

NORWEGIAN AIR SHUTTLE ASA

norwegian



FIRST QUARTER REPORT 2013

HIGHLIGHTS

- First quarter revenue up by 23% to MNOK 2,904 (2,360).
- RASK up 2% to 0.39, where yield was up 4% to 0.51 and load factor was down 1% to 76%.
- Earnings before depreciation and leasing (EBITDAR) were MNOK 438 (-252).
- Earnings before depreciation and amortization (EBITDA) were MNOK 189 (-497).
- Earnings before tax (EBT) were MNOK -160 (-398).
- The number of passengers was 3.93 mill. (+8%).
- Unit cost was down 8% to NOK 0.47.
- Unit cost excluding fuel was down 8% to NOK 0.33.
- Cash flow from operating activities was MNOK 962 (544).
- Cash and money market deposits of MNOK 2,445 (1,487) as of 31 March.

CONSOLIDATED KEY FINANCIAL FIGURES

Unaudited

(Mill. NOK)	Quarter ended 31.03.		Year ended Dec 31
	2013	2012	2012
Operating revenue	2,904.0	2,359.9	12,859.0
EBITDAR	438.4	-251.7	1,821.6
EBITDA	188.8	-497.0	788.7
EBIT	69.2	-574.6	403.5
EBT	-160.1	-397.7	623.2
Net profit/ loss (-)	-117.2	-285.5	456.6
EBITDAR margin	15.1%	-10.7%	14.2%
EBITDA margin	6.5%	-21.1%	6.1%
EBIT margin	2.4%	-24.3%	3.1%
Net profit margin	-4.0%	-12.1%	3.6%

OPERATIONS**CONSOLIDATED TRAFFIC FIGURES AND RATIOS**

Unaudited

Tekst	Quarter ended 31.03.			Full Year
	2013	2012	Change	2012
(ratios in NOK)				
Yield	0.51	0.49	4 %	0.55
Unit Revenue	0.39	0.38	2 %	0.43
Unit Cost	0.47	0.50	-8 %	0.45
Unit Cost ex. fuel	0.33	0.36	-8 %	0.31
Ancillary revenue /PAX	85.8	81.7	5 %	79.5
Ancillary revenue /Sched. PAX	88.3	83.9	5 %	81.9
Internet bookings	82%	82%	0 pp	80%
ASK (mill)	6,378	5,266	21 %	25,920
RPK (Mill)	4,852	4,063	19 %	20,353
Passengers (mill)	3.93	3.65	8 %	17.69
Load factor	76%	77%	-1 pp	79%

Traffic Development

A total of 3.93 million passengers travelled with Norwegian in the first quarter of 2013, compared to 3.65 million in the first quarter of 2012 an increase of 8%. Production (ASK) increased by 21% and passenger traffic (RPK) increased by 19%. The load factor was 76 % in the first quarter, a decrease of 1 percentage points compared to the same period last year.

At the end of the first quarter the total fleet including aircraft on maintenance and excluding wet lease comprised 74 aircraft. The Group utilized every operational aircraft on average 10.6 block hours per day in the first quarter compared to 10.2 block hours last year.

The share of Internet sales was 82 % equal to the same period last year.

Operating performance

Punctuality, the percentage of flights departing on schedule, was 81.9% in the first quarter 2013, compared to 83.9% in the same quarter last year

Regularity, the percentage of scheduled flights actually taking place was 99.8% compared to 99.4% in the first quarter 2012. First quarter 2013 is the fourteenth consecutive quarter in which Norwegian operates with the highest regularity in its major markets.

Revenue

Total revenue in the first quarter was MNOK 2,904 (2,360), an increase of 23%. MNOK 2,473 (2,001) of the revenues in the first quarter is related to ticket revenues. MNOK 338 (298) is ancillary revenue, while the remaining MNOK 93 (61) is related to freight, third-party products and other income.

The ticket revenue per unit produced (RASK) in the first quarter was NOK 0.39 compared to NOK 0.38 for the same period last year. The RASK development compared to last year reflects higher yield, despite an increased sector length of 11%, and reduced load factor.

Ancillary passenger revenue was NOK 88 per scheduled passenger (NOK 84) in the first quarter, an increase of 5%, due to maturing markets for ancillary products and increased sector length.

