Q12019

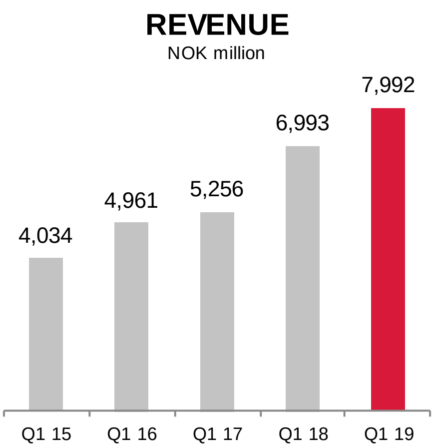
Interim report

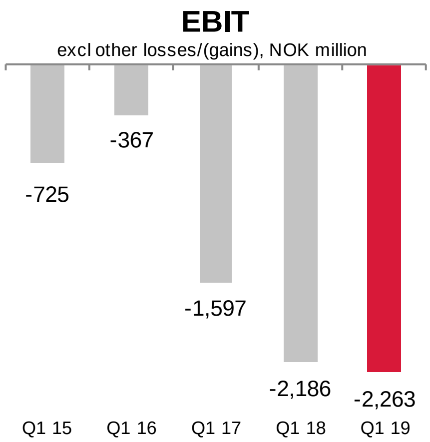
Norwegian Air Shuttle ASA – first quarter 2019

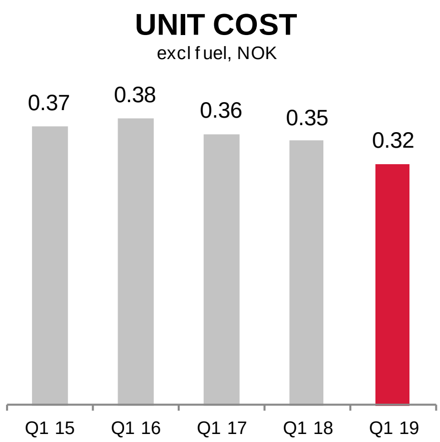
Unit cost excl fuel

-8 %

- **EBITDAR excl other losses/(gains) of NOK -716 million (-840)**
- **Unit cost excl fuel decreased by 8 %**
- **Completed rights issue of NOK 3 billion**
- **Reduced CAPEX for the coming years by postponing aircraft deliveries to create headroom and focus on increased profitability before aircraft deliveries**







Norwegian reports increased revenue and reduced costs for the first quarter

Norwegian today reported its first quarter results. The quarter was characterized by reduced costs, increased revenue and significantly improved on-time performance. The net loss was NOK 1,489 million, while the company's unit cost excluding fuel decreased by 8 per cent during the same period. The total revenue was NOK 8 billion, up 14 per cent.

Norwegian's key priority is returning to profitability through a series of measures, including an extensive cost-reduction program, an optimized route portfolio and sale of aircraft. The company's internal cost reduction program #Focus2019 has been implemented and achieved cost reductions were NOK 467 million this quarter. The company has also strengthened its balance sheet through a fully underwritten rights issue of NOK 3 billion, which secures a stronger financial position. The company is well positioned to continue to attract new customers, not least in the long-haul market, where the development is stronger than in the short-haul market.

For the first quarter, the total revenue was NOK 8 billion, an increase of 14 per cent from the same period last year, primarily driven by intercontinental growth and increased traffic in the Nordics. More than 8 million passengers flew with Norwegian this quarter, a growth of 9 per cent. The load factor was 81 per cent. The company's unit cost excluding fuel, decreased by 8 per cent compared to the first quarter in 2018. The punctuality increased significantly this quarter, from 73.0 to 81.3 per cent. The regularity was unchanged at 98.7 per cent.

"*I'm pleased with the positive developments this quarter, despite the 737 MAX issues. We have taken a series of initiatives to improve profitability by reducing costs and increasing revenue. We are optimizing our base structure and route network to streamline the operation as well as divesting aircraft, postponing aircraft deliveries and not least implementing our internal cost reduction program, which will boost our financials. I am also pleased that booking figures and overall demand for the coming months look promising*," said Bjørn Kjos, CEO of Norwegian.

Productive meetings with Boeing

In March, Norwegian temporarily suspended operation of 18 Boeing 737 MAX 8 aircraft. The company combined flights, booked customers to other departures within Norwegian's own network, consequently reducing the impact on passengers. The company will continue to limit passenger disruptions by also offering flights with wet lease companies whenever necessary. The number one goal is to operate its schedule according to plan.

"*Our dedicated colleagues at Norwegian have been working day and night to find solutions for our customers. They will continue to do their utmost to ensure that all flights continue to depart as planned, regardless of how long the MAX stay out of service*," Kjos continued.

"*We have had some productive meetings with Boeing where we have discussed how we can maneuver through the difficulties the MAX situation is causing Norwegian*," Kjos added.

CONSOLIDATED FINANCIAL KEY FIGURES

(unaudited in NOK million)	**Q1 2019**	Q1 2018	*Change*	Full Year 2018
Operating revenue	**7,991.6**	6,992.7	*14 %*	40,265.5
EBITDAR	**87.8**	-880.5	*NM*	2,171.1
EBITDAR excl other losses/(gains)-net	**-716.2**	-840.1	*-15 %*	3,165.2
EBIT	**-1,458.6**	-2,226.4	*-34 %*	-3,850.6
EBIT excl other losses/(gains)-net	**-2,262.6**	-2,186.1	*4 %*	-2,856.5
EBT	**-1,977.5**	-515.1	*284 %*	-2,490.1
Net profit/ loss (-)	**-1,489.4**	-46.2	*3122 %*	-1,454.1
EBITDAR margin	**1.1 %**	-12.6 %		5.4 %
EBIT margin	**-18.3 %**	-31.8 %		-9.6 %
EBT margin	**-24.7 %**	-7.4 %		-6.2 %
Net profit margin	**-18.6 %**	-0.7 %		-3.6 %
Book equity per share (NOK)	**22.7**	53.5	*-58 %*	37.5
Equity ratio (%)	**3.4 %**	4.2 %	*-0.8 pp*	3.0 %
Net interest bearing debt	**61,676.9**	24,725.2	*149 %*	31,917.5

OPERATIONAL REVIEW

CONSOLIDATED TRAFFIC FIGURES AND RATIOS

(unaudited ratios in NOK)	**Q1 2019**	Q1 2018	*Change*	Full Year 2018
Yield	**0.33**	0.33	*2 %*	0.38
Unit Revenue	**0.27**	0.28	*-3 %*	0.33
Unit Cost incl depreciation	**0.44**	0.46	*-5 %*	0.43
Unit Cost incl depr excl fuel	**0.32**	0.35	*-8 %*	0.31
Ancillary Revenue/PAX	**167**	162	*3 %*	168
Share of sale own channels	**82 %**	77 %	*5 pp*	79 %
ASK (million)	**23,457**	19,995	*17 %*	99,220
RPK (million)	**18,995**	16,887	*12 %*	85,124
Passengers (million)	**8.12**	7.48	*9 %*	37.34
Load Factor	**81.0 %**	84.5 %	*-3.5 pp*	85.8 %
Average sector length (km)	**1,822**	1,786	*2 %*	1,843
Fuel consumption (1000 tonnes)	**444**	394	*13 %*	1,956
CO_2 per RPK	**74**	74	*0 %*	72

TRAFFIC DEVELOPMENT

8.12 million passengers travelled with Norwegian in the first quarter of 2019, compared to 7.48 million in the first quarter of 2018, an increase of 9 per cent. Production (ASK) increased by 17 per cent and passenger traffic (RPK) increased by 12 per cent. The load factor was 81.0 per cent, a decrease of 3.5 p.p. compared to first quarter last year.

