Norwegian Air Shuttle ASA (the “Company” or the "Issuer") has issued senior unsecured bonds with a maximum issue amount of EUR 250,000,000 (the “Bonds”) of which the first tranche will be an amount of EUR 125,000,000 to be issued on 11 December 2015 (the “Issue Date”). The denomination of each Bond is EUR 100,000. Each Bond will bear interest on its principal amount at a fixed rate of 7.25 per cent. The maturity of the Bonds is on 11 December 2019. This document (this document and the documents incorporated herein by reference jointly referred to as the ("Listing Prospectus")). The Norwegian Financial Supervisory Authority (the "Norwegian FSA") has not controlled or approved the accuracy or completeness of the information given in this Listing Prospectus. The approval given by the Norwegian FSA only relates to the Issuer’s descriptions pursuant to a pre-defined check list of requirements. The Norwegian FSA has not made any form of control or approval relating to the Corporate matters described in or otherwise covered in this Listing Prospectus.

New information that is significant for the Issuer or its subsidiaries may be disclosed after the Listing Prospectus has been made public. On no account must the publication or the disclosure of the Listing Prospectus give the impression that the information herein is complete or correct on a given date after the date of the Listing Prospectus, or that the business activities of the Issuer or its subsidiaries may not have been changed. Only the Issuer and the Joint Lead Managers are entitled to procure information about conditions described in the Listing Prospectus. Information procured by any other person is of no relevance in relation to the Listing Prospectus and cannot be relied on.

Unless otherwise stated, the Listing Prospectus is subject to Norwegian law. In the event of any dispute regarding the Listing Prospectus, Norwegian law will apply. In certain jurisdictions, the distribution of the Listing Prospectus may be limited by law, for example in the United States of America or in the United Kingdom. Persons that receive the Listing Prospectus are ordered by the Issuer and the Joint Lead Managers to obtain information on and comply with such restrictions. The content of the Listing Prospectus does not constitute legal, financial or tax advice and prospective investors should seek legal, financial and/or tax advice. Contact the Issuer or the Joint Lead Managers to receive printed copies of the Listing Prospectus.

Neither the Issuer nor the Joint Lead Managers have taken, nor will take, any action which is intended to permit a public offer of any of the Bonds or the distribution of this Listing Prospectus or any other documents relating to the Bonds in any jurisdiction where any action for that purpose is required, other than the contemplated filing of this Listing Prospectus with the Norwegian FSA for approval, making the listing application to Oslo Børs and publication of the final Listing Prospectus.

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in a transaction not subject to, or pursuant to an exemption from, the registration requirements of the Securities Act.

Neither the Issuer nor the Bonds have been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process nor is it the intention of the Issuer to request any such ratings. Investment in the Bonds involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfill its obligations under the Bonds are discussed under “Risk Factors”. Prospective investors should review all the information contained or incorporated by reference into this Listing Prospectus, including in particular, such risk factors, before making a decision to invest in the Bonds.

Joint Lead Managers

Danske Bank

DNB

SEB
IMPORTANT INFORMATION

In this Listing Prospectus, the "Issuer" or "Company" refers to Norwegian Air Shuttle ASA and "Norwegian" or "Group" refers to the Issuer together with its consolidated subsidiaries. This Listing Prospectus has been prepared for the purpose of giving information with respect to (i) the Issuer, (ii) Norwegian and (iii) the Bonds which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and profit and losses of the Issuer. This Listing Prospectus should be read in conjunction with all of the documents that are incorporated herein by reference. See "Information Incorporated by Reference".

This Listing Prospectus does not constitute an offer of, or an invitation or solicitation by or on behalf of the Issuer or the Joint Lead Managers to subscribe or purchase, any of the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Listing Prospectus and the offering of the Bonds in certain jurisdictions, including, without limitation, the United States and the United Kingdom may be restricted by law. The Issuer and the Joint Lead Managers do not represent that this Listing Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Lead Managers which is intended to permit a public offering of any Bonds or distribution of this Listing Prospectus in any jurisdiction where action for that purpose is required, other than the contemplated filing of this Listing Prospectus with the Norwegian PSA for approval, making the listing application to the Oslo Børs and publication of the Listing Prospectus. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Listing Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Listing Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Bonds and distribution of this Listing Prospectus, see “Subscription and Sale”.

In making an investment decision, each investor must rely on its own independent examination, analysis and enquiry of Norwegian and the Bond Agreement, including the risks and merits involved. Neither Norwegian, nor the Joint Lead Managers, nor any of their respective affiliated parties or representatives, is making any representation to any offeree or subscriber of the Bonds regarding the legality of the investment by such person. Investors must make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Bonds. The contents of this Listing Prospectus are not to be construed as legal, business, tax, financial or other advice. Investors should rely only on the information contained in this Listing Prospectus. No person has been authorised to give any information or to make any representation not contained in or not consistent with this Listing Prospectus or any information supplied by Norwegian or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by Norwegian or the Joint Lead Managers. Neither the delivery of this Listing Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs or no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Listing Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The content of this Listing Prospectus is based on publicly available information only. The Issuer has confirmed to the Joint Lead Managers the completeness and correctness of such information and, in the Bond Agreement, warrant the same to the holders of the Bonds.

Nothing contained in this Listing Prospectus is, or shall be relied upon as, a warranty or representation by Norwegian or the Joint Lead Managers as to the future. Investors are advised to inform themselves of any stock exchange releases published by Norwegian since the date of this Listing Prospectus. Neither this Listing Prospectus nor any other information supplied in connection with the offering of the Bonds is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Joint Lead Managers that any recipient of this Listing Prospectus or any other financial statements should purchase the Bonds.

This Listing Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Bonds, or otherwise to permit a public offering of the Bonds, in any jurisdiction. Persons into whose possession this Listing Prospectus has come, are required by the Issuer and the Joint Lead Managers to inform themselves of and observe all such restrictions. Neither Norwegian nor the Joint Lead Managers accept any responsibility or liability for any violation by any person, whether or not a prospective purchaser of Bonds is aware of such restrictions. In particular, the Bonds may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, Singapore or any other jurisdiction in which it would not be permissible to offer the Bonds; and this Listing Prospectus may not be distributed in, or sent to any person in, the aforementioned jurisdictions.

The Bonds are governed by Norwegian law and any dispute arising in relation to the Bonds shall be settled exclusively by Norwegian courts in accordance with Norwegian law. Other than as set forth in the Responsibility Statement contained in the section entitled “Certain Information” herein, no representation or warranty, express or implied, is made by Norwegian or the Joint Lead Managers as to the accuracy or completeness of information contained in this Listing Prospectus.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Listing Prospectus has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of Bonds which are the subject of the offering of Bonds contemplated in this Listing Prospectus may only do so in circumstances in which no obligation arises for the Issuer or any of the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the Joint Lead Managers have authorised, nor do they authorise, the making of any offer of Bonds in circumstances in which an obligation arises for the Issuer or the
Joint Lead Managers to publish or supplement a prospectus for such offer. The expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

**NOTICE TO UK INVESTORS**

This Listing Prospectus is only being distributed to and is only directed at persons who (1) are outside the United Kingdom; (2) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (3) are persons falling within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations, etc.); or (4) are persons to whom this Listing Prospectus may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). Any person who is not a relevant person should not act or rely on this Listing Prospectus or any of its contents. Any investment or investment activity to which this Listing Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

**THE BONDS MAY NOT BE A SUITABLE INVESTMENT FOR ALL INVESTORS**

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in or incorporated by reference into this Listing Prospectus;

(b) understand thoroughly the terms and conditions of the Bonds, including the terms of the Bond Agreement included in Annex A hereto;

(c) reach an investment decision only after careful consideration of the information contained in or incorporated by reference into this Listing Prospectus, in particular each investor should carefully considering the sections "Important Information" and "Risk factors";

(d) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;

(e) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds; and

(f) be able to evaluate (either alone or with the help of a financial and/or other professional adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.
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RISK FACTORS

Investors considering investing in the Bonds should carefully review the information contained or incorporated by reference into this Listing Prospectus and, in particular, the risk factors described below. Factors possibly affecting an investment decision are also discussed elsewhere in this Listing Prospectus. Should one or more of the risk factors described herein materialise, it may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds. As a result, investors may lose part or all of their investments. The following description is a description of those risk factors that are known and considered material for the Issuer’s ability to fulfil its obligations under the Bonds or that are known and considered material by the Issuer in order to assess the market risk associated with the Bonds. This description is based on information known and assessed by the Issuer at the time of preparing this Listing Prospectus, and discloses those risk factors that may affect the Issuer’s ability to fulfil its obligations under the Bonds. The sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. All investors should make their own evaluations of the risks associated with an investment in the Bonds and consult with their own professional advisers if they consider it necessary.

RISKS RELATING TO NORWEGIAN

Risks Relating to Macroeconomic Conditions

Uncertain global economic and financial market conditions could adversely affect Norwegian’s business, results of operations, financial condition, liquidity and capital resources

During the last few years the uncertain global economic and financial market conditions have had an adverse effect on general business conditions. Despite the measures taken by various governmental and regulatory authorities as well as central banks around the world, the economic situation remains unstable. In addition, the recent increase in geopolitical tensions, for example between Russia and Ukraine, and related events such as the international sanctions imposed, for example, by the European Union ("EU") against Russia due to the events in Crimea and export limitations imposed by Russia towards the EU as a counteraction, may have a material adverse effect on the economic climate. In addition, such geopolitical tensions may limit or disrupt Norwegian’s supplies of fuel or other inputs.

Reduction in the demand for passenger flights due to slowing or non-existent economic growth in Norwegian’s main markets constitutes a risk for Norwegian’s revenue development. Further, slowing growth in some economies may reduce demand for air travel, which could affect the implementation of Norwegian’s strategy of becoming a global airline.

Future demand is dependent on sustained consumer and business confidence in Norwegian’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.

There can be no assurance that Norwegian’s liquidity and access to financing will not be affected by further changes in the global financial markets or international sanctions or that its capital resources will, at all times, be sufficient to satisfy Norwegian’s business and liquidity needs. Materialisation of any of the above macroeconomic risks could adversely affect Norwegian’s asset values, future cost of debt and access to bank and capital market financing, which could, in turn, have an adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Risks Relating to the Airline Industry

Dependency on the international market

Norwegian operates routes within the Nordic region and internationally. Norwegian may be vulnerable to conditions resulting in a decline in demand on these routes, including changes in economic issues, political and regulatory issues,
large increases in the airport fees or costs and taxes paid by the passengers. Norwegian’s prospective operations and growth will be influenced by the general economic growth and potentially increased competition in its key markets.

**Competition in the airline industry is intense, and new market entrants could disrupt Norwegian’s competitive environment**

Norwegian operates within a highly competitive industry. Norwegian’s competitive environment may be disrupted as new entrants and/or alliances expand, airlines consolidate, or alliances and/or joint businesses gain competitive advantage over Norwegian’s business. Norwegian are exposed to competition on itineraries between individual cities as well as on one-stop itineraries since passengers can choose from a number of different connecting options, especially in the long-haul markets. Within the Nordic market, SAS and Finnair are the main competitors. Within the European short-haul and medium-haul markets, Norwegian compete with a number of traditional flag carriers as well as low-fare and charter airlines, such as Lufthansa, SAS, British Airways, Ryan Air and Easy Jet. Within the long-haul market to Asia and the US, Norwegian mainly competes with a number of traditional flag carriers, such as Lufthansa, Air France, KLM, British Airways, Finnair, Thai Airways and other Middle Eastern and Asian carriers.

In local markets, airlines also face competition from other sources of transportation, such as trains, buses and cars. In the business segment Norwegian may also face competition from alternatives to business travel such as videoconferencing and other methods of electronic communication as these technologies continue to develop and become more widely used.

Increasing competition may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and, thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds.

**Norwegian is exposed to risks associated with jet fuel prices**

Norwegian’s financial results are affected by the evolution of the market price of jet fuel, as fuel costs are the single largest cost item for Norwegian. Jet fuel costs represented 26 per cent of Norwegian’s operating costs (before depreciation) in the nine months ended 30 September 2015. The residual impact of jet fuel price fluctuations is determined by the hedges in use at a point in time, and fuel purchases are hedged to some extent. Despite such hedging, the operating results of Norwegian can be materially affected by changes in the price and availability of jet fuel. Moreover, to the extent Norwegian has hedged its exposure to jet fuel price increases in the future, it will be unable to participate fully in the economic benefits should jet fuel prices subsequently decrease, which again could impact on Norwegian’s short-term cost effectiveness. If hedging is not in place, or otherwise is unsuccessful in protecting Norwegian against price fluctuations, this could have a material adverse impact on Norwegian’s business, financial condition and results of operations and future prospects and, thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian, in line with other airlines, may also seek to reduce the impact of jet fuel price increases on their results by passing such costs on to passengers in the form of fuel surcharges. However, due to the one to two month time lag between any increase in the price of jet fuel and the corresponding increase in fares, surcharges do not fully protect against sudden changes in fuel prices. Further, such surcharges may also have a negative effect on passenger revenues if higher surcharges cause demand for air travel to decline. Therefore, such practice may not fully hinder a material adverse impact on Norwegian’s business, financial condition and results of operations due to significant changes in the prices of jet fuel. Norwegian is currently able to obtain adequate supplies of jet fuel, but it is impossible to predict its future availability. Weather-related events, natural disasters, political disruptions or wars involving oil-producing countries, changes in governmental policy concerning jet fuel production, transportation or marketing, changes in jet fuel production capacity, environmental concerns and other unpredictable events may result in unexpected fuel supply shortages and fuel price increases in the future.

Jet fuel prices are subject to numerous factors including, but not limited to, the level of economic activity, the rate of economic growth, political events, trading activity, weather (such as hurricanes along the U.S. Gulf Coast), refinery outages or maintenance, and the coordinated pricing decisions of producer cartels such as the Organization of Petroleum Exporting Countries. In accordance with the Assembly of the International Civil Aviation Organization (ICAO) policy since the 1950s, jet fuel for international commercial aviation is untaxed. Introduction of new taxes on jet fuel would lead to a substantial increase in the industry’s jet fuel costs. In 2013 the ICAO agreed on a roadmap for developing a global
market-based mechanism (MBM) to tackle aviation emissions. The global MBM is to be finalised at the next ICAO Assembly in 2016 and implemented by 2020.

Over the past few years, there have been discussions at the EU level and within EU member states about whether existing tax exemptions for jet fuel should be reviewed. The European Commission published a White Book in 2001 covering fair and efficient price setting in the transportation sector, which proposed a review of the current tax exemptions. There can be no assurance that the current tax exemptions for the jet fuel will not be repealed. The elimination of these exemptions would lead to a substantial increase in Norwegian’s jet fuel costs.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Airline insurance may become too difficult or expensive to obtain, which could expose Norwegian to substantial loss and may have a material adverse effect on its business, financial condition and results of operations**

Norwegian insures assets and employees to reduce the risk of major economic damage. The insurance covers a range of risks, hereunder all risk coverage for damage to Norwegians aircraft fleet, spare parts and other technical equipment as well as liability exposure associated with airline operations. If insurers and re-insurers exclude coverage for certain risks or if coverage is unavailable on commercially reasonable terms, Norwegian may be unable to insure itself fully against certain risks that may have a material adverse effect on Norwegian’s business, financial condition and results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Exchange rate fluctuations may affect Norwegian’s financial condition or results of operations**

Fluctuations in exchange rates, particularly between the Norwegian Krone and the U.S. Dollar and between the Norwegian Krone and the Euro, may have a material adverse effect on Norwegian. Norwegians’s foreign exchange risk mainly arise from fuel and aircraft purchases, aircraft maintenance, aircraft leasing payments and sales revenue denominated in foreign currencies. The largest investments, including the acquisition of aircraft and their spare parts, are also mainly made in U.S. Dollars and Euros. Fuel costs and aircraft leasing costs are also U.S. Dollar-denominated. Despite Norwegian’s use of foreign exchange hedging, there can be no assurance, at any given time, that Norwegian will have sufficient derivatives in place to provide adequate protection against foreign exchange losses. Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**The market price of derivatives may involve risks**

Norwegian seeks to mitigate the effects of market fluctuations in currency, interest rate and jet fuel positions through the use of derivative instruments, according to the risk management principles provided by its Board of Directors.

The aim of the hedging policy is to mitigate the volatility of the group’s financial results caused by market price fluctuations. In normal market conditions, the purpose of the hedging strategy is typically achieved by Norwegian. However, in certain circumstances, such as those that prevailed for instance in 2008 and 2009 after the default of Lehman Brothers, the market price of the derivatives may change substantially and Norwegian may suffer substantial hedging losses. Incurrence of hedging losses may have a material adverse effect on Norwegian’s business financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Insufficient access to capital may threaten Norwegians’s capacity to grow, execute its business model and generate future financial returns**

The continuous growth of Norwegian may lead to periods with great liquidity needs. There can be no assurance that Norwegian will continue to obtain, on a timely basis, sufficient funds on terms acceptable to Norwegian in order to maintain adequate liquidity and to finance the operating and capital expenditures necessary to support its business
strategy if cash flow from operations and cash on hands are insufficient. Failure to generate additional funds, whether from operations or additional debt or equity financings, may require Norwegian to delay or abandon some or all of its anticipated expenditures or to modify its growth strategy. Further, the ability of competitors to raise money more easily and on more favourable terms could create a competitive disadvantage for Norwegian.

Insufficient access to bank and capital market financing may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Epidemics, pandemics or natural disasters can adversely affect the demand for air travel**

Outbreaks of epidemics or pandemics can adversely affect the demand for air travel and have a significant impact on Norwegian’s operations. As a result of such outbreaks, Norwegian may have to cancel or reduce the number of its flights to affected destinations. Should Norwegian’s aircraft be involved in the spreading of deceases, it may also lead to claims for damages from its customers.

Similarly to other airlines, Norwegian is also exposed to potential significant losses in the event of major natural disasters. For example, nearly all European air traffic was affected by the ash cloud that followed the volcanic eruption in Iceland between April and May 2010. Such unexpected external shocks can rapidly affect the development of demand for air travel. While Norwegian has plans of action to minimise the operational impacts on air travel from various external disruptive factors affecting the demand for air travel, there can be no assurance that these measures will be sufficient in the event that such circumstances arise.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Military conflicts or the threat of such conflicts, as well as their aftermath, may have a material adverse effect on Norwegian’s business**

Military conflict in the Middle East, Afghanistan and elsewhere, may have a significant adverse impact on the airline industry. The adverse consequences of such events, and the threat of such events, include reduced demand for air travel, limitations on the availability of insurance coverage, increased costs associated with security precautions, and flight restrictions over war zones. It can be very expensive or impossible to insure against many of these risks.

These risks may materially adversely affect Norwegian’s business, financial condition and results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Airlines are subject to operational disruptions and interruptions**

Operational disruptions and interruptions range from delays to canceled flights and impose extra costs on airlines and adversely impact passengers. Reasons for such disruptions and interruptions, many of which are beyond Norwegian’s control, include computer glitches, difficult ground and weather conditions, accidents, industrial action, aircraft congestion, delays or non-performance by third party service providers and unscheduled maintenance. Disruptions to Norwegian’s operations typically harm Norwegian’s brand and reputation, and result in refund demands and requests for passenger assistance, all of which could have a material adverse effect on Norwegian’s business, financial condition and results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian has in the period 2013 to 2014 experienced extensive operational and technical problems relating to the delivery and phase-in of its new Dreamliner aircraft, which led to extraordinary costs relating to short-term renting of supplemental aircraft with crew, reimbursements for food, drink and hotel for passengers, and the reimbursements of tickets and compensation to such passengers. In the period from second quarter 2013 to second quarter 2014 Norwegian reported losses of approximately NOK 465 million relating to such problems. There can be no guarantee that similar problems will not influence Norwegian in the future.
Norwegian is exposed to the risk of significant losses from aviation accidents involving its operations, including plane crashes, and other disasters, and Norwegian’s insurance coverage may not be adequate in such circumstances.

Similarly to other airlines, Norwegian is exposed to potential significant losses in the event that any of its aircraft is lost or involved in an accident, terrorist attack or other disaster, including significant costs related to passenger claims, repairs or replacement of a damaged aircraft and its temporary or permanent loss from service. While Norwegian is insured against these occurrences, there can be no assurance that the amount of insurance coverage available to Norwegian upon the occurrence of such an event would be adequate to cover the resulting losses or that it will not be exposed to significant losses as a result of any such event in the future, both financial and reputational. Any such event involving Norwegian could cause a substantial increase in Norwegian’s insurance premiums. Airline insurance may also become too difficult or expensive to obtain, and there are limitations or exclusions of certain risks in the coverage of insurances.

Materialisation of any of these risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and, thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Terrorist attack, or the threat of such attacks, could result in a significant reduction in passenger airline travel.

Terrorist attacks and terrorist activity cause uncertainty in the minds of the travelling public. The threat or occurrence of a major terrorist attack could have a material adverse effect on passenger demand for air travel. Norwegian’s security and safety management systems are compliant with the European Aviation Safety Agency (EASA). However, it cannot be excluded that any future security-related costs or complications may disrupt Norwegian’s business and affect passengers’ propensity to travel and, by reducing demand for Norwegian’s services, have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian’s revenue and profits are susceptible to seasonal fluctuations and cyclical changes.

Demand for Norwegian’s services by passengers, in particular leisure travellers, varies over the course of the year, which causes Norwegian’s quarterly results to fluctuate. During the winter months, Norwegian’s revenues are typically lower than in the rest of the year, which is generally reflected in lower operating results in the first and fourth quarters. Norwegian’s passenger numbers are typically highest in the third quarter. As a result of quarterly fluctuations, the level of Norwegian’s aircraft utilisation and profitability fluctuates during the year. Globally, the airline industry is sensitive to cyclical changes in the economic environment, and demand for Norwegian’s services varies over the course of an economic cycle.

Seasonal fluctuations and cyclical changes may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Risks Relating to the Business of Norwegian

Norwegian’s business, financial condition and results of operations will be affected by the success of its strategy

The core of Norwegian’s strategy is to become the preferred supplier of air travel in its selected markets, through attracting customers and stimulating markets by offering competitive low fares and a quality travel experience based on low operating costs, operational excellence and a helpful friendly service.

The future growth of Norwegian’s core business, to become the preferred supplier of air travel, is based on its ability to offer competitive low fares, primarily through a young fleet with a low operational cost. With a significant fleet renewal programme and access to the most cost efficient aircraft, Norwegian believes that it is ideally positioned to benefit from future growth in the aviation markets. Norwegian’s investments are therefore, focused on ensuring a maintained low unit cost, and fleet acquisitions in the coming years are aimed at improving Norwegian’s competitive position. However, there can be no assurance that Norwegian will continue to have access to the capital markets in order to finance these
investments as planned, that there will be not be any delays in deliveries by aircraft manufacturers and that when made, these investments would allow Norwegian to grow its traffic as planned.

If changes were to occur in consumer preferences, perceptions, spending patterns or demographic trends with regards to travelling to and from its destinations, these could also affect Norwegian’s business and the success of its strategy. In addition, Norwegian’s strategy could be affected by a number of factors outside of Norwegian’s control, such as reversals or delays in the opening of foreign markets, exchange controls, currency and political risks, taxation and changes in international government regulation of Norwegian’s operations, including the inability to obtain or retain needed authorisations for accessing certain routes and/or airport slots.

