NORWEGIAN AIR SHUTTLE ASA

THIRD QUARTER REPORT 2009

HIGHLIGHTS

- Third quarter revenue up by 15 % to MNOK 2,271.5 (1,971.9).
- Earnings before depreciation and leasing (EBITDAR) in the third quarter were MNOK 669.5 (321.5)
- Earnings before depreciation (EBITDA) in the third quarter were MNOK 514.7 (228.5).
- Net result after tax in third quarter was MNOK 374.8 (414.4).
- Ancillary revenue pr passenger up 41 % in the third quarter.
- The number of passengers in the third quarter was 3.1 mill (+19%).
- Unit cost was 0.44 in the third quarter compared to 0.49 in the third quarter last year. Unit cost excluding fuel was 0.32 in the third quarter compared to 0.30 in the third quarter last year.
- Delivery of the first of 42 Boeing 737-800 HGW

CONSOLIDATED KEY FINANCIAL FIGURES

Unaudited

(1000 NOK)	Quarter ended 30.09.		YTD 30.09.		Year ended
	2009	2008	2009	2008	2008
Operating revenue	2 271 493	1 971 859	5 559 304	4 611 665	6 226 413
EBITDAR	669 496	321 449	1 136 338	244 811	199 797
EBITDA	514 704	228 482	670 394	-39 426	-208 243
EBIT	475 581	193 378	564 287	-138 964	-337 855
EBT	519 481	581 727	614 353	202 729	5 339
Net profit/ loss (-)	374 849	414 428	445 459	141 494	3 945
EBITDAR margin	29,5%	16,3%	20,4%	5,3%	3,2%
EBITDA margin	22,7%	11,6%	12,1%	-0,9%	-3,3%
EBIT margin	20,9%	9,8%	10,2%	-3,0%	-5,4%
Net profit margin	16,5%	21,0%	8,0%	3,1%	0,1%

CONSOLIDATED TRAFFIC FIGURES AND RATIOS

Unaudited

	Quarter ended 30.09.		YTD 30.09.		Year end
	2009	2008	2009	2008	2008
Yield (NOK)	0,61	0,62	0,61	0,61	0,62
Unit Revenue (NOK)	0,50	0,50	0,48	0,48	0,49
Unit Cost (NOK)	0,44	0,49	0,48	0,53	0,56
Unit Cost ex. fuel (NOK)	0,32	0,30	0,38	0,35	0,37
Ancillary Revenue /PAX (NOK)	79,51	56,22	72,90	47,18	50,74
ASK (mill)	3 979	3 590	10 123	8 746	11 530
Passengers	3 066 746	2 574 382	7 955 968	6 915 636	9 136 553
Load Factor	82%	82%	79%	79%	79%

OPERATIONS

Traffic Development
A total of 3,066,746 passengers travelled with Norwegian (the Group) in the third quarter of 2009, compared to 2,574,382 in the third quarter of 2008, an increase of 19 %. The Group had a load factor of 82 % this quarter which is equivalent to the same period last year. The production (ASK) has increased by a total of 11 %, and the passenger traffic (RPK) has increased by 11 %.

At the end of the third quarter the total fleet including aircraft on maintenance and excluding wet lease comprised 46 aircraft. The Group utilized every operational aircraft on average 10.8 block hours in the third quarter compared to 11.0 last year.

The share of Internet sales was 87 % which is equivalent to the same period last year.

Traffic Figures

	Quarter ended 30.09.			YTD 30.09.			Full Year
	2009	2008	Change	2009	2008	Change	2008
Internet bookings	87%	87%	0 pp	88%	87%	1 pp	87%
ASK (mill)	3 979	3 590	11 %	10 123	8 746	16 %	11 530
RPK (mill)	3 272	2 936	11 %	7 989	6 952	15 %	9 074
Load factor	82%	82%	0 pp	79%	79%	0 pp	79%
Passengers	3 066 746	2 574 382	19 %	7 955 968	6 915 636	15 %	9 136 553

Revenue
Total revenue in the third quarter was MNOK 2,271.5 (1,971.9), an increase of 15 %. MNOK 1,993.3 (1811.0) of the revenues in the third quarter is related to ticket revenues. MNOK 243.8 (144.7) is other passenger related revenue, while the remaining MNOK 34.3 (16.0) is related to freight, third-party products, and other income.

