

FOURTH QUARTER

HIGHLIGHTS

- Fourth quarter revenue up by 22.6 % to MNOK 2,145.4 (1,749.9).
- Earnings before depreciation and leasing (EBITDAR) in the fourth quarter were MNOK 214.0 (204.5).
- Earnings before depreciation (EBITDA) in the fourth quarter were MNOK 14.2 (50.3).
- Net result after tax in the fourth quarter was MNOK -5.4 (0.8).
- Ancillary revenue per passenger up 4 % in the fourth quarter.
- The number of passengers in the fourth quarter was 3.3 mill. (+19%).
- Unit cost was NOK 0.47 in the fourth quarter compared to NOK 0.50 in the fourth quarter last year. Unit cost excluding fuel was NOK 0.36 in the fourth quarter compared to NOK 0.40 in the fourth quarter last year.
- Cash and money market deposits of MNOK 1,178 (1,408) as of 31.12.10
- Cash flow from operating activities in the fourth quarter was MNOK 158 (353)

CONSOLIDATED KEY FINANCIAL FIGURES

Unaudited

(Mill. NOK)	Quarter ended 31.12.		YTD 31.12.		Year ended
	2010	2009	2010	2009	2009
Operating revenue	2,145.4	1,749.9	8,597.7	7,309.2	7,309.2
EBITDAR	214.0	204.5	1,175.3	1,340.9	1,340.9
EBITDA	14.2	50.4	396.9	720.7	720.7
EBIT	-31.8	7.6	210.2	571.9	571.9
EBT	-27.2	8.7	243.1	623.0	623.0
Net profit/ loss (-)	-5.4	0.8	189.4	446.3	446.3
EBITDAR margin	10.0%	11.7%	13.7%	18.3%	18.3%
EBITDA margin	0.7%	2.9%	4.6%	9.9%	9.9%
EBIT margin	-1.5%	0.4%	2.4%	7.8%	7.8%
Net profit margin	-0.3%	0.0%	2.2%	6.1%	6.1%

OPERATIONS**CONSOLIDATED TRAFFIC FIGURES AND RATIOS**

Unaudited

	Quarter ended 31.12.			YTD 31.12.			Full Year 2009
	2010	2009	Change	2010	2009	Change	
Yield (NOK)	0.53	0.58	-9 %	0.52	0.60	-13 %	0.60
Unit Revenue (NOK)	0.41	0.44	-7 %	0.40	0.47	-14 %	0.47
Gross Unit Revenue (NOK)	0.48	0.51	-7 %	0.48	0.54	-10 %	0.54
Unit Cost (NOK)	0.47	0.50	-5 %	0.46	0.49	-5 %	0.49
Unit Cost ex. fuel (NOK)	0.36	0.40	-11 %	0.34	0.38	-10 %	0.38
Ancillary Revenue /PAX (NOK)	77.27	74.56	4 %	79.36	73.34	8 %	73.34
Internet bookings	86%	88%	-2 pp	88%	88%	0 pp	88%
ASK (mill)	4,516	3,432	32 %	17,804	13,555	31 %	13,555
RPK (mill)	3,495	2,613	34 %	13,774	10,602	30 %	10,602
Passengers (mill)	3.32	2.80	19 %	13.03	10.75	21 %	10.75
Load Factor	77%	76%	1 pp	76%	78%	-2 pp	78%

Traffic Development

A total of 3.32 million passengers travelled with Norwegian in the fourth quarter of 2010, compared to 2.80 million in the fourth quarter of 2009, an increase of 19 %. Production (ASK) increased by 32 % and passenger traffic (RPK) increased by 34 %. The load factor was 77 % in the fourth quarter, an increase of 1 percentage point compared to the same period last year.

At the end of the fourth quarter the total fleet including aircraft on maintenance and excluding wet lease comprised 53 aircraft. The Group utilized every operational aircraft on average 10.5 block hours in the fourth quarter compared to 10.4 last year.

The share of Internet sales was 86 % which is a decrease of 2 percentage points.

