Double digit revenue growth in Q4

- Group revenues of MNOK 3,106 in Q4 2012
Pre-tax profit improved by 211 million in Q4

<table>
<thead>
<tr>
<th>EBITDAR</th>
<th>MNOK</th>
<th>296</th>
<th>216</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>MNOK</td>
<td>53</td>
<td>2</td>
</tr>
<tr>
<td>EBIT</td>
<td>MNOK</td>
<td>-52</td>
<td>-85</td>
</tr>
<tr>
<td>Pre-tax profit (EBT)</td>
<td>MNOK</td>
<td>23</td>
<td>-188</td>
</tr>
<tr>
<td>Net profit</td>
<td>MNOK</td>
<td>24</td>
<td>-133</td>
</tr>
</tbody>
</table>

### EBITDAR development Q4

<table>
<thead>
<tr>
<th></th>
<th>Q4 09</th>
<th>Q4 10</th>
<th>Q4 11</th>
<th>Q4 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDAR margin</td>
<td>12 %</td>
<td>10 %</td>
<td>9 %</td>
<td>10 %</td>
</tr>
</tbody>
</table>

### EBT development Q4

<table>
<thead>
<tr>
<th></th>
<th>Q4 09</th>
<th>Q4 10</th>
<th>Q4 11</th>
<th>Q4 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBT margin</td>
<td>0 %</td>
<td>-1 %</td>
<td>-7 %</td>
<td>1 %</td>
</tr>
</tbody>
</table>

EBITDAR and EBT development for Q4.
Underlying EBT improvement of MNOK 215 in Q4

- Realized fuel price up 3% since last year – equivalent to MNOK 67
Revenue growth of 2.3 billion in 2012

- Annual turnover MNOK 12,859
2012 pre-tax profit improvement of 457 million

<table>
<thead>
<tr>
<th>Measure</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDAR MNOK</td>
<td>1,822</td>
<td>1,540</td>
<td>1,175</td>
<td>1,341</td>
</tr>
<tr>
<td>EBITDA MNOK</td>
<td>789</td>
<td>710</td>
<td>416</td>
<td>403</td>
</tr>
<tr>
<td>EBIT MNOK</td>
<td>403</td>
<td>416</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-tax profit (EBT) MNOK</td>
<td>623</td>
<td>166</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit MNOK</td>
<td>457</td>
<td>122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EBITDAR development (full year)

- 2009: 1,341 MNOK
- 2010: 1,175 MNOK
- 2011: 1,540 MNOK
- 2012: 1,822 MNOK

EBT development (full year)

- 2009: 623 MNOK
- 2010: 243 MNOK
- 2011: 166 MNOK
- 2012: 623 MNOK

EBITDAR margin

- 2009: 18%
- 2010: 14%
- 2011: 15%
- 2012: 14%

EBT margin

- 2009: 9%
- 2010: 3%
- 2011: 2%
- 2012: 5%
2012 underlying pre-tax profit improvement of MNOK 725

- Realized fuel price up 7% since last year – equivalent to MNOK 330
Ancillary revenue remains a significant contributor

- Ancillary revenue comprises 11% of 2012 revenues

- NOK 82 per scheduled passenger (an increase of 2% from last year)
Cash & cash equivalents of NOK 1.7 billion

- Cash flows from operations in Q4 12: MNOK 447 (MNOK -73)
- Cash flows from investing activities in Q4 12: MNOK -1 545 (MNOK -483)
- Cash flows from financing activities in Q4 12: MNOK 1 093 (MNOK 232)
- Cash and cash equivalents at period-end: MNOK 1 731 (MNOK 1105)

### Condensed Consolidated Statement of Cash Flow

<table>
<thead>
<tr>
<th>Unaudited</th>
<th>Quarterly (end of Q4 12)</th>
<th>YTD (end of Q4 12)</th>
<th>Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Mill. NOK)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>446.5</td>
<td>2 021.6</td>
<td>673.7</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>-1 545.4</td>
<td>-2 765.5</td>
<td>-2 189.4</td>
</tr>
<tr>
<td>Net cash flows from financial activities</td>
<td>1 093.3</td>
<td>1 369.4</td>
<td>1 442.3</td>
</tr>
<tr>
<td>Foreign exchange effect on cash</td>
<td>1.6</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Net change in cash and cash equivalents</td>
<td>-4.0</td>
<td>625.8</td>
<td>-73.3</td>
</tr>
<tr>
<td>Cash and cash equivalents in beginning of period</td>
<td>1 734.8</td>
<td>1 730.9</td>
<td>1 104.9</td>
</tr>
<tr>
<td>Cash and cash equivalents in end of period</td>
<td>1 730.9</td>
<td>1 104.9</td>
<td>1 104.9</td>
</tr>
</tbody>
</table>
Equity improved by MNOK 475 compared to last year

