

Norwegian (NAS)

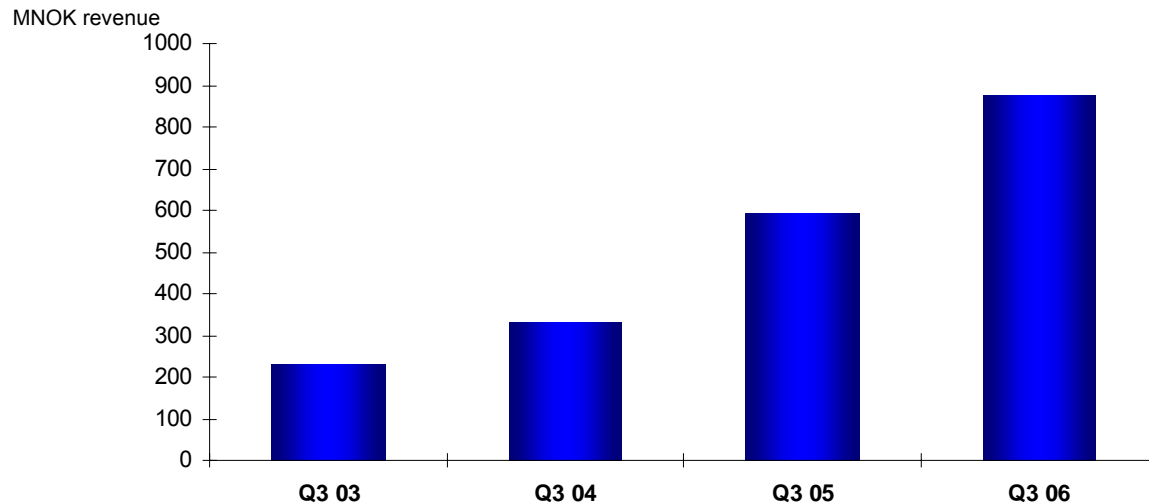
Q3 2006

Bjørn Kjos (CEO)
Oslo, 26 October 2006



Strong revenue growth in Q3

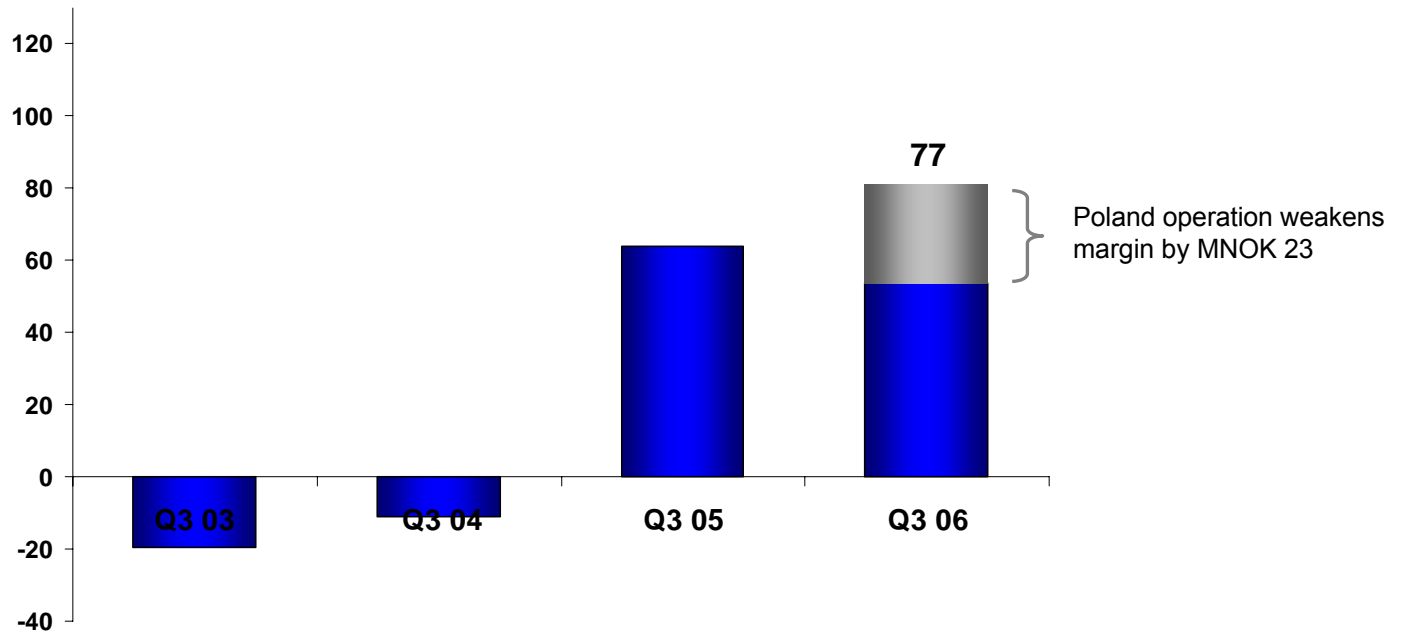
- 878 MNOK revenue in Q3 2006
- Revenue growth of 49 % since Q3 2005



