WEST ATLANTIC

INTERIM REPORT

January 1 – September 30, 2015

Published November 20, 2015

"West Atlantic deploys two B737 in operations and delivers a strong underlying revenue growth in the third quarter"

– Gustaf Thureborn, CEO & President

July – September

- Revenue growth of 16.6 % compared to the third quarter 2014 while the underlying revenue growth* amounted to 11.6 %.
- Adjusted EBITDA increased to TSEK 70,463 (59,437) corresponding to a margin of 18.8 % (18.4). Excluding sale of aircraft the margin was 17.9 % (15.7), driven by growing B737 and B767 operations.
- Earnings per share of SEK 0.18 (0.05).
- One B767 contract has been awarded.
- Amapola did not prolong the subcontract agreement of PostNord with West Atlantic as of January 2016.

January – September

- Revenue growth of 13.6 % year-on-year while the underlying revenue growth* amounted to 8.4 %.
- Adjusted EBITDA increased to TSEK 186,859 (168,822) corresponding to a margin of 17.9 % (18.3). Excluding sale of aircraft the margin was 17.3 % (15.3), driven by growing B737 and B767 operations.
- Earnings per share of SEK -0.14 (0.55).
- Long term agreement signed with the Norwegian postal service, awarded six contracts for additional B737 capacity while two were not prolonged and deployed first B767 in operations.
- Amapola did not prolong the subcontract agreement of PostNord with West Atlantic as of January 2016.
- Ongoing project to consolidate the Group's two airlines into one organisation.
- West Atlantic explores the possibility of a listing on NASDAQ, Stockholm.

Key performance indicators for the Group

All figures in TSEK, unless stated otherwise	Jul –Sep 2015	Jul - Sep 2014	Jan - Sep 2015	Jan - Sep 2014	Jan - Dec 2014
Financial metrics*					
Revenue	375,629	322,246	1,045,230	920,467	1,244,278
Revenue growth	16.6%	-	13.6%	-	-
Underlying revenue growth	11.6%	-	8.4%	-	-
Adjusted EBITDA	70,463	59,437	186,859	168,822	224,412
Adjusted EBITDA margin	18.8%	18.4%	17.9%	18.3%	18.0%
EBITDA	51,409	44,033	139,418	138,832	183,865
Net income	4,752	1,409	-3,689	14,810	10,584
Cash flow from operating activities	58,497	28,377	176,054	121,591	200,292
Earnings per share before dilution (SEK)	0.18	0.05	-0.14	0.55	0.39
Adjusted Net debt / R12M adjusted EBITDA	3.8 x	3.0 x	3.8 x	3.0 x	3.1 x
Net debt / R12M EBITDA	3.4	3.1	3.4	3.1	3.1 x
Interest coverage ratio	3.3	3.1	3.3	3.1	3.6 x
Equity ratio	20.0%	22.0%	20.0%	22.0%	21.5%
Operating metrics*					
Fleet dispatch regularity	99.1%	99.0%	99.1%	99.3%	99.3%
Performed flights	6,969	6,821	19,947	19,387	27,241
Aircraft in service (incl. wet leases)	46	44	46	44	43
Average employees	511	479	507	463	472

* Definitions of key performance indicators and other measures can be found in Note 1.

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CEO's comments

Strong underlying revenue growth

The financial performance improved compared to the third quarter 2014, following strong development of the Group's air freight services. Underlying revenue growth amounted to 11.6 % in the third quarter year-on-year, exceeding the Group's target of 6.0 % annually over time in the medium term. The growth is primarily attributable to the Group's continued B737 fleet expansion and the deployment of the first B767 aircraft.

West Atlantic performed 6,969 flights (6,821) during the third quarter, an increase by 2.2 % year-on-year. The fleet dispatch regularity amounted to 99.1 % (99.0), surpassing the Group's long term target of 99.0 %.

Adjusted EBITDA margin increased to 18.8 % (18.4) following increased operations by the B737 and B767 fleets. Excluding income from aircraft sales, the adjusted EBITDA margin was 17.9 % (15.7).

Cash flow from operating activities increased significantly to TSEK 58,497 (28,377). The Group's financial position remains solid with an adjusted net debt / adjusted EBITDA ratio of 3.8 (3.0) and available cash and cash equivalents, including the non-utilised overdraft facility, amounting to TSEK 56,926 (57,106).

Increased capacity and service capabilities

In the B737 freighter market the Group has focused its efforts to phasing in new capacity to cover the awarded contracts. At the end of the third quarter the Group had nine B737 aircraft in operation with two additional scheduled to enter service early 2016. The development in the B737-market has contributed significantly to the strong underlying revenue growth during the financial year 2015.

The second B767 aircraft has arrived and is expected to enter scheduled service in late October for a Global Integrator. The Group has also secured commercial terms for a third aircraft, which is scheduled to be deployed in the first quarter 2016. The continued growth in the B767-market allows the Group to capitalise on its already established position in Europe while introducing new capacity to the market.