- Total balance of NOK 11.9 billion
- Net interest bearing debt NOK 3.8 billion
- Equity of NOK 2.4 billion at the end of the fourth quarter
- Group equity ratio of 20% (22%)
Long-term financing 2013 on track

- **Planned external financing 2013:** MNOK +/- 2,200
  - Committed / arranged financing: MNOK 1,500

- **Year-end 2013 net debt increase (long-term)** MNOK +/- 1,100
  - Repayment of debt
  - Off-balance sheet sale & leaseback
Traffic growth of 17% in 2012

- Unit revenue (RASK) up 4%
- Average flying distance up 5%
17.7 million passengers in 2012

- An increase of 2.0 million passengers
Continued strong international growth in Q4

<table>
<thead>
<tr>
<th></th>
<th>Marketshare Oslo Airport (OSL)</th>
<th>Marketshare Stockholm Airport (ARN)</th>
<th>Marketshare Copenhagen Airport (CPH)</th>
<th>Marketshare Helsinki Airport (HEL)</th>
<th>Marketshare Int'l Gatwick Airport (LGW)</th>
<th>Marketshare Int'l Spanish bases (AGP, LPA, ALC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 07</td>
<td>27 %</td>
<td>8 %</td>
<td>0 %</td>
<td>0 %</td>
<td>0 %</td>
<td>1 %</td>
</tr>
<tr>
<td>Q4 08</td>
<td>33 %</td>
<td>9 %</td>
<td>3 %</td>
<td>0 %</td>
<td>1 %</td>
<td>2 %</td>
</tr>
<tr>
<td>Q4 09</td>
<td>37 %</td>
<td>10 %</td>
<td>10 %</td>
<td>0 %</td>
<td>3 %</td>
<td>4 %</td>
</tr>
<tr>
<td>Q4 10</td>
<td>38 %</td>
<td>14 %</td>
<td>11 %</td>
<td>2 %</td>
<td>5 %</td>
<td>5 %</td>
</tr>
<tr>
<td>Q4 11</td>
<td>37 %</td>
<td>19 %</td>
<td>12 %</td>
<td>8 %</td>
<td>6 %</td>
<td>6 %</td>
</tr>
<tr>
<td>Q4 12</td>
<td>38 %</td>
<td>19 %</td>
<td>15 %</td>
<td>10 %</td>
<td>6 %</td>
<td>8 %</td>
</tr>
</tbody>
</table>

Sources: Avinor, Swedavia, Copenhagen Airports, Finavia, Gatwick Airport, Aena
Unit cost ex fuel down 3% in 2012

- Unit cost including fuel down 1%
  - 7% higher NOK denominated fuel price
  - USD/NOK up 4% y.o.y. (maintenance, fuel & leasing)

Norwegian hedges USD/NOK to counter foreign currency risk exposure on USD denominated borrowings translated to the prevailing currency rate at each balance sheet date. Hedge gains and losses are according to IFRS recognized under operating expenses while foreign currency gains and losses from translation of USD denominated borrowings are recognized under financial items and is thus not included in the CASK concept. Hedge effects offset under financial items have not been included in this graph.
Unit cost ex fuel down 8 % in Q4

- Unit cost including fuel down 6 %
  - 4 % higher NOK denominated fuel price

<table>
<thead>
<tr>
<th>Cost per ASK (CASK) (NOK)</th>
<th>Q4 09</th>
<th>Q4 10</th>
<th>Q4 11</th>
<th>Q4 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASK ex. fuel</td>
<td>0.40</td>
<td>0.36</td>
<td>0.33</td>
<td>0.30</td>
</tr>
<tr>
<td>Fuel share of CASK</td>
<td>0.09</td>
<td>0.11</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>CASK excl fuel</td>
<td>0.40</td>
<td>0.36</td>
<td>0.33</td>
<td>0.30</td>
</tr>
</tbody>
</table>

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Cost control is a prerequisite for survival

2012 Bankruptcies

On the verge... Government bailouts

?
Norwegian positioned in the cost “Break-even Belt” – a prerequisite for self sustainability
Aiming for the “Comfort Zone”


Cost per available seat kilometer is an industry-wide cost level indicator often referred to as “CASK”. Usually represented as operating expenses before depreciation and amortization (EBITDA level) over produced seat kilometers (ASK).

Non-airline: Operating expenses calculated by deducting “Airline Business” expenses as presented in the “Business segment data” from total operating expenses.

SAS Group: Revenues from mail & freight, ground handling services, technical maintenance and terminal & forwarding services as presented in the 2011 annual report are classified as “non-airline” and are deducted from airline operating expenses.

Foreign exchange rates used are equivalent to the daily average rates corresponding to the reporting periods and as stated by the Central Bank of Norway.

