

SECOND QUARTER AND FIRST HALF REPORT 2010

HIGHLIGHTS

- First half revenue up by 10.2 % to MNOK 3,624.4 (3,287.5), quarterly revenue up by 6.9 % to MNOK 2,032.3 (1,900.5).
- Earnings before depreciation and leasing (EBITDAR) in first half were MNOK 121.4 (466.8) and in the second quarter were MNOK 144.2 (418.3).
- Earnings before depreciation (EBITDA) in first half were MNOK -241.0 (155.7) and in the quarter were MNOK -48.7 (257.6).
- Net result after tax in first half was MNOK -333.6 (70.6) and in the second quarter was MNOK -134.4 (180.4).
- Ancillary revenue per passenger up 12 % in the second quarter.
- The number of passengers in the second quarter was 3.2 mill. (+15%).
- Unit cost was NOK 0.49 in the first half and NOK 0.47 in the second quarter compared to NOK 0.51 in the first half last year and NOK 0.47 in the second quarter last year. Unit cost excluding fuel was NOK 0.37 in the first half and NOK 0.34 in the second quarter compared to NOK 0.41 in the first half last year and NOK 0.38 in the second quarter last year.
- The closure of European airspace by regulatory authorities in April has a significant adverse impact on traffic volumes, unit revenue, unit cost and the net result for the quarter. Direct earning effects are estimated to MNOK 100, however, the disruption had a negative effect on bookings and unit revenue in the entire second quarter.
- During the quarter, currency losses on USD denominated financing amount to MNOK 122, due to depreciation of NOK against USD. These unrealized losses have no cash effects.
- Cash and money market deposits of MNOK 1,581 (821) as of 30.06.10
- Cash flow from operating activities in the second quarter was MNOK 311 (323)

CONSOLIDATED KEY FINANCIAL FIGURES

Unaudited

(Mill. NOK)	Quarter ended 30.06.		YTD 30.06.		Year ended
	2010	2009	2010	2009	2009
Operating revenue	2,032.3	1,900.5	3,624.4	3,287.8	7,309.2
EBITDAR	144.2	418.3	121.4	466.8	1,340.9
EBITDA	-48.7	257.6	-241.0	155.7	720.7
EBIT	-92.8	222.8	-331.3	88.7	571.9
EBT	-187.8	245.0	-463.1	94.9	623.0
Net profit/ loss (-)	-134.4	180.2	-333.6	70.6	446.3
EBITDAR margin	7.1%	22.0%	3.3%	14.2%	18.3%
EBITDA margin	-2.4%	13.6%	-6.6%	4.7%	9.9%
EBIT margin	-4.6%	11.7%	-9.1%	2.7%	7.8%
Net profit margin	-6.6%	9.5%	-9.2%	2.1%	6.1%

OPERATIONS**CONSOLIDATED TRAFFIC FIGURES AND RATIOS**

Unaudited

	Quarter ended 30.06.			YTD 30.06.			Full Year
	2010	2009	Change	2010	2009	Change	2009
Yield (NOK)	0.52	0.62	-15 %	0.52	0.61	-16 %	0.60
Unit Revenue (NOK)	0.39	0.48	-18 %	0.39	0.47	-17 %	0.47
Unit Cost (NOK)	0.47	0.47	-1 %	0.49	0.51	-5 %	0.49
Unit Cost ex. fuel (NOK)	0.34	0.38	-10 %	0.37	0.41	-11 %	0.38
Ancillary Revenue /PAX (NOK)	76.22	67.91	12 %	77.78	68.76	13 %	73.34
Internet bookings	88%	88%	0 pp	88%	88%	0 pp	88%
ASK (mill)	4,449	3,469	28 %	7,956	6,144	30 %	13,555
RPK (mill)	3,354	2,716	23 %	5,989	4,716	27 %	10,602
Passengers (mill)	3.20	2.78	15 %	5.89	4.89	20 %	10.75
Load Factor	75%	78%	-3 pp	77%	77%	1 pp	78%

Traffic Development

A total of 3.20 million passengers travelled with Norwegian in the second quarter of 2010, compared to 2.78 million in the second quarter of 2009, an increase of 15 %. The Group had a load factor of 75% this quarter which is a decrease of 3 percentage points compared to the same period last year. The production (ASK) increased by a total of 28 %, and the passenger traffic (RPK) increased by 23 %.

