

NORWEGIAN AIR SHUTTLE ASA

FOURTH QUARTER AND FULL YEAR REPORT 2012



HIGHLIGHTS

- Fourth quarter revenue up by 22% to MNOK 3,105 (2,536), full year revenue up by 22% to MNOK 12,859 (10,532).
- Fourth quarter RASK up 3% to 0.42, where yield was up 6% to 0.54 and load factor was down 2 percentage points to 77%. Full year RASK up by 4% to 0.43, where yield was up 5% to 0.55 and load factor was down 1 percentage point to 79%.
- Earnings before depreciation and leasing (EBITDAR) in fourth quarter were MNOK 296 (216), full year MNOK 1,822 (1,540).
- Earnings before depreciation and amortization (EBITDA) in fourth quarter were MNOK 53 (2), full year MNOK 789 (MNOK 710).
- Earnings before tax (EBT) in fourth quarter were MNOK 23 (-188), full year MNOK 623 (167).
- The number of passengers in fourth quarter was 4.37 mill. (+10%), full year 17.69 mill. (+13%).
- Unit cost in fourth quarter was NOK 0.47 (0.46) and NOK 0.47 (0.45) for full year. Unit cost excluding fuel and effects from other losses and gains in the fourth quarter was NOK 0.30 (0.33) and NOK 0.31 (0.32) for full year.
- Cash and money market deposits of MNOK 1,731 (1,105) as of 31 December.
- Pre-delivery payment financing facilities of USD 500 million were arranged and closed during fourth quarter 2012.
- Norwegian has taken delivery of three owned aircraft during fourth quarter, a total of ten aircraft during full year 2012, whereof two sale and lease back.

CONSOLIDATED KEY FINANCIAL FIGURES

Unaudited

| (Mill. NOK) | Quarter ended 31.12. | | YTD 31.12. | | Year ended |
|----------------------|----------------------|---------|------------|----------|------------|
| | 2012 | 2011 | 2012 | 2011 | 2011 |
| Operating revenue | 3,105.4 | 2,536.4 | 12,859.0 | 10,532.2 | 10,532.2 |
| EBITDAR | 296.2 | 216.1 | 1,821.6 | 1,539.5 | 1,539.5 |
| EBITDA | 53.3 | 1.7 | 788.7 | 709.9 | 709.9 |
| EBIT | -51.9 | -85.3 | 403.5 | 415.9 | 415.9 |
| EBT | 23.0 | -187.7 | 623.2 | 166.5 | 166.5 |
| Net profit/ loss (-) | 23.6 | -133.3 | 456.6 | 122.1 | 122.1 |
| EBITDAR margin | 9.5% | 8.5% | 14.2% | 14.6% | 14.6% |
| EBITDA margin | 1.7% | 0.1% | 6.1% | 6.7% | 6.7% |
| EBIT margin | -1.7% | -3.4% | 3.1% | 3.9% | 3.9% |
| Net profit margin | 0.8% | -5.3% | 3.6% | 1.2% | 1.2% |

OPERATIONS**CONSOLIDATED TRAFFIC FIGURES AND RATIOS**

Unaudited

| | Quarter ended 31.12. | | | YTD 31.12. | | | Full Year |
|------------------------------|----------------------|-------|--------|------------|--------|--------|-----------|
| | 2012 | 2011 | Change | 2012 | 2011 | Change | 2011 |
| (ratios in NOK) | | | | | | | |
| Yield | 0.54 | 0.51 | 6 % | 0.55 | 0.52 | 5 % | 0.52 |
| Unit Revenue | 0.42 | 0.40 | 3 % | 0.43 | 0.41 | 4 % | 0.41 |
| Unit Cost | 0.47 | 0.46 | 1 % | 0.47 | 0.45 | 4 % | 0.45 |
| Unit Cost ex fuel | 0.32 | 0.32 | 1 % | 0.32 | 0.31 | 4 % | 0.31 |
| Unit Cost ex fuel and hedge | 0.30 | 0.33 | -9 % | 0.31 | 0.32 | -3 % | 0.32 |
| Ancillary Revenue/PAX | 77.7 | 73.4 | 6 % | 79.5 | 78.0 | 2 % | 78.0 |
| Ancillary Revenue/Sched. PAX | 79.6 | 75.1 | 6 % | 81.9 | 80.2 | 2 % | 80.2 |
| Internet bookings | 81% | 83% | -2 pp | 80% | 82% | -2 pp | 82% |
| ASK (mill) | 6,517 | 5,461 | 19 % | 25,920 | 21,958 | 18 % | 21,958 |
| RPK (mill) | 5,001 | 4,289 | 17 % | 20,353 | 17,421 | 17 % | 17,421 |
| Passengers (mill) | 4.37 | 3.99 | 10 % | 17.69 | 15.70 | 13 % | 15.70 |
| Load Factor | 77% | 79% | -2 pp | 79% | 79% | -1 pp | 79% |

