WEST ATLANTIC

INTERIM REPORT

January 1 – December 31, 2017

Published February 28, 2018

"The fourth quarter delivered strong revenue growth year-on-year, and improved financial results. Demand for our services is strong as the air logistics industry is thriving from the effects of Ecommerce growth"

October - December

- Strong revenue growth generated from the contract with Royal Mail, DHL and from the increased production linked to holiday season peak. Revenue growth amounted to 24.6 % year-on-year.
- EBITDA amounted to MSEK 66.4 (38.2) corresponding to a margin of 15.1 % (10.8).
- Earnings per share of SEK 0.64 (-0.86).
- Capital contribution of MSEK 25.0 made by certain shareholders
- Financial covenant for the corporate bond loan met according to the Maintenance Test.
- One B737-400 were delivered on long term operating lease agreement.

January - December

- Strong revenue growth mainly generated from the contract with Royal Mail. Revenue growth amounted to 20.4 % year-on-year.
- EBITDA amounted to MSEK 126.3 (127.5) corresponding to a margin of 7.9 % (9.7).
- Earnings per share of SEK -2.28 (-3.03).
- Capital contribution of MSEK 25.0 made by certain shareholders.
- Significant subcharter costs, caused by aircraft delivery delays of B737-400 aircraft, maintenance disruptions for the B767-fleet and effects of parked ATPs.
- Financial covenant for the corporate bond loan again met at year-end according to the Maintenance Test.
- Six B737-400 were put in service, of which five were delivered on long term operating lease agreements.

Key performance indicators for the Group

All figures in MSEK unless stated otherwise	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Financial metrics*				
Revenue	440.5	353.5	1,589.3	1,320.4
Revenue growth	24.6%	-3.0%	20.4%	-6.3%
EBITDA	66.4	38.2	126.3	127.5
EBITDA margin (%)	15.1%	10.8%	7.9%	9.7%
Net income	17.4	-23.3	-61.6	-81.8
Cash and cash equivalents incl unused overdraft facility	173.4	160.2	173.4	160.2
Cash flow from operating activities	78.0	68.9	233.7	240.1
Earnings per share before dilution (SEK)	0.64	-0.86	-2.28	-3.03
Net interest bearing debt / EBITDA**	5.0	5.1	5.0	5.1
Interest coverage ratio**	2.0	2.1	2.0	2.1
Equity / Asset ratio	5.3%	8.3%	5.3%	8.3%
Total assets	1,287.0	1,276.8	1,287.0	1,276.8
Operating metrics*				
Fleet dispatch regularity	99.3%	99.4%	99.4%	99.0%
Performed flights	6,328	5,699	23,862	23,200
Aircraft in service (incl. wet leases)	42	40	42	40
Average employees	466	465	459	477

**Definitions of key performance indicators and other measures can be found at note 3 and at the end of this report.*
***Defined by the corporate bond loan WEST002 terms and conditions. See note 10 for more information. The loan was issued December 2015.*

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WEST ATLANTIC

CEO's comments

Overall improved performance both for the quarter and year-on-year

The fourth quarter delivered a strong revenue growth year-on year and improved financial results. Demand for our services is strong as the air logistics industry is thriving from the effects of Ecommerce growth. While improving financial results for the fourth quarter is encouraging, focus remains on strengthening further through cost control and profitable growth.

Main remaining issues which affected the results negatively for the year were:

- Long term parked ATP aircraft with no associated revenue. This problem will not be solved in the short term, but with additional ATP sales, parting out certain aircraft, and with some expected additional revenue routes this will reduce the cost associated over time.
- High aircraft maintenance and spare parts costs. These are expected to start decreasing as we now have consolidated our aircraft maintenance from Malmö and Coventry to East Midlands and we also have implemented a stricter spare parts purchasing process.
- Some of the existing customer contracts are priced at below market rates, and yields on these are below expectations. The Group is working to improve the pricing of these as the contracts are up for retender.

Operational update

Our flight regularity and on-time performance measures where above targets, and we were able to deliver continued high standards from our Operation, although we do continue to see periods where we fall below our targets.

In December we took delivery of an additional B737-400 which went into service for DHL. We now operate eight aircraft in total for this customer.

Continued cost reductions and consolidation of the organisation

While revenues are all time high for the Group, the total number of employees is staying fairly stable, with the primary growth coming from pilots. We are now focused on reduction of maintenance and spare parts cost, by doing more hangar maintenance in house, while outsourcing the line station maintenance where it makes financial and operational sense.

Commercial update

Demand for our services continue to be strong, and most of our customers are seeing growth, thus tendering for additional capacity. Almost all of our customers are forecasting the need for additional capacity in 2018 and onwards, with most of the growth coming from the larger aircraft sectors. The company is now one of the largest B737 freighter operators in Europe as well as a growing provider of 40 ton + capacity with our B767s. The demand for the smaller aircraft (CRJ and ATP) is more stable, but we are seeing increased competition in these sectors from smaller operators.

Large focus is on identifying new opportunities for the ATP aircraft that are parked. Focus is to maintain 10-15 aircraft in profitable production, while we aim to sell or lease out excess aircraft to operators outside of Europe. Some aircraft will also be parted out so that these parts can be used to reduce spare part cost for the operating fleet.

Fleet update

We took delivery of and placed one additional B737-400 in operation for DHL during the fourth quarter. An additional unit is scheduled for the 1st quarter 2018.

GECAS / Boeing has certain delays in the delivery of our first B737-800, which now is expected to take place at the end of March 2018. The remaining three B737-800 are scheduled to arrive in August and November 2018, and in January 2019. West Atlantic will be the first operator of the type, which is expected to make a significant trend change in the market toward these more modern and fuel efficient aircraft.

The Group also sees high probability to increase the B767 fleet during 2018.

Bond covenant breach and curing of the same

Working closely with the Group Bondholders, we have reached an agreement on a number of changes to the initial bond terms, which will allow the Group to improve its cash situation through a number of initiatives outlined in the waiver and written procedure processes which can be viewed on our home page. This has been very welcomed as it enables us to focus on the growth and profitability of the Group going forward.