The traffic volumes and load were adversely affected by the closure of European airspace by regulatory authorities in April.

At the end of the second quarter the total fleet including aircraft on maintenance and excluding wet lease comprised 52 aircraft. The Group utilized every operational aircraft on average 10.7 block hours in the second quarter compared to 10.2 last year. The closure of European Airspace grounded most of the aircraft making the majority of the fleet inoperative, minimizing the adverse effect on the utilization figure which describes block hours for operational aircraft.

The share of Internet sales remained unchanged at 88 %, compared to the same period last year.

Revenue

Total revenue in the second quarter was MNOK 2,032 (1,900), an increase of 6.9 %. MNOK 1,748 (1,671) of the revenues in the second quarter is related to ticket revenues. MNOK 244 (189) is ancillary revenue, while the remaining MNOK 40 (40) is related to freight, third-party products, and other income.

The ticket revenue per unit produced (RASK) in the second quarter was NOK 0.39 compared to NOK 0.48 for the same period last year. The RASK development compared to last year partially reflects an adjusted route portfolio with 4 % longer sector length and the introduction of new aircraft with higher capacity and lower unit cost.

Ancillary passenger revenue was NOK 76 per passenger (68) in the second quarter 2010, an increase of 12% compared to the same period last year.

Operating Expenses**COST BREAKDOWN**

Unaudited

(Mill. NOK)	Quarter ended 30.06.		YTD 30.06.		Year ended
	2010	2009	2010	2009	2009
Personell expenses	370.4	338.8	739.1	638.2	1,303.3
Sales/ distribution expenses	39.9	36.2	83.3	77.0	149.4
Aviation fuel	546.3	310.5	944.1	595.4	1,384.8
Airport and ATC charges	329.1	264.1	596.0	479.1	1,037.7
Handling charges	241.5	181.9	425.8	335.3	722.7
Technical maintenance expenses	175.3	184.1	327.7	348.7	659.8
Other expenses	204.3	169.3	414.8	353.5	721.4
Other losses/(gains) - net	-18.8	-2.6	-27.8	-6.3	-10.8
Total operating costs	1,888.1	1,482.2	3,503.0	2,821.0	5,968.3

Operating expenses excluding leasing and depreciation were MNOK 1,888 (1,482) this quarter. A production increase (ASK) of 28% combined with higher fuel price are the main factors explaining the increased operating expenses this quarter, compared to the same quarter last year.

The unit cost excluding fuel was NOK 0.34 in the second quarter compared to NOK 0.38 in the second quarter last year. The retirement of the remaining MD-80 aircraft in the fleet combined with an increasingly larger share of Boeing 737-800W aircraft and a 4 % longer average sector length contributes the reduced cost level. Increasing scale economies and a continuing cost focus are other factors explaining the reduced unit cost. The closure of European airspace by regulatory authorities had a negative impact on costs and particularly the unit cost in second quarter.

Personnel expenses increased by 9% to MNOK 370 (339) in the second quarter compared to the same quarter last year. Unit cost for personnel expenses decreased by 15%. The main factor to the reduced unit cost is a productivity increase following an increasing share of Boeing 737-800Ws which with more capacity per aircraft drives down the crew cost per unit produced.

Aviation fuel expenses increased by 76 % to MNOK 546 (310) in the second quarter compared to the same quarter last year. The higher cost is driven by a production increase of 28% combined with an increase in the gross realized fuel price per ton denominated in NOK of 44% including a hedge loss of MNOK 25 and fuel vendor's service charge. The production weighted average net spot price denominated in USD increased by 52 % during the same period.

The increase in fuel price per ton is partially offset by a more efficient fleet comprising 11 new Boeing 737-800Ws and the retirement of the remaining MD-80 in the fleet since last year, resulting in an increase in the unit cost for fuel by 37%.

The Group has at the end of the second quarter, forward contracts to cover approximately 28 % of fuel exposure at an average price of USD 727 per ton for the remaining of 2010.

Airport and air traffic control (ATC) charges increased by 25% to MNOK 329 (264) in the second quarter compared to the same quarter last year. Unit cost for airport and ATC charges decreased by 3%. The unit cost for airport and ATC charges has mainly decreased due to strengthening of NOK against EUR and changes to the route portfolio (approximately 55% of these costs are denominated in EUR). The currency effect is partially offset by inflation adjustments.