At the end of the first quarter 2019, the total fleet including aircraft on maintenance and excluding wet lease comprised 164 aircraft. There were no aircraft on external lease. The company utilized every operational aircraft on average 11.9 block hours per day, compared to 11.5 in the first quarter last year.

OPERATING PERFORMANCE

Punctuality, share of flights departing on schedule, was 81.3 per cent in the first quarter, compared to 73.0 per cent in the same quarter last year.

Regularity, share of scheduled flights taking place, was 98.7 per cent in the first quarter, equal to the same quarter last year.

FINANCIAL REVIEW

INCOME STATEMENT AND FINANCIAL KEY FIGURES

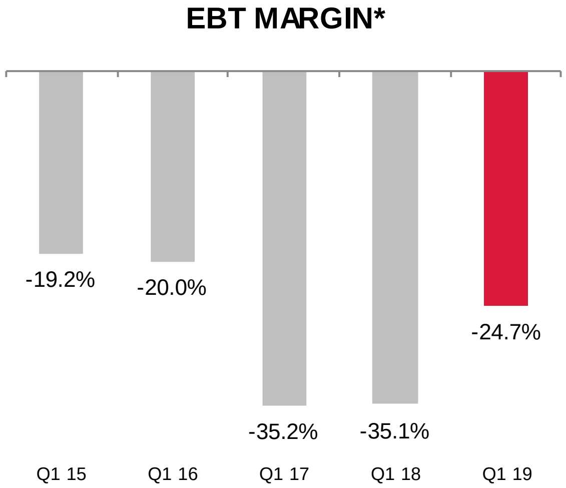
First quarter underlying earnings were affected by the high production growth of 17 per cent. The growth is spurred by adding seven new wide body aircraft in the fleet in the past twelve months and increased utilization of narrow body aircraft during the winter season. There is a negative effect on yield and load from the Easter holiday falling in April this year when comparing to first quarter of 2018 which included the Easter holiday. Unit revenue was expectedly lower by 3 per cent compared to last year, due to the Easter effect and a sector length increase of 2 per cent. Yield showed an increase of 2 per cent. Unit cost excl fuel decreased by 8 per cent in the same period and would be down by 11 per cent in constant currency.

Operating profit before interest (EBIT) excluding other losses/(gains) for the first quarter was NOK -2,263 million (-2,186), while profit (loss) before tax (EBT) was NOK -1,978 million (-515). EBT as reported in the first quarter of 2018 included a financial gain related to the investment in NOFI of NOK 1,940 million. Other losses/(gains) amounted to a net gain of NOK 804 million in the first quarter, compared to a net loss of NOK 40 million last year. Other losses/(gains) include effects from foreign currency contracts, forward fuel contracts, losses or gains on translation of working capital in foreign currency and net losses or gains on sale of fixed assets. EBT in Q1 2019 includes negative effects following the implementation of IFRS 16 of NOK 175 million.

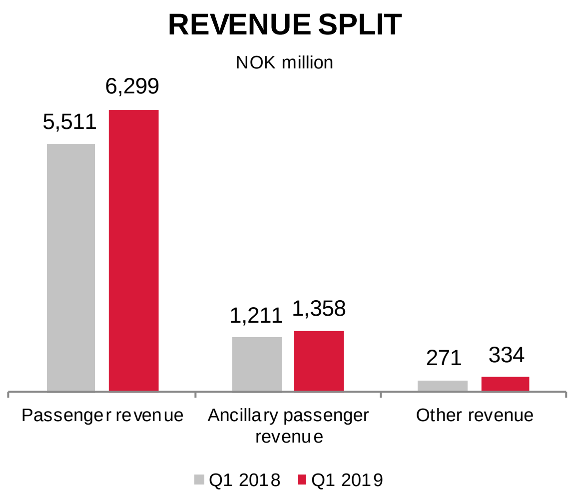
REVENUE

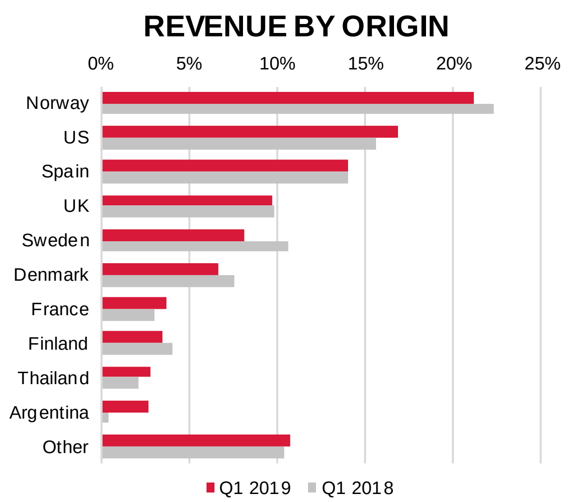
Total revenue in the first quarter was NOK 7,992 million (6,993), an increase of 14 per cent. Passenger revenue was NOK 6,299 million (5,511). Passenger revenue per unit produced (unit revenue) in the first quarter was NOK 0.27 (NOK 0.28). The Easter effect, increased sector length and increased utilization on aircraft compared to last year have affected the yield and unit revenue in the quarter. Ticket fares have increased from last year despite a greater share of long-haul flights. Ancillary revenue was NOK 1,358 million (1,211) in the first quarter, and ancillary revenue per passenger increased by 3 per cent to NOK 167 (162). Other revenue of NOK 335 million (271) includes cargo revenue of NOK 217 million (162), commissions, third-party products and external aircraft lease.

Norwegian has grown rapidly, expanding international traffic and adding new bases, destinations and markets to its portfolio. Consequently, the share of passengers outside Scandinavia has increased significantly compared to last year, with the strongest passenger growth in Argentina and the US.



*EBT margin in Q1 18 excl gain from investment in NOFI





UNIT COST BREAKDOWN

(unaudited in NOK per ASK)	**Q1 2019**	Q1 2018	*Change*	Full Year 2018
Personnel expenses	**0.07**	0.08	*-9 %*	0.07
Airport and ATC charges	**0.04**	0.05	*-5 %*	0.04
Handling charges	**0.05**	0.05	*0 %*	0.05
Technical maintenance expenses	**0.03**	0.04	*-19 %*	0.04
Other operating expenses	**0.06**	0.06	*-13 %*	0.05
Aircraft lease and depreciation	**0.07**	0.07	*-3 %*	0.06
Unit cost excl fuel	**0.32**	**0.35**	***-8 %***	**0.31**
Aviation fuel	**0.12**	0.11	*5 %*	0.13
Unit cost	**0.44**	**0.46**	***-5 %***	**0.43**

Total operating expenses excluding depreciation and aircraft lease increased by 0.4 per cent to NOK 7,904 million (7,873) this quarter. Operating expenses increased mainly due to a production increase of 17 per cent, unfavorable changes to currency rates and jet fuel prices, offset by other losses/(gains) of NOK 804 million and effects from the cost reduction program #Focus2019.