Traffic Development

A total of 4.37 million passengers travelled with Norwegian in the fourth quarter of 2012, compared to 3.99 million in the fourth quarter of 2011, an increase of 10%. Production (ASK) increased by 19% and passenger traffic (RPK) increased by 17%. The load factor was 77% in the fourth quarter, a decrease of 2 percentage point compared to the same period last year.

At the end of the fourth quarter the total fleet including aircraft on maintenance and excluding wet lease comprised 68 aircraft. The Group utilized every operational aircraft on average 10.8 block hours per day in the fourth quarter compared to 10.6 last year.

The share of Internet sales was 81 % which is a decrease of 2 percentage points due to increased sales through travel agents.

Operating performance

Punctuality, the percentage of flights departing on schedule, was 81% in the fourth quarter 2012, compared to 89% in the same quarter last year. Operating performance in the period is influenced by irregularities in operations from challenging weather conditions, particularly during December at Scandinavian airports.

Regularity, the percentage of scheduled flights actually taking place was 99.4% in the fourth quarter compared to 99.8% the same quarter last year. Norwegian manages to maintain a high level of regularity, despite irregularities in operations from challenging weather conditions. Fourth quarter 2012 is the fourteenth consecutive quarter in which Norwegian operates with the highest regularity in its major markets.

Revenue

Total revenue in the fourth quarter was MNOK 3,105 (2,536), an increase of 22%. MNOK 2,709 (2,194) of the revenues in the fourth quarter is related to ticket revenues. MNOK 340 (293) is ancillary revenue, while the remaining MNOK 57 (50) is related to freight, third-party products and other income.

The ticket revenue per unit produced (RASK) in the fourth quarter was NOK 0.42 compared to NOK 0.40 for the same period last year. The RASK development compared to last year reflects higher yield, despite an increased sector length of 8%, and reduced load factor.

Ancillary passenger revenue was NOK 80 per scheduled passenger (NOK 75) in the fourth quarter, an increase of 6%, due to maturing markets for ancillary products and increased sector length.

Operating Expenses

COST BREAKDOWN

Unaudited

| (Mill. NOK) | Quarter ended 31.12. | | YTD 31.12. | | Year ended |
|--------------------------------|----------------------|----------------|-----------------|----------------|----------------|
| | 2012 | 2011 | 2012 | 2011 | 2011 |
| Personell expenses | 533.0 | 468.4 | 2,068.2 | 1,836.2 | 1,836.2 |
| Sales/ distribution expenses | 74.9 | 49.7 | 275.0 | 198.9 | 198.9 |
| Aviation fuel | 945.8 | 793.3 | 3,748.3 | 3,055.8 | 3,055.8 |
| Airport and ATC charges | 431.1 | 393.5 | 1,730.2 | 1,561.4 | 1,561.4 |
| Handling charges | 255.6 | 253.7 | 1,077.3 | 982.2 | 982.2 |
| Technical maintenance expenses | 164.8 | 200.9 | 792.6 | 711.6 | 711.6 |
| Other expenses | 262.7 | 232.3 | 1,017.1 | 870.1 | 870.1 |
| Other losses/(gains) - net | 141.4 | -71.6 | 328.7 | -223.5 | -223.5 |
| Total operating costs | 2,809.2 | 2,320.2 | 11,037.4 | 8,992.6 | 8,992.6 |

Operating expenses excluding leasing and depreciation increased by 21% to MNOK 2,809 (2,320) this quarter. A production increase (ASK) of 19% and increased losses from term contracts of MNOK 213 are the main factors explaining the increased operating expenses this quarter.