A failure by Norwegian to implement its strategy or materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Norwegian’s business, financial condition and results of operations may be affected by ability to secure new efficient aircraft deliveries in the future**

The strategy of Norwegian and its future growth is underpinned by its fleet renewal program and access to the most cost efficient aircraft. Although Norwegian has significant aircraft orders in place, its future growth may depend on further orders and access to the suppliers available delivery slots. There can be no assurance that Norwegian will be able to secure the ordering of most cost efficient aircraft at the right time or in the right amount, and this might have a material adverse effect on Norwegian’s business, financial condition and results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Further, Norwegian has secured a competitive cost advantage based on its current young fleet of cost efficient aircraft. There can be no assurance that technological disruption by aircraft suppliers in the market may not lead to a significant increase in effectiveness for new generations of aircraft, which Norwegian may not be fully positioned to take advantage of. If this risk materializes, it could undermine Norwegians cost effectiveness vis-à-vis competitors and might have a material adverse effect on Norwegian’s business, financial condition and results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Norwegian’s largest shareholder has the ability to exert significant influence over the Company’s actions**

HBK Invest AS owns 24.8 per cent of Norwegians outstanding share capital, and is the single largest shareholder. HBK Invest AS is owned by the managing director (76.5 per cent) and the chairman of the board (8.2 per cent) of Norwegian. As the single largest shareholder, it will have the ability to exert influence over Norwegian, even if it does not have decisive influence or formally exercises negative control. It might in certain situations, depending on the participation of the General Meeting of the company, be able to exert significant influence over matters to be voted on by the shareholders, including, among other things, approval of annual financial statements, the election and removal of directors, dividends, capital increases and amendments to the company’s Articles of Association (although such amendments require the support of shareholders holding at least two-thirds of the votes cast and the shares represented at a general meeting).

**The amount of indebtedness that Norwegian currently has and which it may incur in the future could have a material adverse effect on Norwegian**

Norwegian has, and will continue to have, a significant amount of indebtedness, including substantial fixed obligations under aircraft leases and financings. As of 30 September 2015, Norwegian’s Book Equity ratio was 11 per cent. In addition to internal financing, the ongoing fleet renewal programme is expected to require additional external financing as discussed below. The ability of Norwegian to make scheduled payments under its indebtedness will depend on, among other things, its future operating performance and its ability to refinance its indebtedness, if necessary. Each of these factors is, to a large extent, subject to economic, financial, competitive, regulatory, operational and other factors, many of which are beyond Norwegian’s control. There can be no assurance that Norwegian will be able to generate sufficient cash from its operations to pay its debts and lease obligations in the future or to refinance its indebtedness.
Norwegian’s current bond financing arrangements contain restrictive financial covenants, and requires Norwegian to maintain a Book Equity of minimum NOK 1,500 million and a Liquidity of minimum NOK 500 million. Norwegian’s future borrowings and financing arrangements may be subject to covenants which limit Norwegian’s operating and financial flexibility.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian might not get access to aircraft financing which could have a material adverse effect on Norwegian

As of 30 October 2015 Norwegian’s firm aircraft orders totaled 267 aircraft. In accordance with airline industry market practice the total order is not fully financed. The financing will be secured on a periodic basis, the size and timing depending on the schedule of aircraft delivery.

Norwegian has historically utilised aircraft financing institutions, like the Export-Import Bank of the United States Bank (Ex-Im) and European Export Credit Agencies, as its primary funding source in relation to aircraft acquisitions, in addition to EETCs and Sale and leaseback arrangements. In principle Norwegians free cash reserves may also be used to cover its purchasing obligations. Norwegian is dependent on access to one of these financing forms to finance the delivery of aircraft. In the event a specific financing cannot be obtained, this may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian is exposed to cash flow and fair value interest rate risk

Norwegian is subject to the effects of interest rate fluctuations on its floating rate financing arrangements and aircraft leases. Floating interest rate borrowings consist of unsecured bond issue, revolving credit facility, aircraft financing from TD Bank, loan facility and financial lease liabilities. As a result of these variable rate borrowings, an increase in interest rates would cause an increase in the amount of Norwegian’s interest payments and could have a material adverse effect on the results of operations of Norwegian.

Norwegian is subject to fair value interest rate risk on its fixed interest rate financing arrangements. Fixed interest rate borrowings consist of term financing from PEFCO, guaranteed by the Ex-Im Bank of the United States. Long-term borrowings are denominated in USD and NOK.

Materialisation of the interest rate risk may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Capacity constraints at airports or an inability to acquire and maintain airport slots or overflight rights may have a material adverse effect on Norwegian’s business, financial condition or results of operations

Air traffic is limited by the infrastructure of airports and the number of slots available for aircraft arrivals and departures. Norwegian’s growth is dependent on access to the right airports in the geographical markets Norwegian has chosen and with a level of costs in accordance with Norwegian’s low-cost strategy. Conditions that delays, limits or defers Norwegian’s access to airport or slot positions, which Norwegian already serves or wishes to serve in the future, will represent barriers to Norwegian’s growth strategy. Changes in the terms and conditions for Norwegian’s access to such facilities or an increase in the costs involved as a result of expiry or termination of its contracts may have an adverse effect on Norwegian’s earnings. Airports might also introduce limitations on operational hours, noise level, use of runway or total numbers of daily departures. These types of restrictions might affect Norwegian’s ability to offer services or improve its range of services at such airports.

The price and availability of over-flight rights, which allow airlines to fly over individual countries or territories, as well as the cost of traffic charges, such as arrival, departure and navigation charges, affects Norwegian’s business operations to a material extent. Increases in the prices of these charges and over-flight rights and/or absence of such rights may have a material adverse effect on Norwegian’s business.
Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Norwegian’s dependence on third-party suppliers has increased in recent years in line with the growth of Norwegian, exposing it to the risk that quality and availability issues and/or unexpected costs associated with third-party suppliers have an adverse effect on Norwegian**

Norwegian’s business is dependent upon its ability to secure goods and services from a number of third-party suppliers. Norwegian has entered into agreements with third-party suppliers to provide for services such as catering, ground handling, aircraft maintenance, passenger handling, aircraft handling, baggage service and ticket counter space. An interruption in the provision of goods or services from any of these suppliers or any inability to renew these agreements or renegotiate contracts with other providers at comparable prices could have a material adverse effect on Norwegian. Such interruptions may arise as a result of a wide range of causes, many of which are beyond Norwegian’s control. Similarly, the efficiency, timeliness and quality of contract performance by third-party providers are largely beyond Norwegian’s direct control and, if these are inadequate, the reputation and performance of Norwegian could be materially and adversely affected.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Norwegian may not achieve its goals in future negotiations regarding the terms of collective labour agreements of its unionised work groups, exposing it to the risk of strikes and other work-related disruptions**

Most of Norwegian’s employees are unionised. While Norwegian was able to negotiate a new collective labour agreement with the Norwegian Pilot Union in March 2015, and has collective labour agreements in place with all employee groups, there can be no assurance that Norwegian’s future agreements with labour unions can be negotiated to the long-term benefit of Norwegian or that the outcome of new negotiations, mediations or arbitrations will be on terms consistent with Norwegian’s expectations or comparable to agreements entered into by other airlines. If Norwegian or its affiliates are unable to reach an agreement with any of their unionised work groups in future negotiations regarding the terms of their collective labour agreements or if additional segments of Norwegian’s workforce become unionised, they may be subject to work interruptions or stoppages.

In February 2015, Norwegian experienced a strike in connection with negotiations with its unions. The strike lasted 11 days from 28th February. The strike resulted in a decrease in passenger numbers of 4 per cent compared with the same period the preceding year, impacting 2,000 flights and 200,000 passengers. According to Norwegian’s calculations, the strike incurred losses and extra costs to the company of approximately NOK 350 million, whereof NOK 120 million was related to lost revenue and NOK 110 million related to extra costs to cater for passengers impacted by the strike.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

**Norwegian is exposed to tax related risks**

Norwegian conducts its business, including transactions between group companies, in Scandinavia and a number of other countries in accordance with applicable tax laws and treaties, and the requirements of tax authorities in such countries. However, there will always be a risk that the tax authorities in Norway and other relevant countries could have conflicting views on the application of tax rules by the company. Norwegian’s prior or present tax position may change as a result of the decisions of tax authorities or changes in laws and regulations, possibly with retroactive effect, which may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.
Norwegian is dependent on its capability to attract, train and retain qualified airline personnel

Norwegian is dependent on qualified airline personnel, in particular pilots, cabin crew and employees with qualifications in aircraft maintenance, information technology and sales. The implementation of Norwegian’s growth strategy will require hiring of new personnel and there can be no assurance that Norwegian will be able to retain employees in key positions or recruit a sufficient number of new employees with appropriate technical qualifications at a cost which enables Norwegian to remain competitive.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian is dependent on the uninterrupted operation and security of information technology systems

Norwegian has become increasingly dependent on information technology initiatives to reduce costs and to enhance customer service in order to compete in the current business environment. It depends on automated information systems and technology, including its computerised airline reservation system, its flight operations system, its website, its telecommunication systems and other automated systems. Thus, the performance and the reliability of information technology are critical to Norwegian’s ability to attract and retain customers and for Norwegian’s ability to compete effectively and implement its commercial strategy. These initiatives will continue to have a direct impact on information technology and data security costs and, in addition, the development of the information system solutions and the information technology environment requires continuous investments.

Norwegian is continuously increasing its ticket sales over the internet. A fundamental requirement for online commerce, including sales of tickets online, is the secure transmission of confidential information. Norwegian may incur significant costs to protect against the threat of security breaches or to alleviate problems caused by any such breaches. Alleviating these problems could cause interruptions, delays or cessations in service to Norwegian’s customers, which could adversely affect Norwegian’s reputation and deter its customers from using its service or lead them to assert claims against Norwegian.

In addition, any internal error or failure or external interruption in information technology infrastructure Norwegian depends on, such as power, telecommunications or the internet, may disrupt its information technology network. Any individual, sustained or repeated failure of information technology could impact Norwegian’s customer service and result in increased costs. Like all companies, Norwegian’s information technology systems and related data may be vulnerable to a variety of sources of interruption due to events beyond its control, including natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Although Norwegian is continuously developing its information security and situation-management preparedness for serious disruptions to information systems and telecommunications, these measures may not be adequate or implemented properly to prevent a business disruption.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Any deterioration in brand image or consumer confidence in the Norwegian brand may adversely affect Norwegian’s ability to market its services and attract and retain customers

As part of its overall business model, Norwegian relies on positive brand recognition, among other factors, to attract customers. Any deterioration in brand image or consumer confidence in its brand might adversely affect Norwegian’s ability to market its services and attract and retain customers which in turn may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.
Possible litigation and arbitration proceedings may have a material adverse effect on Norwegian

Norwegian may, from time to time, be involved in litigation and arbitration proceedings. Many of these disputes relate to claims arising in the ordinary course of business including, but not limited to, litigation relating to service interruption, flight delays, lost or damaged luggage, flight accidents and personal injury claims. There can be no assurance as to the outcome of these proceedings, and Norwegian’s reputation could be harmed even if a favourable judgment is received. If an unfavourable judgment against Norwegian would be made in either of these claims, it may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

The pilot union Parat has filed a suit against Norwegian before the city court. On behalf of its members, Parat is claiming that Norwegian, as a parent company, also has employer obligations towards the employees, even if the employees formally are hired in subsidiaries of Norwegian Air Norway, one for each of the Scandinavian countries. In connection with the strike in February 2015, one of Parat’s negotiation demands was that its pilot members should be formally employed by Norwegian as parent company, a demand that was not met by Norwegian. Should Parat win the suit, it might impact on the organizational flexibility of Norwegian, which again may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds. No guarantee can be made that no other similar law suits will arise in the future.

Norwegian is exposed to the residual value risk and also to the impairment of the value of the aircraft it owns during the ownership period

When acquiring an aircraft, Norwegian enters into an agreement with the manufacturer to purchase the aircraft. The decision whether to own or sell and leaseback the aircraft is typically taken prior to the expected delivery of the aircraft. Norwegian is therefore exposed to fluctuations in the second-hand aircraft market. If Norwegian decides to own the aircraft, fluctuations in the value of the aircraft will have an adverse effect on Norwegian’s financial condition and results of operations should the value of the aircraft be impaired. A decrease in the second-hand prices or a delay in the planned disposal of second-hand aircraft may involve risks for Norwegian, especially to the extent that Norwegian wishes or needs to rely on the sales proceeds of sold aircraft to discharge debts relating to the financing of such aircraft.

Currency fluctuations and negative development in the general market conditions may also decrease the market value of Norwegian’s owned fleet.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

A negative development in Norwegians third party leasing operations might impair on Norwegian’s ability to employ all its current and future aircraft, which again may have a material adverse effect on Norwegian

As of 30 October 2015 Norwegian’s firm aircraft orders totaled 267 aircraft. Although Norwegian anticipates to utilise the aircraft in its orderbook for their own operations as they come into delivery, the development of its future growth or strategic preferences, may make it desirable to lease a part of its future deliveries to third parties. As an example, on 12 August 2015, Arctic Aviation Assets Ltd., a fully owned subsidiary of Norwegian announced that it has signed a Letter of Intent, subject to final agreement, to lease out 12 Airbus 320neo aircraft to an undisclosed airline for a period of twelve years from each delivery. The 12 aircraft have scheduled delivery in 2016, 2017 and 2018. Future negative market conditions in general or in the developments in the leasing market in particular, may inhibit Norwegian’s ability to lease aircraft to third parties, which again may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.
REGULATORY RISKS

Norwegian is dependent on several public authorizations, hereunder relating to the operations of its aircraft and routes, and any cancellation of such authorizations might have a material adverse effect on Norwegian’s business, financial condition and results of operations.

Norwegian operates routes within Scandinavia, Europe and internationally. Norwegian is dependent on a several public licenses and authorizations to continue to operate within these markets, and any cancellation of such licenses and authorizations might have a material adverse effect on Norwegian’s business, financial condition and results of operations. Currently Norwegian is operating its long distance flights out of Dublin, Ireland, based on an operating license in its subsidiary Norwegian Air International Limited (NAI). However, for its flights in and out of the US, Norwegian is basing itself upon the operational rights under the EU-US 2007 Open Skies Agreement, which Norway also is party to through the EEA. However, Norwegian has in 2014 applied to the US Department of Transportation for a U.S. flight Foreign Air Carrier Permit for its Irish subsidiary, Norwegian Air International Limited, which will give increased flexibility in expanding to routes in South America, South Africa and Far East. Such permit has not yet been granted, and the application has been met with resistance from US competitors and unions. If such application is not granted, it might impair on Norwegian’s ability to cost effectively compete on long distance routes to South America, South Africa and Far East, and could have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

Norwegian may incur additional costs as a result of the EU Court ruling on compensations for delayed flights

The Court of Justice of the EU confirmed in October 2012 its previous ruling from 2009 that passengers whose flights have been delayed for at least three hours may be entitled to standardised compensation, unless the delay is caused by extraordinary circumstances. The ruling may increase the compensations payable to passengers and thereby incur additional costs for Norwegian. In 2013, the Commission adopted a proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) 261/2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights, and Regulation (EC) 2027/97 on air carrier liability in respect of the carriage of passengers and their baggage by air. The proposal is subject to the ordinary legislative procedure of the EU, which requires the approval from both the European Parliament and the Council. In February 2014, the Commission and Parliament agreed on, inter alia, new time limits regarding the right to care, complaint handling and right to information. However, the legislative process is still ongoing.

There can be no assurance that Norwegian will not be subject to an increased number of such claims or complaints in the future, which could have material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

The EU Regulation on OTC derivatives, central counterparties and trade repositories may limit the ability of Norwegian to enter into derivatives transactions to manage its risk exposure, which could have a material adverse effect on Norwegian’s business, financial condition and results of operations

On the 12 July 2012 the European Union adopted a Regulation no 648/2012/EU on OTC derivatives, central counterparties and trade repositories (the so called EMIR), which entered into force on the EU 6 October 2012. EMIR has not yet been adopted by Norwegian law, but might still impact Norwegian parties dealing with EU counterparties. EMIR includes the obligation to centrally clear certain classes of over-the-counter (OTC) derivative contracts through Central Clearing Parties or apply risk mitigation techniques when they are not centrally cleared, confer EMIR article 4. Those OTC derivatives that must be cleared are not defined by the regulation itself, but shall be specified by the European Securities Markets Authority (ESMA) in accordance with EMIR article 5. ESMA is continuously working to define the scope of the OTC clearing obligation. Since the clearing obligation procedure started in the first quarter of 2014, ESMA has analysed several classes of interest rate, credit, equity and foreign-exchange OTC derivatives and proposed some of them for the clearing obligation. More might follow suit. The inclusion of classes of derivatives into a clearing obligation makes it more burdenful and potentially costlier to enter into such contracts. Even if not included, certain risk mitigating techniques might have to be applied to the OTC derivatives.
Future expansion of the clearing obligations might also make it more burdensome for Norwegian to enter into necessary derivatives contracts for their hedging arrangements, which again might affect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds.

**Future application of restrictions in regard to noise pollution, greenhouse gas emissions and other environmental laws and regulations may have an adverse effect on Airline companies**

Airlines can have their activities restricted on account of noise control regulations. Noise control regulations typically concentrate on the level of noise and its impact on environment, especially in areas close to airports. Permits may, for example, include restrictions on night flights to meet the imposed noise level requirements. Any such restrictions could affect Norwegian’s during night time operations.

Although environmental liability issues (such as soil contamination liabilities) are primarily covered by airports, airlines may be subject to direct or indirect environmental liabilities and incur additional costs. Inadvertent environmental damage might occur in the form of leaks of harmful or hazardous substances that could contaminate real estate or pollute waterways or groundwater. The event of such contamination or pollution could result not only in possible fines or other public law sanctions, but also in considerable costs for removal, restoration and disposal, as well as further liability risks. Public knowledge of such environmental damage caused by Norwegian could also damage its reputation significantly. Airlines may also be subject to additional costs in the case of changes in the Emissions Trading Scheme (ETS). The direct costs of emissions trading in the coming years may increase due to potential changes to the current ETS model.

Materialisation of any of the above risks may have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds.

**The adoption of new regional, national and international regulations, or the revision of existing regulations, could have a material adverse effect on the Group’s business, financial condition and results of operations**

Laws and regulations, as well as international bilateral and multilateral treaties, regulate airlines. These regulations relate to, among other things, security, safety, licensing, and competition. While the impact of such regulations decreased with de-regulation of the airline industry in the European market, Norwegian cannot predict what laws, regulations and treaties will be adopted or amended, if any, and how this will impact its business, financial condition and results of operations. Regulations can impose costs on Norwegian either directly if fees are levied or indirectly due to compliance costs, which Norwegian may not be able to pass on to passengers and, as a result, could have an adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds.

In 2012/2013 Norwegian lobbied for changes in the Norwegian Act on Foreigners Access to and stay permit in Norway (Utlendingsloven av 2008-05-15-35) in order for Norwegian to hire Asian crew without Norwegian work- or stay permits on aircraft registered under Norwegian flag. In 2013 the Norwegian government represented by the Minister of Labor declined to change the Act. Such a change would have given Norwegian more flexibility to conduct its international operations, leading them to reconsider how these operations are organized.

The Norwegian government has recently put forward a proposal to introduce an environmental / aircraft passenger fee of approximately NOK 80 per passenger per flight as of 1 April 2016. To our understanding this fee is proposed to apply both to domestic and to international flights to and from Norway. However, the government has stated that the details of the design of the fee will have to be determined by Parliament. Currently, there is debate as to the effects of such a fee and particularly its effect on the number of domestic flights between less densely populated areas in Norway. It must be assumed that, if introduced, the fee will apply equally to all airlines operating in Norway and would presumably not put Norwegian at a disadvantage compared to other airlines. However, such a fee will probably have an impact on the overall demand and could thus have an adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds.
The future development of member states in the European Union might have a material adverse effect on Norwegian’s business, financial condition and results of operations

Further, on 13 November 2015, Norwegians newly incorporated UK subsidiary, Norwegian Air UK Ltd., was granted a UK operating license by British airline authorities. This license opens up bilateral traffic rights to a number of potential new markets and destinations, hereunder Asia, South America and South Africa, and might support Norwegians further international expansion. Should the UK vote to leave the European Union, and execute such vote, even though Norwegian has operating licenses in other EU-states such as Ireland, it might impair on Norwegians ability to grow as anticipated from its UK base, and might have a material adverse effect on Norwegian’s business, financial condition, results of operations and future prospects and thereby, on the Issuer’s ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds.

RISK FACTORS RELATING TO THE BONDS

The following risk factors are, among other things, material in order to assess the risks associated with the Bonds. Words and expressions in this section shall have the respective meaning defined in Annex A: “Bond Agreement”.

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. An investment in interest bearing securities is only suitable for investors who understand the risk factors associated with this type of investments and who can afford a loss of all or part of the investment. There are five main risk factors that sums up the investors total risk exposure when investing in interest bearing securities: liquidity risk, interest rate risk, settlement risk, credit risk and market risk (both in general and issuer specific).

Active trading market

The Bonds constitute a new issue of securities and there has been no prior public market for the Bonds. Although the intention is to make an application for the Bonds to be listed on Oslo Børs, there can be no assurance that such application will be approved.

The liquidity of the trading market in the Bonds, and the market price quoted for the Bonds, may be adversely affected by changes in the overall market for similar yield securities, interest rates and the Issuer’s financial performance or prospects or in the prospects for companies in its industry generally. As a result, an active trading market for the Bonds may not develop or be maintained. Historically, the markets for non-investment grade debt, such as the Bonds, have been subject to disruptions that have caused substantial volatility in their prices. Any market for the Bonds may be subject to similar disruptions. Any such disruptions may affect the liquidity and trading of the Bonds independently of the Issuer’s financial performance and prospects and may have an adverse effect on the holders of the Bonds. No market-maker agreement is entered into in relation to this Bond Issue, and the liquidity of Bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

Interest rate risk

The Bonds bear interest on its outstanding principal amount at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the value of such security could fall as a result of changes in the market interest rate. While the nominal compensation rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. If the market interest rate increases, the value of such a security typically falls, until the yield of such security is approximately equal to the market interest rate. If the market interest rate falls, the value of a security with a fixed interest rate typically increases, until the yield of such a security is approximately equal to the market interest rate. Consequently, the holders of Bonds should be aware that movements of the market interest rate can adversely affect the value of the Bonds and can lead to losses for the holders of Bonds if they sell their Bonds.

Settlement risk

Settlement risk is the risk that the settlement of the Bonds does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the Bonds.
Credit risk

Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest).

Market risk

Market risk is the risk that the value of the Bonds will decrease due to the change in value of the market risk factors. The price of a single Bonds issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular loan issue, and the liquidity of this Bond Issue in the market. In spite of an underlying positive development in the Issuer's business activities, the price of the Bonds may fall independent of this fact.

Ranking of the Bonds

The Bonds constitute senior unsecured obligations of the Issuer. As such, the Bonds are effectively subordinated to the secured debt of the Issuer, any debts preferred by law and any debt of the Issuer’s subsidiaries outstanding from time to time. The Bonds rank equally in right of payment with the Issuer’s senior unsecured debt outstanding from time to time and senior in right of payment to the Issuer subordinated debt (if any) outstanding from time to time. The secured creditors of the Issuer will have priority over the assets securing their debt. In the event that such secured debt becomes due or a secured lender proceeds against the assets that secure the debt, the assets would be available to satisfy obligations under the secured debt before any payment would be made on the Bonds. Any assets remaining after repayment of its secured debt may not be sufficient to repay all amounts owing under the Bonds.

There is no guarantee or security for the Bonds

The Bonds will not be obligations of anyone other than the Issuer and they will neither be guaranteed nor secured by any person. No one other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Bonds.

No limitation on issuing additional debt or granting of security

There is no restriction on the amount of debt that the Issuer may issue or guarantee that effectively ranks senior or pari passu to the Bonds. Nor is there any restriction on granting of security by the Issuer on any existing or future debts. Such issuance of further debt or granting of security may reduce the amount recoverable by the holders upon the winding-up or insolvency of the Issuer or the Group.

The Issuer may not be able to finance the repurchase of Bonds following a Change of Control Event or De-Listing Event

Upon a Change of Control Event or De-Listing Event, the holders of Bonds are entitled to demand repurchase of the Bonds at a price per Bond equal to 101.0 per cent of its nominal amount plus accrued interest to the date of such repurchase. The source for any repurchase required as a result of any such event will be available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by subsidiaries of the Issuer. If a Change of Control Event or De-Listing Event occurs, there can be no assurance that the Issuer will have or will be able to generate sufficient funds to repurchase the Bonds that have been requested to be repurchased.

