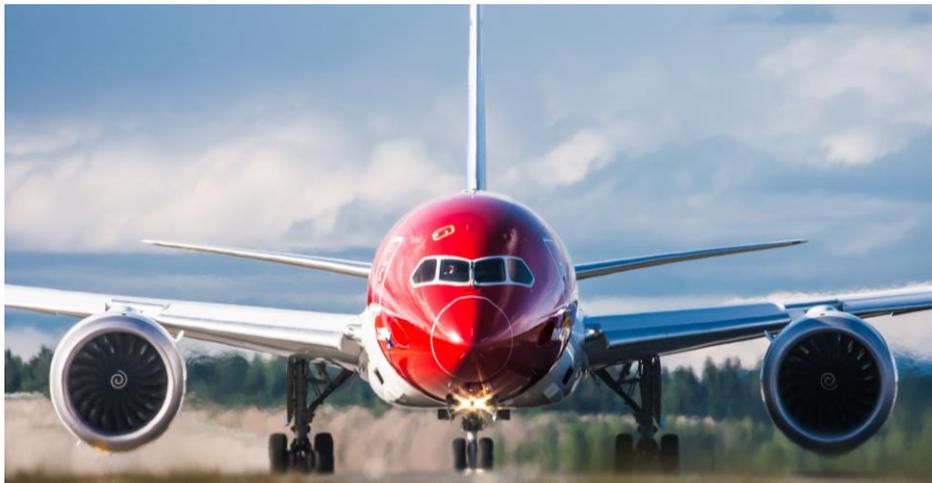


Interim report

Norwegian Air Shuttle ASA – third quarter 2016

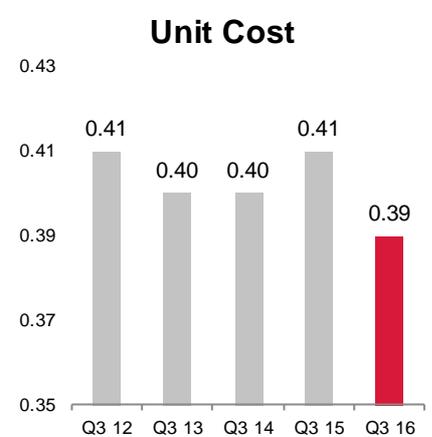
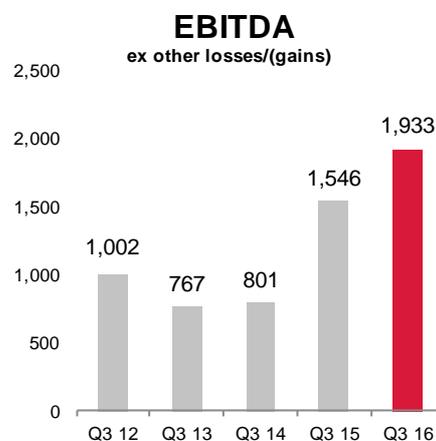
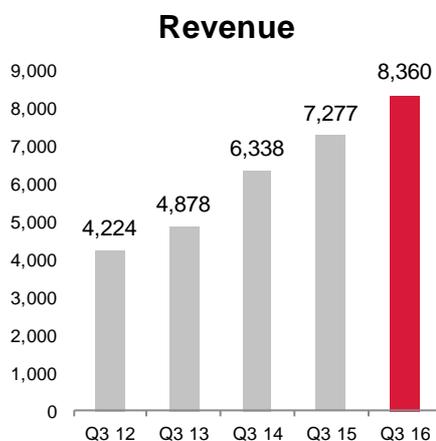


Unit cost:

-4%

Unit cost NOK 0.39

- Third quarter EBITDA ex other losses/(gains) of NOK 1,933 million (1,546)
- Load factor at 91% in the third quarter
- Deliveries of 14 new 737-800 aircraft and 3 new 787-9 Dreamliners in first nine months
- Awarded *Europe's Leading Low-Cost Airline 2016*, by the World Travel Awards



Record results for the third quarter

Best quarterly results ever. The net profit was NOK 993 million, an improvement of NOK 160 million compared to the same quarter the previous year. The load factor was 91 percent and the performance was positive in all markets, with Spain boasting the strongest passenger growth.

In the third quarter, Norwegian carried 8.6 million passengers, an increase of 12 percent. Norwegian's strongest growth in terms of passengers was in Spain, primarily driven by Spanish domestic routes. Spain is now the second largest market for Norwegian in terms of passenger figures. The number of American passengers is also increasing. During the third quarter, Norwegian commenced flights between Paris and several U.S. cities and announced new routes between Barcelona and the U.S.