The unit cost excluding fuel is NOK 0.32 in the fourth quarter, equal to the same quarter last year. The underlying unit cost excluding effects from fuel and term contracts is NOK 0.30, which is a decrease of 9% from last year. A larger share of Boeing 737-800Ws aircraft, depreciation of EUR against NOK and increased sector length of 8% reduces underlying unit cost in the fourth quarter.

Personnel expenses increased by 14% to MNOK 533 (468) in the fourth quarter compared to the same quarter last year. Unit cost for personnel expenses decreased by 5%. Salary increase and increased training expenses are more than offset by increased sector length and an increasing share of Boeing 737-800Ws which with more seat capacity per aircraft drives down the crew cost per unit produced.

The average number of man-labor year increased by 15% compared to same quarter last year.

Sales and distribution expenses increased by 51% to MNOK 75 (50) in the fourth quarter compared to the same quarter last year. Unit cost for sales and distribution expenses increased by 26% due to increased sales through travel agents and increased prices.

Aviation fuel expenses increased by 19% to MNOK 946 (793) in the fourth quarter compared to the same quarter last year. The higher cost is driven by a production increase of 19% and a 3% increase in the realized fuel price per ton denominated in NOK. The average net spot price denominated in USD increased by 3% during the same period. The increase in fuel price per ton denominated in NOK is offset by a more efficient fleet of Boeing 737-800Ws and increased sector length. This resulted in a unit cost for fuel equal to fourth quarter 2011.

The Group has at the end of the fourth quarter forward contracts to cover approximately 1% of fuel exposure at an average price of USD 1013 per ton for 2013.

Airport and air traffic control (ATC) charges increased by 10%, to MNOK 431 (394) in the fourth quarter compared to the same quarter last year. Unit cost for airport and ATC charges decreased by 8%. Increased prices for airport and ATC charges are more than offset by depreciation of EUR against NOK and reduced cost due to an increased share of 737-800Ws with larger capacity.

Handling charges increased by 1%, to MNOK 256 (254) in the fourth quarter compared to the same quarter last year. Unit cost for handling charges decreased by 16% due to depreciation of EUR against NOK, increased sector length and increased share of 737-800s with larger capacity.

Technical maintenance costs decreased by 18%, to MNOK 165 (201) in the fourth quarter compared to the same quarter last year. Unit cost for technical maintenance costs decreased by 31% in the fourth quarter. Due to lower maintenance cost on 737-800Ws compared to 737-300s, the increased share of 737-800Ws has a positive impact on technical maintenance costs. Maintenance cost in fourth quarter 2011 included revisions of estimates for provisions on 737-300s relating to redelivery checks, which resulted in higher costs in fourth quarter last year. Planned maintenance cost on owned aircraft is capitalized and reduces maintenance cost per unit through an increased share of owned aircraft in the fleet.

Other losses/(gains)-net includes a loss of MNOK 141 recognized in the fourth quarter compared to a gain of MNOK 72 in the fourth quarter last year. Included in other losses/(gains)-net are change in fair value of foreign currency contracts and gains/losses on working capital in foreign currency.

As of 31 December the Group had term contracts with a negative mark-to-market value of MNOK -191. Losses on term contracts in fourth quarter amount to MNOK 126. Forward currency contracts in USD are designated to counter currency revaluation effects from USD denominated borrowings. Currency losses from term contracts are offset by currency gains of MNOK 98 on USD denominated borrowings booked as other financial income.

Leasing costs increased by 14% to MNOK 243 (214) in the fourth quarter compared to the same quarter last year. Unit cost for leasing decreased by 5% in the fourth quarter due to an increased share of owned Boeing 737-800Ws. The positive impact on unit cost is partly offset by the use of wetlease and an increased number of leased Boeing 737-800Ws in the fleet. During the fourth quarter the Group operated 22 (14) owned Boeing 737-800Ws and 5 (5) Boeing 737-300s.

Profit/Loss from Associated Company

Profit/loss from associated company in the fourth quarter is estimated to MNOK 8 (5) which represents the 20 % share of Bank Norwegian's estimated fourth quarter results.