Amendments to the Bonds bind all Bondholders

The Bond Agreement may be amended in certain circumstances, with the required consent of a defined majority of the holders. The Bond Agreement contains provisions for holders to call and attend meetings to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings can bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. This may result in financial losses, among other things, for all holders, including such holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.
There can be no assurance as to the impact of change of laws or practices

The Bonds are governed by the laws of Norway and the Bond Agreement is governed by and based on Norwegian law in effect on the date of this Listing Prospectus. Norwegian laws (including but not limited to tax laws) and regulations governing the Bonds may change during the life of the Bonds, and new judicial decisions may be given and administrative practices develop. No assurance can be given as to the impact of any such possible change of laws or regulations, or new judicial decision or administrative practice occurring after the date of this Listing Prospectus. Hence, if any such event arises, it may have a material adverse effect on Norwegian's financial condition, results of operations and future prospects and, thereby, on the Issuer’s ability to fulfill its obligations under the Bonds as well as the market price and value of the Bonds. Such event may also cause material financial losses or damage to the Bondholders.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Bonds are legal investments for it, (2) Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

The rights of the holders of the Bonds depend on the Trustee’s actions and financial standing

By subscribing for, or accepting the assignment of, any Bonds, each holder of a Bond will accept the appointment of the Trustee (being on the Issue Date, Nordic Trustee ASA) to act on its behalf and to perform administrative functions relating to the Bonds. The rights, duties and obligations of the Trustee as the representative of the holders of the Bonds will be subject to the provisions of the Bond Agreement. The Trustee shall have, among other things, the right to represent the Bondholders in all court and administrative proceedings in respect of the Bonds. A failure by the Trustee to perform its duties and obligations properly or at all may adversely affect the enforcement of the rights of the holders of the Bonds.

The Trustee may be replaced by a successor Trustee in accordance with the Bond Agreement. Generally, the successor Trustee has the same rights and obligations as the retired Trustee. It may be difficult to find a successor Trustee with commercially acceptable terms or at all. Further, it cannot be excluded that the successor Trustee would not breach its obligations under the above documents or that insolvency proceedings would not be initiated against it. No assurance can be made as to whether any claims can be made against the Trustee, whether the Trustee will be able to cover any claims made or whether the Trustee maintains any insurance to cover any such claims.

Materialisation of any of the above risks may have a material adverse effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.
| **DEFINITIONS**  
*For further definitions related to the Bonds, see the draft Bond Agreement in Annex A.* |  |
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Account Manager</td>
<td>A Bondholder’s account manager in the Securities Depository</td>
</tr>
<tr>
<td>AOC</td>
<td>Air Operator’s Certificates</td>
</tr>
<tr>
<td>Arctic Aviation</td>
<td>Means Arctic Aviation Assets Limited a company existing under the laws of Ireland with business registration number 531191</td>
</tr>
<tr>
<td>ASK</td>
<td>Available Seat Kilometers. Number of available passenger seats multiplied by flight distance</td>
</tr>
<tr>
<td>Block Hours</td>
<td>The time during which an aircraft is in revenue service. Calculated from pushback to next standstill at gate</td>
</tr>
<tr>
<td>Book Equity</td>
<td>The aggregate book value (on a consolidated basis) of the Group’s total equity in accordance with GAAP, as set out in the then most recent audited consolidated annual financial statements (or, if more recent, the latest Interim Accounts) of the Issuer</td>
</tr>
<tr>
<td>Bondholder</td>
<td>A holder of Bond(s), as registered in the Securities Depository, from time to time</td>
</tr>
<tr>
<td>CASK/Unit Cost</td>
<td>Total operating expenses including leasing (costs) before depreciation divided by ASK</td>
</tr>
<tr>
<td>Change of Control Event</td>
<td>Means if any person or group (as such term is defined in the Norwegian Limited Liability Companies Act § 1-3), in aggregate becomes the owner of 50.00% or more of the outstanding shares and/or voting capital of the Issuer</td>
</tr>
<tr>
<td>Company</td>
<td>Norwegian Air Shuttle ASA</td>
</tr>
<tr>
<td>De-Listing Event</td>
<td>Means an event where the Issuer’s shares are de-listed from Oslo Børs</td>
</tr>
<tr>
<td>Dreamliner</td>
<td>Boeing 787-8 and/or 787-9</td>
</tr>
<tr>
<td>EETC</td>
<td>Enhanced Equipment Trust Certificates</td>
</tr>
<tr>
<td>EASA</td>
<td>European Aviation Safety Agency</td>
</tr>
<tr>
<td>ETS</td>
<td>Emission Trading Scheme</td>
</tr>
<tr>
<td>EUR</td>
<td>The Euro, the single currency of the member states participating in the third stage of the European Economic and Monetary Union pursuant to the Treaty Establishing the European Community as amended from time to time</td>
</tr>
<tr>
<td>Financial Statements</td>
<td>The audited annual financial statements of the Issuer for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and report from the Board of Directors</td>
</tr>
</tbody>
</table>
| Forward-looking statements | Statements made that are not historic and thereby predictive as defined in "Special Cautionary Notice Regarding Forward-Looking
Statements”. Such statements are identified by forward-looking terms such as “forecast”, “aim”, “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will” and “could” or similar words or phrases

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>The Issuer together with its consolidated subsidiaries</td>
</tr>
<tr>
<td>ICAO</td>
<td>Assembly of the International Civil Aviation Organization</td>
</tr>
<tr>
<td>Interim Accounts</td>
<td>The unaudited financial statements of the Issuer for the relevant interim period, as applicable, drawn up according to GAAP</td>
</tr>
<tr>
<td>Material Disposal Event</td>
<td>Means an event where the Issuer no longer owns (directly or indirectly) more than 50 per cent of the shares in Arctic Aviation.</td>
</tr>
<tr>
<td>NAI</td>
<td>Norwegian Air International Limited</td>
</tr>
<tr>
<td>NAN</td>
<td>Norwegian Air Norway AS</td>
</tr>
<tr>
<td>NOK</td>
<td>Norwegian Kroner, the official currency in Norway</td>
</tr>
<tr>
<td>NUK</td>
<td>Norwegian Air UK Limited</td>
</tr>
<tr>
<td>Oslo Børs</td>
<td>Oslo Børs ASA (the Norwegian Stock Exchange)</td>
</tr>
<tr>
<td>Liquidity</td>
<td>The aggregate book value of the Group’s freely available and unrestricted cash and cash equivalents (on a consolidated basis)</td>
</tr>
<tr>
<td>Load Factor</td>
<td>Relationship between RPK and ASK as a percentage. Describes utilisation rate of available seats</td>
</tr>
<tr>
<td>PEFCO</td>
<td>Private Export Funding Corporation</td>
</tr>
<tr>
<td>RASK</td>
<td>Passenger revenue divided by ASK</td>
</tr>
<tr>
<td>RPK</td>
<td>Revenue Passenger Kilometers. Number of seats sold multiplied by flight distance</td>
</tr>
<tr>
<td>US</td>
<td>United States of America</td>
</tr>
<tr>
<td>USD</td>
<td>U.S. Dollar, the official currency of the United States of America</td>
</tr>
<tr>
<td>Yield</td>
<td>Passenger revenue divided by RPK</td>
</tr>
</tbody>
</table>
SUMMARY

This Summary shall not be construed to constitute a summary for the purpose of Commission Regulation (EC) No 809/2004, Annex XXII.

Company Overview

Norwegian Air Shuttle ASA is a Norwegian public limited liability airline company incorporated on 22 January 1993. Norwegian is the largest low-fare airline company in Scandinavia and the third largest low-cost carrier in Europe\(^1\) with approximately 5,500 employees. Norwegian was listed on Oslo Børs in 2003. The Group consists of the parent company Norwegian Air Shuttle ASA and its directly or indirectly fully-owned subsidiaries in Norway, Sweden, Denmark, Finland, Ireland, UK and Singapore.

The Group operates 439 routes to 132 destinations in Europe, North Africa, the Middle East, Thailand and the US. In 2014, Norwegian carried 24 million passengers.

Norwegian’s fleet currently consists of 92 Next Generation 787-800s, five 737-300s and eight 787-8 Dreamliners, all from Boeing, in total 105 aircraft. Continuous fleet renewal has become an integral part of Norwegian’s business and with an average fleet age of four years, all of Norwegian’s aircraft are fuel-efficient and low maintenance demanding. As of 30 October 2015, Norwegian’s orderbook comprised 267 aircraft from Boeing and Airbus, including 11 Boeing 787-9 aircraft to be leased.

Norwegian launched their first long-haul flights in 2013. With a current fleet of eight Dreamliners and an additional 30 Boeing 787-9 on order with delivery starting in 2016, the Group is positioning themselves for further growth in this segment.

Company and Credit Strengths

One of the largest airlines in Europe
- Strong footprint in the Nordic region and selected European markets
- 7th largest overall airline in Europe\(^2\)
- 7th largest low cost airline in the world\(^2\)
- Strong market position in key markets and highly scalable platform

Young fleet with low operational cost
- Average age of fleet is four years
- Low fuel cost through a modern fuel efficient fleet
- Significant cost advantage relative to key competitors (legacy carriers)
- Flexible order book with 267 aircraft on order as of 30 October 2015 (incl. eleven 787-9 leases) by replacing older leased aircraft ensuring increased competitiveness

Financing flexibility and availability
- Leasing to third parties to optimize fleet utilization and create options for exit plans
- Sale and leaseback opportunities including tax leases such as JOL’s
- Export financing at attractive terms
- Manufacturer support
- Bonds and enhanced equipment trust certificates
- Liquid secondhand market for aircraft

First mover advantage in European low cost long-haul

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\(^2\) OAG Aviation Worldwide Schedules Analyser (2014) Access to information from OAG Aviation Worldwide Schedules Analyser requires a subscription
• Successful start-up of long-haul in UK and Scandinavia
• Ramping up to a fleet of 30 Dreamliners by 2018
• Norwegian is the European launch client for Boeing 737 MAX8
• Boeing MAX8 capable of reaching long-haul destinations with single aisle aircraft

Company Strategy

Norwegian’s overall strategy is to become a global airline. As part of their international expansion strategy, they have a total of 267 short and long-haul aircraft on order as of 30 October 2015. Their business model is based on high volume and competitive fares. When adding new capacity, especially in markets with low brand awareness, they actively use low fares to attract new customers. They operate a young and eco-friendly fleet of which approximately 80 per cent is used in European, Middle Eastern and North African routes. The 787 Dreamliner is used on the longer routes to Asia and the U.S.

Norwegian’s vision is “Everyone should afford to fly”. The business idea of Norwegian Air Shuttle ASA is to give everybody the opportunity to travel by air, attracting customers by offering competitive, low fares and a high-quality travel experience based on operational excellence and helpful, friendly service. Norwegian aims to contribute to less pollution and emissions by operating new and fuel-efficient aircraft and achieve this through continuous fleet renewal.

Company History and Recent Development

Norwegian was established in 1993. Up until to 2002, the company operated as a subcontractor to the regional activities of Braathens S.A.F.E. on the west coast of Norway with a fleet of Fokker F-50 aircraft. In September 2002, Norwegian started its low-cost operations through the launch of domestic routes in Norway with a fleet of six Boeing 737-300 aircraft. The Company was listed at Oslo Børs in 2003 and raised NOK 250 million.

Norwegian has since 2002 continued its focus on expanding its business activities. Within the period between 2003 and 2009 Norwegian expanded its route network primarily by adding Scandinavian and Central European destinations, while continuously focusing on renewing its fleet through ordering of new aircraft. In 2007, Norwegian placed an order with Boeing to buy 42 737-800 aircraft.

In 2012 Norwegian signed one of the largest ever agreements in European aviation history, by the order of 222 aircraft from Boeing and Airbus. The order comprised 22 Boeing 737-800, 100 Boeing 737 MAX8 and 100 Airbus 320neo. Norwegian was in 2013, 2014 and 2015 awarded “Best Low-Cost airline in Europe” and “World’s best Long Haul Low-Cost airline”, by SkyTrax.

In second quarter 2013, Norwegian launched its long-haul operations, when the first 787-8 Dreamliner was received in June. Norwegian currently operate eight Dreamliners and have orders for an additional 30 Boeing 787-9, a larger version of the 787-8 Dreamliner with a 344 seat configuration (vs. 291 seats in the 787-8).
Corporate Structure and Financing Arrangements

As of 30 October 2015 Norwegian’s fleet consist of both leased (34) and owned (58) aircraft. Prepayments to aircraft manufacturers on future aircraft deliveries are financed by internal and external funding. Deliveries in 2015 was financed through a combination of export guaranteed financing, the private EETC market in the US and commercial financing. In order to diversify their aircraft fleet, Norwegian also use sale and leaseback (13) on some of their aircraft.

Aircraft financing carry no financial covenants. All borrowings related to delivery of new 787-800 aircraft from Boeing are guaranteed by the Ex-Im Bank of the United States. The Ex-Im Bank of the United States has pledged security in the owned aircraft delivered under the Boeing contract. Future deliveries are equally qualified for Ex-Im funding. There are no financial covenants related to the financial lease liabilities.

Other financing sources are bonds and revolving credit facilities.
Summary of the Offering

The following Summary of the terms of the Offering is construed to fulfil the minimum disclosure requirements for the securities note for debt securities with a denomination per unit of at least EUR 100,000. For further information please see Annex A. Words and expressions defined elsewhere in Annex A, shall have the same meaning in this Summary of the Offering.

ISIN: NO 0010753437

Issuer: Norwegian Air Shuttle ASA.

Status: The Bonds shall be senior debt of the Issuer. The Bonds shall rank at least pari passu with all other debt of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of existing and future subordinated debt.

Joint Lead Managers: Danske Bank, Norwegian Branch (“Danske Bank”), Bryggetorget 4, NO-0250 Oslo, Norway

DNB Bank ASA, DNB Markets, Dronning Eufemias gate 30, NO-0191 Oslo, Norway.

Skandinaviska Enskilda Banken AB (publ) (“SEB”), Filipstad Brygge 1, N-0252 Oslo, Norway

Paying Agent: DNB Bank ASA, Dronning Eufemias gate 30, NO-0191 Oslo, Norway

Issue Amount: Aggregate nominal amount of EUR 125,000,000.

Currency: The Bonds are denominated in EUR.

Issue Date: 11 December 2015

Final Maturity Date: 11 December 2019 (four years after Issue Date)

Issue Price: 100.00 per cent.

Interest Rate: 7.25 per cent p.a.

Yield Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par). If the price has increased, they yield for the purchaser in the secondary market will be lower than the Interest Rate of the Bonds and vice versa. At par from the Issue Date to the Final Maturity Date, the yield will be 7.25 per cent p.a.
Interest: The Bonds bear interest on their outstanding principal amount at the Interest Rate, from, and including, the Issue Date to, but excluding the Final Maturity Date. Interest will be payable semi-annually on each interest payment date on 11 June and 11 December each year. The day count fraction for the interest is 30/360, the business day convention is “unadjusted” and business day is “Oslo”.

Listing of Bonds: An application will be made for the Bonds to be listed on Oslo Børs.

Amortization: The Bonds shall be repaid on the Final Maturity Date at 100% of par value (plus accrued and unpaid interest on redeemed amount).

Nominal Value: EUR 100,000 – each and among themselves pari passu ranking.

Securities Form: The Bonds are electronically registered in book-entry form with the Securities Depository.

Purpose: The net proceeds from the Bonds shall be employed for general corporate purposes in support of the growth of the Group.

Financial Covenants: Minimum Book Equity:

The Issuer shall ensure that the Group, on a consolidated basis, maintains a Book Equity of minimum NOK 1,500 million

Liquidity:

The Issuer shall ensure that the Group, on a consolidated basis, maintains minimum Liquidity of NOK 500 million

The Issuer undertakes to comply with the above financial covenants at all times, such compliance to be certified by the Issuer with each Financial Statement and Interim Account. All financial covenants shall be calculated on a consolidated basis for the Group during the term of the Bonds.
Dividend Restriction: During the term of the Bonds the Issuer shall not within a calendar year make dividend payments, repurchase of shares or make other distributions or loans to its shareholders (including any transaction with a similar effect) (a "Distribution") unless (i) the Book Equity is (and will directly after such Distribution continue to be) higher than NOK 3,000 million; (ii) the Liquidity is (and will directly after such Distribution continue to be) higher than NOK 1,000 million; and (iii) such Distribution (in aggregate with any other Distribution based on the same Financial Statements) constitutes no more than 35 per cent of the net profit after taxes of the Group on a consolidated basis based on the last Financial Statement (any unutilized portion of the permitted dividend pursuant to the above may not be carried forward).

Notwithstanding the above, the Issuer may repurchase shares in connection with any option or similar incentive program of the Issuer in force at any time made for the benefit of the employees and/or management and/or directors of any Group Company.

Financial Indebtedness: The Issuer shall not, and shall procure that no other Group Company will, incur any new unsecured debts covered by the definition of Financial Indebtedness items (a) or (c) unless the maturity date for such Financial Indebtedness falls on a date after the Maturity Date. This restriction shall not apply to (i) financing of aircraft in Arctic Aviation or any of its Subsidiaries through a short term credit facility towards any kind of financial institution; (ii) issuing of a new NOK bond issue for the main purpose of raising cash for repayment of preexisting bond issues at their later maturity; (iii) draw down of existing available credit facilities or note purchase facilities; or (iv) utilization of available tap issues under any preexisting bond issues or under this Bond Agreement.

Negative Pledge: The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any shares in Arctic Aviation or any of its Subsidiaries.

Information Covenants: As per the final draft Bond Agreement, including that the Issuer shall of its own accord make management and financial reports according to applicable Norwegian law or Oslo Børs Bond rules for issuers, written in English (regardless of whether the Bonds have been listed or not) available to the Bond Trustee (or via the distribution system at Oslo Børs as long as the Issuer’s shares or bonds are listed) and on its web pages for public distribution not later than 120 days after the end of the financial year and not later than 60 days after the end of the relevant interim period.

General Covenants: Mergers, De-mergers, Continuation of business, Disposal of business, Arm’s length transactions, Compliance with laws, Corporate status – as further specified in Annex A, Clause 13.

Put Option: Upon a Change of Control Event, De-Listing Event or a Material Disposal Event occurring, each Bondholder shall have a right of prepayment (Put Option) of the Bonds at a price of 101.0 per cent of par value (plus accrued interest) during a period of 60 days.
following the notice to the Trustee of a Change of Control Event, De-Listing Event or a Material Disposal Event. Please see Annex A, clause 10.2.

Securities Depository: The Norwegian Central Securities Depository (“VPS”) a company incorporated under the laws of Norway with registered business address Fred. Olsens gate 1, postboks 4 Sentrum, 0051 Oslo.

Principal and interest accrued will be credited the Bondholders through VPS.

Trustee: Nordic Trustee ASA, Postboks 1470 Vika, NO-0116 Oslo. Please see Annex A, Clause 17 “The Bond Trustee”.

Calculation Agent: The Trustee.

Bond Agreement: The agreement governing the Bonds (“the Bond Agreement”) will be entered into by the Issuer and the Trustee (acting as the Bondholder’s representative). Please see Annex A in this Listing Prospectus for the Bond Agreement.

The Bond Agreement will specify that all Bond transfers shall be subject to the terms thereof, and the Trustee and all Bond transferees shall, when acquiring the Bonds, be deemed to have accepted the terms of the Bond Agreement, which specifies that all such transferees shall automatically become parties to the Bond Agreement upon completed transfer having been registered in the VPS, without any further action required to be taken or formalities to be complied with. The Bond Agreement shall specify that it shall be made available to the general public for inspection purposes and may, until redemption in full of the Bonds, be obtained on request by the Trustee or the Issuer, and such availability shall be recorded in the VPS particulars relating to the Bonds.

Information regarding Bondholders’ meeting and the Bondholders right to vote are described in Annex A, clause 16.

Information regarding the role of the Trustee, see Annex A, clause 17.

Bondholders’ Meeting The Bondholders’ Meeting represent the supreme authority of the Bondholders community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. Please see Annex A, Clause 16 for detailed information.

Transferability: Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under
local laws to which a Bondholder may be subject (due e.g. to its
nationality, its residency, its registered address, its place(s) for
doing business). Each Bondholder must ensure compliance with
applicable local laws and regulations at its own cost and expense.

Notwithstanding the above, a Bondholder which has purchased
the Bonds in breach of applicable mandatory restrictions may
nevertheless utilize its rights (including, but not limited to, voting
rights) under the Bond Agreement.

Interests of the Joint Lead Managers: Business interests customary in the financial markets.

Governing Law and Jurisdiction: The Bonds and the Bond Agreement are governed by the laws of
Norway, with the District Court of Oslo as sole legal venue.

Limitation of claims: All claims under the Bonds and the Bond Agreement for payment,
including interest and principal, shall be subject to the time-bar
provisions of the Norwegian Limitation Act of May 18, 1979 No.
18.

Fees and expenses: Total expenses related to the admission to trading of the Bonds is
approximately NOK 150,000
CERTAIN INFORMATION

PERSONS RESPONSIBLE FOR THE INFORMATION

Persons responsible for the information given in this Listing Prospectus are as follows:

Norwegian Air Shuttle ASA
Oksenøyveien 3,
1336 Lysaker,
Norway

Declaration by persons responsible:
Norwegian Air Shuttle ASA confirms that to the best of its knowledge, after having taken all reasonable care to ensure that such is the case, the information contained in this Listing Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Lysaker, 21 December 2015.

Norwegian Air Shuttle ASA

STATUTORY AUDITORS

The Company’s auditor for the period covered by the historical financial information in this Listing Prospectus has been Deloitte AS, Dronning Eufemias gate 14, 0191 Oslo, Norway.

Deloitte AS is member of The Norwegian Institute of Public Accountants.

RESOLUTIONS

The Bonds were issued in accordance with the Issuer’s Board approval 4 December 2015.

INFORMATION DERIVED FROM THIRD PARTY SOURCES

This Listing Prospectus contains information about Norwegian’s markets and Norwegian’s competitive position therein. Where certain information contained in the Listing Prospectus has been derived from third party sources, such as industry publications, such sources have been identified therein. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but the correctness and completeness of such information is not guaranteed. Information compiled and published by OAG Aviation Worldwide Schedule Analyser, Boeing and Airbus, has been referred to in this Listing Prospectus under sections “Summary”, “Information about the Issuer and Norwegian” and “Business Overview”. Norwegian confirms that such third party information has been accurately reproduced herein and as far as Norwegian is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, Norwegian or the Joint Lead Managers have not independently verified, and cannot give any assurances as to the appropriateness of, such information. Should this Listing Prospectus contain market data or market estimates where no source has been presented, such market data or market estimate is based on Norwegian’s management’s good faith and reasonable estimates.

AVAILABILITY OF THE PROSPECTUS

The final Listing Prospectus will be available at the website of Norwegian at https://www.norwegian.no/om-oss/selskapet/investor-relations/reports-and-presentations/prospectuses/ following listing of the Bonds.
However, other contents of Norwegian’s website or any other website do not, and shall not be deemed to, form a part of this Listing Prospectus, and prospective investors should not rely on such contents in making their decision to invest in the Bonds.

NO CREDIT RATING

Neither the Issuer nor its debt securities (including the Bonds) have been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Listing Prospectus, including, but not limited to, certain statements set forth under the captions “Summary”, “Information about the Issuer and Norwegian”, “Business Overview” and “Selected Financial Information”, are based on the beliefs of Norwegian’s management as well as assumptions made by and information currently available to it, and such statements may constitute forward-looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Norwegian, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among other things, the risks described in the section “Risk Factors”. The forward looking statements are not guarantees of the future operational or financial performance of Norwegian. In addition to factors that may be described elsewhere in the Listing Prospectus, the factors discussed under “Risk Factors” could cause Norwegian’s actual results of operations or its financial condition to differ materially from those expressed in any forward-looking statement. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Norwegian’s actual results of operations, its financial condition or its ability to fulfil its obligations under the Bonds could differ materially from those described herein as anticipated, believed, estimated or expected. Norwegian does not intend and does not assume any obligation to update any forward-looking statements contained herein unless required by applicable legislation. For additional information that could affect the results, performance or achievements of Norwegian, see “Risk Factors”.