In the less than eight tonnes payload market, serviced by the Group's BAE ATP and CRJ200PF fleets, the Group has encountered a decreased demand for its services throughout the year. This is primarily due to an ongoing consolidation of the volumes leading to increased demand for larger aircraft. Following this market trend, combined with the ongoing process of closing operations on behalf of the Swedish NMO (PostNord), the Group is exploring new commercial opportunities whilst strategically evaluating future possibilities for the under eight tonnes spare capacity available in 2016.

Even with decreased demand in the under eight tonnes payload market the Group's commercial success in the B737 and B767 markets will position the Group well to continue the underlying growth in the years to come. In the future, I believe we will look back on 2015 as the year where a long term commercial platform was established, which geared the Group towards sustainable growth with increased service capabilities.

Restructuring the operating platform

The "one certificate" project, which purpose is to consolidate the Group's two airlines into one organisation, has started with the first aircraft being transferred to Swedish registry. This process will continue with the Group aiming at completing the process in the end of 2016.

Following the market trend in the under eight tonnes payload class a restructuring process is ongoing to counter non-deployed capacity in early 2016. This primarily concern the capacity operated on behalf of the Swedish NMO (PostNord) in Sweden.

Outlook

The B737 and B767 awards during the year will continue to contribute to the strong revenue growth throughout 2015 and the start of 2016. The growth in the larger aircraft fleet will counter the decreased demand in the under eight tonnes fleet. It is noteworthy that during the peak season of 2015 the Group has committed all available capacity with its existing customers.

The overall development of the European air freight market remains strong with regards to both temporary cover and long term additions to the networks, which is illustrated by West Atlantic's awards during the year. The opportunity to place incremental B737 and B767 capacity, while consolidating the operations, will position the Group well in order to deliver on its growth strategy, both short and long term.

Gustaf Thureborn
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 September 30, 2015. Comparative figures in this report cover the corresponding period for 2014, 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

July - September

Revenue for the period amounted to TSEK 375,629 (322,246) which corresponds to a revenue growth of 16.6 % year-on-year. The drivers of the strong growth are continued expansion of the B737 aircraft fleet and the Group's first B767 aircraft in operations. Favourable movements of GBP and USD against SEK also had a significant impact but were partly offset by decreasing fuel price. Underlying revenue growth measured in fixed currency rates and fuel, excluding effects from aircraft sales, amounted to 11.6 % year-on-year.[1]

Adjusted EBITDA increased to TSEK 70,463 (59,437) following increased operations from B737 and B767 aircraft. The adjusted EBITDA margin amounted to 18.8 % (18.4). The third quarter included income from the collaboration agreement and aircraft sales of TSEK 3,352 (8,987) and the adjusted EBITDA margin, excluding these transactions, amounted to 17.9% (15.7). For a detailed breakdown of adjusted EBITDA, please see note 3.

EBITDA amounted to TSEK 51,409 (44,033). Non-recurring items amounted to TSEK 0 (-9,329). Operating leasing costs increased to TSEK 19,054 (6,075) following additional B737 and one B767 aircraft acquired on operating leasing agreements.

Depreciation amounted to TSEK 30,283 (23,468) following increases in periodical heavy maintenance activities for aircraft components. EBIT amounted to TSEK 21,126 (20,565).

Financial costs amounted to TSEK 16,552 (19,587) and included a foreign exchange currency loss on financial aircraft leasing agreements of TSEK 1,517 (5,273). EBT amounted to TSEK 5,332 (3,526).

Net income amounted to TSEK 4,752 (1,409) for the period and was affected by income taxes of TSEK -580 (-2,117).

January – September

Revenue for the period amounted to TSEK 1,045,230 (920,467), which corresponds to a revenue growth of 13.6 % year-on-year. The drivers of the strong growth are continued expansion of the B737 aircraft fleet combined with the deployment of the Group's first B767 aircraft in operations. Favourable movements of GBP and USD against SEK also had significant impact but were partly offset by decreasing fuel price. Underlying revenue growth measured in fixed currency rates and fuel, excluding effects from aircraft sales amounted to 8.4 % year-on-year.[1]

Adjusted EBITDA increased to TSEK 186,859 (168,822) following increased operations from B737 and B767 aircraft, corresponding to a margin of 17.9 % (18.3). The period included income from the collaboration agreement and aircraft sales of TSEK 6,489 (28,170) and the adjusted EBITDA margin, excluding these transactions, amounted to 17.3% (15.3). For a detailed breakdown of adjusted EBITDA, please see note 3.

EBITDA amounted to TSEK 139,418 (138,832) and was impacted by non-recurring items of TSEK -8,127 (-16,267) following additional costs and provisions made, related to the legal proceedings in France, and type introduction costs for the first B767 aircraft. Operating leasing costs increased to TSEK 39,314 (13,723) following additional B737 and one B767 aircraft acquired on operating leasing agreements.

Depreciation amounted to TSEK 89,972 (64,826) following increases in periodical heavy maintenance activities for aircraft components and an impairment of aircraft components of TSEK 3,722 (0). EBIT amounted to TSEK 49,446 (74,006).