Revenue	230	332	590	878
Earnings after tax	-30	-11	44	28
EPS	1,91	-0,61	3,54	2,74

Profitable quarter

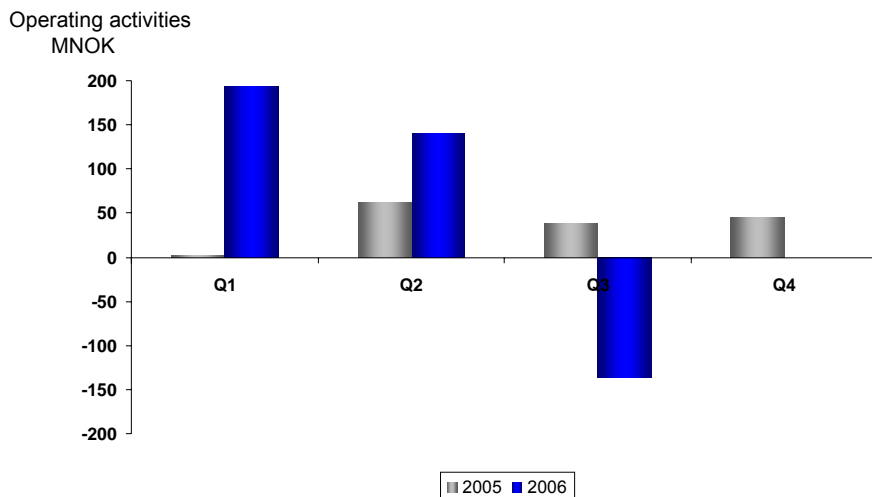
- EBITDA of 54 MNOK in Q3 2006 (64 MNOK)
- Earnings after tax 28 MNOK (44 MNOK)



Revenue	230	332	590	878
EBITDA MNOK	-20	-11	64	54
EBITDA margin %	-12 %	-3 %	11 %	6 %

Cash flow fluctuation due to seasonality

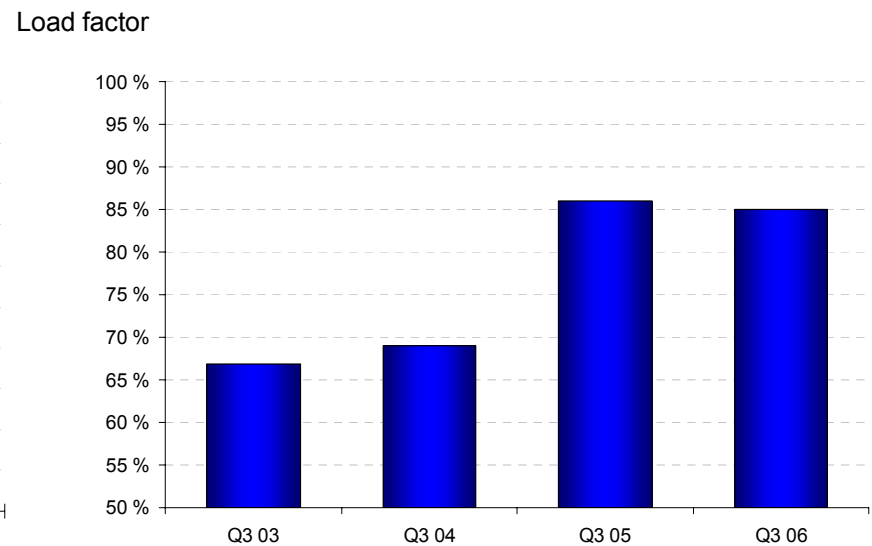
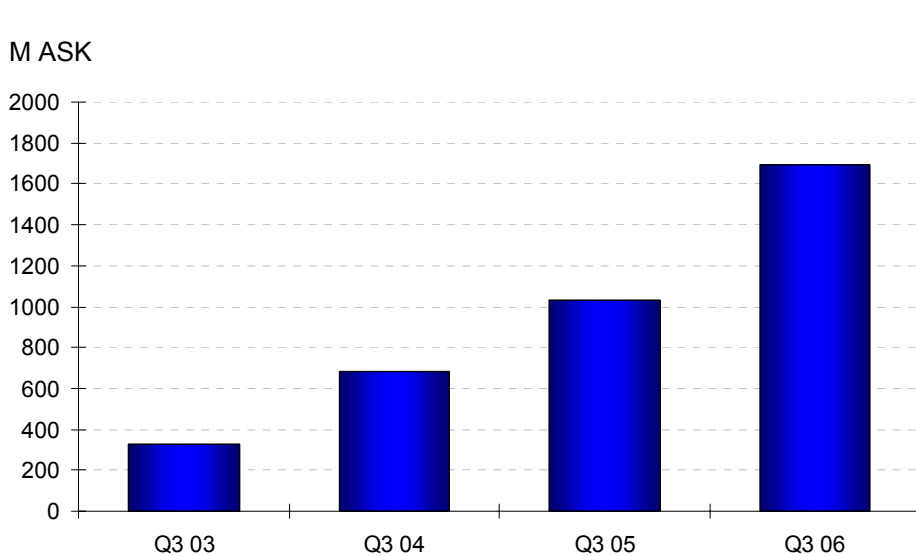
- Negative cash flow from operation of - 136 MNOK
- Cash and equivalents 387 MNOK (+200 MNOK credit line)
- Investments related to IT-systems and upgrades on aircraft



