

CSC Airline Solutions Denmark A/S

Company Registration No 14 27 81 76

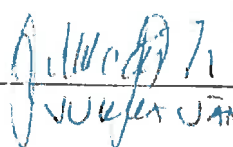
Retortvej 8, 2500 Valby

Annual report 2016/17



The annual report is presented and adopted on the Annual General Meeting on 4 September 2017

Chairman of the Annual General Meeting



JUUKA JÄRVI

CSC Airline Solutions Denmark A/S

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CSC Airline Solutions Denmark A/S
Company details

Company

CSC Airline Solutions Denmark A/S
Company Registration No: 14 27 81 76
Municipality of domicile: Copenhagen
Phone: +45 3614 4000
Fax: +45 3614 7661
Internet: www.dxc.technology.com/dk

Board of Directors

Jørgen Jakobsen, Chairman
Ebba Waltre
Charlotte Grønfeldt Lundblad
Annette Skov Svendsen*
Curt Kjaersgaard Raavig*

* Elected by employees

Executive Board

Pål Svendsen

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab

CSC Airline Solutions Denmark A/S
Management's statement

The Board of Directors and the Executive Board have today considered and approved the annual report of CSC Airline Solutions Denmark A/S for the financial year 1 April 2016 to 31 March 2017.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the Company's financial position at 31 March 2017 and of its financial performance for the financial year 1 April 2016 – 31 March 2017.

We believe that the management report contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 4. September 2017

Executive Board




Pål Svendsen
Managing Director

Board of Directors



Jørgen Jakobsen
Chairman



Ebba Walte



Charlotte Grønfeldt Lundblad



Annette Skov Svendsen



Curt Kjaersgaard Knavig

CSC Airline Solutions Denmark A/S

Independent auditor's reports

To the shareholders of **CSC Airline Solutions Denmark A/S**

Opinion

We have audited the financial statements of **CSC Airline Solutions Denmark A/S** for the financial year 01.04.2016 - 31.03.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31-03-2017 and of the results of its operations for the financial year 01.04.2016 – 31.03.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's responsibilities for the audit of the financial statements* section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

CSC Airline Solutions Denmark A/S
Independent auditor's reports (continued)

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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, 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 Entity'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 in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance 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.

CSC Airline Solutions Denmark A/S
Independent auditor's reports (continued)

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.


Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 4. September 2017

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56


Henrik Hjørt Kjelgaard
State-Authorised
Public Accountant


Kåre Konge Breindal
State-Authorised
Public Accountant

CSC Airline Solutions Denmark A/S
Management report

Financial highlights	2016/17	2015/16	2014/15	2013/14	2012/13
Key figures	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Revenue	132,403	178,626	392,914	436,397	500,310
Earnings from operating activities	43,010	29,090	42,898	43,670	(6,258)
Net Financial Costs	(6,279)	(1,370)	(1,729)	(4,363)	(4,592)
Profits/loss for the year	31,731	14,530	28,978	58,657	(10,436)
Equity	167,150	135,419	120,889	91,911	33,254
Balance sheet total	199,486	186,481	189,018	157,404	157,425
Investment in property, plant & equipment	3,419	42	-	237	2,121
Average operating assets	15,846	30,285	71,160	112,123	130,942
Ratios¹					
Operating margin (%)	32	16	11	10	(1)
Return on operating assets (%)	271	96	60	47	(5)
Return on equity (%)	21	11	27	94	(31)
Equity share (%)	84	73	64	58	21

*Key ratios are calculated in accordance with the "The Danish Society of Financial Analysts recommendations & Financial Ratios 2015"

CSC Airline Solutions Denmark A/S Management report

Core business activity

CSC Airline Solutions Denmark A/S is a subsidiary of the IT group CSC Danmark A/S.

The company's core business is the sales of products and services within the development, maintenance, integration and operation of IT solutions for the international aviation industry.

The company develops applications using advanced technologies, such as web and mobility solutions for ticketless travel and passenger information. In addition, the company develops and maintains systems for handling booking, ticket, aircraft maintenance, cargo inspection and other solutions that supports core airline processes.

Development of activities and financial matters

Result for the year

Revenue DKKm 132 decreased by DKKm 46 (26%) as compared to the prior financial year. Earnings from operating activity DKKm 43 increased by DKKm 14 as compared to the prior financial year. In the current year there is no restructuring cost (DKKm 17.2 in previous year).

Uncertainty related to recognition and measurement

CSC's Danish activities are part of an ongoing transfer pricing audit in Denmark.