Handling charges increased by 33% to MNOK 242 (182) in the second quarter compared to the same quarter last year. Unit cost for handling charges increased by 3.5%. Adjusted for the compensation paid to passengers after the closure of the European airspace in April, the unit handling charges are reduced compared to same quarter last year. The decrease in unit cost is partly caused by the strengthening of NOK against EUR and partly by the increasing number of Boeing 737-800Ws in the fleet.

Technical maintenance costs decreased by 5% to MNOK 175 (184) in the second quarter compared to the same quarter last year. Unit cost for technical maintenance costs decreased by 26% in the second quarter. The positive impact on the maintenance costs is mainly a result of an increased number of owned Boeing 737-800Ws together with an increased share of leased aircraft of the same type in the fleet. A strengthening of NOK against USD has also a positive impact on the maintenance cost.

Leasing costs increased by 20% to MNOK 193 (161) in the second quarter compared to the same quarter last year. Unit cost for leasing decreased by 6% in the second quarter. A reduced average lease rental and a strengthening of NOK against USD combined with an increased number of owned Boeing 737-800Ws are the main factors contributing to the reduced unit leasing cost. This is partly offset by an increased share of leased Boeing 737-800Ws in the fleet. During second quarter the company operated 4 owned Boeing 737-800Ws compared to none in the same quarter last year. In the second quarter the company operated 5 owned Boeing 737-300s which is the same number as the second quarter last year.

USD forward currency contracts cover approximately 11 % of expected exposure for operating activities in USD for 2010. Changes in fair value of foreign currency contracts are included in operating costs, and resulted in a net gain of MNOK 19 in the second quarter.

Profit/loss from associated company

Profit/loss from associated company in the second quarter is estimated to MNOK 1.3 (-0.5) which represents the 20 % share of Bank Norwegian's second quarter results.

Earnings

Earnings before interest, depreciation and amortization (EBITDA) in the second quarter were MNOK -48.7 (257.6) and the earnings before tax (EBT) were MNOK -187.8 (245.2).

Financial items

Net financial items in the second quarter were MNOK -96.3 (22.8).

Interest expense has in the second quarter been reduced by MNOK 15.6 due to capitalization of interest on prepayments.

Included in other financial income (expense) is a currency loss on USD denominated financing amount to MNOK 122, due to depreciation of NOK against USD. For the first half the loss amount to MNOK 162. These unrealized losses have no cash effects.

Tax

Income taxes amounted to an income of MNOK 53.4 in the quarter compared to a charge of MNOK 65.0 in the second quarter last year.

Net result

The net result for the second quarter was MNOK -134.4, compared to MNOK 180.4 in the same period last year.

Balance sheet

Total non-current assets amount to MNOK 3,698 at the end of the second quarter, compared to MNOK 2,719 at the end of last year. The main investment during the year is related to the purchase of two new Boeing 737-800W, and prepayments to Boeing on the remaining 44 new aircraft on order.

Total current assets amount to MNOK 2,688 at the end of the second quarter, compared to MNOK 2,303 at the end of last year. Due to seasonality and increased production, receivables have increased by MNOK 211 in the first half. Cash and cash equivalents have increased by MNOK 173 during 2010.

Total non-current liabilities at the end of the second quarter were MNOK 1,538, compared to MNOK 1,093 at the end of last year.

Long-term borrowings increased by MNOK 444 during the year and are related to new aircraft financing and marked-to-market adjustment of USD denominated borrowings. MNOK 190 of new loan is denominated in NOK while the remaining is denominated in USD.

Total short-term liabilities at the end of the second quarter were MNOK 3,580, compared to MNOK 2,327 at the end of last year.

Current liabilities increased by MNOK 352 during first half due to seasonality and increased production. Short-term borrowings increased by MNOK 159 during first half, a bond issue of MNOK 163 was repaid while other-short term financing increased by MNOK 322. Due to seasonality and increased production, air traffic liability has increased by MNOK 743 in the first half.

Total interest bearing liabilities at the end of June were MNOK 2,186 compared to MNOK 1,583 at the end of last year.

Shares

The parent company Norwegian Air Shuttle ASA had a total of 34,209,858 shares outstanding at 30 June which is the same as at the end of 2009.

Cash flow

Cash and cash equivalents were MNOK 1,581 at the end of the second quarter compared to MNOK 1,408 at the end of last year.