The yield for Norwegian in the third quarter was NOK 0.61 compared to NOK 0.62 for the same period last year. Ancillary passenger revenue was NOK 79 pr passenger (56) in the third quarter 2009, an increase from same period last year of 41 %.

Operating Expenses
The operating expenses excluding leasing and depreciation were MNOK 1,601.9 (1,650.4) this quarter. Operating expenses for the quarter is lower than last year even with a production increase of 11% (ASK). The main factor contributing to the decreased cost level is a reduction in fuel costs by 30%. Furthermore the Group's operations have during third quarter been influenced by a weakening of NOK (mainly against USD) compared to same period last year. Costs affected by the weakening of NOK are fuel, leasing and maintenance. Included in operating expenses in the quarter is MNOK 21 in losses on fuel derivatives, MNOK 17 in unrealized losses and MNOK 4 in realized losses. Included in operating expenses are several different option programs for Norwegian employees. Stock option programs are assessed and expensed at fair value over the vesting period.

The unit cost exclusive fuel was NOK 0.32 in the third quarter compared to NOK 0.30 in the third quarter last year. Unit cost for leasing has increased by 50% as a result of weakening of NOK against USD and increased number of Boeing 737-800 in the fleet. Compared to the same period last year unit cost for airport charges has increased due to reduction in flying distance of 6% and increased charges. The change in route portfolio has also increased use of relatively expensive airports such as London Gatwick and Copenhagen. The weakening of NOK against EURO has had a negative effect on the airport charges unit cost. One of the main factors increasing unit costs for other cost is increased marketing activity.

The Group has at the end of the third quarter, forward contracts to cover approximately 28 % of fuel exposure for the remaining 2009.

USD currency contracts cover approximately 6 % of expected exposure for operating activities in USD until December 2009. Changes in fair value of foreign currency contracts are included in operating costs. Total gain in the third quarter was MNOK 6.4.

Profit/loss from associated company in the third quarter of MNOK 0.9 (-2.2) consists of the Group's estimate on the 20 % share of Bank Norwegian's third quarter results.

Earnings
Earnings before interest, depreciation and amortisation (EBITDA) in the third quarter were MNOK 514.7 (228.5) and the earnings before tax (EBT) were MNOK 519.5 (581.7).

Financial items
Financial items in the third quarter were MNOK 42.9 (390.5). The main part of financial items in third quarter is net foreign exchange gain/loss. Third quarter last year included an income of MNOK 387.8 for the hedge contract connected to the purchase contract for new generation Boeing aircraft.

In relation to accounting for the prepayment on the purchase contract with Boeing, MNOK 7.2 in interest cost has been capitalised in the third quarter.

Tax
Income taxes amounted to a charge of MNOK 145 in the quarter compared with MNOK 167 in the third quarter last year.

Net result
The net result for third quarter was MNOK 374.8, compared to MNOK 414.5 in the same period last year.

Balance sheet
Total non-current assets amounts to MNOK 2,424 at the end of third quarter, compared to MNOK 1,604 at the end of last year. The main investment during the year is related to purchase of one new 737-800 HGW, de-icing equipment and prepayments to Boeing on the remaining 41 new aircraft.

Total current assets amounts to MNOK 2,077 at the end of third quarter, compared to MNOK 1,574 at the end of last year. Due to seasonality and increased production, receivables have increased by MNOK 314 while cash have increased by MNOK 175.

Total liabilities at the end of third quarter were MNOK 3,147, compared to MNOK 2,281 at the end of last year. Total interest bearing liabilities at the end of September was MNOK 1.153 compare to MNOK 698 at year end. Included in interest bearing liabilities is financing for the first purchased 737-800 HGW aircraft.