RESPONSIBILITY OF THE JOINT LEAD MANAGERS

Neither the Joint Lead Managers nor anyone else on their behalf have separately verified the information contained in this Listing Prospectus. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Joint Lead Managers as to the accuracy or completeness of the information contained or incorporated by reference into this Listing Prospectus or any other information provided by the Issuer in connection with the Bonds or their distribution, and nothing contained in this Listing Prospectus is, or may be relied upon as, a warranty or representation by the Joint Lead Managers in this respect, whether as to the past or the future. The Joint Lead Managers accept no responsibility or liability for the accuracy or completeness of such information and, accordingly, disclaim to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise, which they might otherwise be found to have in respect of this Listing Prospectus or any such statement.
INFORMATION ABOUT THE ISSUER AND NORWEGIAN

Norwegian Air Shuttle ASA is a Norwegian public limited liability company incorporated on 22 January 1993 and regulated by the Norwegian Public Limited Liability Companies Act and supplementing Norwegian laws and regulations. The Company's commercial name is Norwegian. The Company is registered in the Norwegian Companies Registry with registration number 965 920 358 and its registered business address Oksenøyveien 3, 1336 Lysaker, Norway, its postal address is P.O. Box 115, 1330 Fornebu, Norway. Phone: +47 67 59 30 00. Website: www.norwegian.com.

Norwegian’s business is defined in paragraph three of its articles of association, which states that “The Group’s objective is to be engaged in aviation, other transport and travel related business activities as well as activities connected therewith. The Group may also be engaged directly or indirectly in other forms of Internet based provision of goods and services, including car rental, hotel booking, payment services, financial services and services related to credit cards. Participation in such activities as mentioned may take place through cooperation agreements, ownership interests or by any other means.”

The Norwegian Group consists of the parent company Norwegian Air Shuttle ASA and its directly or indirectly fully-owned subsidiaries in Norway, Sweden, Denmark, Finland, Ireland, UK and Singapore. In 2014, the Group reorganized its operations in several new entities, to ensure international growth and necessary traffic rights. A key consideration has been to build a structure which maintains Norwegian’s flexibility and adaptability despite growing size and entry into new markets in Europe and across continents. The Group’s operations are separated into a commercial airline group with the appropriate Air Operator’s Certificates (AOCs), an asset group, a resource group and other activities including brand and marketing.

Norwegian Air Shuttle ASA (Norway)

Norwegian Air Shuttle ASA is the parent company of the Group and the Issuer of the Bonds. The head office is at Fornebu outside Oslo. The Group includes 41 fully or partially owned subsidiaries.

Commercial Airline Group

The Group’s commercial airline activities are organized in the Issuer, the fully owned subsidiary Norwegian Air Norway AS, based in Fornebu, Norway, Norwegian Air UK Ltd., based in the UK and Norwegian Air International Ltd. and Norwegian Asset Ltd., based in Dublin, Ireland. Norwegian Air Norway AS operates routes from today’s Scandinavian bases, while Norwegian Air Shuttle ASA operates from other European bases. Norwegian Air Norway AS has recently transferred all NAN pilots into three new entities, Pilot Services Norway, Pilot Services Sweden and Pilot Services Denmark. Long haul operations are managed through Norwegian Long Haul AS.

Asset Group

The Group’s asset companies are organized in a group of subsidiaries, based in Dublin, Ireland, where Arctic Aviation Asset Ltd. is the parent company. Subsidiary entities are Oslofjorden Ltd., Drammensfjorden Leasing Ltd., Geirangerfjorden Ltd., Boknafjorden Ltd., Torskefjorden Leasing Ltd., Larviksfjorden Ltd., Fedjefjorden Ltd. and Dy1 Aviation Ireland Ltd. to Dy7 Aviation Ireland Ltd. and Dy9 Aviation Ireland Ltd. During 2013, the Group initiated the transfer of aircraft leases and ownership to several of the entities, a process that continued into 2014.

Resource Group

In line with legal developments in Europe, fully owned country specific resource companies are in the process of being established, with the intention of offering permanent local employment to hired pilots. The resource companies includes Norwegian Air Resources Holding Ltd. (Dublin, Ireland), Norwegian Air Resources Technical AB (Stockholm, Sweden), Norwegian Air Resources Sweden AB (Stockholm, Sweden), Norwegian Air Resources Denmark AB (Stockholm, Sweden), and Norwegian Air Resources Finland AB (Helsinki, Finland), in addition to Norwegian Air Shuttle Sweden AB (Stockholm, Sweden) and Norwegian Long Haul Singapore Ltd. (Singapore).
Other Business areas

Norwegian Brand Ltd. (Dublin, Ireland) was established in 2013, with the intention of maintaining the Group’s brand and marketing activities.

Norwegian Cargo AS (Fornebu, Norway) was established in April 2013, and is carrying out the Group's commercial cargo activities. Norwegian Air Shuttle ASA has 100% ownership.

Norwegian Holidays AS (Fornebu, Norway) was established in 2013 and provides the new business area of Holiday packages to customers in the end market through the Group's web booking.

Norwegian Finans Holding ASA (Norway). Norwegian Air Shuttle ASA owns 20 per cent of the shares in the online bank Bank Norwegian AS through the associated company Norwegian Finans Holding ASA. The airline’s loyalty program Norwegian Reward is run in cooperation with the bank.

For a complete overview of the Company’s subsidiaries, see the Company's 2014 annual report note 25 incorporated by reference hereto (see “Information Incorporated by Reference”).
BUSINESS OVERVIEW

Norwegian’s vision is “Everyone should afford to fly”. The business idea of Norwegian is to give everybody the opportunity to travel by air, attracting customers by offering competitive, low fares and a high-quality travel experience based on operational excellence and helpful, friendly service.

Norwegian is the third largest low-cost carrier in Europe and seventh largest low-cost carrier in the world\(^3\). Norwegian has a vast domestic route network in Norway, Sweden, Denmark and Finland, as well as a wide range of routes between Scandinavia and the European continent, Thailand, the Middle East and the USA. The offering was strengthened in 2014, with the launch of new routes between Spain and Germany and Spain and Poland, and further into 2015, with the launch of domestic routes in Spain, winter routes in the Caribbean and a route between London and Boston.

Norwegian’s fleet of 105 aircraft are very modern and environmentally friendly. As of 30 October 2015, Norwegian also have 267 aircraft on firm order plus 160 purchase options for delivery in the coming years, which is a strong confirmation of the Group’s strategy to become a global airline. In the second quarter of 2015, Norwegian received the SkyTrax award for the Best Low-Cost Airline in Europe (3 years in a row) and for the World’s best Long Haul Low-Cost Airline.

Norwegian has implemented a customer loyalty program in cooperation with the online bank, Bank Norwegian AS. Customers earn ‘CashPoints’ from all purchases made by their Bank Norwegian credit card, which may be used to purchase fares from Norwegian. Per 30 September 2015, Norwegian Reward had 3.5 million members whereas approximately 50 per cent of all CashPoints where financed by external partners.

The global airline industry is characterised by increasingly strong competition. Norwegian intends to be a competitive player in this market and believes that the ability to grow the business internationally is a fundamental criterion to remain profitable in the future. This is the reason behind the establishment of Norwegian’s new crew bases in New York, Fort Lauderdale, Bangkok and London – not in Oslo, Stockholm or Copenhagen for its long-haul operations. With crew situated at these big catchment areas, Norwegian can operate flights into smaller and less populated areas and maximise both crew and aircraft utilisation. Establishing new bases in Europe allows Norwegian its market presence, such as non-stop routes from Barcelona and Las Palmas to smaller cities in the Nordics or routes from Gatwick, London to destinations on the European Continent; it also enables Norwegian to compete with other cost-efficient airlines. Recruitment to new bases takes place locally, at competitive local wages and benefits.

Norwegian continued its global expansion in 2014 by taking delivery of 14 new Boeing 737-800s and four 787-8 Dreamliners, establishing new crew bases in New York, Fort Lauderdale, Barcelona. In the nine months ended 30 September 2015, Norwegian took delivery of nine new owned Boeing 737-800s and one new Boeing 787-8 Dreamliner. Currently, eight Dreamliners serve Norwegian’s long-haul operations and 29 routes are launched so far. Since the start-up, More than 1.7 million passengers have flown between Norwegian’s long-haul destinations.

Fleet

Norwegian’s fleet consists of 105 modern and environmental friendly aircraft. Continuous fleet renewal has become an integral part of Norwegian’s business. In January 2012, Norwegian placed firm orders for 222 new aircraft; 100 Boeing 737 MAX8, 100 Airbus 320neo and 22 Boeing 737-800 including purchasing rights for additional 100 B737 MAX8 and 50 A320neos. When Norwegian’s older 737-300s are phased out between 2015 and 2016, Norwegian will have one of the most modern, efficient and environmentally friendly fleets in commercial operation. By year end 2015, Norwegian Air Shuttle ASA will be operating 99 aircraft, of which 91 are 737-800s and eight are 787-8 Dreamliners. As of 30 October, the orderbook comprised 267 undelivered aircraft on firm order: 37 Boeing 737-800s, 100 Boeing 737 MAX8s, 100 Airbus 320neos and 30 Boeing 787-9 Dreamliners.

To further strengthen its long-haul operations, Norwegian recently placed an order for additional 19 787-9 Dreamliners with first delivery in 2016. The agreement is the largest single order of 787-9s in Europe and includes purchase options for an additional ten aircraft of the same type. When all current orders have been delivered, Norwegian’s long-haul fleet will count 38 Dreamliners.

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\(^3\) OAG Aviation Worldwide Schedules Analyser (2014) Access to information from OAG Aviation Worldwide Schedules Analyser requires a subscription
**Fleet Overview as per 30 October 2015**

<table>
<thead>
<tr>
<th>Type of plane</th>
<th>Boeing 737 - 800</th>
<th>Boeing 737 - 300</th>
<th>Boeing 787 – 8 Dreamliner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of planes</td>
<td>92</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Passengers</td>
<td>186 / 189</td>
<td>148</td>
<td>291 (32 in Premium Economy and 259 in Economy)</td>
</tr>
<tr>
<td>Crew per flight</td>
<td>Two pilots, four cabin crew</td>
<td>Two pilots, three cabin crew</td>
<td>Varies according to route</td>
</tr>
<tr>
<td>Engines</td>
<td>General Electric/ Snecma CFMI XFM56 – 7B26</td>
<td>General Electric / Snecma CFM- 56-3 (Commercial Fan Moteur)</td>
<td>Rolls-Royce Trent 1000G</td>
</tr>
<tr>
<td>Maximum Starting weight</td>
<td>78,999kg</td>
<td>61,915 kg – 63,266 kg</td>
<td>227,930 kg</td>
</tr>
<tr>
<td>Length</td>
<td>39.5 metres</td>
<td>33.4 metres</td>
<td>57 metres</td>
</tr>
<tr>
<td>Wing span</td>
<td>35.8 metres w/winglet</td>
<td>28.91 metres</td>
<td>60 metres</td>
</tr>
<tr>
<td>Engine Power</td>
<td>26.4 K = 26,400 Lbs</td>
<td>22 K = 22,000 Lbs</td>
<td>67 K = 67,000 Lbs</td>
</tr>
<tr>
<td>Speed</td>
<td>858 km/h</td>
<td>797 km/h</td>
<td>913 km/h</td>
</tr>
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</table>

**Boeing 737-800**
The Boeing 737-800 aircraft serve all routes in Norwegian’s network, but are typically allocated to high-density routes and long routes to North Africa, The Canary Islands and Dubai due to the longer range and higher efficiency of the aircraft.

The Boeing 737-800 is a short to medium haul single-aisle aircraft that entered service in 1998 and is still in production. Today's fleet have both a 189 and 186 seat configuration. Future deliveries will feature 186 Recaro seats that increase the passengers' overall legroom, Boeing SKY Interior and in-flight WiFi. All Boeing 737-800 have performance enhancing winglets installed.

**Boeing 737-300**
The Boeing 737-300 is a short to medium haul single-aisle aircraft that entered service in 1984 and went out of production in 1999. The majority of the 737-300 fleet has a 148 seat configuration. Four aircraft are retrofitted with performance enhancing winglets and have new Recaro seats that increase passenger legroom. Norwegian is planning to dispose and re-deliver its remaining fleet of 737-300 within the course of 2015 / 2016.

**Boeing 788 / 789 Dreamliner**
The 787 Dreamliner is a plane with high passenger comfort, low operating costs and reduced emissions. The aircraft is the most environmentally friendly option available, with 20 per cent less emissions than comparable aircraft. In addition to its operational benefits, the 787 Dreamliner features a number of innovations that will benefit passengers, such as larger windows and a more silent cabin. In conventional planes, the pressure in the cabin is set to simulate an altitude of 2,400 metres. The 787 Dreamliner is set at 1,800 metres, which in turn reduces typical “jet lag” symptoms such as headaches and muscle pain.4

**Boeing 737 MAX8**
The Boeing 737-800 is among the most environmentally friendly aircraft available, reducing per seat CO2 emissions by 23 per cent compared to the 737-300 and by as much as 33 per cent compared to the MD80. The new aircraft also improve operational reliability and on-time performance as well as reduce maintenance and other technical costs.

**Airbus 320neo**
The A320 single-aisle jetliner family (composed of the A318, A319, A320 and A321) is the world’s best-selling single-aisle aircraft family. It is used in a full range of services from very short-haul airline routes to intercontinental segments. The A320neos are modernized and improved A320s and has been developed by Airbus since 2010, with neo meaning “new engine option”.5

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5 http://www.airbus.com/aircraftfamilies/passengeraircraft/a320family/ (03.12.12)
### Current committed fleet plan

<table>
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<tbody>
<tr>
<td>M80 leased</td>
<td>8</td>
<td>5</td>
<td></td>
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<td></td>
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<td></td>
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<td>16</td>
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<td>25</td>
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<td>B738 S&amp;LB</td>
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<td>10</td>
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<tr>
<td>B738 owned</td>
<td>2</td>
<td>7</td>
<td>15</td>
<td>23</td>
<td>30</td>
<td>41</td>
<td>51</td>
<td>68</td>
<td>83</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>B788/B789 leased</td>
<td>2</td>
<td>5</td>
<td>5</td>
<td>9</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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</tr>
</tbody>
</table>

### Flight Operations

Norwegian holds four Air Operator’s Certificates (AOC). An AOC is an operational and technical approval issued by a country’s Civil Aviation Authority which grants the holder the right to conduct commercial flights.

Norwegian has been granted two AOCs by the Civil Aviation Authority in Norway. One is for Norwegian Air Norway (NAN), which operates from the Group's Scandinavian bases, while the other is for Norwegian Air Shuttle ASA (the Issuer).

Norwegian has also been granted an Irish AOC for its subsidiary Norwegian Air International Ltd. (NAI), which is based in Dublin.

On 13 November 2015, Norwegian, through its UK subsidiary, Norwegian Air UK Ltd., received their forth AOC from the British regulatory authorities, enabling it to grow its UK operations. Among other, this opens up the opportunity to start long haul flights from Gatwick Airport to Asia, South America and Africa.

In accordance with the US-EU Open Skies agreement, Norwegian has in 2014 also applied for receiving a permanent U.S. flight permission for its Irish long-haul operations, through its Irish subsidiary, Norwegian International Limited. Such Irish AOC for Norwegian International Limited will give equal traffic rights as other EU-based carriers. However, the U.S. Department of Transportation has not yet approved Norwegian’s application. Pending final approval, Norwegian is continuing its international operations with the existing AOCs granted to Norwegian Air Shuttle ASA.

Until such permit is potentially approved by the U.S. Department of Transportation, Norwegian is basing itself on the AOC it has in Norway for its flights in and out of the US. This AOC also grants rights to flight in and out of the US since Norway is also party to EU-US 2007 Open Skies Agreement, through its EEA status. However, a U.S. flight permission for the Irish subsidiary will give increased flexibility for Norwegian in expanding to routes in Asia, South America and Africa.

### Aircraft Maintenance

The Boeing 737 fleet is operated by the Issuer and its fully-owned subsidiary Norwegian Air Norway (NAN). The Boeing 787 fleet was operated by the fully-owned subsidiary Norwegian Long Haul (NLH) in 2013, whose operations will be transferred to the fully-owned company Norwegian Air International (NAI) during 2014 and 2015. Each individual operator has its own Air Operator Certificate (AOC), each with individual civil aviation authority oversight and approval. Each AOC must have a civil aviation authority approved maintenance organisation and maintenance programme.
The Issuer and NAN manage their maintenance operations from their technical bases at Oslo Gardermoen Airport. NAI manages all maintenance operations from its technical base in Fornebu, Norway.

Line maintenance is performed by the Issuer for both NAN and the Issuer at Oslo Gardemoen Airport, Stavanger Sola Airport, Bergen Flesland Airport, Trondheim Værnes Airport, Stockholm Arlanda Airport and Copenhagen Kastrup Airport. Line maintenance for NAN and the Issuer are contracted to other external suppliers outside Scandinavia.

Continuing airworthiness activities for NLH are sub-contracted to Boeing Fleet Technical Management (Boeing FTM). Control and oversight of the activities is performed by Norwegian Long Haul Maintenance operations in addition to the civil aviation authorities.

Major airframe as well as workshop maintenance is performed by external sources subject to approval by the European Aviation Safety Agency (EASA) and by the national aviation authorities (“Luftfartstilsynet”).

Airframe maintenance for NAN and the Issuer is currently carried out by ATC Lasham in the UK and Lufthansa Technik in Budapest, Hungary. Engine and component workshop maintenance is undertaken by Lufthansa Technik, MTU and Boeing. Airframe maintenance for NLH is currently carried out by Nayak, KLM and Mack II.

Engine maintenance is currently carried out by Rolls Royce UK.

**Traffic Development**

The total number of passengers flown in October 2015 was 2,385,906 compared to 2,243,560 last year, an increase of 142,346 passengers (6 per cent).

Compared to the same period last year:
- Total passenger traffic (RPK) increased by 10 per cent
- Total capacity (ASK) increased by 2 per cent
- The load factor was 87.8 per cent, up 6.2 p.p

The increase in passenger traffic, production and passengers is primarily driven by the establishment of new European short-haul bases and long-haul operations to North America and Southeast Asia.

<table>
<thead>
<tr>
<th>Traffic development</th>
<th>okt.15</th>
<th>okt.14</th>
<th>chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet bookings</td>
<td>75 %</td>
<td>80 %</td>
<td>-5</td>
</tr>
<tr>
<td>ASK (mill)</td>
<td>4 338</td>
<td>4 253</td>
<td>2 %</td>
</tr>
<tr>
<td>RPK (mill)</td>
<td>3 808</td>
<td>3 469</td>
<td>10 %</td>
</tr>
<tr>
<td>Load factor</td>
<td>87.8%</td>
<td>81.6%</td>
<td>6.2</td>
</tr>
<tr>
<td>Passengers</td>
<td>2,385,906</td>
<td>2,243,560</td>
<td>6 %</td>
</tr>
</tbody>
</table>

**Traffic 12 mth rolling**

<table>
<thead>
<tr>
<th>Traffic development</th>
<th>okt.15</th>
<th>okt.14</th>
<th>chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet bookings</td>
<td>77 %</td>
<td>77 %</td>
<td>0</td>
</tr>
<tr>
<td>ASK (mill)</td>
<td>48 345</td>
<td>48 260</td>
<td>0 %</td>
</tr>
<tr>
<td>RPK (mill)</td>
<td>41 503</td>
<td>41 164</td>
<td>1 %</td>
</tr>
<tr>
<td>Load factor</td>
<td>85.8%</td>
<td>85.3%</td>
<td>0.5</td>
</tr>
<tr>
<td>Passengers</td>
<td>25 415 054</td>
<td>25 272 708</td>
<td>1 %</td>
</tr>
</tbody>
</table>

The Group utilized every operational aircraft on average 12.4 block hours per day in the third quarter compared to 12.3 last year.
There is intense competition between airlines. Airlines compete principally in terms of ticket price, service, frequency, punctuality, safety, brand recognition, passenger loyalty and other service-related issues. Norwegian competes with a number of other airlines, principally SAS on domestic routes in Norway and Sweden, and other operators including but not limited to KLM, British Airways, and Ryanair on international routes from Norway and Sweden. Many of these competitors are larger companies and have both greater resources and enjoy stronger brand recognition internationally.
History and Development of Norwegian

Norwegian was established in 1993 and up until 2002, the company operated as a subcontractor to the regional activities of Braathens S.A.F.E. on the west coast of Norway with a fleet of Fokker F-50 aircraft. In September 2002, following SAS’ acquisition of Braathens S.A.F.E, and the termination of Norwegian’s west coast operation, Norwegian started its low-cost operations through the launch of domestic routes in Norway with a fleet of six Boeing 737-300 aircraft.

In 2003, Norwegian decided to list on Oslo Børs, and raised NOK 250 million through the issuances of 7,812,500 shares. The offering was oversubscribed. Norwegian initiated codeshare agreements with each of FlyNordic and Sterling in 2004. The codeshare agreement with FlyNordic involved the Stockholm – Oslo route, whereas the agreement with Sterling involved codeshare agreements on thirteen of the companies’ European routes from Norway.

In 2005, Norwegian reached a milestone with the first year in profit. Norwegian showed a revenue growth of 63 per cent, growing its annual revenue to NOK 1,972 million from NOK 1,210 million in 2004.

In the following years Norwegian continued its focus on expanding its business activities further, among others with the establishment of a Polish subsidiary and base in Warsaw, and with the commencement of flights from Warsaw to five European cities in 2006.

In 2007, Norwegian acquired FlyNordic from Finnar in order to strengthen its position in the Nordic and European markets. Norwegian decided to locate its Swedish base in Stockholm. In order to obtain emission reductions and significant bottom line savings, Norwegian placed an order with Boeing to buy 42 737-800 aircraft in the third quarter of 2007. The aircraft were considerably more environmentally friendly than the existing fleet of Norwegian at the time. The online bank, Bank Norwegian, was established in October 2007, and the frequent flier program Norwegian Reward was launched. Norwegian Reward enabled the customers to earn so called cash points on Bank Norwegian credit card transactions, which can be used to purchase plane tickets.

In 2008, Norwegian increased its footprint as an environmentally conscious airline through delivery of its first Boeing Next Generation 737-800 aircraft. The new aircraft reduces fuel consumption and emissions by more than 20 per cent, while passenger capacity increases from 148 to 186/189. Norwegian's operation was further expanded through the launch of a new base at Rygge, outside Oslo, with 14 routes in service. Following the bankruptcy of Sterling, Norwegian enters the Danish market through the opening of its Copenhagen base.

Norwegian expands its ancillary product offering in 2008, with the introduction of Call Norwegian. Call Norwegian is a mobile phone company that directs its services to Norwegian’s existing customer base (passengers), through its offering of in-flight mobile phone and wireless internet services, in addition to WiFi at airports and basic telephone and IP telephone solutions.

In 2009, Norwegian takes delivery of the first Norwegian-owned B737-800, and the aircraft commenced commercial operation in September same year. Norwegian also expands extensively in Denmark by launching 39 new routes, while the number of Copenhagen-based planes increases from seven to nine. 2009 also marks the best year since Norwegian was established, and the company presents an annual profit after tax exceeding NOK 446 million, while passenger figures shows a considerable growth. 10.8 million passenger flew with the airline in 2009, up 18 per cent compared to 2008.

In 2010, Norwegian was voted the second best airline in Northern Europe and the third best low-cost airline in Europe, according to a SkyTrax survey. More than 18 million travelers from 100 different countries participated in the survey in the period July 2009 – April 2010. Norwegian further continued its fleet growth, and confirmed an order of an additional 15 737-800s from Boeing for delivery between 2014 and 2016. The order was added to Norwegian’s existing order of 48 737-800s from Boeing that was delivered up until 2014.