Revenue

Total revenue in the fourth quarter was MNOK 2,145 (1,750), an increase of 22.6 %. MNOK 1,836 (1,508) of the revenues in the fourth quarter is related to ticket revenues. MNOK 257 (209) is ancillary revenue, while the remaining MNOK 53 (34) is related to freight, third-party products, and other income.

The ticket revenue per unit produced (RASK) in the fourth quarter was NOK 0.41 compared to NOK 0.44 for the same period last year. The RASK development compared to last year partially reflects an adjusted route portfolio with 10 % longer sector length and the introduction of new aircraft with higher capacity and lower unit cost.

Ancillary passenger revenue was NOK 77 per passenger (75) in the fourth quarter 2010, an increase of 4% compared to the same period last year.

Operating Expenses

COST BREAKDOWN

Unaudited

(Mill. NOK)	Quarter ended 31.12.		YTD 31.12.		Year ended
	2010	2009	2010	2009	2009
Personell expenses	415.2	356.6	1,531.2	1,303.3	1,303.3
Sales/ distribution expenses	45.1	35.5	167.9	149.4	149.4
Aviation fuel	508.6	312.8	2,059.8	1,384.8	1,384.8
Airport and ATC charges	330.3	264.1	1,295.9	1,037.7	1,037.7
Handling charges	220.7	194.2	863.6	722.7	722.7
Technical maintenance expenses	176.7	143.2	697.2	659.8	659.8
Other expenses	228.8	237.2	803.5	721.4	721.4
Other losses/(gains) - net	6.0	1.9	3.4	-10.8	-10.8
Total operating costs	1,931.4	1,545.4	7,422.4	5,968.3	5,968.3

Operating expenses excluding leasing and depreciation increased by 25% to MNOK 1,931 (1,545) this quarter, significantly lower than the production increase (ASK) of 32%.

The unit cost excluding fuel was NOK 0.36 in the fourth quarter compared to NOK 0.40 in the fourth quarter last year. A larger share of owned and leased Boeing 737-800W aircraft and a 10 % longer average sector length contributes to the reduced cost level. Increased economies of scale and a continuing cost focus are other factors explaining the reduced unit cost.

Personnel expenses increased by 16% to MNOK 415 (357) in the fourth quarter compared to the same quarter last year. Unit cost for personnel expenses decreased by 12%. The main factor explaining 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. The average numbers of man-labour year increased by 15% compared to same quarter last year.

Aviation fuel expenses increased by 63 % to MNOK 509 (313) in the fourth quarter compared to the same quarter last year. The higher cost is driven by a production increase of 32% combined with an increase in the gross realized fuel price per ton denominated in NOK of 35% including a hedge gain of MNOK 42 and fuel vendor's service charge. The weighted average net spot price denominated in USD increased by 16 % during the same period.

The increase in fuel price per ton denominated in NOK is partly offset by a more efficient fleet of Boeing 737-800Ws, and increased sector length of 10%. This resulted in an increase in the unit cost for fuel by 24%.

The Group has at the end of the fourth quarter, forward contracts to cover approximately 16% of fuel exposure at an average price of USD 765 per ton for 2011.

Airport and air traffic control (ATC) charges increased by 25%, to MNOK 330 (264) in the fourth quarter compared to the same quarter last year. Unit cost for airport and ATC charges decreased by 5%. The unit cost for airport and ATC charges has mainly decreased due an increased sector length of 10% together with a strengthening of NOK against EUR (approximately 55% of these costs are denominated in EUR). The currency effect is partially offset by price changes.

Handling charges increased by 13% to MNOK 221 (194) in the fourth quarter compared to the same quarter last year. Unit cost for handling charges decreased by 14%. The decrease in unit cost is influenced by increased average sector length of 10%, the strengthening of NOK against EUR and by the increasing number of Boeing 737-800Ws in the fleet.

Technical maintenance costs increased by 23 %, to MNOK 177 (143) in the fourth quarter compared to the same quarter last year. Unit cost for technical maintenance costs decreased by 6% in the fourth 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.

