

Norwegian Air Shuttle ASA

Q2 2012 Presentation

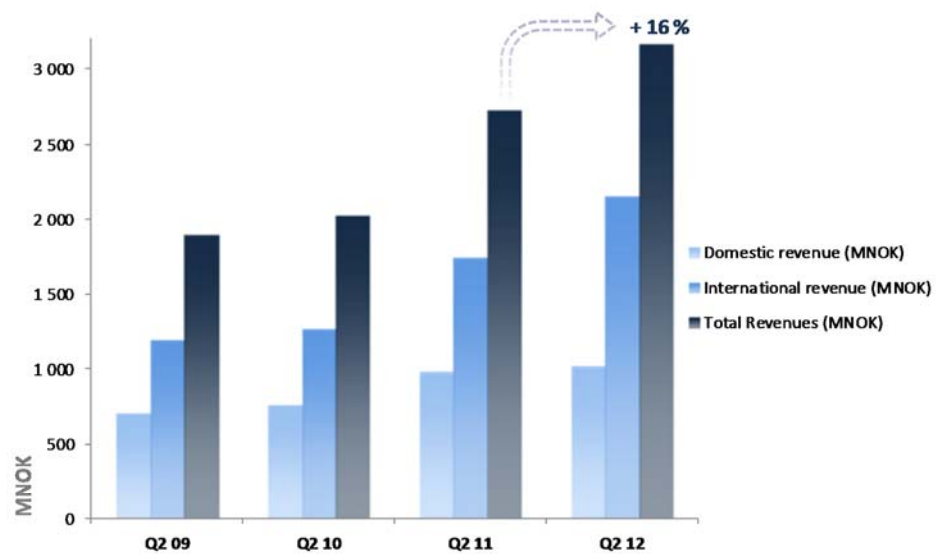
July 12th 2012

CEO Bjørn Kjos



Double digit revenue growth in Q2

- Group revenues of MNOK 3,170 in Q2 2012



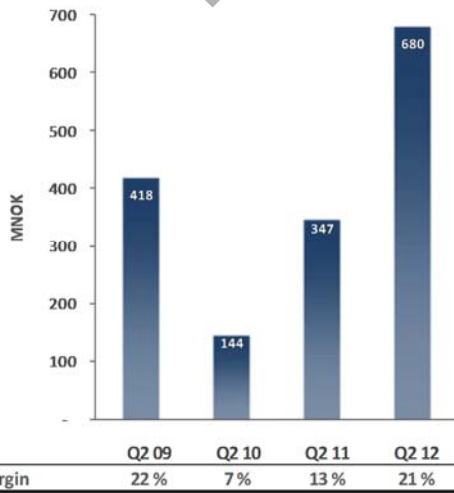
Revenues	1 901	2 032	2 725	3 170
Domestic revenue	709	766	982	1 017
% y.o.y. chg	27 %	8 %	28 %	4 %
International revenue	1 192	1 266	1 743	2 153
% y.o.y. chg	20 %	6 %	38 %	24 %



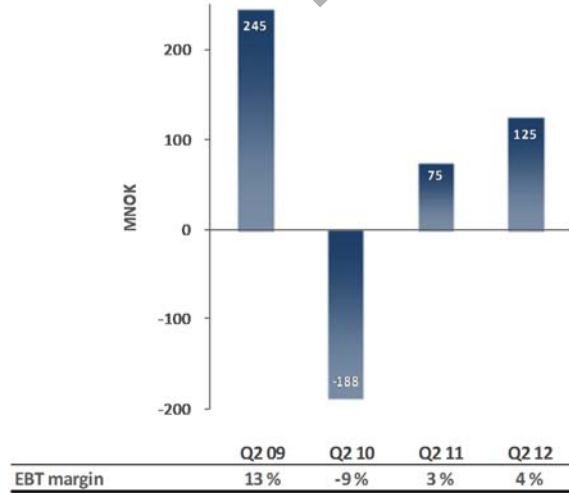
Pre-tax profit improved by 50 million

-	EBITDAR	MNOK	680	(347)
-	EBITDA	MNOK	410	(137)
-	EBIT	MNOK	322	(73)
-	Pre-tax profit (EBT)	MNOK	125	(75)
-	Net profit	MNOK	91	(54)