The load factor this quarter was 91.3 percent; high load factors contribute to significant reductions in emissions per passenger kilometer. So far this year, Norwegian has taken delivery of three new Boeing 787 Dreamliners and 14 new Boeing 737-800s. With an average age of 3.6 years, Norwegian has one of the world's most modern and fuel-efficient fleets.

The total revenue this quarter was NOK 8.4 billion, up 15 percent from the same quarter last year. Norwegian's production growth (ASK) and traffic growth (RPK) were 17 percent.

"I am very pleased to report Norwegian's best quarterly result ever and grateful that our loyal customers worldwide continue to fly with us. The overall development is good in all markets, and the biggest growth is in Spain, particularly on domestic routes. The routes between London and Paris and the U.S. are in high demand," said Norwegian's CEO Bjørn Kjos.

Norwegian received yet another industry award this quarter. For the second year running, the company was named "Europe's Leading Low-Cost Airline" by World Travel Awards.

"Happy customers are crucial and good feedback from industry colleagues is great. Without all of the dedicated and talented people working for Norwegian, this would not have been possible," Kjos added.

CONSOLIDATED FINANCIAL KEY FIGURES

Unaudited

| (Amounts in NOK million) | Q3 | Q3 | Change | YTD | YTD | Change | Full Year |
|---------------------------------------|---------|---------|--------|----------|----------|--------|-----------|
| | 2016 | 2015 | | 2016 | 2015 | | 2015 |
| Operating revenue | 8,360.1 | 7,276.8 | 15 % | 19,953.0 | 17,172.2 | 16 % | 22,491.1 |
| EBITDAR | 2,573.0 | 2,045.5 | 26 % | 4,601.0 | 3,398.8 | 35 % | 3,694.3 |
| EBITDAR excl other losses/(gains)-net | 2,780.4 | 2,107.3 | 32 % | 4,876.0 | 3,357.9 | 45 % | 4,168.4 |
| EBITDA | 1,725.4 | 1,484.1 | 16 % | 2,443.1 | 1,747.3 | 40 % | 1,481.1 |
| EBITDA excl other losses/(gains)-net | 1,932.7 | 1,545.9 | 25 % | 2,718.1 | 1,706.4 | 59 % | 1,955.2 |
| EBIT | 1,373.6 | 1,182.4 | 16 % | 1,484.9 | 980.5 | 51 % | 347.8 |
| EBT | 1,270.2 | 1,098.0 | 16 % | 1,208.6 | 777.9 | 55 % | 75.0 |
| Net profit/ loss (-) | 992.5 | 832.8 | 19 % | 937.8 | 619.5 | 51 % | 246.2 |
| EBITDAR margin | 30.8 % | 28.1 % | | 23.1 % | 19.8 % | | 16.4 % |
| EBITDA margin | 20.6 % | 20.4 % | | 12.2 % | 10.2 % | | 6.6 % |
| EBIT margin | 16.4 % | 16.2 % | | 7.4 % | 5.7 % | | 1.5 % |
| EBT margin | 15.2 % | 15.1 % | | 6.1 % | 4.5 % | | 0.3 % |
| Net profit margin | 11.9 % | 11.4 % | | 4.7 % | 3.6 % | | 1.1 % |
| Book equity per share (NOK) | | | | 100.3 | 89.5 | 12 % | 82.9 |
| Equity ratio (%) | | | | 10 % | 11 % | -1 pp | 9 % |
| Net interest bearing debt | | | | 18,689.1 | 15,476.8 | 21 % | 17,130.6 |

OPERATIONAL REVIEW

CONSOLIDATED TRAFFIC FIGURES AND RATIOS

Unaudited

| <i>(Ratios in NOK)</i> | Q3 2016 | Q3 2015 | Change | YTD 2016 | YTD 2015 | Change | Full Year 2015 |
|----------------------------------|------------|------------|--------|-------------|-------------|--------|-------------------|
| Yield | 0.46 | 0.48 | -4 % | 0.43 | 0.44 | -2 % | 0.44 |
| Unit Revenue | 0.42 | 0.43 | -3 % | 0.38 | 0.38 | 0 % | 0.38 |
| Unit Cost | 0.39 | 0.41 | -4 % | 0.40 | 0.42 | -3 % | 0.42 |
| Unit Cost ex fuel | 0.30 | 0.30 | 0 % | 0.32 | 0.31 | 3 % | 0.31 |
| Ancillary Revenue/PAX | 139 | 126 | 10 % | 136 | 127 | 6 % | 127 |
| Internet bookings | 74 % | 75 % | -1 pp | 74 % | 77 % | -3 pp | 77 % |
| ASK (million) | 16,486 | 14,143 | 17 % | 42,800 | 37,118 | 15 % | 49,028 |
| RPK (million) | 15,046 | 12,825 | 17 % | 37,839 | 32,177 | 18 % | 42,284 |
| Passengers (million) | 8.58 | 7.69 | 12 % | 22.12 | 19.63 | 13 % | 25.75 |
| Load Factor | 91.3 % | 90.7 % | 0.6 pp | 88.4 % | 86.7 % | 1.7 pp | 86.2 % |
| Average sector length (km) | 1,517 | 1,465 | 4 % | 1,464 | 1,413 | 4 % | 1,407 |
| Fuel consumption (metric tonnes) | 340,299 | 292,253 | 16 % | 881,719 | 768,277 | 15 % | 1,015,337 |
| CO2 per RPK | 71 | 72 | -1 % | 73 | 76 | -4 % | 76 |