Cash flow from operating activities in the second quarter amounted to MNOK 311, compared to MNOK 323 in the second quarter last year. Other adjustments of MNOK 402 consist of changes in accounts receivable, current liability and currency loss with no cash effect.

Cash flow from investment activities in the second quarter was MNOK -558, compared to MNOK -430 in the second quarter last year. Delivery of the fourth Boeing 737-800W and the prepayments to Boeing are the main investments in the quarter.

Net cash from financing activities in the second quarter was MNOK 201 compared to MNOK 286 in the second quarter last year. Principal repayments of MNOK 177 are mainly related to bond issue while loan proceeds of MNOK 408 are related to aircraft financing.

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.

Closure of airspace in which Norwegian operates as experienced in April, may affect demand, both short and long term. There exists a risk that recent disruptions in European airspace will have a negative impact on demand.

Fuel price and currency fluctuations are risks which can have a significant impact on Norwegians 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 advanced bookings has been satisfactory entering the third quarter of 2010. Norwegians capacity increase from introducing larger aircraft (737-800's), with a lower cost level, brings with it lower fares and even higher passenger volumes. However, the recent closure of European airspace has necessitated a need to stimulate the market further to keep the demand at a satisfactory level.

At this time it is perceived that the likelihood for further closure of European airspace is greatly reduced due to reduced volcanic activity and changes in procedures for closing European airspace. The previous estimate and guided MNOK 100 in negative earnings effect from the volcanic ashes has been re-evaluated and accounted for in the Q2 results. Remaining estimates of direct costs is assessed to be adequate for any claims not yet received.

For 2010 Norwegian guides for a production growth (ASK) of 30 % mainly from increasing the fleet by adding 737-800's. Norwegian may decide to adjust capacity deployment depending on the development in the overall economy and in the marketplace.

Assuming a fuel price of USD 730 pr ton and USD/NOK 6,30 for the remainder of the year (excluding hedged volumes) and with the current route portfolio, the company is targeting a unit cost (CASK) of NOK 0.47 (including current hedges) for 2010.

Interim report Q3 2010

The interim report for the third quarter 2010 will be presented 21 October 2010.

Fornebu, 12 July 2010

The Board of Directors of Norwegian Air Shuttle ASA

Consolidated Income Statement

Unaudited

(Mill. NOK)	Note	Quarter ended 30.06.		YTD 30.06.		Year ended
		2010	2009	2010	2009	2009
OPERATING REVENUE						
Total operating revenue	3	2,032.3	1,900.5	3,624.4	3,287.8	7,309.2
Total revenue		2,032.3	1,900.5	3,624.4	3,287.8	7,309.2
OPERATING EXPENSES						
Operational expenses		1,402.5	1,084.9	2,555.3	2,014.0	4,318.7
Payroll and other personnel expenses		370.4	338.8	739.1	638.2	1,303.3
Other operating expenses		115.2	58.5	208.7	168.8	346.3
TOTAL OPERATING EXPENSES		1,888.1	1,482.2	3,503.0	2,821.0	5,968.3
OPERATING PROFIT / LOSS BEFORE LEASING & DEPR (EBITDAR)						
		144.2	418.3	121.4	466.8	1,340.9
Leasing		192.9	160.7	362.4	311.2	620.1
OPERATING PROFIT / LOSS BEFORE DEPR (EBITDA)						
		-48.7	257.6	-241.0	155.7	720.7
Depreciation and amortization		44.1	34.8	90.4	67.0	148.9
OPERATING PROFIT / LOSS (EBIT)						
		-92.8	222.8	-331.3	88.7	571.9
FINANCIAL ITEMS						
Interest income		8.6	5.0	14.9	10.1	23.4
Interest expense		8.6	3.4	17.6	9.0	21.0
Other financial income (expense)		-96.4	21.1	-131.3	5.0	45.6
NET FINANCIAL ITEMS		-96.4	22.8	-134.1	6.1	48.0
Profit/Loss from associated company		1.3	-0.5	2.3	0.1	3.2
NET RESULT BEFORE TAX (EBT)						
		-187.8	245.0	-463.1	94.9	623.0
Income tax expense (benefit)		-53.4	64.8	-129.5	24.3	176.8
NET PROFIT / LOSS						
		-134.4	180.2	-333.6	70.6	446.3
Earnings per share (NOK) - Basic		-3.93	5.57	-9.75	2.18	13.73
Earnings per share (NOK) - Diluted		-3.85	5.43	-9.55	2.13	13.34
No. of shares at the end of the period		34,209,858	32,359,778	34,209,858	32,359,778	34,209,858
Average no. of shares outstanding		34,209,858	32,359,778	34,209,858	32,359,778	32,499,404
Average no. of shares outstanding - diluted		34,915,952	33,189,468	34,915,952	33,189,468	33,463,429