Financial costs amounted to TSEK 54,610 (54,765) and included a foreign exchange currency loss on financial aircraft leasing agreements of TSEK 6,009 (7,758). EBT amounted to TSEK -2,235 (25,192).

Net income amounted to TSEK -3,689 (14,810) for the period and was affected by income taxes of TSEK -1,454 (-10,382). The high effective tax rate is due to a non-capitalised loss carry forward in a foreign subsidiary.

Summary of non-recurring items

TSEK	Jul -Sep 2015	Jul - Sep 2014	Jan - Sep 2015	Jan - Sep 2014
Income before tax	**5,332**	**3,526**	**-2,235**	**25,192**
Introduction costs of B767/B737-400	-	9,329	2,623	14,589
Legal proceeding costs, France	-	-	5,504	1,678
Effects from sale of aircraft	-3,352	-8,987	-6,489	-28,170
Impairment of aircraft components	-	-	3,722	-
Financial FX gains/losses	1,517	5,273	6,009	7,758
Adjusted for non-recurring items	**3,497**	**9,141**	**9,134**	**21,047**

Income before tax and non-recurring items amounted to TSEK 3,497 (9,141) for the third quarter and TSEK 9,134 (21,047) for the period January - September.

Cash flow

July - September

Cash flow from operating activities amounted to TSEK 58,497 (28,377). The increase compared to last year is mainly attributable to change in working capital which amounted to TSEK 11,605 (-11,987), following the sale of an aircraft recorded as held for sale and increased utilisation of the overdraft facility. Cash flow from investing activities amounted to TSEK -35,607 (-25,570) following increased investments in periodical heavy maintenance activities in aircraft and aircraft components. Cash flow for the period amounted to TSEK 16,855 (-2,560).

1 Decreased fuel price reduces revenue following that price risk is assumed by customer

January – September
Cash flow from operating activities amounted to TSEK 176,054 (121,591). The increase compared to last year is mainly attributable to cash flow from operating activities before change in working capital which amounted to TSEK 178,180 (147,426). Cash flow from investing activities amounted to TSEK -162,315 (-136,687) following increased investments in periodical heavy maintenance activities in aircraft and aircraft components. The increased cash flow from financing activities, TSEK -388 (-40,828) is mainly attributable to a received bank loan of TSEK 40,000. Cash flow for the period amounted to TSEK 13,352 (-55,924).

Investments in non-current assets
July – September
Total investments in tangible assets amounted to TSEK -30,533 (-28,556), mainly from investments in periodical heavy maintenance activities, and purchases of aircraft components. In addition to investments in tangible assets the Group has entered into a long term operating leasing agreement for one B767-200 aircraft.

Investment in financial assets amounted to TSEK -5,298 (-279), included in payments from other investing activities. Payments from other investing activities amounted to TSEK -5,074 (-271) including investments in financial assets and received interest.

January – September
Total investments in tangible assets amounted to TSEK -157,329 (-134,816), mainly from investments in periodical heavy maintenance activities, and purchases of aircraft engines and other components. In addition to investments in tangible assets the Group has entered into long term operating leasing agreements for two B737-400 and two B767-200 aircraft. The estimated annual payments under these agreements amounts to approximately TSEK 64,000. Investments in financial assets amounted to TSEK -7,046 (-4,114), included in payments from other investing activities. Payments from other investing activities amounted to TSEK -6,676(-4,047) including investments in financial assets and received interest.

Sales of non-current assets
July - September
During the period no material sales of non-current tangible assets have been made. During the same period last year, one aircraft was sold and the remuneration amounted to TSEK 2,176.

January – September
During the period no material sales of non-current tangible assets have been made. During the same period last year, two aircraft were sold and the remuneration amounted to TSEK 17,176. Shares in an associated company (Flyguppdraget Backamo AB) have been sold and the remuneration amounted to TSEK 725.

Sale of assets held for sale
January – September
During the third quarter one aircraft was sold and the remuneration amounted to TSEK 18,453.

Impairment of tangible assets
January – September
During the first quarter an impairment of aircraft components was made, amounting to TSEK 3,722 (0).

Impairment of stock
July - September
During the period an impairment has been made by TSEK 1,933 (0) for slow moving stock.

January – September
During the period an impairment has been made by TSEK 4,944 (0) for slow moving stock.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD
July – September
- The Group has been awarded one B767 contract.
- Amapola announced that they will not extend the subcontract agreement of PostNord with West Atlantic when it expires at the end of this year. The agreement with Amapola involves five BAe ATP aircraft.

January – September
- West Atlantic was awarded the full domestic airmail network in Norway for five plus three years with start August 2015.
- West Atlantic was awarded contracts for six B737 aircraft with start 2015 and early 2016 while two contracts were not prolonged. Two of the awarded contracts were upgrades from existing BAe ATP operations.
- The Group was awarded one new BAe ATP long term contract and two BAe ATP contracts were not prolonged due to the mentioned upgrades to B737.
- The Group has been awarded two B767 contracts.
- Amapola did not extend the subcontract agreement for PostNord with West Atlantic.
- West Atlantic received a bank loan of TSEK 40,000 to strengthen financial flexibility and support growth.
- AGM decided on new board composition.
- West Atlantic AB (publ) explores the possibility of listing the company's shares on Nasdaq Stockholm.