EBITDAR development Q2



EBT development Q2

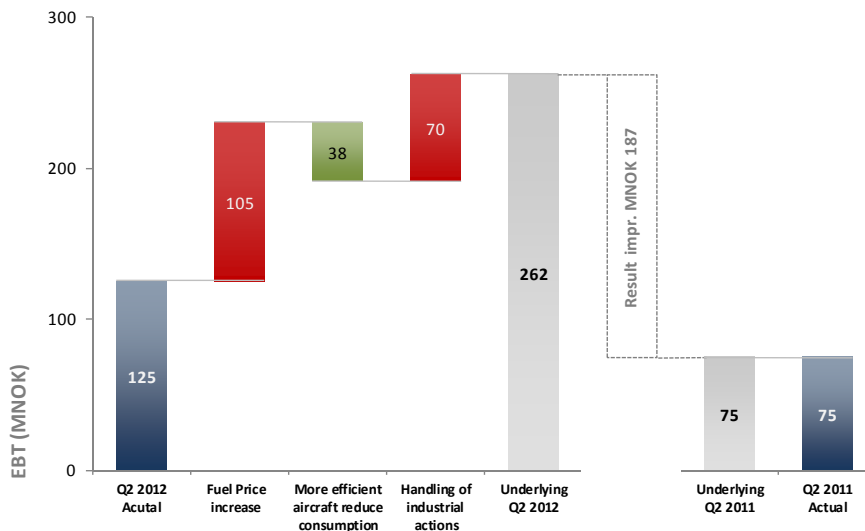


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Underlying EBT improvement of MNOK 187

- Realized fuel price up 7 % since last year – equivalent to MNOK 105
- More efficient aircraft saves MNOK 38 in fuel cost
- Handling of industrial actions with MNOK 70 earnings effect





Cash & cash equivalents of NOK 1.6 billion

- Cash flows from operations in Q2 2012 MNOK +571 (+275)
- Cash flows from investing activities in Q2 2012 MNOK -478 (-756)
- Cash flows from financing activities in Q2 2012 MNOK -6 (+471)
- Cash and cash equivalents at period-end MNOK +1,574 (+1,219)

Condensed Consolidated Statement of Cash Flow

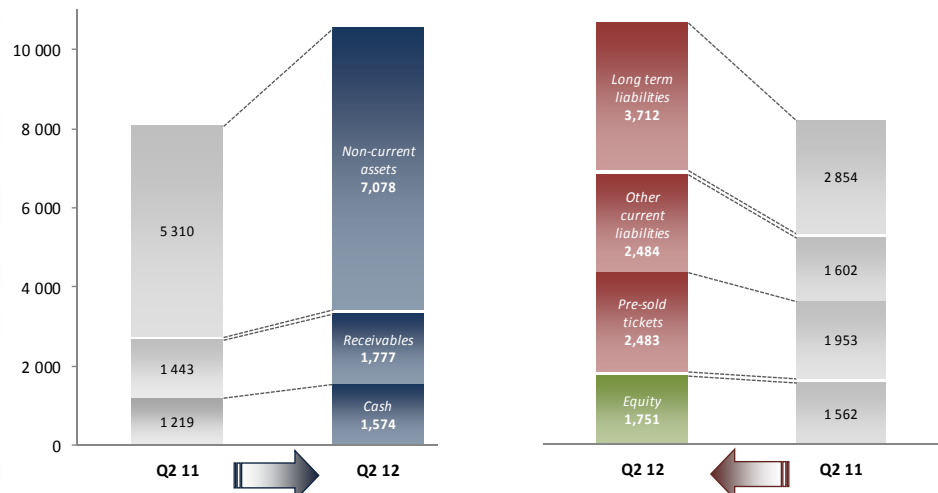
Unaudited	Quarter ended June 30		YTD June 30		Year ended Dec 31
(Mill. NOK)	2012	2011	2012	2011	2011
Net cash flows from operating activities	571,4	274,7	1 115,4	504,0	673,7
Net cash flows from investing activities	-477,6	-756,0	-655,2	-906,2	-2 189,5
Net cash flows from financial activities	-6,2	471,1	8,7	442,6	1 442,2
Foreign exchange effect on cash	0,2	0,2	0,5	0,3	0,1
Net change in cash and cash equivalents	87,8	-10,0	469,5	40,8	-73,5
Cash and cash equivalents in beginning of period	1 486,6	1 229,3	1 104,9	1 178,4	1 178,4
Cash and cash equivalents in end of period	1 574,4	1 219,3	1 574,4	1 219,3	1 104,9