Traffic Development

A total of 8.58 million passengers travelled with Norwegian in the third quarter of 2016, compared to 7.69 million in the third quarter of 2015, an increase of 12%. Production (ASK) increased by 17% and passenger traffic (RPK) increased by 17%. The load factor was 91.3%, an improvement of 0.6 percentage points compared to third quarter last year.

At the end of the third quarter the total fleet including aircraft on maintenance and excluding wetlease comprised 114 aircraft. The Group utilized every operational aircraft on average 11.7 block hours per day in the third quarter compared to 12.4 last year.

The share of Internet sales was 74% which is a decrease of 1 percentage points from last year.

Operating performance

Punctuality, the percentage of flights departing on schedule, was 74% in the third quarter 2016, a decrease of 6 percentage points from the same quarter last year.

Regularity, the percentage of scheduled flights actually taking place, was 99.5% in the third quarter, compared to 99.9% in the same quarter last year.

FINANCIAL REVIEW

Income statement and financial key figures

Third quarter earnings were affected by strong capacity growth and high load factor of 91%. Production (ASK) increased by 17%. International expansion, reduced fuel spot prices, wetlease expenses and increased passenger compensation affected the unit cost in the third quarter. Passenger revenue per unit produced decreased by 3% while the unit cost decreased by 4% from same quarter last year, resulting in a stable EBT margin compared to last year.

Operating profit before interest, depreciation, amortization, restructuring, rent/leasing and associated company (EBITDAR) excluding other losses/(gains) for the third quarter was NOK 2,780 million (2,107), while profit (loss) before tax (EBT) was NOK 1,270 million (1,098). Included in third quarter EBT are effects from foreign currency contracts, forward fuel contracts and gains/losses on working capital in foreign currency, amounting to a net loss of NOK 207 million presented as other losses/(gains)-net, compared to net loss of NOK 62 million last year.

Revenue

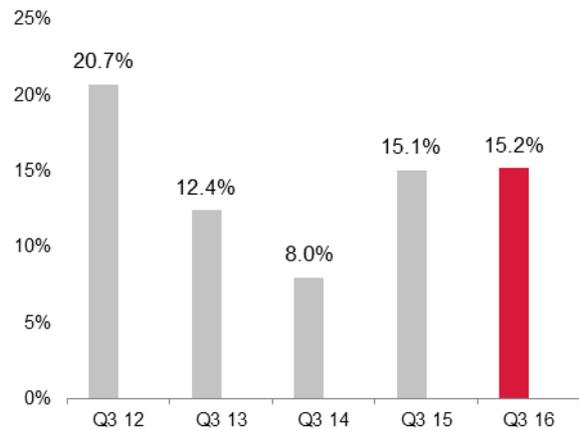
Total revenue in the third quarter was NOK 8,360 million (7,277), an increase of 15%. NOK 6,916 million (6,130) of the revenue in the third quarter was related to passenger revenue.

Passenger revenue per unit produced (unit revenue) in the third quarter was NOK 0.42, compared to NOK 0.43 in the same quarter last year. Continuous production growth and increased load factor are reflected in the unit revenue, partially offset by increased competition and lower prices which have affected the yield.

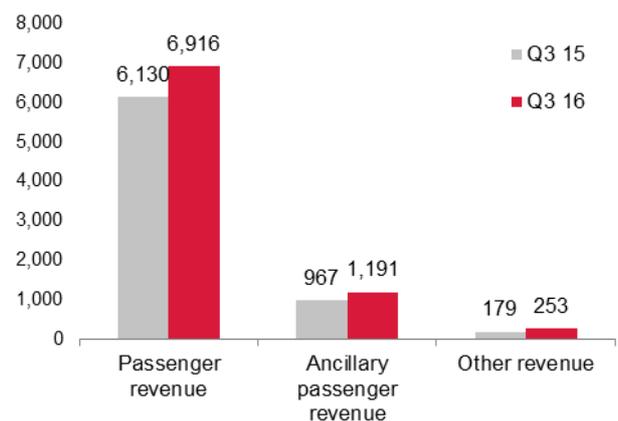
Ancillary revenue was NOK 1,191 million (967), while the remaining NOK 253 million (179) was related to freight, commissions, third-party products and gain from sale of assets. Ancillary passenger revenue was NOK 139 per passenger (NOK 126) in the third quarter, an increase of 10%.

