



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2016 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 913 276 728
Organisasjonsform: Aksjeselskap
Foretaksnavn: GAL NORWAY MSN 5618 & 5732 AS
Forretningsadresse: c/o Intertrust (Norway) AS
Munkedamsveien 59B
0270 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2016 - 31.12.2016

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Berg
Dato for fastsettelse av årsregnskapet: 06.07.2017

Grunnlag for avgivelse

År 2016: Årsregnskapet er elektronisk innlevert
År 2015: Tall er hentet fra elektronisk innlevert årsregnskap fra 2016

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.11.2020



Resultatregnskap

Beløp i: USD	Note	2016	2015
RESULTATREGNSKAP			
Inntekter			
LEasing revenue	1	8 531 000	8 312 000
Sum inntekter		8 531 000	8 312 000
Kostnader			
Leasing costs	2	8 446 000	8 229 000
Other operating expenses	6	21 000	17 000
Sum kostnader		8 467 000	8 246 000
Driftsresultat		64 000	66 000
Finansinntekter og finanskostnader			
Annen renteinntekt	7	1 000	1 000
Other financial income	7		1 000
Sum finansinntekter		1 000	2 000
Netto finans		1 000	2 000
Ordinært resultat før skattekostnad			
tax	5	16 000	20 000
Ordinært resultat etter skattekostnad		49 000	48 000
Årsresultat		49 000	48 000
Overføringer og disponeringer			
TRAsnfer to other equity	4	49 000	48 000
Sum overføringer og disponeringer		49 000	48 000



Balanse

Beløp i: USD	Note	2016	2015
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Non current assets	2	12 411 000	0
Sum finansielle anleggsmidler		12 411 000	0
Sum anleggsmidler		12 411 000	0
Omløpsmidler			
Varer			
Fordringer			
Trade receivables		1 000	
Other receivables	2	288 000	268 000
Sum fordringer		289 000	268 000
Bankinnskudd, kontanter og lignende			
Bank deposits		1 688 000	9 700 000
Sum bankinnskudd, kontanter og lignende		1 688 000	9 700 000
Sum omløpsmidler		1 977 000	9 968 000
SUM EIENDELER		14 388 000	9 968 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	3	5 000	5 000
Sum innskutt egenkapital		5 000	5 000
Opptjent egenkapital			
Retained earnings	4	124 000	75 000



Balanse

Beløp i: USD	Note	2016	2015
Sum opptjent egenkapital		124 000	75 000
Sum egenkapital		129 000	80 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Other long term debt	8	13 468 000	9 542 000
Sum annen langsiktig gjeld		13 468 000	9 542 000
Sum langsiktig gjeld		13 468 000	9 542 000
Kortsiktig gjeld			
TAX payable	5	16 000	20 000
Deferred income		291 000	271 000
Other short term debt	2	484 000	55 000
Sum kortsiktig gjeld		791 000	346 000
Sum gjeld		14 259 000	9 888 000
SUM EGENKAPITAL OG GJELD		14 388 000	9 968 000



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To the General Meeting of GAL Norway MSN 5618 & 5732 AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GAL Norway MSN 5618 & 5732 AS showing a profit of USD 49 000. The financial statements comprise the balance sheet as at 31 December 2016, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2016, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Statautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Ålbå	Finnnes	Molde	Strømsø
Åreodai	Hamar	Sken	Tromsø
Bergen	Haugesund	Sandefjord	Tromsø
Bodo	Knaivik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund



Responsibilities of The Board of Directors for the Financial Statements

The Board of Directors (management) is responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit



Auditor's Report - 2016
GAL Norway MSN 5618 & 5732 AS

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Other Matters

This audit report replaces our previous audit report as of 30 June 2017, which was issued at the statutory deadline for holding the annual shareholders meeting. Complete annual financial statements and Board of Directors report were at this point in time not submitted by the Board of Directors.

Oslo, 6 July 2017
KPMG AS

Mona Kristin Lien
State Authorised Public Accountant



GAL Norway MSN 5618 & 5732 AS

Board of Directors' Report for 2016

1. Nature of the business

The object of the Company is to lease or sub-lease aircraft in any part of the world, as well as other activities related thereto, including the grant of security related to such activities. The Company is situated in Oslo, Norway.