Earnings

Earnings before interest, depreciation and amortization (EBITDA) in the fourth quarter were MNOK 53 (2) and the earnings before tax (EBT) were MNOK 23 (-188).

Financial Items

Net financial items in the fourth quarter were MNOK 67 (-108).

In the fourth quarter, interest on prepayments of MNOK 2 (19) was capitalized.

Included in other financial income (expense) is a currency gain on USD denominated borrowings amounting to MNOK 98 due to depreciation of USD against NOK. In comparison, a loss of MNOK 88 was recognized in the fourth quarter 2011. These gains and losses have no cash effects.

Tax

Income taxes amounted to benefit of MNOK 1 (54) in the quarter.

Net Result

The net result for the fourth quarter was MNOK 24, compared to MNOK -133 in the same period last year.

Balance Sheet

Total non-current assets amount to MNOK 9,013 at the end of the fourth quarter, compared to MNOK 6,502 at the end of last year. The main investments during the year are related to the purchase of eight new Boeing 737-800Ws and prepayments to aircraft manufacturers for aircraft on order.

Total current assets amount to MNOK 2,907 at the end of the fourth quarter, compared to MNOK 2,502 at the end of last year. Investments have decreased by MNOK 232 during the year due to changes in fair value of term contracts. Receivables have increased by MNOK 24 during the year due to increased production, but are partly offset by increased turnover. Cash and cash equivalents have increased by MNOK 626 during 2012.

Total non-current liabilities at the end of the fourth quarter were MNOK 4,654, compared to MNOK 3,066 at the end of last year. Long-term borrowings increased by MNOK 1,479 during the year. The increase in borrowings is related to aircraft financing. Mark-to-market adjustment of USD denominated borrowings and down-payments on aircraft financing partly offsets the increase.

Total short-term liabilities at the end of the fourth quarter were MNOK 4,845, compared to MNOK 3,992 at the end of last year. Current liabilities increased by MNOK 524 during the year mainly due to increased production and provisions for pension cost. Short-term borrowings decreased by MNOK 203 during the year due to redemption of the bond issue NAS02 and down-payment of pre-delivery payment financing. The reduction is partly offset by pre-delivery payment financing closed during fourth quarter 2012. Air traffic liability has increased by MNOK 532 during the year due to increased production.

Total interest bearing liabilities at the end of December were MNOK 5,527 compared to MNOK 4,250 at the end of last year.

Shares

The parent company Norwegian Air Shuttle ASA had a total of 35,162,139 shares outstanding at 31 December compared to 34,878,226 at the end of last year.

Cash Flow

Cash and cash equivalents were MNOK 1,731 at the end of the fourth quarter compared to MNOK 1,105 at the end of last year.

Cash flow from operating activities in the fourth quarter amounted to MNOK 447 compared to MNOK -73 in the fourth quarter last year. Due to seasonality and increased production, changes in air traffic settlement liability decreased by MNOK 23 during the fourth quarter 2012 compared to MNOK 146 in the fourth quarter 2011. Cash from other adjustments amounts to MNOK 343 during fourth quarter compared to MNOK 177 in the same quarter last year. Other adjustments mainly consist of changes in accounts receivable, current liability and currency gain/loss with no cash effects.

Cash flow from investment activities in the fourth quarter was MNOK -1,545, compared to MNOK -483 in the fourth quarter last year. Deliveries of three new Boeing 737-800Ws and prepayments to aircraft manufacturers are the main investments in the quarter.

Cash flow from financing activities in the fourth quarter was MNOK 1,093 compared to MNOK 232 in the fourth quarter last year. Long term financing of three new Boeing 737-800Ws and drawdown of pre-delivery payments are partly offset by down-payments on borrowings and financing costs, resulting in an increase in cash from financing activities in the fourth quarter.

Other Information

Norwegian Air Shuttle ASA has arranged and closed financing facilities in the amount of USD 500 million covering both pre-delivery payment (PDP) financing, long-term financing supported by the Export-Import Bank of the United States (EXIM) and Sale & Leaseback arrangements. The facilities cover financing for aircraft delivering in the current 2013 - 2015 financial planning time horizon. These facilities are part of Norwegian's continuously ongoing financing activities for a total of 271 direct-buy aircraft delivering in the period from 2013 to 2022.