Outlook

It is encouraging to see our revenue growth, and the loyalty we have from our customers and employees. The Group still needs to reach acceptable long term levels of cash flow generation and profitaility. Outlook for the business is favourable. Short term, the significant reduction in the Norwegian Mail network from 1 Jan 2018 will result in restructuring costs which will affect the first quarter of 2018. The introduction of the 737-800 is a very important step for the Group, and we expect this fleet to have positive effects on the income for the second half of 2018 and going forward.

Ecommerce growth and strong economic fundamentals in Europe is leading to high demand for additional aircraft. To be able to capitalize fully on the market growth opportunities, the Group's balance sheet must be strengthened.

Fredrik Groth
CEO & President

Financial comments

Group and parent company information

West Atlantic AB (publ), incorporation number 556503-6083, a Swedish registered public company headquartered in Gothenburg, is the parent company of the West Atlantic Group. Address is Box 5433, SE 402 29, Gothenburg, Sweden.

GROUP

About the West Atlantic Group

The West Atlantic Group is one of the market leading providers of dedicated air freight services to NMO's and Global Integrators in the European market. Drawing from many years of experience, the Group offers its customers customised and efficient solutions for airfreight services, aircraft maintenance, airworthiness services and aircraft leasing.

Financial report

This interim report covers the period January 1 to December 31, 2017. Comparative figures in this report cover the corresponding period in 2016, unless otherwise stated. All financial information contained in this report refers to the West Atlantic Group unless stated that the information refers to the parent company West Atlantic AB (publ).

GROUP FINANCIAL PERFORMANCE

Revenue and income

October – December

Revenue for the period amounted to MSEK 440.5 (353.5), an increase by 24.6 % year-on-year. The growth mainly comes from the awarded five-year contract with Royal Mail, which commenced in January and now completely implemented. Additional revenue from DHL and a strong holiday peak season traffic also contributed to the top line growth. For a detailed breakdown of revenue, see note 2.

EBITDA amounted to MSEK 66.4 (38.2). The mainly reasons for the increase compared to last year is attributable to a received management fee of MSEK 16.1 from the collaboration agreement, see definitions at the end of this report. Moreover, the mentioned new larger contract with Royal Mail contributed positively. Besides, last year was affected by some additional costs for the start-up of new routes and other non-recurring items.

The EBITDA margin amounted to 15.1 % (10.8 %). For a breakdown of EBITDA, please see note 3.

EBIT amounted to MSEK 15.5 (-24.9) including depreciation of MSEK 30.6 (38.6).

The net of financial income and costs amounted to MSEK -20.3 (-24.5). The financial net included foreign exchange currency changes of MSEK -0.8 (-3.7), mainly on loans and financial leasing, and interest costs of MSEK 19.7 (21.5), mostly attributable to the corporate bond loan. For a detailed breakdown of financial income and cost, please see note 5.

Net income amounted to MSEK 17.4 (-23.3) for the period and was affected by income taxes of MSEK 1.9 (1.6). The low effective tax rate is mainly due to a capitalised loss carry forward in a subsidiary, made this period.

January – December

Revenue for the period amounted to MSEK 1,589.3 (1,320.4), an increase by 20.4 % year-on-year. The growth mainly comes from the awarded five-year contract with Royal Mail, which commenced progressively in January, and reflects the growth for the B737 fleet that has been ongoing for a long time. For a detailed breakdown of revenue, see note 2.

EBITDA amounted to MSEK 126.3 (127.5). Both years were affected by non-recurring items, which can be seen below in the summary of items affecting comparability. The biggest items consist of start-up cost for the new Royal Mail contract this year and new operations in France previous year. For both years there were delayed aircraft deliveries of additional B737-400, and disruptions connected to the B767-fleet, which led to significant cost increases due to the unplanned need for sub-chartered aircraft on several routes. Finally there were the costly effects of parked ATP's with no attached revenue this year as well the organisational costs to adapt to a lower ATP-fleet which dominated the previous year.

The EBITDA margin amounted to 7.9 % (9.7 %). For a breakdown of EBITDA, please see note 3.

EBIT amounted to MSEK -76.7 (-95.0) including depreciation of MSEK 128.4 (138.0).

The net of financial income and costs amounted to MSEK -74.6 (-84.5). The financial net included foreign exchange currency changes of MSEK 6.3 (-6.0), mainly on loans and financial leasing, and interest costs of MSEK 81.4 (81.3), mostly attributable to the corporate bond loan. For a detailed breakdown of financial income and cost, please see note 5.

Net income amounted to MSEK -61.6 (-81.8) for the period and was affected by income taxes of MSEK 15.1 (13.2).

Summary of items affecting comparability

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Income before tax	**15.5**	**-24.9**	**-76.7**	**-95.0**
Type introduction and start-up costs	-	4.8	27.6	12.0
CRJ200PF accident	0.2	-8.0	-0.7	-9.6
Income from collaboration agreement	-16.1	-	-21.4	-
Restructuring costs, ATP	-	0.4	0.5	13.2
Other items*	-	10.1	-	10.1
Financial FX gains/losses	0.8	5.2	-6.3	7.7
Sum	**0.4**	**-12.4**	**-77.0**	**-61.6**

**See definitions at the end of this report*

Note that the adjustment for start-up costs this year refers to the Royal Mail contract, the largest single contract awarded in the company's history.

Cash flow

October - December

Cash flow from operating activities amounted to MSEK 78.0 (68.9). The increase compared to last year is attributable to the operating activities before change in working capital, which amounted to 84.2 (69.7). Cash flow from investing activities amounted to MSEK -35.8 (-45.1). The change is due to higher heavy maintenance events, during previous year. Cash flow from financing activities amounted to MSEK -12.8 (-38.0). The change is mainly due to the contributed capital of MSEK 25.0 from certain shareholders. Cash flow for the period amounted to MSEK 29.4 (-14.2).

January - December

Cash flow from operating activities amounted to MSEK 233.7 (240.1). The change in working capital during the period, which amounted to MSEK 44.2 (2.3), mainly consisted of an increase in short term liabilities. Cash flow from investing activities amounted to MSEK -155.0 (-327.2). The change is due to the purchase of two B737-400 aircraft and higher heavy maintenance events during previous year. Cash flow from financing activities amounted to MSEK -64.1 (-74.0). Cash flow for the period amounted to MSEK 14.6 (-161.0).

Investments

October – December

Total investments in tangible assets amounted to MSEK -35.6 (-42.1), mainly from investments in periodical heavy maintenance activities and purchase of aircraft components, for both years.