2. Fair presentation

The board of directors concludes that the Company's annual accounts for 2016 gives a true picture of the Company's activities during the financial year and the Company's economic situation as at 31 December 2016.

3. Going concern assumption

The board of directors considers that the assumption of going concern is present, and the annual accounts are based on the assumption that the Company is a going concern.

4. Allocation of profit

The profit of the Company of USD 49 000 is proposed to be transferred as it appears in the annual accounts.

5. Equity

The balance sheet shows that the total retained earnings is USD 124 000.

6. Health, safety and environment

As the Company does not carry out its own operations, and has not had employees during the accounting year, neither questions relating to environmental issues, including working accidents and similar, nor questions relating to gender equality, arise in relation to the Company.

July 5 2017

For and on behalf of
GAL Norway MSN 5618 & 5732 AS

Josefin Alvé
Chairman of the Board

Felix Edgren
Director



GAL Norway MSN 5618 & 5732 AS
Profit and loss statement
01.01.2016-31.12.2016

In USD 1 000	Note	2016	2015
Operating revenue			
Leasing revenue	1	8 531	8 312
Total operating revenue		8 531	8 312
Operating expenses			
Leasing costs	2	-8 446	-8 229
Other operating expenses	6	-21	-17
Total operating expenses		-8 467	-8 246
Profits before financial items		64	66
Financial items			
Other interest income	7	1	1
Other financial income	7	0	1
Net financial items		1	2
Net income before taxes		65	68
Tax	5	-16	-20
Net income after taxes		49	48
Allocation of income			
Transfer to/from equity	4	49	48
Total income allocated		49	48



GAL Norway MSN 5618 & 5732 AS
Balance sheet, 31.12.2016

Assets

In USD 1 000	Note	2016	2015
Non current assets			
Non current assets	2	12 411	0
Total non current assets		12 411	0
Current assets			
Receivables			
Trade receivables		1	
Other receivables	2	288	268
Total receivables		289	268
Bank deposits, cash and other liquid assets			
Bank deposits		1 688	9 700
Total current assets		1 977	9 968
Total assets		14 388	9 968



GAL Norway MSN 5618 & 5732 AS
Balance sheet, 31.12.2016

Equity and liabilities

In USD 1 000	Note	2016	2015
Equity			
Paid-in equity			
Share capital	3	5	5
Total paid-in equity		5	5
Retained earnings			
Retained earnings	4	124	75
Total retained earnings		124	75
Total equity		129	80
Liabilities			
Long-term debt			
Other long-term debt	8	13 468	9 542
Total long-term debt		13 468	9 542
Short-term debt			
Taxes payable	5	16	20
Deferred income		291	271
Other short-term debt	2	484	55
Total short-term debt		791	346
Total liabilities		14 259	9 888
Total equity and liabilities		14 388	9 968

Oslo, July 5 2017

Josefin Kristin Grolander Alven
Chairman of the Board

Johan Felix Edgren
Board member



Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway. The company was founded 22.02.2014 .

a) Operating leases

All contracts are accounted for as operating leases due to amount, duration and risk. Lease payments are classified as operating costs/leasing revenue and recognised in the income statement linearly during the contract period.

b) Short-term receivables/liabilities

Receivables and liabilities that are due within the next 12 months are classified as short-term receivables/liabilities. Short term receivables are valued at the lower of cost price and market price.

c) Foreign currency

Accounts in foreign currency are converted using the year-end exchange rate for balance accounts. Profit and loss accounts are converted using a calculated average exchange rate throughout the year.

d) Taxes

Tax costs in the profit and loss statement consist of taxes payable for the accounting period and net change in deferred taxes. Deferred tax consists of 24% of temporary differences between the accounting income statement and the tax statement, including losses carried forward. Temporary differences, positive or negative, that will become, or that are expected to be utilized, will be booked in the same period as the booking of net values. Deferred tax related to goodwill from acquisition of subsidiaries is presented separate of other deferred tax.

e) Maintenance Provision

Funds reserved for maintenance received from lessees is booked as a liability in the balance sheet. The payments can only be used for future planned maintenance or needs to be paid in return to the lessee. The company relies on its ongoing use of predictive model to assess contractual obligations in order to reimburse the maintenance payments. The company will not have a higher obligation than the actual payments received from the lessee.