Risk and Uncertainties

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

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

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

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

Outlook

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

Norwegians short haul operation will by the start of the summer schedule have three bases operational in Spain (Malaga, Alicante and Las Palmas) and a base in London.

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

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

The establishment of the long haul operation is developing in accordance with plan and the organization is preparing for the first long haul flight which will take place on May 30th 2013. The demand for tickets on the long haul network has so far exceeded expectations. However, Boeing has informed Norwegian that the 787 delivery schedule is at risk and Norwegian is planning for substitute aircraft if 787 is not delivered in time.

Interim report Q1 2013

The interim report for first quarter 2013 will be presented 18 April 2013

Fornebu, 15 February 2013

Bjørn Kjos
CEO

Consolidated Income Statement

Unaudited

| (Mill. NOK) | Note | Quarter ended 31.12. | | YTD 31.12. | | Year ended |
|--|------|----------------------|----------------|-----------------|-----------------|-----------------|
| | | 2012 | 2011 | 2012 | 2011 | 2011 |
| OPERATING REVENUE | | | | | | |
| Total operating revenue | 3 | 3,105.4 | 2,536.4 | 12,859.0 | 10,532.2 | 10,532.2 |
| Total revenue | | 3,105.4 | 2,536.4 | 12,859.0 | 10,532.2 | 10,532.2 |
| OPERATING EXPENSES | | | | | | |
| Operational expenses | | 1,996.0 | 1,812.1 | 8,096.3 | 6,988.0 | 6,988.0 |
| Payroll and other personnel expenses | | 533.0 | 468.4 | 2,068.2 | 1,836.2 | 1,836.2 |
| Other operating expenses | | 280.3 | 39.7 | 873.0 | 168.4 | 168.4 |
| TOTAL OPERATING EXPENSES | | 2,809.2 | 2,320.2 | 11,037.4 | 8,992.6 | 8,992.6 |
| OPERATING PROFIT / LOSS BEFORE LEASING & DEPR (EBITDAR) | | | | | | |
| | | 296.2 | 216.1 | 1,821.6 | 1,539.5 | 1,539.5 |
| Leasing | | 242.9 | 214.4 | 1,032.9 | 829.7 | 829.7 |
| OPERATING PROFIT / LOSS BEFORE DEPR (EBITDA) | | | | | | |
| | | 53.3 | 1.7 | 788.7 | 709.9 | 709.9 |
| Depreciation and amortization | | 105.2 | 87.0 | 385.2 | 293.9 | 293.9 |
| OPERATING PROFIT / LOSS (EBIT) | | | | | | |
| | | -51.9 | -85.3 | 403.5 | 415.9 | 415.9 |
| FINANCIAL ITEMS | | | | | | |
| Interest income | | 14.1 | 13.0 | 51.3 | 41.2 | 41.2 |
| Interest expense | | 41.5 | 24.7 | 118.8 | 70.2 | 70.2 |
| Other financial income (expense) | | 93.9 | -95.9 | 254.4 | -239.9 | -239.9 |
| NET FINANCIAL ITEMS | | 66.6 | -107.7 | 186.9 | -268.9 | -268.9 |
| Profit/Loss from associated company | | 8.3 | 5.3 | 32.8 | 19.5 | 19.5 |
| NET RESULT BEFORE TAX (EBT) | | | | | | |
| | | 23.0 | -187.7 | 623.2 | 166.5 | 166.5 |
| Income tax expense (benefit) | | -0.6 | -54.4 | 166.5 | 44.4 | 44.4 |
| NET PROFIT / LOSS | | | | | | |
| | | 23.6 | -133.3 | 456.6 | 122.1 | 122.1 |
| Earnings per share (NOK) - Basic | | 0.68 | -3.85 | 13.08 | 3.53 | 3.53 |
| Earnings per share (NOK) - Diluted | | 0.67 | -3.78 | 12.99 | 3.46 | 3.46 |
| No. of shares at the end of the period | | 35,162,139 | 34,878,226 | 35,162,139 | 34,878,226 | 34,878,226 |
| Average no. of shares outstanding | | 34,924,769 | 34,628,464 | 34,924,769 | 34,628,464 | 34,628,464 |
| Average no. of shares outstanding - diluted | | 35,162,139 | 35,251,848 | 35,162,139 | 35,251,848 | 35,251,848 |

