AMORTISATION

The total depreciation and amortisation of DKK 26.3 million pertained to intangible assets of DKK 18.3 million, of which goodwill represented DKK 9.3 million in 2012 (DKK 7.0 million in 2011). The increase was a result of the acquisition of Dansk Autohjælp. Depreciation of fixtures and fittings, tools and equipment totalled DKK 7.2 million (DKK 5.3 million in 2011), which was primarily due to the implementation of a new financial system.

FINANCIAL ITEMS

In 2012, financial items represented a net cost of DKK 1.7 million compared with a net income of DKK 0.2 million in 2011. The difference of DKK 1.9 million was primarily due to interest costs related to the acquisition of Dansk Autohjælp.

INCOME FROM SUBSIDIARIES

SOS International has full ownership of companies in Denmark, Sweden, Norway, Finland and Hong Kong.

Subsidiaries in Denmark, Sweden, Norway, Finland and Hong Kong have total sales of DKK 436 million before intercompany eliminations in 2012 (DKK 289 million in 2011). Results before tax stood at DKK 15.2 million and after tax at 11.7 million in 2012. After goodwill amortisation, this resulted in DKK 1.4 million, recognised in the parent company's financial statements under the item "Income from subsidiaries." This means that income from subsidiaries has improved significantly compared with last year's expense of DKK 0.8 million. The improvement was primarily a result of Dansk Autohjælp but also the Norwegian enterprise where 2011 was characterised by extraordinary expenses and initiatives that led to a loss. In 2012, the enterprise in Norway was balanced and ended the year with a minor loss.

Statement of Financial Position

SOS International's total balance rose from DKK 480 million in 2011 to DKK 805 million in 2012. A significant reason for this was the acquisition of Dansk Autohjælp which affected intangible assets in the amount of DKK 229 million. Major IT and telecom-related projects were launched which meant that intangible assets rose by nearly DKK 15 million. In addition, there was a general increase in the company's activity levels.

INTANGIBLE ASSETS

Goodwill as well as customer-related assets rose from DKK 11.6 million in 2011 to DKK 176 million in 2012. The difference relates to amortisation for the year and the addition of goodwill resulting from the acquisition of Dansk Autohjælp. No amortisation was performed on existing intangible assets in 2012.

PREPAYMENTS AND AMOUNTS RECEIVABLE

SOS International prepaid on-account funds to partners primarily in the United States, China and Turkey to cover claims costs on behalf of our customers. At 31 December 2012, these prepayments stood at DKK 40 million (DKK 34 million at 31 December 2011). The reason prepaid claims costs were higher was primarily because of increased activities.

At 31 December 2012, amounts receivable from sales totalled DKK 153 million (DKK 109 million at 31 December 2011). This increase was related to an increase in activities.

WORK IN PROGRESS

At 31 December 2012, there were work in progress not yet completed and therefore not yet settled with customers. The value of such cases rose from DKK 230 million at 31 December 2011 to DKK 254 million at 31 December 2012. The increase of DKK 24 million was principally owing to an increase in activities.

EQUITY DEVELOPMENTS

At 31 December 2012, SOS International's equity totalled DKK 200 million before dividends, if relevant (DKK 132 million at 31 December 2011). This corresponds to an equity ratio of 25 % at 31 December 2012, which exceeds SOS International's minimum requirement of 20 %.

In connection with the acquisition of Dansk Autohjælp, equity rose by DKK 18 million.

LIABILITIES

SOS International's current liabilities stood at DKK 547 million at 31 December 2012 compared with DKK 319 million for the previous year, which is an increase of DKK 228 million. Prepayments from SOS International's customers generally fell due to changed payment terms and conditions, but at 31 December 2012 customers had paid in amounts that would otherwise have been entered on SOS International's books at the start of January 2013. The purpose of prepayments is to have sufficient liquidity to be able to pay for our customer's claims costs involved in such activities as patient repatriation, hospital expenses, etc.

At 31 December 2012, SOS International had also drawn on its overdraft facilities due to its aquisition of Dansk Autohjælp.

DIVIDENDS

The Board of Directors recommends for adoption by the Company's Annual General Meeting that the income for the year be transferred to equity.

SPECIAL BUSINESS-RELATED RISKS

SOS International is equipped to meet challenges

SOS International's core business is Travel. This business area is closely associated with the travel industry and thereby the economic fluctuations and demographic developments that affect this sector. As SOS International has developed its product portfolio within especially the areas Health and not least Roadside with the acquisition of Dansk Autohjælp in 2012, it has also diversified its risks. This means that it has reduced its sensitivity to cyclical fluctuations in the travel industry. Indeed, the global financial crisis of recent years has not left especially deep marks on SOS International's accounts.

LIQUIDITY RISK

The crisis in the financial markets has not had any particular influence on the company's operational capital resources. Prepayments from customers to cover claims costs ensure that SOS International will have the necessary operational capital. In 2012, SOS International had sufficient liquidity to cover its daily and general operations, albeit sometimes by exercising our overdraft facilities.

INTEREST RATE AND FOREIGN EXCHANGE RATE RISKS

SOS International does not have interest-bearing liabilities apart from its existing credit facilities. However, it is expected that SOS International will raise a loan due to the acquisition of Dansk Autohjælp. Most of SOS International's activities are settled in foreign currencies and SOS International is therefore affected directly by any rate fluctuations between the time of bill approval and supplier payment. Further invoicing of customers takes place in Danish kroner (DKK) in the vast majority of cases. This means that there are no foreign exchange rate risks involved in the invoicing of SOS International's customers. Rate adjustments of income from subsidiaries and associated enterprises located abroad are recognised directly in equity. Since the enterprises are located in the Nordic countries, except the associated enterprise in Switzerland and the company in Hong Kong, it is SOS International's perception that the hedging of exchange rates for their results will not be optimal with respect to risks and costs.

FUTURE OUTLOOK

SOS International's favourable trend continues

As in 2011, SOS International also ended 2012 with increased revenues and satisfactory results in spite of the global financial crisis. The explanation is acquisitions and a constant focus on maintaining low claims costs — and these factors will continue to be decisive for our earnings potential over the next years.

2012 was a good year for SOS International, not least with respect to the financial results we achieved which far exceeded our outlook for growth. We had 15 per cent sales growth, which is more than twice the amount for which we budgeted. For SOS International, that is a sign that the crisis is about to let go of its tight grip on the market and that the future looks bright. This is also reflected in the levels of travel measured in numbers of claims submissions to SOS International. Compared to 2011, this figure rose by 3 per cent. Within all of SOS International's core businesses, activity levels rose in relation to 2011. In the context of a decline of claims costs in 2012; and with the expectation that costs will decline further over the next couple of years, SOS International is very excited about what 2013 will hold.