Leasing costs increased by 30% to MNOK 200 (154) in the fourth quarter compared to the same quarter last year. Unit cost for leasing decreased by 2% in the fourth quarter. An increased share of owned Boeing 737-800Ws together with a reduced average price is the main reason for the reduced unit cost. This is partly offset by an increased number of leased Boeing 737-800Ws in fleet and strengthening of USD against NOK. During the fourth quarter the company operated 5 (1.5) owned Boeing 737-800Ws and 5 (5) Boeing 737-300.

USD forward currency contracts cover approximately 26 % of expected exposure for 2011. Changes in fair value of foreign currency contracts are included in operating costs, and resulted in a net loss of MNOK 5.5 in the fourth quarter of 2010.

Profit/Loss from Associated Company

Profit/loss from associated company in the fourth quarter is estimated to MNOK 2.1 (2.2) which represents the 20 % share of Bank Norwegian's fourth quarter results.

Earnings

Earnings before interest, depreciation and amortization (EBITDA) in the fourth quarter were MNOK 14.2 (50.4) and the earnings before tax (EBT) were MNOK -27.2 (8.7).

Financial Items

Net financial items in the fourth quarter were MNOK -2.5 (-1.1).

In the fourth quarter, interest on prepayments of MNOK 34.4 was capitalized.

Included in other financial income (expense) is a currency loss on USD denominated financing amount to MNOK 0.3 due to depreciation of USD against NOK. These unrealized gains have no cash effects.

Tax

Income taxes amounted to an income of MNOK 21.8 in the quarter compared to a charge of MNOK 7.9 in the fourth quarter last year.

Net Result

The net result for the fourth quarter was MNOK -5.4, compared to MNOK 0.8 in the same period last year.

Balance Sheet

Total non-current assets amount to MNOK 4,490 at the end of the fourth quarter, compared to MNOK 2,719 at the end of last year. The main investments during the year are related to the

purchase of 5 new Boeing 737-800Ws, and prepayments to Boeing on the remaining 54 new aircraft on order.

Total current assets amount to MNOK 2,130 at the end of the fourth quarter, compared to MNOK 2,303 at the end of last year. Cash and cash equivalents have decreased by MNOK 230 during 2010.

Total non-current liabilities at the end of the fourth quarter were MNOK 2,212, compared to MNOK 1,093 at the end of last year.

Long-term borrowings increased by MNOK 1,056 during the year, and are related to aircraft financing for 5 new aircraft, bond loan and marked-to-market adjustment of USD denominated borrowings. In December a tap issue amounts to MNOK 200 increased the total outstanding amount on bond loan to MNOK 600. MNOK 390 of new loan in 2010 is denominated in NOK while the remaining is denominated in USD.

Total short-term liabilities at the end of the fourth quarter were MNOK 2,594, compared to MNOK 2,327 at the end of last year.

Current liabilities increased by MNOK 260 during 2010 mainly due to increased production. Short-term borrowings decreased by MNOK 154 during 2010, a bond issue of MNOK 163 was repaid in first quarter, while other-short term financing increased by MNOK 9 during 2010. Air traffic liability has increased by MNOK 162 during 2010 mainly due to increased production.

Total interest bearing liabilities at the end of June were MNOK 2,485 compared to MNOK 1,583 at the end of last year.

Shares

The parent company Norwegian Air Shuttle ASA had a total of 34,573,322 shares outstanding at 31 December compare to 34,209,858 at the end of last year.

Cash Flow

Cash and cash equivalents were MNOK 1,178 at the end of the fourth quarter compared to MNOK 1,408 at the end of last year.

Cash flow from operating activities in the fourth quarter amounted to MNOK 158, compared to MNOK 353 in the fourth quarter last year.

Cash flow from investment activities in the fourth quarter was MNOK -450, compared to MNOK -372 in the fourth quarter last year. Deliveries of two Boeing 737-800W and the prepayments to Boeing are the main investments in the quarter.

Net cash from financing activities in the fourth quarter was MNOK 289 compared to MNOK 646 in the fourth quarter last year. MNOK 200 in increase in senior unsecured bond loan issued together with financing of two Boeing 737-800Ws are the financing activities in fourth quarter.

Other Information

During fourth quarter Norwegian Air Shuttle ASA successfully completed a tap issue in the senior unsecured bond loan issued in December 2009. The tap issue amounts to MNOK 200 which increases the total outstanding amount to MNOK 600. The bond loan (ISIN no.NO0010560915) has maturity in December 2012. The purpose of the tap issue is general corporate purposes.