Norwegian has grown rapidly expanding international traffic and adding new bases, destinations and markets to its portfolio. As a consequence, the share of passengers outside Scandinavia has increased significantly during the first nine months of 2016, with the strongest passenger growth in the US and Spain. The international expansion enables continued cost efficiency and continuously improves competitive power.

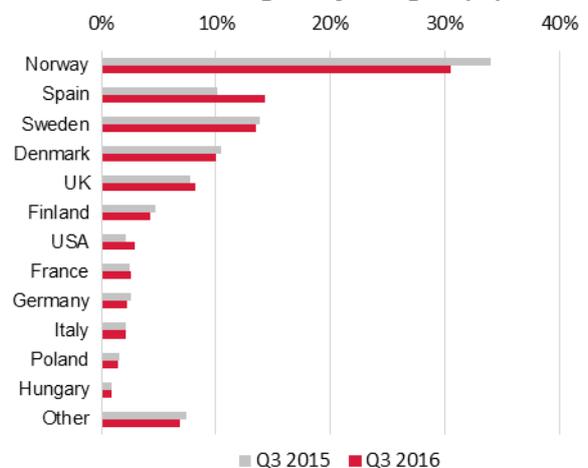
EBT margin



Revenue split (MNOK)



Passenger by origin (%)



Operating expenses

COST BREAKDOWN

Unaudited

| (Amounts in NOK million) | Q3 2016 | Q3 2015 | Change | YTD 2016 | YTD 2015 | Change | Full Year 2015 |
|--------------------------------------------|----------------|----------------|-------------|-----------------|-----------------|-------------|-------------------|
| Personell expenses | 1,014.0 | 942.8 | 8 % | 2,880.0 | 2,571.0 | 12 % | 3,433.7 |
| Sales/distribution expense | 191.6 | 166.4 | 15 % | 586.9 | 444.1 | 32 % | 595.2 |
| Aviation fuel | 1,492.7 | 1,508.5 | -1 % | 3,615.8 | 3,984.6 | -9 % | 5,184.5 |
| Airport and ATC charges | 978.6 | 890.6 | 10 % | 2,526.9 | 2,237.9 | 13 % | 2,949.3 |
| Handling charges | 815.6 | 679.2 | 20 % | 2,192.8 | 1,723.3 | 27 % | 2,336.8 |
| Technical maintenance expenses | 480.5 | 459.1 | 5 % | 1,301.9 | 1,285.4 | 1 % | 1,716.5 |
| Other flight operation expenses | 244.5 | 226.3 | 8 % | 863.7 | 615.8 | 40 % | 849.6 |
| General and adm expenses | 362.1 | 296.6 | 22 % | 1,109.1 | 952.2 | 16 % | 1,257.1 |
| Other losses/(gains) - net | 207.4 | 61.8 | -235 % | 275.0 | -40.9 | 773 % | 474.1 |
| Total operating expenses | 5,787.1 | 5,231.3 | 11 % | 15,352.0 | 13,773.4 | 11 % | 18,796.8 |
| Leasing | 847.7 | 561.4 | 51 % | 2,157.8 | 1,651.5 | 31 % | 2,213.3 |
| Total operating expenses incl lease | 6,634.7 | 5,792.7 | 15 % | 17,509.9 | 15,425.0 | 14 % | 21,010.1 |

Total operating expenses excluding leasing and depreciation increased by 11% to NOK 5,787 million (5,231) this quarter. The increase is mainly due to a production increase (ASK) of 17%, partially offset by reductions in fuel spot prices and increased average sector length.

The unit cost was NOK 0.39, a decrease of 4% compared to the third quarter last year. Unit cost excluding fuel was NOK 0.30, at the same level as last year. At constant currency, unit cost excluding fuel decreased by 1% this quarter.

Personnel expenses increased by 8% to NOK 1,014 million (943) in the third quarter compared to the same quarter last year. Unit cost for personnel expenses decreased by 8% due to increased average sector length and the use of wetlease partially offset by increased capacity. The average number of full time equivalents (FTE) increased by 16% compared to same quarter last year.