2012 was also a positive year with respect to international recognition of SOS International; the organisation won the award for being the world's best in acute, personal assistance. And, to add to the positive news, SOS International won the right to administer the Danish Yellow Health Insurance Card in 2012 — for the second time.

The outlook for SOS International is additional growth opportunities over the next years, and we believe that the positive results — such as those already created by the claims cost system CCA — hold great potential for 2013. The 2013 outlook is characterised by growth with respect to all of SOS International's core businesses with a special focus on the area Health and Travel, where especially the Chinese market is expected to pick up speed in 2013. Thus, SOS International is poised to reach revenues of DKK 2.5 billion and an earnings margin of 8 per cent measured on net revenue. Additionally, there is potential waiting to be unlocked in new acquisitions and new markets outside the Nordic countries.

UNCERTAINTY AND NEW OPPORTUNITIES

However, 2013 may nonetheless hold several challenges. The Travel area is sensitive to the economic climate and not least new demographic trends that may contribute to far more elderly people travelling abroad; this is a potentially vulnerable group with an increasing need for repatriation services administered by SOS International. The Health business is less sensitive to economic conditions, while in the Roadside area, it is particularly the weather that represents an unknown factor.

As in 2012, our optimism for 2013 is based on our overseas markets where SOS International has established itself with good strategic business partners and where the market has shown itself to be ripe and open to the products and business models offered by SOS International. Additionally, there is our continued development of the product portfolio of, especially, our Health Care range of products and the new business opportunities those entail.

SOCIAL RESPONSIBILITY

Taking responsibility at home and abroad

SOS International takes its social responsibility seriously — both with respect to ensuring that our employees are safe and thriving in their daily lives and that we are conducting business in an ethically responsible manner.

EMPLOYEES

It is important for SOS International that the employees who carry out our organisation's core business at the emergency centre have the proper skills to assist people in distress and crisis. However, it is equally important that those employees are given the opportunity to discuss the extreme experiences of which they become part by listening and that their training focuses on difficult cases and ways of handling stressful situations. In 2012, all employees at the Travel Business' Alarm Centre therefore completed a course where difficult kinds of cases were discussed. Additionally, 24 employees participated in a course that focused exclusively on communication and on handling difficult conversations. Finally, many Alarm Centre employees have accepted the offer to participate in debriefings related to crisis cases or other particularly stressful situations.

QUALITY AND DATA SECURITY

SOS International's work involves handling large amounts of personal and sensitive data for our customers. It is a key area for SOS International to ensure that these data are not misused or end up in the wrong places. Over the course of 2012, SOS International has therefore focused its efforts on becoming ISO certified — for quality and information security. SOS International has therefore launched the creation of an online quality control system for the entire group. SOS International expects to be certified in 2013.

ETHICS CODE

In addition to the well-being and development of its employees, SOS International has a responsibility with respect to its customers and end users. In 2012, SOS International therefore developed a set of ethics guidelines, a Code of Conduct, that set out the conduct we expect of our employees and suppliers. The Code of Conduct was approved by the Supervisory Board and distributed to all employees, communicated across all management levels and is now incorporated into all contracts executed with suppliers.

SOS SMILE

SOS International wants to make a difference in the lives of sick and abandoned children. SOS International has therefore created a charity project called SOS Smile, which organises hospital clown visits to orphanages and hospitals, primarily in Eastern Europe. The clowns entertain and play with the children and give away teddy bears collected in collaboration with SOS International's Nordic partners. Over the course of 2012, SOS Smile visited around 600 children in Romania and Mongolia.

2012 was also the year SOS International sponsored a participating team in the Mongol Rally. The team drove an ambulance to Mongolia for the benefit of children with cancer. The ambulance was subsequently donated to the local community in Ulan Bator, Mongolia.

MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Board have today considered and approved the present Annual Report, representing the period 1 January – 31 December 2012 for SOS International a/s.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statement and the Parent Company Financial Statement provide a true and fair view of the Group's and the Company's assets, liabilities and financial position as at 31 December 2012 as well as of the results of the Group's and the Company's activities and consolidated cash flows for the financial year 1 January – 31 December 2012.

Furthermore, it is our opinion that the Management's Review provides a true and fair view of the developments of the Group's and the Company's activities and financial matters, the results for the year and of the Group's and the Company's financial position.

We hereby recommend the Parent Company Financial Statement for approval by the Annual General Meeting.

Copenhagen, Denmark, 29 April 2013 – Executive Board:

Bo Uggerhøj

BOARD OF DIRECTORS

Amund Skarholt *Chairman*	Stig Elkier-Pedersen *Vice-Chairman*	Kaare Steinar Østgaard
Jesper Mørch Sørensen	Ann Sommer	Dag Rehme
Ann-Kristine Wuopio-Mogestedt	Rune Sixtus Bruhn	Alexander Barren
Trude Søntvedt	Rikard Livman	Timo Olavi Ahvonen
Erik Jørgen Østergaard	Niels Ulrik Mortensen	

INDEPENDENT AUDITORS' REPORT

To the shareholders of SOS International a/s

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT AND THE PARENT COMPANY FINANCIAL STATEMENTS

We have audited the Consolidated Financial Statement and the parent company financial statements of SOS International a/s for the financial year 1 January – 31 December 2012. The Consolidated Financial Statement and the parent company financial statements comprise accounting policies, statement of income, statement of financial position, statement of changes in equity and notes for the Group as well as for the parent company and consolidated statement cash flows. The Consolidated Financial Statement and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENT AND THE PARENT COMPANY FINANCIAL STATEMENTS

Management is responsible for the preparation of Consolidated Financial Statement and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of Consolidated Financial Statement and parent company financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Consolidated Financial Statement and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Consolidated Financial Statement and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statement and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statement and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of Consolidated Financial Statement and parent company financial statements that give a true and fair view 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 Consolidated Financial Statement and the parent company financial statements.

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

Our audit has not resulted in any qualification.

OPINION

In our opinion, the Consolidated Financial Statement and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2012 and of the results of the Group's and the parent company's operations and consolidated cash flows for the financial year 1 January – 31 December 2012 in accordance with the Danish Financial Statements Act.

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to the Danish Financial Statements Act, we have read the Management's review pp. 33-38 and pp 41-42. We have not performed any further procedures in addition to the audit of the Consolidated Financial Statement and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the Consolidated Financial Statement and the parent company financial statements.