Shares
The parent company Norwegian Air Shuttle ASA had a total of 32,359,778 shares outstanding at 30 September, compared to 32,359,778 shares outstanding at the end of 2008.

Cash
Cash and cash equivalents were MNOK 782 at the end of third quarter compared to MNOK 608 at the end of last year.

Operating activities
Cash flow in the third quarter from operating activities amounts to MNOK 113.1, compared to MNOK -312.0 in the third quarter last year. The main reason for the change in cash flow from the same quarter last year is increased operating profit. Last years financial gain of MNOK 387.8 had during third quarter 2008 no effect on cash-flows.

Due to seasonality, traffic liability is during the quarter reduced by MNOK 410 which is in line with the reduction last year.

Investment activities
Cash flow in the third quarter from investment activities was MNOK -415.7, compared to MNOK -248.1 in the third quarter last year. Delivery of the first Boeing 737-800HGW, changes in the prepayment to Boeing and investment in de-icing equipment are the main investments in the quarter.

Financing activities
Net cash flow from financing activities in the third quarter was MNOK 260.1 compared to MNOK 604.8 in the third quarter last year. Financing during third quarter is related to delivery of the first Boeing 737-800HGW and prepayments to Boeing. In the third quarter last year the company completed a right issue of MNOK 400.

Risk and uncertainties
The airline industry is undergoing a challenging time as a consequence of the financial crisis and the global downturn. The demand for Norwegians tickets has so far not been significantly affected by the turmoil in the global financial markets. However future demand is dependent on sustained consumer and business confidence in our key Scandinavian markets.

Outlook
The demand for travelling with Norwegian and advanced bookings has been satisfactory entering the fourth quarter of 2009. Norwegian has executed several sales and marketing campaigns that have been well received by the market, and continue to attract customers to the continuously growing route portfolio. The current macro economic outlook is uncertain. Slowdown in the business environment is expected throughout 2009. Norwegian will closely monitor the traffic development and will make adjustments to the route portfolio as necessary.

The newly started Danish operation has a total fleet of 6 aircraft at the beginning of Q4. The routes have so far been well received in the market, and is experiencing some pressure on yield.

With fuel price of USD 630, USD/NOK 6.00 for the remainder of the year and the current route portfolio the unit cost is expected to be in the area of NOK 0.49 for the year 2009. The company anticipates a y.o.y. production growth (ASK) of approximately 17% in 2009.

On October 21st Norwegian exercised six purchase rights for Boeing 737-800 aircraft. The company will take delivery of these aircraft during fall 2010 and spring 2011. The new aircraft will replace existing leased Boeing 737-300s in the fleet.

For 2010 Norwegian anticipate a production growth (ASK) by up to 30 % mainly from replacing Boeing 737-300 with 737-800. Norwegian may decide to adjust capacity deployment depending on the development in the overall economy and in the marketplace.

Assuming a fuel price of USD 850 pr ton and USD/NOK 6.00 the company is targeting a unit cost (CASK) in the area NOK 0.49 – 0.50 for 2010.

Interim report Q4 2009
The interim report for fourth quarter 2009 will be presented 11 February 2010.

Fornebu, 21 October 2009

Bjørn Kjos
CEO


Tromsø
Harstad/Narvik
Alta
Bardufoss
Kirkenes
Bodø
Kiruna
Molde
Ålesund
Trondheim
Luleå
Umeå
Bergen
Haugesund
Stavanger
Kristiansand
Oslo/Gardermoen
Oslo/Rygge
Dublin
Edinburgh
Stockholm
St. Petersburg
Aalborg
Tallinn
London/Stansted
London/Gatwick
Copenhagen
Riga
Amsterdam
Hamburg
Palanga
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Szczecin
Gdansk
Vilnius
Warsaw
Prague
Bordeaux
Wroclaw
Munich
Geneva
Krakow
Vienna
Salzburg
Faro (Algarve)
Budapest
Nice
Venice
Barcelona
Zagreb
Valencia
Pisa
Pula
Rijeka
Malaga
Alicante
Murcia
Belgrade
Split
Sarajevo
Ibiza
Palma
Sardinia
Dubrovnik
Rome
Pristina
Varna
Burgas
Marrakech
Palermo
Corfu
Istanbul
Malta
Athens
Lanzarote
Santorini
Kos
Antalya
Tenerife
Chania
Rhodes
Las Palmas
Heraklion
Larnaca
Dubai