Financial key figures

Unaudited

(1000 NOK)	Quarter ended 30.06.		YTD 30.06.		Year ended
	2010	2009	2010	2009	2009
Operating margin (%)	-5%	12%	-9%	3%	8%
Book equity per share (NOK)			37.07	30.18	46.82
Equity ratio (%)			20%	23%	32%

Consolidated Balance Sheet

Unaudited

(Mill. NOK)	Note	Quarter ended 30.06.		Year ended Dec 31
		2010	2009	2009
ASSETS				
NON-CURRENT ASSETS				
Intangible assets		295.8	257.9	190.7
Tangible fixed assets		3,298.3	1,702.3	2,446.8
Fixed asset investments		104.4	96.5	81.6
TOTAL NON CURRENT ASSETS		3,698.6	2,056.7	2,719.1
CURRENT ASSETS				
Inventory		45.6	32.2	40.8
Investments		20.2	39.4	23.7
Receivables		1,041.2	1,310.1	829.9
Cash and cash equivalents		1,581.0	821.4	1,408.5
TOTAL CURRENT ASSETS		2,688.1	2,203.1	2,302.8
TOTAL ASSETS		6,386.6	4,259.7	5,022.0
EQUITY AND LIABILITIES				
SHAREHOLDERS EQUITY				
Paid-in capital		1,095.4	835.3	1,093.2
Other equity		172.8	141.4	508.6
TOTAL EQUITY		1,268.1	976.7	1,601.7
NON CURRENT LIABILITIES				
Other non-current liabilities		185.9	240.7	185.7
Long term borrowings	6	1,352.2	556.9	907.7
TOTAL NON-CURRENT LIABILITIES		1,538.1	797.6	1,093.4
SHORT TERM LIABILITIES				
Current liabilities		1,210.8	797.3	858.8
Short term borrowings	6	834.2	400.5	675.3
Air traffic settlement liabilities		1,535.3	1,287.6	792.7
TOTAL SHORT TERM LIABILITIES		3,580.4	2,485.4	2,326.8
TOTAL LIABILITIES		5,118.5	3,283.0	3,420.3
TOTAL EQUITY AND LIABILITIES		6,386.6	4,259.7	5,022.0

Condensed consolidated statement of cash flow (unaudited)

(Mill. NOK)	Quarter ended June 30		YTD June 30		Year ended Dec 31
	2010	2009	2010	2009	2009
OPERATING ACTIVITIES					
Profit before tax	-187.8	245.0	-463.1	94.9	623.0
Depreciation, amortization and impairment	44.1	34.8	90.4	67.0	148.9
Changes in air traffic settlement liabilities	52.1	27.2	742.6	687.4	194.6
Other adjustments	402.7	15.6	339.5	-401.2	-52.7
Net cash flows from operating activities	311.1	322.7	709.4	448.1	913.8
INVESTMENT ACTIVITIES					
Purchase and prepayment of tangible assets	-542.9	-421.8	-897.3	-467.5	-1,228.7
Purchases of other long-term investments	-15.3	-8.4	-37.3	-44.7	-71.2
Proceeds from tangible assets and long term investments	0.0	0.0	0.0	0.0	0.0
Net cash flows from investing activities	-558.2	-430.3	-934.6	-512.2	-1,299.9
FINANCING ACTIVITIES					
Loan proceeds	408.5	286.2	641.7	282.3	968.3
Principal repayments	-177.3	0.0	-186.8	0.0	-4.2
Net increase (decrease) in other short-term debt	-30.7	0.0	-57.1	0.0	-26.9
Proceeds from share issued	0.0	0.0	0.0	0.0	250.8
Net cash flows from financial activities	200.6	286.2	397.8	282.3	1,188.1
Foreign exchange effect on cash	-0.2	-6.1	-0.1	-4.4	-1.0
Net change in cash and cash equivalents	-46.8	172.5	172.5	213.8	800.9
Cash and cash equivalents in beginning of period	1,627.8	648.9	1,408.5	607.5	607.5
Cash and cash equivalents in end of period	1,581.0	821.4	1,581.0	821.4	1,408.5

