SOS INTERNATIONAL

# ANNUAL REPORT

2013

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# Contents

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2013

# Preface

## 2013 has been an eventful year in SOS International. We are proud of the results we have achieved and we have formulated a new strategy that will ensure continued business progress and success in the coming years.

The 2013 annual report provides highlights from the previous year as well as the expectations we have for 2014 – for both the overall business and the individual business areas.

Our expansive growth in recent years has led to a need to consolidate the Group and also focus on the development of the core business in the Nordic market. A significant change of the management in SOS International also took place during the year. Hence, I took on the position as the new CEO of SOS International at the beginning of September.

In regard to the implementation of the Group's new strategy – SOS Next Generation – the direction has been set for the coming years. The strategy focuses on the Nordic customers and on creating a joint SOS International that rests on a solid foundation supported by IT, by optimised processes across the entire Group and, not least, by our skilled employees. Furthermore, SOS International will continue to strengthen the global assistance network, which also benefits our Nordic customers.

In order to strengthen the implementation of the new strategy, a major change to the Group was implemented in February 2014. The past division of the three business areas, Travel, Roadside and Health, has been discontinued in favour of an organisation divided into functions, which reflects the value chain in SOS International.

Targeted and dedicated work led to a successful ISO certification in the summer of 2013. This is an important stamp of quality documenting that SOS International has determined procedures for quality and data security, which our customers rightly demand to an increasing degree.

The year has afforded growth within all our business areas. In Travel, we have experienced an increased activity level as a result of organic growth. Through constant focus and optimisation, we have also been able to continue the positive development in our level of claim costs. In Roadside, the increased activity level is due to an increase in new customers and we have high expectations for the coming years' growth potential particularily in Norway and Finland. Lastly, the acquisition of Trygghetssentralen has been the largest expansion of the business in Health, which has strengthened our position within the Norwegian market.

Our values are crucial to and fundamental for our Group, but the leading force behind delivering high quality, as well as high customer satisfaction, so the further development of SOS International will meet the demands of the future, are our skilled and committed employees. Our employees shape the foundation for future success. A flatter management structure has been introduced and with the new functionally divided organisation, it will be easier to standardise processes across organisational units and countries, thereby making use of the great employee potential that exists in SOS International.

**I hope you will enjoy reading the report.**

**Best regards,**

Niels Krag Printz

# We're responsive

*We're always there. We're always on.*



# SOS
# *Next* Generation

## — focus on the core business

In 2013, SOS International launched a new ambitious strategy – SOS Next Generation – the purpose of which is to consolidate the core business and presence in the Nordic domestic market over the next three years. In doing so, the strategic direction has been set for focused and targeted work towards optimising the business' operational and strategic platform, while developing the Group internally as well as commercially.

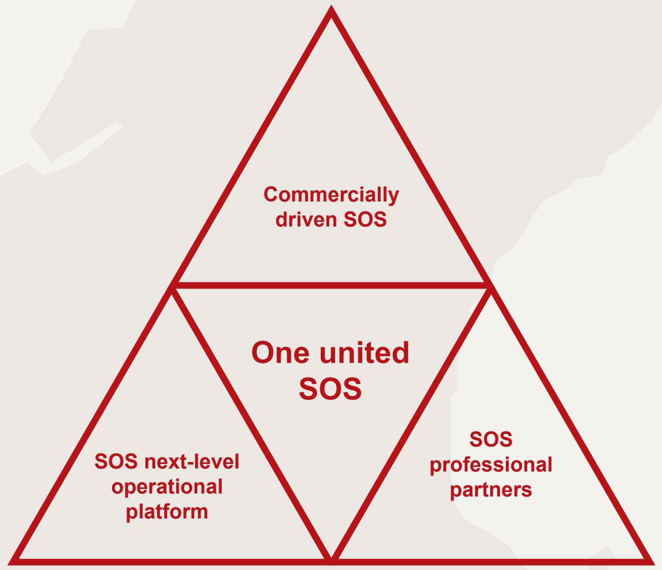
Through the recent years' expansive growth strategy, which has been driven mainly by acquisition and internationalisation, SOS International has experienced tremendous growth. This has placed great demands on IT systems as well as the Group, as the strategy has entailed growth in the number of systems, as well as in different company cultures, that needed to be integrated into SOS International.

**Clear priorities prepare for the new generation**
With the decision to implement a new and ambitious strategy, SOS International is investing in the future by strengthening and expanding the position within the Nordic market, keep retaining and attracting the most competent employees and creating maximum value for customers and partners. With the implementation of the new strategy up to 2017, SOS International is creating a robust platform for future growth in the Nordic region as well as internationally.





## The strategy for the coming three years is carried by the following cornerstones:




### 1 A joint, gathered SOS International

- Focus on a joint identity and organisation of effective procedures
- Clearly defined areas of responsibility and roles throughout the Group
- Social and environmental responsibility

### 2 Business-driven and with the customer in focus

- SOS International will give its customers cost-effective solutions
- SOS International will create value for the Group's customers through proactive behaviour, comprehensive knowledge within all business areas and development of preventative technological solutions
- SOS International will be the market leader in the Nordic region within the core business and be a significant player within other market areas

### 3 Development of a new future-proofed operational platform

- SOS International will develop a dynamic and cohesive IT platform
- SOS International will allocate resources based on optimisation
- SOS International will focus on developing advanced and customer-based solutions in cooperation with the Group's business partners

### 4 SOS professional partners

- SOS International will have a professional and structured approach to supply chain and network
- SOS International will have a clear model for strategic partnerships
- The international representative offices will be closely connected to the rest of the Group

# ISO certifications

## — strategic and competition-improving tool

In the previous year, SOS International worked determinedly to achieve international certifications within quality management and data security. In June 2013, SOS International was awarded two ISO certifications and consequently, SOS International became part of the exclusive group of just 12 other Danish companies with this certification combination.





ISO (International Organisation for Standardisation) is the world's largest organisation within the development of voluntary and international standards. The ISO standard generally ensures that companies comply with an international benchmark for production, service, etc. within a large number of industries. Thus, an ISO certification can be considered as a stamp of quality, which signals internally as well as externally that the company concerned carefully follows the set procedures.

SOS International expects that customers and other partners will, to an increasing degree, demand cost-effective and systematised processes. At the same time, technological development places increasing demands on the processing of personal information.

With the two ISO certifications, SOS International has described and documented all procedures and work processes. Moreover, the certification work has led to a more effective and resource-saving working procedure.

**More than just a stamp**

The ISO certification increases the degree of security and transparency internally within SOS International. The work on ensuring uniform processes and administrative procedures is, however, not at an end. Process work and optimisation is a constant area of focus.

The certification has to be re-certified every year and a large number of internal audits are conducted annually to ensure that the described processes are complied with and improvements are constantly looked for across the entire Group.

# Internally anchored risk management contributes to proactive procedures

For SOS International it is crucial to qualify and clarify the risks that follow from the Group's internal and external activities. Structured risk management plays an essential role in this and consequently serves a double purpose to develop procedures that ward off events that can damage the business, while correct risk management contributes to developing the business processes in a positive direction.

Risk management is structured so that the Group's business areas and employee functions are closely involved within identifying and maintaining an overview of the risks that are assessed as being of importance to the area concerned. This decentral approach optimises the use of business-specific knowledge and experience. At least twice every year, and for all significant events, the Board of SOS International is informed of the largest risks as assessed by management and about the initiated corrective actions to reduce or eliminate these risks.

SOS International has a dedicated employee function – GRC – Governance, Risk & Compliance – the primary task of which is to provide an overview and corrective actions on all significant risks, as well as maintain SOS International's information security and quality management systems.

SOS International's approach to risk management is formalised through the Group's ISO certifications and is thus part of the re-certification that takes place every year.





## SOS International operates with five risk categories:

1. **Operational risks** – regards the effect of the daily operations. Examples of this are system breakdown, human error or product error
2. **Compliance risks** – regards compliance of applicable legislation and commenced contracts
3. **Financial risks** – regards financial affairs such as exchange rate fluctuations and liquidity needs
4. **Strategic risks** – regards change in the Group's income level, for example, as a result of changed competition situation or inappropriate strategic initiatives
5. **Image risks** – regards effect on SOS International's image

# We're advanced

*We're superbly skilled and we have the best and newest tools.*

# Travel

Every day, more than **1,000** incoming calls are received at the emergency centre in Denmark

The business area Travel is the market leader within personal travel assistance in the Nordic region. The customers are primarily a large number of the Nordic region's largest insurance companies.

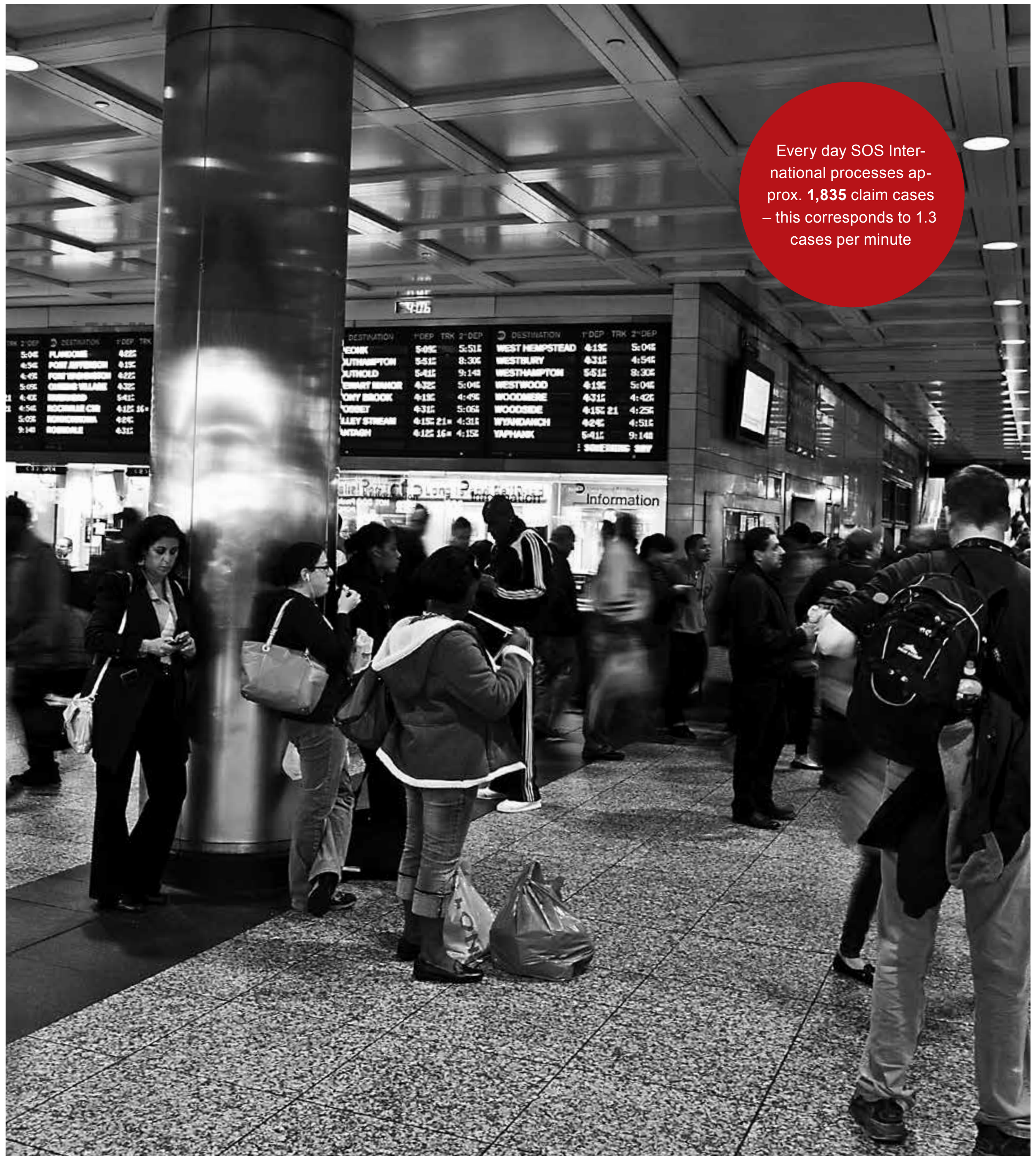
The core service of Travel is personal, emergency assistance for Nordic policy holders who need assistance in connection with trips abroad. The assistance includes, for example, delayed luggage, assistance in the event of emergency illness, personal injury, catastrophes and death. In addition, the emergency centre in SOS International has a special crisis unit, which works within a broad spectrum of crisis management – from bankruptcies in the travel industry to major natural disasters.