Sales and distribution expenses increased by 15% to NOK 192 million (166) in the third quarter compared to the same quarter last year. Unit cost for sales and distribution expenses decreased by 1%. Increased credit card commissions from sales in international markets and increased sales through travel agents offset unit cost reductions from increased production.

Aviation fuel expenses decreased by 1% to NOK 1,493 million (1,509) in the third quarter compared to the same quarter last year. Unit cost for fuel decreased by 15%, mainly due to reduced fuel spot prices.

The Group has at the end of the third quarter 2016 forward contracts to cover approximately 50% of fuel exposure for the remainder of 2016 at an average price of USD 525 per ton, and approximately 38% of fuel exposure in 2017 at an average price of USD 500 per ton.

Airport and air traffic control (ATC) charges increased by 10% to NOK 979 million (891) in the third quarter compared to the same quarter last year. Unit cost for airport and ATC charges decreased by 6%.

Handling charges increased by 20%, to NOK 816 million (679) in the third quarter compared to the same quarter last year. Unit cost for handling charges increased by 3%, due to increased handling at more expensive international airports and passenger service refunds, partially offset by increased average sector length.

Technical maintenance costs increased by 5%, to NOK 481 million (459) in the third quarter compared to the same quarter last year. Unit cost for technical maintenance decreased by 10%. Increased production is more than offset by an increased share of owned aircraft in the fleet and additional accruals for heavy maintenance in third quarter last year which reduces unit cost in the quarter compared to same quarter last year.

An increased share of owned aircraft in the fleet reduces technical maintenance expenses per unit produced, as planned maintenance cost on owned aircraft is capitalized.

Other flight operation expenses increased by 8% to NOK 245 million (226) in the third quarter compared to the same quarter last year. Other flight operation expenses include costs directly attributable to operation of the aircraft fleet, such as de-icing, insurance and other leases, as well as training, meals and housing for crew. Unit cost decreased by 7% in the quarter, mainly due to external training for pilots and international expansion. Third quarter last year included rentals for spare engine, which is presented as technical expenses this quarter.

General and administrative expenses increased by 22% to NOK 362 million (297) in the third quarter compared to the

same quarter last year, due to the introduction of new markets, products and international bases. Expenses to enhance Norwegian Reward customer loyalty programme increased in third quarter compared to last year. Unit cost for general and administrative expenses increased by 5%.

Other losses/(gains)-net; includes gains/losses from foreign currency contracts, forward fuel contracts and gains/losses on working capital in foreign currency. Net loss in third quarter was NOK 207 million (loss of NOK 62 million last year), whereof NOK 104 million relates to losses from working capital in foreign currency.

Leasing costs increased by 51% to NOK 848 million (561) in the third quarter compared to the same quarter last year. Unit cost for leasing increased by 30%. Increased use of wetlease more than offset cost reductions from a lower share of leased aircraft in the fleet.

During the third quarter the Group operated 61 (50) owned Boeing 737-800Ws and 3 (3) owned Boeing 787-8 Dreamliners. During the third quarter, the Group placed an order for 30 A321LRs with Airbus, representing a switch from a commitment to purchase 30 A320neo aircraft originally signed in June 2012. Deliveries of A321LRs will start with eight aircraft in 2019, followed by eleven in 2020 and 2021.

Depreciation increased by 17% to NOK 352 million (302) in the third quarter compared to the same quarter last year due to increased number of owned aircraft in the fleet.

Profit/Loss from Associated Company in the third quarter was estimated to NOK 52 million (16) which represents the 20% share of Bank Norwegian's second quarter results and 50% share of estimated net profit in joint venture OSM Aviation Ltd.

On September 1, 2016 Norwegian entered into a joint venture by acquiring 50% of the shares in OSM Aviation Ltd. The shares were acquired by fully owned subsidiary Norwegian Air Resources Holding Ltd with a cash consideration of USD 200,000. The investment is recognized according to the equity method from September 1 onwards.

Financial Items were NOK -156 million (-100) in the third quarter. Interest on prepayments of NOK 39 million (93) was capitalized, reducing interest expenses.

Income taxes amounted to a tax expense of NOK 278 million (265) in the third quarter.

Financial position and liquidity

Aircraft assets are accounted for in USD, creating a natural hedge against USD denominated borrowings when translated into NOK. During third quarter, three new Boeing 737-800Ws were delivered and financed through long-term borrowings structured as an enhanced equipment trust certificate (EETC). The total size of the facility is USD 349 million for financing of ten new aircraft which are all delivered within the first nine months of 2016. This is the first time the Norwegian Group have used the EETC structure. The positive response shows the Norwegian Group's ability to

attract larger international investors and finance its fleet expansion. One additional 737-800W was delivered during the quarter, financed through a sale-leaseback arrangement.