Statement of comprehensive income

Unaudited

(Mill. NOK)	YTD 30.06.		Year ended Dec 31
	2010	2009	2009
Net profit for the period	-333.6	70.6	446.3
Available-for-sale financial assets	0.0	3.7	1.6
Exchange rate differences Group	-2.2	0.9	-5.0
Total comprehensive income for the period	-335.8	75.1	442.9
Profit attributable to:			
- Owners of the company	-333.6	70.6	446.3

Consolidated changes in equity

Unaudited

(Mill. NOK)	YTD 30.06.		Year ended Dec 31
	2010	2009	2009
Equity - Beginning of period	1,601.7	897.4	897.4
Total comprehensive income for the period	-335.8	75.1	442.9
Share issue	0.0	0.0	253.1
Equity change on employee options	2.2	4.2	8.4
Equity - End of period	1,268.1	976.7	1,601.7

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 2009 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 2009. 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 2009.

Note 1 Judgements, 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 judgements, 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 judgements 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 2009.

Note 2 Risk

SENSITIVITY ANALYSIS

Unaudited

Effect on income MNOK

1 % decrease in jet fuel price	+19
1% weakening of NOK against USD	-32
1% weakening of NOK against EURO	-12

The sensitivity analysis reflects the effect on P/L by changes in market prices and exchange rates. The effect on P/L is annualized based on today's 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 30.06.		YTD 30.06.		Year ended
	2010	2009	2010	2009	2009
Per activity					
Passenger revenue	1,748.3	1,671.2	3,095.7	2,888.5	6,389.4
Ancillary passenger revenue	244.0	189.1	457.8	336.2	788.7
Other revenue	39.9	40.3	70.9	63.1	131.1
Total	2,032.3	1,900.5	3,624.4	3,287.8	7,309.2
Per geographical market					
Domestic	766.0	708.8	1,475.3	1,315.2	2,899.7
International	1,266.2	1,191.7	2,149.1	1,972.6	4,409.5
Total	2,032.3	1,900.5	3,624.4	3,287.8	7,309.2

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, Polish, Danish and Swedish 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

Note 27 in the Annual Report for 2009 lists the details of transactions with related parties. In March 2010 Norwegian Air Shuttle ASA signed a 10 year rental contract with the related party HBK Invest AS for its new head office at Oksenøyveien 3, Fornebu. In first half, there were no other changes or transactions in conjunction with related parties that had a material impact on the Group's financial position or profit or loss for the period.

Note 6 Borrowings

Unaudited

(Mill. NOK)	YTD June 30 2010		YTD June 30 2009		Year ended Dec 31 2009	
	Long term	Short term	Long term	Short term	Long term	Short term
Bond issue	-398.5	0.0	-298.9	0.0	-398.3	-162.7
Revolving credit facility	0.0	-730.7	-257.9	-400.5	-144.7	-478.9
Aircraft financing	-926.5	-103.5	0.0	0.0	-335.8	-33.7
Financial lease liability	-27.2	0.0	0.0	0.0	-28.8	0.0
Total	-1,352.2	-834.2	-556.9	-400.5	-907.7	-675.3
TOTAL BORROWINGS	-2,186.4		-957.4		-1,583.0	

Definitions

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

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)

Responsibility Statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2010 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Group’s assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Fornebu, 12 July 2010
The Board of Directors of Norwegian Air Shuttle ASA

Bjørn H Kise
(Chairman of the board)

Ola Krohn-Fagervoll

Marianne Wergeland Jensen

Liv Berstad

Kenneth Utsikt
(employee representative)

Linda Olsen
(employee representative)

Thor Espen Bråten
(employee representative)

Bjørn Kjos
(Managing Director)

Information about the Norwegian Group

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Board of Directors - Norwegian Air Shuttle ASA

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

Group Management

Bjørn Kjos, Chief Executive Officer
Asgeir Nyseth, Chief Operating Officer
Hans-Petter Aanby, Chief Information Officer
Daniel A. Skjeldam, Chief Commercial Officer
Frode E. Foss, Chief Financial Officer
Gunnar Martinsen, SVP Human Resources
Anne-Sissel Skånvik, SVP Corporate Communications

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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