**Travel provides emergency assistance and advice to Nordic policy holders who are travelling abroad and it assists with, e.g.:**

- Medical pre-assessment in connection with trips abroad
- Assistance in the event of emergency illness or accident abroad
- Assistance for expatriates and their families – with everything from emergency illness, vaccinations, health checks, births to dentist visits and dental damage
- Crisis and security management in connection with, e.g. earthquakes, kidnapping or airline bankruptcies
- Claim and case processing








Every day SOS International processes approx. **1,835** claim cases – this corresponds to 1.3 cases per minute

**The CCA model**
Since the launch in 2012, the Claims Cost Analyzer model has been used to analyse more than one million cases. This large volume of cases gives SOS International unique insight into the characteristics of various types of claim costs. On this basis, it is possible to take action proactively and create innovative solutions for the benefit of the customers. The aim of the model is to be able to measure the activities that are ini- tiated in order to increase customer satisfaction and reduce claim costs.

**Combined missions**
In 2013, 70% of ambulance flight patients were transported by means of combined missions, meaning that more than one patient was on board the plane or helicopter. This has resulted in cost savings and a reduced environmental impact, benefiting both SOS International and its customers.

# TRAVEL: 2013

Every day throughout the year, SOS International handles more than **five emergency evacuations** of patients with air ambulance or helicopter

## JANUARY

**SOS International takes over emergency centre from Tryg Forsikring**

In 2013, Tryg Forsikring's emergency centre was outsourced to SOS International. Satisfaction surveys, which SOS International has conducted among customers and employees, show that the outsourcing has been effective and successful. In connection with the outsourcing, savings in the double-digit millions range were achieved at Tryg Forsikring.

## APRIL

**Insurance Awards**

SOS International supports knowledge-sharing and sparring across the industry. In this regard, SOS International was a sponsor of the Insurance Awards 2013 in Sweden. Insurance Awards puts focus on good stories and initiatives in the industry and highlights selected companies that have performed special work within this area during the year. SOS International is also the main sponsor of this award in 2014.

## MAY

**Crisis Management**

Crisis, Risk & Security works with crises of special character, e.g. kidnapping. An example of this was the release of Danish hostages from Somalian imprisonment in May 2013 where, in close cooperation with the relevant Danish authorities, the division had a key role.

## OCTOBER

**Tyrkiet Eksperten in bankruptcy**

On Saturday 12 October 2013, Tyrkiet Eksperten filed for bankruptcy. In the course of a few hours, SOS International met with the Danish Travel Guarantee Fund where it was decided that SOS International would manage the task of getting the stranded tourists back to Denmark. A total of 17 planes were organised and almost 2,400 seats were booked in the course of a very short time, which ensured that a large number of the travellers returned home on the originally planned date.

## OCTOBER

**Flow of medical knowledge – digital self-service solution**

In October 2013, the medical pre-assessment was digitised for the Danish insurance customers. With medical pre-assessment, policy holders can obtain an answer in advance of whether the insurance covers the planned trip abroad. The digitisation has been a great success and already after a short period of time, more than one-third of the enquiries were set up electronically which has meant, among other things, that a considerable part of the pre-approvals were clarified immediately.

Every year, SOS International conducts more than **25,000** medical pre-assessments





# TRAVEL: VISION 2014

More than 50 years of experience in personal, emergency service has created the basis for SOS International’s leading position within the Nordic market. A position that creates pride, but which also places demands on constant further development and improvement of services and processes.

# Roadside

Every year, Roadside assists more than **600,000** motorists in distress in Denmark, Norway, Sweden and Finland

Roadside provides roadside assistance and telephonic assistance to Nordic motorists in distress all over Europe. Consequently, SOS International assists more than 600,000 motorists in distress via emergency centres in Denmark, Norway, Sweden and Finland.

SOS International continuously strives to optimise processes and reduce claim costs. This is done by, for example, the launching of a mobile workshop vehicle that can perform repairs on-site. This increases the service level and reduces the costs considerably, compared with having to transport the vehicle to a workshop. Furthermore, SOS International has employed and trained a number of assistance coordinators to advise and guide through telephonic assistance.

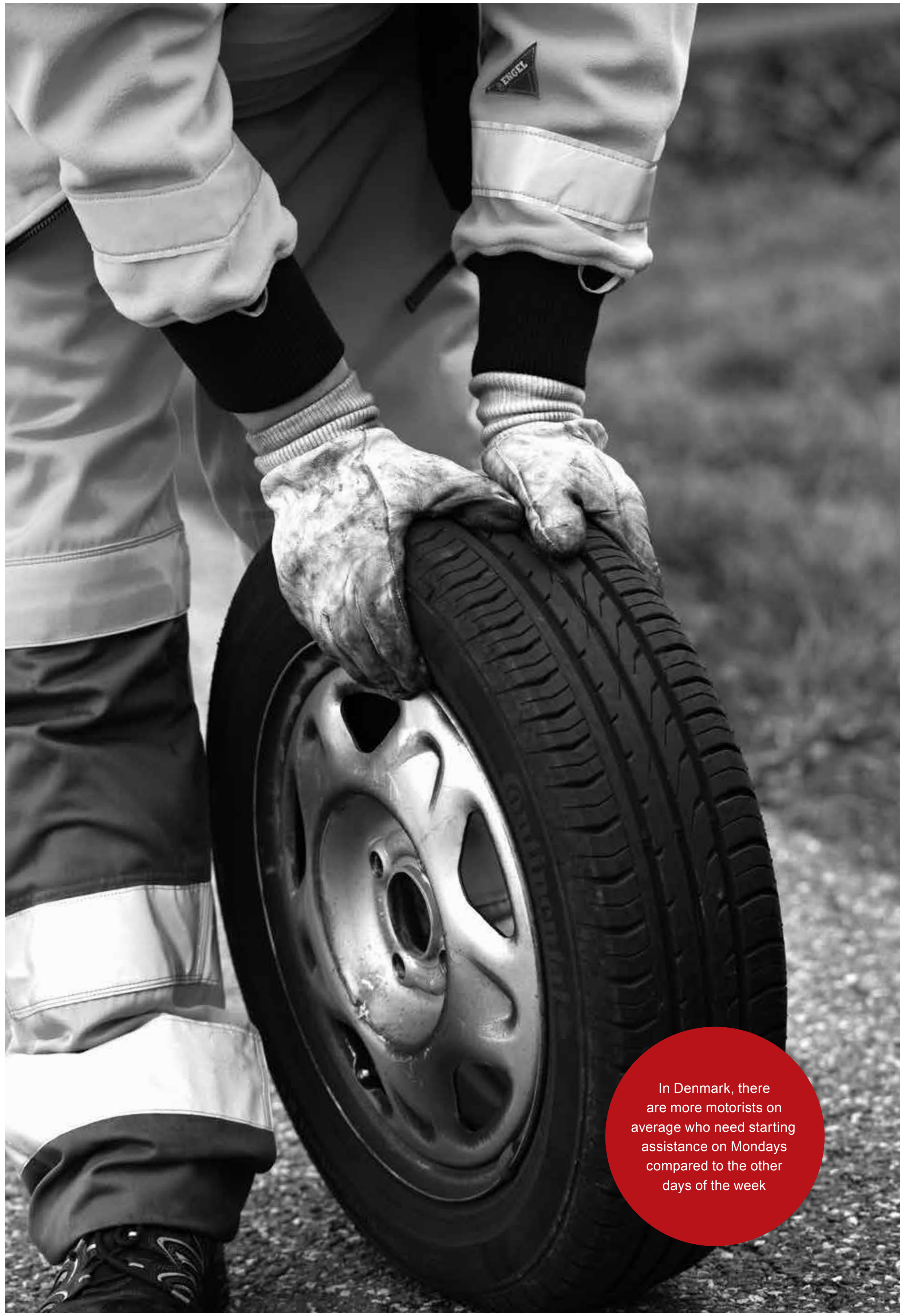
With the acquisition of Dansk Autohjælp and Assistance Finland in 2012, SOS International has increased the Nordic network considerably. In doing so, the market share has expanded within the Nordic market in 2013.

**The core services in Roadside are national and international roadside assistance, in addition to this, Roadside also offers services within:**

- Phone fix (telephonic assistance for motorists in distress)
- Telematics (electronic and automatic assistance options)
- Home assistance (telephonic assistance and referral for building damages)







In Denmark, there are more motorists on average who need starting assistance on Mondays compared to the other days of the week

## ROADSIDE: 2013

In Denmark, SOS International received more than **480,000** calls for roadside assistance in 2013. This is an increase of 5 % compared to 2012

**1,000** roadside assistance patrols drive around on the Nordic roads every day of the year

### MAY

**New operational structure**

The responsibility for the management of cases for major Swedish customers is moved to dedicated teams in Sweden. In this way, customer-specific knowledge and competences are gathered in one location, which will lead to a more effective and smooth assistance and case processing.

### MAY

**Dansk Autohjælp changes name to SOS Dansk Autohjælp**

In 2013, Dansk Autohjælp changed its name to SOS Dansk Autohjælp. The name change is of no importance to the customers who continue to receive the same good service.

The majority of assistances take place in December and January in all Nordic countries

### JULY

**SOS Hinaus launches new app**

In Finland, as one of the first on the towing market, SOS Hinaus has launched a new mobile app. The app makes it possible to localise a motorist in distress and send the information to the nearest towing truck.

### OCTOBER

**Repair on-site**

Via a cross-Nordic cooperation, SOS International has developed a new, mobile workshop vehicle the purpose of which is, to reduce the number of SOS Dansk Autohjælp's 300,000 annual tows in Denmark by 15-20 %. The vehicle, which contains the latest technology within diagnostic tools and battery technology, is intended to be a part of the product portfolio in the other Nordic countries in the long term.

### NOVEMBER

**Phone fix: Help for self-help**

Danish motorists can get telephonic, technical assistance when they have problems with their cars. The service, Phone fix, assists motorists to handle more situations on-site themselves or to find out if assistance transport is necessary. Initially, SOS International launched Phone fix from Aarhus and Helsinki. The service will, subsequently, be offered from Stockholm.





## ROADSIDE: VISION 2014

The technology within passenger cars is developing significantly and in 2015 all new cars will be equipped with facilities, such as so-called e and b-call, which will ease the contact to service centres and emergency centres. SOS International is taking active part in this development and already handles emergency calls from several car manufacturers. Services such as Phone fix, towing and repair on-site are all examples of alternative assistance offers which, by using new technology, create value for the customers while saving costs. In the future, SOS International will also continue to be proactive and innovative, thereby positioning the Group as the preferred partner when it comes to effective and intelligent roadside assistance.