Operating Expenses

COST BREAKDOWN

Unaudited

(Mill. NOK)	Quarter ended 31.03.		Year ended Dec 31
	2013	2012	2012
Personell expenses	624.0	511.8	2,068.2
Sales/ distribution expenses	82.7	64.2	275.0
Aviation fuel	859.7	766.1	3,748.3
Airport and ATC charges	401.3	353.1	1,730.2
Handling charges	252.6	241.8	1,077.3
Technical maintenance expenses	163.2	209.7	792.6
Other flight operation expenses	171.2	147.6	485.9
General and administrative expenses	166.8	116.3	531.2
Other losses/(gains) - net	-255.9	200.9	328.7
Total operating expenses	2,465.6	2,611.6	11,037.4
Leasing	249.6	245.3	1,032.9
Total operating expenses incl lease	2,715.2	2,856.9	12,070.3

Operating expenses, excluding depreciation and amortization, decreased by 5% to MNOK 2,715 (2,857) in the first quarter. A production increase (ASK) of 21% is more than offset by gains on forward foreign currency contracts and results in decreased operating expenses, compared to the same quarter last year. Unit cost is down 8% to NOK 0.47. The unit cost excludes other losses/(gains)-net.

The underlying unit cost excluding fuel is NOK 0.33 in the first quarter which is a reduction of 8% compared to the same period last year. A larger share of Boeing 737-800Ws aircraft and increased sector length of 11% contributes to the reduced underlying unit cost.

Personnel expenses increased by 22% to MNOK 624 (512) in the first quarter compared to the same quarter last year. Unit cost for personnel expenses increased by 1%. Increased personnel expenses from hiring personnel and increased training expenses are partially offset by the productivity increase following an increasing share of Boeing 737-800Ws which with more seat capacity per aircraft drives down the crew cost per unit produced.

The average number of man-labor year increased by 31% compared to same quarter last year.

Sales and distribution expenses increased by 29% to MNOK 83 (64) in the first quarter compared to the same quarter last year. Unit cost for sales and distribution expenses increased by 6% due to increased sales through travel agents and increased prices.

Aviation fuel expenses increased by 12% to MNOK 860 (766) in the first quarter compared to the same quarter last year. The higher cost is driven by a production increase of 21%, but is partially offset by a 3% decrease in the realized fuel price denominated in NOK per ton and including a reduction in gain from hedges of MNOK 2.2. The average net spot price denominated in USD increased

by 2% during the same period. The decrease in fuel price per ton denominated in NOK and a more efficient fleet of Boeing 737-800Ws resulted in a decrease in the unit cost for fuel by 7%.

The Group has at the end of the first quarter, forward contracts to cover approximately 4% of fuel exposure at an average price of USD 976 per ton for the remaining of 2013.

Airport and air traffic control (ATC) charges increased by 14%, to MNOK 401 (353) in the first quarter compared to the same quarter last year. Unit cost for airport and ATC charges decreased by 6%. Increased prices for airport and ATC charges are more than offset by increased sector length of 11%, depreciation of EUR against NOK and reduced cost due to an increased share of 737-800Ws with larger capacity.

Handling charges increased by 4%, to MNOK 253 (242) in the first quarter compared to the same quarter last year. Unit cost for handling charges decreased by 14% due to increased sector length of 11% and increased share of 737-800Ws with larger capacity.

Technical maintenance costs decreased by 22%, to MNOK 163 (210) in the first quarter compared to the same quarter last year. Unit cost for technical maintenance costs decreased by 36% in the first quarter. Due to lower maintenance costs on 737-800Ws compared to 737-300s, the increased share of 737-800Ws has a positive impact on technical maintenance costs. Maintenance cost in first quarter 2012 included revisions of estimates for provisions on 737-300s relating to redelivery checks, which resulted in higher costs in first quarter last year. Planned maintenance cost on owned aircraft is capitalized and reduces maintenance cost per unit through an increased share of owned aircraft in the fleet.

Other flight operation expenses increased by 16% to MNOK 171 (148) in the first quarter compared to the same quarter last year. Other flight operation expenses include costs directly attributable to operation of the aircraft fleet, such as de-icing, meals and housing for crew and insurance. Unit cost for other flight operation expenses decreased by 4% in the first quarter due to increased sector length and increased share of 737-800Ws with larger capacity.

General and administrative expenses increased by 43% to MNOK 167 (116) in the first quarter compared to the same quarter last year. Unit cost for general and administrative expenses increased by 18% due to introduction of new markets, products and bases, including the long haul operation.

