Interim report

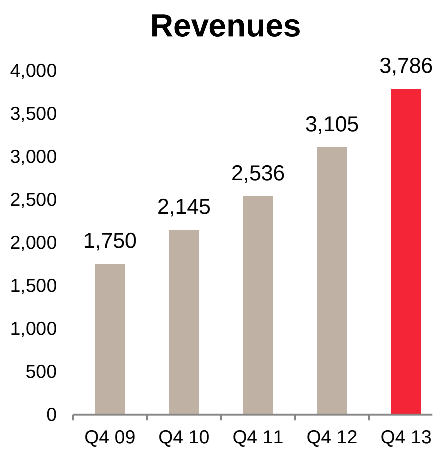
Norwegian Air Shuttle ASA – fourth quarter and full year

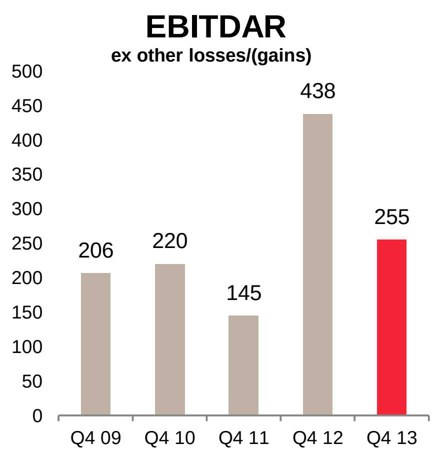
Unit cost:

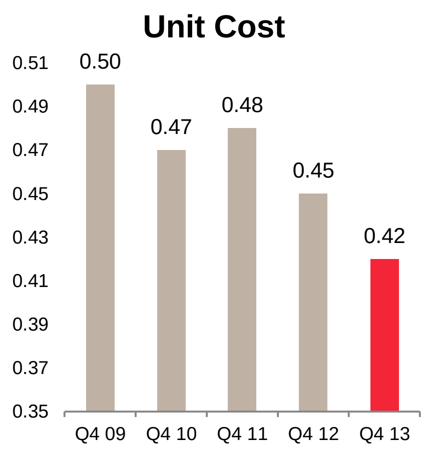
-6%

Unit cost NOK 0.42

- **Pre-tax profit of MNOK -283**
- **Strong passenger growth, up 20% to 5.25 million passengers**
- **Significant capacity growth (+41%) and increased load factor (+1%)**
- **Punctuality of 83%, up 2 pp. including long haul traffic**







norwegian

Other losses/(gains) is not included in the Unit Cost definition or the underlying earnings as it primarily contains hedge losses/gains offset by financial items.

Norwegian reports a full year result of 437 MNOK

Norwegian reports a pre-tax profit (EBT) of 437 MNOK for full year 2013. The company's total fourth quarter result was -283 MNOK. The year has been characterized by strong passenger growth and international expansion, and additional costs related to the start-up of the long-haul operation.

2013 is the seventh consecutive year Norwegian has made a profit. Earnings before taxes (EBT) were 437 MNOK in 2013, compared to 623 MNOK in 2012. The turnover was 15.6 billion NOK, an increase of 21 percent. The production growth (ASK) increased by 32 percent in 2013. At the same time, the load factor remains stable and high. Norwegian carried 20.7 million passengers in 2013, three million more than the previous year. At the same time, the market share is growing in all core markets.

Additional costs related to the start-up of the long-haul operation has affected the results significantly and amounted to 216 MNOK for the full year. This includes costs related to wet lease, additional fuel costs, as well as costs associated with accommodation, food and beverages for delayed passengers due to technical and operational problems with the long-haul operation.

The company's total turnover for the fourth quarter was 3.8 BNOK, an increase of 22 percent from the same quarter previous year. The pre-tax profit (EBT) was -283 MNOK, compared to 23 MNOK the year before. The airline carried 5.25 million passengers during the fourth quarter, which represents a passenger growth of 20 percent. At the end of the year, the ASK was up 41 percent and the load factor increased by one percentage point.

"We have had significant and unexpected costs due to the start-up of the long-haul operation, with delayed deliveries of aircraft and many technical issues. Furthermore, the profit has also been affected by a weaker Norwegian krone. However, it is clear that our business model works and is in line with our strategy. Cash flow from operations has been very strong. We have cut costs and added new capacity, while at the same time maintaining the load factor. Strong competition on certain routes affects the price level, but Norwegian is still better equipped than ever to meet the competition", said CEO Bjørn Kjos.

CONSOLIDATED FINANCIAL KEY FIGURES

Unaudited

(Amounts in NOK million)	**Q4 2013**	Q4 2012	*Change*	**YTD 2013**	YTD 2012	*Change*	Full Year 2012
Operating revenue	**3,785.6**	3,105.4	*22 %*	**15,579.5**	12,859.0	*21 %*	12,859.0
EBITDAR	**298.9**	296.2	*1 %*	**2,783.9**	1,821.6	*53 %*	1,821.6
EBITDAR excl other losses/(gains)	**255.0**	437.6	*-42 %*	**2,294.6**	2,150.3	*7 %*	2,150.3
EBITDA	**-40.8**	53.3	*-177 %*	**1,499.5**	788.7	*-90 %*	788.7
EBITDA excl other losses/(gains)	**-84.7**	194.7	*-144 %*	**1,010.2**	1,117.4	*10 %*	1,117.4
EBIT	**-183.3**	-51.9	*253 %*	**969.7**	403.5	*-140 %*	403.5
EBT	**-283.0**	23.0	*-1330 %*	**437.4**	623.2	*30 %*	623.2
Net profit/ loss (-)	**-196.8**	23.6	*-934 %*	**318.7**	456.6	*30 %*	456.6
EBITDAR margin	**7.9 %**	9.5 %		**17.9 %**	14.2 %		14.2 %
EBITDA margin	**-1.1 %**	1.7 %		**9.6 %**	6.1 %		6.1 %
EBIT margin	**-4.8 %**	-1.7 %		**6.2 %**	3.1 %		3.1 %
EBT margin	**-7.5 %**	0.7 %		**2.8 %**	4.8 %		4.8 %
Net profit margin	**-5.2 %**	0.8 %		**2.0 %**	3.6 %		3.6 %
Book equity per share (NOK)				**78.1**	68.8	*13 %*	68.8
Equity ratio (%)				**19 %**	20 %	*-5 %*	20 %
Net interest bearing debt				**4,346.1**	3,796.1	*14 %*	3,796.1

Other losses/(gains) is not included in the Unit Cost concept or the underlying earnings as it primarily contains hedge losses/gains offset under financial items.

OPERATIONAL REVIEW

CONSOLIDATED TRAFFIC FIGURES AND RATIOS

Unaudited

(Ratios in NOK)	**Q4 2013**	Q4 2012	*Change*	**YTD 2013**	YTD 2012	*Change*	Full Year 2012
Yield	**0.45**	0.54	-18 %	**0.50**	0.55	-10 %	0.55
Unit Revenue	**0.35**	0.42	-16 %	**0.39**	0.43	-10 %	0.43
Unit Cost	**0.42**	0.45	-6 %	**0.42**	0.45	-6 %	0.45
Unit Cost ex fuel	**0.28**	0.30	-8 %	**0.29**	0.31	-7 %	0.31
Ancillary Revenue/Sched. PAX	**89**	80	12 %	**87**	82	6 %	82
Internet bookings	**83 %**	81 %	2 pp	**80 %**	80 %	0 pp	80 %
ASK (million)	**9,176**	6,517	41 %	**34,318**	25,920	32 %	25,920
RPK (million)	**7,144**	5,001	43 %	**26,881**	20,353	32 %	20,353
Passengers (million)	**5.25**	4.37	20 %	**20.71**	17.69	17 %	17.69
Load Factor	**78 %**	77 %	1 pp	**78 %**	79 %	0 pp	79 %
Average sector length (km)	**1,195**	1,040	15 %	**1,168**	1,048	11 %	1,048
Fuel consumption (metric tonnes)	**221,468**	168,572	31 %	**540,754**	426,301	27 %	569,197
CO_2 per RPK	**84**	83	2 %	**83**	89	-6 %	88

Traffic Development

A total of 5.25 million passengers travelled with Norwegian in the fourth quarter of 2013, compared to 4.37 million in the fourth quarter of 2012, an increase of 20%. Production (ASK) increased by 41% and passenger traffic (RPK) increased by 43%. The load factor was 78% in the fourth quarter, an increase of 1 percentage point compared to the same period last year.

At the end of the fourth quarter the total fleet including aircraft on maintenance and excluding wet lease comprised 85 aircraft. The Group utilized every operational aircraft on average 11.4 block hours per day in the fourth quarter compared to 10.8 last year.

The share of Internet sales was 83 % which is an increase of 2 percentage point from last year.

Operating performance

Punctuality, the percentage of flights departing on schedule, was 83% in the fourth quarter 2013, compared to 81% in the same quarter last year.

Regularity, the percentage of scheduled flights actually taking place, was 99.2% in the fourth quarter, compared to 99.4% in the same quarter last year.

FINANCIAL REVIEW

Profit and loss statement

During fourth quarter, Norwegian has completed the planned restructuring activities for 2013. The background for the restructuring is to optimize the airline operation, and set a new corporate structure in order to position the company for further international growth and to maintain the Group's flexibility and adaptability despite growing size and entry into new markets in Europe, and across continents. The restructuring has included the establishment of new legal entities, reorganizing and relocation of key personnel and decision making authority, rights and assets to the relevant entities at their respective legal locations.

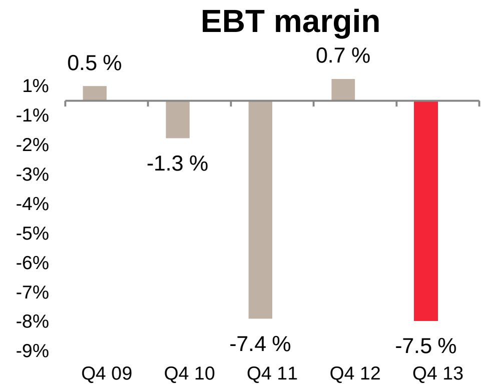
Fourth quarter earnings were affected by strong capacity growth and strong competition in leisure markets. Ticket revenue per unit produced decreased by 16% and unit cost decreased by 6%, resulting in an EBT margin of -8%. Sector length increased significantly by 15%, affecting unit revenue and unit cost in the fourth quarter. Irregularity costs from the long haul operation are estimated to MNOK 45 in the fourth quarter.

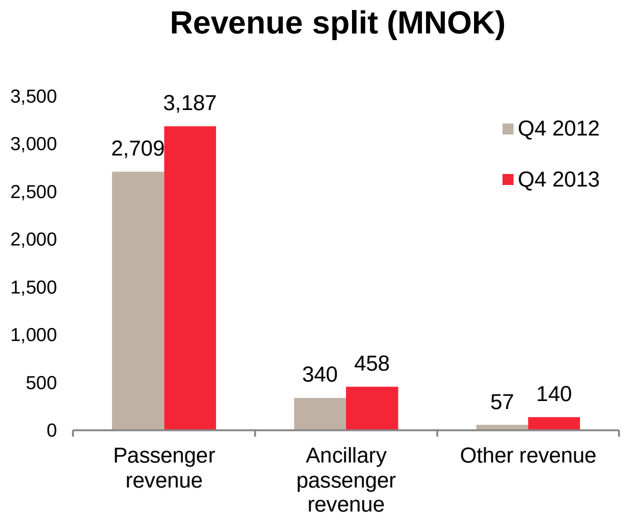
Earnings before interest, depreciation, amortization, restructuring and rent (EBITDAR) excluding other losses/(gains) for fourth quarter were MNOK 255 (438). Earnings before tax (EBT) were MNOK -283 (23) in fourth quarter. The net profit/(loss) for the fourth quarter was MNOK -197 (24).

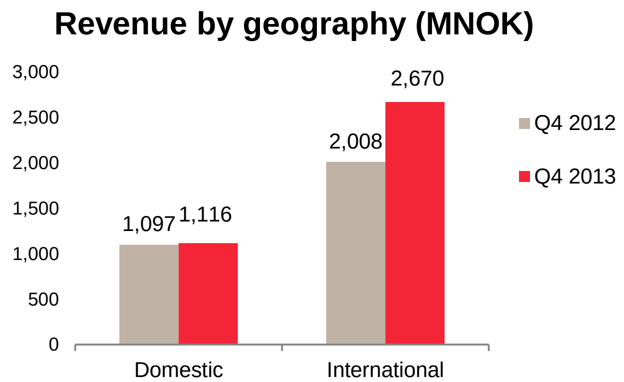
Revenues

Total revenues in the fourth quarter were MNOK 3,786 (3,105), an increase of 22%. MNOK 3,187 (2,709) of the revenues in the fourth quarter was related to ticket revenues. The ticket revenue per unit produced (RASK) in the fourth quarter was NOK 0.35 compared to NOK 0.42 for the same period last year. The RASK development compared to last year reflects lower yield and increased load factor, primarily due to establishment of new European short haul bases and long haul operations to North America and Southeast Asia. Ancillary revenue was MNOK 458 (340), while the remaining MNOK 140 (57) was related to freight, third-party products, gain from sale of assets and other income. Ancillary passenger revenue was NOK 89 per scheduled passenger (NOK 80) in the fourth quarter, an increase of 12%, mainly due to ancillary revenue from long haul operations.

Revenue from international traffic increased by 33% to MNOK 2,670 in fourth quarter 2013, while revenue from domestic traffic increased marginally compared to last year to MNOK 1,116. Increased capacity has mainly been added to international routes while domestic routes in the Nordic countries have experienced minor increases through the last years. Norwegian has grown rapidly expanding international traffic and adding new bases, destinations and markets to its portfolio. The expansion enables continued cost efficiency and continuously improves competitive power.







Other losses/(gains) is not included in the Unit Cost concept or the underlying earnings as it primarily contains hedge losses/gains offset under financial items.

Operating expenses

COST BREAKDOWN

Unaudited

(Amounts in NOK million)	Q4 2013	Q4 2012	*Change*	YTD 2013	YTD 2012	*Change*	Full Year 2012
Personell expenses	**535.9**	533.0	*1 %*	**2,478.3**	2,068.2	*20 %*	2,068.2
Sales/ distribution expenses	**91.0**	74.9	*21 %*	**339.4**	275.0	*23 %*	275.0
Aviation fuel	**1,312.1**	945.8	*39 %*	**4,694.3**	3,748.3	*25 %*	3,748.3
Airport and ATC charges	**576.9**	431.1	*34 %*	**2,185.3**	1,730.2	*26 %*	1,730.2
Handling charges	**371.5**	255.6	*45 %*	**1,339.4**	1,077.3	*24 %*	1,077.3
Technical maintenance expenses	**286.0**	164.8	*74 %*	**927.8**	792.6	*17 %*	792.6
Other flight operation expenses	**165.6**	124.6	*33 %*	**587.0**	485.9	*21 %*	485.9
General and administrative expenses	**191.7**	138.2	*39 %*	**733.3**	531.2	*38 %*	531.2
Other losses/(gains) - net	**-43.9**	141.4	*-131 %*	**-489.3**	328.7	*-249 %*	328.7
Total operating expenses	**3,486.8**	2,809.2	*24 %*	**12,795.7**	11,037.4	*16 %*	11,037.4
Leasing	**339.6**	242.9	*40 %*	**1,284.4**	1,032.9	*24 %*	1,032.9
Total operating expenses incl lease	**3,826.4**	3,052.1	*25 %*	**14,080.1**	12,070.3	*17 %*	12,070.3

Operating expenses excluding leasing and depreciation increased by 24% to MNOK 3,487 (2,809) this quarter. A production increase (ASK) of 41% is the main factor explaining the increased operating expenses this quarter.

The unit cost was NOK 0.42, which is a decrease of 6% from last year. Unit cost ex fuel was MNOK 0.28 (-8%). Increased production from international expansion of new bases, destinations and markets affect the sector length and cost levels, reducing underlying unit cost in the fourth quarter. Appreciation of USD and EUR against NOK affects the unit cost by an estimated 5% increase.

Personnel expenses increased by 1% to MNOK 536 (533) in the fourth quarter compared to the same quarter last year. Unit cost for personnel expenses decreased by 29%. Included in fourth quarter 2013, is a reversal of estimates for provisions related to pension liabilities. Salary increases to employees and increased personnel expenses from hiring and training crew on new international bases are more than offset by the revised estimates for pension expenses, the productivity increase and increased sector length derived from international production.

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

Sales and distribution expenses increased by 21% to MNOK 91 (75) in the fourth quarter compared to the same quarter last year. Unit cost for sales and distribution expenses decreased by 14%. Appreciation of EUR against NOK is more than offset by reduced cost due to an increased sector length.

Aviation fuel expenses increased by 39% to MNOK 1,312 (946) in the fourth quarter compared to the same quarter last year. The higher cost is driven by a production increase of 41% and a 6% increase in the realized fuel price per ton denominated in NOK. The average net spot price denominated in USD decreased by 5% during the same period. This resulted in a decrease in the unit cost for fuel by 1%.

The Group has at the end of the fourth quarter no forward contracts to cover fuel exposure.

Airport and air traffic control (ATC) charges increased by 34%, to MNOK 577 (431) in the fourth quarter compared to the same quarter last year. Unit cost for airport and ATC charges decreased by 5%. Increased prices and appreciation of EUR against NOK are more than offset by reduced cost due to an increased sector length and increased capacity.

Handling charges increased by 45%, to MNOK 372 (256) in the fourth quarter compared to the same quarter last year. Unit cost for handling charges increased by 3%. Increased prices from introducing larger aircraft and appreciation of EUR against NOK are partially offset by reduced costs from increased sector length and increased capacity.

Technical maintenance costs increased by 74%, to MNOK 286 (165) in the fourth quarter compared to the same quarter last year. Unit cost for technical maintenance increased by 23% in the fourth quarter. The main reasons for increased unit costs are maintenance expenses related to the Boeing 787-8 Dreamliner, additional expenses for motor overhaul and appreciation of USD against NOK. The increased technical expenses are partially offset by an increased share of 737-800Ws with lower maintenance cost than 737-300 aircraft and an increased share of owned 737-800 aircraft in the fleet. Planned maintenance cost on owned aircraft is capitalized and reduces maintenance cost per unit produced.

Other flight operation expenses increased by 33% to MNOK 166 (125) in the fourth quarter compared to the

Other losses/(gains) is not included in the Unit Cost definition or the underlying earnings as it primarily contains hedge losses/gains offset by financial items.

same quarter last year. Other flight operation expenses include costs directly attributable to operation of the aircraft fleet, such as de-icing, insurance and meals and housing for crew. Increased costs for meals and housing for hired crew personnel is more than offset by increased sector length and increased capacity, resulting in a decreased unit cost for other flight operation expenses by 6%.

General and administrative expenses increased by 39% to MNOK 192 (138) in the fourth quarter compared to the same quarter last year due to the introduction of new markets, products and international bases. Unit cost for general and administrative expenses decreased by 1%.

Other losses/(gains)-net; a gain of MNOK 44 was recognized in the fourth quarter compared to a loss of MNOK 141 in the fourth quarter last year. Included in other losses/(gains)-net are gains/losses from foreign currency contracts and gains/losses on working capital in foreign currency.

Forward foreign currency contracts in USD are designated to counter currency revaluation effects from USD denominated borrowings. Currency gains from term contracts amounted to MNOK 39 and are more than offset by currency losses of MNOK 61 on USD denominated borrowings booked as other financial expense.

Leasing costs increased by 40% to MNOK 340 (243) in the fourth quarter compared to the same quarter last year. Unit cost for leasing decreased by 1% due to an increased share of owned 737-800Ws and increased sector length. The positive impact on unit cost is partially offset by an increased number of leased 737-800Ws and the introduction of Boeing 787-8 Dreamliner in the fleet. Appreciation of USD against NOK increases unit cost in the period.

During the fourth quarter the Group operated 30 (22) owned Boeing 737-800Ws, 1 (0) owned Boeing 787-8 Dreamliner and 5 (5) Boeing 737-300s.

Profit/Loss from Associated Company in the fourth quarter was estimated to MNOK 13 (8) which represents the 20 % share of Bank Norwegian's third quarter results.

Financial Items were MNOK -113 (67) in the fourth quarter. Interest on prepayments of MNOK 20 (2) was capitalized, reducing interest expenses. Included in other financial income (expense) is a currency loss on USD denominated borrowings amounting to MNOK 61 due to appreciation of USD against NOK. In comparison, a gain of MNOK 98 was recognized in the fourth quarter 2012. These gains and losses have no cash effects.

Income taxes amounted to an income of MNOK 86 (1) in the fourth quarter.

Financial position and liquidity

The significant transactions contemplating the financial aspect of the restructuring will take effect as of 31.12.2013. Norwegian will continue its financial reporting on a Group-level as the restructuring is expected to yield no material changes to the statement of financial position or earnings (EBT) for the Group. Tax effect of the sale, transfer and future operations will be governed by the appropriate laws and regulations of the relevant jurisdictions. The reorganization will not trigger immediate payable tax as the reorganization is governed by the freedom of establishment under the EEA-agreement.

Net interest bearing debt at the end of the fourth quarter was MNOK 4,346 compared to MNOK 3,796 at the end of last year. The financial position is highly affected by increased production and asset acquisitions. Exiting the financial year 2013, the financial position continues to be solid with an equity ratio of 19%, a decrease of 1 percentage point from 20% at year-end 2012.

Net change in cash and cash equivalents in fourth quarter was MNOK -137. Investments in new aircraft and equipment were MNOK -885 with net cash from financing activities of MNOK 562. Operational activities continue to derive sufficient cash to maintain a solid financial position and high levels of investments in new aircraft.

Total non-current assets amount to MNOK 10,848 at the end of the fourth quarter, compared to MNOK 9,013 at the end of last year. The main investments during the year are related to prepayments to aircraft manufacturers for aircraft on order and delivery of ten new owned Boeing 737-800Ws and one new owned Boeing 787-8 Dreamliner. The investments are partially offset by delivery of three aircraft financed by sale and leaseback transactions.

Total current assets amount to MNOK 3,912 at the end of the fourth quarter, compared to MNOK 2,907 at the end of last year. Investments have increased by MNOK 38 during the year due to changes in fair value of term contracts. Receivables have increased by MNOK 527 during the year due to increased production. Cash and cash equivalents have increased by MNOK 435 during the year.

Total non-current liabilities at the end of the fourth quarter were MNOK 6,783, compared to MNOK 4,654 at the end of last year. Long-term borrowings increased by MNOK 1,566 during the year. The increase in borrowings is mainly related to external borrowings on six Boeing 737-800Ws and one Boeing 787-8 Dreamliner. Additionally, mark-to-market adjustment of USD denominated borrowings increase the value of borrowings. Down-payments on aircraft financing partially offsets the increase. Other non-current liabilities increase by MNOK 563 due to increased accruals for MRC, deferred tax and pension liability.

Total short-term liabilities at the end of the fourth quarter were MNOK 5,230, compared to MNOK 4,845 at the end of last year. Current liabilities increased by MNOK 139 during the year due to increased production, but are partially offset by increase in fair value of term contracts. Short-term borrowings decreased by MNOK 581 during the year due to down-payments of pre-delivery payment financing, which is replaced by long term borrowings at delivery of aircraft.

Other losses/(gains) is not included in the Unit Cost concept or the underlying earnings as it primarily contains hedge losses/gains offset under financial items.

Increased value of borrowings from mark-to-market adjustment of USD denominated borrowings partially offset the decrease. Air traffic liability increased by MNOK 827 during the year due to increased production.

Equity at the end of the fourth quarter was MNOK 2,747 compared to MNOK 2,421 at the end of last year. The increase in equity is mainly related to net profit of MNOK 319.

Cash flow

Cash and cash equivalents were MNOK 2,166 at the end of the fourth quarter compared to MNOK 1,731 at the end of last year.

Cash flow from operating activities in the fourth quarter amounted to MNOK 264 compared to MNOK 447 in the fourth quarter last year, mainly due to reduced profit. Due to increased production and seasonality, air traffic settlement liability increased by MNOK 37 during the fourth quarter compared to a decrease of MNOK 23 during the same quarter last year. Cash from other adjustments amounted to MNOK 367 during fourth quarter compared to MNOK 343 in the same quarter last year. Other adjustments mainly consist of changes in accounts receivable, current liabilities and currency gain/loss with no cash effects.

Cash flow from investment activities in the fourth quarter was MNOK -965, compared to MNOK -1,545 in the fourth quarter last year. Prepayments to aircraft manufacturers and delivery of four new Boeing 737-800Ws and one new Boeing 787-8 Dreamliner are the main investments in the quarter. In comparison, three new Boeing 737-800Ws were delivered in the fourth quarter last year.

Cash flow from financing activities in the fourth quarter was MNOK 562 compared to MNOK 1,093 in the fourth quarter last year. Proceeds from long term financing of five new aircraft and pre-delivery payment financing are partially offset by down-payment on borrowings and financing costs in the quarter.

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 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 first quarter of 2014. 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 2014) with a lower operating cost. Going forward, the Company expects increased competitive pressure in the Nordic market place.

Norwegians short haul operations have, in addition to the Nordic countries, at the present four bases operational in Spain (Malaga, Alicante, Las Palmas and Tenerife) and a base in London. New bases in Madrid and Barcelona are planned operational during the spring.

Norwegian guides for a production growth (ASK) of 40% for 2014, 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 6.00 for the year 2014 (excluding hedged volumes) and with the currently planned route portfolio, the Company is targeting a unit cost (CASK) in the area of NOK 0.40 for 2014.

Despite technical and operational issues related to the start-up of the long haul operation, the establishment of the long haul operation has developed in accordance with plan. The introduction of routes for the summer season of 2014 has been well received by the market. The long haul production will grow in accordance with the phasing in of aircraft and the company will have 7 Boeing 787 by the end of 2014.

Norwegian has established and prepared for an organizational structure which secures cost efficient international expansion and necessary traffic rights for the future.

Fornebu, 12 February 2013

CEO
Bjørn Kjos

CONDENSED CONSOLIDATED INCOME STATEMENT

Unaudited

(Amounts in NOK million)	*Note*	**Q4 2013**	Q4 2012	**YTD 2013**	YTD 2012	Full Year 2012
Operating revenue						
Total operating revenue	3	**3,785.6**	3,105.4	**15,579.5**	12,859.0	12,859.0
Total operating revenue		**3,785.6**	3,105.4	**15,579.5**	12,859.0	12,859.0
Operating expenses						
Operational expenses		**2,803.0**	1,996.1	**10,079.4**	8,099.2	8,099.2
Payroll and other personnel expenses		**535.9**	533.0	**2,478.3**	2,068.2	2,068.2
Other operating expenses		**147.8**	280.2	**238.0**	870.0	870.0
Total operating expenses		**3,486.8**	2,809.2	**12,795.7**	11,037.4	11,037.4
Operating profit/loss before leasing & depr (EBITDAR)		**298.9**	296.2	**2,783.9**	1,821.6	1,821.6
Leasing		**339.6**	242.9	**1,284.4**	1,032.9	1,032.9
Operating profit/loss before depr (EBITDA)		**-40.8**	53.3	**1,499.5**	788.7	788.7
Depreciation and amortization		**142.5**	105.2	**529.8**	385.2	385.2
Operating profit/loss (EBIT)		**-183.3**	-51.9	**969.7**	403.5	403.5
Financial items						
Interest income		**16.6**	14.1	**66.3**	51.3	51.3
Interest expense		**53.6**	41.5	**130.4**	118.8	118.8
Other financial income (expense)		**-75.5**	93.9	**-514.8**	254.4	254.4
Net financial items		**-112.6**	66.6	**-578.9**	186.9	186.9
Profit/Loss from associated company		**12.8**	8.3	**46.6**	32.8	32.8
Net result before tax (EBT)		**-283.0**	23.0	**437.4**	623.2	623.2
Income tax expense (benefit)		**-86.2**	-0.6	**118.7**	166.5	166.5
Net profit/loss		**-196.8**	23.6	**318.7**	456.6	456.6
Net profit attributable to:						
Owners of the parent company		**-196.8**	**23.6**	**318.7**	**456.6**	456.6
Earnings per share (NOK) - Basic		**-5.6**	0.7	**9.1**	13.1	13.1
Earnings per share (NOK) - Diluted		**-5.5**	0.7	**8.9**	13.0	13.0
No. of shares at the end of the period		**35,162,139**	35,162,139	**35,162,139**	35,162,139	35,162,139
Average no. of shares outstanding		**35,162,139**	34,924,769	**35,162,139**	34,924,769	34,924,769
Average no. of shares outstanding - diluted		**35,651,865**	35,162,139	**35,651,865**	35,162,139	35,162,139

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited

(Amounts in NOK million)	*Note*	**At 31 Dec 2013**	At 31 Dec 2012	At 31 Dec 2012
ASSETS				
Non-current assets				
Intangible assets		**250.9**	242.1	242.1
Tangible fixed assets		**10,150.8**	8,516.7	8,516.7
Fixed asset investments		**446.3**	254.3	254.3
Total non-current assets		**10,848.0**	9,013.0	9,013.0
Current assets				
Inventory		**74.1**	68.4	68.4
Investments		**48.5**	10.8	10.8
Receivables		**1,623.1**	1,096.6	1,096.6
Cash and cash equivalents		**2,166.1**	1,730.9	1,730.9
Total current assets		**3,911.9**	2,906.6	2,906.6
TOTAL ASSETS		**14,759.9**	11,919.7	11,919.7
EQUITY AND LIABILITIES				
Shareholders equity				
Paid-in capital	7	**1,170.2**	1,160.8	1,160.8
Other equity		**1,576.7**	1,259.8	1,259.8
Total equity		**2,747.0**	2,420.7	2,420.7
Non-current liabilities				
Other non-current liabilities		**1,039.4**	476.3	476.3
Long term borrowings	6	**5,743.8**	4,177.6	4,177.6
Total non-current lilabilities		**6,783.2**	4,654.0	4,654.0
Short term liabilities				
Current liabilities		**1,894.8**	1,755.9	1,755.9
Short term borrowings	6	**768.4**	1,349.4	1,349.4
Air traffic settlement liabilities		**2,566.5**	1,739.8	1,739.8
Total short term liabilities		**5,229.7**	4,845.1	4,845.1
Total liabilities		**12,012.9**	9,499.0	9,499.0
TOTAL EQUITY AND LIABILITIES		**14,759.9**	11,919.7	11,919.7

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

Unaudited

(Amounts in NOK million)	**Q4 2013**	Q4 2012	**YTD 2013**	YTD 2012	Full Year 2012
OPERATING ACTIVITIES					
Profit before tax	**-283.0**	23.0	**437.4**	623.2	623.2
Paid taxes	**0.0**	-1.5	**0.0**	-2.5	-2.5
Depreciation, amortization and impairment	**142.5**	105.2	**529.8**	385.2	385.2
Changes in air traffic settlement liabilities	**36.7**	-23.3	**826.8**	531.4	531.4
Other adjustments	**367.3**	343.1	**583.0**	484.4	484.4
Net cash flows from operating activities	**263.5**	446.5	**2,376.9**	2,021.7	2,021.7
INVESTMENT ACTIVITIES					
Purchases, proceeds and prepayment of tangible assets	**-884.5**	-1,545.4	**-2,045.9**	-2,765.5	-2,765.5
Purchases of other long-term investments	**-80.0**	0.0	**-80.0**	0.0	0.0
Net cash flows from investing activities	**-964.5**	-1,545.4	**-2,125.9**	-2,765.5	-2,765.5
FINANCING ACTIVITIES					
Loan proceeds	**1,499.3**	1,279.5	**2,459.8**	2,106.4	2,106.4
Principal repayments	**-722.2**	-94.0	**-1,829.7**	-460.7	-460.7
Financing costs paid	**-214.8**	-110.3	**-445.9**	-294.4	-294.4
Proceeds from issuing new shares	**0.0**	18.1	**0.0**	18.1	18.1
Net cash flows from financial activities	**562.3**	1,093.3	**184.2**	1,369.4	1,369.4
Foreign exchange effect on cash	**1.9**	1.6	**0.0**	0.3	0.3
Net change in cash and cash equivalents	**-136.8**	-3.9	**435.2**	625.9	625.9
Cash and cash equivalents in beginning of period	**2,302.9**	1,734.8	**1,730.9**	1,104.9	1,104.9
Cash and cash equivalents in end of period	**2,166.1**	1,730.9	**2,166.1**	1,730.9	1,730.9

STATEMENT OF COMPREHENSIVE INCOME

Unaudited

(Amounts in NOK million)	**YTD 2013**	YTD 2012	Full Year 2012
Net profit for the period	**318.7**	456.6	456.6
Available-for-sale financial assets	**1.2**	0.0	0.0
Exchange rate differences Group	**-2.9**	0.3	0.3
Total comprehensive income for the period	**316.9**	456.9	456.9
Profit attributable to:			
Owners of the company	**318.7**	456.6	456.6

CONDENSED CONSOLIDATED CHANGES IN EQUITY

Unaudited

(Amounts in NOK million)	**YTD 2013**	YTD 2012	Full Year 2012
Equity - Beginning of period	**2,420.7**	1,945.6	1,945.6
Total comprehensive income for the period	**316.9**	456.9	456.9
Share issue	**0.0**	18.1	18.1
Equity change on employee options	**9.4**	0.0	0.0
Equity - End of period	**2,747.0**	2,420.7	2,420.7

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1 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.

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	44
1% depreciation of NOK against USD	-54
1% depreciation of NOK against EURO	-34

The sensitivity analysis reflects the effect on operating costs in 2013 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 optional extras. Other revenue consist of revenue not directly related to passengers such as cargo, third-party commissions etc.

SALES REVENUE BREAKDOWN

Unaudited *(Amounts in NOK million)*	**Q4 2013**	Q4 2012	*Change*	**YTD 2013**	YTD 2012	*Change*	Full Year 2012
Per activity							
Passenger revenue	**3,187.4**	2,708.8	*17.7 %*	**13,381.5**	11,201.1	*19.5 %*	11,201.1
Ancillary passenger revenue	**458.4**	339.6	*35.0 %*	**1,757.9**	1,405.5	*25.1 %*	1,405.5
Other revenue	**139.8**	57.1	*144.8 %*	**440.2**	252.5	*74.3 %*	252.5
Total	**3,785.6**	3,105.4	*21.9 %*	**15,579.5**	12,859.0	*21.2 %*	12,859.0
Per geographical market							
Domestic	**1,115.9**	1,097.0	*1.7 %*	**4,423.1**	4,057.3	*9.0 %*	4,057.3
International	**2,669.7**	2,008.4	*32.9 %*	**11,156.5**	8,801.7	*26.8 %*	8,801.7
Total	**3,785.6**	3,105.4	*21.9 %*	**15,579.5**	12,859.0	*21.2 %*	12,859.0

Note 4 Segment information

The Executive Management team 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 entire operation and irrespective of geographic location.

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 fourth 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 fourth quarter 2013.

Note 6 Borrowings

Unaudited

	At 31 Dec		At 31 Dec		At 31 Dec	
(Amounts in NOK million)	2013		2012		2012	
	Long term	**Short term**	Long term	Short term	Long term	Short term
Bond issue	**-593.9**	**0.0**	-588.9	0.0	-588.9	0.0
Revolving credit facility	**0.0**	**-147.1**	0.0	-930.7	0.0	-930.7
Aircraft financing	**-5,143.0**	**-617.7**	-3,577.8	-413.7	-3,577.8	-413.7
Financial lease liability	**-6.9**	**-3.6**	-10.9	-5.0	-10.9	-5.0
Total	**-5,743.8**	**-768.4**	-4,177.6	-1,349.4	-4,177.6	-1,349.4
Total Borrowings	**-6,512.2**		-5,527.0		-5,527.0	

Note 7 Shareholder information

20 Largest shareholders at 31 December 2013

	Shareholder	Country	Number of shares	Percent
1	HBK INVEST AS	NOR	9,499,116	27.0 %
2	FOLKETRYGDFONDET	NOR	2,441,393	6.9 %
3	SKAGEN VEKST	NOR	1,448,775	4.1 %
4	SKAGEN KON-TIKI	NOR	997,061	2.8 %
5	CLEARSTREAM BANKING	LUX	810,516	2.3 %
6	J.P. MORGAN CHASE BA	GBR	779,012	2.2 %
7	DANSKE INVEST NORSKE	NOR	705,289	2.0 %
8	VERDIPAPIRFONDET DNB	NOR	692,874	2.0 %
9	DANSKE INVEST NORSKE	NOR	491,789	1.4 %
10	KLP AKSJE NORGE VPF	NOR	476,818	1.4 %
11	VARMA MUTUAL PENSION	FIN	448,567	1.3 %
12	DNB NOR BANK ASA EGE	NOR	391,598	1.1 %
13	STENSHAGEN INVEST AS	NOR	341,693	1.0 %
14	JP MORGAN CHASE BANK	SWE	339,396	1.0 %
15	STATE STREET BANK AN	USA	329,835	0.9 %
16	DNB LIVSFORSIKRING A	NOR	289,487	0.8 %
17	SKANDINAVISKA ENSKIL	SWE	250,768	0.7 %
18	KOMMUNAL LANDSPENSJO	NOR	250,000	0.7 %
19	STATOIL PENSJON	NOR	248,732	0.7 %
20	KLP AKSJE NORGE INDE	NOR	245,676	0.7 %
	Top 20 shareholders		**21,478,395**	**61.1 %**
	Other shareholders		13,683,744	38.9 %
	Total number of shares		**35,162,139**	**100.0 %**

The parent company Norwegian Air Shuttle ASA had a total of 35,162,139 shares outstanding at 31 December 2013, equal to 31 December 2012.

The shareholding of HBK Invest reflects the actual shareholding and may deviate from the official shareholder register as HBK Invest has signed a securities lending agreement with Nordea and Danske Bank. Under this agreement these institutions may borrow shares from HBK Invest for a limited period of time to improve the liquidity in the share trading, for example by fulfilling their market maker obligations.

Note 8 Contingencies and legal claims

As described in note 28 in the Annual Report for 2012, Norwegian was in a legal dispute with the Norwegian Pilot Union at 31 December 2012. This dispute was settled during fourth quarter 2013, resulting in a liability for Norwegian to issue a defined benefit pension plan according to the Collective Agreement with the Norwegian Pilot Union.

Note 9 Events after the reporting date

On 12 February, Irish authorities issued an air operator's certificate (AOC) and operating license to Norwegian Air International Limited.

On 12 February, Norwegian signed a letter of intent for four additional leased Boeing 787-9 aircraft.

Definitions

ASK:	Available Seat Kilometers. Number of available passenger seats multiplied by flight distance.
RPK:	Revenue Passenger Kilometers. Number of sold seats multiplied by flight distance.
Unit revenue:	Passenger Revenue divided by Available Seat Kilometers.
Unit cost:	Total operating expenses plus leasing, excluding other losses/(gains)-net, divided by Available Seat Kilometers.
Load factor:	Relationship between RPK and ASK (percentage). Describes the rate of utilization of available seats.
EBITDAR:	Earnings before interest, tax, depreciation, amortization and restructuring or rent.
EBITDA:	Earnings before interest, tax, depreciation and amortization.
EBIT:	Earnings before interest and tax.
EBT:	Earnings before tax.

Other losses/(gains) is not included in the Unit Cost definition or the underlying earnings as it primarily contains hedge losses/gains offset by financial items.

Information about the Norwegian Group

Head office Norwegian Air Shuttle ASA

Mailing address	P.O. Box 113 NO–1366 Lysaker
Visiting address	Oksenøyveien 3, Fornebu
Telephone	+47 67 59 30 00
Telefax	+47 67 59 30 01
Internet	www.norwegian.no
Organization Number	NO 965 920 358 MVA

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
Kenneth Utsikt

Group Management

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

Investor Relations

Karl Peter Gombrii
karl.gombrii@norwegian.no

Other sources of Information

Annual reports

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

Quarterly publications

Quarterly reports and presentations are available on http://www.norwegian.no/om-norwegian/investor-relations/

Financial calendar 2014

6	March	Monthly traffic data February
4	April	Monthly traffic data March
7	May	First Quarter results (Q1)
9	May	Monthly traffic data April
14	May	General Shareholder Meeting
5	June	Monthly traffic data May
7	July	Monthly traffic data June
17	July	Second Quarter Results (Q2)
7	Aug	Monthly traffic data July
4	Sept	Monthly traffic data August
6	Oct	Monthly traffic data September
23	Oct	Third Quarter Results (Q3)
6	Nov	Monthly traffic data October
4	Dec	Monthly traffic data November