Financial key figures

Unaudited

| (Mill. NOK) | Quarter ended 31.12. | | YTD 31.12. | | Year ended |
|-----------------------------|----------------------|------|------------|-------|------------|
| | 2012 | 2011 | 2012 | 2011 | 2011 |
| Operating margin (%) | -2% | -3% | 3% | 4% | 4% |
| Book equity per share (NOK) | | | 68.84 | 55.78 | 55.78 |
| Equity ratio (%) | | | 20% | 22% | 22% |

Consolidated Balance Sheet

Unaudited

| (Mill. NOK) | Note | Quarter ended 31.12. | | Year ended Dec 31 |
|--------------------------------------|------|----------------------|----------------|-------------------|
| | | 2012 | 2011 | 2011 |
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Intangible assets | | 242.1 | 238.3 | 238.3 |
| Tangible fixed assets | | 8,516.7 | 6,065.5 | 6,065.5 |
| Fixed asset investments | | 254.3 | 197.8 | 197.8 |
| TOTAL NON CURRENT ASSETS | | 9,013.0 | 6,501.6 | 6,501.6 |
| CURRENT ASSETS | | | | |
| Inventory | | 68.4 | 82.0 | 82.0 |
| Investments | | 10.8 | 242.8 | 242.8 |
| Receivables | | 1,096.6 | 1,072.5 | 1,072.5 |
| Cash and cash equivalents | | 1,730.9 | 1,104.9 | 1,104.9 |
| TOTAL CURRENT ASSETS | | 2,906.6 | 2,502.2 | 2,502.2 |
| TOTAL ASSETS | | 11,919.7 | 9,003.9 | 9,003.9 |
| EQUITY AND LIABILITIES | | | | |
| SHAREHOLDERS EQUITY | | | | |
| Paid-in capital | | 1,160.8 | 1,142.7 | 1,142.7 |
| Other equity | | 1,259.8 | 802.9 | 802.9 |
| TOTAL EQUITY | | 2,420.7 | 1,945.6 | 1,945.6 |
| NON CURRENT LIABILITIES | | | | |
| Other non-current liabilities | | 476.3 | 367.7 | 367.7 |
| Long term borrowings | 6 | 4,177.6 | 2,698.4 | 2,698.4 |
| TOTAL NON-CURRENT LIABILITIES | | 4,654.0 | 3,066.1 | 3,066.1 |
| SHORT TERM LIABILITIES | | | | |
| Current liabilities | | 1,755.9 | 1,232.0 | 1,232.0 |
| Short term borrowings | 6 | 1,349.4 | 1,551.9 | 1,551.9 |
| Air traffic settlement liabilities | | 1,739.8 | 1,208.3 | 1,208.3 |
| TOTAL SHORT TERM LIABILITIES | | 4,845.1 | 3,992.2 | 3,992.2 |
| TOTAL LIABILITIES | | 9,499.0 | 7,058.3 | 7,058.3 |
| TOTAL EQUITY AND LIABILITIES | | 11,919.7 | 9,003.9 | 9,003.9 |