ORGANISATION
The average number of employees for the period January – September amounted to 507 (463).

FINANCIAL POSITION AND FINANCING
Cash and cash equivalents at the end of the period amounted to TSEK 31,052 (17,486). Including non-utilised overdraft facility, available cash and cash equivalents amounted to TSEK 56,926 (57,106). Equity amounted to TSEK 230,566 (237,157) and the equity ratio amounted to 20.0 % (22.0). Net interest bearing liabilities amounted to TSEK 629,668 (581,238).

The Company has issued a corporate bond loan subject to trade on NASDAQ, Stockholm, listing date was the 11th of April, 2014. The instrument is listed as WEST001 and the number of instruments issued is 500 with a nominal value of TSEK 1 000 each. For terms 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 5.

RISKS AND UNCERTAINTIES
West Atlantic is exposed to a number of risks which potentially could have a material adverse effect on the Group's future, income and/or financial position. West Atlantic actively strives to identify and reduce risk. Below is a non-exhaustive list of risks, without regards to the level of significance, which the Group considers to be most material:
- Financial market instability
- Fluctuations in foreign exchange rates and fuel prices
- Market and political risks
- Operating risks

A more detailed description of risk factors, which the Group consider to be material, can be found in the annual report for 2014.

In addition to the risk assessment presented in the annual report for 2014 the Group further identifies the following significant risks:

Contract risk
Following the Group's strategy to serve NMOs and Global Integrators with network solutions the Group is dependent on a few significant agreements with large customers. A potential loss of such an agreement may have an adverse effect on the Group's future, income and/or financial position. See further the section containing outlook for more information on current contract risks.

Legal risk
The Group is an international organisations subject including both domestic and international operations. Due to the potential complexity of such operations the Group is exposed to significant legal risks which may have an adverse effect on the Group's future, income and/or financial position. See further the section legal proceedings for more information on current legal risks.

LEGAL PROCEEDINGS

Concerning the legal process in France, mentioned in the interim report for January – June, 2015 and the annual report for 2014, the provision has decreased by TSEK 1,644 to TSEK 10,974 at September 30, following that two parts of the claims have been settled during the first quarter. In connection with these settlements an additional TSEK 1,985 has been paid. Additional provisions of TSEK 3,564 have been made for the remaining legal French processes. The cases are expected to be settled within a year. West Atlantic is not a part of any other legal proceedings having material effect on the Group's financial position or income.

ENVIRONMENTAL INFORMATION

The Group's subsidiary West Air Sweden AB has a reporting obligation in accordance with the Swedish Environmental Code, which concerns limited handling of oils that do not require special permission. The aircraft fleet consists mainly of second generation turboprop aircraft, which are substantially more environmentally friendly from a noise, fuel consumption and CO_2 perspective compared to the first generation. In addition, European aircraft operators have to comply with EU-ETS trading scheme regarding emission allowances.

TRANSACTIONS WITH RELATED PARTIES

For transactions with related parties, please see note 6.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

First commercial flight for the Group's second B767

The Group's second leased B767 aircraft has been placed on a long term customer contract.

Overview of refinancing possibilities

The Company is currently conducting a strategic overview of the financing structure and is reviewing a possible refinancing of the Bond loan. On November 16, 2015 a sufficient number of votes were obtained to form a quorum and the proposed resolution obtained 100% of the votes. The terms and conditions of the Bonds will therefore be amended as set out in the notice to the written procedure; accordingly the Bonds may be redeemed by the Company at any time, in exchange for full interest compensation ("make-whole provision") adjusted to net present value calculations, up to and including the previous first call date, May 9 2016.

OUTLOOK

The B737 and B767 awards during the year will continue to contribute to a strong revenue growth throughout 2015 and the start of 2016. The growth in the larger aircraft fleet will counter the decreased demand in the under eight tonnes fleet. However, it is noteworthy that during the peak season of 2015 the Group has committed all available capacity with its existing customers.

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 any 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

July – September
Revenue for the period amounted to TSEK 173,268 (153,535), an increase by 12.9 % year-on-year. EBIT amounted to TSEK 15,771 (-8,040). The increase is mainly attributable to the expansion in B737 and B767 operations and foreign exchange currency gains. In addition, last year was significantly affected by type introduction costs of B767/B737-400. Net income amounted to TSEK 14,343 (4,084).

January – September
Revenue for the period amounted to TSEK 477,529 (432,605), an increase by 10.4 % year-on-year. EBIT amounted to TSEK 27,389 (3,597). For the increase compared to last year, please see above. Net income amounted to TSEK 18,260 (9,713).

Financial position and financing

Cash and cash equivalents at the end of the period amounted to TSEK 17,134 (382). Including the non-utilised overdraft facility, available cash and cash equivalents amounted to TSEK 41,215 (29,498). Equity amounted to TSEK 78,375 (58,241) and interest bearing liabilities amounted to TSEK 493,181 (490,542).

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.