# Health

In 2011, SOS International established Health as an independent business area. SOS International expects that Health will be a growth area, as developments in society are expected to lead to both increased outsourcing, as well as increased demand for preventative treatment rather than emergency forms of treatment.

SOS International provides and manages both preventative treatment and rehabilitation through a large network of medical and health professionals who assist with advice and medical assistance. The Health area at SOS International covers everything from preventative initiatives, diagnostics and coordinating the transporting of patients and injured persons, as well as escorting these persons. At the same time, Health offers a number of preventative health initiatives, such as specially developed online portals for policy holders.

SOS International acquired the Norwegian company, Trygghetssentralen AS in 2013 based on the desire to become a significant player in the market and expects to be able to offer the same service in the other Nordic countries in the long term.

**Health provides medical assistance and advice on a large number of areas:**

- Medical emergency assistance
- Patient transport
- Offshore service
- Self-care service
- Home treatment
- Health portal
- Employee health
- Counselling

In Sweden, **120,000** persons have access to SOS International's health portal



SOS International has more than **800** doctors and nurses attached to it

Every year, SOS International escorts more than **10,000** patients on patient transports, of which **500** patients are transported by air ambulances and **1,200** patients on stretchers by commercial airlines

In January 2013, Health launched a new health portal, which combines online tests and self-help programmes with telephonic advice and subsequently the possibility for treatment or consultations. The purpose of the portal is to prevent and remedy problems such as stress or tobacco addiction. The Health portal has had a large number of visitors in 2013 and is expected to be introduced to other markets during 2014.

## HEALTH: 2013

SOS International assists and provides medical help to the more than **7,500** employees who are expatriated on oil platforms in the North Sea

### MARCH

**SOS International becomes new owner of Trygghetssentralen AS**

SOS International acquires Trygghetssentralen AS, which is Norway's largest private healthcare emergency dispatch centre. The centre serves 32,000 Norwegian citizens distributed between 108 municipalities and has 19,000 user visits annually.

### MAY

**EU project supports technological development within medical assistance**

It is important for SOS International to be in the lead in regards to the latest technology, in order to ease users' access to medical assistance. As part of this work, SOS International is participating in the EU project, ExCITE, the aim of which is to thoroughly test a new mobile video conferencing solution that supports the technological development of healthcare programmes aimed at citizens. The solution is called "Agnes" and it is hoped to provide a broader insight into how technology can provide higher quality of life and help older people to live at home for longer. During the summer 2014, Agnes will be tested by selected patients.

### OCTOBER

**More users of the Health portal**

SOS International focuses on preventative healthcare. The web-based Health portal, which consists of programmes where the users can test their own health condition and self-help programmes, is connected to a health centre manned with skilled healthcare counsellors. Both a large Swedish and a Danish customer are already using tailor-made portals as are public municipalities in Sweden. In Norway and Denmark, the portals and programmes will become available during 2014.

Via Trygghetssentralen in Norway, SOS International receives more than half a million activated remote controlled alarms annually





## HEALTH: VISION 2014

SOS International wants to be the preferred partner within Health products. This will take place by, for example, being innovative and by using the many technological initiatives that are currently on the market for healthcare programmes.

# We're caring

*We're people in the business of helping people.*



# New pre-hospital venture

In 2014, several regions are expected to put ambulance operation up for tender. SOS International expects to be among the group of bidders, as ambulance operation is closely linked to a number of the other emergency tasks SOS International attends to.

Ambulance operation has not been an independent business area in SOS International before and, although it is a new business venture, it closely resembles the other business areas of the Group.

Every day, SOS International handles the medical transportation of ill and injured patients around the world. Medical assessment and transport, as well as the competencies that are required, are thus a key part of the core business in SOS International. Likewise, SOS International has significant experience with preventative treatment, which is necessary in order to gain importance in the future ambulance operation, so that more patients can be treated on-site instead of being transported to a hospital.









# Increased focus on IT ensures future value creation

## Large IT projects and acquisitions have meant major activity within the area of IT in 2013.

Assisting Nordic travellers around the world places major demands on the IT system. With emergency centres in all Nordic countries, it is essential to have a stable and well-documented IT operation – combined with well-tested emergency plans if a breakdown was to occur. At SOS International the requirement is an uptime of 99.9 % on the vital systems.

The objectives in SOS Next Generation require that SOS International has a future-proofed IT platform, that is consolidated and equipped to be able to handle the future development, with a view to creating the best conditions for employees and customers.

**Long-term IT projects have characterised the agenda**
In 2013, a large number of major projects were commenced and completed, which are either directly or indirectly dependent on a successful and robust IT delivery. Among the biggest projects is the development of a joint telephony system (Nordic Communication Platform) for the entire Group. During 2013, the system was implemented in Norway and the rollout in the other Nordic countries will take place in the course of the coming years. A flexible and stable telephony system is crucial to SOS International, as more than 1.5 million calls are received annually.

In addition, SOS International has consolidated the number of servers and developed a new portal for medical pre-assessment.

A new internet portal and similar self-service options are being developed in order to increase accessibility and to ease the case processing for users with a view to optimising the time and resource consumption for the customers, as well as internally in SOS International.

The new applications support the increased digital focus, which SOS Next Generation calls for.

The improved IT systems and the more robust infrastructure are likewise of importance in connection with the converting of existing systems and physical moving and establishment of offices locally and abroad. The moving of SOS International's offices in Norway and Sweden and the acquisition of the Norwegian Trygghetssentralen thus required an extensive integration of servers and infrastructure. The project was successfully concluded at the end of the year.

# We're inside

*We take pride in making our customers perform even better.*

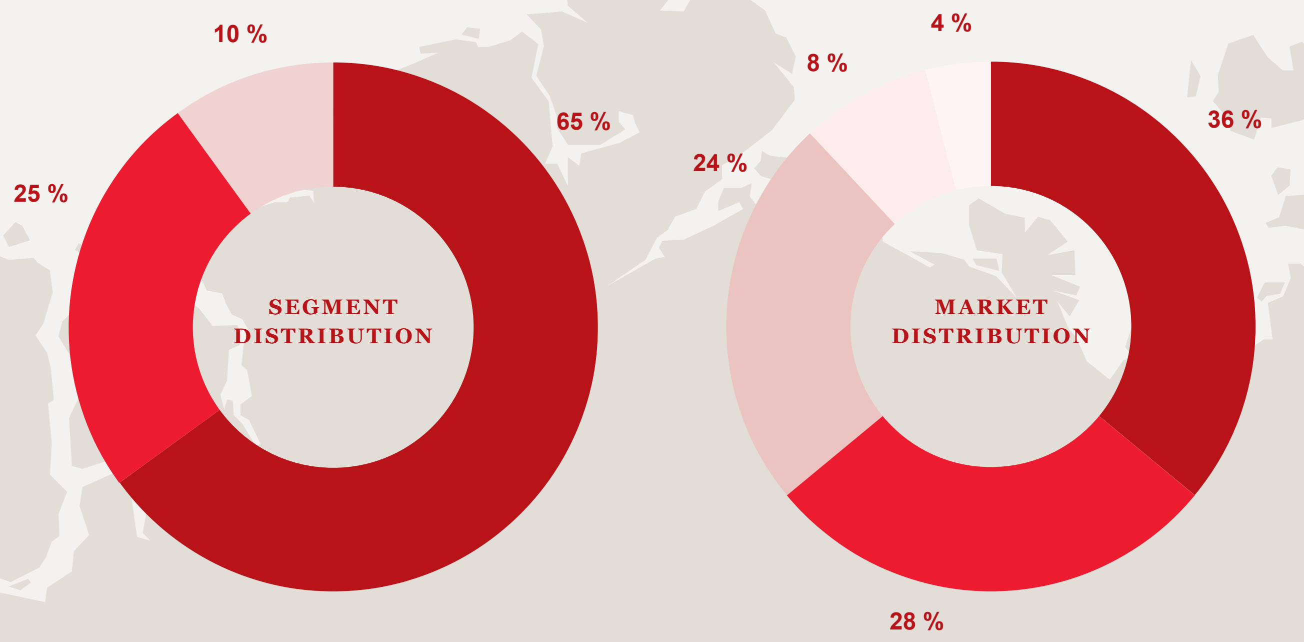


# By the numbers

## NUMBERS OF EMPLOYEES

Ultimo 2013


## SEGMENT AND MARKET DISTRIBUTION




| DKKm | 2013 | % |
|---|---|---|
| Travel | 1,841 | 65 % |
| Roadside & Home assistance | 691 | 25 % |
| Health | 289 | 10 % |
| **Revenue** | **2,821** | **100 %** |

| DKKm | 2013 | % |
|---|---|---|
| Denmark | 1,028 | 36 % |
| Sweden | 807 | 28 % |
| Norway | 665 | 24 % |
| Finland | 215 | 8 % |
| Others | 106 | 4 % |
| **Revenue** | **2,821** | **100 %** |

## SEGMENT DISTRIBUTION ACROSS COUNTRIES


| DKKm | 2013 |
|---|---|
| Travel | 479 |
| Roadside | 451 |
| Health | 99 |
| **Denmark** | **1,029** |

| DKKm | 2013 |
|---|---|
| Travel | 574 |
| Roadside | 179 |
| Health | 53 |
| **Sweden** | **806** |

| DKKm | 2013 |
|---|---|
| Travel | 528 |
| Roadside | 12 |
| Health | 126 |
| **Norway** | **666** |

| DKKm | 2013 |
|---|---|
| Travel | 169 |
| Roadside | 37 |
| Health | 9 |
| **Finland** | **215** |

| DKKm | 2013 |
|---|---|
| Travel | 92 |
| Roadside | 12 |
| Health | 2 |
| **Others** | **106** |

# ACCOUNTING 2013

CONTENTS

MANAGEMENT'S REVIEW

# Consolidated key figures and financial ratios

| DKK'000 | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| **KEY FIGURES** | | | | | |
| Net revenue | 2,820,747 | 2,132,168 | 1,849,848 | 1,707,618 | 1,635,559 |
| Assistance costs | -1,987,875 | -1,528,404 | -1,331,833 | -1,266,634 | -1,237,998 |
| Income from operating activities (EBIT) | 50,670 | 69,376 | 51,854 | 45,562 | 49,387 |
| Income from net financials | -13,648 | -1,694 | 212 | 5,410 | 778 |
| **PROFIT BEFORE TAX** | 37,029 | 67,687 | 52,073 | 50,985 | 50,165 |
| **PROFIT FOR THE YEAR** | 25,218 | 48,937 | 37,639 | 35,501 | 31,870 |
| Balance sheet total | 863,814 | 805,476 | 479,577 | 516,935 | 421,148 |
| **EQUITY** | 221,722 | 200,170 | 131,969 | 129,573 | 123,616 |
| Cash flows from operating activities | 46,417 | 89,970 | 9,428 | 43,399 | 121,163 |
| Cash flows from investment activities | -48,025 | -168,851 | -18,003 | -7,092 | -8,465 |
| of which invested in property, plant and equipment | -19,838 | -31,170 | -10,947 | -7,202 | -8,550 |
| Cash flows from financing activities | 7,875 | 93,306 | -37,514 | -29,857 | -49,644 |
| **CASH FLOWS, TOTAL** | 6,267 | 14,425 | -46,089 | 6,450 | 63,054 |
| FINANCIAL RATIOS | | | | | |
| EBITDA margin | 4.1 | 4.5 | 3.6 | 3.6 | 4.4 |
| Net operating income margin | 13.7 | 15.8 | 14.3 | 13.8 | 18.1 |
| EBT margin | 1.3 | 3.2 | 2.9 | 3.0 | 3.0 |
| Profit margin | 4.4 | 11.2 | 11.5 | 11.6 | 12.6 |
| Return on capital employed | 6.5 | 10.8 | 8.5 | 10.8 | 13.9 |
| Current ratio | 114.4 | 98.0 | 138.5 | 110.6 | 129.9 |
| Solvency ratio | 25.7 | 24.9 | 27.5 | 25.1 | 29.4 |
| Return on equity | 12.0 | 29.5 | 28.8 | 28.1 | 29.8 |
| **AVERAGE NUMBER OF FULL-TIME EMPLOYEES** | 789 | 650 | 568 | 552 | 523 |

Key ratios have been prepared in accordance with "Recommendations and Financial Ratios 2010" issued by the Danish Society of Financial Analysts.