The audit is regarding the disallowance of deductibility for global outsourcing services, other services and certain restructuring cost.

SKAT have made a final ruling for the tax years 2009-2012 which have led to an accumulated adjustment of DKKm 12.5 for CSC Airline Solutions Denmark A/S. The audit for the income year 2013 have not yet been finalised.

The final adjustment regarding management fees may result in payable taxes and may influence deferred tax.

Evaluation of last year's expectations

In the annual report for the financial year 2015/16 the expectation for 2016/17 was that the company's key customer (SAS) will decide to continue to buy a number of IT Services from CSC. The parties have signed a new 5-year contract. Restructuring of the company to align the cost base to the new and lower activity level will continue in the coming year and the company expects a positive earnings from operating activities excluding costs of restructuring.

The planned activities to improve the operations were executed as expected and the management considers the earnings for the financial year as acceptable.

Expectations for the future

The company's key customer (SAS) continues to buy a number of IT Services from CSC. The restructuring of the company to align the cost base to the new and lower activity level will continue in the coming years and the company expects a positive earnings from operating activities excluding restructuring costs.

CSC Airline Solutions Denmark A/S

Management report

Special risks

Risk management policy

As a result of its operations and financing, the company is exposed to a number of financial risks e.g. changes in currency and interest rates, liquidity risks and credit risks. Management of financial risks is centralized and handled by the parent company (CSC Danmark A/S). The general framework for financial risk management is determined in the CSC Group's finance policy which is applicable to all CSC entities.

Operational risks

The company's most significant operational risk is related to its ability to be price-competitive as well as deliver solutions to clients who demand a highly qualified workforce at a competitive price. It is thus essential, that the workforce is continuously moulded to fit the actual demands of clients. Furthermore it is important that the company continuously innovate in order to be on the forefront in terms of the IT systems used in the aviation industry.

Market risks

The Company's most significant market risk is tied to its ability to be strongly positioned within the important Nordic markets in which it operates and has only one client and thereby highly depend on that client.

Currency risks

The company invoices primarily in SEK, whereas the bulk of the costs for salary and other external costs are received in DKK. The company is thus exposed to currency exchange fluctuations, but is generally hedged against these risks by using currency forward contracts. However no speculative positions are held.

Interest risks

The interest bearing debt is held against the parent company CSC Danmark A/S, partially in variable and fixed intercompany loans as well as external variable rate financing. Changes in interest rates will have a moderate and indirect effect on the Company's earnings, due to the Company's involvement in the Group's cash pool scheme.

Liquidity risks

The Company is dependent on having access to long-term financing. This is why the Company adheres to the policy of having interminable credit limits that are sufficient to cover the planned operations.

The company is only exposed to the changes in interest rates. The Company's financial resources are comprised of cash and cash equivalents and unutilized credit facilities. Cash pools have been established in the relevant currencies (DKK, SEK, NOK & EUR).

Credit risks

Credit risks tied to financial assets relate to those values which are recognised in the Company's balance sheet. The Company's main business risk is related to the fact that revenues from one client represent a significant part of the total company revenue.

Historically, the Company has found that there have been only small losses on receivables which also applies to the current fiscal year.

CSC Airline Solutions Denmark A/S Management report

Intellectual capital property

The company's business model seeks to create value for clients by delivering IT solutions which are adaptable to future needs. This makes large demands on knowledge based resources and business processes.

In order to be able to deliver these solutions, it is paramount that the Company is able to recruit and retain individuals who are highly educated within IT advisory and IT architect solutions.

In order to ensure competitive and high quality of services delivered, a high competency level is required. Therefore the Company offers internal and external training. Further education gives the employee the opportunity to develop competencies and gain qualifications which strengthen individual professional development.

Corporate social responsibility

CSC is an environmentally aware organization and continually strives to reduce the detrimental environmental effects of its operations by way of process optimization, paper use, environmentally friendly cars and cooling of server and data centers.

CSC Danmark A/S, which is the head office for CSC Nordics and parent of CSC Airline Solutions Denmark A/S is ISO9001/ISO20000 certified. This commits the Company to optimize daily routines and processes in order to minimize the use of resources. The Company's subsidiaries are covered by this certification.

Over and above this, the parent company CSC Danmark A/S is ISO14001 environmentally certified, which is an important parameter for the Group's clients. CSC Airline Solutions Denmark A/S benefit by this certification in the following areas.