CASH FLOW (TNOK)	Third quarter	
	2006	2005
From:		
Operating activities	-136 733	37 524
Investments	-11 311	-5 636
Financial activities		-15 686
Net change	-148 043	16 202
Opening balance	535 501	233 431
Closing balance	387 456	249 633

Capacity growth on track

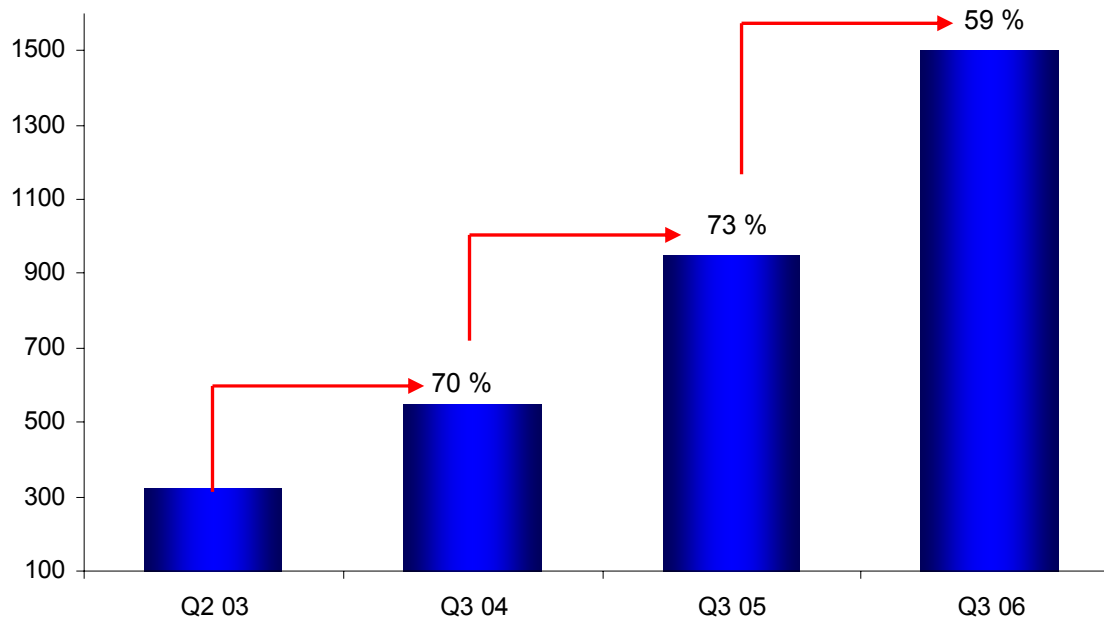
- 64 % increase in production from Q3 05 to Q3 06
- Load factor leveling out at 85 %



Strong passenger growth

- 70 % passenger growth on international routes
- 1.5 million passengers last three months