Consolidated Income Statement

Unaudited

(1000 NOK)	Note	Quarter ended 30.09. 2009	Quarter ended 30.09. 2008	YTD 30.09. 2009	YTD 30.09. 2008	Year ended 2008
OPERATING REVENUE						
Total operating revenue	3	2 271 493	1 971 859	5 559 304	4 611 665	6 226 413
Total revenue		**2 271 493**	**1 971 859**	**5 559 304**	**4 611 665**	**6 226 413**
OPERATING EXPENSES						
Operational expenses	4	1 194 244	1 324 370	3 208 257	3 373 318	4 623 778
Payroll and other personnel expenses	4	308 542	279 199	946 724	763 813	1 079 617
Other operating expenses	4	99 210	46 839	267 985	229 723	323 221
TOTAL OPERATING EXPENSES		**1 601 997**	**1 650 409**	**4 422 966**	**4 366 854**	**6 026 615**
OPERATING PROFIT / LOSS BEFORE LEASING & DEPR (EBITDAR)		**669 496**	**321 449**	**1 136 338**	**244 811**	**199 797**
Leasing		154 791	92 968	465 944	284 237	408 041
OPERATING PROFIT / LOSS BEFORE DEPR (EBITDA)		**514 704**	**228 482**	**670 394**	**-39 426**	**-208 243**
Depreciation and amortization		39 123	35 104	106 108	99 538	129 611
OPERATING PROFIT / LOSS (EBIT)		**475 581**	**193 378**	**564 287**	**-138 964**	**-337 855**
Net financial items		**42 975**	**390 514**	**49 053**	**353 742**	**351 967**
Profit/Loss from associated company		925	-2 164	1 013	-12 049	-8 773
NET RESULT BEFORE TAX (EBT)		**519 481**	**581 727**	**614 353**	**202 729**	**5 339**
Income tax expense (benefit)		144 632	167 299	168 894	61 235	1 394
NET PROFIT / LOSS		**374 849**	**414 428**	**445 459**	**141 494**	**3 945**
Earnings per share (NOK) - Basic		11,58	17,19	13,77	5,87	0,16
Earnings per share (NOK) - Diluted		11,19	16,17	13,30	5,52	0,15
No. of shares at the end of the period		32 359 778	32 359 778	32 359 778	32 359 778	32 359 778
Average no. of shares outstanding		32 359 778	24 113 902	32 359 778	24 113 902	24 591 685
Average no. of shares outstanding - diluted		33 489 990	25 626 557	33 489 990	25 626 557	26 154 082

Financial key figures

Unaudited

(NOK)	Quarter ended 30.09. 2009	Quarter ended 30.09. 2008	YTD 30.09. 2009	YTD 30.09. 2008	Year ended 2008
Operating margin (%)	21%	10%	10%	-3%	-5%
Book equity per share (NOK)			41,85	32,08	27,73
Equity ratio (%)			30%	32%	28%