Other losses/(gains)-net a gain of MNOK 256 was recognized in the first quarter compared to a loss of MNOK 201 the first quarter last year. Included in other losses/(gains)-net are changes in fair value of forward foreign currency contracts and gains/losses on working capital in foreign currency.

Forward currency contracts in USD are designated to counter currency revaluation effects from USD denominated borrowings. Currency gains from term contracts amounted to MNOK 240 and are partially offset by unrealized currency losses of MNOK 225 on USD denominated financing booked as other financial expense.

Leasing costs increased by 2% to MNOK 250 (245) in the first quarter compared to the same quarter last year. Unit cost for leasing decreased by 16% in the first quarter due to an increased share of owned 737-800Ws and the use of wetlease in first quarter 2012 of MNOK 16. The positive impact on unit cost is partially offset by an increased number of leased 737-800Ws in the fleet. During the first quarter the Group operated 27 (15) owned Boeing 737-800Ws and 5 (5) Boeing 737-300s.

Profit/Loss from Associated Company

Profit/loss from associated company in the first quarter is estimated to MNOK 11 (8) which represents the 20 % share of Bank Norwegian's estimated first quarter results.

Earnings

Earnings before interest, depreciation and amortization (EBITDA) in the first quarter were MNOK 189 (-497) and the earnings before tax (EBT) were MNOK -160 (-398).

Financial Items

Net financial items in the first quarter were MNOK -241 (169).

In the first quarter, interest on prepayments of MNOK 29 (21) was capitalized.

Included in other financial income (expense) is a currency loss on USD denominated financing amounting to MNOK 225 due to appreciation of USD against NOK. In comparison, a gain of MNOK 186 was recognized in the first quarter 2012. These losses and gains have no cash effects.

Tax

Income taxes amounted to an income of MNOK -43 (-112) in the quarter.

Net Result

The net result for the first quarter was MNOK -117, compared to MNOK -286 in the same period last year.

Balance Sheet

Total non-current assets amount to MNOK 8,814 at the end of the first quarter, compared to MNOK 9,013 at the end of last year. The main investment during the first quarter is related to the prepayments to aircraft manufacturers for aircraft on order. The investment is more than offset by delivery of three sales and leaseback transactions.

Total current assets amount to MNOK 4,397 at the end of the first quarter, compared to MNOK 2,906 at the end of last year. Investments have increased by MNOK 172 during first quarter due to changes in fair value of term contracts. Receivables have increased by MNOK 610 during the first quarter due to seasonality and increased production, but are partially offset by increased turnover. Cash and cash equivalents have increased by MNOK 714 during first quarter 2013.

Total non-current liabilities at the end of the first quarter were MNOK 4,735, compared to MNOK 4,654 at the end of last year. Long-term borrowings increased by MNOK 73 during the first quarter. The increase in borrowings is related to mark-to-market adjustment of USD denominated borrowings, but is partially offset by down-payments on aircraft financing.

Total short-term liabilities at the end of the first quarter were MNOK 6,172, compared to MNOK 4,844 at the end of last year. Current liabilities decreased by MNOK 15 during the first quarter mainly due to increased fair value of term contracts, but are partially offset by increased production and seasonality. Short-term borrowings decreased by MNOK 186 during the first quarter due to down payments of pre-delivery payment financing. Air traffic liability has increased by MNOK 1,529 during the first quarter due to seasonality and increased production.

Total interest bearing liabilities at the end of March were MNOK 5,414 compared to MNOK 5,527 at the end of last year.

Shares

The parent company Norwegian Air Shuttle ASA had a total of 35,162,139 shares outstanding at 31 March compared to 35,162,139 at the end of last year.

Cash Flow

Cash and cash equivalents were MNOK 2,445 at the end of the first quarter compared to MNOK 1,731 at the end of last year.

Cash flow from operating activities in the first quarter amounted to MNOK 962 compared to MNOK 544 in the first quarter last year. Due to seasonality and increased production, changes in air traffic settlement liability increased by MNOK 1,529 during the first quarter compared to MNOK 1,082 in the first quarter last year. Cash from other adjustments amounts to MNOK -527 during first quarter compared to MNOK -217 in the same quarter last year. Other adjustments mainly consist of changes in accounts receivable, current liability and currency gain/loss with no cash effects.