MANAGEMENT'S REVIEW

# Financial review

## INCOME STATEMENT

The total results before tax for the Group comprised DKK 37 million for 2013 compared to DKK 67.6 million in 2012. The lower result is mainly due to the fact that the financial statements for 2013 were burdened with a number of one-off expenses in the region of DKK 28 million. Following adjustment for these one-off expenses, the results are considered to be satisfactory.

A review of the company's assets in connection with the closing of the accounts has resulted in the debiting of DKK 28.2 million regarding receivables in 2013 as well as activated and initiated projects. If the 2013 accounts are adjusted accordingly, the results before tax thus amount to DKK 65.2 million.

| DKKm | Accounting 2013 |
|---|---|
| Results before tax | 37.0 |
| Increased external costs as a result of recognition of projects as well as depreciation of receivables | 21.1 |
| Depreciation on intangible fixed assets | 7.1 |
| Adjusted results before tax | 65.2 |

The results profit margin for the adjusted results before tax comprised 7.8 %. This result is on level with the expectations in the 2012 Annual Report, where SOS International expected a results profit margin of minimum 8 %.

### NET REVENUE

The Group's revenue comprised DKK 2.8 billion in 2013 compared to DKK 2.1 billion the year before, corresponding to an increase of DKK 0.7 billion or 32 %.

The increase is partly due to the acquisition of SOS Dansk Autohjælp in August 2012, which influenced the accounts in 2012 for four months of the year compared to the whole of 2013. This has affected the revenue positively with DKK 235 million. In addition, the acquisition of Trygghetssentralen in April 2013 has affected the revenue positively in 2013 with a level of DKK 48 million. Together, this corresponds to a 13 % increase in revenue.

Furthermore, organic growth of DKK 406 million has been achieved by entering into new contracts and extending existing ones. This corresponds to an increase of 19 %.

### ASSISTANCE COSTS

In 2013, the assistance costs increased by DKK 459 million. The assistance costs thus comprised almost DKK 2.0 billion in 2013, compared to DKK 1.5 billion in 2012. Just like the increased employee expenses, the increase in assistance costs must be seen in connection with the increased revenue, as well as the affect from SOS Dansk Autohjælp and Trygghetssentralen.

### OTHER OPERATING INCOME

There has been an increase in other operating income in 2013 of DKK 1.3 million, which thus comprised DKK 2.2 million in 2013 compared to DKK 0.9 million the year before. The increase can be attributed to the acquisition of SOS Dansk Autohjælp.

### OTHER EXTERNAL EXPENSES

The external expenses comprised DKK 195 million in 2013 compared to DKK 113 million in 2012. Of the DKK 82 million increase, DKK 21 million can be attributed to increased external costs as a result of the debiting of projects as well as the depreciation of receivables. In addition, the costs in 2013 have also been affected by costs in connection with the moves in Stockholm and Oslo.

### EMPLOYEE EXPENSES

The increased activity level as well as the acquisition of SOS Dansk Autohjælp and Trygghetssentralen has led to an increase in employee expenses of DKK 130 million. The total employee expenses comprised DKK 526 million in 2013 compared to DKK 396 million the year before. Converted to full-time employees, there were 789 employees in the Group in 2013 compared to 650 employees in 2012. This corresponds to an increase of 21 %.

### DEPRECIATION AND AMORTISATION

The year's total depreciation and amortisation comprised DKK 64 million in 2013 compared to DKK 26 million in 2012. Of the DKK 64 million, DKK 24 million can be attributed to depreciation of goodwill. One-off amortisations worth approx. DKK 5 million, related to IT software, and approx. DKK 6 million, related to operating material, were carried out in 2013.

### FINANCIAL INCOME AND COSTS

The total financial income and costs comprised a net cost of DKK 14 million in 2013 compared to a cost of DKK 2 million in 2012. The reason for the negative development is due mainly to foreign currency loss in the parent company, as well as interest costs regarding the financing of the company acquisitions in 2012 and 2013.

# Financial review

### TAX ON THE YEAR'S RESULTS
The calculated tax for the Group comprised DKK 12 million in 2013 compared to DKK 19 million the year before.

## BALANCE SHEET

### INTANGIBLE FIXED ASSETS
The book value of intangible fixed assets comprised DKK 219 million at the end of 2013 compared to DKK 229 million in 2012. In the course of the year, DKK 28 million was activated in goodwill as a result of the acquisition of the Norwegian company, Trygghetssentralen.

### TANGIBLE FIXED ASSETS
The total book value comprised DKK 48 million at the end of 2013, compared to DKK 41 million at the end of 2012. Part of the increase can be attributed to the acquisition of Trygghetssentralen.

### RECEIVABLES
The book value of receivables in total comprised DKK 538 million at the end of 2013, compared to DKK 482 million at the end of the year before. The increase of DKK 56 million can only be attributed to the increased business volume as a result of organic growth, as well as the acquisition of Trygghetssentralen.

### EQUITY
The equity at the end of 2013 comprised DKK 222 million compared to DKK 200 million at the end of 2012. The year's results after tax were approx. DKK 25 million, while the exchange rate adjustment of associated companies has contributed negatively with DKK 4 million. In 2013, the Group's equity yielded interest of 12.0 % compared to 29.5 % the previous year.

### LIABILITIES
The total book value of liabilities in total has increased by DKK 39 million from the beginning of 2013 to the end of 2013. In the first quarter of 2013, a long-term loan was taken up of DKK 123 million, which will be repaid over the coming three years. The total debt to credit banks at the end of 2013 is at the same level as at the end of 2012.

### LONG-TERM LIABILITIES
The book value of long-term liabilities in total comprised DKK 83 million at the end of 2013, compared to DKK 21 million at the end of the year before. The liabilities related to deposits from customers comprised DKK 23 million at the end of 2013, which is at the same level as at the end of 2012. The long-term part of the above mentioned loan comprised DKK 60 million at the end of 2013.

### SHORT-TERM LIABILITIES
The book value of short-term liabilities in total comprised DKK 524 million at the end of 2013, compared to DKK 547 million at the end of the year before.

### DIVIDEND
The Board of Directors' recommendation to the company's general meeting is to transfer the year's profit to equity.

## CASH FLOW STATEMENT

The cash flow from operations comprised DKK 46 million, which is a decline compared to 2012 where the cash flow from operating activities comprised DKK 90 million. The decline is due to paid corporate taxes, as well as increased interest expenses, among other things.

The cash flow for investment activities comprised DKK 48 million in 2013 compared to DKK 169 million in 2012, while the cash flow from financing activities comprised DKK 8 million in 2013 compared to DKK 93 million in 2012. The development must be seen in context with SOS International's acquisition of Dansk Autohjælp in 2012.

The Group's liquidity coverage ratio (LCR) at the end of 2013 stood at DKK 59 million, which is on par with the figure for 2012 when LCR totalled DKK 53 million.







# Expectations for 2014

SOS International expects a consolidation of the positive development, which has characterised recent years in 2014. Consequently, there is focus on retaining and expanding existing customer relations, such as building a more robust IT platform, that will ensure the foundation for the future growth. If there proves to be opportunities to acquire companies that match the strategic focus areas, we will try to implement these.

On this basis, and under the assumption that implementation of the current decided activities without further acquisitions, as well as under the assumption of normal weather and that significant unforeseen events, natural disasters, etc. do not occur, a revenue at the same level as in 2013 is expected. Correspondingly, the company expects pre-tax profit of DKK 65 million, which corresponds to the profit before non-recurring items for 2013.

To this date, no events have occurred in 2014 that will change this view.

# Special risks

## BUSINESS RISKS
Through a number of years, SOS International's biggest business area has been Travel. This business area is closely connected to the travel industry and consequently the economic fluctuations and the demographic development that affect this industry.

Over recent years, SOS International has increased the business area within Health and Roadside, thus spreading the level of risk and consequently reducing the dependency on Travel considerably.

This means that sensitivity to economic fluctuations and the demographic development within Travel has been reduced.

## FINANCIAL RISKS
As a result of operations, investments in and financing of subsidiaries, SOS International is to a certain extent exposed to changes in exchange rates and interest rate levels. The Group's policy is not to conduct active speculation in financial risks. The Group's financial management is thus directed towards reducing the financial risks the group undertakes via the ongoing operations.

## LIQUIDITY RISKS
The Group is exposed to liquidity risks as a result of the ongoing activities, as well as financing needs in connection with the acquisition of new activities. The cash position and financial resources in SOS International are robust and the cash flow from operating activities is positive.

## FOREIGN CURRENCY RISKS
In SOS International a significant part of the paid assistance costs are in foreign currency whereas the re-invoicing in most cases is in Danish Kroner. The Group is primarily exposed to foreign currency risks from EUR, NOK, SEK and USD.

The Group's equity is also exposed to changes in exchange rates, given that investments in foreign subsidiaries cannot be covered.

## INTEREST RATE RISKS
As a result of the financing of investments and ongoing operations, SOS International is exposed to fluctuations in the interest rate level. As a result of the limited size of the exposure, covering of interest rate risks is not carried out.

## CREDIT RISKS
The Group's credit risks are primarily associated with minor debtors. A number of major customers pay a monthly amount or a quarterly on account amount to SOS International, which covers the coming period's expected revenue. Thus, the Group does not have significant credit risks.







# Social responsibility

## Climate, human rights, equal opportunity and employee satisfaction

SOS International focuses constantly on taking initiatives to live up to the Group's social responsibility – Corporate Social Responsibility (CSR).

CSR is an integrated part of the values in SOS International. Therefore, social responsibility is included as part of the basis for decisions on all significant issues.

There is particular focus on climate, human rights, equal opportunity and employee satisfaction.

### CLIMATE – INCREASED FOCUS ON CLIMATE-SAVING ACTIVITIES
SOS International continuously strives to reduce the impact on the environment and the climate effect within all business areas. An example of an activity that reduces the climate effect is combined missions of ill and injured patients on air ambulances, where this is medically responsible. The number of combined missions has increased significantly in 2013 compared to 2012.

Within Roadside, SOS Dansk Autohjælp has established preliminary measures to determine the diesel consumption of its towing trucks during 2014, with the intention of optimising the energy consumption and reducing the overall environmental impact, by investing in the most efficient equipment available. Within the area of IT, new video conferencing equipment and a stricter travel policy have resulted in a number of internal meetings now being held via video conferences. This gives less impact on the environment in the form of fewer flights and less car transport.

Likewise, environmental considerations are included as an essential parameter in connection with the replacement of IT equipment, purchase of vehicles and other climate-related affairs.

### HUMAN RIGHTS
SOS International's Code of Conduct is based on the UN Global Compact.

We are endeavouring to base current and future supplier contracts on these rules. A large number of supplier contracts were thus updated pursuant to this in 2013.

Moreover, in 2014 SOS International is continuing the dialogue with the significant partners on how it can be ensured that the Code of Conduct is complied with, including respect for human rights.

Regarding the processing, protection and access to own personal data, a policy has been updated and published for the protection of personal information which together with the Code of Conduct is accessible on SOS International's website.