Cooling of servers and data centers occurs by using cold air in winter. The effect of server virtualization has also saved on Kwh used, due to less physical servers. These methods have had a positive effect on electricity usage, the external environment as well as the internal work environment in the Company's server room.

Corporate social responsibility in CSC is comprised of five pillars:

- **Clients.** Providing our customers with innovation to help resolve pressing global issues associated with climate change and natural resource usage.
- **Employees.** Striving to be the employer of choice, offering professional development, ensuring staff well-being and valuing creativity, respect and diversity.
- **Community.** Developing sustainable business-community partnerships to address local economic, social and environmental issues and contribute to sustainable development.
- **Environment.** Effectively managing our internal environmental sustainability, across energy, CO2 emissions, waste and water and natural resource use.
- **Governance.** Running our global business with high ethical, environmental and supply chain standards.

Please see the comments sections of the 2016 report of the ultimate parent company Computer Sciences Corporation at www.dxc.technology.com/cr During January to March, 2017 no changes have occurred relating to policies and results of actions.

CSC Airline Solutions Denmark A/S Management report

Share of the under-represented gender

CSC Airline Solutions Denmark A/S has set a target of at least 33.33% female board members in 2018. The current status is that there are two elected female member (66.66%).

CSC will try to ensure, at least one female candidate is presented to all senior management positions. If two candidates are equal on qualifications the female candidate will be chosen. No changes in the senior management positions in current year.

CSC has implemented employee performance appraisal reviews and personal development plans for all employees, to ensure that all employees are measured up against individual goals, and get immediate feedback to these. Development plans are set to reach the best possible use of the employee qualifications. The plans are consolidated in a system, to ensure that CSC has a cross organizational overview of qualifications. This has enabled the company to utilize the employee qualifications in the best way.

It is important to CSC that female employees find that they have the same opportunities for career development and access to management positions as their male colleagues. CSC has flexible working conditions to ensure work life balance.

Research and development

The company has no activities within research and development.

Subsequent events

No events have occurred after the fiscal year end up until this date that affect the balance sheet and subsequently this annual report.

On 24 May 2016, Computer Sciences Corporation announced that its board of directors had unanimously approved a plan to merge Computer Sciences corporation group with Enterprises services segment of Hewlett Packard Enterprises (HPE). The merger was completed by March 2017 with effective date 1 April 2017 under the new name DXC.technology.

CSC Airline Solutions Denmark A/S

Accounting policies

This annual report for CSC Airline Solutions Denmark A/S for the financial year 2016/17 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C (medium).

The comparative figures in the income statement have been subject to reclassification, all with no effect on profit for the year or equity. Apart from these reclassifications, the accounting policies applied to these financial statements are consistent with those applied last year.

In accordance with provision 86, 4 of the Danish Financial Statements Act, the company has omitted to prepare a cash flow statement as the cash flow is part of the cash flow statement for the group annual report for Computer Sciences Corporation, Tysons, Virginia, USA.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that – as a result of a prior event – future economic benefits will flow to the Company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Financial assets and liabilities are measured on the basis of amortised cost – within which a fixed interest rate is used. Amortised cost is calculated as the purchase price inclusive of any accumulated amortised additions/deductions of the difference between the cost price and the nominal value.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income hereunder valuation adjustments of financial assets and liabilities measured at fair value or amortised cost is recognised in the income statement when earned. Costs that have been incurred in order to generate earnings are recognised in the income statement hereunder depreciation, write downs, provisions.

Foreign currency translation

On initial recognition, foreign currency transactions are converted by applying the exchange rate as at the transaction date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date and the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are converted using the exchange rate at the balance sheet date. The difference between the spot exchange rate and the date when the receivable or liability is realised, is recognised in the income statement under financial income and costs.

Plant and equipment, intangible assets and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

CSC Airline Solutions Denmark A/S

Accounting policies

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made, risk has transferred to the buyer, if the revenue can be calculated reliably and it is expected that payment is received. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the fixed consideration net of VAT and duties charged on behalf of a third party.

Other external expenses

Other external expenses include expenses for distribution, sale, marketing, administration, premises, loss on bad debts etc.

Personnel expenses

Personnel expenses include salaries and wages as well as social insurance contributions, pension contributions etc. for the company's employees.

Regulatory mechanisms for benefits to employees by social security, pensions or insurance nature is recognised in income, as the obligation arises, as a proportion of its staff costs.

Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses on payables and transactions in foreign currencies etc as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Income tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

CSC Airline Solutions Denmark A/S

Accounting policies

Tax payable and deferred tax

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year taxable income, adjusted for prepaid tax.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the value of the carried forward taxable losses, are recognised in the balance sheet at their estimated realisable value, either to off-set future taxable income or deferred tax liabilities within the same legal entity or jurisdiction.