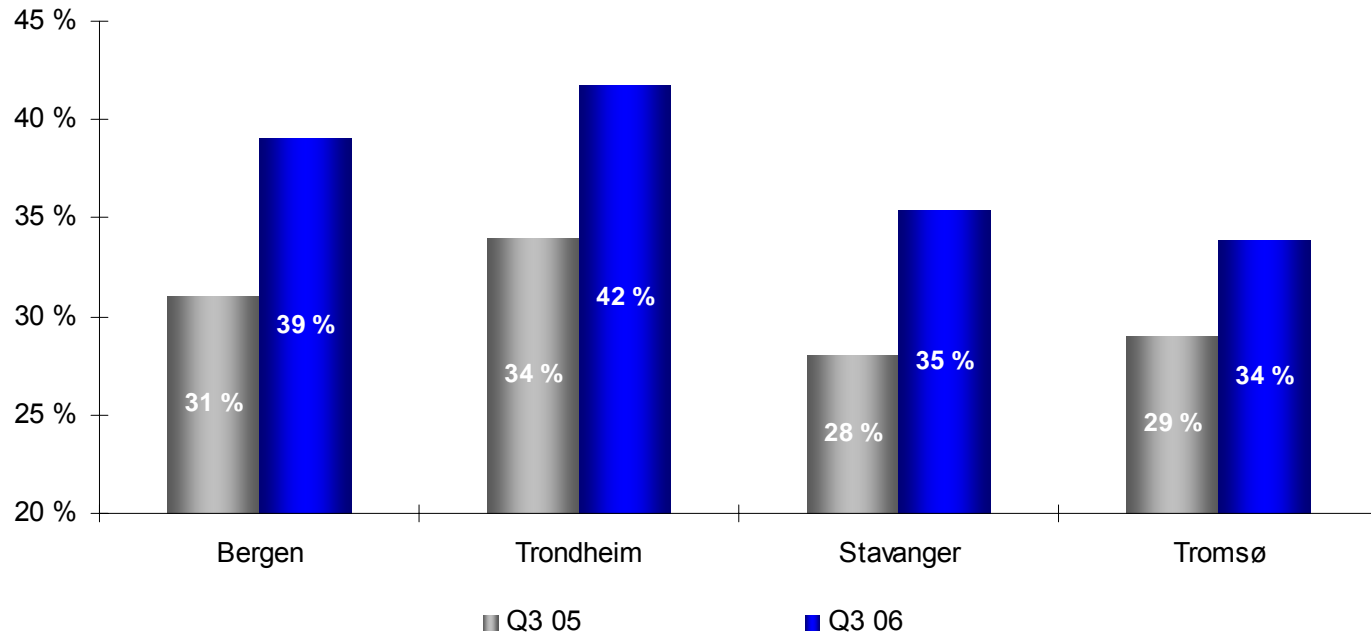
Thousand pax



Enhanced competitive position

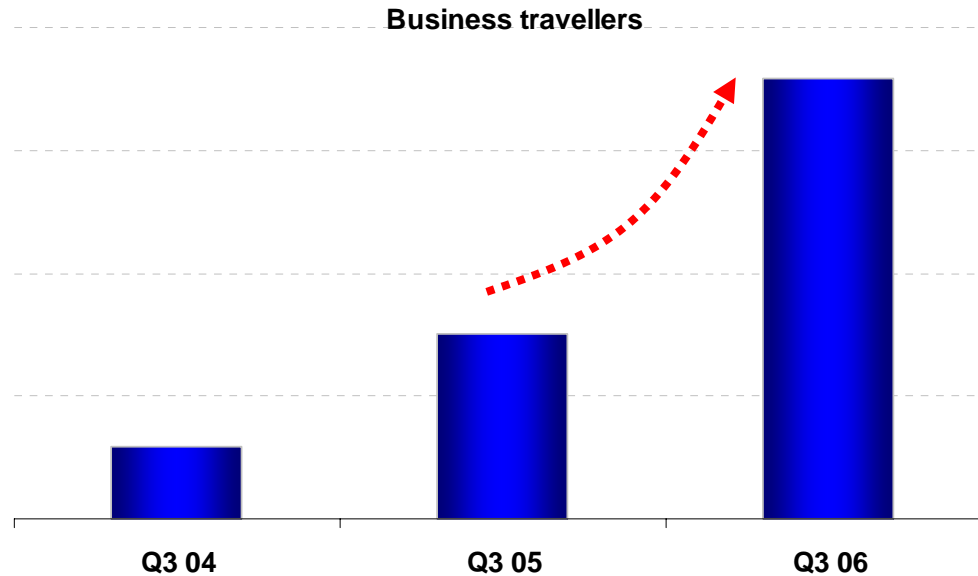
- 38 % market share on key domestic routes, 7 pp growth
- Capacity increased by 64 % since Q305

% Market Share



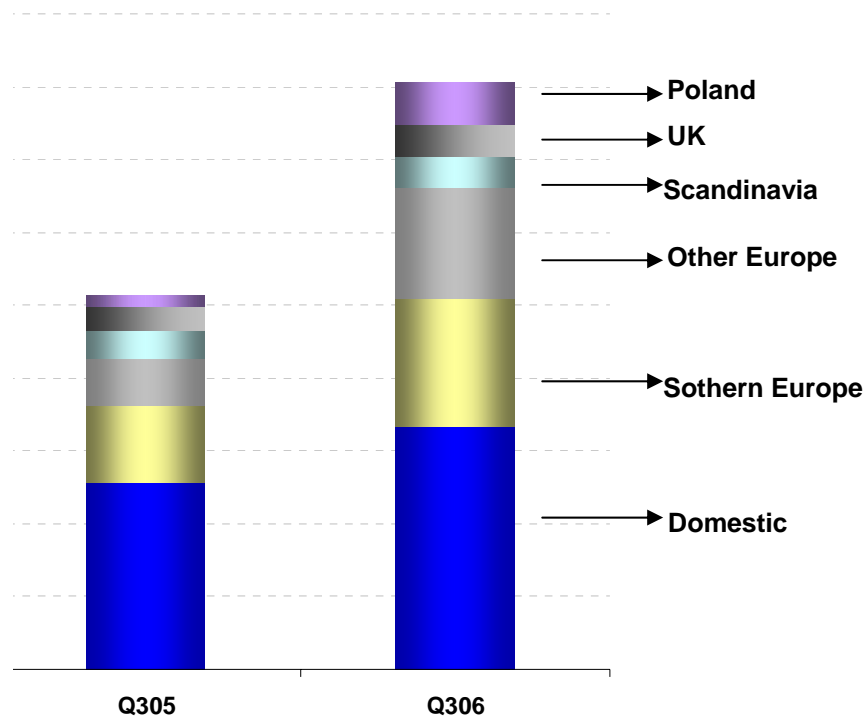
Continued growth in business segment

- 83 % growth in business passengers since Q3 05
- Adequate timetable and flexible tickets is attracting the business segment