Consolidated statement of income and other comprehensive income

TSEK	Jul - Sep 2015	Jul - Sep 2014*	Jan - Sep 2015	Jan - Sep 2014*	Jan - Dec 2014
Revenue*	375,629	322,246	1,045,230	920,467	1,244,278
Cost of services provided*	-342,257	-298,938	-958,756	-829,632	-1,124,472
Gross income:	**33,372**	**23,308**	**86,474**	**90,835**	**119,806**
Selling costs	-2,590	-1,926	-5,824	-5,753	-8,601
Administrative costs	-12,252	-8,703	-34,203	-32,161	-43,736
Other operating income & costs*	2,596	7,886	2,999	21,085	22,740
Operating income:	**21,126**	**20,565**	**49,446**	**74,006**	**90,209**
Financial income	758	2,548	2,929	5,951	8,605
Financial costs	-16,552	-19,587	-54,610	-54,765	-77,213
Income before tax:	**5,332**	**3,526**	**-2,235**	**25,192**	**21,601**
Income tax	-580	-2,117	-1,454	-10,382	-11,017
Net Income:	**4,752**	**1,409**	**-3,689**	**14,810**	**10,584**
Attributable to:					
- Shareholders of the Parent Company	**4,752**	**1,409**	**-3,689**	**14,810**	**10,584**
Earnings per share, before and after dilution (SEK)	0.18	0.05	-0.14	0.55	0.39
Average number of outstanding shares (Thousands)	27,005	27,005	27,005	27,005	27,005
Statement of other comprehensive income					
Net income:	**4,752**	**1,409**	**-3,689**	**14,810**	**10,584**
Other comprehensive income:					
Items that may or has been classified as net income:					
Exchange-rate differences in translation of foreign operations	-1,202	143	958	1,934	2,300
Total comprehensive income for the period:	**3,550**	**1,552**	**-2,731**	**16,744**	**12,884**
Attributable to:					
- Shareholders of the Parent Company	**3,550**	**1,552**	**-2,731**	**16,744**	**12,884**

** Compared to the interim report for January-September 2014, revenue, cost of services provided and other operating income have been restated. For further information see note 1.*

Condensed statement of financial position

TSEK	Sep 30 2015	Sep 30* 2014	Dec 31 2014
Intangible assets	404	1,408	1,165
Tangible assets	747,106	708,367	720,858
Financial assets*	22,902	33,329	15,373
Total non-current assets	**770,412**	**743,104**	**737,396**
Inventories	130,129	105,099	120,718
Other current assets	221,390	195,859	192,737
Cash and cash equivalents	31,052	17,486	17,627
Total current assets	**382,571**	**318,444**	**331,082**
Assets held for sale	-	16,275	16,275
Total assets	**1,152,983**	**1,077,823**	**1,084,753**
Shareholders' equity*	230,566	237,157	233,297
Non-current liabilities	673,428	641,264	642,375
Current liabilities	248,989	199,402	209,081
Total shareholders' equity and liabilities	**1,152,983**	**1,077,823**	**1,084,753**

Compared to the interim report for January – September 2014, the statement of financial position has been restated. For further information, see note 1.

Condensed changes in shareholders' equity

TSEK	Share capital	Translation reserves	Profit brought forward including net income	Total shareholders' equity
Opening shareholders' equity, Jan 1, 2015	**27,005**	**2,203**	**204,089**	**233,297**
Total comprehensive income for the period Jan - Sep	-	958	-3,689	**-2,731**
Closing balance Sep 30, 2015	**27,005**	**3,161**	**200,400**	**230,566**
Opening shareholders' equity, Jan 1, 2014	**27,005**	**-97**	**193,435**	**220,343**
Group adjustments*	-	-	70	**70**
Total comprehensive income for the period Jan - Sep	-	1,934	14,810	**16,744**
Closing balance Sep 30, 2014	**27,005**	**1,837**	**208,315**	**237,157**
Opening shareholders' equity, Jan 1, 2014	**27 005**	**-97**	**193,435**	**220,343**
Group adjustments*	-	-	70	**70**
Total comprehensive income for the year	-	2,300	10,584	**12,884**
Closing balance Dec 31, 2014	**27,005**	**2,203**	**204,089**	**233,297**