Cash flow from investment activities in the first quarter was MNOK 158, compared to MNOK -178 in the first quarter last year. Prepayments to aircraft manufacturers are the main investments in the quarter. Three Boeing 737-800Ws were delivered in the first quarter and financed as sales and leaseback transactions resulting in positive net cash effects from investment activities. In comparison, two aircraft financed by sales and leaseback transactions were delivered in first quarter 2012.

Net cash from financing activities in the first quarter was MNOK -407 compared to MNOK 15 in the first quarter last year. Proceeds from pre-delivery payment financing are more than offset by down-payments on borrowings and financing costs in the first quarter.

Other Information

The Board of Directors has granted a total of 625,000 share options to the management and to key personnel. The options have an exercise price 10% above the weighted average price on 20 March 2013 which is equal to NOK 231.20. The options granted may be exercised two years after the grant.

Risk and Uncertainties

The airline industry is undergoing a challenging time as a consequence of the financial crisis and global downturn. Future demand is dependent on sustained consumer and business confidence in the Company's key Scandinavian markets.

A market place where capacity growth exceeds market growth will increase the risk of yield pressure. However, low yield stimulates new demand, thus growing the market further. This necessitates a similar reduction in the cost level in order to maintain profitability.

In the event of industrial actions, operations may be disrupted, causing inconvenience for passengers and impacting financial performance.

Fuel price and currency fluctuations are risks which can have a significant impact on Norwegian's business and financial results. Sudden and significant changes in fuel price and foreign exchange rates could significantly impact fuel and other costs, and debt denominated in foreign currency.

Outlook

The demand for travelling with Norwegian and advance bookings have been satisfactory entering the second quarter of 2013. Norwegian will continue to take advantage of its increasing competitive power realized through continuous cost efficiency, and from introducing larger aircraft (14 new 737-800Ws will be delivered in 2013) with a lower operating cost. Going forward, the Company expects continued competitive pressure in the European market place.

Norwegians short haul operations have at the present three bases operational in Spain (Malaga, Alicante and Las Palmas) and a base in London. A new base in Tenerife is planned operational at the start of the winter program, in addition to the Nordic countries.

Norwegian guides for a production growth (ASK) in excess of 25% for 2013 including the long haul production. The growth in short haul production is mainly from increasing the fleet by adding 737-800s and through increasing the average sector length. Norwegian may decide to adjust capacity in order to optimize the route portfolio depending on the development in the overall economy and in the marketplace.

Assuming a fuel price of USD 950 per ton and USD/NOK 5.75 for the year 2013 (excluding hedged volumes) and with the currently planned route portfolio, the Company is targeting a unit cost (CASK) in the area of NOK 0.42 - 0.43 for 2013.

The establishment of the long haul operation is developing in accordance with plan and the organization is preparing for the first long haul flight which will take place on May 30th 2013. The demand for tickets on the long haul network has so far exceeded expectations. However, Boeing has informed Norwegian that the 787 delivery schedule is somewhat delayed and Norwegian has committed for Airbus 340 as substitute aircraft for the first months of operations.

Interim report Q2 2013

The interim report for second quarter 2013 will be presented 11 July 2013

Fornebu, 17 April 2013

Bjørn Kjos
CEO

Consolidated Income Statement

Unaudited

(Mill. NOK)	Note	Quarter ended 31.03.		Year ended Dec 31
		2013	2012	2012
OPERATING REVENUE				
Total operating revenue	3	2,904.0	2,359.9	12,859.0
Total revenue		2,904.0	2,359.9	12,859.0
OPERATING EXPENSES				
Operational expenses	4	1,929.8	1,784.3	8,096.3
Payroll and other personnel expenses	4	624.0	511.8	2,068.2
Other operating expenses	4	-88.1	315.5	873.0
TOTAL OPERATING EXPENSES		2,465.6	2,611.6	11,037.4
OPERATING PROFIT / LOSS BEFORE LEASING & DEPR (EBITDAR)				
		438.4	-251.7	1,821.6
Leasing		249.6	245.3	1,032.9
OPERATING PROFIT / LOSS BEFORE DEPR (EBITDA)				
		188.8	-497.0	788.7
Depreciation and amortization		119.6	77.5	385.2
OPERATING PROFIT / LOSS (EBIT)				
		69.2	-574.6	403.5
FINANCIAL ITEMS				
Interest income		11.5	8.3	51.3
Interest expense		19.4	21.1	118.8
Other financial income (expense)		-232.8	181.9	254.4
NET FINANCIAL ITEMS		-240.7	169.1	186.9
Profit/Loss from associated company		11.4	7.8	32.8
NET RESULT BEFORE TAX (EBT)				
		-160.1	-397.7	623.2
Income tax expense (benefit)		-42.9	-112.2	166.5
NET PROFIT / LOSS				
		-117.2	-285.5	456.6
Earnings per share (NOK) - Basic		-3.33	-8.19	13.08
Earnings per share (NOK) - Diluted		-3.33	-8.12	12.99
No. of shares at the end of the period		35,162,139	34,878,226	35,162,139
Average no. of shares outstanding		35,162,139	34,878,226	34,924,769
Average no. of shares outstanding - diluted		35,162,139	35,162,139	35,162,139