Unit cost excl fuel was NOK 0.32, a decrease of 8 per cent compared to the same quarter last year. At constant currency, unit cost excl fuel decreased by 11 per cent compared to the same quarter last year.

Personnel expenses increased by 7 per cent to NOK 1,659 million (1,550) in the first quarter compared to the same quarter last year. Unit cost decreased by 9 per cent due to higher utilization of crew and benefit of scale, following abating growth and cost reduction initiatives.

Aviation fuel expenses increased by 23 per cent to NOK 2,778 million (2,255) in the first quarter compared to the same quarter last year. Unit cost has increased by 5 per cent, due to an appreciation of USD to NOK of 9 per cent, partially offset by a decrease in jet fuel prices in USD of 3 per cent and efficiency gains from adding new fuel-efficient aircraft to the fleet and increased sector length.

The company has forward contracts at the end of the first quarter 2019 to cover approximately 33 per cent of fuel exposure in 2019 at an average price of USD 681 per ton.

Airport and air traffic control (ATC) charges increased by 12 per cent to NOK 1,012 million (907) in the first quarter compared to the same quarter last year. Unit cost decreased by 5 per cent, due to #Focus2019 cost reduction initiatives including renegotiating agreements with vendors, in addition to increased average sector length.

Handling charges increased by 17 per cent to NOK 1,163 million (994) in the first quarter compared to the same quarter last year. Unit cost was at the same level as last year, despite adverse effects from currency rates.

Technical maintenance expenses decreased by 5 per cent to NOK 813 million (860) in the first quarter compared to the same quarter last year. Unit cost decreased by 19 per cent. Heavy maintenance cost decreased due to new engine maintenance contracts and reductions in maintenance costs on 787 and 737 MAX 8 aircraft due to less flown hours than planned as well as compensation for 787 groundings.

Other operating expenses consist of sales and distribution expenses, general and administrative expenses and other flight operation expenses. Other operating expenses increased by 1 per cent, and unit cost decreased by 13 per cent.

Aircraft lease and depreciation increased by 15 per cent to NOK 1,546 million (1,346) in the first quarter compared to the same quarter last year. Unit cost for leasing and depreciation decreased by 3 per cent. The cost increased after adding a net of 13 aircraft to the fleet in the past twelve months, including one owned and six leased 787-9 Dreamliners, eight new owned and four new leased 737 MAX 8, while selling two owned and redelivering four leased 737-800s. As an effect of the adoption of IFRS 16, the net cost reduction on depreciation and aircraft lease is NOK 178 million.

Profit/loss from associated companies in the first quarter was NOK 3 million (65) and represents the company's share of estimated net profit in the joint venture OSM Aviation Ltd, while comparative figures for 2018 included a share of net profit from Norwegian Finans Holding ASA since the investment was recognized according to the equity method until March 2018.

Net financial items were negative by NOK 522 million (positive by 1,646) in the first quarter. Comparative figures from 2018 include a gain from the investment in NOFI of NOK 1,940 million. In Q1 2019, additional interest expenses of NOK 412 million has been recognized following the adoption of IFRS 16. Interest on prepayments of NOK 96 million (51) was capitalized during Q1 2019, reducing interest expense. Financial items include currency losses of NOK 179 million compared to a currency gain of NOK 70 million in 2018.

Income taxes amounted to a tax income of NOK 488 million in the first quarter compared to a tax income of NOK 469 million last year.

FINANCIAL POSITION AND LIQUIDITY

Aircraft assets are accounted for in USD, creating a natural hedge against USD denominated borrowings when translated into NOK. The company received two new 787-9 Dreamliners financed through sale-leaseback transactions in the first quarter. During the quarter, the company also sold one 737-800 and two Airbus A320neos. The sold A320neos were classified as assets held for sale at 31 December 2018.

Total assets and liabilities at the end of the first quarter are affected by the implementation of IFRS 16, increasing lease liabilities and right of use assets substantially compared to the financial position as reported in previous periods. Net assets are also affected by a year to date depreciation of USD against NOK of 1.1 per cent.

Net interest-bearing debt at the end of the first quarter was NOK 61,677 million compared to NOK 31,917 million at the end of last year. Included in current year net interest-bearing debt are lease liabilities of NOK 33,745 million following the adoption of IFRS 16. At the end of March 2019, the equity ratio was 3.4 per cent, compared to 3.0 per cent at the end of 2018.

Total non-current assets amount to NOK 76,152 million at the end of the first quarter, compared to NOK 44,209 million at the end of last year. Transition effects following the adoption of IFRS 16 were NOK 32,797 million. The main investments during the first quarter are deliveries of two new 787-9 Dreamliners financed through sale-leaseback transactions, in addition to predelivery payments. Intangible assets amounted to NOK 3,355 million at the end of the first quarter, compared to NOK 2,886 million at the end of 2018, including deferred tax assets of NOK 3,146 million compared to NOK 2,674 million at the end of last year.

Total current assets amount to NOK 16,135 million at the end of the first quarter, compared to NOK 11,777 million at the end of last year. Investments include economic interests in Norwegian Finans Holding as well as unrealized gains on jet fuel hedges and amount to NOK 2,099 million. Receivables have increased by NOK 3,951 million during the quarter due to increased production, increased hold-backs from credit card acquirers and seasonality. Cash and cash equivalents have decreased by NOK 1,229 million during the quarter, ending at NOK 3,151 million.

Total non-current liabilities were NOK 56,058 million at the end of the first quarter, compared to NOK 26,662 million at the end of last year. Long-term debt has increased by NOK 29,225 million and includes lease liabilities of NOK 29,969 million at quarter end. Other non-current liabilities increased by NOK 171 million, mainly due to increased accruals for periodic maintenance on leased aircraft.

Total current liabilities amounted to NOK 33,136 million at the end of the first quarter, compared to NOK 27,619 million at the end of 2018. Air traffic settlement liabilities increased by NOK 4,923 million from end of last year due to seasonality and increased production. Short-term debt increased by NOK 1,764 million during the first quarter, including lease liabilities amounting to 3,776 million at quarter end. Short-term aircraft and prepayment financing are reduced due to the sale-leaseback of two 787-9 Dreamliners during the quarter, in addition to the sales of two A320neos and one 737-800 with settlement of the corresponding debt. Other current liabilities decreased by NOK 1,170 million from end of last year, mainly due to reductions in unrealized losses on jet fuel hedges.

Equity at the end of the first quarter was NOK 3,092 million compared to NOK 1,704 million at the end of last year. Equity increased due to the rights issue raising a net equity increase of NOK 2,927 million, offset by a net loss year to date of NOK 1,489 million and exchange rate losses from subsidiaries of NOK 54 million. Other effects amounted to NOK 3 million.