Copenhagen, Denmark, 29 April 2013
KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Jørn Pedersen
State-authorised
public accountant

Gitte Henckel
State-authorised
public accountant

MANAGEMENT'S REVIEW

Company Information

SOS International a/s – Nitivej 6, 2000 Frederiksberg, Denmark

Telephone:	+45 70 10 50 50
Fax:	+45 70 10 50 56
Internet:	www.sos.eu
E-mail:	sos@sos.eu
Danish Corporate Registration (CVR) No.:	17 01 37 18
Established:	3 May 1961
Place of principal office:	Frederiksberg
Financial year:	1 January – 31 December

BOARD OF DIRECTORS

Amund Skarholt (Chairman)
Stig Elkier-Pedersen (Vice Chairman)
Kaare Steinar Østgaard
Jesper Mørch Sørensen
Ann Sommer
Dag Rehme
Ann-Kristine Wuopio-Mogestedt
Trude Søntvedt
Rune Sixtus Bruhn
Alexander Barren
Rikard Livman
Timo Olavi Ahvonen
Erik Jørgen Østergaard
Niels Ulrik Mortensen

EXECUTIVE BOARD

Bo Uggerhøj

AUDITORS

KPMG – Statsautoriseret Revisionspartnerselskab
Osvald Helmuths Vej 4
PO Box 250
2000 Frederiksberg, Denmark

MANAGEMENT'S REVIEW

Consolidated key figures and financial ratios

DKK'000	2012	2011	2010	2009	2008
KEY FIGURES					
Gross revenue	2,132,168	1,849,848	1,707,618	1,635,559	1,476,490
Net revenue	603,764	518,015	440,984	397,561	341,249
Net income from operating activities (EBIT)	69,376	51,854	45,562	49,387	9,958
Income from net financials	-1,694	212	5,410	778	3,760
PROFIT BEFORE TAX	67,687	52,073	50,985	50,165	13,718
PROFIT FOR THE YEAR	48,937	37,639	35,501	31,870	9,422
Balance sheet total	805,476	479,577	516,935	421,148	381,419
EQUITY	200,170	131,969	129,573	123,616	90,248
Cash flows from operating activities	89,970	9,428	43,399	121,163	-16,990
Cash flows from investment activities	-168,851	-18,003	-7,092	-8,465	-3,916
of which invested in property, plant and equipment	-31,170	-10,947	-7,202	-8,550	-8,513
Cash flows from financing activities	93,306	-37,514	-29,857	-49,644	26,054
CASH FLOWS, TOTAL	14,425	-45,640	6,450	63,054	5,148
FINANCIAL RATIOS					
EBITDA margin	4,5	3,6	3,6	4,4	1,4
Net operating income margin	15,8	14,3	13,8	18,1	6,1
EBT margin	3,2	2,9	3,0	3,0	0,9
Profit margin	11,2	11,5	11,6	12,6	4,0
Return on capital employed	10,8	8,5	10,8	13,9	3,4
Current ratio	98,0	138,5	110,6	129,9	107,4
Solvency ratio	24,9	27,5	25,1	29,4	23,7
Return on equity	29,5	28,8	28,1	29,8	10,9
AVERAGE NUMBER OF FULL-TIME EMPLOYEES	650	568	552	523	513

CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENT, 1 JANUARY – 31 DECEMBER

Accounting Policies

The 2012 Parent Company Financial Statement for SOS International a/s are presented in accordance with the provisions for Class C Enterprises (large) as set out in the Danish Parent Company Financial Statement Act. The Parent Company Financial Statement are presented under the same accounting policies as the previous year.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statement cover the parent company SOS International a/s as well as subsidiaries in which SOS International a/s directly or indirectly hold more than 50 per cent of the voting rights or otherwise holds controlling influence. Enterprises in which the Group holds 20 – 50 per cent of the voting rights and exercises significant but not controlling influence are regarded as associated enterprises.

In the consolidation, intragroup income and expenses, shareholdings, internal dividends and balances and realised and unrealised intragroup gains and losses on transactions between consolidated enterprises are eliminated.

Investments in subsidiaries are offset by the proportional share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

BUSINESS COMBINATIONS

Newly acquired or newly established enterprises are recognised in the Consolidated Financial Statement from the date of acquisition. Companies divested or wound up are recognised in the Consolidated Statement of Income until the date they are divested. Comparative figures are not restated to reflect newly acquired enterprises.

Profits or losses related to the divestment of subsidiary or associated enterprises are measured as the difference between the divestment sum and the carrying amount of the net assets at the date of disposal, including non-impaired goodwill and anticipated expenses relating to divestment or winding down. The aquisition method is applied for acquisitions of new enterprises, according to which assets and liabilities of newly acquired enterprises are measured at their fair value at the date of acquisition. A provision will be recognised to cover costs related to decided and announced restructurings in acquired enterprises in connection with the purchase. The tax effect of performed revaluations is taken into account.

Positive balances (goodwill) between the cost and fair value of acquired, identified assets and liabilities, including provisions for restructuring, are recognised under intangible assets and are depreciated systematically in the Statement of Income based on an individual assessment of their economic lives which are not to exceed 20 years.

Goodwill from acquired enterprises can be adjusted until the end of the year following the acquisition.

INTRAGROUP BUSINESS COMBINATIONS

For business combinations, including the aquisition and sale of investments, mergers, demergers, addition of assets and share exchanges, etc. for participation of enterprises under the control of the parent company the uniting of interests approach will be applied. Differences between the agreed-upon consideration and the acquired company's carrying amount are recognised in equity. Furthermore, restatements of comparative figures are performed for previous financial years.

MINORITY INTERESTS

The subsidiaries' accounting items are recognised in the Consolidated Financial Statement at 100 per cent. The minority interests' proportional shares of the subsidiaries' income and equity are adjusted annually and recognised as separate items in the Statements of Income and Financial Position.

TRANSLATION OF FOREIGN CURRENCIES

Upon initial recognition, transactions in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange rate differences arising between the exchange rates at the transaction date and the payment date are recognised in the Statement of Income under financials.

Receivables, debts and other monetary items in foreign currencies are translated at the exchange rate at the reporting date. The difference between the rate of exchange at the reporting date and the date the receivable or liability was incurred, or the rate specified in the last annual financial statement, is recognised in the Statement of Income under financial income and expenses.