Strong revenue growth, domestic and international

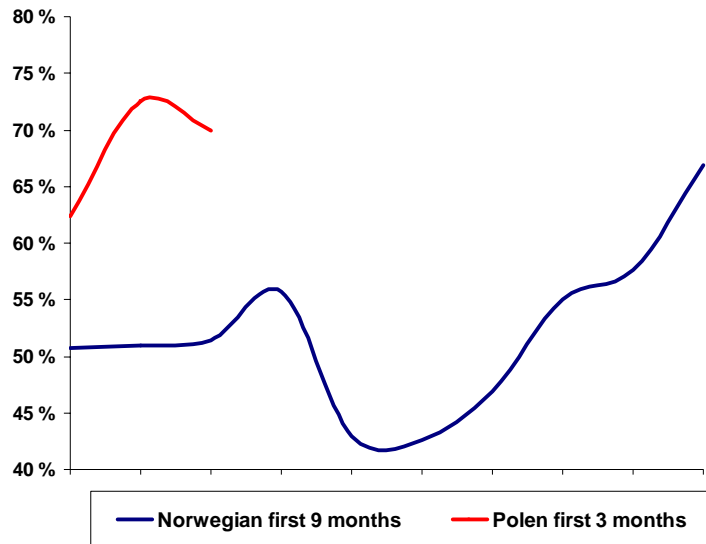
- Domestic turnover increased by 30 % since Q3 2005
- International turnover increased by 85 % since Q3 2005



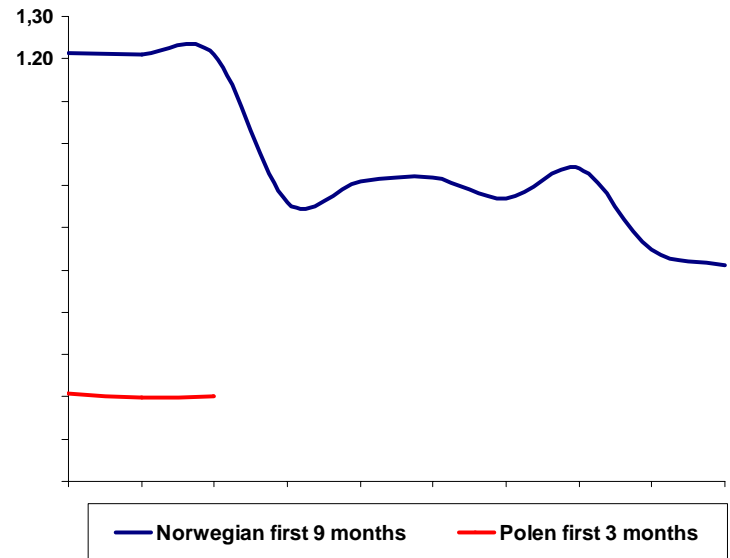
Poland expansion on track

- Production adjustments made quickly after launch
- Load factor ranging from 63 to 73 % first 3 months, showing demand for low fare travel
- Stronger presumption than start up in Norway