Norwegian began to offer in-flight WiFi on European routes in 2011, being the first airline to offer such service. The free-of-charge offer was well received by the passengers, and by the end of 2012, the entire fleet of 737-800s was connected with WiFi. The same year, Norwegian continued its expansion plans further by the opening of a new base at the Helsinki Airport, and a launch of domestic routes and 11 international routes in Finland. Approximately one million Finnish passengers travelled with Norwegian in 2011. Norwegian’s fleet renewal programme continued in 2011, with the agreement to purchase three Boeing 787-8 Dreamliners, the lease of one additional Dreamliner and the purchase of 15 737-800s from Boeing, in addition to the existing order of 63 737-800s.
Norwegian signs one of the largest ever agreements in European aviation history in 2012, through an order of 222 aircraft from Boeing and Airbus. The order comprised 22 Boeing 737-800, 100 Boeing 737 MAX8 and 100 Airbus 320neo. Norwegian further secures an additional two Boeing 787-8 Dreamliners for its long-haul operations, which secures a delivery of a total of eight 787 Dreamliners.

Norwegian officially launched its long-haul offering in 2013, through the launch of routes between Oslo – New York and Oslo - Bangkok, in addition to Fort-Lauderdale - Copenhagen, Oslo and Stockholm and Bergen – New York. All routes are operated with the Dreamliner. To add on its long-haul strategy, Norwegian signed a contract to lease two new 787-9 Dreamliner for delivery in the first quarter of 2016. Norwegian was further awarded “Best European Low-Cost Carrier” by Skytrax, and “Best Inflight Connectivity and Communications” for its free WiFi on board.

In February 2014, Norwegian was granted an Irish AOC for its subsidiary Norwegian Air International Limited (NAI), which is based in Dublin. Norwegian further continued its expansion through the establishment of four new bases, Barcelona and Madrid in Spain and Fort Lauderdale and New York in North America. Norwegian took delivery of 18 new aircraft during the year. 14 new 737-800s and four 787-8 Dreamliners. For the second year in a row, Norwegian was awarded “Best Low-Cost airline in Europe”.

During the first nine months of 2015, Norwegian has launched several new routes, including domestic routes in Spain, winter routes in the Caribbean as well as direct flights from London to Boston. Norwegian has further taken delivery of 10 new aircraft and signed a letter of intent to lease out 12 of its new Airbus A320neos for 12 years, which will be delivered from 2016 and onwards. In September 2015, Norwegian added 19 new 787-9 Dreamliners to their orderbook, 21 Dreamliners ordered in 2015, increasing the total fleet of Dreamliners to 38 when all are delivered. In addition, Norwegian has received two international awards, including “Best Low-Cost airline in Europe” (three years in a row) and “World’s best Long Haul Low-Cost airline”, both from SkyTrax.

**Ongoing and Future Investments**

The Group’s aircraft fleet consists of leased aircraft and owned aircraft, whereof the Group has 267 owned aircraft on firm order with future delivery as of 30 October 2015. The table below shows the expected timeline of future deliveries of aircraft excluding purchase options. The Group has ensured export credit support on all aircraft on order.

The deliveries in 2015 have been financed through the private EETC market in the U.S. and long-term financing guaranteed by export credit agencies. In December 2013, Norwegian secured a new credit facility of up to 17 new Boeing 737-800 in the amount of USD 350 million. The facility covers PDP financing and includes back stop sale and leaseback agreement and covers financing for up to 17 aircraft delivering in 2015 and 2016. Such facilities forms part of Norwegian’s continuously ongoing activities for financing direct-buy aircrafts delivering in the period 2015 to 2022.

<table>
<thead>
<tr>
<th>Aircraft Delivery</th>
<th>2016</th>
<th>2017</th>
<th>2018 -</th>
</tr>
</thead>
<tbody>
<tr>
<td>B737-800</td>
<td>17</td>
<td>17</td>
<td>2</td>
</tr>
<tr>
<td>B737 Max8</td>
<td>0</td>
<td>5</td>
<td>95</td>
</tr>
<tr>
<td>A320neo</td>
<td>4</td>
<td>8</td>
<td>88</td>
</tr>
<tr>
<td>B788/789</td>
<td>4</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>39</td>
<td>202</td>
</tr>
</tbody>
</table>

*In addition, one 737-800 is scheduled for delivery in Q4 2015*
**SELECTED FINANCIAL INFORMATION**

The following is a summary of the Issuer’s consolidated financial information as at and for the nine months ended 30 September 2015 and 30 September 2014 and as at and for the financial years ended 31 December 2014 and 31 December 2013. The information has been derived from the Issuer’s unaudited interim report as at and for the nine months ended 30 September 2015, incorporated by reference into this Listing Prospectus, and the audited consolidated financial statements as at and for the year ended 31 December 2014, incorporated by reference into this Listing Prospectus. Please find full cross reference list under “Documents on Display and Information Incorporated by Reference” on page 58-59.

### Consolidated Income Statement:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>19,540,039</td>
<td>15,511,218</td>
</tr>
<tr>
<td>Other Income</td>
<td>0</td>
<td>68,326</td>
</tr>
<tr>
<td><strong>Total operating revenues and income</strong></td>
<td><strong>19,540,039</strong></td>
<td><strong>15,579,544</strong></td>
</tr>
<tr>
<td>Operational expenses</td>
<td>15,360,124</td>
<td>11,370,597</td>
</tr>
<tr>
<td>Payroll</td>
<td>3,208,987</td>
<td>2,478,294</td>
</tr>
<tr>
<td>Depreciation, amortisation and impairment</td>
<td>748,138</td>
<td>529,825</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>1,049,577</td>
<td>733,319</td>
</tr>
<tr>
<td>Other losses / (gains) - net</td>
<td>583,751</td>
<td>-502,148</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>20,950,577</strong></td>
<td><strong>14,609,886</strong></td>
</tr>
<tr>
<td>Operating Profit</td>
<td>-1,410,538</td>
<td>969,658</td>
</tr>
<tr>
<td>Net financial items</td>
<td>-274,139</td>
<td>-578,874</td>
</tr>
<tr>
<td>Share of profit (loss) from associated company</td>
<td>57,631</td>
<td>46,597</td>
</tr>
<tr>
<td><strong>Profit (loss) before tax</strong></td>
<td>-1,627,047</td>
<td>437,381</td>
</tr>
<tr>
<td>Income tax expense (income)</td>
<td>-557,284</td>
<td>115,817</td>
</tr>
<tr>
<td><strong>PROFIT (LOSS) FOR THE YEAR</strong></td>
<td><strong>-1,069,763</strong></td>
<td><strong>321,564</strong></td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>-30,42</td>
<td>9,15</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>-29,89</td>
<td>9,02</td>
</tr>
<tr>
<td><strong>Profit (loss) attributable to:</strong></td>
<td><strong>-1,069,763</strong></td>
<td><strong>321,564</strong></td>
</tr>
<tr>
<td>Owner of the company</td>
<td>-1,069,763</td>
<td>321,564</td>
</tr>
</tbody>
</table>
## Consolidated Statement of Financial Position:

(Amounts in NOK '000)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>206 826</td>
<td>225 270</td>
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<tr>
<td>Deferred tax asset</td>
<td>518 915</td>
<td>28 517</td>
</tr>
<tr>
<td>Aircraft, parts and installations on leased aircraft</td>
<td>12 527 932</td>
<td>7 526 707</td>
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<tr>
<td>Equipment and fixtures</td>
<td>83 687</td>
<td>72 972</td>
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<tr>
<td>Buildings</td>
<td>252 236</td>
<td>14 966</td>
</tr>
<tr>
<td>Financial lease asset</td>
<td>19 234</td>
<td>21 242</td>
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<tr>
<td>Financial assets available for sale</td>
<td>82 689</td>
<td>82 689</td>
</tr>
<tr>
<td>Investment in associate</td>
<td>223 594</td>
<td>164 575</td>
</tr>
<tr>
<td>Prepayment to aircraft manufacturers</td>
<td>4 102 664</td>
<td>2 514 882</td>
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<tr>
<td>Other receivables</td>
<td>421 060</td>
<td>199 036</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>18 438 836</td>
<td>10 850 858</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>82 851</td>
<td>74 135</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2 173 522</td>
<td>1 623 079</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>0</td>
<td>37 389</td>
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<tr>
<td>Financial assets available for sale</td>
<td>0</td>
<td>11 158</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2 011 139</td>
<td>2 166 126</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>4 267 512</td>
<td>3 911 887</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>22 706 348</td>
<td>14 762 744</td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>3 516</td>
<td>3 516</td>
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<tr>
<td>Share premium</td>
<td>1 093 549</td>
<td>1 093 549</td>
</tr>
<tr>
<td>Other paid-in equity</td>
<td>87 221</td>
<td>72 744</td>
</tr>
<tr>
<td>Other reserves</td>
<td>455 099</td>
<td>-11 102</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>468 866</td>
<td>1 591 119</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>2 108 251</td>
<td>2 749 827</td>
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<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension obligation</td>
<td>201 883</td>
<td>127 821</td>
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<tr>
<td>Provision for periodic maintenance</td>
<td>835 480</td>
<td>412 737</td>
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<tr>
<td>Deferred tax</td>
<td>169 851</td>
<td>443 991</td>
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</table>
### Borrowings

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial lease liability</td>
<td>3 227</td>
<td>6 860</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>11 160 669</td>
<td>6 728 304</td>
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</table>

### Short term liabilities

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term part of borrowings</td>
<td>3 330 387</td>
<td>768 401</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>2 680 445</td>
<td>1 949 693</td>
</tr>
<tr>
<td>Air traffic settlement liabilities</td>
<td>2 965 427</td>
<td>2 566 519</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>458 958</td>
<td>0</td>
</tr>
<tr>
<td>Tax payable</td>
<td>2 211</td>
<td>2</td>
</tr>
<tr>
<td>Total short term liabilities</td>
<td>9 437 428</td>
<td>5 284 614</td>
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</table>

### Total liabilities

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total liabilities</td>
<td>20 598 097</td>
<td>12 012 918</td>
</tr>
</tbody>
</table>

### TOTAL EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total equity and liabilities</td>
<td>22 706 348</td>
<td>14 762 744</td>
</tr>
</tbody>
</table>

### Consolidated Cash Flow Statement:

(Amounts in NOK '000)

#### CASH FLOW FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit (loss) before tax</td>
<td>-1 627 047</td>
<td>437 381</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-202 796</td>
<td>0</td>
</tr>
<tr>
<td>Depreciation, amortisation and write-down</td>
<td>748 138</td>
<td>529 825</td>
</tr>
<tr>
<td>Pension expense without cash effect</td>
<td>21 569</td>
<td>0</td>
</tr>
<tr>
<td>Profit from associated company</td>
<td>-57 631</td>
<td>-46 597</td>
</tr>
<tr>
<td>Compensation expense for employee options</td>
<td>14 477</td>
<td>9 379</td>
</tr>
<tr>
<td>Losses/ (gains) on disposal of tangible assets</td>
<td>0</td>
<td>-35 359</td>
</tr>
<tr>
<td>Fair value (gains) / losses on financial assets</td>
<td>507 505</td>
<td>-226 587</td>
</tr>
<tr>
<td>Financial items</td>
<td>274 139</td>
<td>578 874</td>
</tr>
<tr>
<td>Interest received</td>
<td>70 471</td>
<td>90 884</td>
</tr>
<tr>
<td>Change in inventories, accounts receivable and accounts payable</td>
<td>193 363</td>
<td>107 483</td>
</tr>
<tr>
<td>Change in air traffic settlement liabilities</td>
<td>398 908</td>
<td>826 754</td>
</tr>
<tr>
<td>Change in other current assets and current liabilities</td>
<td>-53 994</td>
<td>106 818</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>287 104</td>
<td>2 378 855</td>
</tr>
</tbody>
</table>

#### CASH FLOW FROM INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments aircraft purchase</td>
<td>-2 402 406</td>
<td>-1 460 328</td>
</tr>
<tr>
<td>Purchase of tangible assets</td>
<td>-2 580 099</td>
<td>-543 159</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>-31 715</td>
<td>-42 418</td>
</tr>
<tr>
<td>Proceeds from sales of tangible assets</td>
<td>84 222</td>
<td>0</td>
</tr>
<tr>
<td>Proceeds from sales of financial assets</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

---

42
Proceeds from sales of investment bonds          0      -81,928
Payment to associated company                  -1,389   0
Net cash flow from investing activities         -4,931,386  -2,127,833

**CASH FLOW FROM FINANCIAL ACTIVITIES**

Proceeds from long term debt                   6,060,958  2,309,721
Payment of long term debt                      -1,259,335  -1,829,731
Interest on borrowings                          -323,192   -295,816
Net Cash flow from financial activities         4,478,431   184,174
Foreign exchange effect on cash                10,864     35
Net change in cash and cash equivalents         -154,987   435,231
Cash and cash equivalents at 1 January          2,166,126  1,730,895
Cash and cash equivalents at 31 December        2,011,139  2,166,126

**Condensed Consolidated Income Statement:**

<table>
<thead>
<tr>
<th></th>
<th>Q3</th>
<th>Q3</th>
<th>YTD</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
<td>2014</td>
</tr>
</tbody>
</table>

**Operating revenue**

Total operating revenue            7,276.8   6,337.5  17,172.2  14,937.7
Total operating revenue            7,276.8   6,337.5  17,172.2  14,937.7

**Operating expenses**

Operational expenses               3,907.1   3,940.8  10,254.6  10,261.6
Payroll and other personnel expenses 942.8     843.5     2,571.0  2,378.9
Other operating expenses           381.4     335.9     947.8    733.9
Total operating expenses           5,231.3   5,120.2  13,773.4  13,747.4

**Operating profit/loss before**

leasing & depr (EBITDAR)            2,045.5    1,217.3  3,398.8   1,563.3
Leasing                            561.4     490.8     1,651.5  1,355.8
Operating profit/loss before       2,607.1    1,708.1  5,050.3   2,919.1

dep (EBITDA)                        1,484.1    726.5     1,747.3  207.5
Depreciation and amortization       301.7     194.4     766.8    535.9
Operating profit/loss (EBIT)        1,824.4    532.2     980.5    -328.4

**Financial items**

Interest income                    16.8      9.8       45.1     38.6
Interest expense                   77.2      47.5      236.4    149.0
Other financial income (expense)   -40.0     -1.9      -77.2   -42.0
Net financial items                -100.3    -39.6     -268.6  -152.4

Profit/Loss from associated company 16.0      12.6      66.1     37.4

Net result before tax (EBT)        1,098.0    505.2     777.9    -443.3
Income tax expense (benefit)       265.2     131.3     158.4    -351.9
<table>
<thead>
<tr>
<th>Net profit/loss</th>
<th>832.8</th>
<th>373.8</th>
<th>619.5</th>
<th>-91.4</th>
</tr>
</thead>
</table>

Net profit attributable to:

<table>
<thead>
<tr>
<th>Owners of the parent company</th>
<th>832.8</th>
<th>373.8</th>
<th>619.5</th>
<th>-91.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share (NOK) - Basic</td>
<td>23.4</td>
<td>10.6</td>
<td>17.4</td>
<td>-2.6</td>
</tr>
<tr>
<td>Earnings per share (NOK) - Diluted</td>
<td>23.3</td>
<td>10.5</td>
<td>17.4</td>
<td>-2.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No. of shares at the end of the period</th>
<th>35 598 139</th>
<th>35 162 139</th>
<th>35 598 139</th>
<th>35 162 139</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average no. of shares outstanding</td>
<td>35 516 362</td>
<td>35 162 139</td>
<td>35 194 333</td>
<td>35 162 139</td>
</tr>
<tr>
<td>Average no. of shares outstanding - diluted</td>
<td>35 787 139</td>
<td>35 787 139</td>
<td>35 656 051</td>
<td>35 787 139</td>
</tr>
</tbody>
</table>

**Condensed Consolidated Statement Of Financial Position:**

<table>
<thead>
<tr>
<th>(Amounts in NOK million)</th>
<th>At 30 sept 2015</th>
<th>At 30 sept 2014</th>
</tr>
</thead>
</table>

### ASSETS

**Non-current assets**

<table>
<thead>
<tr>
<th>Intangible assets</th>
<th>604.5</th>
<th>352.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible fixed assets</td>
<td>23 542.3</td>
<td>14 023.9</td>
</tr>
<tr>
<td>Fixed asset investments</td>
<td>872.9</td>
<td>617.8</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>25 019.6</td>
<td>14 993.8</td>
</tr>
</tbody>
</table>

**Current assets**

<table>
<thead>
<tr>
<th>Inventory</th>
<th>102.3</th>
<th>76.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Receivables</td>
<td>2 561.0</td>
<td>2 518.1</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2 296.5</td>
<td>1 432.0</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>4 959.8</td>
<td>4 026.5</td>
</tr>
</tbody>
</table>

**TOTAL ASSETS**

| 29 979.4 | 19 020.2 |

### EQUITY AND LIABILITIES

**Shareholders equity**

<table>
<thead>
<tr>
<th>Paid-in capital</th>
<th>1 289.0</th>
<th>1 179.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other equity</td>
<td>1 896.2</td>
<td>1 592.9</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>3 185.2</td>
<td>2 772.5</td>
</tr>
</tbody>
</table>

**Non-current liabilities**

<table>
<thead>
<tr>
<th>Other non-current liabilities</th>
<th>1 481.8</th>
<th>874.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term borrowings</td>
<td>14 257.8</td>
<td>8 179.7</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>15 739.6</td>
<td>9 054.1</td>
</tr>
</tbody>
</table>

**Short term liabilities**

| Current liabilities | 3 338.8 | 3 179.1 |
| Short term borrowings | 3 515.5 | 858.8 |
| Air traffic settlement liabilities | 4 200.2 | 3 155.6 |
| **Total short term liabilities** | 11 054.5 | 7 193.6 |

**Total liabilities**

| 26 794.1 | 16 247.7 |
Condensed Consolidated Statement of Cash Flow:

(Amounts in NOK million)

<table>
<thead>
<tr>
<th></th>
<th>Q3 2015</th>
<th>Q3 2014</th>
<th>YTD 2015</th>
<th>YTD 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1 098.0</td>
<td>505.2</td>
<td>777.9</td>
<td>-443.3</td>
</tr>
<tr>
<td>Paid taxes</td>
<td>-47.6</td>
<td>0.0</td>
<td>-44.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Depreciation, amortization and impairment</td>
<td>301.7</td>
<td>194.4</td>
<td>766.8</td>
<td>535.9</td>
</tr>
<tr>
<td>Changes in air traffic settlement liabilities</td>
<td>-1 404.2</td>
<td>-1 423.4</td>
<td>1 234.8</td>
<td>589.1</td>
</tr>
<tr>
<td>Other adjustments</td>
<td>376.5</td>
<td>443.5</td>
<td>-101.1</td>
<td>556.1</td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>324.4</td>
<td>-280.3</td>
<td>2 634.3</td>
<td>1 257.8</td>
</tr>
<tr>
<td>INVESTMENT ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases, proceeds and prepayment of tangible assets</td>
<td>-1 843.5</td>
<td>-745.9</td>
<td>-4 532.1</td>
<td>-3 682.2</td>
</tr>
<tr>
<td>Purchases of other long-term investments</td>
<td>0.0</td>
<td>-1.4</td>
<td>0.0</td>
<td>-1.4</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>-1 843.5</td>
<td>-747.3</td>
<td>-4 532.1</td>
<td>-3 683.6</td>
</tr>
<tr>
<td>FINANCING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan proceeds</td>
<td>1 223.7</td>
<td>786.4</td>
<td>3 849.9</td>
<td>3 015.9</td>
</tr>
<tr>
<td>Principal repayments</td>
<td>-323.0</td>
<td>-574.0</td>
<td>-1 158.7</td>
<td>-1 029.4</td>
</tr>
<tr>
<td>Financing costs paid</td>
<td>-161.8</td>
<td>-94.3</td>
<td>-590.9</td>
<td>-280.9</td>
</tr>
<tr>
<td>Proceeds from issuing new shares</td>
<td>42.4</td>
<td>0.0</td>
<td>100.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Net cash flows from financial activities</td>
<td>781.4</td>
<td>118.1</td>
<td>2 201.1</td>
<td>1 705.6</td>
</tr>
</tbody>
</table>

Foreign exchange effect on cash -11.0 2.1 -18.0 5.5

Net change in cash and cash equivalents -748.8 -907.4 285.4 -734.7
Cash and cash equivalents in beginning of period | 3 045.4 | 2 338.8 | 2 011.1 | 2 166.1 |
Cash and cash equivalents in end of period | 2 296.5 | 1 432.0 | 2 296.5 1 431.4 |

Key Figures – Financials

(Amounts in NOK million)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>19 540</td>
<td>15 580</td>
<td>12 859</td>
<td>10 532</td>
<td>598</td>
<td>7 309</td>
<td>6 226</td>
<td>4 226</td>
<td>2 941</td>
<td>1 972</td>
</tr>
<tr>
<td>EBITDAR</td>
<td>1 184</td>
<td>2 784</td>
<td>1 822</td>
<td>1 540</td>
<td>1 175</td>
<td>1 341</td>
<td>200</td>
<td>504</td>
<td>201</td>
<td>185</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-662</td>
<td>1 500</td>
<td>789</td>
<td>710</td>
<td>397</td>
<td>721</td>
<td>-208</td>
<td>208</td>
<td>21</td>
<td>59</td>
</tr>
<tr>
<td>EBIT / Operating result</td>
<td>-1 411</td>
<td>970</td>
<td>404</td>
<td>416</td>
<td>210</td>
<td>572</td>
<td>-338</td>
<td>134</td>
<td>-31</td>
<td>29</td>
</tr>
<tr>
<td>EBT</td>
<td>-1 627</td>
<td>438</td>
<td>623</td>
<td>167</td>
<td>243</td>
<td>623</td>
<td>5</td>
<td>113</td>
<td>-32</td>
<td>39</td>
</tr>
<tr>
<td>Net profit/ loss (-)</td>
<td>-1 070</td>
<td>319</td>
<td>457</td>
<td>122</td>
<td>189</td>
<td>446</td>
<td>85</td>
<td>-22</td>
<td>28</td>
<td></td>
</tr>
</tbody>
</table>

Basic earnings per share (NOK) | -30.42 | 9.15  | 13.08 | 3.53  | 4.97  | 13.01 | 0.15  | 3.77  | -1.14 | 1.53  |
Diluted earnings per share (NOK) | -29.45 | 9.02  | 12.99 | 3.47  | 4.87  | 12.89 | 0.15  | 3.77  | -1.14 | 1.53  |
<table>
<thead>
<tr>
<th>Equity ratio (%)</th>
<th>9 %</th>
<th>19 %</th>
<th>20 %</th>
<th>22 %</th>
<th>27 %</th>
<th>32 %</th>
<th>28 %</th>
<th>22 %</th>
<th>25 %</th>
<th>21 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>2 011</td>
<td>2 166</td>
<td>1 731</td>
<td>1 105</td>
<td>1 178</td>
<td>1 408</td>
<td>608</td>
<td>501</td>
<td>232</td>
<td>261</td>
</tr>
<tr>
<td>Unit cost (CASK)</td>
<td>0.42</td>
<td>0.42</td>
<td>0.45</td>
<td>0.46</td>
<td>0.46</td>
<td>0.49</td>
<td>0.56</td>
<td>0.53</td>
<td>0.54</td>
<td>0.55</td>
</tr>
<tr>
<td>Unit cost (CASK) excluding fuel</td>
<td>0.29</td>
<td>0.29</td>
<td>0.31</td>
<td>0.32</td>
<td>0.34</td>
<td>0.38</td>
<td>0.37</td>
<td>0.40</td>
<td>0.41</td>
<td>0.44</td>
</tr>
<tr>
<td>ASK (million)</td>
<td>46 479</td>
<td>34 318</td>
<td>25 920</td>
<td>21 958</td>
<td>17 804</td>
<td>13 555</td>
<td>11 530</td>
<td>7 561</td>
<td>5 371</td>
<td>3 464</td>
</tr>
<tr>
<td>RPK (million)</td>
<td>37 615</td>
<td>26 881</td>
<td>20 353</td>
<td>17 421</td>
<td>13 774</td>
<td>10 602</td>
<td>9 074</td>
<td>6 059</td>
<td>4 223</td>
<td>2 703</td>
</tr>
<tr>
<td>Load factor</td>
<td>80.9%</td>
<td>78.3%</td>
<td>78.5%</td>
<td>79.3%</td>
<td>77.4%</td>
<td>78.2%</td>
<td>78.7%</td>
<td>80.1%</td>
<td>79.0%</td>
<td>78.0%</td>
</tr>
<tr>
<td>Passengers (million)</td>
<td>24.0</td>
<td>20.7</td>
<td>17.7</td>
<td>15.7</td>
<td>13.0</td>
<td>10.8</td>
<td>9.1</td>
<td>6.9</td>
<td>5.1</td>
<td>3.3</td>
</tr>
<tr>
<td>Internet sales</td>
<td>82 %</td>
<td>80 %</td>
<td>78 %</td>
<td>82 %</td>
<td>87 %</td>
<td>88 %</td>
<td>87 %</td>
<td>86 %</td>
<td>84 %</td>
<td>75 %</td>
</tr>
<tr>
<td>Number of routes (operated during the year)</td>
<td>402</td>
<td>391</td>
<td>308</td>
<td>271</td>
<td>249</td>
<td>206</td>
<td>170</td>
<td>114</td>
<td>86</td>
<td>50</td>
</tr>
<tr>
<td>Number of destinations (at year end)</td>
<td>130</td>
<td>125</td>
<td>121</td>
<td>114</td>
<td>97</td>
<td>93</td>
<td>87</td>
<td>70</td>
<td>57</td>
<td>36</td>
</tr>
<tr>
<td>Number of aircraft (at year end)</td>
<td>95</td>
<td>85</td>
<td>68</td>
<td>62</td>
<td>57</td>
<td>46</td>
<td>40</td>
<td>32</td>
<td>22</td>
<td>13</td>
</tr>
</tbody>
</table>

EBITDAR | Earnings Before Interest, Tax, Depreciation, Amortisation and Rent |
Equity ratio | Shareholders’ equity + non-controlling interest x 100 / Balance sheet total |
ASK | Total number of seats available x kilometers flown |
RPK | Number of revenue passengers x kilometers flown |
Load Factor | Relationship between RPK and ASK as a percentage. |

**Historical Financial Information**

Norwegian’s audited consolidated financial statements for the financial years ended 31 December 2014 and 31 December 2013 and the unaudited consolidated interim report as at and for the nine months ended 30 September 2015 have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU. Norwegian’s audited consolidated financial statements for the financial years ended 31 December 2014 and 31 December 2013 and the unaudited consolidated interim report as at and for the nine months ended 30 September 2015 have been incorporated by reference into this Listing Prospectus. See “Information Incorporated by Reference”. Except for the two financial statements mentioned above, the information included in this Listing Prospectus has not been audited.