Consolidated Balance Sheet

Unaudited

(1000 NOK)	Quarter ended 30.09. 2009	2008	Year ended Dec 31 2008
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	257 460	235 688	257 833
Tangible fixed assets	2 083 707	1 330 835	1 263 787
Fixed asset investments	83 016	127 680	82 775
TOTAL NON CURRENT ASSETS	**2 424 183**	**1 694 204**	**1 604 395**
CURRENT ASSETS			
Inventory	35 936	30 585	34 214
Investments	30 390	84 049	18 360
Receivables	1 228 503	937 741	914 379
Cash and cash equivalents	782 278	478 473	607 536
TOTAL CURRENT ASSETS	**2 077 108**	**1 530 848**	**1 574 489**
TOTAL ASSETS	**4 501 292**	**3 225 051**	**3 178 884**
EQUITY AND LIABILITIES			
SHAREHOLDERS EQUITY			
Paid-in capital	846 559	829 562	831 316
Other equity	507 631	208 478	66 053
TOTAL EQUITY	**1 354 190**	**1 038 041**	**897 368**
LIABILITIES			
Provisions for liabilities and charges	218 971	115 693	175 905
Other long term liabilities	922 293	589 526	451 123
Current liabilities	2 005 838	1 481 791	1 654 487
TOTAL LIABILITIES	**3 147 102**	**2 187 011**	**2 281 515**
TOTAL EQUITY AND LIABILITIES	**4 501 292**	**3 225 051**	**3 178 884**

Consolidated Cash flow statement

Unaudited

	Quarter ended Sep 30		YTD Sep30		Year ended Dec 31
(NOK 1 000)	**2009**	**2008**	**2009**	**2008**	**2008**
Net cash flows from operating activities	113 055	-312 002	561 147	-198 641	-331 765
Net cash flows from investing activites	-415 683	-248 134	-927 850	-417 932	-253 600
Net cash flows from financial activities	260 059	604 806	542 331	593 052	686 643
Exchange rate effect on cash	3 495	-166	-886	584	4 848
Net change in cash and cash equivalents	**-39 074**	**44 504**	**174 742**	**-22 938**	**106 126**
Cash and cash equivalents in beginning of period	821 352	433 969	607 536	501 410	501 410
Cash and cash equivalents in end of period	782 278	478 473	782 278	478 473	607 536

Statement of comprehensive income
Unaudited

(1000 NOK)	YTD 30.09. 2009	2008	Year ended Dec 31 2008
Net profit for the period	445 459	141 494	3 945
Available-for-sale financial assets	6 833	0	-4 376
Exchange rate differences Group	-2 762	1 828	1 293
Total comprehensive income for the period	449 530	143 322	862
Profit attributable to:			
- Owners of the company	445 459	141 494	3 945

Consolidated changes in equity
Unaudited

(1000 NOK)	YTD 30.09. 2009	2008	Year ended Dec 31 2008
Equity - Beginning of period	897 368	508 273	508 273
Total comprehensive income for the period	449 530	143 322	862
Share issue	0	382 720	382 002
Equity change on employee options	7 231	3 725	6 232
Equity - End of period	**1 354 190**	**1 038 041**	**897 368**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

General and accounting principles

Norwegian Air Shuttle ASA (the Group) consists of Norwegian Air Shuttle ASA and its subsidiaries. The company is a limited company incorporated in Norway. The condensed consolidated interim financial statements comprise the Group.

The consolidated financial statements of the Group for the year ended 31. December 2008 is available upon request from the company's registered office at Oksenøyveien 10A, 1330 Fornebu, Norway, or at www.norwegian.no.

These condensed consolidated interim financial statements have been prepared in accordance with rules and regulations of Oslo Stock Exchange and International Financial Reporting Standard (IAS) 34 Interim Financial Reporting. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with consolidated financial statements for the Group at 31 December 2008. These condensed interim financial statements are unaudited.

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2008.

Note 1 Judgements, estimated and assumptions

The preparation of condensed consolidated interim financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended 31 December 2008.

Note 2 Risk

SENSITIVITY ANALYSIS Unaudited	**Effect on income** **MNOK**
1 % decrease in jet fuel price	+12
1% weakening of NOK against USD	-23
1% weakening of NOK against EURO	-10

The sensitivity analysis reflects the effect on P/L by substantial changes in market prices and exchange rates. The effect on P/L is annualized based on today's level of production, fuel prices and exchange rates. Operational hedges are not included in the calculation of the sensitivity.