Payments from other investing activities amounted to MSEK -0.2 (-2.7) including investments in financial assets, MSEK -0.3 (-2.9) and received payments from financial assets, MSEK 0.1 (0.2).

January – December

Total investments in tangible assets amounted to MSEK -143.2 (-321.7), mainly from investments in periodical heavy maintenance activities and purchase of aircraft components, and two B737 aircraft in 2016.

Payments from other investing activities amounted to MSEK -11.8 (-5.5) including investments in financial assets, MSEK -12.2 (-5.8) and received payments from financial assets, MSEK 0.4 (0.3).

Operational leasing costs

October- December

The aircraft operating leasing costs amounted to MSEK 39.9 (31.7).

January - December

The aircraft operating leasing costs amounted to MSEK 143.5 (116.5).

Leasing engagements

January - December

In addition to investments in tangible assets the Group has entered into long term operating lease agreements for five B737-400 aircraft.

Sales of assets

During the period no material sales of non-current tangible assets have been made.

Impairment of stock

January – December

During the period an impairment has been made by MSEK 6.4 (6.3) for slow moving stock.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

October – December

- The company initiated and finalised a written procedure, (the "Notice") with a request to bondholders to waive the requirement for the company to comply with the maintenance test until 31 March 2018. According to a voting, a requisite majority from the bondholders was obtained in favour of the waiver request. The Notice is available at the website, www.westatlantic.eu.
- Unlike as per 30 September, the company did meet the financial covenant according to the Maintenance Test as per 31 December 2017. For the financial covenants, please see note 10.
- As a measure to strengthen equity and as subject to reach further agreements with the bondholders committee, certain shareholders have contributed capital to the Group at an amount of MSEK 25.0
- As mentioned in the interim report for the third quarter, an agreement has been signed to sell two own operated BAe-ATP aircraft and another two BAe ATP aircraft from the collaboration agreement. The aircraft are ready for sale. Only minor actions remains before the sale can be finished, which is planned to be during the first quarter 2018.
- The Group has entered into a long term operating lease agreement for one B737-400 aircraft.

January – December

- As an effect of the change in Norway's service obligations, a reduced network will be operated for Norwegian Mail pursuant to a renegotiated agreement, beginning in January 2018. The new network will reduce the operations from eight to three aircraft. While the revenue arising from the reduced network will be reduced, the new agreement is anticipated to be more profitable for the remaining aircraft in operation.
- The company did not meet its financial covenant as per 30 September 2017 according to the Maintenance Test. According to the terms and conditions of the bond, the company immediately informed the Bond Trustee of the circumstances. The information is also available on the website of West Atlantic AB (publ). At 31 December 2017 the company meet the financial covenant again. For the financial covenants, please see note 10.
- An approval was obtained from the bondholders to waive the requirement to comply with the maintenance test until 31 March 2018.
- In line with the project to dismantle long time parked BAe- ATP aircraft, which started last year, the Group scrapped four aircraft during the period. To maintain the pledge collaterals in favour of the bondholders, an amount was transferred to a deposit account, in accordance with the terms and conditions of the corporate bond loan.
- A commitment has been made to lease four 737-800 Boeing Converted Freighters. West Atlantic will be the first operator worldwide to take delivery of this Boeing converted freighter for the aircraft type. The aircraft will be delivered during 2018 and 2019.
- The Group has entered into long term operating lease agreements for five B737-400 aircraft. One B737-400 aircraft, previously on an operating lease agreement with a customer was redelivered.
- An agreement with a party has been signed to sell two own operated BAe-ATP aircraft, along with another two BAe-aircraft through the collaboration agreement (see definitions at the end of this report), for which a management fee is expected to be received. The sales are expected to contribute to a significant profit. The aircraft are ready for sale.

ORGANISATION

The average number of employees for the period January – December amounted to 459 (477).

FINANCIAL POSITION AND FINANCING

Cash and cash equivalents at the end of the period amounted to MSEK 123.4 (110.2). Including non-utilised overdraft facility, available cash and cash equivalents amounted to MSEK 173.4 (160.2). During the period, funds of MSEK 4.9 were released from a joint account. The funds were originally held on a joint account in connection with the sale of the subsidiary West Air Luxemburg S.A in 2013, reported in the annual report for 2016. The remaining part, MSEK 2.9 is expected to be released in January 2018. Equity amounted to MSEK 68.0 (105.3) and the equity ratio amounted to 5.3 % (8.3). During the period, a capital contribution of MSEK 25.0 has been made from certain shareholders.

The Company has issued a corporate bond loan which was listed on the NASDAQ, Stockholm on January 26th 2016. The instrument is listed as WEST002 with 850 units holding a nominal value of MSEK 1.0 each. The bonds carry a fixed coupon of 7 %, payable semi-annually in arrears and matures in December 2019. The Group are obliged to report its financial position as described in the terms and conditions of the bond. For the financial covenants, please see note 10. For terms and conditions of the corporate bond loan, please see the website of West Atlantic AB (publ) available at www.westatlantic.eu

FINANCIAL INSTRUMENTS

The Group has no financial assets or financial liabilities which are valued at fair value in the valuation hierarchy. A summary of the recorded values for the Group's financial assets and liabilities are shown in note 7.

RISKS AND UNCERTAINTIES

West Atlantic is exposed to a number of global and Group specific risks that can impact operations and the financial performance as well as the financial position of the Group. The foreseeable risks are identified and monitored centrally through policies. Risk management in the Group is about positioning the Group properly in response to possible events. Below is a non-exhaustive list of risks, without regards to the level of significance, which the Group considers to be material.

- Operating risks – safety always comes first
- Market, commercial & political risks
- Financial risks
- Fluctuations in foreign exchange rates and fuel prices
- Contract risks
- Legal risks
- Credit risks
- Taxation and charges

A more detailed description of the risk factors, which the Group considers to be material, can be found in the annual report for 2016. The assessment is that this description is still accurate. In addition, and as a part of the financial risk, the development of the Group is closely followed due to the low equity ratio and due to that the Group previously this year was in breach of one financial covenant in the bond terms.

LEGAL PROCEEDINGS

During 2016, the Group's subsidiary West Atlantic Sweden AB was presented with a lawsuit by some of its French pilots. Last year the Group provisioned MSEK 2.9, corresponding to the claim. During this period the claim has been settled and MSEK 2.8 has been paid.