Foreign subsidiaries are considered to be independent entities. Statements of income are translated into an average foreign exchange rate for the month and the items in the statements of financial position are translated into the foreign exchange rates prevailing at the reporting date. Exchange rate differences arising from translation of foreign group enterprises' equity at the beginning of the year at the exchange rate prevailing at the reporting date and from translation of income statements from average exchange rates to the exchange rates prevailing at the reporting date are recognised directly in equity.

Currency adjustments of accounts between independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Correspondingly, foreign exchange gains and losses are recognised directly in equity.

STATEMENT OF INCOME

GROSS REVENUE

Gross revenue from the sale of services is recognised in the Statement of Income, provided delivery and risk transfer to purchaser have taken place before the end of the year. Gross revenue is recognised net of VAT, duties and less discounts related to the sale.

Gross revenue is recognised as cases are processed whereby the net revenue will correspond to the sales value of the work performed for the year. Gross revenue is recognised when total income and expenses for the contract in question and the rate of completion at the reporting date can be determined reliably and is it probable that the economic benefits, including payments, will accrue to the Company.

ASSISTANCE COSTS

Assistance costs relate to case-related expenses which are re-invoiced to SOS International's customers.

OTHER OPERATING INCOME AND COSTS

Other operating income and costs comprise accounting items secondary to the enterprises' activities.

OTHER EXTERNAL COSTS

Other external costs cover costs related to distribution, sales, advertising, administration, premises, bad debts, operating lease agreements, etc.

STAFF COSTS

Staff costs cover wages, pensions, other social security costs as well as other staff costs.

INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

In the parent company's Statement of Income, the proportional share of the individual subsidiaries' profit after tax after full elimination of internal gains/losses.

In both the Group's and parent company's statements of income, the proportional share of the associated enterprises' profit after tax is recognised after eliminating the proportional share of internal gains/losses.

FINANCIAL INCOME AND EXPENSES

The item financial income and expenses covers interest, exchange gains and losses related to debt and transactions in foreign currencies as well as supplements and allowances under the tax prepayment scheme, etc.

TAX ON PROFIT FOR THE YEAR

The parent company is covered by the Danish rules on compulsory joint taxation of SOS International a/s group's Danish subsidiaries. Subsidiaries are covered by joint taxation as of the date they are included in the consolidation in the Consolidated Financial Statement until such time they are no longer part of consolidation.

The parent company is the administrative company for the joint taxation and settles all payments of corporate taxes with the Danish tax authorities as a result of this.

The applicable Danish corporate tax is allocated by settling joint taxation contributions among the jointly taxed enterprises in relation to their taxable incomes. In this connection, enterprises with tax losses receive joint taxation contributions from enterprises that have been able to apply this loss to reduce their own tax profit.

Tax for the year, consisting of the year's current corporate tax, the year's joint taxation contribution and changes in deferred tax rates, is recognised in the Statement of Income with the portion that can be attributed to the income for the year, and directly to equity with the portion that can be directly attributed to equity.

STATEMENT OF FINANCIAL POSITION

INTANGIBLE ASSETS

Goodwill

Goodwill is amortised over its estimated economic life, which is determined based on Management's experience within the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period not to exceed 20 years and will be longest for strategically acquired enterprises with a strong market position and long-term earnings profile.

Software

Software is measured at cost less accumulated amortisation and impairments. Amortisation is performed on a straight-line basis over the estimated useful life, based on the following assessment of the remaining useful life of the assets.

Gains and losses on the disposal of software are recognised as the difference between the sales price, less sales costs, and the carrying amount at the time of sale. Gains or losses are recognised in the Income Statement under amortisation.

CUSTOMER-RELATED ASSETS AND TRADEMARKS

Customer-related assets and trademarks are depreciated or amortised over their estimated economic life, which is determined based on Management's experience within the individual business areas. Customer related assets and trademarks are depreciated or amortised on a straight-line basis over the depreciation or amortisation period not to exceed 20 years.

PROPERTY, PLANT AND EQUIPMENT

Leasehold improvements as well as fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

The cost price covers the acquisition price as well as costs directly associated with the acquisition until such time as the asset is ready for use.

Depreciation is performed on a straight-line basis over the estimated useful life, based on the following estimates of the remaining useful lives of the assets:

Leasehold improvements	5 years
Fixtures and fittings, tools and equipment	3 – 5 years

Gains or losses on the disposal of property, plant and equipment are recognised as the difference between the sales price, less sales costs, and the carrying amount at the time of sale. Gains or losses are recognised in the Income Statement under depreciation.

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments in subsidiaries and associates are measured according to the equity method.

Investments in subsidiaries and associates are measured at the proportional share of the enterprises' equity value measured according to the Group's accounting policies minus or plus unrealised intragroup proceeds and losses and plus or minus the residual value of positive or negative goodwill measured according to the acquisition method.

Investments in subsidiaries and associates with a negative net asset value are measured at DKK 0 kroner and any receivables from these enterprises will be impaired to the extent the receivable is deemed uncollectible. To the extent the parent company has a legal or actual obligation to cover a negative balance that exceeds the receivable, the balance will be recognised under provisions.

Net revaluation of investments in subsidiaries and associates are shown as a reserve for net revaluation according to the equity method in equity to the extent the carrying amount exceeds the cost. Dividends from subsidiaries expected to be approved before the approval of the annual report for SOS International a/s are not bound on the revaluation reserve.

For company acquisitions, the acquisition method is used; cf. description above under the Consolidated Financial Statement.

IMPAIRMENT OF ASSETS

The carrying amount of both intangible and property, plant and equipment are measured annually for indications of value impairmentsother than the decrease in value reflected by amortisation or depreciation.

If there are indications of value impairment, impairment is performed on each individual asset, respectively, group of assets. Write-down is made to the asset's recoverable amount, if this is lower than the carrying amount. The recoverable amount that is used will be the highest value of the net selling price and value in use. The value in use is measured as the present value of the estimated net income from the use of the asset or asset group.

RECEIVABLES

Receivables are measured at amortised cost.

Impairments for potential losses are made where it is estimated that there is objective indication that a receivable or a portfolio of receivables are impaired. If there is objective indication that an individual receivable is impaired, impairment is made at individual level.

Receivables for which there is no objective indication of impairment at individual level, objective indication for impairment is assessed at portfolio level. The portfolios are primarily based on the domicile of the debtors and a credit assessment in accordance with the Company's and the Group's credit risk management policy. The objective indicators used for portfolios are established based on historical record of losses.

Impairments are calculated as the difference between the carrying amount of receivables and the present value of anticipated cash flows, including the realisable value of any accepted collaterals. The effective interest rate is used as the discount rate for the individual receivable or portfolio.