CASH FLOW

Cash and cash equivalents were NOK 3,151 million at the end of the first quarter in 2019 compared to NOK 1,922 million at the end of last year.

Cash flow from operating activities in the first quarter amounted to negative NOK 221 million compared to negative NOK 135 million in the first quarter last year. Air traffic settlement liabilities increased by NOK 4,923 million (4,492) while receivables increased by NOK 3,951 million (3,240) during the quarter. Cash from other adjustments amounted to negative NOK 755 million (positive 785) during the first quarter. Other adjustments mainly consist of finance items, changes in other assets and other liabilities in addition to non-cash effects included in profit before tax, such as unrealized gains or losses on hedge and currency.

Cash flow from investing activities in the first quarter was NOK 2,462 million, compared to negative NOK 3,619 million in the same quarter last year. Cash from investing activities during the quarter consists mainly of proceeds from sale of three aircraft including one Boeing 737-800 and two Airbus A320neos in addition to effects from prepayment financing on two 787-9 Dreamliners financed through sale-leaseback.

Cash flow from financing activities in the first quarter was negative by NOK 987 million compared to NOK 2,910 million in the first quarter last year. Net cash raised from the rights issue in March amounted to NOK 2,907 million. Principal repayments relate to settling aircraft and prepayment financing on sold aircraft.

RISK AND UNCERTAINTIES

Norwegian is exposed to a number of risk factors such as market risk, operational risk, financial risk and liquidity risk. The airline industry is undergoing a challenging time due to strong competition. Future demand is dependent on sustained consumer and business confidence in the company's key markets. A market place where capacity growth exceeds market growth will increase the risk of yield pressure. Demand for airline travel and the company's business is subject to strong seasonal variations.

The final outcome of Brexit is still uncertain. The company has contingency plans in place based on the different Brexit scenarios (including a hard Brexit).

The company is currently assessing the financial impact of the grounding of Boeing 737 MAX 8 worldwide. The company has 18 737 MAX 8 in the current fleet and further deliveries are put on hold. Plans are in place to uphold the scheduled production and minimize effects on passengers.

The company is exposed to liquidity risk, including commitments for future aircraft deliveries and lease commitments. Following the strategic change from growth to profitability, the company is reducing liquidity risk exposure by divesting aircraft, postponing aircraft deliveries and managing credit lines with credit card acquirers.

Fuel price and currency fluctuations, as well as hedging of such, are risks that 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 affect fuel and other costs, and debt and assets denominated in foreign currency.

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

Norwegian has a significant investment in Norwegian Finans Holding ASA, and changes to the valuation of the shares might have a substantial positive or negative effect on the company's equity.

Further information on the risks associated with the company and its business is provided in the company's Annual Report for 2018.

OUTLOOK

The demand for travelling with Norwegian has been satisfactory entering the second quarter of 2019. Advance bookings are acceptable, with a slight decrease from the grounding of Norwegian's 737 MAX 8 fleet. Norwegian will continue to take advantage of its increasing competitive power realized through continuous cost efficiency. Norwegian will receive five new Boeing 787-9s in 2019. Changes in the narrow body fleet in 2019 will be considered given the unresolved situation with 737 MAX 8 worldwide. Norwegian guides for a production growth (ASK) of 5-10 per cent (previous guiding 9 per cent) for 2019. The company aims to limit disruptions in the scheduled traffic in the upcoming months by applying wet leased aircraft.

Norwegian may decide to adjust capacity to optimize the route portfolio depending on the development in the overall economy and in the marketplace. Assuming a fuel price of USD 655 per ton (previous assumption 613) and USD/NOK 8.27 (previous assumption 8.18) excluding hedged volumes and with the currently planned route portfolio, the company is targeting a unit cost of approximately NOK 0.42 (previous guiding NOK 0.4075 – 0.4125) and a unit cost excluding fuel of approximately NOK 0.30 (previous guiding NOK 0.295 – 0.300) for 2019. The updated guiding includes negative effects from the 737 MAX 8 grounding of up to NOK 500 million.

Norwegian has a long-term target for ancillary revenue share at 20 per cent of total revenue. The increased share of ancillary revenue will be driven by third-party revenue streams and the introduction of new products and services. Going forward, Norwegian will continue its fleet renewal program and reduce ownership in non-core assets. Norwegian continues to establish and develop an organizational structure that will secure cost efficiency, international expansion and necessary traffic rights for the future.

Fornebu, 24 April 2019

CEO, Norwegian Air Shuttle ASA
Bjørn Kjos

CONDENSED CONSOLIDATED INCOME STATEMENT

(unaudited in NOK million)	*Note*	Q1 2019	Q1 2018	Full Year 2018
Passenger revenue		**6,298.6**	5,511.3	32,560.1
Ancillary passenger revenue		**1,358.4**	1,210.6	6,266.6
Other revenue		**334.5**	270.8	1,438.9
Total operating revenue	*3*	**7,991.6**	6,992.7	40,265.5
Personnel expenses		**1,659.1**	1,550.1	6,664.6
Aviation fuel		**2,778.1**	2,254.9	12,562.2
Airport and ATC charges		**1,011.9**	907.2	4,373.0
Handling charges		**1,163.1**	994.3	5,200.5
Technical maintenance expenses		**813.4**	859.8	3,493.7
Other operating expenses		**1,282.1**	1,266.5	4,806.4
Other losses/(gains) - net		**-804.0**	40.3	994.1
Total operating expenses excl lease, depr. and amort.		**7,903.8**	7,873.1	38,094.5
Operating profit excl lease, depr and amort. (EBITDAR)		**87.8**	-880.5	2,171.1
Aircraft lease, depreciation and amortization		**1,546.4**	1,345.9	6,021.7
Operating profit (EBIT)		**-1,458.6**	-2,226.4	-3,850.6
Interest income		**16.1**	16.4	117.5
Interest expense		**705.5**	242.7	1,159.5
Other financial income (expense)		**167.4**	1,872.4	2,273.9
Net financial items		**-522.0**	1,646.0	1,232.0
Profit/loss from associated companies		**3.1**	65.2	128.5
Profit (loss) before tax (EBT)		**-1,977.5**	-515.1	-2,490.1
Income tax expense (income)		**-488.1**	-468.9	-1,036.0
Net profit (loss)		**-1,489.4**	-46.2	-1,454.1
Net profit attributable to:				
Owners of the parent company		**-1,484.8**	-46.0	-1,461.1
Non-controlling interests		**-4.6**	-0.2	7.0
Earnings per share (NOK) - Basic*		**-16.4**	-0.7	-19.5
Earnings per share (NOK) - Diluted*		**-16.4**	-0.7	-19.5
No. of shares at the end of the period		**136,308,377**	38,710,602	45,437,059
Average no. of shares outstanding		**90,366,740**	36,743,293	42,487,877
No. of shares at the end of the period - Diluted		**136,688,377**	39,325,602	46,397,059