TRANSACTIONS WITH RELATED PARTIES

For transactions with related parties, please see note 8.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Further written request for approval of amendments and waivers

The Group has worked with initiatives to improve the Group's financial position and put the Group on a path towards sustainable and profitable long-term growth. At the same time, to prolong the overdraft facility, that expired 1st of January 2018, the Group's bank has demanded sharing the transaction security provided for the bond loan. In view of this, the Group has made a further written request ("Notice") to the bondholders for approval of these initiatives, together with the required amendments and waivers. The bondholders voted in favour of the request. The notice of the written procedure, made 15 January 2018, and the results from the written procedure can be found at the company's website.

Lawsuit on Norwegian Mail

As an effect of the forced reduced network in contrary to the contract with Norwegian Mail (see significant events during January - December), a lawsuit on Norwegian Mail has been submitted to the district court in Oslo. The legal process has not started yet but the Group believes it is entitled compensation.

New share issue

Following the capital contribution of MSEK 25.0 made during the reporting period, an extraordinary general meeting was held in January 2018 and it was resolved on a new share issue. The subscription period and the registration of the new shares will be finalised in March 2018.

Signed LOI on the B737-800 aircraft

A signed letter of intent that includes operations for the four B737-800 aircraft has been agreed with one customer. The main contract will be signed during February or March. The aircraft will be delivered an put in operation during 2018 and 2019.

OUTLOOK

The outlook for the business is favourable. Short term, the significant reduction in the Norwegian Mail network from 1 Jan 2018 will result in restructuring costs which will affect the first quarter of 2018. The introduction of the 737-800 is a very important step for the Group, and we expect this fleet to have positive effects on the income for the second half of 2018 and going forward. The closure of hangars in Malmö and Coventry 31 December 2017 and moving to one hangar in East Midlands is expected to result in costsavings and increased maintenance efficiencies. Ecommerce growth and strong economic fundamentals in Europe is leading to high demand for additional aircraft. To be able to capitalize fully on the market growth opportunities, the Group's balance sheet must be strengthened.

SEASONAL EFFECTS

As part of the air freight market, West Atlantic is exposed to seasonal effects. The main drivers are the operating calendar and additional expenses relating to winter operations. Seasonal effects impact the Group's financial position and income during the course of a calendar year where the first half generally is weaker than the second half.

PARENT COMPANY

About the parent company

The parent company is the contracting party for a significant part of the Group's operations but does not perform airfreight services. The Company subcontracts subsidiaries to perform the respective services. A major part of the Group's aircraft fleet is financed through the corporate bond loan, issued by the parent company.

Revenue and income

October – December

Revenue for the period amounted to MSEK 180.5 (194.9), a decrease by 7.4 % year-on-year. The decrease is mainly attributable to that only two B767 aircraft were contracted, compared to three B767 aircraft last year. The third B767 aircraft is now contracted by another company in the Group. EBIT amounted to MSEK 38.0 (13.4). The increase is mainly attributable to higher received group contribution. Aside from this, the flight operation costs have been higher this year. Net income amounted to MSEK 38.0 (13.4).

January - December

Revenue for the period amounted to MSEK 704.0 (726.8), a decrease by 3.1 % year-on-year. The decrease is mainly attributable to that one B767 aircraft were temporary parked due to technical maintenance and then contracted through another group company, mentioned above. EBIT amounted to MSEK -0.7 (-2.9). Aside from the group contribution, the aircraft subcharter costs have been higher this year, due to technical disruptions. Net income amounted to MSEK -0.7 (-2.9).

Financial position and financing
Cash and cash equivalents at the end of the period amounted to MSEK 65.3 (72.3). Including the non-utilised overdraft facility, available cash and cash equivalents amounted to MSEK 115.3 (122.3). Equity amounted to MSEK 84.0 (59.7). During the period, a capital contribution of MSEK 25.0 has been made from certain shareholders. The Company has issued a corporate bond loan subject to trade on the NASDAQ in Stockholm.

For more information see financial position and financing for the Group.

Contingent liabilities
Contingent liabilities amounted to MSEK 449.2 (343.0). The increase is mainly attributable to increased guarantees for subsidiaries engagements with aircraft lessors

Group report

Consolidated statement of income and other comprehensive income

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Revenue	440.5	353.5	1,589.3	1,320.4
Cost of services provided	-405.2	-342.5	-1,562.7	-1,291.8
Gross income:	**35.3**	**11.0**	**26.6**	**28.6**
Selling costs	-2.8	-5.2	-7.8	-16.1
Administrative costs	-14.2	-18.4	-48.2	-47.9
Other operating income & costs	17.5	12.2	27.3	24.9
Operating income:	**35.8**	**-0.4**	**-2.1**	**-10.5**
Financial income & costs	-20.3	-24.5	-74.6	-84.5
Income before tax:	**15.5**	**-24.9**	**-76.7**	**-95.0**
Income tax	1.9	1.6	15.1	13.2
Net Income:	**17.4**	**-23.3**	**-61.6**	**-81.8**
Attributable to:				
- Shareholders of the Parent Company	**17.4**	**-23.3**	**-61.6**	**-81.8**
Earnings per share, before and after dilution (SEK)	0.64	-0.86	-2.28	-3.03
Average number of outstanding shares (Thousands)	27 005	27 005	27 005	27 005
Statement of other comprehensive income				
Net income:	**17.4**	**-23.3**	**-61.6**	**-81.8**
Other comprehensive income:				
Items that may or has been classified as net income:				
Exchange-rate differences in translation of foreign operations	-	-0.6	-0.7	-1.3
Total comprehensive income for the period:	**17.4**	**-23.9**	**-62.3**	**-83.1**
Attributable to:				
- Shareholders of the Parent Company	**17.4**	**-23.9**	**-62.3**	**-83.1**

Condensed statement of financial position

MSEK	Dec 31 2017	Dec 31 2016
Intangible assets	0.1	0.2
Tangible assets	796.4	856.3
Financial assets	32.8	22.2
Total non-current assets	**829.3**	**878.6**
Inventories	116.7	116.6
Other current assets	196.3	171.5
Cash and cash equivalents	123.4	110.2
Total current assets	**436.4**	**398.2**
Assets held for sale*	21.3	-
Total assets	**1,287.0**	**1,276.8**
Shareholders' equity	68.0	105.3
Non-current liabilities	963.7	991.2
Current liabilities	255.3	180.3
Total shareholders' equity and liabilities	**1,287.0**	**1,276.8**