WORK IN PROGRESS

Work in progress consists of incurred costs for cases measured at the market value. The market value is measured based on the rate of completion at the reporting date and the total anticipated income from work in progress.

If the market value for work in progress cannot be measured reliably, the market value is measured as expenses incurred or the net realisation amount, provided this is lower.

PREPAYMENTS

Prepayments recognised under assets cover costs incurred relating to the following financial year.

OTHER SECURITIES

Listed securities recognised under current assets are measured at the fair value at the reporting date.

EQUITY

Reserve for net revaluation according to the equity method

Reserve for net revaluation applying the equity method covers net revaluations of equity investments in subsidiaries in relation to cost.

The reserve can be eliminated in case of losses, if investments are realised or changes are made to accounting estimates.

The reserve may not be recognised at a negative amount.

Dividends

Proposed dividends are recognised as a liability at the time of adoption by the Annual General Meeting (the time of declaration). Dividends expected to be declared for the year are shown as a separate item under equity.

INCOME TAX AND DEFERRED TAX

As the administrative company, SOS International a/s assumes liability for the subsidiaries' corporation taxes towards the Danish tax authorities concurrently with the subsidiaries' pay joint-taxation contributions.

Current tax payable and receivable is recognised in the Statement of Financial Position as calculated tax on the taxable income for the year adjusted for previous years' taxable income and taxes paid on account.

Payable or receivable joint taxation contributions are recognised in the Statement of Financial Position as "Payable corporate tax" or "Corporate tax."

Deferred tax is measured according to the balance sheet liability method on all temporary differences between accounting and tax values of assets and liabilities. However, deferred tax on temporary differences related to taxable non-deductible goodwill as well as other items where temporary differences — except for acquisitions of enterprises—arisen at the time of acquisition without having an effect on the income or taxable income is not recognised. In cases where the determination of the tax value can be performed under various taxation rules, deferred tax is measured based on Management's planned use of the asset, respectively, settlement of the liability.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the value at which they are expected to be used, either by elimination in the tax of future earnings or by offsets in deferred tax payables in enterprises within the same legal tax entity or jurisdiction.

Adjustment of deferred tax is made concerning performed elimination of unrealised payable intragroup gains and losses. Deferred tax is measured on the basis of the tax rules and tax rates in the respective countries that will be effective under the legislation at the reporting date when the deferred tax is expected to be crystalise as current tax.

LIABILITIES OTHER THAN PROVISIONS

Financial liabilities are recognised upon raising the loan at the proceeds received, less incurred transaction costs. For subsequent periods, financial liabilities are measured at amortised cost corresponding to the capitalised value by applying the effective interest rate, so that the difference between the proceeds and the nominal value is recognised in the Statement of Income over the life of the loan.

Liabilities are measured at their net realisable values.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows shows consolidated cash flows distributed on operating, investing and financing activities for the year, changes in cash and cash equivalents for the year, as well as cash and cash equivalents at the beginning and end of the year.

The effect on cash flows from the acquisition of enterprises is shown separately under cash flows from investment activities. Cash flows from acquired enterprises from the date of the acquisition are recognised in the Statement of Cash Flows.

CASH FLOWS FROM OPERATING ACTIVITIES

Cash flows from operating activities are measured as income for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

CASH FLOWS FROM INVESTING ACTIVITIES

Cash flows from investing activities cover payments made related to the purchase and disposal of enterprises and activities and the purchase and disposal of property, plant and equipment, intangible assets and other financial assets.

CASH FLOWS FROM FINANCING ACTIVITIES

Cash flows from financing activities comprise changes in the size or structure of the Company's share capital and incidental costs as well as loans, repayments of principals of interest-bearing debt and payment of dividends to shareholders.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise holdings of short-term securities that can readily be converted to cash or cash equivalents and for which there is only insignificant risk of changes in value.

SEGMENT INFORMATION

Disclosures include information related to business segments and geographic markets. The segment information follows the Group's accounting policies and internal financial management.

KEY FIGURES

The ratios and key figures shown in the statement of financial highlights and key figures are calculated as follows:

EBITDA margin: $\frac{\text{Profit before interest, taxes, depreciation and amortisation (EBITDA)} \times 100}{\text{Gross revenue}}$

Net operating income margin: $\frac{\text{Profit before tax} \times 100}{\text{Net revenue}}$

EBT Margin: $\frac{\text{Profit before tax} \times 100}{\text{Gross revenue}}$

Profit margin: $\frac{\text{Profit before tax} \times 100}{\text{Net revenue}}$

Return on capital employed: $\frac{\text{Profit from ordinary operating activities (EBIT)} \times 100}{\text{Average operating assets}}$

Operating assets: Operating assets are total assets less cash and cash equivalents, other interest-bearing assets (incl. shares) as well as investments in associates.

Current ratio: $\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$

Solvency ratio: $\frac{\text{Equity, end of year} \times 100}{\text{Liabilities, total, end of year}}$

Return on equity: $\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$

CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENT, 1 JANUARY – 31 DECEMBER

Statement of Income

DKK'000	NOTE	GROUP 2012	GROUP 2011	PARENT COMPANY 2012	PARENT COMPANY 2011
GROSS REVENUE	1*	2,132,168	1,849,848	1,811,754	1,645,918
Assistance costs		-1,528,404	-1,331,833	-1,347,952	-1,228,295
NET REVENUE		603,764	518,015	463,802	417,623
Other operating income		887	122	53	60
Other external costs	2*	-112,878	-97,355	-83,161	-66,646
GROSS MARGIN		491,773	420,782	380,694	351,037
Staff costs	6*	-396,101	-355,952	-307,728	-295,329
Depreciation and amortisation on tangible and intangible assets	7,8*	-26,296	-12,976	-9,140	-4,829
INCOME FROM OPERATING ACTIVITIES		69,376	51,854	63,826	50,879
Income from subsidiaries after tax	9*	0	0	1,420	-822
Income from associates after tax		5	7	5	7
Financial income	4*	2,190	2,513	2,268	1,739
Financial expenses	5*	-3,884	-2,301	-2,533	-1,299
PROFIT BEFORE TAX		67,687	52,073	64,986	50,504
Tax on income for the year	6*	-18,748	-14,434	-16,049	-12,865
PROFIT FOR THE YEAR		48,939	37,639	48,937	37,639
Profit for the year attributable to minority interests		-2	0	0	0
THE SOS INTERNATIONAL a/s GROUP'S SHARE OF PROFIT FOR THE YEAR		48,937	37,639	48,937	37,639