A tap issue of NOK 250 million in the unsecured bond NAS06 (ISIN NO0010736549) was completed in third quarter and will be used for general corporate purposes. A tap issue was completed for NAS07 (ISIN NO0010753437) with settlement on October 6.

Net assets at the end of third quarter 2016 is affected by appreciation of NOK against USD, compared to closing rate at December 31, 2015.

Net interest bearing debt at the end of the third quarter was NOK 18,689 million compared to NOK 17,131 million at the end of last year. The financial position is affected by increased production, appreciation of NOK against USD and asset acquisitions. At the end of third quarter, the financial position continues to be solid with an equity ratio of 10%, at the same level as third quarter last year.

Net change in cash and cash equivalents in third quarter was NOK -777 million. Net cash from investing activities were NOK -1,748 million in the third quarter, with net cash from financing activities of NOK 1,323 million and cash flow from operations of NOK -390 million.

Total non-current assets amount to NOK 29,266 million at the end of the third quarter, compared to NOK 26,523 million at the end of last year. The main investments during the year are related to prepayments to aircraft manufacturers for aircraft on order and delivery of 13 new owned Boeing 737-800Ws. Appreciation of NOK against USD affects aircraft values compared to last year by partially offsetting aircraft investments.

Total current assets amount to NOK 5,638 million at the end of the third quarter, compared to NOK 5,111 million at the end of last year. Receivables have increased by NOK 744 million during the year due to increased production and seasonality. Cash and cash equivalents have decreased by NOK 221 million during the year.

Total non-current liabilities at the end of the third quarter were NOK 18,641 million, compared to NOK 17,936 million at the end of last year. Long-term borrowings increased by NOK 734 million during the year due to increased external borrowings for 13 new owned Boeing 737-800Ws and pre-delivery payment financing for Airbus 320 Neo and tap issues of long term bonds. The increase was partially offset by appreciation of NOK against USD and EUR and down-payments on aircraft financing as well as unsecured bond NAS04 falling into short term borrowings. Other non-current liabilities decreased by NOK 28 million.

Total short-term liabilities at the end of the third quarter were NOK 12,676 million, compared to NOK 10,733 million at the end of last year. Current liabilities increased by NOK 242 million during the year mainly due to increase in accrued lease cost and other seasonality effects offset by decreased marked-to-market value of derivative financial instruments.

Short-term borrowings increased by NOK 603 million during the year due to bond NAS04 falling into short term borrowings and new pre-delivery payment financing of Airbus 320 Neo, partially offset by reduced pre-delivery payment financing due to delivery of aircraft and appreciation of NOK against USD. Air traffic liability increased by NOK 1,097 million from end of last year due to increased production and seasonality.

Equity at the end of the third quarter was NOK 3,587 million compared to NOK 2,965 million at the end of last year. Equity increased due to net profit in the period of NOK 938 million and exchange rate loss from Group holdings in subsidiaries of NOK 320 million.

Cash flow

Cash and cash equivalents were NOK 2,233 million at the end of the third quarter compared to NOK 2,454 million at the end of last year.

Cash flow from operating activities in the third quarter amounted to NOK -390 million compared to NOK 324 million in the third quarter last year. Air traffic settlement liability decreased by NOK 2,140 million during the third quarter compared to NOK 1,404 million during the same quarter last year. Receivables increased by NOK 194 million compared to NOK 34 million in the same quarter last year. Cash from other adjustments amounted to NOK 351 million during third quarter compared to NOK 411 million in the same quarter last year. Other adjustments mainly consist of changes in current liabilities and currency gain/loss with no cash effects.

Cash flow from investment activities in the third quarter was NOK -1,748 million, compared to NOK -1,844 million in the third quarter last year. Prepayments to aircraft manufacturers and investments in new aircraft are the main investments. Four new aircraft were delivered in third quarter, while five aircraft were delivered in third quarter last year.

Cash flow from financing activities in the third quarter was NOK 1,323 million compared to NOK 781 million in the third quarter last year. Proceeds from financing of aircraft and pre-delivery payment financing are partially offset by down-payment on borrowings and financing costs in the quarter.

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 markets.

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

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

Fuel price and currency fluctuations, as well as hedging of

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

OUTLOOK

The demand for travelling with Norwegian and advance bookings have been satisfactory entering the fourth quarter of 2016. Norwegian will continue to take advantage of its increasing competitive power realized through continuous cost efficiency, and from introducing larger aircraft (seventeen new Boeing 737-800Ws and four new Boeing 787-9s will be delivered in 2016) with a lower operating cost. In addition two Airbus 320neo aircraft are scheduled to be delivered in 2016, which will be leased to airline HK Express.