Norwegian has during fourth quarter completed sale and leaseback agreements for a total of four Boeing 737-800W with deliveries during first quarter 2011. The sale and leaseback transactions are in line with the company's long term strategy to diversify the financing of the 63 aircraft Boeing order.

Norwegian Air Shuttle ASA has entered into a Letter of Intent to lease two new Boeing 787-8 Dreamliners from ILFC. Norwegian will take delivery of the aircraft starting fall 2012. The lease term for both aircraft is 12 years. The Letter of Intent is entered into as part of Norwegian's set up for Long Haul operations.

Norwegian Air Shuttle ASA and Star Tour/Fritidsresor/ TUI Nordic Finnmatkat, a subsidiary of the world's largest travel company TUI Travel Plc, have agreed to widen the scope of the agreement for the transportation of Star Tour/ Fritidsresor/ TUI Nordic Finnmatkat customers entered into on January 14 2010. The agreement now also includes the summer season 2011 with an additional 800 flights with an approximate additional contract value of MNOK 320. The full agreement now comprises a total of 1,100 flights with a contract value of MNOK 490.

Risk and Uncertainties

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

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

Overstimulation by low yield increases the risk of yield spillage, leading to a marketplace with reduced earning potential.

Fuel price and currency fluctuations are risks which can have a significant impact on Norwegian 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 first quarter of 2011. Norwegian capacity increase from introducing larger aircraft (737-800's), with a lower cost level, brings with it lower fares and even higher passenger volumes.

The new base in Helsinki will be operational at the end of the first quarter. 3 aircraft will be based in Helsinki and 13 routes will be operated at the time of start up. The demand for tickets in Finland is satisfactory.

As previously announced Norwegian has entered into sale and leaseback agreements for a total of 4 new Boeing 737-800's delivered in Q1 2011. The sale and leaseback transactions are in line with the company's long term strategy to diversify the financing of the 63 aircraft Boeing order.

For 2011 Norwegian guides for a production growth (ASK) in the area of 20 % - 25 % mainly from increasing the fleet by adding 737-800's. The increase in aircraft capacity will mainly be deployed in Finland and Sweden, and in Norway for charter operation. 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 850 pr ton and USD/NOK 6.00 for the year 2011 (excluding hedged volumes) and with the current route portfolio, the company is targeting a unit cost (CASK) of NOK 0.46 for 2011.

Fornebu, 15 February 2011

Bjørn Kjos
CEO

Consolidated Income Statement

Unaudited

(Mill. NOK)	Note	Quarter ended 31.12.		YTD 31.12.		Year ended
		2010	2009	2010	2009	2009
OPERATING REVENUE						
Total operating revenue	3	2,145.4	1,749.9	8,597.7	7,309.2	7,309.2
Total revenue		2,145.4	1,749.9	8,597.7	7,309.2	7,309.2
OPERATING EXPENSES						
Operational expenses		1,447.2	1,110.5	5,524.9	4,318.7	4,318.7
Payroll and other personnel expenses		415.2	356.6	1,531.2	1,303.3	1,303.3
Other operating expenses		69.1	78.3	366.3	346.3	346.3
TOTAL OPERATING EXPENSES		1,931.4	1,545.4	7,422.4	5,968.3	5,968.3
OPERATING PROFIT / LOSS BEFORE LEASING & DEPR (EBITDAR)						
		214.0	204.5	1,175.3	1,340.9	1,340.9
Leasing		199.8	154.2	778.4	620.1	620.1
OPERATING PROFIT / LOSS BEFORE DEPR (EBITDA)						
		14.2	50.4	396.9	720.7	720.7
Depreciation and amortization		46.0	42.8	186.7	148.9	148.9
OPERATING PROFIT / LOSS (EBIT)						
		-31.8	7.6	210.2	571.9	571.9
FINANCIAL ITEMS						
Interest income		10.5	7.4	39.3	23.4	23.4
Interest expense		-10.5	6.3	19.7	21.0	21.0
Other financial income (expense)		-18.5	-2.2	7.0	45.6	45.6
NET FINANCIAL ITEMS		2.5	-1.1	26.6	48.0	48.0
Profit/Loss from associated company		2.1	2.2	6.3	3.2	3.2
NET RESULT BEFORE TAX (EBT)						
		-27.2	8.7	243.1	623.0	623.0
Income tax expense (benefit)		-21.8	7.9	53.7	176.8	176.8
NET PROFIT / LOSS						
		-5.4	0.8	189.4	446.3	446.3
Earnings per share (NOK) - Basic		-0.16	0.02	5.52	13.73	13.73
Earnings per share (NOK) - Diluted		-0.15	0.02	5.41	13.34	13.34
No. of shares at the end of the period		34,573,332	34,209,858	34,573,332	34,209,858	34,209,858
Average no. of shares outstanding		34,272,595	32,499,404	34,272,595	32,499,404	32,499,404
Average no. of shares outstanding - diluted		34,991,268	33,463,429	34,991,268	33,463,429	33,463,429