Hedge gains and losses on USD denominated borrowings translated to the prevailing currency rate at each balance sheet date. Hedge gains and losses are recognized in the financial items and is thus not included in the CASK concept. Hedge effects offset under financial items have not been included in this graph.


Foreign exchange rates used are equivalent to the daily average rates corresponding to the reporting periods and as stated by the Central Bank of Norway.

Hedge gains and losses on USD denominated borrowings translated to the prevailing currency rate at each balance sheet date. Hedge gains and losses are recognized in the financial items and is thus not included in the CASK concept. Hedge effects offset under financial items have not been included in this graph.
Creating and securing jobs - both in established and new markets
Reaching the aim of FY CASK NOK 0.30 excluding fuel

**Scale economies**
- Uniform fleet of Boeing 737-800s
- Overheads

**New more efficient aircraft**
- Flying cost of 737-800 lower than 737-300
- 737-800 has 38 “free” seats
- 3% lower unit fuel consumption in Q4

**Growth adapted to int’l markets**
- Cost level adapted to local markets
- Outsourcing/Off-shoring

**Crew and aircraft utilization**
- Rostering and aircraft slings optimized
- Q4 utilization of 10.8 BLH pr a/c (+0.2 BLH)

**Optimized average stage length**
- Fixed costs divided by more ASKs
- Frequency based costs divided by more ASKs
- Q4 stage length up by 8%

**Automation**
- Self check-in/bag drop
- Automated charter & group bookings
- Streamlined operative systems & processes
Moving towards a global free market

- European Common Aviation Area (ECAA) (full open skies within Europe)
- ASEAN Single Aviation Market (ASEAN-SAM) (full open skies within ASEAN) (2015)
- Level of Liberalization
A free market means anyone can fly anywhere

**Influx of efficient carriers**
Norwegian’s future competitors

- Long-haul low cost will revolutionize the long-haul market – as it did short-haul
- Cannot compete on a global field when restricted to local conditions

<table>
<thead>
<tr>
<th></th>
<th>AirAsia X</th>
<th>Scoot</th>
<th>Jetstar</th>
<th>Cebu Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country:</strong></td>
<td>Malaysia</td>
<td>Singapore</td>
<td>Australia * Hong Kong * Japan * Singapore * Vietnam</td>
<td>Philippines</td>
</tr>
<tr>
<td><strong>Type:</strong></td>
<td>Low Cost</td>
<td>Low Cost subsidiary of Singapore Airlines</td>
<td>Low Cost subsidiary of Qantas Airways</td>
<td>Low Cost</td>
</tr>
<tr>
<td><strong>Aircraft in operation:</strong> (long-haul)</td>
<td>11 9 Airbus A330-300 2 Airbus A340-300</td>
<td>4 Boeing 777-200 ER</td>
<td>11 Airbus A330-200</td>
<td>0 Long-haul launch Q3 2013</td>
</tr>
<tr>
<td><strong>Aircraft on order:</strong> (long-haul)</td>
<td>28 18 Airbus A330-300 10 Airbus A350-900</td>
<td>20 Boeing 787-9 Dreamliner</td>
<td>14 Boeing 787-8 Dreamliner</td>
<td>8 Airbus A330-300</td>
</tr>
</tbody>
</table>
Salary cost is the largest cost item second to jet-fuel:
Competitors must be met on a level playing field

Source: International Labour Organization (ILO) (ILO Global Wage Database 2012)
Open Skies is a great opportunity – not threat

- Traffic flows *from* Asia will become more important than *to*
The most efficient and environmentally friendly fleet available

- Securing cost efficiency for the future

276 undelivered aircraft on order

- 68 Boeing 737-800 (65 direct buy + 3 leases)
- 8 Boeing 787-8 Dreamliner
- 100 Boeing 737 MAX8
- 100 Airbus A320neo
Current committed fleet plan

- 14 new 737-800 deliveries in 2013
- Short term shortage of 800’s
  - Temporarily covered by existing 300’s
- 3 new 787-8 Dreamliner expected in 2013
Expectations for 2013 (Group)

- **Business environment**
  - Increased economic uncertainty in parts of Europe
  - Seasonal fluctuations
  - Continued but eased yield pressure

- **Production**
  - The company expects a production growth (ASK) in excess of 25 %
    - Increasing the fleet by adding 737-800's
    - Utilization and distance increase short-haul driven by UK and Spanish bases
    - Launch of long-haul operations
  - Capacity deployment depending on development in the overall economy and marketplace

- **Cost development**
  - Unit cost expected in the area of 0.42 – 0.43 (excluding hedged volumes)
    - Fuel price dependent – USD 950 pr. ton
    - Currency dependent – USD/NOK 5.75
    - Production dependent
    - Based on the currently planned route portfolio
Norwegian offers 359 scheduled routes to 121 destinations in 37 countries.