** Earnings per share for comparative figures have been adjusted with a factor of 1.76 due to effects of the rights issue completed in March 2019*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited in NOK million)	Q1 2019	Q1 2018	Full Year 2018
Net profit (loss) for the period	**-1,489.4**	-46.2	-1,454.1
Actuarial gains and losses	**0.0**	0.0	2.7
Exchange rate differences Group	**-53.5**	-308.7	347.9
Fair value adjustments through OCI	**0.0**	-128.6	-771.7
Other	**-0.5**	-0.5	22.9
Total comprehensive income for the period	**-1,543.4**	-484.0	-1,852.4
Total comprehensive income attributable to:			
Owners of the company	**-1,538.4**	-483.3	-1,859.9
Non-controlling interests	**-5.1**	-0.7	7.6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited in NOK million)	*Note*	31 MAR 2019	31 MAR 2018	31 DEC 2018
ASSETS				
Intangible assets		**3,355.0**	1,689.0	2,886.1
Tangible fixed assets		**71,461.3**	32,832.7	40,106.4
Fixed asset investments		**1,335.1**	921.9	1,216.2
Total non-current assets		**76,151.5**	35,443.6	44,208.6
Assets held for sale		**0.0**	0.0	850.6
Inventory		**181.6**	114.0	167.3
Investments		**2,099.1**	3,228.0	2,084.4
Receivables		**10,703.3**	7,677.5	6,752.6
Cash and cash equivalents		**3,150.8**	3,203.7	1,921.7
Total current assets		**16,134.8**	14,223.2	11,776.7
TOTAL ASSETS		**92,286.3**	49,666.7	55,985.3
EQUITY AND LIABILITIES				
Shareholder's equity	*7*	**3,079.9**	2,058.5	1,687.2
Non-controlling interests		**12.2**	11.0	17.3
Total equity		**3,092.1**	2,069.5	1,704.4
Long-term debt	*6*	**51,755.1**	23,194.7	22,530.0
Other non-current liabilities		**4,303.0**	2,946.1	4,131.8
Total non-current liabilities		**56,058.1**	26,140.8	26,661.8
Air traffic settlement liabilities		**11,830.6**	10,985.4	6,907.3
Short-term debt	*6*	**13,072.6**	4,734.2	11,309.1
Other current liabilities		**8,232.9**	5,736.9	9,402.6
Total current liabilities		**33,136.1**	21,456.4	27,619.0
Total liabilities		**89,194.2**	47,597.2	54,280.8
TOTAL EQUITY AND LIABILITIES		**92,286.3**	49,666.7	55,985.3

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

(unaudited in NOK million)	Q1 2019	Q1 2018	Full Year 2018
Profit before tax	**-1,977.5**	-515.1	-2,490.1
Paid taxes	**-7.5**	-52.8	-22.7
Depreciation, amortization and impairment	**1,546.4**	335.8	1,667.6
Fair value adjustment of financial assets (PL)	**0.0**	-1,939.8	-1,939.8
Changes in air traffic settlement liabilities	**4,923.4**	4,491.8	413.7
Changes in receivables	**-3,950.7**	-3,239.9	-2,548.3
Other adjustments	**-754.6**	785.4	5,381.9
Net cash flows from operating activities	**-220.6**	-134.7	462.7
Purchases, proceeds and prepayment of tangible assets	**2,455.2**	-3,628.2	-8,781.8
Other investing activities	**7.0**	9.0	218.6
Net cash flows from investing activities	**2,462.3**	-3,619.2	-8,563.2
Loan proceeds	**525.0**	3,607.4	12,546.6
Principal repayments	**-3,714.1**	-747.9	-6,518.8
Financing costs paid	**-705.0**	-399.8	-1,499.8
Proceeds from issuing new shares	**2,907.2**	449.9	1,456.0
Net cash flows from financing activities	**-986.9**	2,909.5	5,984.1
Foreign exchange effect on cash	**-25.6**	8.3	-1.7
Net change in cash and cash equivalents	**1,229.1**	-836.1	-2,118.1
Cash and cash equivalents at beginning of period	**1,921.7**	4,039.8	4,039.8
Cash and cash equivalents at end of period	**3,150.8**	3,203.7	1,921.7

CONDENSED CONSOLIDATED CHANGES IN EQUITY

(unaudited in NOK million)	Q1 2019	Q1 2018	Full Year 2018
Equity - Beginning of period	**1,704.4**	2,098.4	2,098.4
Total comprehensive income for the period	**-1,543.4**	-484.0	-1,852.4
Share issue	**2,927.4**	449.9	1,456.0
Transactions with non-controlling interests	**0.0**	0.0	-2.7
Equity change on employee options	**3.7**	5.2	5.1
Equity - End of period	**3,092.1**	2,069.5	1,704.4

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING PRINCIPLES

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

The consolidated financial statements of the company for the year ended 31 December 2018 are available at www.norwegian.com.

These condensed consolidated interim financial statements have been prepared in accordance with the rules and regulations of Oslo Stock Exchange and International Financial Reporting Standards (IAS) 34 Interim Financial Reporting. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the company at 31 December 2018. These condensed consolidated interim financial statements are unaudited.

The accounting policies applied by the company in these condensed consolidated financial statements are the same as those applied by the company in its consolidated financial statements for the year ended 31 December 2018 except for the specific items described below.

From Q1 2019, Norwegian has adopted the new accounting standard IFRS 16 Leases.

IFRS 16 replaces IAS 17, Leases and related interpretations. IFRS 16 from a lessee viewpoint eliminates the classification of leases as either operating leases or finance leases. Instead, all leases are treated in a similar way to finance leases under IAS 17. The standard is effective for accounting periods beginning on or after 1 January 2019 and adopted by the company from the same date.

IFRS 16 allows various adoption approaches. The company applies the modified retrospective approach under which all right-of-use assets (ROU assets) are measured at an amount equal to the lease liability at 1 January 2019. The lease liability in turn is calculated as the present value of remaining lease payments under the leases discounted by incremental borrowing rates as per time of transition. The cumulative effect of initially applying the standard as an adjustment to the opening balance on retained earnings is zero. Under this transition approach, the 2018 comparable numbers presented in the first quarter 2019 reporting are not restated as if IFRS 16 was applied in 2018. The presented amounts are calculated based on judgements and interpretations at the time of adopting the new standard.

There is a significant impact on the company's income statement and statement of financial position from the adoption of IFRS 16. More than 95 per cent of the total impact stems from changed presentation of operational aircraft leases. Such aircraft leases are all contracts with a fixed term and with fixed lease payments. Under aircraft leases the Group will as part of right-of-use assets (ROU assets) include an estimate of costs to be incurred in restoring the aircraft asset to the condition required by the terms and conditions of the lease. Other maintenance obligations will be recognized in accordance with IAS 37 and built up over the lease term as time elapses and the aircraft is utilized, up until the relevant maintenance activities are carried out and the obligation hence is settled. For aircraft sale and leaseback transactions entered into after the transition date the ROU asset is measured at the portion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Gain or loss is recognized for the amount that relates to the rights transferred to the buyer-lessor.

In addition to the effects from aircraft leases, there are effects from leasing of aircraft spare parts, facilities and other equipment. Facility leases often contain options to extend or terminate the contract. Lease terms of such contracts hence might be subject to application of judgement.