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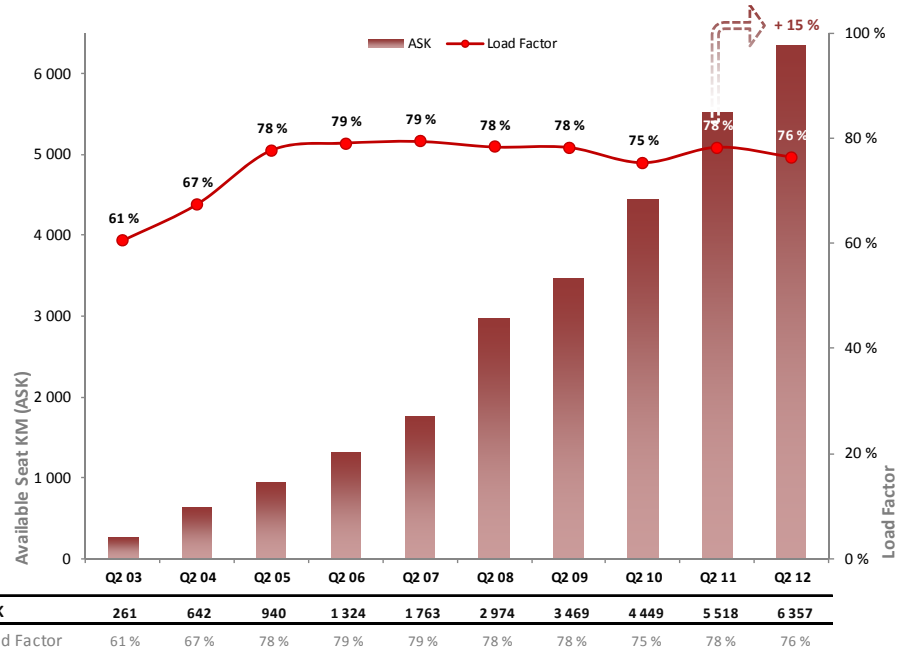
Equity improved by MNOK 189 compared to last year

- Total balance of NOK 10.4 billion
- Net interest bearing debt NOK 2.8 billion
- Equity of NOK 1.8 billion at the end of the second quarter
- Group equity ratio of 17 % (20 %)



Traffic growth of 12 % in Q2 2012

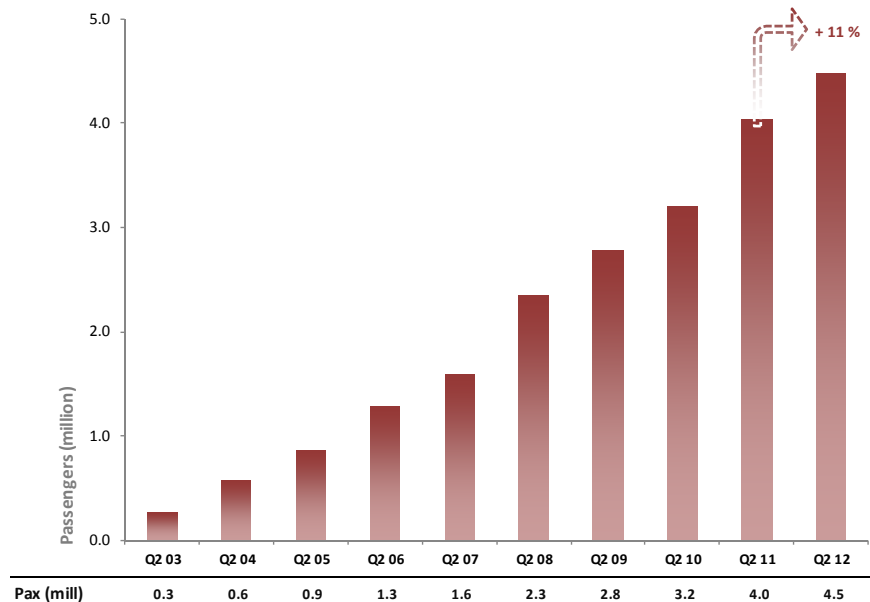
- Third party strike reduced traffic and load by 3 - 4 p.p.
- Unit revenue (RASK) up 2 %



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4.5 million passengers in Q2 2012