Financial key figures

Unaudited

(Mill. NOK)	Quarter ended 31.03.		Year ended Dec 31
	2013	2012	2012
Operating margin (%)	2.4%	-24.3%	3.1%
Book equity per share (NOK)	65.51	47.62	68.84
Equity ratio (%)	17.4%	17.1%	20.3%

Consolidated Balance Sheet

Unaudited

(Mill. NOK)	Note	Quarter ended 31.03.		Year ended Dec 31
		2013	2012	2012
ASSETS				
NON-CURRENT ASSETS				
Intangible assets		247.4	250.9	242.1
Tangible fixed assets		8,288.0	6,193.4	8,516.7
Fixed asset investments		278.9	201.7	254.3
TOTAL NON CURRENT ASSETS		8,814.4	6,645.9	9,013.0
CURRENT ASSETS				
Inventory		63.1	84.6	68.4
Investments		182.2	10.1	10.2
Receivables		1,706.6	1,457.7	1,096.6
Cash and cash equivalents		2,444.9	1,486.6	1,730.9
TOTAL CURRENT ASSETS		4,396.8	3,038.9	2,906.0
TOTAL ASSETS		13,211.2	9,684.9	11,919.1
EQUITY AND LIABILITIES				
SHAREHOLDERS EQUITY				
Paid-in capital		1,161.1	1,142.7	1,160.8
Other equity		1,142.4	518.1	1,259.8
TOTAL EQUITY		2,303.5	1,660.8	2,420.7
NON CURRENT LIABILITIES				
Other non-current liabilities		484.6	247.3	476.3
Long term borrowings	6	4,250.8	2,959.4	4,177.6
TOTAL NON-CURRENT LIABILITIES		4,735.4	3,206.6	4,654.0
SHORT TERM LIABILITIES				
Current liabilities		1,740.4	1,484.8	1,755.3
Short term borrowings	6	1,163.4	1,042.0	1,349.4
Air traffic settlement liabilities		3,268.5	2,290.5	1,739.8
TOTAL SHORT TERM LIABILITIES		6,172.3	4,817.4	4,844.4
TOTAL LIABILITIES		10,907.7	8,024.0	9,498.4
TOTAL EQUITY AND LIABILITIES		13,211.2	9,684.9	11,919.1

Condensed Consolidated Statement of Cash Flow

Unaudited	Quarter ended March 31		Year ended
(Mill. NOK)	2013	2012	Dec 31
			2012
OPERATING ACTIVITIES			
Profit before tax	-160.1	-397.7	623.2
Paid taxes	0.0	-0.8	-2.5
Depreciation, amortization and impairment	119.6	77.5	385.2
Changes in air traffic settlement liabilities	1,528.8	1,082.2	531.4
Other adjustments	-526.8	-217.3	484.4
Net cash flows from operating activities	961.6	544.0	2,021.7
INVESTMENT ACTIVITIES			
Purchases, proceeds and prepayment of tangible assets	158.2	-177.6	-2,765.5
Net cash flows from investing activities	158.2	-177.6	-2,765.5
FINANCING ACTIVITIES			
Loan proceeds	194.0	138.8	2,106.4
Principal repayments	-544.5	-72.8	-460.7
Financing costs paid	-56.1	-51.0	-294.4
Proceeds from issuing new shares	0.0	0.0	18.1
Net cash flows from financial activities	-406.6	14.9	1,369.4
Foreign exchange effect on cash	0.8	0.3	0.3
Net change in cash and cash equivalents	714.0	381.7	625.9
Cash and cash equivalents in beginning of period	1,730.9	1,104.9	1,104.9
Cash and cash equivalents in end of period	2,444.9	1,486.6	1,730.9