** Group adjustment for foreign subsidiary due retroactive change 2013*

Condensed statement of cash flows

TSEK	Jul - Sep 2015	Jul - Sep* 2014	Jan - Sep 2015	Jan - Sep* 2014	Jan - Dec* 2014
Operating income	**21,126**	**20,565**	**49,446**	**74,006**	**90,209**
Adjustments for non-cash items					
Depreciation	30,283	23,468	89,972	64,826	93,656
Other non-cash items	-2,357	-1,175	45,073	19,313	28,122
Income tax paid	-2,160	-2,493	-6,311	-10,719	-5,828
Cash flow from operating activities before changes in working capital	**46,892**	**40,364**	**178,180**	**147,426**	**206,159**
Change in working capital*	11,605	-11,987	-2,126	-25,835	-5,867
Cash flow from operating activities*	**58,497**	**28,377**	**176,054**	**121,591**	**200,292**
Payments from associated companies	-	-	1,691	-	-
Repayments from intangible assets	-	1,081	-	-	-
Investments in tangible assets	-30,533	-28,556	-157,329	-134,816	-207,549
Sales of tangible assets	-	2,176	-	2,176	2,176
Payments from other investing activities	-5,074	-271	-6,676	-4,047	14,723
Cash flow from investing activities*	**-35,607**	**-25,570**	**-162,315**	**-136,687**	**-190,650**
Received loans	-	-	40,000	-	-
Amortisation of interest bearing liabilities	-1,262	-224	-5,622	-7,403	-8,271
Repaid/received deposits	-	-1,448	-	2,963	2,462
Interest paid	-4,773	-3,695	-34,766	-36,388	-59,458
Cash flow from financing activities*	**-6,035**	**-5,367**	**-388**	**-40,828**	**-65,267**
Cash flow for the period	**16,855**	**-2,560**	**13,352**	**-55,924**	**-55,625**
Cash and cash equivalents at the beginning of the period	14,392	20,943	17,627	74,562	74,562
Translation difference in cash and cash equivalents*	-195	-897	73	-1,152	-1,310
Cash and cash equivalents at the end of the period	**31,052**	**17,486**	**31,052**	**17,486**	**17,627**

**Compared to the interim report for January-September 2014 and the annual report 2014, the statements of cash flows have been restated. For further information, see note 1.*

Notes

Note 1 – Accounting principles, restatements and definitions

Applied accounting principles

The consolidated financial statements has 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 2014 with the exception described below. The minor revised IFRS that have come into effect 2015 have not had any significant effect on the Group's financial statements. Further, 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 thousands (TSEK).

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 evaluations during the interim period, compared to the annual report for 2014, except for the provision for the Group's legal proceedings which now is classified as a short term item instead of a long term item. Further, some reclassifications have been made in the statement of cash flows, please see comments below. For a complete summary of the Group's accounting principles, please see note 1, significant accounting principles in the annual report for 2014 available on the website of West Atlantic AB (publ), www.westatlantic.eu.

Restatements compared to previous interim report January – September, 2014

Statement of income:

Compared to the interim report January - September 2014, revenue, cost of services provided and other operating income have been restated due to reclassifications. One reclassification concern the income from the collaboration agreement with Erik Thun AB (TSEK 7,520). This income is now included in other operating income instead of revenue. Another item is the reclassification from revenue to other operating income and concern an adjustment of profit of aircraft sale due to a previous sale and lease-back transaction, made in connection to the transition to IFRS (TSEK 1,174). More details of both these adjustments can be found in the annual report for 2014, note 34, reference g). The effects on the period July - September 2014 are decreased revenue by in total TSEK -8,694 and increased other operating income by in total TSEK 8,694. For the whole interim period January – September the corresponding effect is decreased revenue by TSEK -20,096, increased other operating income by TSEK 20, 096 (TSEK 16,574 and TSEK 3,522). Besides, during this period another reclassification was made, which concerns aircraft sales. The whole remuneration is included in revenue, not only the net profit. The effects on the period January – September, 2014 was increased revenue by TSEK 7,220 and increased cost of services provided by TSEK -7,220. In summary, the effects for the period January – September, 2014 are decreased revenue by TSEK -12,876, increased other operating revenue by TSEK 20,096 and increased cost of services provided by TSEK 7,220.

Statement of financial position

Compared to the interim report January – September 2014, financial assets and equity have been restated. The restatement concern a deferred tax asset which has been decreased by TSEK 2,926. Equity has decreased by the same amount. The adjustment was made in the annual report for 2014, attributable to the period January – June. More details of the adjustment can be found in the annual report, note 34, reference n).

Statements of cash flows:

Compared to the interim report January – September, 2014 and the annual report for 2014, the statement of cash flows have been restated due to reclassifications. For the period July - September 2014 cash flow from operating activities has decreased by TSEK --26,115 cash flow from investing activities has increased by TSEK 2,992, cash flow from financing activities has increased by TSEK 23,285 and translation difference in cash has decreased by TSEK -162. The reasons for the cash flow increase in financing activities is the move of the change in bank overdraft from financing activities to change in working capital, which then has decreased, and also due to adjustments of accrued items which should not affect financing activities. The increase by TSEK 2,992 of cash flow from investing activities is due to adjustments of accrued items which should not affect other investing activities, but change in working capital. For the interim period January - September, cash flow from operating activities has decreased by TSEK -10,513 cash flow from investing activities has decreased by TSEK -15,000, cash flow from financing activities has increased by TSEK 25,513. The reason for the cash flow decrease in investing activities is the move of sale of tangible assets by TSEK 15,000 from operating activities, which then has increased. The main reason for the cash flow increase in financing activities is the move of the change in bank overdraft to operating activities. Compared to the annual report for 2014, cash flow from operating activities has decreased by TSEK -26,776. Cash flow from financing activities has increased by the same amount and is attributable to the move of the change in bank overdraft. In addition, an amount of TSEK -2,828 has been reallocated to the line amortisations from the line other changes.