Note 3 Revenue

Passenger revenue comprise only ticket revenue, while ancillary passenger revenue is other passenger related revenue such as fees. Other revenue consist of revenue not directly related to passengers such as cargo, 3rd party commissions etc.

SALES REVENUE

Unaudited

(NOK)	Quarter ended 30.09.		YTD 30.09.		Year ended
	2009	2008	2009	2008	2008
Per activity					
Passenger revenue	1 993 325	1 811 077	4 881 796	4 215 142	5 641 533
Ancillary passenger revenue	243 830	144 736	580 023	326 288	463 609
Other revenue	34 338	16 045	97 485	70 234	121 271
Total	2 271 493	1 971 859	5 559 304	4 611 665	6 226 413
Per geographical market					
Domestic	780 704	614 190	2 095 914	1 611 423	2 294 940
International	1 490 789	1 357 669	3 463 389	3 000 241	3 931 473
Total	2 271 493	1 971 859	5 559 304	4 611 665	6 226 413

Note 4 Operating expenses

COST BREAKDOWN
Unaudited

(1000 NOK)	Quarter ended 30.09.		YTD 30.09.		Year ended
	2009	**2008**	**2009**	**2008**	**2008**
Personell expenses	308 542	279 199	946 724	763 813	1 079 617
Sales/ distribution expenses	36 866	24 894	113 914	85 734	114 914
Aviation fuel	476 566	677 231	1 072 009	1 559 582	2 162 008
Airport charges	294 563	246 676	773 654	629 405	838 508
Handling charges	193 148	168 318	528 464	445 727	615 141
Technical maintenance expenses	167 939	146 168	516 629	401 293	559 657
Other expenses	130 772	99 857	484 228	451 357	627 333
Other losses/(gains) - net	-6 400	8 068	-12 656	29 942	29 437
Total operating costs	**1 601 997**	**1 650 409**	**4 422 966**	**4 366 854**	**6 026 615**

Note 5 Segment information
Executive Management reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segment on these reports.

Executive Management considers the business as one operational segment, which is low cost air passenger travel. The Group's operating profit arises from airline-related activities and the only revenue generating assets of the Group are its aircraft fleet, which is employed flexibly across the Norwegian, Polish, Danish and Swedish operation.

Performance is measured by Executive management based on the operating segment earnings before interest, tax, depreciation and amortization (EBITDA). Other information is measured in a manner consistent with that in the financial statements.

Note 6 Information on related parties
During third quarter 2009 there are no changes in related parties compared to the description in Note 27 in the 2008 annual report. There have been no significant transactions with related parties during third quarter 2009.

Definitions

ASK: Available Seat Kilometres. Number of available passenger seats multiplied by the flight distance.
RPK: Revenue Passenger Kilometres. Number of sold seats multiplied by flight distance.
CABIN FACTOR: Relationship between RPK and ASK as a percentage. Describes the rate of utilisation of available seats.
EBITDA: Operating profit/loss before financial items, tax and depreciation
EBITDAR: Operating profit/loss before financial items, tax, depreciation and leasing costs for aircraft

Information about the Norwegian Group

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Board of Directors - Norwegian Air Shuttle ASA
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Erik G. Braathen, deputy Chairman
Ola Krohn-Fagervoll
Liv Berstad
Marianne Wergeland Jenssen
Linda Olsen
Thor Espen Bråten
Kenneth Utsikt

Group Management
Bjørn Kjos, Chief Executive Officer
Asgeir Nyseth, Chief Operating Officer
Hans-Petter Aanby, Chief Information Officer
Daniel A. Skjeldam, Chief Commercial Officer
Frode E. Foss, Chief Financial Officer
Gunnar Martinsen, SVP Human Resources
Anne-Sissel Skånvik, SVP Corporate Communications

Investor Relations
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Other sources of Information

Annual reports
Annual reports for Norwegian Group are available on www.norwegian.com

Quarterly publications
Quarterly reports are available on www.norwegian.com.

The publications can be ordered by sending an e-mail to investor.relations@norwegian.com