- An increase of 430,000 passengers
- Growth reduced by industrial actions

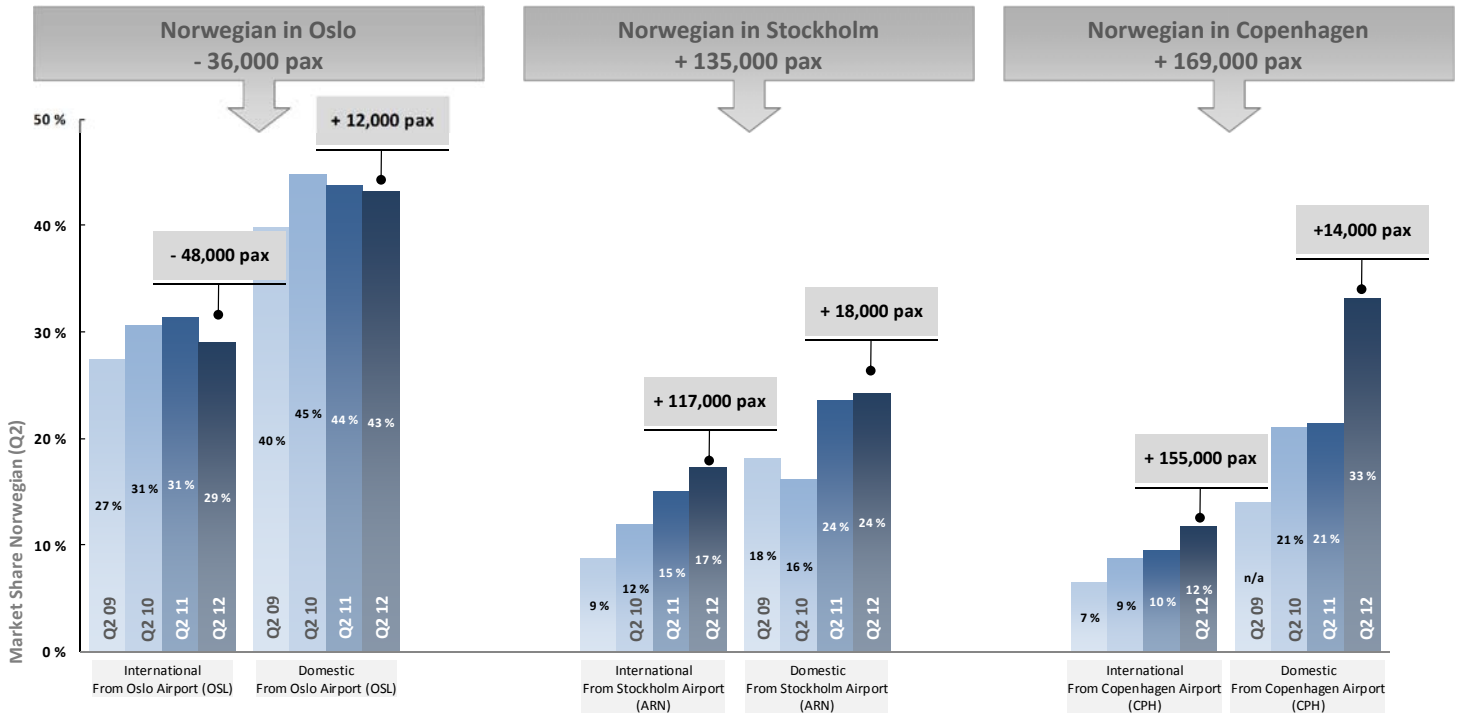


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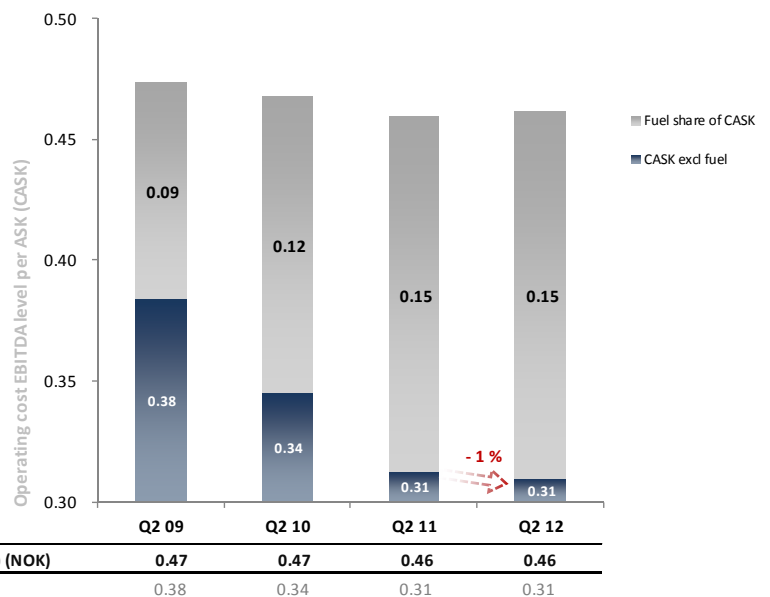
Continued strong international growth in Q2