### EQUAL OPPORTUNITY – ROOM FOR DIVERSITY
SOS International has employees of many different nationalities and with many different skills, just as there is a large spread in terms of age.

Work is constantly being done to create an attractive workplace with equal terms for everyone and with room for diversity. In 2013, SOS International drew up an equal opportunity policy, the purpose of which is to determine goals, such as achieving an equal gender representation in senior management in SOS International.

The aim is to have each gender represented by minimum 40 % in the Group's senior management. There are nine persons in Group Management, out of which seven are men and two are women.

# Social responsibility

## Climate, human rights, equal opportunity and employee satisfaction

On the next management level, the goal is also to have each gender represented by at least 40 %. The number of employees with managerial responsibility on the next level is 47. Of these 30 are men and 17 are women – corresponding to 64 % and 36 %, respectively.

SOS International tries to attract, develop and retain competent male and female employees. This will contribute to the Group being an attractive career choice for both men and women. SOS International will build up a solid pool of talent with both genders across countries and competencies, which will be ensured through relevant and developing career opportunities. The equal opportunity policy will also be included for manager appointments and recruitment in the future.

SOS International upgrades, coaches and trains employees on equal terms independent of gender. The expectation is that in the long term, this will mean a more even gender distribution. Until the goal of at least 40 % representation of each gender at the next management level is achieved, the least represented gender will be favoured for future promotions and appointments if this concerns equally skilled candidates.

**EMPLOYEE SATISFACTION**
With the recent years' acquisition combined with organic growth, there has been a considerable increase in the number of employees.

The many new employees and the increased activity places great demands on the HR function, which works across national borders with values, culture, training, development, education and integration of the Group's employees.

Employee development, high well-being and satisfaction are essential for SOS International to comply with the Group's goals on high customer satisfaction. Consequently, annual surveys of the Group's employee satisfaction are conducted which make it possible to identify and work with points of improvement so that SOS International can continue to be an attractive workplace.

**SMILE TO THE WORLD**
Through the past many years, SOS International has developed and implemented a number of projects via the charity programme, SOS Smile, with the aim of helping and supporting needy children around the world.

In 2013, the latest Smile took place in connection with the Teddy Collection Week which SOS International held in co-operation with Carlson Wagonlit Travel, the Lufthansa Group and SAS.

The project collected more than 1,000 dolls and teddy bears, which were then handed over to children's homes and hospitals in, for example, Eastern Europe.

In the course of 2013, SOS Smile has made more than 2,500 children smile – either with new toys or a visit by a hospital clown.







# Company information

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**Telefax:** +45 70 10 50 56
**Website:** www.sos.eu
**E-mail:** sos@sos.eu

**CBR No.** 17 01 37 18
**Founded:** 03 May 1961
**Municipality of domicile:** Frederiksberg

**Financial year:** 1 January - 31 December

## THE EXECUTIVE BOARD

Amund Skarholt *(Chairman)*
Stig Ellkier-Pedersen *(Vice Chairman)*
Kaare Steinar Østgaard
Jesper Mørch Sørensen
Ann Sommer
Dag Rehme
Annkristine Vuopio Mogestedt
Timo Olavi Ahvonen
Erik Jørgen Østergaard
Niels Ulrik Mortensen
Rikard Livman *(Employee representative)*
Rune Sixtus Glæser *(Employee representative)*
Alexander Barren *(Employee representative)*
Trude Søntvedt *(Employee representative)*

## THE BOARD OF DIRECTORS

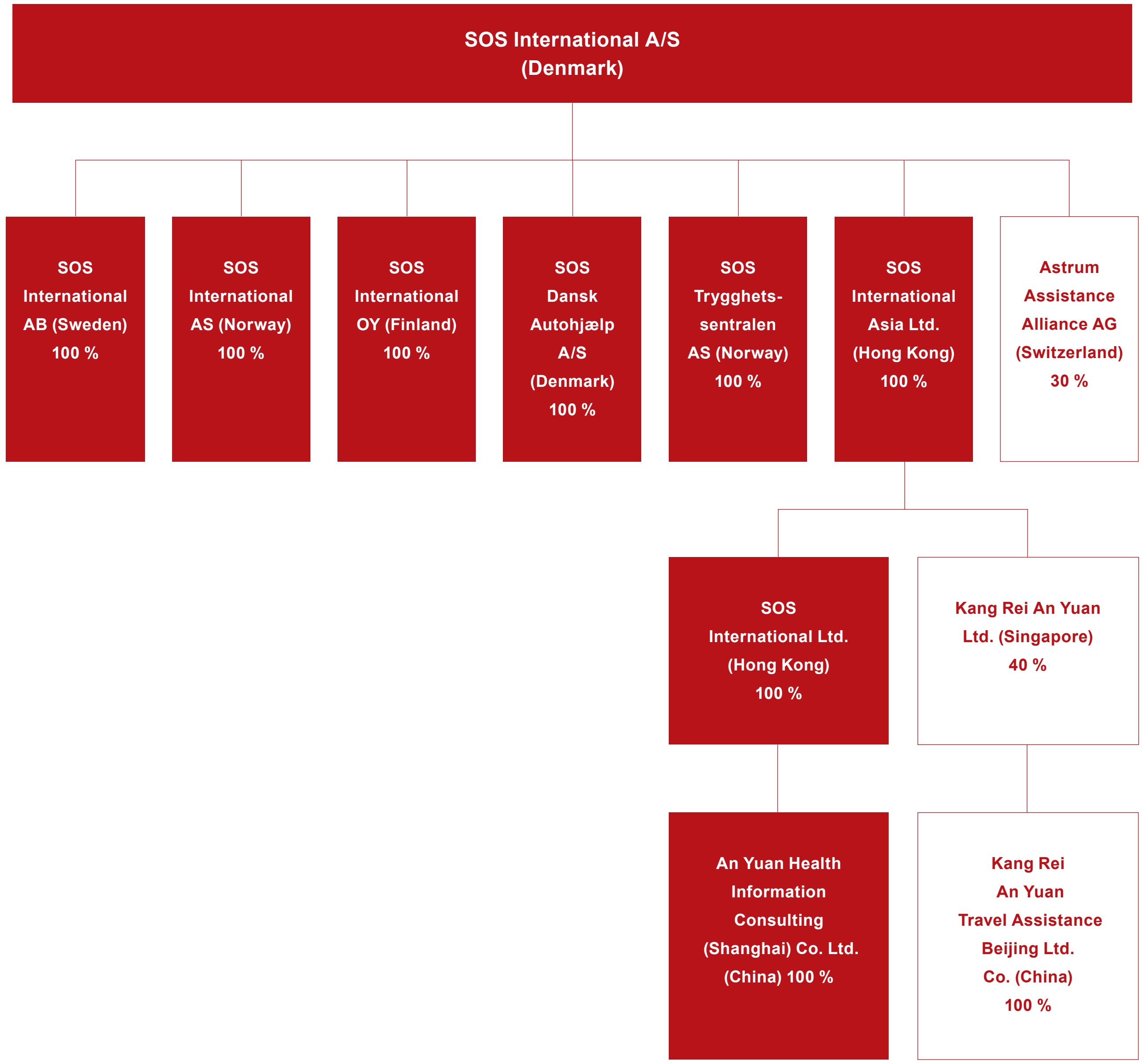
Niels Krag Printz

## AUDIT

KPMG — State-authorised public accounting firm
Osvald Helmuths Vej 4
P.O. Box 250
DK-2000 Frederiksberg

MANAGEMENT'S REVIEW

# Group overview








# Management's statement

The Board of Directors and the Executive Board have today discussed and approved the annual report of SOS International A/S for the financial year 1 January - 31 December 2013.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2013 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 January - 31 December 2013.

Further, in our opinion, the Management's review gives a fair report assessment of the development in the Group's and the Company's operations and financial matters, and the results of the Group's and the Company's operations and financial position.

The Annual Report will be submitted for approval at the annual general meeting.

*Copenhagen, 19 March 2014*

Niels Krag Printz
*CEO*

Ole Joachim Jensen
*CFO*

THE EXECUTIVE BOARD

Amund Skarholt
*Chairman*

Stig Ellkier-Pedersen
*Vice Chairman*

Kaare Steinar Østgaard

Jesper Mørch Sørensen

Ann Sommer

Dag Rehme

Annkristine Vuopio Mogestedt

Timo Olavi Ahvonen

Erik Jørgen Østergaard

Niels Ulrik Mortensen

Rikard Livman

Rune Sixtus Glæser

Alexander Barren

Trude Søntvedt

# Independent auditor's report

**TO THE SHAREHOLDERS OF SOS INTERNATIONAL A/S**

**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS**
We have audited the consolidated financial statements and the parent company financial statements of SOS International A/S for the financial year 1 January - 31 December 2013. The consolidated financial statements and the parent company financial statements comprise accounting policies, income statement, 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 consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

**MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS**
Management is responsible for the preparation of consolidated financial statements 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 statements 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 statements 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 statements 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 statements 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 statements 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 statements 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 statements 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 statements 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 2013 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 2013 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. We have not performed any further procedures in addition to the audit of the consolidated financial statements 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 statements and the parent company financial statements.

*Copenhagen, 19 March 2014*
KPMG — Statsautoriseret Revisionspartnerselskab

Jesper Jørn Pedersen
*State Authorised, Public Accountant*

Rasmus Berntsen
*State Authorised, Public Accountant*







# Accounting policies

The financial statements for SOS International A/S for 2013 have been submitted in accordance with the regulations of the Danish Financial Statements Act for class C companies (large).

The financial statements have been submitted according to the same accounting policies as last year.

**CONSOLIDATED FINANCIAL STATEMENTS**
The consolidated financial statements include the parent company, SOS International A/S, as well as the subsidiaries of which SOS International A/S directly or indirectly hold more than 50 % of the voting rights or have a deciding influence in another way. Companies of which the Group holds between 20 % and 50 % of the voting rights and in addition to considerable but not deciding influence, are considered as associated companies, see the Group overview.

For the consolidated companies, elimination is carried out of intra-group income and expenses, shareholdings, internal debts and dividends as well as realised and unrealised profits and loss for transactions between the consolidated companies.

Investments in subsidiaries are offset with the proportionate share of the subsidiaries' fair value of net assets and liabilities on the purchase date.

**COMPANY MERGERS**
Newly acquired or newly established companies are recognised in the consolidated financial statements from the purchase date. Sold or discontinued companies are recognised in the consolidated income statement up to the divestment date. Comparative figures are not adjusted for newly acquired or discontinued companies.

Profit or loss in the event of divestment of subsidiaries and associated companies is calculated as the difference between the divestment sum and the book value of net assets on the date of sale including goodwill that is not depreciated and the expected costs for the sale or discontinuation.

For the acquisition of new companies, the acquisition method is used after which the newly acquired companies' identified assets and liabilities are measured at fair value on the date of acquisition. Provisions to cover the costs of decided and published restructuring in the acquired company are recognised in connection with the acquisition. Consideration is taken of the tax effect of the conducted re-evaluations.

Positive differential amounts (goodwill) between cost price and fair value of the identified assets and liabilities taken over including provisions for re-structuring, are recognised under intangible fixed assets and are amortised systematically over the income statement after an individual evaluation of the financial service life, however, maximum 20 years.

Goodwill from acquired companies can be adjusted until the end of the year after acquisition.

**INTRA-GROUP COMPANY MERGERS**
The consolidation method is used for company consolidations such as the purchase and sale of investments, mergers, demergers, injection of assets and exchange of shares, etc. in the event of participation by companies under the parent company's control. The differences between the agreed payment and the acquired company's book value are recognised in the equity. Furthermore, adjustment of the comparative figures for earlier financial years is carried out.