The Group has elected to apply the recognition exemption to leases for which underlying assets are of low value. For leases other than aircraft leases the Group has also elected to apply the recognition exemption to short-term leases.

One effect of IFRS 16 compared to IAS 17 is that the timing of expenses over the lease term due to the interest element changes so that more expenses are recognized early in the lease term and less expenses are recognized later in the lease term. During the first years of application of IFRS 16 under the modified retrospective transition approach, one will experience a net negative effect on profit or loss compared to the effects under IAS 17. Later in the lease terms there will be a corresponding positive effect of applying IFRS 16. Over the lease term the total expenses under IFRS 16 are equal to those of IAS 17.

Transition effects of adopting the new standard and effects on the income statement for the first quarter of 2019 are shown in the tables below.

IFRS 16 EFFECTS ON STATEMENT OF FINANCIAL POSITION

(unaudited in NOK million)	31 DEC 2018	IFRS 16 effects	**1 JAN 2019**
Total non-current assets	44,208.6	32,797.3	77,006.0
Total current assets	11,776.7	0.0	11,776.7
TOTAL ASSETS	**55,985.3**	**32,797.3**	**88,782.6**
EQUITY	**1,704.4**	**0.0**	**1,704.4**
Total non-current liabilities	26,661.8	29,129.1	55,790.9
Total short term liabilities	27,619.0	3,668.3	31,287.3
Total liabilities	**54,280.8**	**32,797.3**	**87,078.2**
TOTAL EQUITY AND LIABILITIES	**55,985.3**	**32,797.3**	**88,782.6**

At 1 January 2019, following the adoption of IFRS 16, the company recognized right of use assets corresponding to the discounted value of lease liabilities within the scope of IFRS 16 at the time of adoption. NOK 32,797 million was recognized as right of use assets. The incremental borrowing rates applied to lease liabilities at the date of initial recognition are in the interval 5.1-5.4 % for aircraft leases and in the interval 4.8-7.7 % for leases other than aircraft leases.

Aircraft leases are denominated in USD, whereas other leases are denominated in a mix of the currencies USD, EUR, GBP, NOK and SEK.

The equity effect of the adoption of IFRS 16 was zero. The above presented effects in assets and liabilities are unchanged compared to the estimates presented in the fourth quarter report and financial statements of 2018.

IFRS 16 EFFECTS ON INCOME STATEMENT

(unaudited in NOK million)	**Excl IFRS 16* Q1 2019**	IFRS 16 effects	**Q1 2019**
Total operating revenue	7,991.6	0.0	7,991.6
Total operating expenses excl lease, depr. and amort.	7,963.0	-59.1	7,903.8
EBITDAR	**28.6**	**59.1**	**87.8**
Aircraft lease	1,263.9	-1,263.9	0.0
Depreciation and amortization	460.4	1,086.0	1,546.4
Operating profit (EBIT)	**-1,695.7**	**237.1**	**-1,458.6**
Net financial items	-109.8	-412.2	-522.0
Profit/loss from associated companies	3.1	0.0	3.1
Profit (loss) before tax (EBT)	**-1,802.4**	**-175.1**	**-1,977.5**

** Income statement effects are shown as if IAS 17 still applied, without the adoption of the new standard IFRS 16.*

Under the accounting standards effective prior to the adoption of IFRS 16, lease expenses would be higher, some of these included in operating expenses and EBITDAR, and the majority would be included as aircraft leases. Under IFRS 16, lease expenses within the scope of IFRS 16 are removed and replaced by depreciation of right of use assets and interest costs. Gains and losses from sale-leaseback transactions are also affected, as such items are partially deferred during the lease period. IFRS 16 has a net negative effect on EBT in the first quarter due to higher interest expenses being recognized early in the lease term and lower interest expenses to be recognized later in the lease term. The net negative effect on EBT for the company was NOK 175 million in the first quarter of 2019.

IFRS 16 EFFECTS ON STATEMENT OF CASH FLOW

(unaudited in NOK million)	Excl IFRS 16* Q1 2019	IFRS 16 effects	Q1 2019
Net cash flows from operating activities	-1,543.7	1,323.0	-220.6
Net cash flows from investing activities	2,462.3	0.0	2,462.3
Net cash flows from financing activities	336.1	-1,323.0	-986.9
Foreign exchange effect on cash	-25.6	0.0	-25.6
Net change in cash and cash equivalents	**1,229.1**	**0.0**	**1,229.1**

** Effect on cash flow statements effects are shown as if IAS 17 still applied, without the adoption of the new standard IFRS 16.*

Under the accounting standards effective prior to the adoption of IFRS 16, cash flow from operating activities would be lower, mainly due to operational lease payments being included as a negative effect. Under IFRS 16, operational lease payments within the scope of IFRS 16 are reclassified to principal repayments of borrowings and payment of interest included as financing costs paid, both included in cash flows from financing activities. Net effect on change in cash and cash equivalents is zero.

The net amount reclassified from operating activities to financing activities was NOK 1,323 million in the first quarter of 2019.

Additions of new right of use assets following new or extended operational leases does not have an effect on the cash flow statement.

JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed consolidated interim financial statements in accordance with IFRS and applying the chosen accounting policies require management to make judgments, estimates and assumptions which affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical figures 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 company's accounting policies the key sources of estimation uncertainty, except for those introduced by adopting IFRS 16 as described above, were the same as those that applied to the consolidated financial statements for the period ended 31 December 2018,.

NOTE 2 RISK

SENSITIVITY ANALYSIS

(unaudited in NOK million)	***Effect on income***
1% decrease in jet fuel price	122
1% depreciation of NOK against USD	-163
1% depreciation of NOK against EURO	-7

The sensitivity analysis reflects the effect on operating costs in 2019 by changes in market prices and exchange rates. The effect on operating costs is annualized based on the 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 comprises only ticket revenue, while ancillary passenger revenue is other passenger related revenue such as optional extras. Other revenue consists of revenue not directly related to passengers such as cargo, third-party products, externally leased aircraft and other income. Passenger related revenue per country is based on the starting point of passenger journeys. Freight related revenue is based on the starting point of freight services.

OPERATING REVENUE BY COUNTRY

(unaudited in NOK million)	**Q1 2019**	Q1 2018	*Change*	Full Year 2018
Norway	**1,694.6**	1,560.0	*9 %*	8,070.7
US	**1,349.9**	1,093.1	*23 %*	6,946.7
Spain	**1,116.1**	983.7	*13 %*	5,620.6
UK	**774.8**	689.0	*12 %*	4,323.4
Sweden	**646.9**	744.9	*-13 %*	3,666.4
Denmark	**534.7**	526.6	*2 %*	2,837.4
France	**299.3**	212.6	*41 %*	1,745.3
Finland	**279.6**	279.9	*0 %*	1,326.6
Thailand	**223.8**	148.1	*51 %*	350.5
Argentina	**212.9**	31.0	*587 %*	276.4
Other	**858.9**	723.8	*19 %*	5,101.4
Total operating revenue	**7,991.6**	6,992.7	*14 %*	40,265.5
Total outside of Norway	**6,297.0**	5,432.7	*16 %*	32,194.8

NOTE 4 SEGMENT INFORMATION

The Executive Management team reviews the company's internal reporting 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 company's operating profit arises from airline-related activities and the only revenue generating asset of the company is its aircraft fleet, which is employed flexibly across the entire operation and irrespective of geographic location.