**The total book value for two aircraft ready for sale and financed through finance leasing.*

Condensed changes in shareholders' equity

MSEK	Share capital	Other contributed capital	Translation reserves	Profit brought forward including net income	Total share-holders' equity
Opening shareholders' equity, Jan 1, 2017	**27.0**	-	**5.6**	**72.7**	**105.3**
Other contributed capital	-	25.0	-	-	**25.0**
Total comprehensive income for the year	-	-	-0.7	-61.6	**-62.3**
Closing balance Dec 31, 2017	**27.0**	**25.0**	**4.9**	**11.1**	**68.0**
Opening shareholders' equity, Jan 1, 2016	**27.0**	-	**6.9**	**154.5**	**188.4**
Total comprehensive income for the year	-	-	-1.3	-81.8	**-83.1**
Closing balance Dec 31, 2016	**27.0**	-	**5.6**	**72.7**	**105.3**

Condensed statement of cash flows

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Operating income	**35.8**	**-0.4**	**-2.1**	**-10.5**
Adjustments for non-cash items				
Depreciation	30.6	38.6	128.4	138.0
Other non-cash items	11.2	25.9	65.6	111.5
Income tax paid	6.6	5.6	-2.4	-1.3
Cash flow from operating activities before changes in working capital	**84.2**	**69.7**	**189.5**	**237.8**
Change in working capital	-6.2	-0.8	44.2	2.3
Cash flow from operating activities	**78.0**	**68.9**	**233.7**	**240.1**
Investments in intangible assets	-	-0.2	-	-0.2
Investments in tangible assets	-35.6	-42.1	-143.2	-321.7
Sales of tangible assets	-	-	-	0.2
Payments from other investing activities	-0.2	-2.7	-11.8	-5.5
Cash flow from investing activities	**-35.8**	**-45.1**	**-155.0**	**-327.2**
Contributed capital	25.0	-	25.0	-
Amortisation of interest bearing liabilities	-3.9	-3.8	-12.3	-10.5
Repaid/received deposits	-	-	0.1	13.8
Interest paid	-33.9	-34.2	-76.9	-77.2
Cash flow from financing activities	**-12.8**	**-38.0**	**-64.1**	**-74.0**
Cash flow for the period	**29.4**	**-14.2**	**14.6**	**-161.0**
Cash and cash equivalents at the beginning of the period	94.3	121.3	110.2	266.8
Translation difference in cash and cash equivalents	-0.4	3.1	-1.4	4.4
Cash and cash equivalents at the end of the period	**123.4**	**110.2**	**123.4**	**110.2**

Notes

Note 1 – Accounting principles, definitions and key performance indicators

Applied accounting principles

The consolidated financial statements have been prepared in accordance with the International Financing Reporting Standards (IFRS) and interpretations as adopted and approved by the EU. The Group has applied the same accounting policies and methods of computation as in the annual report 2016. The minor revised IFRS that have come into effect in 2017 have not had any significant effect on the Group's financial statements. For a description of new IFRS standards that have not yet come into effect in 2017, please see the annual report for 2016, accounting principles, p 1.1. The Group has been evaluating the effects of the accounting standards that come into effect as from 1 January, 2018, IFRS9, Financial instruments, and IFRS15 Revenue from contract with customers. For IFRS9, the effect is considered to be none or negligible, since the Group historically has had minor credit losses and the new standard will not materially affect the way in which Group account for provision for credit losses of financial assets. For IFRS15, the effect from the standard is not assessed to be significant, except for that the standard demands increased information. The transition to IFRS15 will be based on a prospective translation method.

The Group also applies the recommendation from the Swedish Financial Reporting Board, RFR 1, supplementary accounting rules for groups. The Group's consolidated accounts are prepared and reported in Swedish Krona (SEK), which is the functional currency of the parent company. All figures in this report is rounded to Swedish Krona Millions (MSEK).

The interim report for the Group has been prepared in accordance with IAS34 Financial Interim Reporting. The interim report for the parent company has been prepared in accordance with RFR2, financial reporting for legal entities and the Swedish Annual Accounts Act (SAAA). There has been no changes in the accounting principles, essential assessments and estimates during the interim period, compared to the annual report for 2016.

Information according to IAS34 Financial Interim Reporting are submitted in notes and elsewhere in this report.

For a complete summary of the Group's accounting principles, please see note 1, significant accounting principles in the annual report for 2016 available on the website of West Atlantic AB (publ), www.westatlantic.eu.

Alternative key performance indicators

Alternative key performance indicators means financial metrics that are used by the management, investors and lenders to evaluate the Group's net income and financial position which cannot be read from the financial reports, directly. These financial metrics are intended to facilitate analysis of the Group's development. The alternative key performance indicators shall not be considered as a substitute but rather as a complement to the financial reporting prepared according to IFRS. The financial metrics that are used in this report can differ from similar metrics used by other companies. Alternative key performance indicators and reconciliations are shown on the front of this report, and in note 3 and 6.

Note 2 – Breakdown of revenues

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Air freight services	431.8	334.2	1,539.1	1,258.0
Technical services	8.4	15.6	42.2	44.8
Aircraft leasing	-	3.4	5.1	13.0
Other revenue	0.3	0.3	2.9	4.6
Sum	**440.5**	**353.5**	**1,589.3**	**1,320.4**

Note 3 – EBITDA

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Operating income	**35.8**	**-0.4**	**-2.1**	**-10.5**
Depreciation & Impairment	30.6	38.6	128.4	138.0
EBITDA	**66.4**	**38.2**	**126.3**	**127.5**

Note 4 – Other operating income & costs

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Income from collaboration agreement	16.1	-	21.4	-
CRJ200PF accident	-0.2	8.0	0.7	13.9
Sale of aircraft	1.0	1.1	4.6	4.6
Operating foreign exchange currency gains/losses	0.6	3.1	0.6	6.4
Sum	**17.5**	**12.2**	**27.3**	**24.9**