PROPOSED PROFIT APPROPRIATION

DKK'000	2012	2011	2012	2011
Retained income	48,937	37,639	48,937	37,639
Proposed dividends	0	0	0	0
	48,937	37,639	48,937	37,639

STATEMENT OF FINANCIAL POSITION

DKK'000	NOTE	GROUP 2012	GROUP 2011	PARENT COMPANY 2012	PARENT COMPANY 2011
ASSETS					
INTANGIBLE ASSETS	7*				
Goodwill		103,880	11,641	0	1,444
Software		28,062	7,600	13,058	7,600
Customer-related assets		71,896	0	0	0
Trademarks		25,192	0	0	0
Intangible assets under construction		0	4,453	0	4,453
		229,030	23,694	13,058	13,497
PROPERTY, PLANT AND EQUIPMENT	8*				
Leasehold improvements		2,214	1,986	1,997	1,986
Fixtures and fittings, tools and equipment		15,323	11,457	6,805	5,456
Property, plant and equipment under construction		22,981	0	22,981	0
		40,518	13,443	31,783	7,442
FINANCIAL ASSETS					
Investments in subsidiaries	9*	0	0	240,362	39,453
Investments in associates	10*	198	193	198	193
Long-term loans to subsidiaries		0	0	7,508	971
		198	193	248,068	40,617
NON-CURRENT ASSETS, TOTAL		269,746	37,330	292,909	61,556
CURRENT ASSETS – INVENTORIES					
Manufactured goods and goods for resale		448	0	0	0
		448	0	0	0
RECEIVABLES					
Trade debtors		152,626	108,739	70,998	72,473
Works in progress		254,148	229,962	248,265	222,000
Prepayments to business partners		40,139	33,936	38,669	33,936
Receivables from subsidiary enterprises		0	0	2,743	81
Deferred tax assets	14*	3,618	3,014	0	0
Corporate tax receivables	15*	5,147	5,405	3,316	5,405
Other receivables		12,277	14,813	12,017	9,863
Prepayments	11*	14,302	7,849	11,224	7,558
		482,257	403,718	387,232	351,316
SECURITIES		116	45	55	45
CASH AND CASH EQUIVALENTS		52,909	38,484	13,363	18,303
CURRENT ASSETS, TOTAL		535,730	442,247	400,650	369,664
ASSETS, TOTAL		805,476	479,577	693,559	431,220

STATEMENT OF FINANCIAL POSITION

DKK'000	NOTE	GROUP 2012	GROUP 2011	PARENT COMPANY 2012	PARENT COMPANY 2011
EQUITY AND LIABILITIES					
EQUITY	12*				
Share capital		21,388	20,960	21,388	20,960
Retained income		178,782	111,009	178,782	111,009
Proposed dividends		0	0	0	0
EQUITY, TOTAL		200,170	131,969	200,170	131,969
MINORITY INTERESTS	13*	2	0	0	0
PROVISIONS					
Deferred tax	14*	37,837	7,490	10,793	7,490
PROVISIONS, TOTAL		37,837	7,490	10,793	7,490
LIABILITIES OTHER THAN PROVISIONS					
LONG-TERM LIABILITIES					
Customer deposits		20,875	20,875	20,875	20,875
		20,875	20,875	20,875	20,875
SHORT-TERM LIABILITIES					
Credit institutions		93,306	0	93,306	0
Trade payables		77,748	51,979	35,826	32,254
Amounts owed to subsidiary enterprises		0	0	56,040	8,063
Prepayments from customers		257,126	166,618	206,218	160,758
Corporation tax	15*	3,617	5,325	0	0
Other liabilities		114,795	95,321	70,331	69,811
		546,592	319,243	461,721	270,886
LIABILITIES OTHER THAN PROVISIONS, TOTAL		567,467	340,118	482,596	291,761
EQUITY AND LIABILITIES, TOTAL		805,476	479,577	693,559	431,220

SECURITY PROVIDED AND CONTINGENT LIABILITIES	16*
RELATED PARTIES	17*
SUBSIDIARIES AND ACTIVITIES	20*

STATEMENT OF CHANGES IN EQUITY

	GROUP AND PARENT COMPANY			
DKK'000	SHARE CAPITAL	RETAINED INCOME	PROPOSED DIVIDENDS	TOTAL
Equity at 1 Jan 2011	20,960	73,112	35,501	129,573
Dividends distributed	0	0	-35,501	-35,501
Transferred via distribution of income	0	37,639	0	37,639
Currency translation adjustments, foreign subsidiaries	0	258	0	258
EQUITY AT 1 JAN 2012	20,960	111,009	0	131,969
Capital increase at 24 Aug 2012	428	17,572	0	18,000
Dividends distributed	0	0	0	0
Transferred via distribution of income	0	48,937	0	48,937
Currency translation adjustments, foreign subsidiaries	0	1,264	0	1,264
EQUITY AT 31 DEC 2012	21,388	178,782	0	200,170

STATEMENT OF CASH FLOWS

		GROUP	
DKK'000	NOTE*	2012	2011
Operating cash flows before changes in working capital	18*	95,454	64,873
Change in working capital	19*	11,978	-35,681
Operating cash flows		107,432	29,192
Interest income, paid		2,190	2,513
Interest costs, paid		-3,884	-2,301
Cash flows from ordinary activities		105,738	29,404
Corporation tax, paid		-15,768	-19,976
CASH FLOWS FROM OPERATING ACTIVITIES		89,970	9,428
Acquisition of subsidiaries		-133,841	0
Acquisition of intangible fixed assets		-4,826	-7,600
Acquisition of property, plant and equipment		-31,170	-10,947
Disposal of property, plant and equipment		1,057	548
Purchase/sale of securities		-71	-4
CASH FLOWS FROM INVESTMENT ACTIVITIES		-168,851	-18,003
Incurrence of debt from credit institutions		93,306	0
Repayment of debt to credit institutions		0	-2,013
Distributed dividends		0	-35,501
CASH FLOWS FROM FINANCING ACTIVITIES		93,306	-37,514
CASH FLOWS, 1 JAN – 31 DEC		14,425	-45,640
Cash and cash equivalents, 1 Jan		38,484	84,124
CASH AND CASH EQUIVALENTS, 31 DEC		52,909	38,484

The Statement of Cash Flows cannot be derived directly from the other components of the Consolidated and Parent Company Financial Statement.

CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENT,
1 JANUARY – 31 DECEMBER

Notes

1 SEGMENT INFORMATION

DKK'000	GROUP 2012	GROUP 2011	PARENT COMPANY 2012	PARENT COMPANY 2011
BY ACTIVITY				
Travel	1,534,380	1,457,399	1,537,110	1,402,346
Roadside	411,071	260,906	150,678	142,527
Health	186,717	131,543	123,966	101,045
	2,132,168	1,849,848	1,811,754	1,645,918
BY GEOGRAPHY				
Denmark	1,927,787	1,645,538	1,811,754	1,645,918
Sweden	124,496	127,130	0	0
Norway	52,973	68,290	0	0
Finland	26,479	8,890	0	0
Other countries	433	0	0	0
	2,132,168	1,849,848	1,811,754	1,645,918

2 FEES FOR AUDITOR ELECTED BY THE ANNUAL GENERAL MEETING

Total fee	2,170	1,797	1,144	1,296
Of which services other than auditing	805	927	619	786

3 STAFF COSTS

Wages and salaries	326,746	297,676	261,038	254,844
Pensions	34,896	30,388	29,638	25,524
Other social security costs	24,304	19,223	10,523	7,420
Other staff costs	10,155	8,665	6,529	7,541
	396,101	355,952	307,728	295,329
Average number of full-time employees	650	568	421	431

Staff costs include wages and salaries accrued by Group Management and the Supervisory Board in the amount DKK'000 3,817 (2011: DKK'000 3,569)

NOTES

4 FINANCIAL INCOME

DKK'000	GROUP 2012	GROUP 2011	PARENT COMPANY 2012	PARENT COMPANY 2011
Interest income from subsidiaries	0	0	374	235
Currency gains	1,594	2,099	1,594	1,125
Other financial income	596	414	300	379
	2,190	2,513	2,268	1,739

5 FINANCIAL EXPENSES

Interest expenses to subsidiaries	0	0	297	0
Exchange losses	1,511	926	0	0
Bank fees	1,333	1,045	1,333	1,012
Interest expenses	1,040	330	903	287
	3,884	2,301	2,533	1,299

6 TAX ON INCOME FOR THE YEAR

Current tax	13,819	13,172	12,684	11,649
Adjustment of deferred tax, 1 Jan	0	0	0	0
Adjustment of tax from previous years	63	15	63	15
Adjustment of deferred tax for the year	4,866	1,247	3,302	1,201
	18,748	14,434	16,049	12,865

7 INTANGIBLE ASSETS

GROUP

DKK'000	Goodwill	Software	Customer-related assets	Trademarks	Intangible assets under construction	Total
Kostpris 1. januar 2012	55,901	9,188	0	0	4,454	69,543
Cost price, 1 Jan 2012	101,399	27,911	74,323	25,765	0	229,398
Additions relating to the acquisition of subsidiaries	125	1,608	0	0	3,093	4,826
Additions	0	7,547	0	0	-7,547	0
Transfers						
	157,425	46,254	74,323	25,765	0	303,767
Cost price, 31 Dec 2012						
	44,261	1,226	0	0	0	45,487
Amortisation, 1 Jan 2012	0	10,912	0	0	0	10,912
Additions relating to the acquisition of subsidiaries	9,284	6,054	2,427	573	0	18,338
Amortisation						
	53,545	18,192	2,427	573	0	74,737
Amortisation, 31 Dec 2012						
CARRYING AMOUNT 31 DEC 2012	103,880	28,062	71,896	25,192	0	229,030

NOTES

INTANGIBLE ASSETS

PARENT COMPANY

DKK'000	Goodwill	Software	Intangible assets under construction	Total
Cost price, 1 Jan 2012	5,775	7,600	4,454	17,829
Additions	0	1,464	3,093	4,557
Transfers	0	7,547	-7,547	0
Cost price, 31 Dec 2012	5,775	16,611	0	22,386
Amortisation, 1 Jan 2012	4,331	0	0	4,331
Amortisation	1,444	3,553	0	4,997
Amortisation, 31 Dec 2012	5,775	3,553	0	9,328
CARRYING AMOUNT, 31 DEC 2012	0	13,058	0	13,058

8 PROPERTY, PLANT AND EQUIPMENT

GROUP

DKK'000	Leasehold improvements	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost price, 1 Jan 2012	10,891	56,065	0	66,956
Foreign currency translation adjustment	0	297	0	297
Additions relating to the acquisition of subsidiaries	180	10,887	0	11,067
Additions	558	7,631	22,981	31,170
Disposals	0	-1,828	0	-1,828
Cost price, 31 Dec 2012	11,629	73,052	22,981	107,662
Depreciation, 1 Jan 2012	8,831	44,795	0	53,626
Foreign currency translation adjustments	0	283	0	283
Additions relating to the acquisition of subsidiaries	0	6,013	0	6,013
Depreciation	584	7,191	0	7,775
Disposals	0	-553	0	-553
Depreciation, 31 Dec 2012	9,415	57,729	0	67,144
CARRYING AMOUNT, 31 DEC 2012	2,214	15,323	22,981	40,518

NOTES

PROPERTY, PLANT AND EQUIPMENT

PARENT COMPANY

DKK'000	Leasehold improvements	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost price, 1 Jan 2012	10,780	37,672	0	48,452
Additions	558	6,037	22,981	29,576
Disposals	0	-1,797	0	-1,797
Cost price, 31 Dec 2012	11,338	41,912	22,981	76,231
Depreciation, 1 Jan 2012	8,794	32,216	0	41,010
Depreciation	547	3,413	0	3,960
Disposals	0	-522	0	-522
Depreciation, 31 Dec 2012	9,341	35,107	0	44,448
CARRYING AMOUNT, 31 DEC 2012	1,997	6,805	22,981	31,783

9 INVESTMENTS IN SUBSIDIARIES

DKK'000	2012	2011
Cost price, Jan 1	78,869	78,884
Additions	205,329	37
Disposals	0	-52
Cost price, 31 Dec	284,198	78,869
Value adjustments, 1 Jan	-39,416	-36,166
Foreign currency translation adjustments	1,234	256
Goodwill amortisation	-10,312	-5,561
Distribution of dividends from SOS International Swedish Branch AB	0	-2,871
Offsettings against receivables for SOS International Oy, Finland	-7,074	187
Income for the year	11,732	4,739
Value adjustments, 31 Dec	-43,836	-39,416
CARRYING AMOUNT, 31 DEC	240,362	39,453