Financial key figures

Unaudited

(Mill. NOK)	Quarter ended 31.12.		YTD 31.12.		Year ended
	2010	2009	2010	2009	2009
Operating margin (%)	-1%	0%	2%	8%	8%
Book equity per share (NOK)			0.00	46.82	46.82
Equity ratio (%)			27%	32%	32%

Consolidated Balance Sheet

Unaudited

(Mill. NOK)	Note	Quarter ended 31.12.		Year ended Dec 31
		2010	2009	2009
ASSETS				
NON-CURRENT ASSETS				
Intangible assets		210.8	190.7	190.7
Tangible fixed assets		4,161.6	2,446.8	2,446.8
Fixed asset investments		118.2	81.6	81.6
TOTAL NON CURRENT ASSETS		4,490.6	2,719.1	2,719.1
CURRENT ASSETS				
Inventory		66.2	40.8	40.8
Investments		43.4	23.7	23.7
Receivables		842.1	829.9	829.9
Cash and cash equivalents		1,178.4	1,408.5	1,408.5
TOTAL CURRENT ASSETS		2,130.1	2,302.8	2,302.8
TOTAL ASSETS		6,620.8	5,022.0	5,022.0
EQUITY AND LIABILITIES				
SHAREHOLDERS EQUITY				
Paid-in capital		1,113.5	1,093.2	1,093.2
Other equity		700.9	508.6	508.6
TOTAL EQUITY		1,814.4	1,601.7	1,601.7
NON CURRENT LIABILITIES				
Other non-current liabilities		248.3	185.7	185.7
Long term borrowings	6	1,963.9	907.7	907.7
TOTAL NON-CURRENT LIABILITIES		2,212.3	1,093.4	1,093.4
SHORT TERM LIABILITIES				
Current liabilities		1,118.9	858.8	858.8
Short term borrowings	6	521.0	675.3	675.3
Air traffic settlement liabilities		954.2	792.7	792.7
TOTAL SHORT TERM LIABILITIES		2,594.1	2,326.8	2,326.8
TOTAL LIABILITIES		4,806.4	3,420.3	3,420.3
TOTAL EQUITY AND LIABILITIES		6,620.8	5,022.0	5,022.0

Condensed Consolidated Statement of Cash Flow (unaudited)

