Norwegian Air Shuttle ASA (NAS)

Q2 2005

August 18, 2005

Oslo
Profitable operation

- 531 MNOK in turnover in Q205, compared to 311 MNOK in Q204
- EBITDA margin of +6%, -12% last year
- EBIT margin of +4.4%

<table>
<thead>
<tr>
<th></th>
<th>Q2 03</th>
<th>Q2 04</th>
<th>Q2 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA MNOK</td>
<td>-12</td>
<td>-38</td>
<td>31</td>
</tr>
<tr>
<td>EBITDA margin %</td>
<td>-6%</td>
<td>-12%</td>
<td>6%</td>
</tr>
</tbody>
</table>
Strong cabin factor

- 46% production increase from Q204 to Q205
- 78% cabin factor in Q205, up from 67% in Q204
- 91% cabin factor in July
  - (87% domestic & 94% international)

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<tr>
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<th>Q2 03</th>
<th>Q2 04</th>
<th>Q2 / 05</th>
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<tbody>
<tr>
<td>Cabin Factor</td>
<td>61%</td>
<td>67%</td>
<td>78%</td>
</tr>
<tr>
<td>ASK (mill)</td>
<td>261</td>
<td>642</td>
<td>940</td>
</tr>
</tbody>
</table>

| PAX (000) | 273 | 572 | 868 |
Yield level maintained

- Yield of NOK 0.73 in Q205, slightly up from Q204 (0.72)
- Yield levels affected by production program
- Upward momentum from positive pricing climate, improved timetable and effective revenue management

% change in Q2/05 vs. Q2/04

- Short dom/Int: 19%
- Long domestic: 2%
- Central Europe: -2%
- Southern Europe: -5%
Cost targets in sight

- Average unit costs of 0.53 NOK in Q2 2005
- Achieved unit costs of 0.50 NOK, when adjusted for fuel price increase Q205 - Q204
- Expected unit cost of 0.53-54 NOK for H205

(*) Percentage decrease ex. fuel price increase Q205 – Q204

Fuel price increase Q205 - Q204 = 0.03 NOK / ASK
Increased fleet utilization

- Aircraft utilization of 9.6 block hours per plane per day, up 26% from Q2 04 (7.6)
Increased crew utilization

- Crew utilization of 761 block hours per crew per year, up 18% from Q204
- Pilot and CA utilization increased respectively with 13% and 21% from Q204
Lower distribution costs

- Distribution costs per sold ticket of NOK 20, down 46% from Q204 (NOK 37)
- 75% internet sale, up 8%-points from Q204
- Initiative in cooperation with Amadeus is expected to bring costs even further down

![Bar chart showing distribution costs](chart.png)
Positive cash flow

- Cash-balance of 233 MNOK
- Positive net change of 48 MNOK
- Prepaid tickets of 302 MNOK, receivables of 140 MNOK

<table>
<thead>
<tr>
<th>CASH FLOW (MNO)</th>
<th>2nd quarter</th>
<th>First half</th>
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</thead>
<tbody>
<tr>
<td>Operation activities</td>
<td>61 418</td>
<td>738</td>
</tr>
<tr>
<td>Investments</td>
<td>-13 559</td>
<td>-8 243</td>
</tr>
<tr>
<td>Financial activities</td>
<td>3 682</td>
<td>4</td>
</tr>
<tr>
<td>Net change</td>
<td>47 859</td>
<td>-3 824</td>
</tr>
<tr>
<td>Opening balance</td>
<td>185 572</td>
<td>324 407</td>
</tr>
<tr>
<td>Closing balance</td>
<td>233 431</td>
<td>320 583</td>
</tr>
</tbody>
</table>
Sound pricing climate

Consumer price index, domestic air-fares

- Oil price < USD 20
- Oil price USD 67

Source, SSB
Continued expansion

- Expected production increase versus 2004 going forward in 2nd half 05 and Q106, is in the magnitude of 40-45 %
- Mainly from international expansion
Expectations maintained

Expected business environment:
- Continued market increase from low prices
- Price competition at current levels
- Fuel prices at current levels

Expected results:
- Unit cost of 53-54 øre / ASK for H2 05
- Positive operating earnings (EBITDA) for full year 2005