Note 5 – Financial income & costs

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Interest costs	-20.4	-19.9	-82.1	-79.7
Financial exchange currency gains/losses*	-0.8	-3.3	6.3	-5.6
Other financial income & costs	0.9	-1.3	1.2	0.8
Sum	**-20.3**	**-24.5**	**-74,6**	**-84.5**

**Includes loans, financial leasing and other financial assets and liabilities.*

Note 6 – Income per quarter and key performance indicators

Income per quarter

MSEK	Oct - Dec 2017	Jul - Sep 2017	Apr - Jun 2017	Jan - Mar 2017	Oct -Dec 2016	Jul - Sep 2016	Apr - Jun 2016	Jan - Mar 2016
Revenue	440.5	380.3	376.5	392.0	353.5	323.7	319.3	323.9
Cost of services provided	-405.2	-376.3	-396.3	-385.0	-342.5	-295.3	-308.4	-345.5
Gross income:	**35.3**	**4.0**	**-19.8**	**7.0**	**11.0**	**28.5**	**10.8**	**-21.6**
Selling costs	-2.8	-1.6	-1.9	-1.5	-5.2	-4.3	-2.9	-3.8
Administrative costs	-14.2	-10.9	-12.5	-10.6	-18.4	-9.8	-9.2	-10.5
Other operating income & costs	17.5	4.5	2.0	3.3	12.2	1.8	3.8	7.1
Operating income:	**35.8**	**-4.0**	**-32.2**	**-1.8**	**-0.4**	**16.2**	**2.5**	**-28.8**
Financial income & costs	-20.3	-18.4	-17.3	-18.5	-24.5	-21.4	-22.6	-16.0
Income before tax:	**15.5**	**-22.4**	**-49.5**	**-20.3**	**-24.9**	**-5.2**	**-20.1**	**-44.8**
Income tax	1.9	-3.4	10.7	5.9	1.6	-2.1	5.0	8.7
Net Income:	**17.4**	**-25.8**	**-38.8**	**-14.4**	**-23.3**	**-7.3**	**-15.2**	**-36.1**

Key performance indicators

MSEK	Oct - Dec 2017	Jul - Sep 2017	Apr - Jun 2017	Jan - Mar 2017	Oct -Dec 2016	Jul - Sep 2016	Apr - Jun 2016	Jan - Mar 2016
Operating income	35.8	-4.0	-32.2	-1.8	-0.4	16.2	2.5	-28,8
Depreciation & Impairment	30.6	31.8	33.5	32.5	38.6	32.8	33.7	32.9
EBITDA	**66.4**	**27.8**	**1.3**	**30.7**	**38.2**	**49.0**	**36.2**	**4.1**
EBITDA - margin (%)	15.1%	7.3%	0.4%	7.8%	10.8%	15.1%	11.3%	1.3%
Cash and cash equivalents including non-utilised overdraft facility	173.4	111.7	139.4	114,2	160.2	171.3	161.2	188.0
Cash flow from operating activities	78.0	43.0	105.1	7.6	68.9	55.1	130.0	-13.9
Net interest bearing debt/EBITDA**	5.0	6.2	5.4	4.6	5.1	5.2	5.2	5.3
Interest coverage ratio**	2.0	1.7	1.9	2.4	2.1	2.1	2.3	2.2
Equity / Asset ratio (%)	5.3%	2.0%	4.1%	7.1%	8.3%	9.7%	9.9%	11.0%
Average employees	466	457	460	466	465	466	478	499

***Defined by the corporate bond loan WEST 002 terms and conditions.*

Note 7 – Fair value and booked value on financial assets and liabilities

	Dec 2017		Dec 2016	
MSEK	**Booked value**	**Fair value**	**Booked value**	**Fair value**
Financial assets				
Non-current financial receivables	28.9	28.9	20.4	20.4
Other receivables incl accounts receivables	140.4	140.4	129.9	129.9
Cash and cash equivalents	123.4	123.4	110.2	110.2
Sum	**292.7**	**292.7**	**260.4**	**260.4**
Financial liabilities				
Loans incl bank overdraft	888.3	876.4	889.8	903.7
Other liabilities incl accounts payables	219.1	219.1	180.4	180.4
Sum	**1,107.4**	**1,095.5**	**1,070.2**	**1,084.1**

Fair value is normally determined by official market prices. When market prices are missing, fair value normally is determined by generally accepted valuation methods, such as discounted future cash flows based on available market information.

The fair value of the Group's financial assets and liabilities has been determined according to below:

- ***Level 1:*** Market prices (unadjusted) listed on an active market for identical assets or liabilities
- ***Level 2:*** Other observed data for the asset or the liability than noted prices included in level 1, either direct (as price adjustments) or indirect (derived from noted prices).
- ***Level 3:*** Fair value determined out of valuation models, where significant data is based on unobservable data.

Items classified in level 1: the corporate bond loan, subject to trade on the NASDAQ OMX in Stockholm. The booked value is made at deferred acquisition value with regard to transaction costs.

Items classified in level 2: Non-interest-bearing long term financial receivables valued at deferred acquisition value and where the interest that is used to discount the amount to the acquisition value, is derived from a notation and an assessment is performed by the Group.

For other receivables including accounts receivables, cash and cash equivalents, other loans, other liabilities including accounts payables the booked values are considered to be a reasonable approximation of the fair values. Valuation is made at deferred acquisition value, which corresponds to nominal values adjusted with additional or deductible valuation items.

Note 8 – Transactions with related parties

Transactions between the parent company and its subsidiaries and between subsidiaries within the Group have been eliminated in the Group consolidation. These transactions, including any transactions with affiliated companies, are made on current market terms based on the "arm's length" principle, which means between independent parties, well informed and with an own interest in the transactions. Transactions with key persons in leading positions and its related parties are made on current market terms based on the "arm's length principle". Below are shown the value of transactions made during the interim period and the outstanding balances (C=Claim, L=Liability) at reporting date.

MSEK		**Jan - Dec 2017**	**31 Dec 2017**	
Party	**Transaction(s)**			
Horizon Objectives Ltd	Purchase of commercial services	2.4	1.2	L
Air Transport Services Group	Lease of B767 aircraft and maintenance support	118.9	16.6	L

The relationships between the related parties, including the content of the leasing agreement above, are described in the annual report for 2016, note 31.