**MINORITY INTERESTS**
In the consolidated financial statements, the subsidiaries' accounting items are recognised 100 %. The minority interests' proportionate share of the subsidiaries' results and equity are adjusted annually and recognised as separate items under the income statement and balance sheet.

**TRANSLATION OF FOREIGN CURRENCY**
Transactions in foreign currency are translated on the first recognition at the rate on the date of transaction. Foreign currency differences that arise between the rate on the date of transaction and the rate on the date of payment are recognised in the income statement as a financial item.

Receivables, debt and other monetary items in foreign currency are translated at the exchange rate on the balance sheet date. The difference between the rate on the balance sheet date and the rate on the date of the occurrence of the receivable or debt or recognition in the latest annual financial statements are recognised in the income statement under financial income and expenses.

Foreign subsidiaries are considered as being independent units. The income statements are translated to an average exchange rate for the month and the balance sheet items are translated to the exchange rates on the balance sheet date. Exchange rate differences that have arisen with the translation of the foreign subsidiaries' equity at the beginning of the year, at the exchange rates on the balance sheet date, as well as with translation of the income statements from average exchange rates, at the exchange rates on the balance sheet date, are recognised directly in equity.

Exchange rate adjustments of debts with independent foreign subsidiaries that are considered as part of the total investment in the subsidiary are recognised directly in equity. Similarly, exchange rate gains and losses on loans to foreign subsidiaries are recognised in equity.

## PROFIT AND LOSS ACCOUNT

### NET REVENUE

The net revenue for the sale of services is recognised in the income statement if delivery and risk transfer to the buyer has taken place before the end of the year. The net revenue is recognised excluding VAT and tax charges on behalf of a third party, as well as with the deduction of discounts in connection with the sale.

Net revenue is recognised in line with the processing of the projects by which the net revenue corresponds to the sale value of the year's performed work. Net revenue is recognised when the total revenue, costs of the contract and degree of completion on the balance sheet date can be reliably calculated, and it is probable that the financial benefits, including payments, will be received by the company.

### ASSISTANCE COSTS

Assistance costs regard disbursements on projects that are re-invoiced to SOS International's customers.

### OTHER OPERATING INCOME AND COSTS

Other operating income and costs contain accounting items of secondary character in relation to the companies' activities.

### OTHER EXTERNAL EXPENSES

Other external costs include costs for distribution, sale, advertising, administration, facilities, loss on debtors, operational leases, etc.

### EMPLOYEE EXPENSES

Employee expenses include payrolls, pensions, other expenses for social security as well as other employee expenses.

### RESULTS OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

The proportionate share of the individual subsidiaries' results after tax, after full elimination of internal profits/loss, is recognised in the parent company's income statement.

The proportionate share of the associated companies' results after tax, after elimination of proportionate share of internal profits/loss, is recognised in the income statements of both the Group and parent company.

### FINANCIAL INCOME AND COSTS

Financial income and costs contain 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, prior to this they are not part of consolidation.

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

The applicable Danish corporate tax is allocated by settling joint taxation contributions among the jointly taxed companies, in relation to their taxable incomes. In this connection, companies with tax losses, receive joint taxation contributions from companies, 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.





## BALANCE SHEET

### INTANGIBLE FIXED 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 companies 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 service life, based on the following assessment of the remaining service life of the assets.

The cost price includes the purchase price as well as costs directly associated to the purchase, until the time where the asset is ready to be used.

*Customer-related assets and trademarks*
Customer-related assets and trademarks are 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 includes the purchase price as well as costs directly associated to the purchase until the time where the asset is ready to be used.

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

| | |
|---|---|
| Leasehold improvements | 5 years |
| Other fixtures and fittings, tools and equipment | 3-5 years |

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

### INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

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 companies' equity value measured according to the Group's accounting policies minus or plus unrealised intra-group profits 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 and any receivables from these companies will be impaired to the extent the receivable is deemed non-collectable. 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 book value exceeds the cost price. 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 book value of intangible assets and property, plant and equipment are measured annually for indications of value impairments other than the decrease in value reflected by amortisation or depreciation.

If there is 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 book value.

The recoverable amount that is used will be the highest value of the net selling price and intrinsic value. The intrinsic value is measured as the current value of the estimated net income from the use of the asset or asset group.

### RECEIVABLES FROM SALE

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 projects 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 current assets cover costs incurred relating to the following financial year.

**SECURITIES**
Listed securities recognised under current assets are measured at the fair value at the balance sheet 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.

*Dividend*
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.

**CORPORATE TAX AND DEFERRED TAX**
As the administrative company, SOS International A/S assumes liability for the subsidiaries' corporate taxes to the Danish tax authorities concurrently with the subsidiaries' payment of joint-taxation contributions.

Current tax payable and receivable is recognised in the balance sheet 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 balance sheet 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 companies – have 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 companies within the same legal tax entity or jurisdiction.

Adjustment of deferred tax is made concerning performed elimination of unrealised payable intra-group profits 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 crystallised as current tax.

**LIABILITIES**
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.

Other liabilities are measured at their net realisable values.

**PREPAYMENTS**
Prepayments recognised under liabilities include received payments regarding revenue in the following financial year.





CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS 2013

# CASH FLOW STATEMENT

The Cash Flow Statement shows consolidated cash flow 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 flow from the acquisition of companies is shown separately under cash flow from investment activities. Cash flow from acquired companies from the date of the acquisition is recognised in the Cash Flow Statement.

**CASH FLOW FROM OPERATING ACTIVITIES**
Cash flow from operating activities is measured as income for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

**CASH FLOW FROM INVESTMENT ACTIVITIES**
Cash flow from investment activities cover payments made related to the purchase and divestment of companies and activities, and the purchase and divestment of property, plant and equipment, intangible assets and other financial assets.

**CASH FLOW FROM FINANCING ACTIVITIES**
Cash flow 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

| | |
|---|---|
| EBITDA margin | $\dfrac{\text{Profit before interest, taxes, depreciation and amortisation (EBITDA)} \times 100}{\text{Net revenue}}$ |
| Net operating income margin | $\dfrac{\text{Profit before tax} \times 100}{\text{Contribution margin}}$ |
| EBT Margin | $\dfrac{\text{Profit before tax} \times 100}{\text{Net revenue}}$ |
| Profit margin | $\dfrac{\text{Profit before tax} \times 100}{\text{Contribution margin}}$ |
| Return on capital employed | $\dfrac{\text{Profit from ordinary operating activities (EBIT)} \times 100}{\text{Average operating assets}}$ |
| Operating assets | Operating assets are total assets less cash and cash equivalents, other interest-bearing assets (incl. shares) as well as investments in associated companies. |
| Liquidity ratio | $\dfrac{\text{Current assets} \times 100}{\text{Current liabilities}}$ |
| Solvency ratio | $\dfrac{\text{Equity, end of year} \times 100}{\text{Liabilities, total, end of year}}$ |
| Return on equity | $\dfrac{\text{Profit for the year} \times 100}{\text{Average equity}}$ |

# Statement of income

| | | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|---|
| DKK'000 | NOTE | 2013 | 2012 | 2013 | 2012 |
| **NET REVENUE** | 1 | 2,820,747 | 2,132,168 | 2,125,446 | 1,811,754 |
| Assistance costs | | -1,987,875 | -1,528,404 | -1,597,743 | -1,347,952 |
| **CONTRIBUTION MARGIN** | | 832,872 | 603,764 | 527,703 | 463,802 |
| Other operating income | | 2,154 | 887 | 209 | 53 |
| External costs | 2 | -194,937 | -112,878 | -125,949 | -83,161 |
| **GROSS PROFIT** | | 640,089 | 491,773 | 401,963 | 380,694 |
| Staff costs | 3 | -525,812 | -396,101 | -359,265 | -307,728 |
| Depreciation and amortisation on tangible and intangible assets | 7,8 | -63,607 | -26,296 | -21,248 | -9,140 |
| **INCOME FROM OPERATING ACTIVITIES** | | 50,670 | 69,376 | 21,450 | 63,826 |
| Income from subsidiaries after tax | 9 | 0 | 0 | 19,309 | 1,420 |
| Income from associates after tax | | 7 | 5 | 7 | 5 |
| Financial income | 4 | 15,531 | 12,866 | 14,203 | 12,944 |
| Financial expenses | 5 | -29,179 | -14,560 | -28,725 | -13,209 |
| **PROFIT BEFORE TAX** | | 37,029 | 67,687 | 26,244 | 64,986 |
| Tax on income for the year | 6 | -11,811 | -18,748 | -1,026 | -16,049 |
| **PROFIT FOR THE YEAR** | | 25,218 | 48,939 | 25,218 | 48,937 |
| Profit for the year attributable to minority interests | | 0 | -2 | 0 | 0 |
| **THE SOS INTERNATIONAL A/S GROUPS SHARE OF PROFIT FOR THE YEAR** | | 25,218 | 48,937 | 25,218 | 48,937 |

## PROPOSED PROFIT APPROPRIATION

| DKK'000 | 2013 | 2012 |
|---|---|---|
| Retained income | 25,218 | 48,937 |
| Proposed dividends | 0 | 0 |
| | 25,218 | 48,937 |

CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS 2013

# Statement of financial position

| DKK'000 | NOTE | GROUP 2013 | GROUP 2012 | PARENT COMPANY 2013 | PARENT COMPANY 2012 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **INTANGIBLE ASSETS** | 7 | | | | |
| Goodwill | | 117,438 | 103,880 | 0 | 0 |
| Software | | 13,137 | 28,062 | 4,327 | 13,058 |
| Customer-related assets | | 64,613 | 71,896 | 0 | 0 |
| Trademarks | | 23,475 | 25,192 | 0 | 0 |
| Intangible assets under construction | | 468 | 0 | 468 | 0 |
| | | 219,131 | 229,030 | 4,795 | 13,058 |
| **PROPERTY, PLANT AND EQUIPMENT** | 8 | | | | |
| Leasehold improvements | | 1,689 | 2,214 | 1,213 | 1,997 |
| Fixtures and fittings, tools and equipment | | 45,925 | 15,323 | 29,430 | 6,805 |
| Property, plant and equipment under construction | | 0 | 22,981 | 0 | 22,981 |
| | | 47,614 | 40,518 | 30,643 | 31,783 |
| **FINANCIAL ASSETS** | | | | | |
| Investments in group enterprises | 9 | 0 | 0 | 285,359 | 240,362 |
| Investments in associates | 10 | 254 | 198 | 254 | 198 |
| Long-term loans to group enterprises | | 0 | 0 | 6,539 | 7,508 |
| | | 254 | 198 | 292,152 | 248,068 |
| **NON CURRENT ASSETS, TOTAL** | | 266,999 | 269,746 | 327,590 | 292,909 |
| **INVENTORIES** | | | | | |
| Manufactured goods and goods for resale | | 1,805 | 448 | 0 | 0 |
| | | 1,805 | 448 | 0 | 0 |
| **RECEIVABLES** | | | | | |
| Trade debtors | | 227,539 | 152,626 | 102,267 | 70,998 |
| Works in progress | | 214,389 | 254,148 | 200,848 | 248,265 |
| Prepayments to business partners | | 58,692 | 40,139 | 58,692 | 38,669 |
| Receivables from group enterprises | | 0 | 0 | 39,640 | 2,743 |
| Deferred tax assets | 14 | 1,218 | 3,618 | 0 | 0 |
| Corporate tax receivables | 11 | 10,846 | 5,147 | 10,175 | 3,316 |
| Other receivables | | 14,666 | 15,299 | 6,218 | 15,039 |
| Prepayments | 12 | 8,364 | 11,280 | 4,267 | 8,202 |
| | | 535,714 | 482,257 | 422,107 | 387,232 |
| **SECURITIES** | | 120 | 116 | 61 | 55 |
| **CASH AND CASH EQUIVALENTS** | | 59,176 | 52,909 | 7,141 | 13,363 |
| **CURRENT ASSETS, TOTAL** | | 596,815 | 535,730 | 429,309 | 400,650 |
| **ASSETS, TOTAL** | | 863,814 | 805,476 | 756,899 | 693,559 |





CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS 2013

Statement of financial position

| DKK'000 | NOTE | GROUP 2013 | GROUP 2012 | PARENT COMPANY 2013 | PARENT COMPANY 2012 |
|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | |
| **EQUITY** | | | | | |
| Share capital | 13 | 21,388 | 21,388 | 21,388 | 21,388 |
| Retained income | | 200,334 | 178,782 | 200,334 | 178,782 |
| Proposed dividends | | 0 | 0 | 0 | 0 |
| **EQUITY, TOTAL** | | 221,722 | 200,170 | 221,722 | 200,170 |
| **MINORITY INTERESTS** | | 0 | 2 | 0 | 0 |
| **PROVISIONS** | | | | | |
| Deferred tax | 14 | 37,320 | 37,837 | 11,094 | 10,793 |
| **PROVISIONS, TOTAL** | | 37,320 | 37,837 | 11,094 | 10,793 |
| **LIABILITIES OTHER THAN PROVISIONS** | | | | | |
| **LONG-TERM LIABILITIES** | | | | | |
| Customer deposits | | 23,096 | 20,875 | 17,875 | 20,875 |
| Credit institutions | 15 | 60,000 | 0 | 60,000 | 0 |
| | | 83,096 | 20,875 | 77,875 | 20,875 |
| **SHORT-TERM LIABILITIES** | | | | | |
| Credit institutions | | 41,181 | 93,306 | 41,181 | 93,306 |
| Trade payables | | 78,118 | 77,748 | 35,145 | 35,826 |
| Amounts owed to group enterprises | | 0 | 0 | 71,170 | 56,040 |
| Prepayments from customers | | 236,337 | 257,126 | 195,022 | 206,218 |
| Corporation tax | 11 | 156 | 3,617 | 0 | 0 |
| Other liabilities | | 165,884 | 114,795 | 103,690 | 70,331 |
| | | 521,676 | 546,592 | 446,208 | 461,721 |
| **LIABILITIES OTHER THAN PROVISIONS, TOTAL** | | 604,772 | 567,467 | 524,083 | 482,596 |
| **EQUITY AND LIABILITIES, TOTAL** | | 863,814 | 805,476 | 756,899 | 693,559 |

**CONTINGENT LIABILITIES** 16

**PURCHASE OF SUBSIDIARIES AND ACTIVITIES** 19

**RELATED PARTIES** 20

# Statement of changes in equity

| DKK'000 | GROUP AND PARENT COMPANY Share capital | Retained income | Proposed dividends | Total |
|---|---|---|---|---|
| Equity at 1 Jan 2012 | 20,960 | 111,009 | 0 | 131,969 |
| Capital increase | 428 | 17,572 | 0 | 18,000 |
| Dividends distributed | 0 | 0 | 0 | 0 |
| Transferred via distribution of income | 0 | 48,937 | 0 | 48,937 |
| Exchange rate adjustment, group enterprises | 0 | 1,264 | 0 | 1,264 |
| Equity at 31 Dec 2012 | 21,388 | 178,782 | 0 | 200,170 |
| Equity at 1 Jan 2013 | 21,388 | 178,782 | 0 | 200,170 |
| Dividends distributed | 0 | 0 | 0 | 0 |
| Transferred via distribution of income | 0 | 25,218 | 0 | 25,218 |
| Exchange rate adjustment, group enterprises | 0 | -3,666 | 0 | -3,666 |
| **EQUITY AT 31 DEC 2013** | 21,388 | 200,334 | 0 | 221,722 |







# Statement of cash flows

| DKK'000 | NOTE | GROUP 2013 | 2012 |
|---|---|---|---|
| Operating cash flows before changes in working capital | 17 | 114,398 | 95,454 |
| Change in working capital | 18 | -30,404 | 11,978 |
| Operating cash flows | | 83,994 | 107,432 |
| Interest income, paid | | 15,531 | 12,866 |
| Interest costs, paid | | -29,179 | -14,560 |
| Cash flows from ordinary activities | | 70,346 | 105,738 |
| Corporation tax, paid | | -23,929 | -15,768 |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | 46,417 | 89,970 |
| Acquisition of subsidiaries | | -30,222 | -133,841 |
| Acquisition of intangible fixed assets | | -1,958 | -4,826 |
| Acquisition of property, plant and equipment | | -19,838 | -31,170 |
| Disposal of property, plant and equipment | | 3,993 | 1,057 |
| Purchase/sale of securities | | 0 | -71 |
| **CASH FLOWS FROM INVESTMENT ACTIVITIES** | | -48,025 | -168,851 |
| Incurrence of debt from credit institutions | | 34,875 | 93,306 |
| Repayment of debt to credit institutions | | -27,000 | 0 |
| Distributed dividends | | 0 | 0 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | 7,875 | 93,306 |
| **CASH FLOWS, 1 JAN – 31 DEC** | | 6,267 | 14,425 |
| **CASH AND CASH EQUIVALENTS, 1 JAN** | | 52,909 | 38,484 |
| **CASH AND CASH EQUIVALENTS, 31 DEC** | | 59,176 | 52,909 |

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

CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS 2013

# Notes

| DKK'000 | GROUP 2013 | GROUP 2012 | PARENT COMPANY 2013 | PARENT COMPANY 2012 |
|---|---|---|---|---|
| **1 NET REVENUE** | | | | |
| Segment information by activity | | | | |
| Travel | 1,841,043 | 1,534,380 | 1,824,606 | 1,537,110 |
| Roadside | 690,904 | 411,071 | 111,744 | 150,678 |
| Health | 288,800 | 186,717 | 189,096 | 123,966 |
| | 2,820,747 | 2,132,168 | 2,125,446 | 1,811,754 |
| Segment information by geography | | | | |
| Denmark | 1,028,094 | 702,856 | 657,210 | 585,744 |
| Sweden | 806,575 | 653,242 | 619,968 | 533,605 |
| Norway | 665,445 | 512,372 | 568,321 | 465,413 |
| Finland | 214,990 | 186,021 | 176,457 | 159,588 |
| Other countries | 105,643 | 77,677 | 103,490 | 67,405 |
| | 2,820,747 | 2,132,168 | 2,125,446 | 1,811,755 |
| **2 OTHER EXTERNAL COSTS** | | | | |
| Rent, etc. | 27,391 | 20,475 | 13,064 | 13,079 |
| Consultant fee, etc. | 64,132 | 27,295 | 50,763 | 20,204 |
| IT service, software licences, etc. | 16,176 | 12,405 | 11,156 | 12,048 |
| Other external costs | 87,238 | 52,703 | 50,966 | 37,830 |
| | 194,937 | 112,878 | 125,949 | 83,161 |
| Fees for auditor elected by the annual general meeting | | | | |
| Statutory audit | 1,212 | 1,365 | 560 | 525 |
| Other assurance services with security | 5 | 0 | 0 | 0 |
| Tax and VAT advisory services | 728 | 805 | 634 | 619 |
| Other services | 414 | 0 | 353 | 0 |
| | 2,359 | 2,170 | 1,547 | 1,144 |
| **3 STAFF COSTS** | | | | |
| Wages and salaries | 435,147 | 326,746 | 304,870 | 261,038 |
| Pensions | 43,034 | 34,896 | 31,671 | 29,638 |
| Other social security costs | 35,007 | 24,304 | 14,555 | 10,523 |
| Other staff costs | 12,624 | 10,155 | 8,169 | 6,529 |
| | 525,812 | 396,101 | 359,265 | 307,728 |
| Average number of full-time employees | 789 | 650 | 476 | 421 |

Staff costs include wages and salaries accrued by Group Management and the Supervisory Board in the amount DKK'000 6,245 (2012: DKK'000 3,817) The total remuneration for 2013 includes remuneration to the outgoing management until the end of November 2013.





CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS 2013

Notes

| DKK'000 | GROUP 2013 | GROUP 2012 | PARENT COMPANY 2013 | PARENT COMPANY 2012 |
|---|---|---|---|---|
| **4 FINANCIAL INCOME** | | | | |
| Interest income from subsidiaries | 0 | 0 | 425 | 374 |
| Currency gains | 14,908 | 12,270 | 13,436 | 12,270 |
| Other financial income | 623 | 596 | 342 | 300 |
| | 15,531 | 12,866 | 14,203 | 12,944 |
| **5 FINANCIAL EXPENSES** | | | | |
| Interest expenses to subsidiaries | 0 | 0 | 1,784 | 297 |
| Exchange losses | 21,856 | 12,187 | 21,540 | 10,676 |
| Bank fees | 2,550 | 1,333 | 902 | 1,333 |
| Interest expenses | 4,773 | 1,040 | 4,499 | 903 |
| | 29,179 | 14,560 | 28,725 | 13,209 |
| **6 TAX OF INCOME FOR THE YEAR** | | | | |
| Current tax | 15,384 | 13,819 | 1,902 | 12,684 |
| Adjustment of tax from previous years | 29 | 63 | 29 | 63 |
| Adjustment of deferred tax for the year | -3,602 | 4,866 | -905 | 3,302 |
| | 11,811 | 18,748 | 1,026 | 16,049 |

## 7 INTANGIBLE ASSETS

GROUP

| DKK'000 | Goodwill | Software | Customer-related assets | Trademarks | Intangible assets under construction | Total |
|---|---|---|---|---|---|---|
| Cost price, 1 Jan 2013 | | | | | | |
| Exchange rate adjustments | 157,425 | 46,254 | 74,323 | 25,765 | 0 | 303,767 |
| Additions relating to the acquisition of subsidiaries | 0 | -208 | 0 | 0 | 0 | -208 |
| Additions | 27,607 | 5,305 | 0 | 0 | 0 | 32,912 |
| Disposals | 0 | 1,188 | 0 | 0 | 468 | 1,656 |
| Transfers | -55,900 | -3,121 | 0 | 0 | 0 | -59,021 |
| Cost price, 31 Dec 2013 | 129,132 | 49,418 | 74,323 | 25,765 | 468 | 279,106 |
| Amortisation, 1 Jan 2013 | -53,545 | -18,192 | -2,427 | -573 | 0 | -74,737 |
| Exchange rate adjustments | 0 | 190 | 0 | 0 | 0 | 190 |
| Additions relating to the acquisition of subsidiaries | 0 | -3,685 | 0 | 0 | 0 | -3,685 |
| Disposals | 55,900 | 3,120 | 0 | 0 | 0 | 59,020 |
| Impairment losses | 0 | -5,110 | 0 | 0 | 0 | -5,110 |
| Amortisation | -14,049 | -12,604 | -7,283 | -1,717 | 0 | -35,653 |
| Amortisation, 31 Dec 2013 | -11,694 | -36,281 | -9,710 | -2,290 | 0 | -59,975 |
| **CARRING AMOUNT, 31 DEC 2013** | 117,438 | 13,137 | 64,613 | 23,475 | 468 | 219,131 |

CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS 2013

# Notes

## INTANGIBLE ASSETS

| DKK'000 | PARENT COMPANY<br>Goodwill | Software | Intagible assets under construction | Total |
|---|---|---|---|---|
| Cost price, 1 Jan 2013 | 5,775 | 16,611 | 0 | 22,386 |
| Additions | 0 | 880 | 468 | 1,348 |
| Disposals | -5,775 | 0 | 0 | -5,775 |
| Cost price, 31 Dec 2013 | 0 | 17,491 | 468 | 17,959 |
| Amortisation, 1 Jan 2013 | -5,775 | -3,553 | 0 | -9,328 |
| Disposals | 5,775 | 0 | 0 | 5,775 |
| Impairment losses | 0 | -4,501 | 0 | -4,501 |
| Amortisation | 0 | -5,110 | 0 | -5,110 |
| Amortisation, 31 Dec 2013 | 0 | -13,164 | 0 | -13,164 |
| **CARRING AMOUNT, 31 DEC 2013** | 0 | 4,327 | 468 | 4,795 |

## 8 PROPERTY, PLANT AND EQUIPMENT

| DKK'000 | GROUP<br>Leasehold improvments | Fixtures and fittings, tools and equipment | Property, plant and equipment under construction | Total |
|---|---|---|---|---|
| Cost price, 1 Jan 2013 | 11,629 | 73,052 | 22,981 | 107,662 |
| Exchange rate adjustments | 0 | -1,873 | 0 | -1,873 |
| Additions relating to the acquisition of subsidiaries | 644 | 24,593 | 0 | 25,237 |
| Additions | 698 | 20,735 | 0 | 21,433 |
| Disposals | 0 | -18,516 | 0 | -18,516 |
| Transfers | 0 | 22,981 | -22,981 | 0 |
| Cost price, 31 Dec 2013 | 12,971 | 120,972 | 0 | 133,943 |
| Amortisation, 1 Jan 2013 | -9,415 | -57,729 | 0 | -67,144 |
| Exchange rate adjustments | -7 | 1,816 | 0 | 1,809 |
| Additions relating to the acquisition of subsidiaries | -602 | -11,862 | 0 | -12,464 |
| Disposals | -304 | 14,722 | 0 | 14,418 |
| Impairment losses | 0 | -4,103 | 0 | -4,103 |
| Depreciation | -954 | -17,891 | 0 | -18,845 |
| Amortisation, 31 Dec 2013 | -11,282 | -75,047 | 0 | -86,329 |
| **CARRING AMOUNT, 31 DEC 2013** | 1,689 | 45,925 | 0 | 47,614 |





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Notes

## PROPERTY, PLANT AND EQUIPMENT

| DKK'000 | PARENT COMPANY<br>Leasehold improvments | Fixtures and fittings, tools and equipment | Property, plant and equipment under construction | Total |
|---|---|---|---|---|
| Cost price, 1 Jan 2013 | 11,338 | 41,912 | 22,981 | 76,231 |
| Additions | 0 | 14,481 | 0 | 14,481 |
| Disposals | 0 | -17,536 | 0 | -17,536 |
| Transfers | 0 | 22,981 | -22,981 | 0 |
| Cost price, 31 Dec 2013 | 11,338 | 61,838 | 0 | 73,176 |
| Amortisation, 1 Jan 2013 | -9,341 | -35,107 | 0 | -44,448 |
| Disposals | 0 | 13,603 | 0 | 13,603 |
| Depreciation | -784 | -10,904 | 0 | -11,688 |
| Amortisation, 31 Dec 2013 | -10,125 | -32,408 | 0 | -42,533 |
| **CARRING AMOUNT, 31 DEC 2013** | 1,213 | 29,430 | 0 | 30,643 |

## 9 INVESTMENTS IN GROUP ENTERPRISES

| DKK'000 | GROUP<br>2013 | 2012 | PARENT COMPANY<br>2013 | 2012 |
|---|---|---|---|---|
| Cost price, 1 Jan | - | - | 284,198 | 78,869 |
| Additions | - | - | 46,939 | 205,329 |
| Disposals | - | - | -33,000 | 0 |
| Cost price, 31 Dec | - | - | 298,137 | 284,198 |
| Value adjustments, 1 Jan | - | - | -43,836 | -39,416 |
| Disposals | - | - | 29,516 | 0 |
| Exchange rate adjustments | - | - | -3,579 | 1,234 |
| Goodwill amortisation | - | - | -21,517 | -10,312 |
| Distribution of dividends | - | - | -14,187 | 0 |
| Offsettings against receivables | - | - | 0 | -7,074 |
| Income for the year | - | - | 40,825 | 11,732 |
| Value adjustments, 31 Dec | - | - | -12,778 | -43,836 |
| **CARRING AMOUNT, 31 DEC** | - | - | 285,359 | 240,362 |

| Name | Registered in | Voting and ownership share |
|---|---|---|
| SOS Dansk Autohjælp A/S | Aarhus, Denmark | 100 % |
| SOS International Swedish Branch AB | Kista, Sweden | 100 % |
| SOS International AS | Oslo, Norway | 100 % |
| Trygghetssentralen AS | Oslo, Norway | 100 % |
| SOS International OY | Helsinki, Finland | 100 % |
| SOS International Asia Ltd. | Hong Kong, China | 100 % |

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# Notes

## 10 INVESTMENTS IN ASSOCIATES

| | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|
| DKK'000 | 2013 | 2012 | 2013 | 2012 |
| Cost price, 1 Jan | 101 | 101 | 101 | 101 |
| Additions | 67 | 0 | 67 | 0 |
| Disposals | -15 | 0 | -15 | 0 |
| Cost price, 31 Dec | 153 | 101 | 153 | 101 |
| Value adjustments, 1 Jan | 97 | 92 | 97 | 92 |
| Exchange rate adjustments | -3 | 0 | -3 | 0 |
| Income for the year | 7 | 5 | 7 | 5 |
| Value adjustments, 31 Dec | 101 | 97 | 101 | 97 |
| CARRING AMOUNT, 31 DEC | 254 | 198 | 254 | 198 |

| Name | Registered in | Voting and ownership share |
|---|---|---|
| Astrum Assistance Alliance AG | Switzerland | 30% |

## 11 CORPORATION TAX

| | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|
| DKK'000 | 2013 | 2012 | 2013 | 2012 |
| Corporation tax payable, 1 Jan | -1,530 | 80 | 3,316 | 5,405 |
| Adjustments for previous years | 4,173 | -63 | 1,177 | -63 |
| Exchange rate adjustment | -498 | 0 | 0 | 0 |
| Current tax for the year | -15,384 | -13,819 | -1,902 | -12,684 |
| Corporation tax for the year, paid | 23,929 | 12,272 | 7,584 | 10,658 |
| CARRING AMOUNT, 31 DEC | 10,690 | -1,530 | 10,175 | 3,316 |
| Recognised in the Statement of Financial Position as: | | | | |
| Corporate tax receivables | 10,846 | 5,147 | 10,175 | 3,316 |
| Corporation tax | -156 | -3,617 | 0 | 0 |
| CARRING AMOUNT, 31 DEC | 10,690 | 1,530 | 10,175 | 3,316 |

## 12 PREPAYMENTS

| | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|
| DKK'000 | 2013 | 2012 | 2013 | 2012 |
| Prepaid expenses | 8,364 | 11,280 | 4,267 | 8,202 |
| CARRING AMOUNT, 31 DEC | 8,364 | 11,280 | 4,267 | 8,202 |

## 13 SHARE CAPITAL

| | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|
| DKK'000 | 2013 | 2012 | 2013 | 2012 |
| Unlisted share captial: | | | | |
| Nominal value af 1 January 2009 | 20,960 | 20,960 | 20,960 | 20,960 |
| Capital increase August 2012 | 428 | 428 | 428 | 428 |
| NOMINAL VALUE, YEAR-END | 21,388 | 21,388 | 21,388 | 21,388 |

"The share capital consists of 2,138,766 shares of DKK 10 nominal value and is paid up in full. No shares have special rights."

## 14 DEFFERRED TAX

| | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|
| DKK'000 | 2013 | 2012 | 2013 | 2012 |
| Deferred tax, 1 Jan | 34,219 | 4,476 | 10,793 | 7,490 |
| Adjustments for previous years | 4,202 | 0 | 1,206 | 0 |
| Additions relating to the acquisition of subsidiaries | 817 | 25,313 | 0 | 0 |
| Exchange rate adjustment | 466 | -436 | 0 | 0 |
| Adjustment of deferred tax for the year | -3,602 | 4,866 | -905 | 3,303 |
| CARRING AMOUNT, 31 DEC | 36,102 | 34,219 | 11,094 | 10,793 |
| Recognised in the Statement of Financial Position as: | | | | |
| Deferred tax assets | -1,218 | -3,618 | 0 | 0 |
| Provision for deferred tax | 37,320 | 37,837 | 11,094 | 10,793 |
| CARRING AMOUNT, 31 DEC | 36,102 | 34,219 | 11,094 | 10,793 |

## 15 CREDIT INSTITUTIONS

Liabilities to credit institutions fall due within 5 years from the closing of the financial year.

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# Notes

## 16 CONTINGENT LIABILITIES

SOS International is a party to individual ongoing legal disputes. It is the opinion of the management that the outcome of these legal disputes will not affect the financial situation beyond the receivables and liabilities that have been factored in the balance as of 31 December 2013.

The parent company participates in joint taxation with its Danish subsidiary. The companies bear unlimited joint and several liability for Danish corporation tax and tax at source on dividends, interest and royalties within the joint taxation scheme. Any subsequent adjustment of the income subject to joint taxation or tax at source on dividend, etc. could result in an increase of the companies' liability. The group as a whole is not liable for others.

The parent company has provided a collateral of NOK 5 million for the subsidiary SOS International AS Norway.

| | GROUP | | PARENT COMPANY | |
|---|---|---|---|---|
| DKK'000 | 2013 | 2012 | 2013 | 2012 |
| Operating lease commitments due within five years | 3,797 | 5,046 | 1,476 | 353 |
| Rent commitments falling due within five years | 13,098 | 17,496 | 12,155 | 15,170 |

## 17 OPERATING CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL

| | GROUP | |
|---|---|---|
| DKK'000 | 2013 | 2012 |
| Operating income | 50,670 | 69,376 |
| Adjustments for non-cash operating items, etc. | | |
| Depreciations | 63,607 | 26,296 |
| Losses/gains from the sale of fixed assets | 121 | -218 |
| | 114,398 | 95,454 |

## 18 CHANGE IN WORKING CAPITAL

| | GROUP | |
|---|---|---|
| DKK'000 | 2013 | 2012 |
| Changes in inventories | 820 | 22 |
| Changes in trade receivables | -66,011 | -15,127 |
| Changes in works in progress | 39,759 | -24,186 |
| Changes in other receivables, including prepayments, etc. | -15,004 | -7,985 |
| Changes in trade payables | -11,285 | 9,193 |
| Changes in customer prepayments | -20,789 | 42,366 |
| Changes in other debts | 42,106 | 7,695 |
| | -30,404 | 11,978 |



## 19 PURCHASE OF SUBSIDIARIES AND ACTIVITIES

| | GROUP | |
|---|---|---|
| DKK'000 | 2013 | 2012 |
| Intangible assets | 1,620 | 117,086 |
| Property, plant and equipment | 14,368 | 4,875 |
| Inventories | 2,177 | 470 |
| Receivables | 9,030 | 30,645 |
| Cash and cash equivalents | 5,295 | 44,492 |
| Deferred tax | -908 | -25,313 |
| Prepayments | 0 | -48,715 |
| Short-term liabilities | -23,441 | -28,605 |
| | 8,141 | 94,935 |
| Goodwill | 27,607 | 101,399 |
| **COST PRICE** | 35,748 | 196,334 |

## 20 RELATED 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 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
- Tryg Forsikring A/S, Denmark
- Fennia, Finland

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Always On