**Recent Events**

Following 30 September 2015 there have been no recent events particular to the Company which are to a material extent relevant to the evaluation of the Company’s solvency.

**No Significant Changes**

There has been no significant change in the Group’s financial or trading position since the date of its last published interim statements, being 30 September 2015.
There have been no material adverse changes in the prospects of the Company since the date of its last published audited financial statements, being 31 December 2014.

Prospects

In its interim report as at and for the nine months ended 30 September 2015, Norwegian provided the following information on prospects:

“The demand for travelling with Norwegian and advance bookings have been satisfactory entering the fourth quarter of 2015. Norwegian will continue to take advantage of its increasing competitive power realized through continuous cost efficiency, and from introducing larger aircraft (10 new 737-800Ws and 1 new 787-8 will be delivered in 2015) with a lower operating cost.

Norwegians short-haul operations have, in addition to the Nordic countries, at the present six bases operational in Spain (Malaga, Alicante, Las Palmas, Tenerife, Madrid and Barcelona) and one base in London.

Norwegian guides for a production growth (ASK) of 5 % for 2015, including the long haul production. The long haul production will grow in accordance with the phasing in of aircraft and the company has eight Boeing 787 by the end of the first half year of 2015. 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 575 per tonne and USD/NOK 7.5 for the year 2015 (excluding hedged volumes) and with the currently planned route portfolio, the Company is targeting a unit cost (CASK) of NOK 0.40 for 2015. The CASK target for 2015 includes impact of strike.

Norwegian guides for a production growth (ASK) of 18 % for 2016, including the long haul production. The growth in short-haul production is mainly from increasing the fleet by adding 737-800s. The long haul production will grow in accordance with the phasing in of aircraft and the company will have twelve Boeing 787 by the end of 2016. 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 550 per tonne and USD/NOK 8.00 for the year 2016 (excluding hedged volumes) and with the currently planned route portfolio, the Company is targeting a unit cost (CASK) of NOK 0.39 for 2016. Norwegian is establishing and preparing for an organizational structure that will secure cost efficient international expansion and necessary traffic rights for the future.”

Financial Targets

Norwegian’s capital management policy is to have a capital structure which meets the demands of operations, reduces cost of capital and complies with financial covenants and future investments planned by the group. The group will at all times adjust debt and equity to maintain and secure an optimal capital structure by continuously monitoring the total equity level and the equity ratio of the group. The board of directors has imposed an internal liquidity target which is closely monitored by the management of Norwegian.

Legal and Arbitration Proceedings

The pilot union Parat has filed a suit against Norwegian before the city court. On behalf of its members, Parat is claiming that Norwegian, as a parent company, also has employer obligations towards the employees, even if the employees formally are hired in subsidiaries of Norwegian Air Norway, one for each of the Scandinavian countries. In connection with the strike in February 2015, one of Parat’s negotiation demands was that its pilot members should be formally employed by Norwegian as parent company, a demand that was not met by Norwegian. No guarantee can be made that no other similar law suits will arise in the future.

Apart from the above, there are no governmental, legal, arbitration or administrative proceedings against or affecting the Issuer or any of its subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which have or may have in the recent past, individually or in the
aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its subsidiaries taken as a whole.

**Cross Default Provisions**

The following cross default provisions are considered material for the issuer; cross default provisions in the Bond Agreements for the Bond Loans with the following ISIN; NO 001 0713860, NO 001 0724313, NO 0010736549 and NO 0010753437.

The wording in the Cross Default provision is in accordance with the Norwegian standard Nordic Trustee documentation;

**Cross default**

If for any Group Company:

(i) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;

(ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);

(iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or

(iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above of a total of [Please see below], or the equivalent thereof in other currencies, shall apply.

The threshold in the last section of the Cross Default provision is set to be the following for the different ISINs;

NO 001 0713860; NOK 50 million
NO 001 0724313; NOK 50 million
NO 0010736549; NOK 75 million
NO 0010753437; NOK 75 million
DIRECTORS, MANAGEMENT AND MAJOR SHAREHOLDERS

General

Norwegian is led by a highly experienced management team with a solid track record of success in several disciplines. Management has successfully developed Norwegian from a small regional airline with a fleet of three aircraft to a global airline, currently offering 424 scheduled routes to 130 destinations in Europe, North Africa, the Middle East, Thailand and the US. Norwegian’s management has successfully focused on offering low-cost fares, through technological innovation, a lean management organization and through a continuous focus on modern, cost-efficient aircraft and utilisation.

Board of Directors

Chairman of the Board - Bjørn H. Kise
Mr. Kise has a Law Degree from the University of Oslo and has over 25 years of experience of legal practice with the law firm Simonsen Vogt Wiig AS, where he is also a partner. He is (since 1997) admitted to the Supreme Court. Bjørn H. Kise practice as a lawyer and is a partner of the law firm, Simonsen Vogt Wiig AS. Bjørn H. Kise is one of the founding partners of Norwegian Air Shuttle and has been a board member of Norwegian since 1993. He has been the Chairman of the Board since 2009. He was also the Chairman of the Board in the period 1996-2002. Mr. Kise also holds a number of board appointments in large and medium-sized companies in Norway and abroad.

Board Member - Liv Berstad
Liv Berstad is a Business economist from BI Norwegian School of Management and is today the Managing Director for the clothing company KappAhl in Norway. Liv Berstad has extensive experience from retail trade in the Nordic region, mainly from construction material, fashion and cosmetics. She joined KappAhl as their financing manager in 1990 and in 1996 she was made Managing Director. Ms. Berstad also holds directorships in Expert.

Board Member – Ada Kjeseth
Ada Kjeseth was educated at The Norwegian School of Economics and has been CEO of Tekas Shipping AS since 2006. She has also been CEO and is now Executive Chairman of Tekas AS, a family investment company. She has held various leading roles as Managing Director, CEO and CFO in companies like Visma Services ASA, Visma Services Norway AS, ØkonomiPartner AS and AS Nevi. Kjeseth has extensive experience from several boards. She is Chairman of the Board of OBOS Skadeforsikring AS and TEKAS AS and Director of the Board of Bertel O. Steen Holding AS and Raget AS.

Board Member – Christian Fredrik Stray
Christian Fredrik Stray holds a Bachelor of Science in Biomedical Engineering & Pre Med and an executive MBA from ESCP-EAP (Paris) and the Norwegian School of Management (BI). He is founder and has been CEO of Apriori Consulting since 2015, where he is currently developing two new Norwegian medtech companies (HyPro AS and Joint Biomed AS) as interim CEO. Prior to this he has several years of experience from the global medical device company, Biomet. From 2008-2011 he held the position as Managing Director of Biomet Norge, and from 2011-2014 as Regional Vice President of Biomet Nordic. Stray has and has had several board appointments for companies both in Norway and Scandinavia, primarily within the medical industry.

Board Member, Employee representative - Linda Olsen
Linda Olsen joined Norwegian in February 2006, after studying tourism management in Australia. She is a legal office assistant and currently works as a senior advisor in Customer Relations. Ms. Olsen is also at the board of HK, a union started in cooperation with the Norwegian Union for Commerce and Office Employees.

Board Member, Employee representative - Thor Espen Bråten
Mr. Bråten joined Norwegian in 2005 and works as a Captain. He received his airline pilot training in Norway and Sweden. Bråten has held management positions ranging from Base Manager to Managing Director for a number of regional and international airlines. He also has extensive experience from aircraft acquisitions, lease and aircraft remarketing.
Board Member, Employee representative - Kenneth Utsikt
Kenneth Utsikt is cabin crew administrator in Norwegian. He has worked for Norwegian since 2004 and was the leader for Norwegian Cabin Union from 2009-2012. He has been elected in Enebakk municipality since 1999 and has held numerous local positions as a politician. Prior to joining Norwegian, Kenneth Utsikt worked in the service industry.

Group Management

Bjørn Kjos, Chief Executive Officer
Mr. Kjos is a Law graduate of the University of Oslo. He was a fighter pilot in the 334 squadron for six years. Mr. Kjos has 20 years’ experience from legal practice, and was granted the right of audience in the Supreme Court in 1993. He is one of the founding partners of Norwegian Air Shuttle and was the Chairman of the Board between 1993-1996. Kjos was also Chairman during the start-up period of the Boeing 737 operation from June-September 2002. Mr. Kjos has been the Chief Executive Officer in Norwegian since October 2002.

Frode E. Foss, Chief Financial Officer
Mr. Foss is a Master of Business Administration graduate and holds a Master of Science Degree in Finance from UW, USA. He received his Financial Analyst charter in 2002 (CFA). Foss has eight years experience from auditing and management consulting services with Arthur Andersen and Ernst & Young. Mr. Foss has been the Chief Financial Officer of Norwegian since he joined the company in 2002. Foss is a member of the Board of Directors of Norwegian Finance Holding ASA (Bank Norwegian).

Asgeir Nyseth, CEO Norwegian Air UK Ltd.
Mr. Nyseth conducted officer training school and technical education at the Norwegian Air Force. Mr. Nyseth has extensive experience as an aeronautics engineer from both Lufttransport and Scandinavian Airlines. He was the technical director of Lufttransport for a period of three years and was made the CEO of Lufttransport in 2000. Nyseth started as Norwegian's Chief Operational Officer in 2006 and CEO of Norwegian's long-haul operation in 2013.

Geir Steiro, COO Norwegian Air Shuttle ASA
Geir Steiro has a degree in mechanical engineering, is a certified aircraft mechanic and has completed several management courses. He has worked in the technical department of several airlines, and has held several managerial positions. Geir Steiro began working for Norwegian in 2013 as Technical Director, and was shortly after appointed COO, taking over the responsibility for the company's 737 operation. Before he came to Norwegian, Geir Steiro worked at Aker Solutions Subsea AS, and has previous experience from NSB and SAS.

Anne-Sissel Skånvik, SVP Corporate Communications
Anne-Sissel Skånvik has more than 30 years of experience working with corporate communications and journalism. She holds a Master degree in political science ("Cand. Polit") from the University of Oslo and also has a degree in journalism. Skånvik was the Deputy Director General in The Ministry of Finance between 1996 - 2004 and has worked as a journalist for many years for various Norwegian newspapers. Skånvik joined Norwegian in 2009 and came to Norwegian from a position as Senior Vice President in Telenor ASA, where she was responsible for corporate communications and governmental relations.

Thomas Ramdahl, Chief Commercial Officer
Thomas Ramdahl has a bachelor’s degree from the Norwegian Business School (BI). He has extensive experience in the aviation industry. Mr. Ramdahl has been Norwegian's Director of Network Development and part of the company's commercial management team since 2008, before becoming Chief Commercial Officer in 2014. He has previously worked for SAS and Braathens, where he has held positions in Revenue Management, Route Management and Charter.

Gunnar Martinsen, SVP Human Resources
Gunnar Martinsen was part of the start up team of Norwegian in 1993 and joined Norwegian Air Shuttle ASA in 2002 as Senior Vice President of Human Resources and Organizational Development. Mr. Martinsen has extensive experience from organizational development and human resources from several industries, among others as a management consultant. Prior to his position in Norwegian, he has held HR leadership roles in different companies, such as Busy Bee of Norway and Radisson SAS. He has a degree from the Norwegian Business (BI). Mr. Martinsen is also a member of the Supervisory Council in Bank Norwegian.
Frode Berg, Chief Legal Officer
Frode Berg holds a Law degree and a Bachelor Degree in Economics from the University of Tromsø, Norway, and a Master’s Degree (LL.M) from the University of Cambridge, England. He has practiced as a lawyer since 1997 and was as a partner of law firm Simonsen Vogt Wiig from 2007. As a lawyer, Mr. Berg’s main fields have been corporate law, transactions and international contracts. He was legal advisor to Norwegian during the start-up phase, as well as during the establishment of Bank Norwegian. Mr. Berg has been Chief Legal Officer of Norwegian since February 2013.

Dag Skage, Chief Information Officer
Dag Skage has an MSc in Business from the Norwegian Business School (BI) and with additional education in IT management and project management (Master of Management from BI). Skage has extensive experience in the consulting industry, particularly related to areas of IT management, portfolio management, sourcing and change management. Prior to assuming the position as IT Director in Norwegian in October 2014, he was a Director in Ernst & Young's IT consulting department. He also has previous consulting and management experience from, among others BearingPoint and Andersen Business Consulting.

Tore K. Jenssen, CEO & Accountable Manager, Norwegian Air International Ltd.
Tore Jenssen has a business degree (siviløkonom) from Bodø Graduate School of Business. He is Chief Executive Officer for Norwegian’s Irish airline operations (NAI) and Chief Executive Office of the fully owned asset company, Arctic Aviation Assets (AAA). He has been at Norwegian since 2007, when he was hired as Cost Controller for the Technical department. From 2010 Jenssen worked as Asset Manager, and in 2013 he moved to Ireland and became Chief Operating officer for Arctic Aviation Assets Ltd., a position he still holds today as well as being Chief Executive Officer of NAI. Before he started his career at Norwegian he worked for Grilstad.

Edward Thorstad, SVP Customer Relations
Edward Thorstad is Chief Customer Officer at Norwegian. He has been part of commercial management and led Norwegian's Customer Services department since 2005. Thorstad has extensive experience from the aviation industry, having previously worked for Delta Air Lines where he helped build their European call center in London. He has a Bachelor degree from University College, London.

Audit Committee
The Audit Committee was established by the General Assembly in 2010. The Board of Directors recommends deviating from the Code of Practice for Corporate Governance as the full Board of Directors acts as the Company’s audit committee. This is to ensure that nominees meet the requirements of expertise, capacity and diversity set forth by the Board members.

Shares directly or indirectly held by the members of the Board of Directors and Executive Management

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Shares 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bjørn Kise 2)</td>
<td>Chairman</td>
<td>672 062</td>
</tr>
<tr>
<td>Liv Berstad</td>
<td>Board Member</td>
<td>0</td>
</tr>
<tr>
<td>Ada Kjeseth</td>
<td>Board Member</td>
<td>0</td>
</tr>
<tr>
<td>Christian Fredrik Stray</td>
<td>Board Member</td>
<td>0</td>
</tr>
<tr>
<td>Linda Olsen</td>
<td>Board Member -Employee repr</td>
<td>0</td>
</tr>
<tr>
<td>Thor Espen Bråten</td>
<td>Board Member -Employee repr</td>
<td>203</td>
</tr>
<tr>
<td>Kenneth Utsikt</td>
<td>Board Member -Employee repr</td>
<td>410</td>
</tr>
<tr>
<td>Bjørn Kjos 3)</td>
<td>Chief Executive Officer</td>
<td>8 795 873</td>
</tr>
<tr>
<td>Frode Foss</td>
<td>Chief Financial Officer</td>
<td>35 000</td>
</tr>
<tr>
<td>Asgeir Nyseth</td>
<td>CEO Norwegian Air International</td>
<td>12 242</td>
</tr>
<tr>
<td>Geir Steiro</td>
<td>Chief Operating Officer</td>
<td>0</td>
</tr>
</tbody>
</table>
Related party transactions

For information regarding related parties transactions, see the Company’s annual report 2014 note 27 and Q1, Q2 and Q3 2015 interim reports note 5. Please see “Information Incorporated by Reference”.

Business Address

The business address of the members of the Board of Directors and the Executive Management is Oksenøyveien 3, 1366 Lysaker, Norway.

Conflicts of Interest

The members of the Board of Directors or the Executive Management do not have any conflicts or potential conflicts of interest between their duties relating to the Issuer and their private interests and/or their other duties.

Corporate Governance

The Board of Directors of Norwegian recommends deviating from the Code of Practice for Corporate Governance as the full Board of Directors acts as the Company’s audit committee. This is to ensure that nominees meet the requirements of expertise, capacity and diversity set forth by the Board members. The Board of Directors conducts an annual self-assessment of its work competence and cooperation with management and a separate assessment of the Chairman.

Other than the above mentioned, the Company complies with the Norwegian corporate governance regime.

Major Shareholders

The Company’s share capital is NOK 3,575,963.9 fully paid, divided into 35,759,639 shares each with a nominal value of NOK 0.10. One share is equivalent to one voting right. The shares are registered in VPS under ISIN NO0010196140. Norwegian Air Shuttle ASA has been listed on Oslo Børs since December 2003 under the ticker NAS.

Norwegian aims at generating competitive returns to its shareholders. The Board has recommended not to distribute dividends but to retain funds for investment in expansion and other investment opportunities as stated in the articles of association, thereby enhancing profitability and returns to shareholders.

As of 16 November 2015, the Company's 20 largest shareholders were:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Country</th>
<th>Number of shares</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>HBK INVEST AS*</td>
<td>NOR</td>
<td>7,366,873</td>
<td>20.6 %</td>
</tr>
</tbody>
</table>
2. FOLKETRYGDFONDET NOR 3,119,880 8.7%
3. VERDIPAPIRFONDET DNB NORGE (IV) NOR 1,217,669 3.4%
4. SKAGEN VEKST NOR 1,000,000 2.8%
5. DANSE INVESt NORSK INSTIT. II. NOR 888,747 2.5%
6. FERD AS NOR 887,500 2.5%
7. SKAGEN KON-TIKI NOR 800,000 2.2%
8. CLEARSTREAM BANKING S.A. LUX 675,674 1.9%
9. VERDIPAPIRFONDET DNB NORGE SELEKTI NOR 562,424 1.6%
10. DANSE INVESt NORSK AKSJER INST NOR 513,197 1.4%
11. VERDIPAPIRFONDET KLP AKSJENORGE NOR 491,592 1.4%
12. STATOIL PENSIOn NOR 453,931 1.3%
13. VERDIPAPIRFONDET HANDELSBANKEN NOR 390,000 1.1%
14. DNB LIVSFORSIKRING ASA NOR 357,160 1.0%
15. STOREBRAND NORGE I NOR 324,822 0.9%
16. JP MORGAN CHASE BANK, NA SVE 308,462 0.9%
17. KOMMUNAL LANDSPENSJONSKASSE NOR 289,816 0.8%
18. STENSHAGEN INVESt AS NOR 286,142 0.8%
19. DANSE BANK AS MEGLERKONTO INNLAND NOR 267,978 0.7%
20. THE NORTHERN TRUST CO. GBP 255,175 0.7%

Total 20,457,042 57.2%

* HBK Invest AS holds a total of 24.8 per cent of the outstanding shares in Norwegian Air Shuttle ASA, however due to securities lending, the number of shares held may vary from time to time.

Bjørn Kjos holds 76.5 per cent and Bjørn Kise holds 8.2 per cent of HBK invest AS which is the largest shareholder of Norwegian Air Shuttle ASA.

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

There are no arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.
TAXATION

The following is a general description of certain tax considerations relating to the Bonds. It does not purport to be a complete analysis of all tax considerations relating to the Bonds, whether in Norway or elsewhere. Purchasers of Bonds should consult their own tax advisers as to which countries’ tax laws could be relevant to acquiring, holding and disposing of Bonds and receiving payments of interest, principal and/or other amounts under the Bonds and the consequences of such actions under the tax laws of those countries. This general description is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect.

In the following, it is assumed that the Bonds are bearer bonds or debentures (in Norwegian “mengdegjeldsbrev”). In general, debt instruments issued in several with identical text are regarded as bearer bonds/debentures, even if the Bonds are in registered form.

(i) Bondholders who are resident in Norway for tax purposes

Taxation of interest

Payments of interest made by the Issuer are taxable in Norway for Bondholders that are resident in Norway for tax purposes. Interest is taxed as ordinary income - currently at a rate of 27%. This applies irrespective of whether the Norwegian Bondholders are individuals or corporations. Interest is taxed according to a realisation principle: as a main rule in the income year in which the right to interest is acquired (i.e. regardless of when the interest is actually paid). For any Bonds issued with a discount (compared to the nominal value) such discount will be taxed in the year of the realization of the notes. For taxpayers without a statutory obligation to keep accounting records, special provisions apply in case of breach of contract resulting in interest not being paid at the end of the income year. It has been proposed to reduce the applicable tax rate to 25 % as of 1 January 2016.

Taxation upon disposal or redemption of the Bonds

Redemption at the end of the term as well as prior disposal is treated as a realisation of the Bonds and will trigger a capital gain or loss for Norwegian Bondholders. Capital gains will be taxable as ordinary income, subject to the flat rate of 27%. Losses will be deductible in the Norwegian Bondholder's ordinary income, taxed at the same tax rate. It has been proposed to reduce the applicable tax rate to 25 % as of 1 January 2016.

Any capital gain or loss is computed as the difference between the amount received by the Norwegian Bondholder on realisation and the cost price of the Bond. The cost price is equal to the price for which the Norwegian Bondholder acquired the Bonds. Costs incurred in connection with the acquisition and realisation of the Bonds may be deducted from the Norwegian Bondholder's taxable income in the year of the realisation.

Net wealth taxation

The value of the Bonds at the end of each income year will be included in the computation of the Norwegian Bondholder's taxable net wealth for municipal and state net wealth tax purposes. The marginal rate of net wealth tax is currently 0.85%. It has been proposed to reduce the applicable tax rate to 0.80% with effect for the income year 2016.