The company has entered into a joint taxation agreement. The actual Danish corporate tax is divided between the jointly taxed companies in proportion to their taxable income (distribution with reimbursement on losses).

Provisions

Provisions regard expected costs for restructuring and pensions. Accrued provisions are recognised when the company – due to a prior period event – has a legal or actual obligation and that fulfilling these obligations will lead to use of the company's financial resources. Provisions are measured at net realization value.

Other liabilities

Financial liabilities which include trade payables and liabilities to other group entities are measured at net realization value which usually corresponds to nominal value.

Deferred income

Deferred income includes received income for recognition in subsequent financial years. Deferred income is measured at cost.

Segment reporting

Information is not given regarding the business segments and geographical markets.

Financial highlights

The definition of key ratios is in accordance with "The Danish Society of Financial Analysts Recommendations & Financial Ratios 2015"

$$\text{Operating margin (\%)} = \frac{\text{Earnings from operating act.} \times 100}{\text{Revenue}}$$

$$\text{Return on operating assets} = \frac{\text{Earnings from operating act.} \times 100}{\text{Average operating assets}}$$

$$\text{Return on equity (\%)} = \frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$$

$$\text{Equity share (\%)} = \frac{\text{Equity} \times 100}{\text{Total Assets}}$$

Operating assets = Operating assets are all assets less cash.

CSC Airline Solutions Denmark A/S
Income statement for the period 1 April 2016 – 31 March 2017

	Note	2016/17 DKK'000	2015/16 DKK'000
Revenue		132,403	178,626
Other external expenses		(61,203)	(98,873)
Gross profit		71,200	79,753
Personnel expenses	2	(27,656)	(50,661)
Depreciation and impairment of losses		(534)	(2)
Earnings from operating activity		43,010	29,090
Financial income		6,148	10,175
Financial expenses		(12,427)	(11,545)
Profit/(loss) before income tax		36,731	27,720
Tax on profit /(loss)	3	(5,000)	(13,190)
Profit/(loss) for the year		31,731	14,530
Proposed distribution of profit	4		

CSC Airline Solutions Denmark A/S
Balance sheet as at 31 March 2017

Assets	Note	2017 DKK'000	2016 DKK'000
Software	5	95	-
Intangible assets		95	-
Other fixtures and fittings, tools and equipment		2,942	40
Plant and equipment	6	2,942	40
Non-current assets		3,037	40
Trade receivables		8,577	16,280
Group entity receivables		205	-
Other receivables		1,508	1,355
Prepayments	7	304	386
Receivables		10,594	18,021
Cash and cash equivalents		185,855	168,420
Current assets		196,449	186,441
Assets		199,486	186,481

CSC Airline Solutions Denmark A/S
Balance sheet as at 31 March 2017

Liabilities	Note	2017 DKK'000	2016 DKK'000
Share capital	8	5,000	5,000
Retained earnings		162,150	130,419
Equity		167,150	135,419
Other provisions		2,255	11,075
Provisions	10	2,255	11,075
Trade payables		2,817	205
Group entity payables		10,292	16,849
Other payables		11,972	16,521
Income tax liability		5,000	6,065
Deferred income	11	-	347
Current liabilities		30,081	39,987
Liabilities other than provisions		30,081	39,987
Equity provisions and liabilities		199,486	186,481

Uncertainty related to recognition & measurement	1
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Related Parties	13

CSC Airline Solutions Denmark A/S
Statement of changes in equity for 1 April 2016 - 31 March 2017

	<u>Share Capital</u> <u>DKK'000</u>	<u>Retained Earnings</u> <u>DKK'000</u>	<u>Total</u> <u>DKK'000</u>
Equity as at 1 April 2016	5,000	130,419	135,419
Profits of the year	-	31,731	31,731
Equity as at 31 March 2017	<u>5,000</u>	<u>162,150</u>	<u>167,150</u>

CSC Airline Solutions Denmark A/S

Notes

1 Uncertainty relating to recognition and measurement

CSC's Danish activities are part of an ongoing transfer pricing audit in Denmark.

The audit is regarding the disallowance of deductibility for global outsourcing services, other services and certain restructuring cost.

SKAT have made a final ruling for the tax years 2009-2012 which have led to an accumulated adjustment of DKKm 12.5 for CSC Airline Solutions Danmark A/S. The audit for income year 2013 have not yet been finalised.