Note 1 Revenue

Amounts in USD 1000

By business area	2016	2015
Leasing of aircraft	8 531	8 312
	<u>8 531</u>	<u>8 312</u>

2 agreements as of 31.12.2016, expires in 2025

Geographical distribution

Norway	0	0
Other countries	8 531	8 312
Total	<u>8 531</u>	<u>8 312</u>

Note 2 Intercompany transactions

In USD 1 000

Intercompany	2016	2015
Other receivables	0	0
Non current receivables	12 411	268
Other short-term debt	484	55

Transactions



Company name	Type	2016	2015
GAL MSN 5618 & 5732 Ltd.	Leasing costs for two A320-232	8 446	8 229

Note 3 Number of shares, shareholders, etc.

In NOK

Share class	Number of shares	Face value	Booked value	Number of shares	Ownership
A-shares	300	100	30 000		
Share holders					
GAL ;SN 5618 & 5732 Ltd.				300	100,0 %
Total number of shares				300	100,0 %

The share capital has been translated from NOK 30 000 to USD 5 000 using the foreign currency exchange on the date of establishment

Note 4 Retained earnings

In USD 1 000

	Paid in equity	Share premium	Retained earnings	Sum
Equity 01.01.2015	5	0	75	80
Net income after taxes			49	49
Provision for dividend				0
Equity 30.11.2016	5	0	124	129

Note 5 Taxes

In USD 1 000

Income tax expense	2016	2015
Tax payable	16	20
Changes in deferred tax	0	0
Total income tax expense	16	20

Tax base calculation

Profit before income tax	65	68
Permanent differences	0	0
Temporary differences	0	0
Translation differences	1	10
Tax base	66	78

Effective tax rate

Expected income taxes at statutory tax rate 25%	16	18
Permanent differences (25%)	0	0
Change in not recognised deferred tax asset	0	0
Effect of translation differences	0	2



Income tax expense	16	20
	2016	2015

Tax payable on the periods profits	16	20
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Note 6 Auditor compensation

In USD 1 000

Auditor compensation

Audit	10	
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Note 7 Finance income and expenses

In USD 1 000

Finance income	2016	2015
Interest income from group companies	0	0
Other interest income	1	1
Other financial income (agio)	0	1
Total finance income	1	2

Finance expenses	2016	2015
Total finance expenses	0	0

Note 8 Long-term debt

	2016	2015
Deposits	2 118	2 276
Future maintenance reserves	11 350	7 424
Sum other long-term debt	13 468	9 700

Security deposit is held on behalf of the Lessee, Jetstar Japan Co. Ltd. For the three months' rent (\$353 000 per month) for each aircraft as security in the event of default. Total amounts to \$1 059 000 per aircraft, for each of the two aircrafts under lease.



Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 13.08.2014	Vår dato 20.08.2014
Telefon 977 59 464	Deres referanse EAA/VCB/ARE/263140/SB T4411	Vår referanse 2014/549802

KPMG LAW ADVOKATFIRMA AS
Postboks 7000 Majorstuen
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Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for GAL Norway MSN 5618 & 5732 AS, org.nr. 913 276 728

— Vi viser til deres mottatt 13. august 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for GAL Norway MSN 5618 & 5732 AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering GAL Norway MSN 5618 & 5732 AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

GAL Norway MSN 5618 & 5732 AS er eid av en stiftelse (trust) i Irland som ultimato mor. Virksomheten er leasing og framleasing av fly. Alle involverte parter er profesjonelle aktører. Forretningsmessige hensyn ligger til grunn for tilstedeværelsen i Norge. Selskapet har imidlertid svært liten kontakt med norsk næringsliv. Selskapet anskaffer fly fra internasjonale leverandører, og leaser disse videre til utenlandske kunder. Virksomheten er utpreget internasjonal, og dette er en bransje der alle sentrale aktører og samarbeidspartnere behersker engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan

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foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap til et utenlandsk selskap. Eierkretsen er begrenset. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer