

Norwegian Air Shuttle ASA (NAS)

Q4 2004 and FY 2004



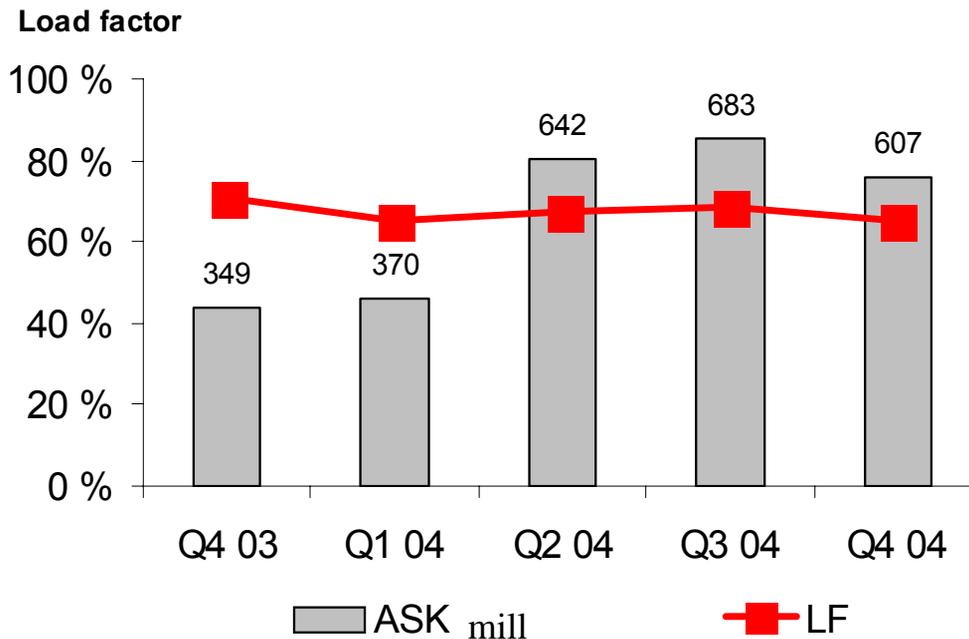
17 February, 2005

Oslo



Strong growth continued

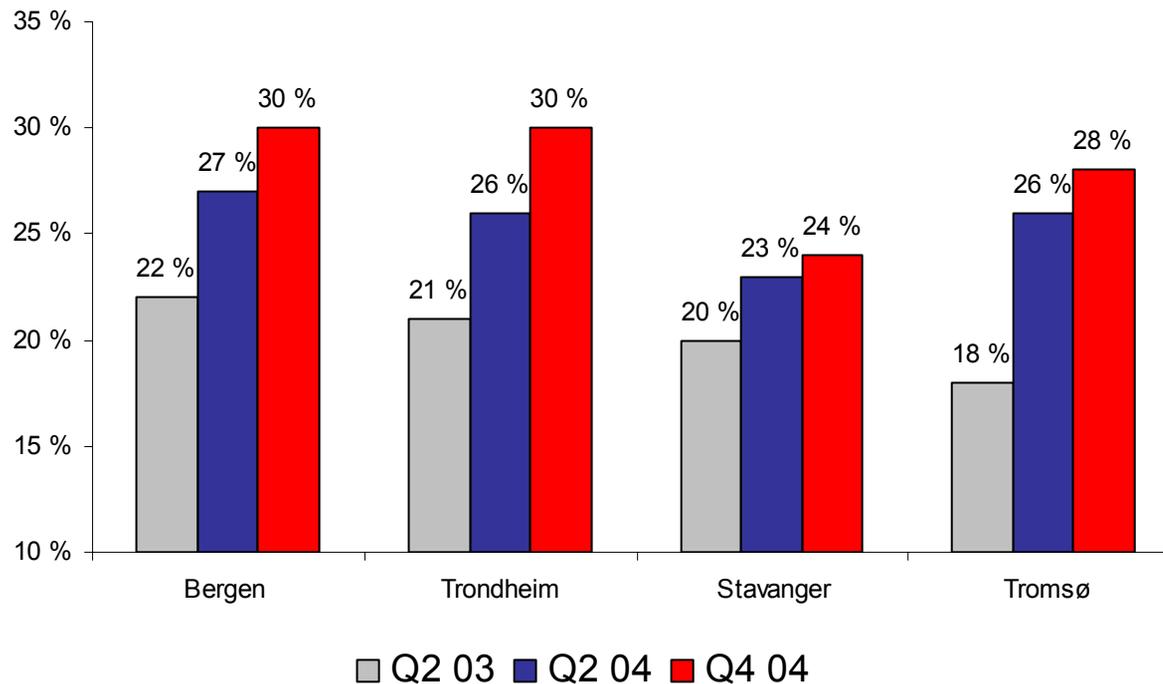
- 73 % production increase from Q403 to Q404, with up to 40 % increase on main domestic routes.
- Satisfactory load factor levels maintained
- Strong performance on international routes



PAX (000)	427	398	572	549	554
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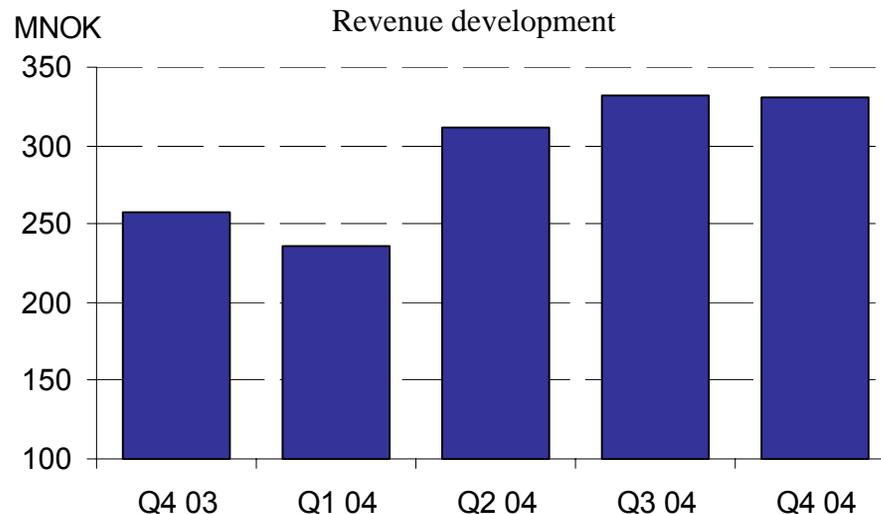
Stronger market position

- Approaching 30 % market share on key domestic routes
- Positive response on improved time table for Bergen and Trondheim



28% increase in turnover

- 331 MNOK in turnover in Q4 2004, compared to 258* MNOK in Q4 2003
- EBITDA result of -43 MNOK in Q4 2004, compared to 0,5* MNOK in Q4 2003
- A period of extraordinary events; high fuel prices and price war



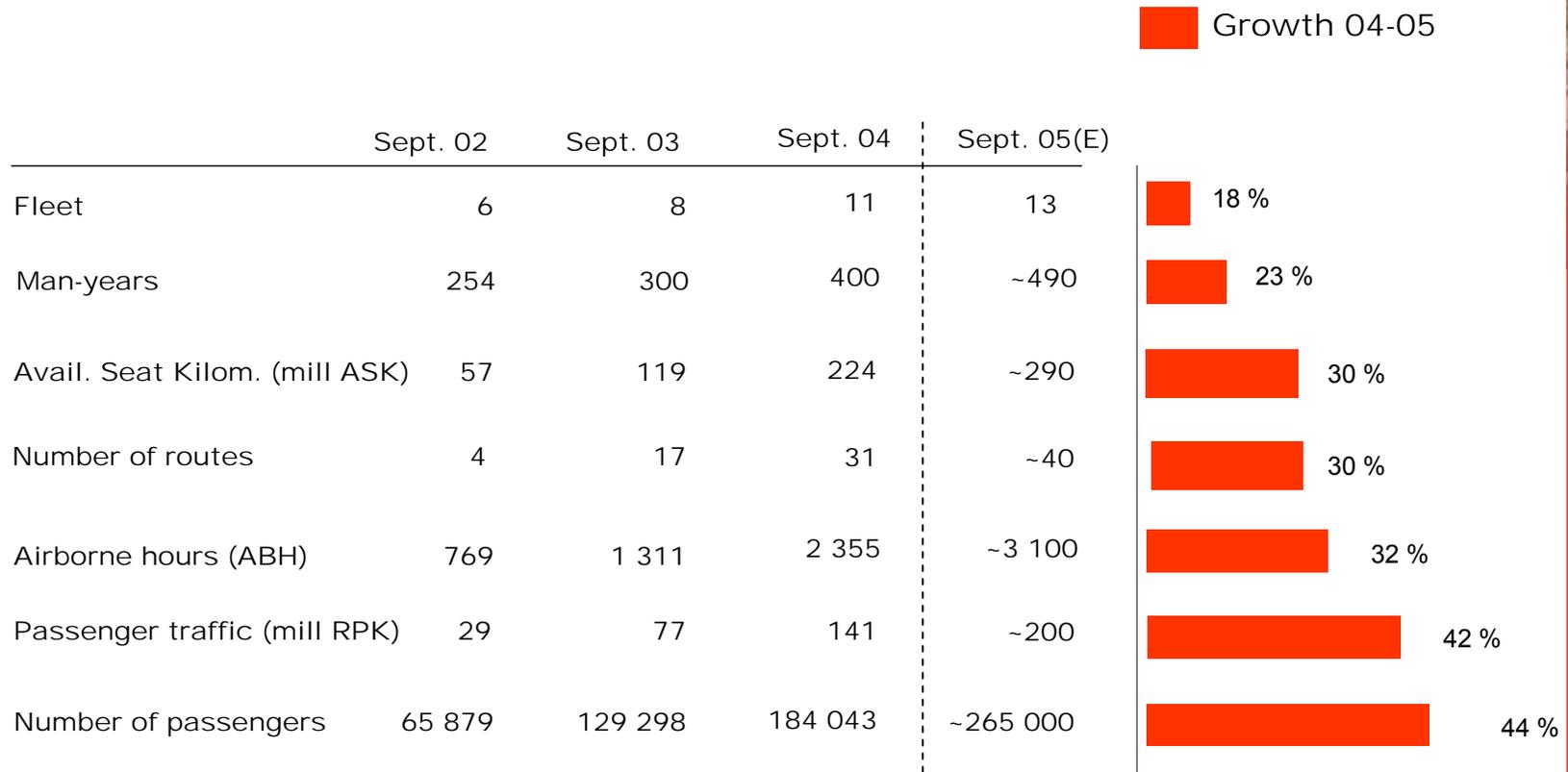
EBITDA MNOK (Low fare 2003)	Q4 03	Q1 04	Q2 04	Q3 04	Q4 04
	0,5	-50	-36	-11	-43

Financial position

- Cash-balance of 195 MNOK, prepaid tickets of 109 MNOK
- Equity-share of 35%
- Strong sales in beginning of 2005 will increase cash balance

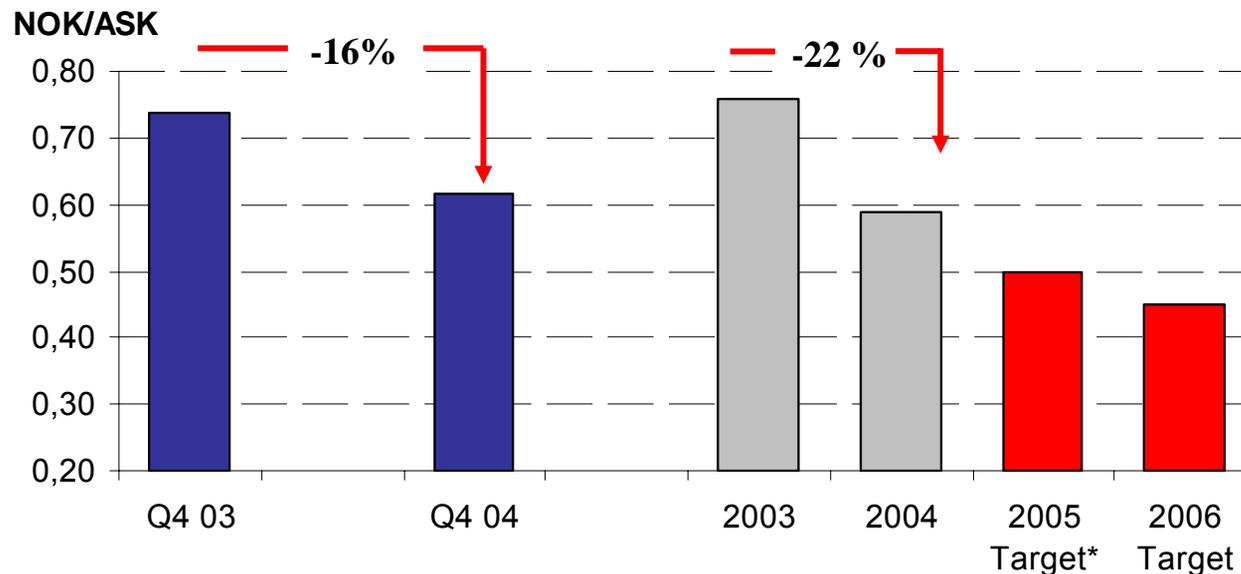
CASH FLOW (MNOK)	Q4 04	2004	2003
From:			
Operation activities	-24 660	-90 847	61 498
Investments	-16 037	-11 964	-28 637
Financial activities	902	-16 069	217 938
Net change	-39 796	-118 879	250 799
Opening balance	234 953	314 036	63 237
Closing balance	195 157	195 157	314 036

Capacity expansion continues



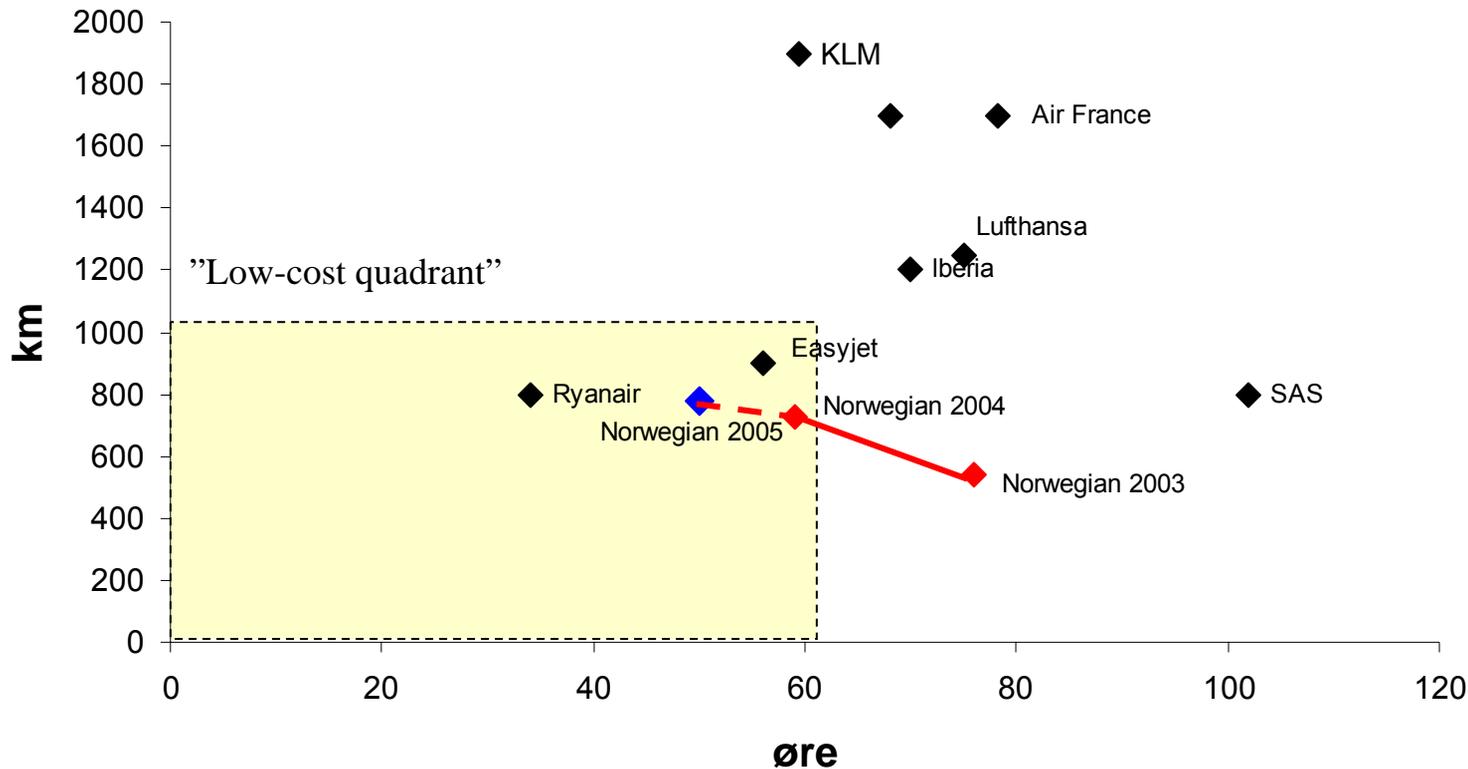
Continued cost reduction

- Average unit costs of 0.62 NOK in Q4 2004, down 17 % from Q4 2003 (0.74 NOK)
- 22 % down from 2003
- Higher crew and fleet utilization from production increase, renegotiated supplier agreements and cheaper distribution will bring costs further down in 2005



True low-cost operator

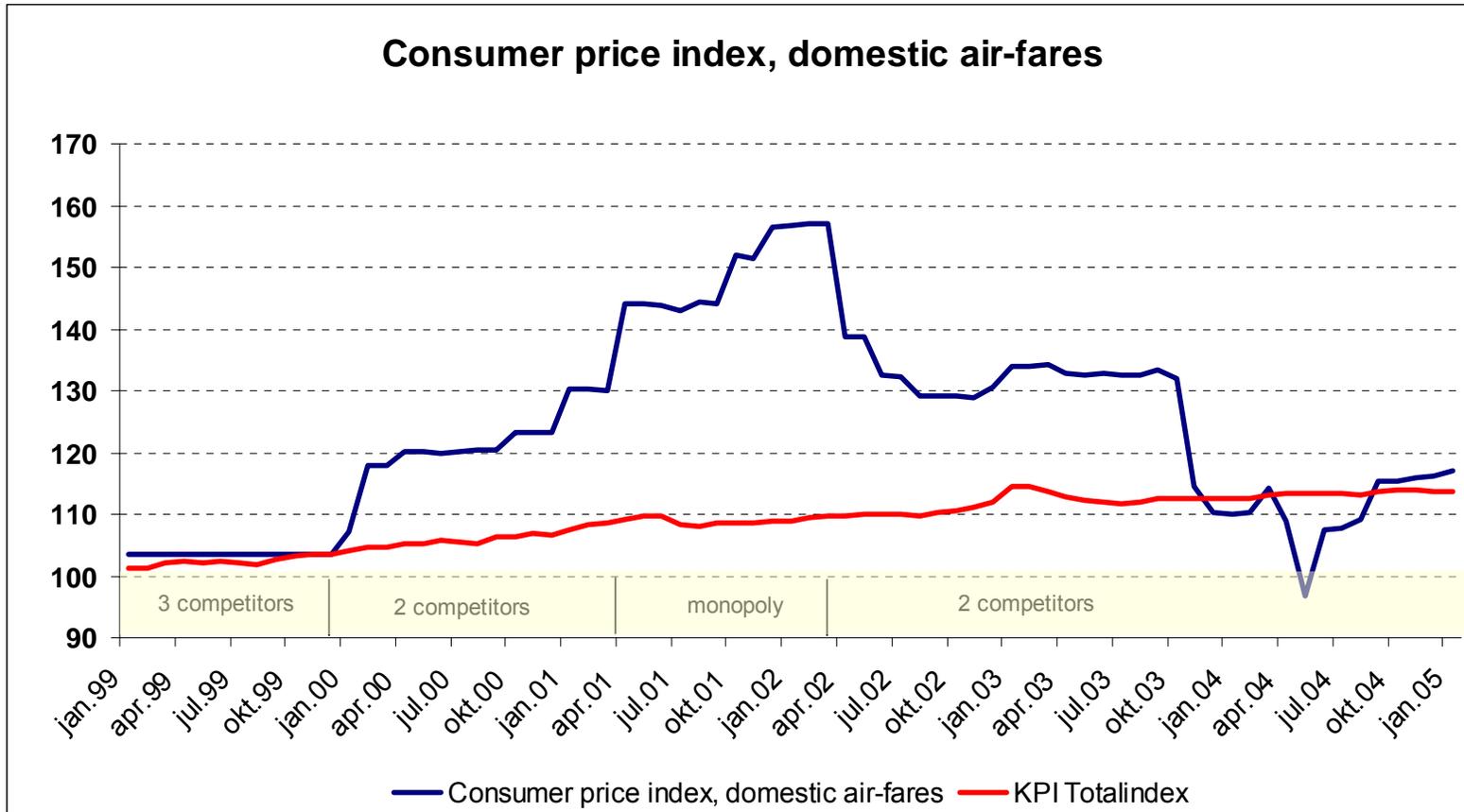
Cost per ASK vs Stage Length



8 Footnotes: Total cost pr ASK, incl. leasing costs

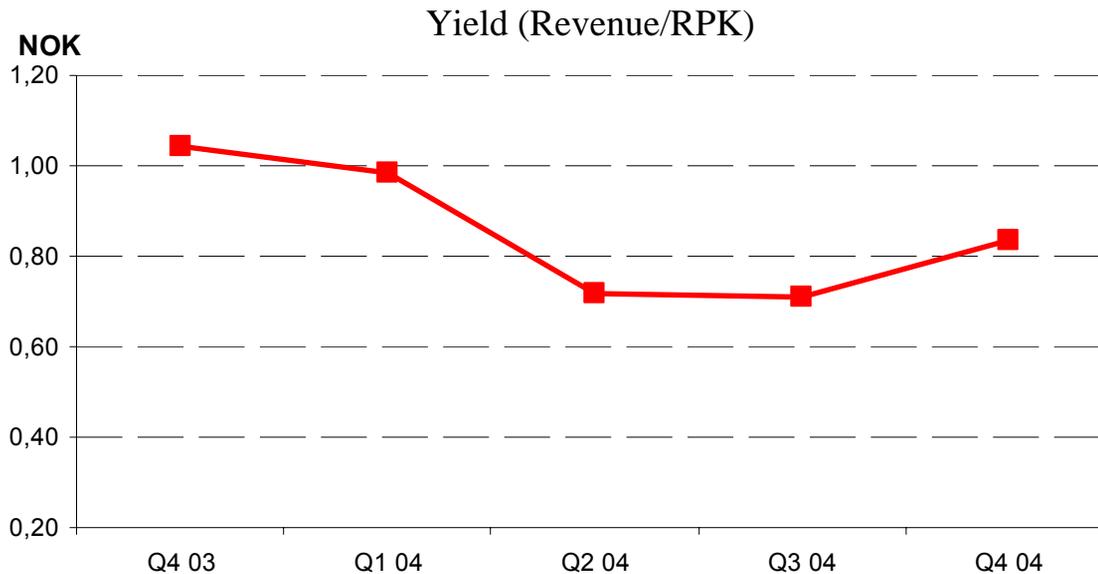
Source: Annual reports and airline analysis 2002/2003.

Towards normalized price levels?



Yield has improved

- Yield levels influenced by shorter sector lengths
- Yield pressure softened somewhat during Q4
- Positive effects from improved revenue management practice



Expectations for 2005

- Continued market increase from low prices
- Price competition at current levels
- Fuel prices at current levels

- Continued expansion expected to strengthen market position and achieve cost level targets from Q2 and onwards
- Expected loss in Q1 and positive operating results from Q2 and onwards

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