Performance is measured by Executive Management based on the operating segment's earnings before interest, tax, aircraft lease, depreciation and amortization (EBITDAR). Other information is measured in a manner consistent with that in the financial statements.

NOTE 5 INFORMATION ON RELATED PARTIES

There have been no changes during the first quarter of 2019 in related parties compared to the description in Note 26 in the Annual Report for 2018. There have been no significant transactions with related parties during the first quarter in 2019.

NOTE 6 BORROWINGS

(unaudited in NOK million)	**31 MAR 2019**	31 MAR 2018	31 DEC 2018
Long-term			
Bond issue	**1,142.7**	3,511.0	1,182.2
Aircraft prepayment financing	**278.6**	1,031.7	280.5
Aircraft financing	**20,364.8**	18,652.0	21,067.4
Lease liabilities	**29,969.0**	0.0	0.0
Long-term debt	**51,755.1**	23,194.7	22,530.0
Short-term			
Bond issue	**2,331.1**	1,078.1	2,400.8
Credit facility	**1,650.0**	675.0	1,125.0
Aircraft prepayment financing	**2,333.7**	860.5	3,861.0
Aircraft financing	**3,114.4**	2,120.6	3,922.4
Lease liabilities	**3,643.3**	0.0	0.0
Short-term debt	**13,072.6**	4,734.2	11,309.1
Total borrowings	**64,827.7**	27,928.9	33,839.1

NOTE 7 SHAREHOLDER INFORMATION

20 largest shareholders at 31 March 2019:

	Shareholder	Country	Number of shares	Per cent
1	HBK Holding AS*	Norway	23,200,578	17.0 %
2	Folketrygdfondet	Norway	8,929,471	6.6 %
3	Danske Capital (Norway)	Norway	6,422,881	4.7 %
4	DNB Asset Management AS	Norway	6,137,560	4.5 %
5	Carnegie ASA	Norway	4,011,472	2.9 %
6	Pareto Asset Management AS	Norway	3,865,956	2.8 %
7	City Finansiering AS	Norway	3,196,041	2.3 %
8	Bank of America Merrill Lynch (UK)	United Kingdom	2,801,020	2.1 %
9	Keskinäinen eläkevakuutusyhtiö Varma	Finland	2,761,747	2.0 %
10	Sneisungen AS	Norway	1,935,483	1.4 %
11	DNB Bank ASA	Sweden	1,533,742	1.1 %
12	Stenshagen Invest AS	Norway	1,501,185	1.1 %
13	Kite Lake Capital Management (UK) LLP	United Kingdom	1,478,494	1.1 %
14	Danske Bank (Custodian)	Unknown	1,388,380	1.0 %
15	Songa Trading Inc.	Norway	1,230,693	0.9 %
16	Dimensional Fund Advisors, L.P.	United States	1,168,538	0.9 %
17	Jane Street Europe Limited	United Kingdom	991,141	0.7 %
18	Nordnet Livsforsikring AS	Norway	945,429	0.7 %
19	Nordnet Bank AB.	Norway	882,775	0.6 %
20	Nordea Funds Oy	Denmark	806,662	0.6 %
	Top 20 shareholders		**75,189,248**	**55.2 %**
	Other shareholders		61,119,129	44.8 %
	Total number of shares		**136,308,377**	**100.0 %**

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

The company issued 90,871,318 new shares through a fully underwritten rights issue in March 2019 in order to increase its financial flexibility and create headroom to the covenants of its outstanding bonds. The net cash proceeds from the share issue was NOK 2,907 million, and the net equity increase was NOK 2,927 million including tax effects from costs directly related to the rights issue.

Norwegian Air Shuttle ASA had a total of 136,308,377 shares outstanding at 31 March 2019. There were 25,374 shareholders at the end of the first quarter.

NOTE 8 CONTINGENCIES AND LEGAL CLAIMS

Norwegian disclosed comments in Note 27 to the Annual Financial Statements for 2018 relating to reassessments and draft reassessments from the Central Tax Office for Large Enterprises, that the rules on contingent tax-free transfers within a group do not apply to the transfer of business in 2013 and 2014.

Norwegian and its tax advisor are still of the opinion that the reassessments for 2013 and 2014 by the tax office are without merit and has thus not made any provisions for any potential tax claim in its Interim Financial Statements for the first quarter of 2019. The company has concluded that the possibility of any outflow in settlement is remote.

There are no significant additions or changes to the information regarding contingencies or legal claims presented in Note 27 to the Annual Financial Statements for 2018.

NOTE 9 EVENTS AFTER THE REPORTING DATE

On 3 April 2019, Arctic Aviation Assets DAC (AAA), a subsidiary of Norwegian Air Shuttle ASA, announced that the company has signed an agreement for the sale of two Boeing 737-800 aircraft, subject to final documentation. The aircraft are currently operated by the company, and the deliveries will take place late in Q3 and early in Q4 2019. The transaction is expected to increase the company's liquidity by USD 21 million after repayment of debt and have a positive equity effect. Sale proceeds will be used to repay debt and to increase the company´s liquidity.

On 10 April 2019, AAA announced that it has reached an agreement with Airbus S.A.S. for the rescheduling of part of the order book, including both A320neos and A321LRs. The rescheduling is a result of a dialogue between the company and Airbus the past months. The postponement is expected to reduce the company’s capital expenditure commitments by approximately USD 570 million in total for 2019 and 2020.

On 24 April 2019, the company announced that it has reached an agreement with Boeing to postpone the delivery of 14 737 MAX aircraft originally due for delivery in 2020 and 2021.

On 24 April 2019, the company further announced that it has reached an agreement in principle with Airbus S.A.S. regarding a restructuring of the fleet delivery schedule, including both A320neos and A321LRs. This restructuring remains subject to contractual documentation agreement, and more information will be provided as soon as the documentation is finalized. The restructuring will reduce capital expenditure by approximately USD 670 million for 2019 and 2020 and USD 2.4 billion over the next five years. This is in addition to the reduction in capital expenditures from postponements announced by the company on 6 February 2019, 10 April 2019 and earlier on 24 April 2019. In total, the announced restructurings and postponements of Boeing and Airbus aircraft will reduce capital expenditure for 2019 and 2020 by USD 2.1 billion.

There have been no other material events subsequent to the reporting period that might have a significant effect on the consolidated interim financial statements for the first quarter of 2019.

DEFINITIONS

ALTERNATIVE PERFORMANCE MEASURES

Norwegian Air Shuttle's financial information is prepared in accordance with International Financial Reporting Standards (IFRS). In addition, the company presents alternative performance measures (APM). The APMs are regularly reviewed by management and their aim is to enhance stakeholders' understanding of the company's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described in the table below.

The company has updated its definitions considering the adoption of IFRS 16. EBITDA (Earnings before net financial items, income tax expense (income), depreciation, amortization and impairment, restructuring, and share of profit (loss) from associated companies) is no longer presented as it is not comparable to previous periods and in essence very similar to EBITDAR (see definition below). EBITDAR excludes both depreciation and aircraft lease expenses and hence a more consistent measure for operational performance over time, excluding ownership costs and the most significant changes arising from adoption of IFRS 16.