Note 9 – Business segment

West Atlantic operates a functional organisation independent of geographical concentration of management. The Group performs services all over the European area and only reports one operating segment "airfreight services", which is consistent with the internal reporting to the highest executive management, the board of West Atlantic AB (publ).

During the interim period, there has been no changes in the business segment and the structure of reporting. For more information, please see the annual report for 2016 note 1, essential accounting principles p 1.1.

Note 10 – Corporate bond – financial standing & Covenants

The Group is obliged to report its financial position as described in the terms and conditions of the bond. Below is a summary of the most important terms and conditions which applies to the loan. For more detail and definitions please see page 15 definitions, and also the West Atlantic webpage (www.westatlantic.eu) where the full terms and conditions can be found.

As per Dec 31, 2017 the Group does meet its financial covenant. Financial covenants as per corporate bond terms and conditions:

Maintenance test:
The ratio of Net Interest Bearing Debt* to EBITDA** shall not exceed:
(i) 6.00 during the year 2015 and 2016;
(ii) 5.75 during the year 2017;
(iii) 5.50 during the years 2018-2019.

Incurrence test (this test is only applicable if new loans are raised):
(a) the ratio of Net Interest Bearing Debt to EBITDA** is not greater than:
(i) 4.25 during the year 2015 and 2016;
(ii) 4.00 during the year 2017;
(iii) 3.75 during the years 2018-2019;
(b) the Interest Coverage Ratio (ratio of Net Finance Charges*** to EBITDA**) shall exceed 2.50; and
(c) no Event of Default is continuing or would occur upon the incurrence

Calculation of bond defined Net Interest bearing debt*	**2017-12-31**	**2016-12-31**
Interest bearing debt	956.7	973.0
Overdraft	-	-
Less financial leasing	-68.3	-83.1
Less cash & cash equivalents	-123.4	-110.2
Net interest bearing debt*	**765.0**	**779.7**

Calculation of net finance charges***	**Jan 2017 – Dec 2017**	**Jan 2016 – Dec 2016**
Financial income	-8.7	-1.9
Financial costs	83.4	86.3
Bond transaction costs (WEST001 and WEST002)	-4.6	-4.6
Net foreign currency exchange differences	6.3	-6.0
Net finance charges***	**76.4**	**73.8**

Calculation of bond defined EBITDA**	**Jan 2017 – Dec 2017**	**Jan 2016 – Dec 2016**
Operating income	-2.1	-10.5
Depreciation & Impairment	128.4	138.0
EBITDA	**126.3**	**127.5**
Adjustment for non-recurring items		
CRJ200PF accident	-0.7	-9.6
Restructuring costs, ATP	0.5	13.2
Type introduction and start-up costs	27.6	12.0
Legal costs related to France	-	2.8
IPO costs	-	7.3
Bond defined EBITDA**	**153.7**	**153.2**

Covenants test per closing date	**2017-12-31**	**2016-12-31**
Net interest bearing debt	765.0	779.7
Bond defined EBITDA	153.7	153.2
Net interest bearing debt to R12M EBITDA	**5.0**	**5.1**

	2017-12-31	**2016-12-31**
Net finance charges	76.4	73.8
Bond defined EBITDA	153.7	153.2
Interest coverage ratio	**2.0**	**2.1**

**Net Interest Debt: means the aggregate interest bearing debt less cash and cash equivalents of the Group in accordance with the applicable accounting principles of the Group from time to time (for the avoidance of doubt, excluding guarantees, leases related to Leased Aircraft, bank guarantees, Subordinated Loans and interest bearing debt borrowed from any Group Company).*

***EBITDA: means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s): (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group; (b) before deducting any Net Finance Charges; (c) before taking into account any extraordinary items which are not in line with the ordinary course of business, and non-recurring items; (d) before taking into account any Transaction Costs for the corporate bond loan and any transaction costs relating to any acquisition of any target company; (e) not including any accrued interest owing to any member of the Group; (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis); (g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset; (h) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests; (i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and (j) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.*

*** *Net finance charges* means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to cash or cash equivalent investment (and excluding any interest capitalised on Subordinated Loans).

Parent company report

Statement of income including statement of other comprehensive income

MSEK	Oct - Dec 2017	Oct - Dec 2016	Jan - Dec 2017	Jan - Dec 2016
Net sales	180.5	194.9	704.0	726.8
Cost of services provided	-187.4	-180.8	-712.5	-692.9
Gross income:	**-6.9**	**14.1**	**-8.5**	**33.9**
Selling costs	-1.5	-2.1	-3.0	-10.8
Administrative costs	-5.9	-9.6	-19.7	-16.8
Other operating income & costs	6.0	3.1	7.2	2.5
Operating income:	**-8.4**	**5.5**	**-24.0**	**8.8**
Profit from shareholdings in group companies	54.1	15.3	54.1	15.3
Interest & similar income	9.0	9.0	35.7	34.4
Interest & similar costs	-16.8	-16.3	-66.5	-61.4
Income after financial items:	**38.0**	**13.4**	**-0.7**	**-2.9**
Tax on income for the period	-	-	-	-
Net income:	**38.0**	**13.4**	**-0.7**	**-2.9**
Statement of other comprehensive income				
Net income:	38.0	13.4	-0.7	-2.9
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	**38.0**	**13.4**	**-0.7**	**-2.9**

Condensed statement of financial position

MSEK	Dec 31 2017	Dec 31 2016
Financial assets	535.0	535.0
Total non-current assets	**535.0**	**535.0**
Other current assets	431.5	467.0
Cash and cash equivalents	65.3	72.3
Total current assets	**496.8**	**539.3**
Total assets	**1,031.8**	**1,074.3**
Shareholders' equity	84.0	59.7
Non-current liabilities	853.0	847.4
Current liabilities	94.8	167.2
Total shareholders' equity and liabilities	**1,031.8**	**1,074.3**

Assurance

The Board of Directors and President hereby assure that this interim report provides a true and fair overview of the performance of the parent company's and the Group's operations, financial position and earnings, and describes the significant risks and uncertainty factors to which the parent company and the companies included in the Group are exposed.

Gothenburg, February 28 , 2018

Göran Berglund
Chairman of the Board

Tony Auld
Member of the Board

Joseph Payne
Member of the Board

Russell Ladkin
Member of the Board

Fredrik Groth
CEO & President

This interim report has not been audited by the Company auditors.