The final adjustment regarding management fees may result in payable taxes and may influence deferred tax.

2 Personnel expenses

Salaries and wages	24,054	47,824
Pension costs	3,399	2,511
Other social security costs	203	326
	<u>27,656</u>	<u>50,661</u>
Total compensation and remuneration to Executive board and Board of directors	<u>1,612</u>	<u>730</u>
Average number of employees	<u>30</u>	<u>43</u>

Management is employed in and remunerated by both CSC Danmark A/S and CSC Airline Solutions Denmark A/S. The stated amount is allocated based on an estimate over the management's time consumption.

In accordance with provision 98 b, 3 of the Danish Financial Statements Act the remuneration of the managing director and Board of Directors is disclosed as a combined amount.

In 2016/17 there is no restructuring cost.

3 Income taxes

	2016/17	2015/16
	DKK'000	DKK'000
Current tax	5,000	6,065
Adjustment previous years, deferred tax	(1,236)	6,855
Change in deferred tax	3,147	508
Change in not recognised part of tax asset	(1,911)	(421)
Change in tax percentage	-	183
	<u>5,000</u>	<u>13,190</u>

4 Proposed distribution of profit

	2016/17	2015/16
	DKK'000	DKK'000
Retained earnings	31,731	14,530
	<u>31,731</u>	<u>14,530</u>

CSC Airline Solutions Denmark A/S
Notes

5 Intangible assets	Software DKK'000
Cost as at 1 April 2016	-
Additions	111
Disposals	-
Cost as at 31 March 2017	111
Depreciation and impairment losses as at 1 April 2016	-
Depreciation for the year	16
Reversal relating to disposals	-
Depreciation and impairment of losses as at 31 March 2017	16
Carrying amount as at 31 March 2017	95

6 Plant and equipment	Other fixtures DKK'000
Cost as at 1 April 2016	42
Additions	3,419
Disposals	-
Cost as at 31 March 2017	3,461
Depreciation and impairment losses at 1 April 2016	2
Depreciation for the year	517
Reversals relating to disposals	-
Depreciation and impairment losses as at 31 March 2017	519
Carrying amount as at 31 March 2017	2,942

7 Prepayments

Prepayments are made up primarily of prepaid costs relating to support and maintenance licenses.

8 Deferred tax	2017 DKK'000	2016 DKK'000
Deferred tax regards the following financial statement items:		
Intangible assets	(21)	-
Tangible Assets	114	1
Pension provision	312	445
Restructuring provision	184	1,992
Interest elimination due to EBIT	-	62
	589	2,500
Not recognised amounts	(589)	(2,500)
Carrying value 31 March 2017	-	-

CSC Airline Solutions Denmark A/S
Notes

9 Other provisions	2017	2016
	DKK'000	DKK'000
Pension provision	1,419	2,022
Provision for restructuring costs	836	9,053
	<u>2,255</u>	<u>11,075</u>
 Period when accrued pensions are expected to become payable		
0-1 years	1,253	8,770
1-5 years	1,002	2,305
	<u>2,255</u>	<u>11,075</u>

10 Deferred income

Deferred income consists of income regarding service contracts and income is recognised in the income statement in the subsequent periods.

11 Commitments and contingencies etc.

The company's cash is part of a joint Nordic cash pool and used as collateral for the debt to the banks in other Nordic companies.

The Company participates in a Danish joint taxation arrangement in which CSC Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

12 Related parties

Related parties with a controlling interest

The following related parties have a controlling interest in CSC Airline solutions Denmark A/S:

Name	Municipality of domicile	Basis of influence
CSC Danmark A/S	Copenhagen	Danish parent
Computer Sciences Corporation	Tysons, Virginia, USA	Ultimate parent

Transactions with related parties	2017	2016
	DKK'000	DKK'000
Revenue from related parties	10,585	11,122
Cost from related parties	54,163	76,851
Receivable/Payable with related parties	(10,087)	(16,849)

CSC Airline Solutions Denmark A/S
Notes

12 Related parties (continued)

Ownership

The following shareholders, who hold minimum 5% of the votes or minimum 5% of the nominal value of the share capital, are listed in the Company's register of owners:
CSC Danmark A/S, Copenhagen.

Group ownership

CSC Airline Solutions Denmark A/S is included in the consolidated financial statements of Computer Sciences Corporation, Tysons, Virginia, USA. The consolidated financial statements for Computer Sciences Corporation is available at www.dxc.technology/investor_relations/ds/32578-financial-reports