Prior to 2018, the company presented unit cost primarily excluding depreciation. Since 2018, the company has included depreciation in unit cost.

Measure	Description	Reason for including
EBIT	Earnings before net financial items, income tax expense (income) and share of profit (loss) from associated companies. Equivalent to operating profit in the consolidated income statement in the annual report	Enables comparability of profitability regardless of capital structure or tax situation
EBIT excl other losses/(gains)	Earnings before net financial items, income tax expense (income) and share of profit (loss) from associated companies, adjusted for other losses/(gains)-net	Enables comparability of profitability regardless of capital structure or tax situation, excluding effects for certain volatile operating expenses
EBIT margin	EBIT divided by total operating revenue	Enables comparability of profitability relative to operating revenue
EBITDAR	Earnings before net financial items, income tax expense (income), depreciation, amortization and impairment, restructuring, aircraft leasing expenses and share of profit (loss) from associated companies	A measure of operating performance that enables comparison between airlines as it is not affected by the method used to finance aircraft
EBITDAR excl other losses/(gains)	Earnings before net financial items, income tax expense (income), depreciation, amortization and impairment, restructuring, aircraft leasing expenses and share of profit (loss) from associated companies, adjusted for other losses/(gains)-net	A measure of operating performance that enables comparison between airlines as it is not affected by the method used to finance aircraft, excluding effects for certain volatile operating expenses
EBITDAR margin	EBITDAR divided by total operating revenue	Enables comparability of profitability relative to operating revenue
EBT	Earnings before income tax expense (income). Equivalent to profit (loss) before income tax expense (income) in the Consolidated Income Statement in the annual report	Enables comparability of profitability regardless of capital structure or tax situation
EBT margin	EBT divided by total operating revenue	Enables comparability of profitability relative to operating revenue
Net interest-bearing debt	Long-term borrowings plus short-term borrowings less cash and cash equivalents	Measurement of the ability to pay all debt with available cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measure of the risk related to the company's capital structure
Other losses/(gains)-net	Gains and losses from foreign currency contracts, forward fuel contracts, adjustment of market value for total return swaps, translation of working capital in foreign currency and net gain or loss from sale of fixed assets	Included as a specification to operating expenses to separate certain volatile effects from other operating expenses
Total operating expenses excl leasing, depreciation and amortization	Total operating expenses not including aircraft lease expense, depreciation, amortization and impairment	A measure of operating expenses that enables comparison between airlines as it is not affected by the method used to finance aircraft
Total operating expenses excl depreciation and amortization	Total operating expenses not including depreciation, amortization and impairment	A measure of operating expenses that includes leasing but is not affected by depreciation and amortization

ALTERNATIVE PERFORMANCE MEASURES – RECONCILIATIONS

(unaudited in NOK million)	**Q1 2019**	Q1 2018	Full Year 2018
Net profit to EBIT / EBIT excl other gains /(losses)			
EBIT / Operating profit	**-1,458.6**	-2,226.4	-3,850.6
- Other losses/(gains)*	**-804.0**	40.3	994.1
EBIT excl other losses/(gains)	**-2,262.6**	-2,186.1	-2,856.5
Net profit to EBITDAR / EBITDAR excl other gains /(losses)			
EBITDAR	**87.8**	-1,890.6	-2,183.1
- Other losses/(gains)*	**-804.0**	40.3	994.1
EBITDAR excl other losses/(gains)	**-716.2**	-1,850.2	-1,189.0

**Other losses /(gains) is defined in table above and is a part of operating expenses, see consolidated income statement.*

OTHER DEFINITIONS

Item	Description
Aircraft lease expenses	Lease and rental expenses on aircraft including both dry leases and wet leases
Ancillary revenue / PAX	Ancillary passenger revenue divided by number of passengers
ASK	Available seat kilometers. Number of available passenger seats multiplied by flight distance
Average sector length	Total flown distance divided by number of flights
Book equity per share	Total equity divided by number of shares outstanding
CO2 per RPK	Amount of CO2 emissions divided by RPK
Constant currency	A currency exchange rate that excludes the impact of exchange rate fluctuations from comparable period, e.g. last year as comparable period
Equity ratio	Book equity divided by total assets
Fixed asset investment	Consists of the following non-current assets presented in the statement of financial position in the annual report: Investments in financial assets, investment in associate and other receivables
Fuel consumption	Aviation fuel consumed, presented in metric tons
Load factor	RPK divided by ASK. Describes the utilization of available seats
Passengers	Number of passengers flown
RPK	Revenue passenger kilometers. Number of sold seats multiplied by flight distance
Sold seats own channels	Sold seats own channels include bookings through internet, apps, direct API, agent portal, corporate portal, allotment and group travels. It does not include bookings through GDS (Global Distribution Channels)
Unit cost	Total operating expenses, excluding impairment and other losses/(gains)-net, divided by ASK *Note that Norwegian changed its unit cost definition to include depreciation from 2018.* *Presented as "unit cost including depreciation" throughout 2018.*
Unit cost excl fuel	Total operating expenses, excluding impairment, other losses/(gains)-net and aviation fuel expenses, divided by ASK *Note that Norwegian changed its unit cost definition to include depreciation from 2018.* *Presented as "unit cost including depreciation excl fuel" throughout 2018.*
Unit revenue	Passenger revenue divided by ASK
Yield	Passenger revenue divided by RPK. A measure of average fare per kilometer

NORWEGIAN AIR SHUTTLE ASA

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Organization number	NO 965 920 358 MVA

BOARD OF DIRECTORS

Bjørn H. Kise	Chair
Liv Berstad	Deputy Chair
Ada Kjeseth	Director
Christian Fredrik Stray	Director
Sondre Gravir	Director
Geir Olav Øien	Director, employee representative
Eric Holm	Director, employee representative
Katrine Gundersen	Director, employee representative

GROUP MANAGEMENT

Bjørn Kjos	Chief Executive Officer
Geir Karlsen	Chief Financial Officer
Anne-Sissel Skånvik	Chief Communications Officer
Asgeir Nyseth	Chief Operating Officer
Helga Bollmann Leknes	Chief Commercial Officer
Frode Berg	Chief Legal Officer
Tore Jenssen	Managing Director Arctic Aviation Assets
Kurt Simonsen	Chief Customer and Digital Officer
Bjørn Erik Barman-Jenssen	Managing Director Support Services

INVESTOR RELATIONS

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FINANCIAL CALENDAR 2019

APRIL	MAY	JUNE
4 Traffic data (Mar) 25 Q1 results	7 Traffic data (Apr) 7 Annual General Meeting	6 Traffic data (May)
JULY	**AUGUST**	**SEPTEMBER**
4 Traffic data (Jun) 11 Q2 results	6 Traffic data (Jul)	5 Traffic data (Aug)
OCTOBER	**NOVEMBER**	**DECEMBER**
4 Traffic data (Sep) 24 Q3 results	6 Traffic data (Oct)	5 Traffic data (Nov)