- The Helsinki operation grew with 41,000 pax in Q2
- Flights to and from Norway affected by industrial actions




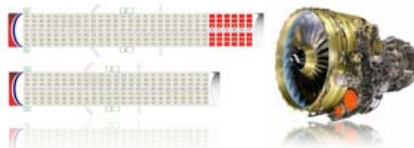


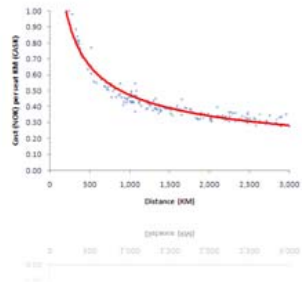

Unit cost ex. fuel down 1 %

- Unit cost inc. fuel up 1 %
 - 5 % higher NOK denominated spot fuel price
 - 7 % higher realized fuel price per ton (including fuel hedges and EU ETS costs)
- More efficient aircraft saved MNOK 38 in fuel cost in Q2





Norwegian aiming for FY CASK NOK 0.30 excluding fuel

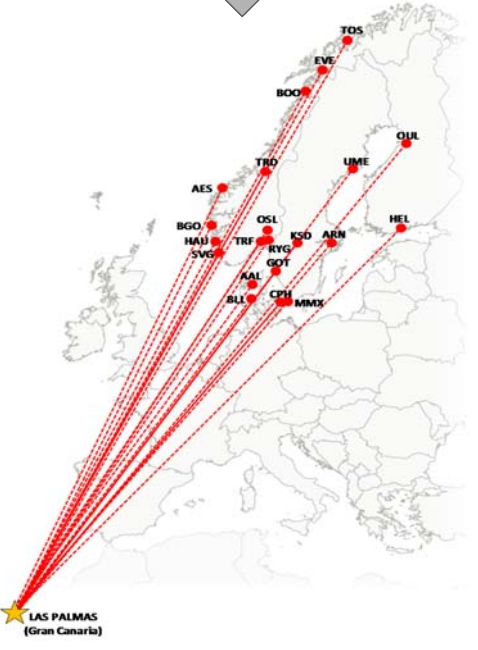
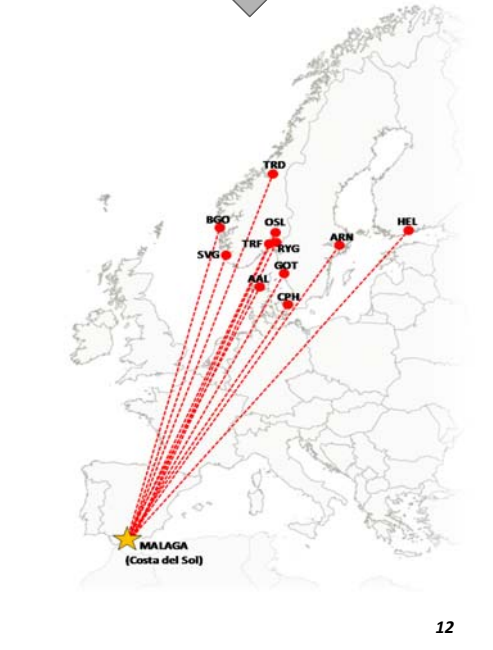
<p>Scale economies</p> <ul style="list-style-type: none"> • Uniform fleet of Boeing 737-800s • Overheads 	<p>New more efficient aircraft</p> <ul style="list-style-type: none"> • Flying cost of 737-800 lower than 737-300 • 737-800 has 38 "free" seats • 4 % lower unit fuel consumption in Q2 	<p>Growth adapted to int'l markets</p> <ul style="list-style-type: none"> • Cost level adapted to local markets • Outsourcing/ Off-shoring 
<p>Crew and aircraft utilization</p> <ul style="list-style-type: none"> • Rostering and aircraft slings optimized • Q2 utilization of 10.7 BLH pr a/c 	<p>Optimized average stage length</p> <ul style="list-style-type: none"> • Fixed costs divided by more ASKs • Frequency based costs divided by more ASKs • Q2 stage length up by 3 % 	<p>Automation</p> <ul style="list-style-type: none"> • Self check-in/ bag drop • Automated charter & group bookings • Streamlined operative systems & processes 