(Mill. NOK)	Quarter ended Dec 31		YTD Dec 31		Year ended Dec 31
	2010	2009	2010	2009	2009
OPERATING ACTIVITIES					
Profit before tax	-27.2	8.7	243.1	623.0	623.0
Paid taxes	-109.8	0.0	-109.6	0.0	0.0
Depreciation, amortization and impairment	53.3	42.8	194.0	148.9	148.9
Changes in air traffic settlement liabilities	-112.2	-82.3	161.5	194.6	194.6
Other adjustments	354.1	383.5	331.0	-52.7	-52.7
Net cash flows from operating activities	158.2	352.7	820.1	913.8	913.8
INVESTMENT ACTIVITIES					
Purchase, proceeds and prepayment of tangible assets	-438.2	-365.3	-1,805.6	-1,228.7	-1,228.7
Purchases of other long-term investments	-11.8	-6.7	-57.8	-71.2	-71.2
Net cash flows from investing activities	-450.0	-372.0	-1,863.4	-1,299.9	-1,299.9
FINANCING ACTIVITIES					
Loan proceeds	384.2	426.0	1,194.9	968.3	968.3
Principal repayments	-29.6	-4.2	-242.6	-4.2	-4.2
Net increase (decrease) in other short-term debt	-78.5	-26.9	-151.6	-26.9	-26.9
Proceeds from issuing new shares	13.2	250.8	13.2	250.8	250.8
Net cash flows from financial activities	289.3	645.7	813.9	1,188.1	1,188.1
Foreign exchange effect on cash	-0.2	-0.2	-0.6	-1.0	-1.0
Net change in cash and cash equivalents	-2.6	626.2	-230.1	800.9	800.9
Cash and cash equivalents in beginning of period	1,181.0	782.3	1,408.5	607.5	607.5
Cash and cash equivalents in end of period	1,178.4	1,408.5	1,178.4	1,408.5	1,408.5

Statement of comprehensive income

Unaudited

(Mill. NOK)	YTD 31.12.		Year ended Dec 31
	2010	2009	2009
Net profit for the period	189.4	446.3	446.3
Available-for-sale financial assets	2.8	1.6	1.6
Exchange rate differences Group	-0.5	-5.0	-5.0
Total comprehensive income for the period	191.6	442.9	442.9
Profit attributable to:			
- Owners of the company	189.4	446.3	446.3

Consolidated changes in equity

Unaudited

(Mill. NOK)	YTD 31.12.		Year ended Dec 31
	2010	2009	2009
Equity - Beginning of period	1,601.7	897.4	897.4
Total comprehensive income for the period	191.6	442.9	442.9
Share issue	13.2	253.1	253.1
Equity change on employee options	7.1	8.4	8.4
Equity - End of period	1,814.4	1,601.7	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	+21
1% weakening of NOK against USD	-29
1% weakening of NOK against EURO	-12

The sensitivity analysis reflects the effect on operating costs by changes in market prices and exchange rates. The effect on operating costs is annualized based on 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 31.12.		YTD 31.12.		Year ended
	2010	2009	2010	2009	2009
Per activity					
Passenger revenue	1,835.9	1,507.6	7,210.2	6,389.4	6,389.4
Ancillary passenger revenue	256.6	208.6	1,034.0	788.7	788.7
Other revenue	53.0	33.6	353.5	131.1	131.1
Total	2,145.4	1,749.9	8,597.7	7,309.2	7,309.2
Per geographical market					
Domestic	848.0	803.8	3,315.5	2,899.7	2,899.7
International	1,297.4	946.1	5,282.1	4,409.5	4,409.5
Total	2,145.4	1,749.9	8,597.7	7,309.2	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, 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

During the fourth quarter 2010 there are no changes in related parties compared to the description in Note 27 in the Annual Report for 2009. There have been no significant transactions with related parties during the fourth quarter 2010.

Note 6 Borrowings

Unaudited

(Mill. NOK)	YTD Dec 31 2010		YTD Dec 31 2009		Year ended Dec 31 2009	
	Long term	Short term	Long term	Short term	Long term	Short term
Bond issue	-597	0	-398	-163	-398	-163
Revolving credit facility	0	-367	-145	-479	-145	-479
Aircraft financing	-1,347	-149	-336	-34	-336	-34
Financial lease liability	-20	-5	-29	0	-29	0
Total	-1,964	-521	-908	-675	-908	-675
TOTAL BORROWINGS	-2,485		-1,583		-1,583	

Definitions

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

Unit revenue: Passenger Revenue divided by Available Seat Kilometres.

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

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

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

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

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

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

Information about the Norwegian Group

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Marianne Wergeland Jenssen
Linda Olsen
Thor Espen Bråten
Kenneth Utsikt

Group Management

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Asgeir Nyseth, Chief Operating Officer
Hans-Petter Aanby, Chief Information Officer
Daniel A. Skjeldam, Chief Commercial Officer
Frode E. Foss, Chief Financial Officer
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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