Limited liability companies and certain similar entities are exempt from net wealth taxation.

Transfer taxes etc. VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, disposal or redemption of the Notes. Further, there is no VAT on transfer of the Notes.

(ii) Bondholders who are not resident in Norway for tax purposes

Bondholders that are not resident in Norway for tax purposes are as a main rule not subject to Norwegian income taxation or Norwegian net wealth taxation in connection with the acquisition, holding and disposal of the Bonds, unless their
investment is linked to a Norwegian Permanent Establishment or any other business conducted in Norway. If the investments is linked to a business undertaking which is taxable in Norway income derived from the Bonds will be taxable as ordinary income – currently at a rate of 27%. It has been proposed to reduce the applicable tax rate to 25% as of 1 January 2016.

Currently there is no withholding tax for Non-resident Noteholders for Bonds issued by a Norwegian issuer with respect to payments to noteholders. However, as part of an ongoing tax reform in Norway it has been proposed to introduce a withholding tax applicable to interest payments made to non-Norwegian Bondholders. The proposal has not been put forward to the Norwegian Parliament, and it has not been decided if, or when, such a proposal will be adopted. To the extent that a proposal to introduce a withholding on payments of interest is adopted, the withholding tax may nevertheless be reduced pursuant to an applicable Tax Treaty.

Non-resident Bondholders should consult with local tax advisors as regards the tax position in their country of residence.

**EU Savings Tax Directive**

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Savings Directive. Pursuant to the Savings Directive and subject to a number of conditions being met, EU member states are required, since 1 July 2005, to provide to the tax authorities of another EU member state, inter alia, details of payments of interest within the meaning of the Savings Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other EU member state or to so-called residual entities established in that other EU member state. For these purposes, the term “paying agent” is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Savings Directive, for the immediate benefit of the beneficial owner.

On 24 March 2014, the Council of EU adopted the Amending Directive, which, when implemented, will amend and broaden the scope of the requirements described above. In particular, the Amending Directive aims at extending the scope of the Savings Directive to new types of savings income and products that generate interest or equivalent income. In addition, tax authorities will be required in certain circumstances to take steps to identify the beneficial owner of interest payments (through a look through approach). The EU member states will have until 1 January 2016 to adopt the national legislation necessary to comply with this Amending Directive and are required to apply these new requirements from 1 January 2017.

The Savings Directive has been repealed in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which EU member states other than Austria will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016.

Investors should inform themselves of, and where appropriate take advice on, the impact of the Savings Directive and the Amending Directive on their investment.

**Common Reporting Standard (CRS)**

The Organisation for Economic Co-operation and Development (OECD) has developed a new global standard for the automatic exchange of financial information between tax authorities – the Common Reporting Standard (CRS). On 29 October 2014 51 jurisdictions, including Norway, signed a multilateral agreement to automatically exchange information under the Standard. Norway has committed to carry out the first exchange of financial information in 2017. The requirements, when finalised, may impose additional burdens and costs on the Issuer and Bondholders as the Issuer may be, subject to certain exceptions, required to obtain (among other things) confirmation of the tax residency, tax identification number and CRS classification of Bondholders in order to fulfil its own legal obligations.

**Foreign Account Tax Compliance Act (FATCA)**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("FATCA") impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "FFI" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("IRS") to provide the IRS with certain information in respect of its
account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer (a "Recalcitrant Holder").

The new withholding regime is now in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "grandfathering date", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified after the grandfathering date, and (ii) any Bonds characterised as equity for U.S. federal tax purposes whenever issued. If Bonds are issued on or before the grandfathering date, and additional Bonds of the same series are issued after that date, the additional Bonds may not be treated as grandfathered, which may have negative consequences for the existing Bonds, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "IGA"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (any law implementing an IGA) (any such withholding being "FATCA Withholding") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Norway have entered into an agreement (the "US-Norway IGA") based largely on the Model 1 IGA.

The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Bonds.

EU financial transaction tax

On 14 February 2013, the European Commission published the Commission's Proposal for a Directive, for a financial transaction tax (FTT) to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, "established" in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

Joint statements issued by participating member states indicate an intention to implement the FTT by 1 January 2016. However, the FTT proposal remains subject to negotiation between the participating member states and the scope of any such tax is uncertain. Additional EU member states may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.
SUBSCRIPTION AND SALE

United States

The Bonds have not been, and will not be, registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in a transaction not subject to, or pursuant to an exemption from, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("Regulation S").

The Bonds are being offered and sold outside the United States to non-US persons in reliance on Regulation S. Each Joint Lead Manager has agreed that, except as permitted by the mandate agreement with the Issuer, it will not offer or sell the Bonds (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering of the Bonds and the closing date for such offering, within the United States, or to, or for the account or benefit of, US persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period (as defined in Regulation S) a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, US persons.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds into or within the United States by a dealer (whether or not such dealer is participating in the offering of the Bonds) may violate the registration requirements of the Securities Act.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Joint Lead Manager has represented and agreed that, with effect from and including the date on which the Prospectus Directive was implemented in that Relevant Member State, it has not made and will not make an offer of the Bonds which are the subject of the offering contemplated by this Listing Prospectus to the public in that Relevant Member State other than:

(a) to a legal entity which is a qualified investor as defined in the Prospectus Directive; or
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Joint Lead Manager or Managers nominated by the Issuer for any such offer; or
(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Bonds shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer of Notes to the public" in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each of the Joint Lead Managers has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything
done by it in relation to any Bonds in, from or otherwise involving the United Kingdom.

Canada
The Bonds may not be purchased by, or for the benefit of, persons resident in Canada.

Switzerland
The Listing Prospectus is not intended to constitute a public offer or solicitation to purchase or invest in the Bonds
described herein. The Bonds may not be publicly offered, sold or advertised, directly or indirectly, in, into or from
Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in
Switzerland. The Listing Prospectus does not constitutes a prospectus as such term is understood pursuant to article 652a
or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX
Swiss Exchange or any other regulated trading facility in Switzerland, and the Listing Prospectus may not be publicly
distributed or otherwise made publicly available in Switzerland.
DOCUMENTS ON DISPLAY AND INFORMATION INCORPORATED BY REFERENCE

Documents on display
For the life of this Listing Prospectus, the following documents (or copies thereof), where applicable, may be physically inspected at the principal office of Norwegian at Oksenøyveien 3, 1336 Lysaker, Norway (telephone number +47 67 59 30 00):

- The Company’s Memorandum and Articles of Association;
- All reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Company’s request, any part of which is included or referred to in this Listing Prospectus;
- The historical financial information of the Company and its subsidiary undertakings for each of the two financial years preceding the publication of this Listing Prospectus.

Information incorporated by reference
A complete overview of the Company’s subsidiaries is incorporated by reference to the 2014 annual report note 25.

Information regarding related parties transactions is incorporated by reference to the Company’s annual report 2014 note 27 and Q1, Q2, and Q3 2015 interim reports note 5.

In this Listing Prospectus the financial information is incorporated by reference as follows:

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<td>Norwegian Air Shuttle ASA - Group</td>
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The financial reports are available at:


Q3 2014:
Q4 2014:
Q1 2015:
Q2 2015:
Q3 2015:
ANNEX A: BOND AGREEMENT

BOND AGREEMENT

between

NORWEGIAN AIR SHUTTLE ASA
(Issuer)

and

Nordic Trustee ASA
(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

7.25 per cent Norwegian Air Shuttle ASA Senior Unsecured Bond Issue
2015/2019
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This agreement has been entered into on 9 December 2015 between

(1) Norwegian Air Shuttle ASA, a company existing under the laws of Norway with registration number 965 920 358, as issuer (the “Issuer”), and

(2) Nordic Trustee ASA, a company existing under the laws of Norway with registration number 963 342 624, as bond trustee (the “Bond Trustee”).

1 Interpretation

1.1 Definitions

In this Bond Agreement, the following terms shall have the following meanings:

“Account Manager” means a Bondholder’s account manager in the Securities Depository.

“Airleasing Transactions” means customary airleasing transactions in accordance with the established practice of the Issuer or the Group.

“Arctic Aviation” means Arctic Aviation Assets Limited a company existing under the laws of Ireland with business registration number 531191.

“Attachment” means each of the attachments to this Bond Agreement.

“Bond Agreement” means this bond agreement, including the Attachments, each as amended from time to time.

“Bond Defeasance” shall have the meaning given to it in Clause 18.2.

“Bond Issue” means the bond issue constituted by the Bonds.

“Bondholder” means a holder of Bond(s), as registered in the Securities Depository, from time to time.

“Bondholders’ Meeting” means a meeting of Bondholders, as set out in Clause 16.

“Bonds” means the debt instruments issued by the Issuer pursuant to this Bond Agreement.

“Book Equity” means the aggregate book value (on a consolidated basis) of the Group’s total equity in accordance with GAAP, as set out in the then most recent audited consolidated annual financial statements (or, if more recent, the latest Interim Accounts) of the Issuer.
“Business Day” means any day on which commercial banks in Norway are open for general business, and can settle foreign currency transactions in Norway and also TARGET (the Trans-European Automated Real-time Gross settlement Express Transfer System) is open.

“Business Day Convention” means that no adjustment will be made, notwithstanding the Payment Date occurs on a day that is not a Business Day, and if such date is not a Business Day, payments of interest and/or principal (as the case may be) will be made on the first following day that is a Business Day (No Adjustments of Business Day).

“Change of Control Event” means if any person or group (as such term is defined in the Norwegian Limited Liability Companies Act § 1-3), in aggregate becomes the owner of 50.00% or more of the outstanding shares and/or voting capital of the Issuer.

“De-Listing Event” means an event where the Issuer’s shares are de-listed from Oslo Børs.

“Decisive Influence” means a person having, as a result of an agreement or through the ownership of shares or interests in another person:

(a) a majority of the voting rights in that other person; or  
(b) a right to elect or remove a majority of the members of the board of directors of that other person.

When determining the relevant person’s number of voting rights in the other person or the right to elect and remove members of the board of directors, such voting rights or election rights held by the parent company of the relevant person and the parent company’s Subsidiaries shall be included.

“Defeasance Security” shall have the meaning given to it in Clause 18.2.1 (a).

“Distribution” shall have the meaning given to it in Clause 13.3(i).

“EUR” means Euro, being the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

“Event of Default” means the occurrence of an event or circumstance specified in Clause 15.1.

“Exchange” means (i) a securities exchange or other reputable regulated market, or (ii) Oslo Børs ASA’s Nordic ABM, on which the Bonds are listed, or where the Issuer has applied for listing of the Bonds.

“Face Value” means the denomination of each of the Bonds, as set out in Clause 2.2.

“Finance Documents” means (i) this Bond Agreement, (ii) the agreement between the Bond Trustee and the Issuer referred to in Clause 14.2, and (iii) any other
document the Issuer and the Bond Trustee agree in writing to be a Finance Document.

“Financial Indebtedness” means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account); and

(h) without double counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (g) above.

“Financial Statements” means the audited annual financial statements of the Issuer for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and report from the Board of Directors.

“Fixed Rate” shall have the meaning ascribed to such term in Clause 9.1.

“GAAP” means the generally accepted accounting principles, practices and standards in the country in which the Issuer is incorporated including, if applicable, the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

“Group” means the Issuer and its Subsidiaries from time to time (each a “Group Company”).

“Interest Payment Date” means 11 June and 11 December each year up to and including the Maturity Date. Any adjustment will be made according to the Business Day Convention.
“**Interim Accounts**” means the unaudited financial statements of the Issuer for the relevant interim period, as applicable, drawn up according to GAAP.

“**ISIN**” means International Securities Identification Number – the identification number of the Bond Issue.

“**Issue Date**” means 11 December 2015.

“**Issuer’s Bonds**” means any Bonds owned by the Issuer, any person or persons who has Decisive Influence over the Issuer, or any person or persons over whom the Issuer has Decisive Influence.

“**Liquidity**” means the aggregate book value of the Group’s freely available and unrestricted cash and cash equivalents (on a consolidated basis).

“**Manager**” means the managers for the Bond Issue, being Danske Bank Markets, Norwegian Branch, DNB Markets, a part of DNB Bank ASA and Skandinaviska Enskilda Banken AB (publ) (“SEB”).

“**Material Adverse Effect**” means a material adverse effect on: (a) the Issuer’s ability to perform and comply with its obligations under any of the Finance Documents; or (b) the validity or enforceability of any of the Finance Documents.

“**Material Disposal Event**” means an event where the Issuer no longer owns (directly or indirectly) more than 50% of the shares in Arctic Aviation.

“**Maturity Date**” means 11 December 2019. Any adjustment will be made according to the Business Day Convention.

“**NOK**” means Norwegian kroner, being the lawful currency of Norway.

“**Outstanding Bonds**” means the Bonds not redeemed or otherwise discharged.

“**Party**” means a party to this Bond Agreement (including its successors and permitted transferees).

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent in the Securities Registry with respect to the Bonds.

“**Payment Date**” means a date for payment of principal or interest under this Bond Agreement.

“**Securities Depository**” means the securities depository in which the Bond Issue is registered, being Verdipapirsentralen ASA (VPS) in Norway.

“**Security**” means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Stamdata**” means the web site www.stamdata.no, maintained by the Bond Trustee.
“Subsidiary” means an entity over which another entity or person has a determining influence due to (i) direct and indirect ownership of shares or other ownership interests, and/or (ii) agreement, understanding or other arrangement. An entity shall always be considered to be the subsidiary of another entity or person if such entity or person has such number of shares or ownership interests so as to represent the majority of the votes in the entity, or has the right to vote in or vote out a majority of the directors in the entity.

“Tap Issue” means subsequent issues after Issue Date up to the maximum amount described in Clause 2.2.1.


“Voting Bonds” means the Outstanding Bonds less the Issuer’s Bonds.

1.2 Construction

In this Bond Agreement, unless the context otherwise requires:

(a) headings are for ease of reference only;
(b) words denoting the singular number shall include the plural and vice versa;
(c) references to Clauses are references to the Clauses of this Bond Agreement;
(d) references to a time is a reference to Oslo time;
(e) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings, judgments and other binding decisions relating to such provision or regulation;
(f) an Event of Default is “continuing” if it has not been remedied or waived; and
(g) references to a “person” shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

2 The Bonds

2.1 Binding nature of this Bond Agreement

2.1.1 By virtue of being registered as a Bondholder (directly or indirectly) with the Securities Depository, the Bondholders are bound by the terms of this Bond Agreement and any other Finance Document, without any further action required to be taken or formalities to be complied with, see also Clause 18.1.

2.1.2 This Bond Agreement is available to anyone and may be obtained from the Bond Trustee or the Issuer. The Issuer shall ensure that this Bond Agreement is available to
the general public throughout the entire term of the Bonds. This Bond Agreement may be published on Stamdata or such other venues as decided by the Bond Trustee.

2.2 The Bonds

2.2.1 The Issuer has resolved to issue a series of Bonds in the maximum amount of EUR 250,000,000 (Euro twohundredandfiftymillion). The Bond Issue may comprise one or more tranches issued on different issue dates. The first tranche will be in the amount of EUR 125,000,000 (Euro onehundredandtwentyfivemillion).

The Face Value is EUR 100,000. The Bonds shall rank pari passu between themselves.

The Bond Issue will be described as “7.25 per cent Norwegian Air Shuttle ASA Senior Unsecured Bond Issue 2015/2019”.

The ISIN of the Bond Issue will be NO 001 0753437.

The tenor of the Bonds is from and including the Issue Date to the Maturity Date.

2.2.2 The Bond Issue is a Tap Issue under which subsequent issues may take place after the Issue Date up to the maximum amount described in Clause 2.2.1, running from the Issue Date and to be closed no later than 5 Business Days prior to the Maturity Date.

All Bonds (including those issued pursuant to the first tranche and any Tap Issues) will be subject to identical terms in all respects. The rights and obligations of all parties to the Bond Agreement also apply for later Tap Issues. The Bond Trustee will on the issuing of additional Tap Issues make an addendum to the Bond Agreement regulating the conditions for such Tap Issue.

2.3 Purpose and utilization

The net proceeds of the Bonds shall be employed for general corporate purposes in support of the growth of the Group.

3 Listing

3.1 The Issuer shall apply for listing of the Bonds on Oslo Børs.

3.2 If the Bonds are listed, the Issuer shall ensure that the Bonds remain listed until they have been discharged in full.

4 Registration in the Securities Depository

4.1 The Bond Issue and the Bonds shall prior to disbursement be registered in the Securities Depository according to the Norwegian Securities Depository Act (Act 2002/64) and the terms and conditions of the Securities Depository.

4.2 The Issuer shall ensure that correct registration in the Securities Depository is made and shall notify the Securities Depository of any changes in the terms and conditions of this Bond Agreement. The Bond Trustee shall receive a copy of the notification. The registration may be executed by the Paying Agent.
The Bonds have not been registered under the US Securities Act, and the Issuer is under no obligation to arrange for registration of the Bonds under the US Securities Act.

5

Purchase and transfer of Bonds

5.1 Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with applicable local laws and regulations at its own cost and expense.

5.2 Notwithstanding the above, a Bondholder which has purchased the Bonds in breach of applicable mandatory restrictions may nevertheless utilize its rights (including, but not limited to, voting rights) under this Bond Agreement.

6

Conditions Precedent

6.1 Disbursement of the net proceeds of the first tranche of the Bonds to the Issuer will be subject to the Bond Trustee having received the documents listed below, in form and substance satisfactory to it, at least two Business Days prior to the Issue Date:

(a) this Bond Agreement, duly executed by all parties thereto;

(b) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents;

(c) a power of attorney from the Issuer to relevant individuals for their execution of the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals’ authorisation to execute the Finance Documents on behalf of the Issuer;

(d) certified copies of (i) the Certificate of Incorporation or other similar official document for the Issuer, evidencing that it is validly registered and existing and (ii) the Articles of Association of the Issuer;

(e) the Issuer’s latest Financial Statements and Interim Accounts (if any);

(f) confirmation from the Manager that the requirements set out in Chapter 7 of the Norwegian Securities Trading Act (implementing the EU prospectus directive (2003/71 EC) concerning prospectuses have been fulfilled;

(g) to the extent necessary, any public authorisations required for the Bond Issue;

(h) confirmation that the Bonds have been registered in the Securities Depository;

(i) the Bond Trustee fee agreement set out in Clause 14.2, duly executed;
copies of any written documentation used in the marketing of the Bonds or made public by the Issuer or the Manager in connection with the Bond Issue; and

any statements or legal opinions reasonably required by the Bond Trustee (including any capacity corporate opinions for the Issuer and opinions related to the validity, perfection and enforceability of the Finance Documents).

6.2 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set out in Clause 6.1.

6.3 Disbursement of the net proceeds from the Bonds is subject to the Bond Trustee’s written notice to the Issuer, the Manager and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

6.4 On the Issue Date, subject to receipt of confirmation from the Bond Trustee pursuant to Clause 6.3, the Manager shall make the net proceeds from the first tranche of the Bond Issue available to the Issuer.

6.5 The Issuer may issue Tap Issues provided that (i) the amount of the aggregate of (a) the Outstanding Bonds prior to such Tap Issue and (b) the requested amount for such Tap Issue shall not exceed the maximum issue amount as stated in Clause 2.2.1 (ii) no Event of Default has occurred or would occur as a result of the making of such Tap Issue, (iii) the Issuer confirms that the documents earlier received by the Bond Trustee, c.f. Clause 6.1, are still valid, or provides updates of such documents to the Bond Trustee, (iv) the representations and warranties contained in this Bond Agreement remain true and correct and are repeated by the Issuer, and (v) that such Tap Issue is in compliance with applicable laws and regulations as of the time of such Tap Issue.

7 Representations and Warranties

7.1 The Issuer represents and warrants to the Bond Trustee that unless the Issuer and the Bond Trustee or the Bondholders' Meeting in writing have agreed to otherwise:

(a) Status

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

(b) Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

(c) Valid, binding and enforceable obligations

This Bond Agreement and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its
legal, valid and binding obligations, enforceable in accordance with their respective
terms, and (save as provided for therein) no further registration, filing, payment of
tax or fees or other formalities are necessary or desirable to render the said
documents enforceable against it.

(d) Non-conflict with other obligations

The entry into and performance by it of this Bond Agreement and any other Finance
Document to which it is a party and the transactions contemplated thereby do not and
will not conflict with (i) any law or regulation or judicial or official order; (ii) its
constitutional documents; or (iii) any agreement or instrument which is binding upon
it or any of its assets.

(e) No Event of Default

(i) No Event of Default exists or is likely to result from the making of any
drawdown under this Bond Agreement or the entry into, the performance of,
or any transaction contemplated by, any Finance Document.

(ii) No other event or circumstance is outstanding which constitutes (or with the
expiry of a grace period, the giving of notice, the making of any
determination or any combination of any of the foregoing, would constitute)
a default or termination event (howsoever described) under any other
agreement or instrument which is binding on it or any of its Subsidiaries or
to which its (or any of its Subsidiaries') assets are subject which has or is
likely to have a Material Adverse Effect.

(f) Authorizations and consents

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings,
notarizations or registrations required:

(i) to enable it to enter into, exercise its rights and comply with its obligations
under this Bond Agreement or any other Finance Document to which it is a
party; and

(ii) to carry on its business as presently conducted and as contemplated by this
Bond Agreement,

have been obtained or effected and are in full force and effect.

(g) Litigation

No litigation, arbitration or administrative proceedings or investigations of or before
any court, arbitral body or agency which, if adversely determined, is likely to have a
Material Adverse Effect have (to the best of its knowledge and belief) been started or
threatened against it or any of its Subsidiaries.

(h) Financial Statements

Its most recent Financial Statements and Interim Accounts fairly and accurately
represent the assets and liabilities and financial condition as at their respective dates,
and have been prepared in accordance with GAAP, consistently applied.
(i) No Material Adverse Effect
Since the date of the most recent Financial Statements, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

(j) No misleading information
Any factual information provided by it to the subscribers or the Bond Trustee for the purposes of this Bond Issue was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(k) No withholdings
The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under this Bond Agreement.

(l) Pari passu ranking
Its payment obligations under this Bond Agreement or any other Finance Document to which it is a party rank at least pari passu as set out in Clause 8.1.

(m) Security
No Security exists over any of the present assets of any Group Company in conflict with this Bond Agreement.

7.2 The representations and warranties set out in Clause 7.1 are made on the execution date of this Bond Agreement, and shall be deemed to be repeated on the Issue Date.

8 Status of the Bonds and security

8.1 The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank at least pari passu with all other debt obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of existing and future subordinated debt.

8.2 The Bonds are unsecured.

9 Interest

9.1 The Issuer shall pay interest on the par value of the Bonds from, and including, the Issue Date at a fixed rate of seven point twentyfive per cent. (7.25%) per annum (the “Fixed Rate”).

9.2 Interest payments shall be made in arrears on the Interest Payment Dates each year, the first Interest Payment Date being 11 June 2016.
9.3 The relevant interest payable amount shall be calculated based on a period from, and including, the Issue Date to, but excluding, the next following applicable Interest Payment Date, and thereafter from, and including, that Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.

9.4 The day count fraction ("Fixed Rate Day Count Fraction") in respect of the calculation of the payable interest amount shall be "30/360", which means that the number of days in the calculation period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-days months (unless (i) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the calculation period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

9.5 The payable interest amount per Bond for a relevant calculation period shall be calculated as follows:

\[
\text{Interest Amount} = \text{Face Value} \times \text{Fixed Rate} \times \text{Fixed Rate Day Count Fraction}
\]

10 Maturity of the Bonds and Redemption

10.1 Maturity

The Bonds shall mature in full on the Maturity Date, and shall be repaid at par (100%) by the Issuer.

10.2 Change of control, de-listing and certain disposals

10.2.1 Upon the occurrence of a Change of Control Event, a De-Listing Event or a Material Disposal Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a "Put Option") at a price of 101% of par plus accrued interest.

10.2.2 The Put Option must be exercised within 60 days after the Issuer has given notification to the Bond Trustee of a Change of Control Event, a De-Listing Event or a Material Disposal Event. Such notification shall be given as soon as possible after a Change of Control Event, a De-Listing Event or a Material Disposal Event has taken place.

10.2.3 The Put Option may be exercised by each Bondholder by giving written notice of the request to its Account Manager. The Account Manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third Business Day after the end of the 60 days exercise period of the Put Option.

10.2.4 On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond (including any premium pursuant to Clause 10.2.1) and any unpaid interest accrued up to (but not including) the settlement date.
11 Payments

11.1 Covenant to pay

11.1.1 The Issuer will on any Payment Date (or any other due date pursuant to any Finance Document) unconditionally pay to or to the order of the Bond Trustee all amounts due under this Bond Agreement or any other Finance Document.

11.1.2 The covenant contained in Clause 11.1.1 shall be for the benefit of the Bond Trustee and the Bondholders.

11.2 Payment mechanics

11.2.1 If no specific order is made by the Bond Trustee under Clause 11.1.1, the Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.

11.2.2 Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but if the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question, see however Clause 11.3.

11.2.3 In case of irregular payments, the Bond Trustee may instruct the Issuer, the Bondholders or others of other payment mechanisms than described in Clause 11.2.1 or 11.2.2 above. The Bond Trustee may also obtain payment information regarding Bondholders’ accounts from the Securities Depository or Account Managers.

11.2.4 Subject to Clause 11.3, payment by the Issuer in accordance with this Clause 11.2 shall constitute good discharge of its obligations under Clause 11.1.1.

11.3 Currency

11.3.1 If the Bonds are denominated in other currencies than NOK, each Bondholder has to provide the Paying Agent (either directly or through its Account Manager) with specific payment instructions, including foreign exchange bank account details. Depending on any currency exchange settlement agreements between each Bondholder’s bank and the Paying Agent, cash settlement may be delayed, and payment shall be deemed to have been made at the date of the cash settlement, provided however, that no default interest or other penalty shall accrue for the account of the Issuer.

11.3.2 Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency as the Bonds are denominated in. If, however, the Bondholder has not given instruction as set out in Clause 11.3 within five Business Days prior to a Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder’s account in the Securities Depository.
11.3.3 Amounts payable in respect of costs, expenses, taxes and other liabilities of a similar nature shall be payable in the currency in which they are incurred.

11.4 *Set-off and counterclaims*

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to this Bond Agreement or any other Finance Document.

11.5 *Interest in the event of late payment*

11.5.1 In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due date at an interest rate equivalent to the interest rate according to Clause 9 plus five percentage points (5.00%) per annum.

11.5.2 The interest charged under this Clause 11.5 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.

11.5.3 The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 15.1(a), cf. Clauses 15.2 - 15.4.

11.6 *Partial payments*

If the Bond Trustee or the Paying Agent receives a payment that is insufficient to discharge all the amounts then due and payable under the Finance Documents, that payment shall be applied in the following order:

(a) first, in or towards payment of any unpaid fees, costs and expenses of the Bond Trustee under the Finance Documents;

(b) secondly, in or towards payment of any accrued interest due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind; and

(c) thirdly, in or towards payment of any principal due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind.

12 *Issuer’s acquisition of Bonds*

The Issuer has the right to acquire and own Bonds (Issuer’s Bonds). The Issuer’s holding of Bonds may at the Issuer’s discretion be retained by the Issuer, sold or discharged.

13 *Covenants*

13.1 *General*
13.1.1 The Issuer undertakes from the date of this Bond Agreement and until such time that no amounts are outstanding under this Bond Agreement or any other Finance Document, to the Bond Trustee, as further set out in this Clause 13.

13.2 *Information Covenants*

13.2.1 The Issuer shall:

(a) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default, any event or circumstance which could reasonably be expected to lead to an Event of Default and any other event which could reasonably be expected to have a Material Adverse Effect;

(b) without being requested to do so, inform the Bond Trustee in writing if the Issuer agrees to sell or dispose of all or a substantial part of its assets or operations other than Airleasing Transactions, or change the nature of its business;

(c) without being requested to do so, prepare Financial Statements and make them available on its website in the English language (alternatively by arranging for publication at Stamdata or, as long as the Issuer's shares or bonds are listed on Oslo Børs, via the distribution system at Oslo Børs) as soon as they become available, and not later than 120 days after the end of the financial year;

(d) without being requested to do so, prepare Interim Accounts for such periods as required by applicable Norwegian law or by Oslo Børs Bond Rules for bond issuers (regardless of whether the Bonds have been listed or not), and make them available on its website in the English language (alternatively by arranging for publication on Stamdata or, as long as the Issuer's shares or bonds are listed on Oslo Børs, via the distribution system at Oslo Børs) as soon as they become available, and not later than 60 days after the end of the relevant interim period covered by such Interim Accounts;

(e) at the request of the Bond Trustee, report the balance of the Issuer’s Bonds;

(f) without being requested to do so, send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer’s share capital or equity;

(g) if the Issuer and/or the Bonds are rated, without being requested to do so, inform the Bond Trustee of its and/or the rating of the Bond Issue, and any changes to such rating;

(h) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond Trustee is entitled to receive such information from the Securities Depository or Paying Agent directly); and
(i) within a reasonable time, provide such information about the Issuer’s business, assets and financial condition as the Bond Trustee may reasonably request.

13.2.2 The Issuer shall in connection with the publication of its financial reports under Clause 13.2.1(c) and (d), confirm to the Bond Trustee in writing the Issuer’s compliance with the covenants in this Clause 13, unless the Bond Trustee explicitly waives such requirement. Such confirmation shall be undertaken in a certificate, substantially in the form set out in Attachment 1 hereto, signed by the Chief Executive Officer or Chief Financial Officer of the Issuer (a “Compliance Certificate”). In the event of non-compliance, the Compliance Certificate shall describe the non-compliance, the reasons therefore as well as the steps which the Issuer has taken and will take in order to rectify the non-compliance.

13.3 General Covenants

(a) Pari passu ranking
The Issuer shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all time rank at least pari passu as set out in Clause 8.1.

(b) Mergers
The Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any other such Group Company with any other companies or entities not being a member of the Group if such transaction would have a Material Adverse Effect.

(c) De-mergers
The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganization involving a split of the Issuer or any other such Group Company into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

(d) Continuation of business
The Issuer shall not cease to carry on its business. The Issuer shall procure that no material change is made to the general nature or scope of the business of the Group from that carried on at the date of this Bond Agreement, or as contemplated by the Bond Agreement, unless such change for any Subsidiary of the Issuer would not have a Material Adverse Effect.

(e) Disposal of business
The Issuer shall not, and shall procure that no other Group Company shall, sell or otherwise dispose of all or a substantial part of the Group’s assets or operations, unless:

(i) the transaction is carried out at fair market value, on terms and conditions customary for such transactions; and

(ii) such transaction would not have a Material Adverse Effect.
Airleasing Transactions shall not constitute a sale or a disposal for the purpose of this Clause 13.3 (e).

(f) **Arm’s length transactions**

The Issuer shall not, and the Issuer shall ensure that no other Group Company shall, enter into any transaction with any person except on arm’s length terms and for fair market value.

(g) **Corporate status**

The Issuer shall not change its type of organization or jurisdiction of incorporation.

(h) **Compliance with laws**

The Issuer shall, and shall ensure that all other Group Companies shall, carry on its business in accordance with acknowledged, careful and sound practices in all aspects and comply in all respects with all laws and regulations it or they may be subject to from time to time. Breach of these obligations shall be regarded as non-compliance only if such breach would have a Material Adverse Effect.

(i) **Dividends or other distributions**

During the term of the Bonds the Issuer shall not within a calendar year make dividend payments, repurchase of shares or make other distributions or loans to its shareholders (including any transaction with a similar effect) (a "Distribution") unless (i) the Book Equity is (and will directly after such Distribution continue to be) higher than NOK 3,000 million; (ii) the Liquidity is (and will directly after such Distribution continue to be) higher than NOK 1,000 million; and (iii) such Distribution (in aggregate with any other Distribution based on the same Financial Statements) constitutes no more than 35 per cent of the net profit after taxes of the Group on a consolidated basis based on the last Financial Statements (any unutilized portion of the permitted dividend pursuant to the above may not be carried forward).

Notwithstanding the above, the Issuer may repurchase shares in connection with any option or similar incentive program of the Issuer in force at any time made for the benefit of the employees and/or management and/or directors of any Group Company.

(j) **Financial Indebtedness**

The Issuer shall not, and shall procure that no other Group Company will, incur any new unsecured debts covered by the definition of Financial Indebtedness items (a) or (c) unless the maturity date for such Financial Indebtedness falls on a date after the Maturity Date. This restriction shall not apply to (i) financing of aircraft in Arctic Aviation or any of its Subsidiaries through a short term credit facility towards any kind of financial institution; (ii) issuing of a new NOK bond issue for the main purpose of raising cash for repayment of preexisting bond issues at their later maturity; (iii) draw down of existing available credit facilities or note purchase facilities; or (iv) utilization of available tap issues under any preexisting bond issues or under this Bond Agreement.
(k) **Negative pledge**

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any shares in Arctic Aviation or any of its Subsidiaries.

13.4 **Financial covenants**

(a) **Minimum Book Equity**

The Issuer shall ensure that the Group, on a consolidated basis, maintains a Book Equity of minimum NOK 1,500 million.

(b) **Liquidity**

The Issuer shall ensure that the Group, on a consolidated basis, maintains minimum Liquidity of NOK 500 million.

The Issuer undertakes to comply with the above financial covenants at all times, such compliance to be certified by the Issuer with each Financial Statement and Interim Account. All financial covenants shall be calculated on a consolidated basis for the Group during the term of the Bonds.

14 **Fees and expenses**

14.1 The Issuer shall cover all costs and expenses incurred by it or the Bond Trustee in connection with this Bond Agreement and the fulfilment of its obligations under this Bond Agreement or any other Finance Document, including in connection with the negotiation, preparation, execution and enforcement of this Bond Agreement and the other Finance Documents and any registration or notifications relating thereto (including any stamp duty), the listing of the Bonds on an Exchange (if applicable), and the registration and administration of the Bonds in the Securities Depository. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Security under a Finance Documents, to set-off and cover any such costs and expenses.

14.2 The fees, costs and expenses payable to the Bond Trustee shall be paid by the Issuer and are set out in a separate agreement between the Issuer and the Bond Trustee.

14.3 Fees, costs and expenses payable to the Bond Trustee which, due to the Issuer’s insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection with the restructuring or default of the Bond Issue and the enforcement of any Finance Document.

14.4 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.

14.5 The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to the Bondholders.
14.6 If the Issuer is required by law to withhold any withholding tax from any payment under any Finance Document:

(a) the amount of the payment due from the Issuer shall be increased to such amount which is necessary to ensure that the Bondholders receive a net amount which is (after making the required withholding) equal to the payment which would have been due if no withholding had been required; and

(b) the Issuer shall at the request of the Bond Trustee deliver to the Bond Trustee evidence that the required tax reduction or withholding has been made.

14.7 If any withholding tax is imposed due to subsequent changes in applicable law after the date of this Bond Agreement, the Issuer shall have the right to call all but not some of the Bonds at par value plus accrued interest. Such call shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least thirty - 30 - Business Days prior to the settlement date of the call.

15 Events of Default

15.1 The Bond Trustee may declare the Bonds to be in default upon occurrence of any of the following events:

(a) Non-payment
The Issuer fails to fulfil any payment obligation due under this Bond Agreement or any Finance Document when due, unless, in the opinion of the Bond Trustee, it is likely that such payment will be made in full within five Business Days following the original due date.

(b) Breach of other obligations
The Issuer does not comply with any provision pursuant to this Bond Agreement or any other Finance Document, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten Business Days after notice thereof is given to the Issuer by the Bond Trustee.

(c) Cross default
If for any Group Company:

(i) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;

(ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);

(iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
(iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above of a total of NOK 75 million, or the equivalent thereof in other currencies, shall apply.

(d) Misrepresentations

Any representation, warranty or statement (including statements in compliance certificates) made under this Bond Agreement or any other Finance Document or in connection therewith is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made.

(e) Insolvency

(i) A Group Company, is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts.

(ii) The value of the assets of any Group Company is less than its liabilities (taking into account contingent and prospective liabilities)

(f) Insolvency proceedings and dissolution

If for any Group Company, any corporate action, legal proceedings or other procedure step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than solvent liquidation or reorganization;

(ii) a composition, compromise, assignment or arrangement with any creditor, having an adverse effect on the Issuer’s ability to perform its payment obligations hereunder; or

(iii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets;

or any analogous procedure or step is taken in any jurisdiction.

This Clause 15.1(f) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within thirty (30) days of commencement.

(g) Creditors’ process

Any Group Company having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in paragraph (c) above and is not discharged within thirty (30) days.
(h) **Impossibility or illegality**

It is or becomes impossible or unlawful for any Group Company to fulfil or perform any of the terms of any Finance Document to which it is a party.

(i) **Material Adverse Change**

Any other event or circumstance occurs which, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, would have a Material Adverse Effect.

15.2 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee can, in order to protect the interests of the Bondholders, declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment.

The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document, including any other contractual and non-contractual claims, that are derived therefrom or in connection therewith.

15.3 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, and subject to remedy by the Issuer of such circumstance within the periods set out therein, the Bond Trustee shall declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment if:

(a) the Bond Trustee receives a demand in writing that a default shall be declared from Bondholders representing at least 1/5 of the Voting Bonds, and the Bondholders’ Meeting has not decided on other solutions, or

(b) the Bondholders’ Meeting has with simple majority decided to declare the Outstanding Bonds in default and due for payment.

In either case the Bond Trustee shall take every measure necessary to recover the amounts due under the Outstanding Bonds.

15.4 In the event that the Bond Trustee pursuant to the terms of Clauses 15.2 or 15.3 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses. The claim derived from the Outstanding Bonds due for payment as a result of an Event of Default shall be calculated at the prices set out in Clause 10.2.

16 **Bondholders’ Meeting**

16.1 **Authority of the Bondholders’ Meeting**

16.1.1 The Bondholders’ Meeting represents the supreme authority of the Bondholders community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited
to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

16.1.2 The Bondholders’ Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

16.1.3 If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders’ Meeting, see however Clause 17.1. Resolutions passed at Bondholders’ Meetings shall be binding upon all Bondholders and prevail for all the Bonds.

16.2 Procedural rules for Bondholders’ meetings

16.2.1 A Bondholders’ Meeting shall be held at the written request of:
(a) the Issuer;
(b) Bondholders representing at least 1/10 of the Voting Bonds;
(c) the Exchange, if the Bonds are listed; or
(d) the Bond Trustee.

16.2.2 The Bondholders’ Meeting shall be summoned by the Bond Trustee. A request for a Bondholders’ Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.

16.2.3 If the Bond Trustee has not summoned a Bondholders’ Meeting within ten Business Days after having received a valid request, then the requesting party may summons the Bondholders’ Meeting itself.

16.2.4 The summons to a Bondholders’ Meeting shall be dispatched no later than ten Business Days prior to the date of the Bondholders’ Meeting. The summons and a confirmation of each Bondholder’s holdings of Bonds shall be sent to all Bondholders registered in the Securities Depository at the time of distribution. The Exchange shall also be informed if the Bonds are listed.

16.2.5 The summons shall specify the agenda of the Bondholders’ Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.

16.2.6 The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders’ Meeting, by serving notice to it to such effect.

16.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders’ Meeting may only be adopted with the approval of all Voting Bonds.
16.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.

16.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the number of Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.

16.2.10 The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.

16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

16.3 Resolutions passed at Bondholders' Meetings

16.3.1 At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Depository. The Bond Trustee may, at its sole discretion, accept other evidence of ownership. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as the Issuer's Bonds. The Issuer's Bonds shall not have any voting rights. For this purpose, a Bondholder that has a Bond that is nominee registered shall be deemed as the Bondholder of such Bond (instead of the nominee) provided that the Bondholder presents relevant evidence stating that the relevant Bondholder is the Bondholder of the Bond and the amount of Bonds held by such Bondholder.

16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.

16.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders’ Meeting, unless otherwise set out in Clause 16.3.5.

16.3.5 A majority of at least 2/3 of the Voting Bonds represented at the Bondholders’ Meeting is required for any waiver or amendment of any terms of this Bond Agreement.

16.3.6 The Bondholders’ Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders’ Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.

16.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders’ Meeting.

16.4 Repeated Bondholders’ Meeting

16.4.1 If the Bondholders’ Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders’ Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders’ Meeting shall be specified in the summons for the repeated Bondholders’ Meeting.

16.4.2 The procedures and resolutions as set out in 16.2 and 16.3 above also apply for a repeated Bondholders’ meeting, however, a valid resolution may be passed at a repeated Bondholders’ Meeting even though less than half (1/2) of the Voting Bonds are represented.

17 The Bond Trustee

17.1 The role and authority of the Bond Trustee

17.1.1 The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders’ Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer’s financial situation beyond what is directly set out in this Bond Agreement.

17.1.2 The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders’ Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it
has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.

17.1.3 The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.

17.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 17.1.3 provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five Business Days following the dispatch of such notification.

17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.

17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

17.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.

17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.

17.1.9 The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.

17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.

17.2 Liability and indemnity

17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or willful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.

17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and
representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee’s actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.

17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.3(a) or 16.2.1(b), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders’ Meeting by the Bond Trustee before the Bond Trustee takes any action.

17.3 Change of Bond Trustee

17.3.1 Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 16. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.

17.3.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 14, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

17.3.3 The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders’ Meeting the documentation and information necessary to perform the functions as set out under the terms of this Bond Agreement.

18 Miscellaneous

18.1 The community of Bondholders

By virtue of holding Bonds, which are governed by this Bond Agreement (which pursuant to Clause 2.1.1 is binding upon all Bondholders), a community exists between the Bondholders, implying, inter alia, that:

(a) the Bondholders are bound by the terms of this Bond Agreement;

(b) the Bond Trustee has power and authority to act on behalf of, and/or represent; the Bondholders, in all matters, included but not limited to taking any legal or other action, including enforcement of the Bond Issue and/or any Security, opening of bankruptcy or other insolvency proceedings;

(c) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and
(d) This Bond Agreement establishes a community between Bondholders meaning that:

(i) the Bonds rank pari passu between each other;
(ii) the Bondholders may not, based on this Bond Agreement, act directly towards, and may not themselves institute legal proceedings against, the Issuer, guarantors or any other third party based on claims derived from the Finance Documents, including but not limited to recover the Bonds, enforcing any Security Interest or pursuing claims against any party as a substitute for damages to the interests under the Finance Documents, regardless of claims being pursued on a contractual or non-contractual basis, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;
(iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;
(iv) the Bondholders may not cancel the Bondholders' community; and
(v) the individual Bondholder may not resign from the Bondholders' community.

18.2 Bond Defeasance

18.2.1 The Issuer may, at its option and at any time, elect to have certain obligations discharged (see Clause 18.2.2) upon complying with the following conditions (the "Bond Defeasance"):

(a) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee, or other security accepted by the Bond Trustee, (the "Defeasance Security") in such amounts as will be sufficient for the payment of principal (including if applicable premium payable upon exercise of a Call Option) and interest on the Outstanding Bonds to Maturity Date (or upon an exercise of a Call Option plus applicable premium) or any other amount agreed between the Parties;

(b) the Issuer shall have delivered to the Bond Trustee a duly signed certificate that the Defeasance Security was not made by the Issuer with the intent of preferring the Bondholders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and

(c) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Bond Defeasance including any statements regarding the perfection and enforceability, rights against other creditors (including any hardening period) and other issues regarding the Defeasance Security.

18.2.2 Upon the exercise by the Issuer of the Bond Defeasance:
(a) the Issuer shall be released from the obligations under all provisions in Clause 13, except Clauses 13.2.1(a), (e), (g), (h) and (i), or as otherwise agreed;

(b) the Issuer shall not (and shall ensure that all Group Companies shall not) take any actions that may cause the value of the Defeasance Security to be reduced, and shall at the request of the Bond Trustee execute, such further actions as the Bond Trustee may reasonably require;

(c) any Guarantor(s) shall be discharged from their obligations under the Guarantee(s), and the Guarantee(s) shall cease to have any legal effect, or as otherwise agreed;

(d) any Security other than the Defeasance Security shall be discharged; and

(e) all other provisions of this Bond Agreement (except (a) – (c) above) shall remain fully in force without any modifications, or as otherwise agreed.

18.2.3 All amounts owed by the Issuer hereunder covered by the Defeasance Security shall be applied by the Bond Trustee, in accordance with the provisions of this Bond Agreement, against payment to the Bondholders of all sums due to them under this Bond Agreement on the due date thereof.

Any excess funds not required for the payment of principal, premium and interest to the Bondholders (including any expenses, fees etc. due to the Bond Trustee hereunder) shall be returned to the Issuer.

18.2.4 if the Bonds are secured, the Defeasance Security shall be considered as a replacement of the Security established prior to the Defeasance Security.

18.3 Limitation of claims

All claims under the Bonds and this Bond Agreement for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of May 18, 1979 No. 18.

18.4 Access to information

18.4.1 This Bond Agreement is available to anyone and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee shall not have any obligation to distribute any other information to the Bondholders or others than explicitly stated in this Bond Agreement. The Issuer shall ensure that a copy of this Bond Agreement is available to the general public until all the Bonds have been fully discharged.

18.4.2 The Bond Trustee shall, in order to carry out its functions and obligations under this Bond Agreement, have access to the Securities Depository for the purposes of reviewing ownership of the Bonds registered in the Securities Depository.

18.5 Amendments
All amendments of this Bond Agreement shall be made in writing, and shall unless otherwise provided for by this Bond Agreement, only be made with the approval of all parties hereto.

18.6 Notices, contact information

18.6.1 Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at Stamdata only. Any such notice or communication shall be deemed to be given or made as follows:

(a) if by letter via the Securities Depository, when sent from the Securities Depository; and

(b) if by publication on Stamdata, when publicly available.

18.6.2 The Issuer’s written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.

18.6.3 Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and the Issuer shall be given or made in writing, by letter, e-mail or fax. Any such notice or communication shall be deemed to be given or made as follows:

(a) if by letter, when delivered at the address of the relevant Party;

(b) if by e-mail, when received; and

(c) if by fax, when received.

18.6.4 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.

18.6.5 When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):

(a) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.

(b) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.

(c) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.
18.7 Dispute resolution and legal venue

18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall be governed by Norwegian law.

18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall, subject to Clause 18.7.3 below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.

18.7.3 Clause 18.7.2 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

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This Bond Agreement has been executed in two originals, of which the Issuer and the Bond Trustee retain one each.

Issuer

By: BJØRN H KISE
Position: CHAIRMAN

Bond Trustee

By: Jørgen Andersen
Position: Advokat/Attorney-at-Law
COMPLIANCE CERTIFICATE

Nordic Trustee ASA
P.O. Box 1470 Vika
N-0116 Oslo
Norway

Fax: + 47 22 87 94 10
E-mail: mail@nordictrustee.no

[date]

Dear Sirs,

NORWEGIAN AIR SHUTTLE ASA BOND AGREEMENT 2015/2019 – ISIN 001 0753437

We refer to the Bond Agreement for the abovementioned Bond Issue made between Nordic Trustee ASA as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer under which a Compliance Certificate shall be issued. This letter constitutes the Compliance Certificate for the period [PERIOD].

Capitalised terms used herein shall have the same meaning as in this Bond Agreement.

With reference to Clause 13.2.2 we hereby certify that:

1. all information contained herein is true and accurate and there has been no change which would have a Material Adverse Effect on the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you.

2. the covenants set out in Clause 13 are satisfied;

3. in accordance with Clause 13.4 (a) the Minimum Book Equity as of [date] is [o];

4. in accordance with Clause 13.4 (b) the Liquidity as of [date] is [o];

Copies of our latest consolidated [Financial Statements] / [Interim Accounts] are enclosed.

Yours faithfully,

NORWEGIAN AIR SHUTTLE ASA

Name of authorized person

Enclosure: [copy of any written documentation]