Establishing a second base in Spain

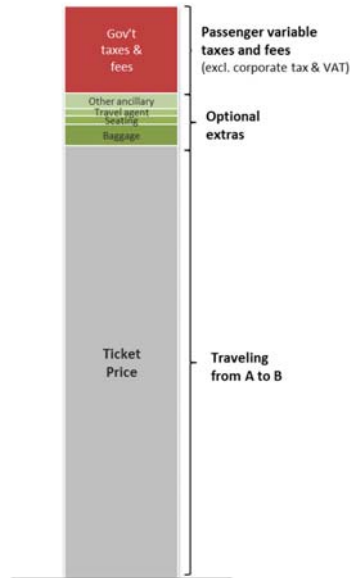
- Flights to and from Spain will increase by 60 %
- 350 weekly flights to and from Spain during Winter 2022/23



<p>Non-stop flights Las Palmas</p> 	<p>Non-stop flights Malaga</p> 
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Ancillary revenue remains a significant contributor

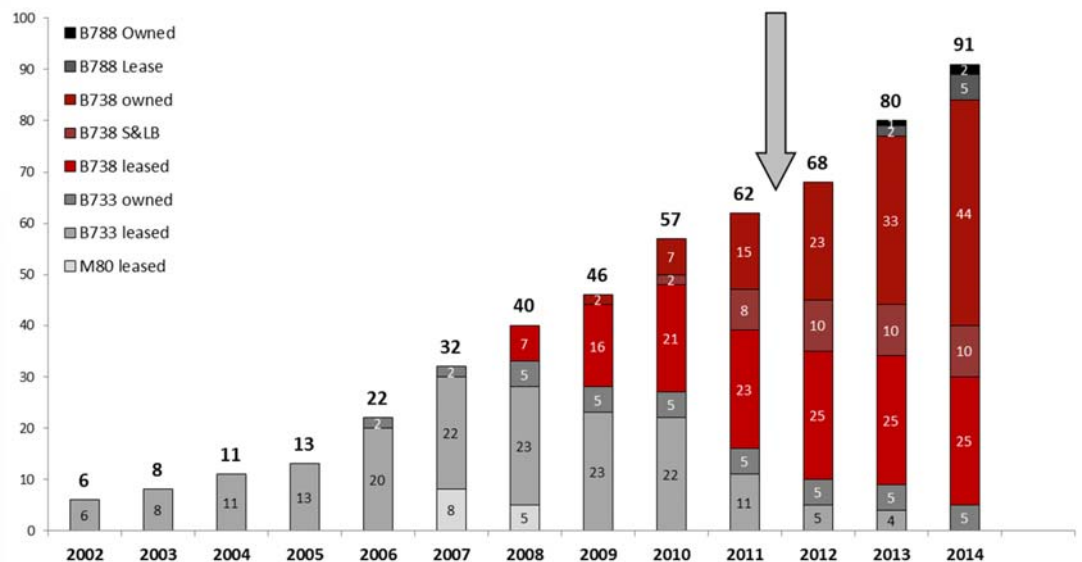
- Ancillary revenue comprises 11 % of Q2 revenues
- NOK 78 per scheduled passenger (equivalent to last year)



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Current committed fleet plan

- 13 new 800 deliveries in 2012
- Short term shortage of 800's
 - Temporarily covered by existing 300's (2012 CASK guidance unaffected)
- First 787-8 Dreamliner deliveries expected in Q1 2013



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Expectations for 2012

- Business environment
 - Increased economic uncertainty in parts of Europe
 - Seasonal fluctuations
 - Continued but stabilized yield pressure
- Production
 - The company expects a production growth (ASK) in excess of 15 %
 - Primarily from increasing the fleet by adding 737-800's
 - Capacity deployment depending on development in the overall economy and marketplace
- Cost development
 - Unit cost expected in the area of 0.43 – 0.44 (excluding hedged volumes)
 - Fuel price dependent – USD 850 pr. ton (excluding hedged volumes)
 - Currency dependent – USD/NOK 6.00 (excluding hedged volumes)
 - Based on the currently planned route portfolio
 - Production dependent
 - Larger share of aircraft with more capacity and lower unit cost

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norwegian.com

Norwegian offers 313 scheduled routes to 115 destinations



Norwegian Air Shuttle ASA

Mailing address P.O. Box 113
No – 1330 Fornebu

Visiting address Oksenøyveien 3

Telephone +47 67 59 30 00
Telefax +47 67-59 30 01
Internet www.norwegian.com

Organization number NO 965 920 358 MVA