Definitions

Adjusted EBITDA	EBITDA adjusted for aircraft operating leasing costs and material non-recurring items
Adjusted Net debt	Net interest bearing debt adjusted for capitalisation of operating leasing costs (factor 6x)
BAe ATP-F (or ATP)	BAE Advanced Turboprop aircraft
Earnings per share	Net result divided by average number of shares before dilution
EBITDA	Earnings before interest, tax, depreciation and amortisation
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
Freight Forwarder	Organisations moving goods on behalf of their clients, typically as part of a logistic solution
Global Integrator	Referring to the four major global express providers (FedEx, DHL, UPS, TNT)
Interest coverage ratio	The ratio between EBITDA and Net finance costs
Net debt	Interest bearing debt reduced by cash and cash equivalents
NMO	National mail organisation
Non-recurring items	Aircraft type introduction costs, ongoing legal proceedings in France and other material non-recurring items
R12M adjusted EBITDA	Rolling twelve months adjusted EBITDA
R12M EBITDA	Rolling twelve months EBITDA
Underlying revenue growth	Revenue growth in constant currency rates and fuel prices, excluding effects from aircraft sales
Wet-lease	Airline providing aircraft capacity to another airline

Note 2 – Breakdown of revenues

TSEK	Jul - Sep 2015	Jul -Sep 2014	Jan - Sep 2015	Jan - Sep 2014	Jan - Dec 2014
Air freight services	350,202	300,033	974,074	846,094	1,145,282
Technical services	20,751	16,019	58,970	39,810	59,372
Sale of aircraft and spare parts	-	294	-	15,350	15,350
Aircraft leasing	3,200	4,287	10,149	10,844	14,491
Other revenue	1,476	1,613	2,037	8,369	9,783
Sum	**375,629**	**322,246**	**1,045,230**	**920,467**	**1,244,278**

Note 3 – Adjusted EBITDA

TSEK	Jul - Sep 2015	Jul - Sep 2014	Jan - Sep 2015	Jan - Sep 2014	Jan - Dec 2014
EBITDA	51,409	44,033	139,418	138,832	183,865
Aircraft operating lease costs*	19,054	6,075	39,314	13,723	21,286
Introduction costs of B767/B737-400	-	9,329	2,623	14,589	15,780
Legal proceeding costs, France	-	-	5,504	1,678	3,481
Adjusted EBITDA	**70,463**	**59,437**	**186,859**	**168,822**	**224,412**
Effects from sale of aircraft	-3,352	-8,987	-6,489	-28,170	-29,501
Adj. EBITDA excl. sale of aircraft	**67,111**	**50,450**	**180,370**	**140,652**	**194,911**

** As a portion of the Group's financing arrangements consist of aircraft leasing agreements, the Group reverses operating lease costs on Adj. EBITDA to reflect the operational performance independent of whether the agreements are construed as finance or operating leases.*

Note 4 – Other operating income & costs

TSEK	Jul - Sep 2015	Jul - Sep 2014	Jan - Sep 2015	Jan - Sep 2014	Jan - Dec 2014
Income from collaboration agreement	-	7,520	788	16,574	16,574
Sale of aircraft	3,353	1,174	5,701	3,522	4,696
Operating foreign exchange currency gains/losses	-757	-808	-3,490	989	1,470
Sum	**2,596**	**7,886**	**2,999**	**21,085**	**22,740**

Note 5 – Fair value and booked value on financial assets and liabilities

	Sep 2015		Dec 2014	
TSEK	**Booked value**	**Fair value**	**Booked value**	**Fair value**
Financial assets				
Non-current financial receivables	22,835	22,835	14,306	14,306
Other receivables incl accounts receivables	158,560	158,560	146,753	146,753
Financial assets at fair value	-	-	-	-
Cash and cash equivalents	31,052	31,052	17,627	17,627
Sum	**212,447**	**212,447**	**178,686**	**178,686**
Financial liabilities				
Loans incl bank overdraft	577,104	602,258	512,263	545,701
Other liabilities incl accounts payables	183,527	183,527	198,162	198,162
Financial liabilities at fair value	-	-	-	-
Sum	**760,631**	**785,785**	**710,425**	**743,863**

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 Group's financial assets and liabilities are valuated at fair value 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. At the moment, the Group has no assets and liabilities valuated according to this level.

At September 30 2015, the Group has no financial assets or liabilities, valuated at fair value in the income statement.

Items classified in level 1: the corporate bond loan, subject to trade on the NASDAQ OMX in Stockholm

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. Further: derivatives where valuation is made at fair value for foreign currency exchange agreement, which are based on exchange rates published on an active market.

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 6 – 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.