Load factor development

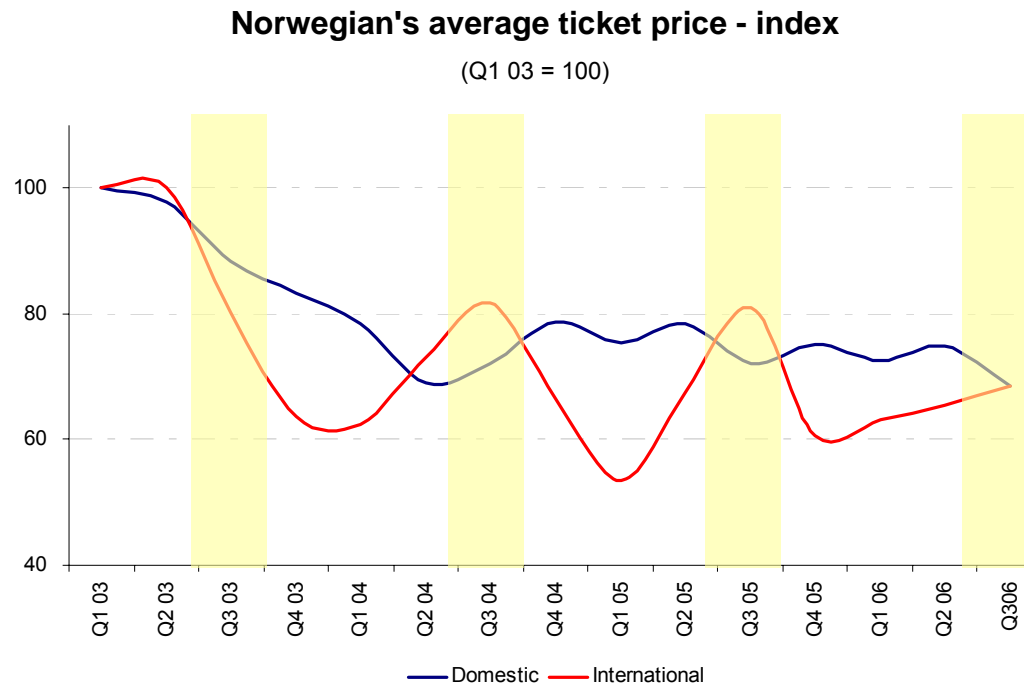


CASK development



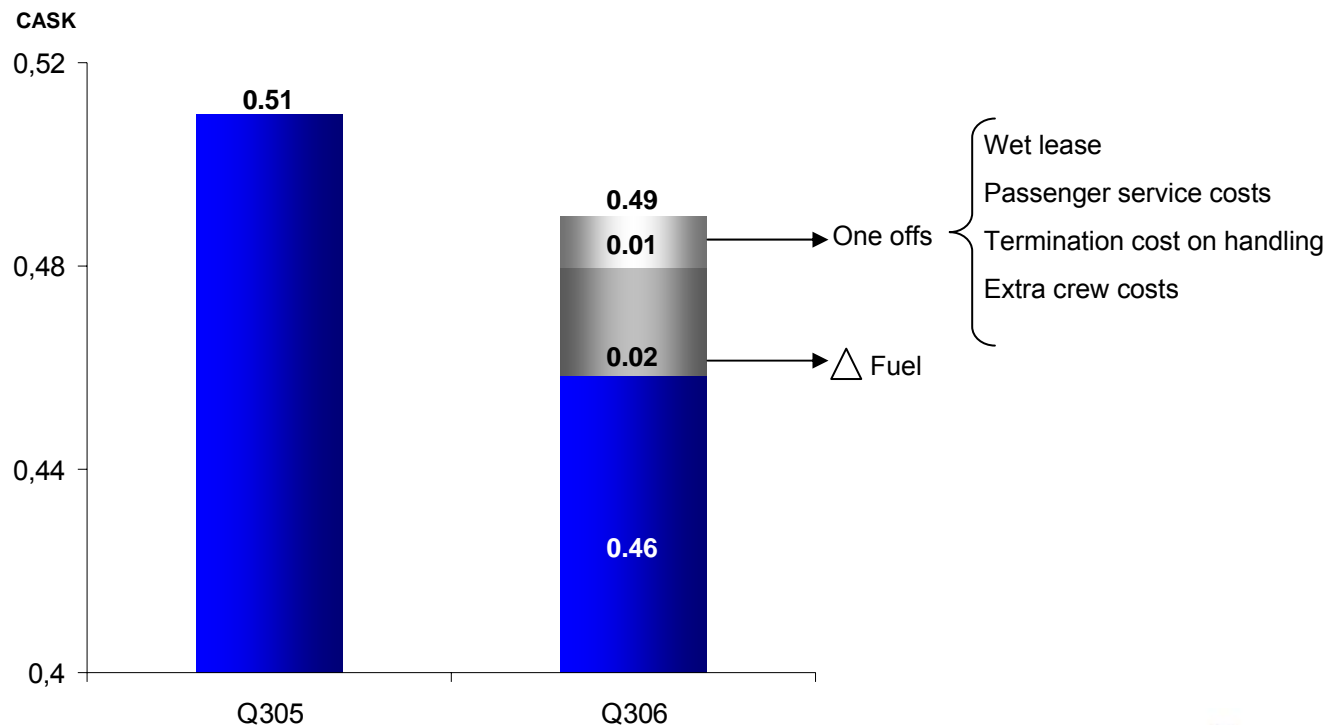
Still a guarantor for low fares

- Domestic prices are down 5 % Q306 compared to Q305
- Implementation of a new revenue systems hampered yield during Q3
- International prices are down from heavy expansion and introductory pricing