Condensed Consolidated Statement of Cash Flow

| Unaudited (Mill. NOK) | Quarter ended Dec 31 | | YTD Dec 31 | | Year ended Dec 31 |
|---|----------------------|----------------|-----------------|-----------------|----------------------|
| | 2012 | 2011 | 2012 | 2011 | 2011 |
| OPERATING ACTIVITIES | | | | | |
| Profit before tax | 23.0 | -187.7 | 623.2 | 166.5 | 166.5 |
| Paid taxes | -1.5 | -4.2 | -2.5 | -9.8 | -9.8 |
| Depreciation, amortization and impairment | 105.2 | 87.0 | 385.2 | 293.9 | 293.9 |
| Changes in air traffic settlement liabilities | -23.3 | -145.5 | 531.4 | 254.1 | 254.1 |
| Other adjustments | 343.1 | 177.1 | 484.4 | -31.1 | -31.1 |
| Net cash flows from operating activities | 446.5 | -73.3 | 2,021.7 | 673.7 | 673.7 |
| INVESTMENT ACTIVITIES | | | | | |
| Purchases, proceeds and prepayment of tangible assets | -1,545.4 | -482.8 | -2,765.5 | -2,189.5 | -2,189.5 |
| Net cash flows from investing activities | -1,545.4 | -482.8 | -2,765.5 | -2,189.5 | -2,189.5 |
| FINANCING ACTIVITIES | | | | | |
| Loan proceeds | 1,279.5 | 333.5 | 2,106.4 | 2,008.6 | 2,008.6 |
| Principal repayments | -94.0 | -67.4 | -460.7 | -347.7 | -347.7 |
| Net increase (decrease) in other short-term debt | -110.3 | -54.4 | -294.4 | -239.1 | -239.1 |
| Proceeds from issuing new shares | 18.1 | 20.4 | 18.1 | 20.4 | 20.4 |
| Net cash flows from financial activities | 1,093.3 | 232.1 | 1,369.4 | 1,442.2 | 1,442.2 |
| Foreign exchange effect on cash | 1.6 | -0.6 | 0.3 | 0.1 | 0.1 |
| Net change in cash and cash equivalents | -3.9 | -324.7 | 625.9 | -73.5 | -73.5 |
| Cash and cash equivalents in beginning of period | 1,734.8 | 1,429.6 | 1,104.9 | 1,178.4 | 1,178.4 |
| Cash and cash equivalents in end of period | 1,730.9 | 1,104.9 | 1,730.9 | 1,104.9 | 1,104.9 |

Statement of comprehensive income

Unaudited

| (Mill. NOK) | YTD 31.12. | | Year ended Dec 31 |
|--|--------------|--------------|-------------------|
| | 2012 | 2011 | 2011 |
| Net profit for the period | 456.6 | 122.1 | 122.1 |
| Available-for-sale financial assets | 0.0 | 0.0 | 0.0 |
| Exchange rate differences Group | 0.3 | -1.7 | -1.7 |
| Total comprehensive income for the period | 456.9 | 120.4 | 120.4 |
| Profit attributable to: | | | |
| - Owners of the company | 456.6 | 122.1 | 122.1 |

Consolidated changes in equity

Unaudited

| (Mill. NOK) | YTD 31.12. | | Year ended Dec 31 |
|---|----------------|----------------|-------------------|
| | 2012 | 2011 | 2011 |
| Equity - Beginning of period | 1,945.6 | 1,795.9 | 1,795.9 |
| Total comprehensive income for the period | 456.9 | 120.4 | 120.4 |
| Share issue | 18.1 | 20.4 | 20.4 |
| Equity change on employee options | 0.0 | 8.8 | 8.8 |
| Equity - End of period | 2,420.7 | 1,945.6 | 1,945.6 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**General and accounting principles**

Norwegian Air Shuttle ASA (the Group) consists of Norwegian Air Shuttle ASA and its subsidiaries. The Company is a limited liability company incorporated in Norway. The condensed consolidated interim financial statements comprise the Group.

The consolidated financial statements of the Group for the year ended 31 December 2011 is available upon request from the company's registered office at Oksenøyveien 3, 1330 Fornebu, Norway, or at www.norwegian.com.

These condensed consolidated interim financial statements have been prepared in accordance with rules and regulations of Oslo Stock Exchange and International Financial Reporting Standard (IAS) 34 Interim Financial Reporting. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with consolidated financial statements for the Group at 31 December 2011. These condensed interim financial statements are unaudited.

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2011.

Note 1 Judgments, estimates and assumptions

The preparation of condensed consolidated interim financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended 31 December 2011.

Note 2 Risk**SENSITIVITY ANALYSIS**

Unaudited

**Effect on income
MNOK**

| | |
|-------------------------------------|------|
| 1% decrease in jet fuel price | + 32 |
| 1% depreciation of NOK against USD | - 44 |
| 1% depreciation of NOK against EURO | - 19 |

The sensitivity analysis reflects the effect on operating costs by changes in market prices and exchange rates. The effect on operating costs is annualized based on current level of production, fuel prices and exchange rates. Operational hedges are not included in the calculation of the sensitivity.