Statement of comprehensive income

Unaudited

(Mill. NOK)	YTD 31.03.		Year ended Dec 31
	2013	2012	2012
Net profit for the period	-117.2	-285.5	456.6
Available-for-sale financial assets	0.4	0.0	0.0
Exchange rate differences Group	-0.6	-0.8	0.3
Total comprehensive income for the period	-117.4	-286.3	456.9
Profit attributable to:			
- Owners of the company	-117.2	-285.5	456.6

Consolidated changes in equity

Unaudited

(Mill. NOK)	YTD 31.03.		Year ended Dec 31
	2013	2012	2012
Equity - Beginning of period	2,420.7	1,945.6	1,945.6
Total comprehensive income for the period	-117.4	-286.3	456.9
Share issue	0.0	0.0	18.1
Equity change on employee options	0.2	0.0	0.0
Equity - End of period	2,303.5	1,660.8	2,420.7

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 liability 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 2012 is available upon request from the company's registered office at Oksenøyveien 3, 1330 Fornebu, Norway, or at www.norwegian.com.

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 2012. 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 for the year ended 31 December 2012.

Note 1 Judgments, estimates and assumptions

The preparation of condensed consolidated interim financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, 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 judgments 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 2012.

Note 2 Risk

SENSITIVITY ANALYSIS

Unaudited

Effect on income MNOK

1% decrease in jet fuel price	+39
1% depreciation of NOK against USD	- 52
1% depreciation of NOK against EURO	- 30

The sensitivity analysis reflects the effect on operating costs by changes in market prices and exchange rates. The effect on operating costs is annualized based on current 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

(Mill. NOK)	Quarter ended 31.03.		Year ended Dec 31
	2013	2012	2012
Per activity			
Passenger revenue	2,473.4	2,000.7	11,201.1
Ancillary passenger revenue	337.5	298.0	1,405.5
Other revenue	93.1	61.1	252.5
Total	2,904.0	2,359.9	12,859.0
Per geographical market			
Domestic	1,042.8	871.9	4,057.3
International	1,861.2	1,488.0	8,801.7
Total	2,904.0	2,359.9	12,859.0

Note 4 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, Danish, Finnish, Swedish, Spanish and British 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 5 Information on related parties

During the first quarter 2013 there are no changes in related parties compared to the description in Note 27 in the Annual Report for 2012. There have been no significant transactions with related parties during the first quarter 2013.

Note 6 Borrowings

Unaudited

(Mill. NOK)	Quarter ended March 31 2013		Quarter ended March 31 2012		Year ended Dec 31 2012	
	Long term	Short term	Long term	Short term	Long term	Short term
Bond issue	-590	0	-466	0	-589	0
Revolving credit facility	0	-727	0	-751	0	-931
Aircraft financing	-3,651	-432	-2,479	-287	-3,578	-414
Financial lease liability	-10	-5	-14	-5	-11	-5
Total	-4,251	-1,163	-2,959	-1,042	-4,178	-1,349
TOTAL BORROWINGS	-5,414		-4,001		-5,527	

Note 7 Events after the reporting date

There are no events after the reporting date.

Definitions

ASK: Available Seat Kilometres. Number of available passenger seats multiplied by flight distance.

Unit revenue: Passenger Revenue divided by Available Seat Kilometres.

Unit cost: Total operating expenses plus leasing, excluding other losses/(gains)-net, divided by Available Seat Kilometres.

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.

EBITDAR: Operating profit/loss before depreciation and leasing costs for aircraft (earnings before financial items, tax, depreciation and leasing costs for aircraft)

EBITDA: Operating profit/loss before depreciation (earnings before financial items, tax and depreciation)

EBIT: Operating profit/loss (Earnings before financial items and tax)

Information about the Norwegian Group

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Board of Directors - Norwegian Air Shuttle ASA

Bjørn H. Kise, Chairman
Ola Krohn-Fagervoll, deputy Chairman
Liv Berstad
Marianne Wergeland Jenssen
Linda Olsen
Thor Espen Bråten
Jeanette Vannebo

Group Management

Bjørn Kjos, Chief Executive Officer
Asgeir Nyseth, Chief Operating Officer
Frode E. Foss, Chief Financial Officer
Per Ivar Gjørvad, Chief Information Officer
Frode Berg, Chief Legal Officer
Gunnar Martinsen, SVP Human Resources
Anne-Sissel Skånvik, SVP Corporate Communications

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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