TSEK		**Jan - Sep 2015**	**30 Sep 2015**	
Party	Transaction(s)			
Medicinkonsulterna Göran Berglund AB	Sale of aircraft maintenance and fuel	143	-	
Förvaltningsbolaget Örgryte KB	Office rent	1,157	386	L
Erik Thun AB	Received management fee	789	-	
Erik Thun AB	Lease of B737 aircraft*	4,177	2,934	L
Horizon Ltd	Purchase of commercial services	2,086	178	L
All Konsult Langhard KB	Purchase of HR services	867	258	L
Air Transport Sevices Group	Lease of B767 aircraft**	19,656	1,708	L

* During the period the Group has entered into an operating leasing agreement, with a duration of 5 years, which concern leasing of a B737-400 aircraft.
**During the period the Group has entered into two operating leasing agreements, with a duration of 4,5 years, with a wholly owned subsidiary of ATSG, which concern leasing of one B767 aircraft and maintenance support. The agreement includes an option for the Group to terminate the agreements at any time if being without a commercial contract for the aircraft. The period further included Wet-lease of B767 capacity.

The relationships between the related parties are described in the annual report for 2014, note 32.

Note 7 – 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 2014, note 1, essential accounting principles p 1.19.

Parent company report

Statement of income including statement of other comprehensive income

TSEK	Jul - Sep 2015	Jul - Sep 2014	Jan - Sep 2015	Jan - Sep 2014	Jan - Dec 2014
Net sales	173,268	153,535	477,529	432,605	581,170
Cost of services provided	-156,632	-156,542	-441,619	-414,489	-561,704
Gross income:	**16,636**	**-3,007**	**35,910**	**18,116**	**19,466**
Selling costs	-1,307	-110	-1,279	-1,093	-1,837
Administrative costs	-5,299	-3,263	-14,177	-13,490	-22,161
Other operating income & costs	5,741	-1,660	6,935	64	9,912
Operating income:	**15,771**	**-8,040**	**27,389**	**3,597**	**5,380**
Profit from shareholdings in group companies	2,758	15,000	2,758	15,000	16,821
Profit from shareholdings in associated companies	-	-	-309	-	-
Interest & similar income	7,211	7,952	21,397	23,930	33,504
Interest & similar costs	-10,855	-10,872	-32,724	-32,950	-44,170
Income after financial items:	**14,885**	**4,040**	**18,511**	**9,577**	**11,535**
Tax on income for the period	-542	44	-251	136	53
Net income:	**14,343**	**4,084**	**18,260**	**9,713**	**11,588**
Statement of other comprehensive income					
Net income:	14,343	4,084	18,260	9,713	11,588
Other comprehensive income:	-	-	-	-	-
Total comprehensive income for the period	**14,343**	**4,084**	**18,260**	**9,713**	**11,588**

Condensed statement of financial position

TSEK	Sep 30 2015	Sep 30 2014	Dec 31 2014
Intangible assets	110	197	175
Financial assets	385,444	403,279	386,705
Total non-current assets	**385,554**	**403,476**	**386,880**
Other current assets	329,869	351,280	191,389
Cash and cash equivalents	17,134	382	964
Total current assets	**347,003**	**351,662**	**192,353**
Total assets	**732,557**	**755,138**	**579,233**
Shareholders' equity	78,375	58,241	60,115
Untaxed reserves	1,460	1,460	1,460
Non-current liabilities	496,305	493,637	494,092
Current liabilities	156,417	201,800	23,566
Total shareholders' equity and liabilities	**732,557**	**755,138**	**579,233**
Pledged collaterals	411,740	398,282	398,327
Contingent liabilities	229,446	237,656	198,936

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, November 18, 2015

Lars Lindgren
Chairman of the Board

Gustaf Thureborn
CEO & President, Member of the Board

Joseph Payne
Member of the Board

Carsten Browall
Member of the Board

Marianne Dicander Alexandersson
Member of the Board

Ingvar Nilsson
Member of the Board

West Atlantic Aircraft fleet & flight traffic statistic

Aircraft fleet as per September 30, 2015:

	Owned	Dry- Leased	Wet- leased	Total	In Service	Dry leased out	Parked
BAe ATP-F	31	8	-	**39**	33	-	6
BAe ATP	1	-	-	**1**	-	-	1
Boeing 737-300	2	4	-	**6**	6	-	-
Boeing 737-400	1	3	-	**4**	3	1	-
B767-200	-	1	-	**1**	1	-	-
CRJ200PF	3	-	-	**3**	3	-	-
	38	**16**	**-**	**54**	**46**	**1**	**7**

BAE ATP-F

Bombardier CRJ200PF

Boeing 737-300/400SF

Boeing 767-200SF

West Atlantic traffic statistics January – September, 2015:

	2015		**2014**	
	Jul - Sep	**Jan - Sep**	**Jul - Sep**	**Jan - Sep**
Performed flights	6,969	19,947	6,821	19,387
Regularity (target >99%)	99.1%	99.1 %	99.0%	99.3%
Number of hours flown	7,384	21,178	7,011	20,205

Annual report

The annual report for 2014 was published April 29, 2015.

Annual Shareholders' meeting

The West Atlantic Group's AGM was held on May 26, 2015 at the Group's head office located Gothenburg (Prästgårdsgatan 1, SE-412 71 Gothenburg).

Financial Calendar

Interim report October – December	February 26, 2016
Annual report 2015	April 27, 2016

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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.