Note 3 Revenue

Passenger revenue comprise only ticket revenue, while ancillary passenger revenue is other passenger related revenue such as fees. Other revenue consist of revenue not directly related to passengers such as cargo, 3rd party commissions etc.

SALES REVENUE

Unaudited

| (Mill. NOK) | Quarter ended 31.12. | | YTD 31.12. | | Year ended |
|--------------------------------|----------------------|----------------|-----------------|-----------------|-----------------|
| | 2012 | 2011 | 2012 | 2011 | 2011 |
| Per activity | | | | | |
| Passenger revenue | 2,708.8 | 2,193.7 | 11,201.1 | 9,097.7 | 9,097.7 |
| Ancillary passenger revenue | 339.6 | 292.8 | 1,405.5 | 1,224.3 | 1,224.3 |
| Other revenue | 57.1 | 49.9 | 252.5 | 210.2 | 210.2 |
| Total | 3,105.4 | 2,536.4 | 12,859.0 | 10,532.2 | 10,532.2 |
| Per geographical market | | | | | |
| Domestic | 1,097.0 | 947.4 | 4,057.3 | 3,666.7 | 3,666.7 |
| International | 2,008.4 | 1,588.9 | 8,801.7 | 6,865.5 | 6,865.5 |
| Total | 3,105.4 | 2,536.4 | 12,859.0 | 10,532.2 | 10,532.2 |

Note 4 Segment information

Executive Management reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segment on these reports.

Executive Management considers the business as one operational segment, which is low cost air passenger travel. The Group's operating profit arises from airline-related activities and the only revenue generating assets of the Group are its aircraft fleet, which is employed flexibly across the Norwegian, Danish, Finnish, Swedish and Spanish operation.

Performance is measured by Executive management based on the operating segment earnings before interest, tax, depreciation and amortization (EBITDA). Other information is measured in a manner consistent with that in the financial statements.

Note 5 Information on related parties

During the fourth quarter 2012 there are no changes in related parties compared to the description in Note 27 in the Annual Report for 2011. There have been no significant transactions with related parties during the fourth quarter 2012.

Note 6 Borrowings

Unaudited

| (Mill. NOK) | YTD Dec 31 2012 | | YTD Dec 31 2011 | | Year ended Dec 31 2011 | |
|---------------------------|-----------------|---------------|-----------------|---------------|------------------------|---------------|
| | Long term | Short term | Long term | Short term | Long term | Short term |
| Bond issue | -589 | 0 | 0 | -599 | 0 | -599 |
| Revolving credit facility | 0 | -931 | 0 | -648 | 0 | -648 |
| Aircraft financing | -3,578 | -414 | -2,683 | -300 | -2,683 | -300 |
| Financial lease liability | -11 | -5 | -15 | -5 | -15 | -5 |
| Total | -4,178 | -1,349 | -2,698 | -1,552 | -2,698 | -1,552 |
| TOTAL BORROWINGS | -5,527 | | -4,250 | | -4,250 | |

Note 7 Events after the reporting date

Boeing Commercial Airplanes has notified Norwegian that the 787 Dreamliner delivery schedule is at risk due to the ongoing NTSB investigation that will determine the cause of the recent incidents involving 787 batteries. Norwegian's first delivery is scheduled to late April 2013. The extent of a possible delay and whether such delay will affect later deliveries is presently not known. Norwegian is taking precautionary steps by planning for substitute aircraft capacity. In the event that the 787 is not operational in time for Norwegian's services to New York and Bangkok replacement long-haul aircraft will be leased to ensure flights are operated as scheduled.

Definitions

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

Unit revenue: Passenger Revenue divided by Available Seat Kilometres.

Unit cost: Total operating expenses plus leasing divided by Available Seat Kilometres.

RPK: Revenue Passenger Kilometres. Number of sold seats multiplied by flight distance.

CABIN FACTOR: Relationship between RPK and ASK as a percentage. Describes the rate of utilisation of available seats.

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

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

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

Information about the Norwegian Group

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Board of Directors - Norwegian Air Shuttle ASA

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

Group Management

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

Investor Relations

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Other sources of Information

Annual reports

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

Quarterly publications

Quarterly reports are available on www.norwegian.com.

The publications can be ordered by sending an e-mail to investor.relations@norwegian.com