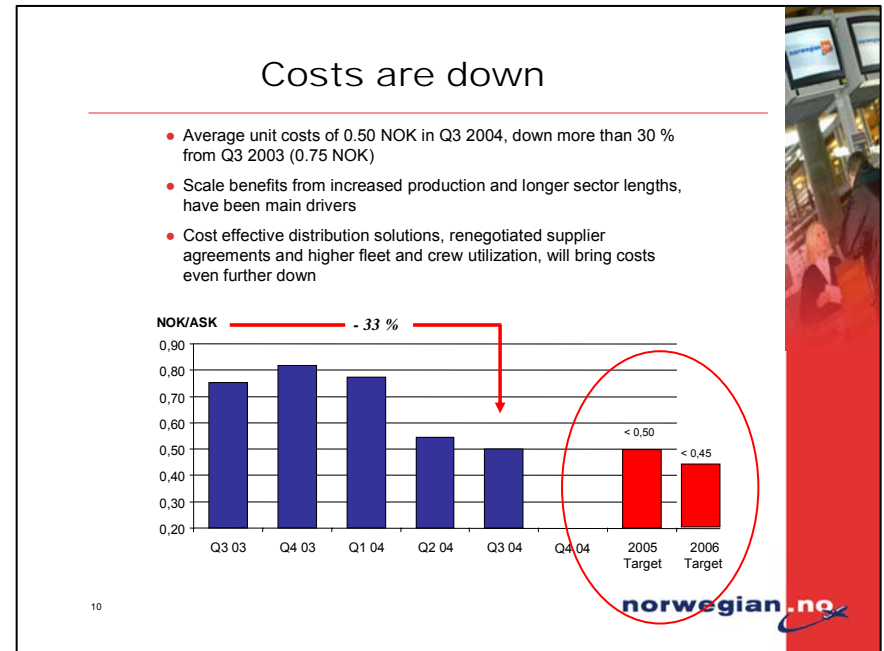
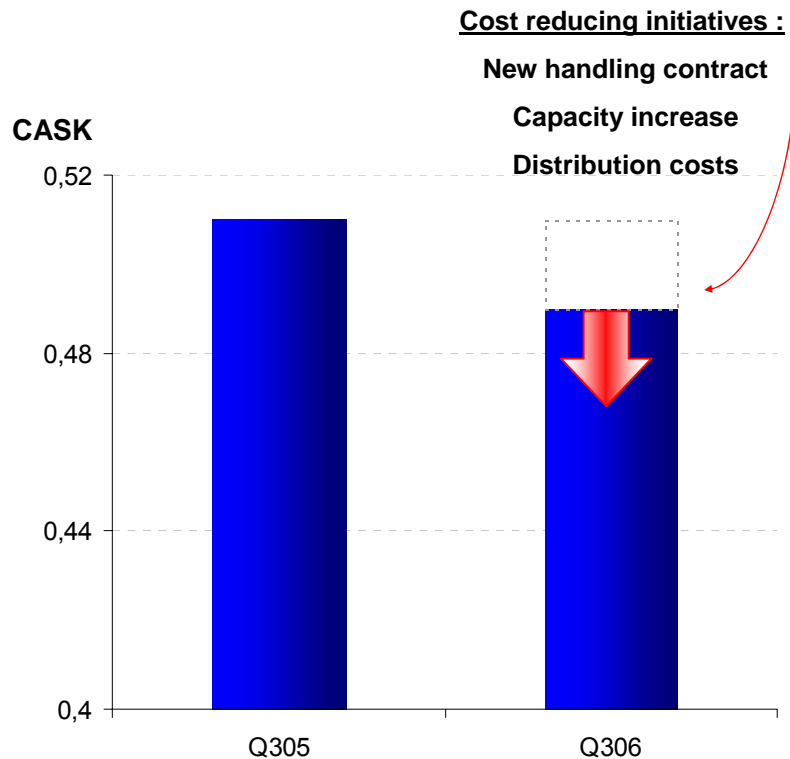
Cost development

- Unit cost of 0.49 NOK in Q3 06
- Cost level affected by higher fuel prices and one offs



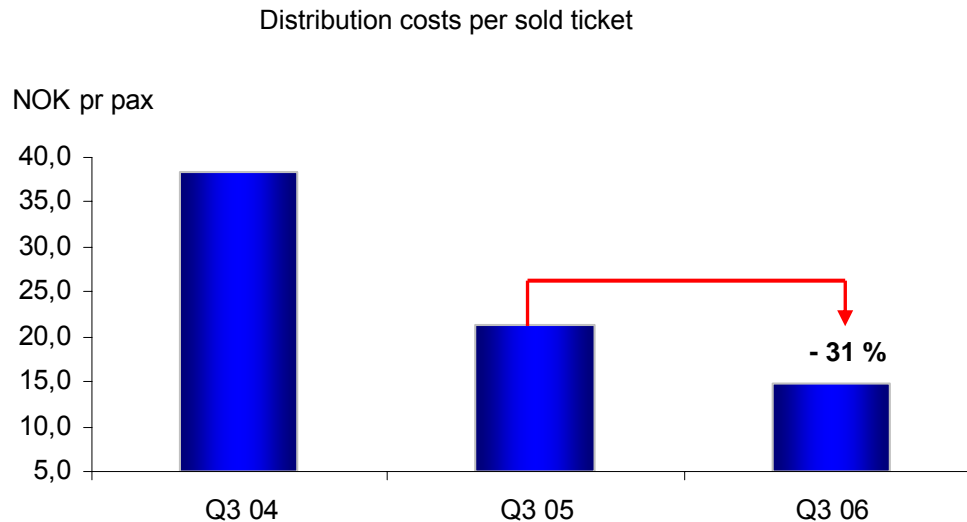
Cost initiatives are materialising

- Getting closer to NOK 0,45 target set in 2004



Lower distribution costs

- Distribution costs per sold ticket of NOK 14.8, down from 21.4 NOK
- Joint partnership with Amadeus is proven efficient