West Atlantic Aircraft fleet & flight traffic statistic

Aircraft fleet as per 31 December, 2017:

	Owned	Dry- Leased	Wet- leased	Total	In Service	Dry leased out	Parked*
BAe ATP-F	30	7	-	**37**	19	-	18
Boeing 737-300/400	5	12	1	**18**	18	-	-
Boeing 767-200	-	3	-	**3**	3	-	-
CRJ200PF	2	-	-	**2**	2	-	-
	37	**22**	**1**	**60**	**42**	**-**	**18**

Long term parked aircraft or aircraft not in daily operation

West Atlantic traffic statistics January – December, 2017:

	2017		2016	
	Q4	**YTD**	**Q4**	**YTD**
	Oct - Dec	**Jan - Dec**	**Oct - Dec**	**Jan - Dec**
Performed flights	6,328	23,862	5,669	23,200
Regularity (target >99%)	99.3%	99.4 %	99.4%	99.0 %
Number of hours flown	6,893	24,420	6,294	25,125

Annual report

The annual report for 2016 was published April 28, 2017. The annual report for 2017 will be published April 27, 2018.

Annual Shareholders' meeting

The West Atlantic Group's AGM was held on May 23, 2017 at the Group's head office located Gothenburg (Prästgårdsgatan 1, SE-412 71 Gothenburg).

Financial Calendar

Interim report January - March 2018 May 31, 2018

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All reports are available in Swedish and English and can be found on the West Atlantic webpage. The reports can also be ordered electronically via investor.relations@westatlantic.eu

West Atlantic discloses the information contained in this interim report pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instrument Trading Act.

Definitions

Corporate Bond definitions

Bond transaction costs	All direct costs in connection with the issue of bond loan such as consultant costs and fees.
Escrow account	Means a bank account of the Issuer, into which the Net Proceeds from the Bond issue will be transferred and which has been pledged in favour of The Trustee and the Holders (represented by the Trustee) under the Escrow Account Pledge Agreement.
Finance charges	The aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premium or charges and other Finance payments in respect of financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction costs, capitalised interest in respect of any loan owing to any member of the Group or any Subordinated Loan, lease expenses related to Leased Aircraft, and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.
Financial costs	Includes costs from: a) interest on loans at deferred acquisition value b) interest on financial loan receivables at deferred acquisition value c) any losses from sale of financial loan receivables d) losses from sale of any company which are not part of the Group e) any losses from market valuation of foreign exchange derivatives (hedging instruments) f) redemption costs for loans g) foreign exchange currency losses from revaluation of financial loan receivables, loans and finance leasing.
Financial income	Includes income from: a) interest on cash & cash equivalents b) interest on financial loan receivables at deferred acquisition value c) any sale of financial loan receivables d) dividend from any company which are not part of the Group e) gain from sale of any company which are not part of the Group f) any gains from market valuation of foreign exchange derivatives (hedging instruments) g) foreign exchange currency gains from revaluation of financial loan receivables, loans and finance leasing.
Financial Indebtedness	Means any indebtedness in respect of; a) monies borrowed or raised, including Market Loans; b) the amount of any liability in respect of any finance leases, to the extent the arrangements is treated as a finance lease in accordance with the accounting principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability); c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; e)any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of termination or a close-out, such amount shall be used instead); f) Any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).
Interest coverage ratio	The ratio between EBITDA and Net finance costs
Subordinated Loan	Means any loan of the Issuer or any of its Subsidiaries, where the Issuer or the relevant Subsidiary is the debtor, if such loan (a) according to its terms and pursuant to a subordination agreement on terms and conditions satisfactory to the Trustee, is subordinated to the obligations of the Issuer under the Terms and Conditions, (b) according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates or instalment dates which occur after the Final, Redemption date, (c) according to its terms yield only payment-in-kind interest.

Other definitions

ACMI	Aircraft, Crew, Maintenance, Insurance. A type of Wet-lease agreement where the airline offers the mentioned services in the contract with the customer.
Administration costs	Indirect cost demanded to create revenue connected to administration including part of salaries & other remuneration and depreciation, travel, IT and other administration costs.
Aircraft fleet	The aircraft types BAe ATP, CRJ200PF, B737-300SF/-400SF and B767-200. The aircraft the Group currently operates.
AOC	Aircraft operating certificate. Approval granted by a national aviation authority to an operator to allow to use aircraft for commercial purposes.
ATSG	Air Transport Services Group Inc. US based partner which owns 25 % of the shares of West Atlantic AB (publ)
Cost of services provided	All direct operating cost demanded to create the revenue including aircraft maintenance, fuel, aircraft leasing, part of salaries & other remuneration and depreciation, hangar rents and other direct operating expenses
Collaboration agreement	The Group is a part of an agreement for aircraft management and leasing activities with an external party.
EBITDA	Income before interest, tax, depreciation (including impairment) and amortisation. Operating income adjusted for depreciation.
EBITDA margin (%)	The percentage ratio between EBITDA and revenue
EBIT	Operating income according to statement of income and other comprehensive income
EBT	Income before tax
Equity ratio	Ratio between equity and total assets
Fleet Dispatch Regularity	Defined as % of flights departing according to plan, i.e. flights that are not cancelled.
Global Integrator	Referring to the three major global express providers (FedEx/TNT, DHL, UPS)
IPO costs	Costs in direct connection with a preparatory equity transaction (share issue) such as fees to lawyers, auditors and other advisors, prospectus and registration costs. The costs which were balanced previous periods, amounted to MSEK 7.3 and the Group expensed these during Oct – Dec 2016, due to that the equity transaction did not occur.
Items affecting comparability/ non-recurring items	Items that occur infrequently or are unusual in the ordinary business activities, such as type introduction and start-up costs, redemption cost of loans, restructuring costs, other items and also financial FX gains or losses from loans and finance leasing
NMO	National mail organisation such as PostNord (Sweden), Royal Mail (UK), Norwegian Mail (Norway), La Poste (France).
Other items	Items affecting comparability included in non-recurring items. This includes disputes and legal processes in France, IPO costs and impairment of aircraft components.
Overdraft facility	The total overdraft facility of the Group amounts to MSEK 50
Wet-lease	Airline providing aircraft capacity to another airline