Name	REGISTERED IN	VOTING AND OWNERSHIP SHARE
SOS International Swedish Branch AB	Kista, Sweden	100 %
Euro-Alarm A/S	Copenhagen, Denmark	100 %
SOS International AS	Oslo, Norway	100 %
SOS International OY	Helsinki, Finland	100 %
Dansk Autohjælp A/S	Aarhus, Denmark	100 %
SOS International Asia Ltd.	Hong Kong	100 %
SOS International Hong Kong Ltd.	Hong Kong	90 %
SOS International China Ltd.	Shanghai, China	90 %

NOTES

10 INVESTMENTS IN ASSOCIATES

DKK'000 (GROUP / PARENT COMPANY)	2012	2011
Cost price, Jan 1	101	101
Cost price, 31 Dec	101	101
Value adjustments, 1 Jan	92	80
Market value adjustments	0	5
Income for the year	5	7
Value adjustments, 31 Dec	97	92
CARRYING AMOUNT, 31 DEC	198	193

Name	REGISTERED IN	VOTING AND OWNERSHIP SHARE
Astrum Assistance Alliance AG	Switzerland	24 %

11 PREPAYMENTS

	GROUP		PARENT COMPANY	
DKK'000	2012	2011	2012	2011
Rent deposits	3,022	3,026	3,022	3,026
Other prepayments	11,280	4,823	8,202	4,532
	14,302	7,849	11,224	7,558

12 EQUITY

The share capital for the most recent five years is specified as follows:

DKK'000	2012	2011	2010	2009	2008
Balance, 1 Jan	20,960	20,960	20,960	20,960	20,960
Capital increase	428	0	0	0	0
	21,388	20,960	20,960	20,960	20,960

The share capital consists of 21,387,660 shares with a nominal value of DKK 10. No shares have special rights.

NOTES

13 MINORITY INTERESTS

DKK'000 (GROUP)	2012	2011
Share of the income for the year	2	0
MINORITY INTERESTS, 31 DEC	2	0

14 DEFERRED TAX

	KONCERN		MODERVIRKSOMHED	
DKK'000	2012	2011	2012	2011
Deferred tax, 1 Jan	4,476	3,229	7,490	6,290
Additions relating to the acquisition of subsidiaries	25,313	0	0	0
Foreign currency translation adjustments	-436	0	0	0
Adjustment of deferred tax for the year	4,866	1,247	3,303	1,200
DEFERRED TAX, 31 DEC	34,219	4,476	10,793	7,490
Recognised in the Statement of Financial Position as:				
Deferred tax assets	-3,618	-3,014	0	0
Provision for deferred tax	37,837	7,490	10,793	7,490
DEFERRED TAX, 31 DEC	34,219	4,476	10,793	7,490

15 CORPORATION TAX

Corporation tax payable, 1 Jan	-80	6,655	-5,405	-69
Adjustments for previous years	63	15	63	15
Foreign currency translation adjustments for foreign enterprises	0	54	0	0
Current tax for the year	13,819	13,172	12,684	11,649
Corporation tax for the year, paid	-12,272	-19,976	-10,658	-17,000
CORPORATION TAX, 31 DEC	1,530	-80	-3,316	-5,405
Recognised in the Statement of Financial Position as:				
Corporate tax receivables	5,147	5,405	3,316	5,405
Corporation tax	-3,617	-5,325	0	0
CORPORATION TAX, 31 DEC	1,530	80	3,316	5,405

NOTES

16 SECURITY PROVIDED AND CONTINGENT LIABILITIES

DKK'000	GROUP 2012	GROUP 2011	PARENT COMPANY 2012	PARENT COMPANY 2011
CONTINGENT LIABILITIES				
Lease commitments (operating leases) falling due within five years, total	5,046	11,976	353	1,603
Rent commitments falling due within five years, total	17,496	31,037	15,170	31,037

17 DISCLOSURES OF RELATED PARTIES AND TRANSACTIONS INVOLVING SUCH PARTIES

SOS International a/s has no related parties with controlling influence.

OTHER RELATED PARTIES

The following shareholders hold more than 5% of the voting rights and are therefore registered in the company's register of shareholders in accordance with sec 28a of the Danish Companies Act.

- *If Skadeförsäkring AB, Sweden*
- *Trygg-Hansa Försäkrings AB, Sweden*
- *Länsförsäkringer Sak Försäkring AB, Sweden*
- *Folksam, Sweden*
- *Glitne Invest A/S, Norway*
- *Vesta Forsikring A/S, Norway*
- *Fennia, Finland*

TRANSACTIONS WITH RELATED PARTIES

SOS International A/S sells a number of services to all the above mentioned other related parties. Payment for the use of SOS International A/S is made based on the parties' use of and business volume with the company. Transactions with other customers are subject to the same terms.

With the exception of intragroup transactions which are eliminated in the Consolidated Financial Statement and ordinary management remuneration, no transactions have been carried out in the past year with the Supervisory or Executive Boards, executive employees, major shareholders or other related parties.

18 OPERATING CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL

DKK'000	GROUP 2012	GROUP 2011
Operating income	69,376	51,854
Adjustments for non-cash operating items, etc.		
Depreciations	26,296	12,976
Losses/gains from the sale of fixed assets	-218	43
	95,454	64,873

NOTES

19 CHANGE IN WORKING CAPITAL

DKK'000	KONCERN 2012	KONCERN 2011
Changes in inventories	22	-6,135
Changes in trade receivables	-15,127	-6,135
Changes in works in progress	-24,186	-1,357
Changes in other receivables, including prepayments, etc.	-7,985	10,627
Changes in trade payables	9,193	-10,023
Changes in customer prepayments	42,366	-43,260
Changes in other debts	7,695	14,467
	11,978	-41,816

20 PURCHASE OF SUBSIDIARIES AND ACTIVITIES

DKK'000	KONCERN 2012
Intangible assets	117,086
Property, plant and equipment	4,875
Inventories	470
Receivables	30,645
Cash and cash equivalents	44,492
Deferred tax	-25,313
Prepayments	-48,715
Short-term liabilities	-28,605
	94,935
Goodwill	101,399
COST PRICE	196,334

design: re-public.com • photo: mikkelbache.com • paper: munken lynx rough

SOS INTERNATIONAL a/s
Nitivej 6, 2000 Frederiksberg, Denmark

Phone: +45 7010 5055 Fax: +45 7010 5056 E-mail: sos@sos.eu – www.sos.eu

“We’re always on”
is the most simple and accurate way of telling
the story about SOS International
and what we do best: Being available for our client’s
customers all day – every day is our focus.
This is the key to our success and the reason why
the surrounding world trust us.

SOS
INTERNATIONAL