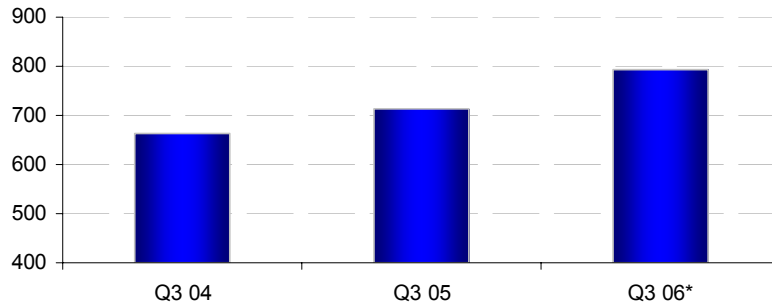


Increased fleet and crew utilization

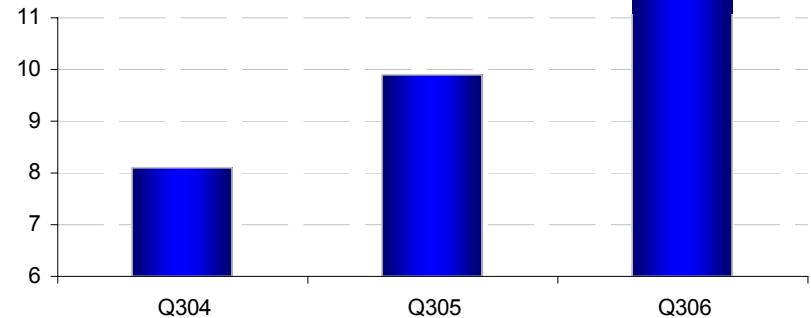
- Crew utilization of 794 block hours per crew per year, up 11 % from Q3 2005 (714)

- Aircraft utilization of 11,5 block hours per plane per day, up 16 % from Q3 2005 (9,9)

Block hours/crew/year

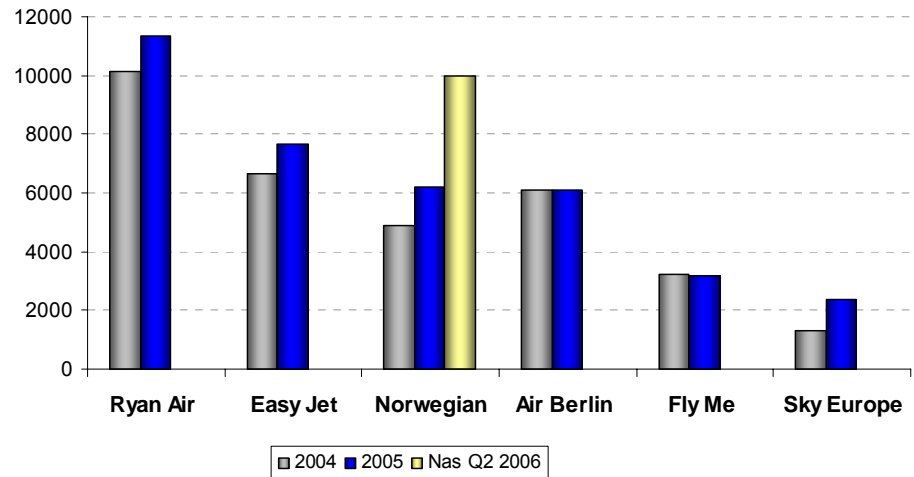
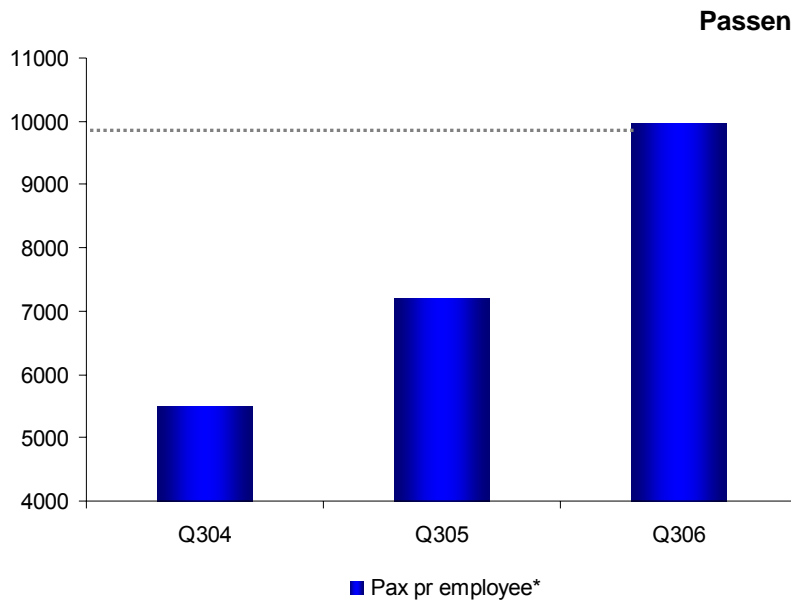


Block hours/plane/day



Lean organization

- Carrying approx 10,000* passengers per employee
- Approx 40 % growth since Q3 05





Norwegian Student Academy

- Two years apprentice program in the tourist industry, supported by the Norwegian authorities
- Certificate of apprenticeship that leads to job opportunities ie in sales, marketing, station or cabin attendance



Expectations for remaining 2006

Expected business environment:

- Increased competition on international routes
- Continued price competition on domestic northbound routes

Expected results:

- Unit cost for 2006 in the area of NOK 0,54
 - At current fuel and currency levels, and flight program in Poland
- Guidance for improved margin vs 2005 removed due to slower yield development on new routes
- Increased effect from cost reducing initiatives

Expected results Poland start up:

- Flight program will continuously be monitored in order to obtain profitable operation as soon as possible
- Warsaw base is not expected to be profitable in 2006 and H1 2007, due to start up costs and introductory pricing