Norwegian has twenty-one operational bases globally.

Norwegian guides for a production growth (ASK) of 18% for 2016, including the long haul production. The growth in short haul production is mainly from increasing the fleet by adding Boeing 737-800Ws. The long haul production will grow in accordance with the phasing in of aircraft and the company will have twelve Boeing 787s by the end of 2016. Norwegian may decide to adjust capacity in order to optimize the route portfolio depending on the development in the overall economy and in the marketplace.

Assuming a fuel price of USD 350 per ton, USD/NOK 8.25 and EUR/NOK 9.00 for the year 2016 (excluding hedged volumes) and with the currently planned route portfolio, the Company is targeting a unit cost (CASK) in the area of NOK 0.38 for 2016.

Norwegian guides for a production growth (ASK) of 30 % for 2017. The growth in Boeing 737 production is by adding Boeing 737-800s, and introducing Boeing 737-MAX. The Boeing 787 production will grow in accordance with the phasing in of aircraft and the company will have twenty-one Boeing 787s by the end of 2017. Norwegian may decide to adjust capacity in order to optimize the route portfolio depending on the development in the overall economy and in the marketplace.

Assuming a fuel price of USD 500 per ton, USD/NOK 8.25 and EUR/NOK 9.00 for the year 2017 (excluding hedged volumes) and with the currently planned route portfolio, the company is targeting a unit cost (CASK) in the range of NOK 0.38 – 0.39 for 2017.

Norwegian continues to establish and develop an organizational structure that will secure cost efficient international expansion and necessary traffic rights for the future.

Fornebu, October 19, 2016

CEO
Bjørn Kjos

CONDENSED CONSOLIDATED INCOME STATEMENT

Unaudited

| (Amounts in NOK million) | Note | Q3 2016 | Q3 2015 | YTD 2016 | YTD 2015 | Full Year 2015 |
|---------------------------------------------------------------------------------|------|----------------|----------------|-----------------|-----------------|-------------------|
| Operating revenue | | | | | | |
| Total operating revenue | 3 | 8,360.1 | 7,276.8 | 19,953.0 | 17,172.2 | 22,491.1 |
| Total operating revenue | | 8,360.1 | 7,276.8 | 19,953.0 | 17,172.2 | 22,491.1 |
| Operating expenses | | | | | | |
| Operational expenses | | 4,203.6 | 3,907.1 | 11,087.9 | 10,254.6 | 13,593.0 |
| Payroll and other personnel expenses | | 1,014.0 | 942.8 | 2,880.0 | 2,571.0 | 3,433.7 |
| Other operating expenses | | 569.5 | 381.4 | 1,384.1 | 947.8 | 1,770.1 |
| Total operating expenses | | 5,787.1 | 5,231.3 | 15,352.0 | 13,773.4 | 18,796.8 |
| Operating profit before leasing, depreciation and amortization (EBITDAR) | | | | | | |
| | | 2,573.0 | 2,045.5 | 4,601.0 | 3,398.8 | 3,694.3 |
| Leasing | | 847.7 | 561.4 | 2,157.8 | 1,651.5 | 2,213.3 |
| Operating profit before depreciation and amortization (EBITDA) | | | | | | |
| | | 1,725.4 | 1,484.1 | 2,443.1 | 1,747.3 | 1,481.1 |
| Depreciation and amortization | | 351.7 | 301.7 | 958.2 | 766.8 | 1,133.3 |
| Operating profit (EBIT) | | | | | | |
| | | 1,373.6 | 1,182.4 | 1,484.9 | 980.5 | 347.8 |
| Financial items | | | | | | |
| Interest income | | 9.6 | 16.8 | 31.2 | 45.1 | 76.3 |
| Interest expense | | 186.1 | 77.2 | 441.8 | 236.4 | 349.7 |
| Other financial income (expense) | | 20.7 | -40.0 | -27.6 | -77.2 | -102.7 |
| Net financial items | | -155.8 | -100.3 | -438.3 | -268.6 | -376.2 |
| Profit/Loss from associated company | | 52.4 | 16.0 | 162.0 | 66.1 | 103.4 |
| Profit (loss) before tax (EBT) | | | | | | |
| | | 1,270.2 | 1,098.0 | 1,208.6 | 777.9 | 75.0 |
| Income tax expense (income) | | 277.8 | 265.2 | 270.8 | 158.4 | -171.1 |
| Net profit (loss) | | | | | | |
| | | 992.5 | 832.8 | 937.8 | 619.5 | 246.2 |
| Net profit attributable to: | | | | | | |
| Owners of the parent company | | 992.5 | 832.8 | 937.8 | 619.5 | 246.2 |
| Earnings per share (NOK) - Basic | | 27.8 | 23.4 | 26.2 | 17.6 | 7.0 |
| Earnings per share (NOK) - Diluted | | 27.3 | 23.3 | 26.1 | 17.4 | 7.0 |
| No. of shares at the end of the period | | 35,759,639 | 35,598,139 | 35,759,639 | 35,598,139 | 35,759,639 |
| Average no. of shares outstanding | | 35,759,639 | 35,516,362 | 35,759,639 | 35,194,333 | 35,233,540 |
| Average no. of shares outstanding - diluted | | 36,384,639 | 35,787,139 | 35,967,972 | 35,656,051 | 35,591,045 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited

| <i>(Amounts in NOK million)</i> | <i>Note</i> | 30 Sep 2016 | 30 Sep 2015 | At 31 Dec 2015 |
|--------------------------------------|-------------|------------------------|----------------|-------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Intangible assets | | 542.4 | 604.5 | 800.3 |
| Tangible fixed assets | | 27,514.1 | 23,542.3 | 24,812.2 |
| Fixed asset investments | | 1,209.3 | 872.9 | 910.3 |
| Total non-current assets | | 29,265.8 | 25,019.6 | 26,522.7 |
| Current assets | | | | |
| Inventory | | 107.5 | 102.3 | 104.1 |
| Receivables | | 3,297.3 | 2,561.0 | 2,553.1 |
| Cash and cash equivalents | | 2,233.2 | 2,296.5 | 2,454.2 |
| Total current assets | | 5,638.1 | 4,959.8 | 5,111.4 |
| TOTAL ASSETS | | 34,903.8 | 29,979.4 | 31,634.1 |
| EQUITY AND LIABILITIES | | | | |
| Shareholders equity | | | | |
| Paid-in capital | 7 | 1,330.0 | 1,289.0 | 1,330.0 |
| Other equity | | 2,256.7 | 1,896.2 | 1,634.7 |
| Total equity | | 3,586.7 | 3,185.2 | 2,965.3 |
| Non-current liabilities | | | | |
| Other non-current liabilities | | 1,364.2 | 1,481.8 | 1,392.4 |
| Long term borrowings | 6 | 17,277.2 | 14,257.8 | 16,543.4 |
| Total non-current liabilities | | 18,641.4 | 15,739.6 | 17,935.8 |
| Short term liabilities | | | | |
| Current liabilities | | 3,919.8 | 3,338.8 | 3,677.6 |
| Short term borrowings | 6 | 3,645.0 | 3,515.5 | 3,041.4 |
| Air traffic settlement liabilities | | 5,110.9 | 4,200.2 | 4,014.4 |
| Total short term liabilities | | 12,675.7 | 11,054.5 | 10,733.4 |
| Total liabilities | | 31,317.2 | 26,794.2 | 28,669.1 |
| TOTAL EQUITY AND LIABILITIES | | 34,903.8 | 29,979.4 | 31,634.1 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

Unaudited

| (Amounts in NOK million) | Q3 2016 | Q3 2015 | YTD 2016 | YTD 2015 | Full Year 2015 |
|-------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| OPERATING ACTIVITIES | | | | | |
| Profit before tax | 1,270.2 | 1,098.0 | 1,208.6 | 777.9 | 75.0 |
| Paid taxes | -28.6 | -47.6 | -28.6 | -44.1 | -44.1 |
| Depreciation, amortization and impairment | 351.7 | 301.7 | 958.2 | 766.8 | 1,133.3 |
| Changes in air traffic settlement liabilities | -2,140.1 | -1,404.2 | 1,096.5 | 1,234.8 | 1,049.0 |
| Changes in accounts receivable | -194.0 | -34.3 | -832.8 | -690.6 | -175.3 |
| Other adjustments | 351.0 | 410.8 | 438.9 | 589.5 | 318.7 |
| Net cash flows from operating activities | -389.7 | 324.4 | 2,840.7 | 2,634.3 | 2,356.7 |
| INVESTMENT ACTIVITIES | | | | | |
| Purchases, proceeds and prepayment of tangible assets | -1,732.5 | -1,843.5 | -5,324.6 | -4,532.1 | -5,189.2 |
| Purchases of other long-term investments | -15.9 | 0.0 | -75.9 | 0.0 | 0.0 |
| Net cash flows from investing activities | -1,748.4 | -1,843.5 | -5,400.5 | -4,532.1 | -5,189.2 |
| FINANCING ACTIVITIES | | | | | |
| Loan proceeds | 1,942.2 | 1,223.7 | 4,147.9 | 3,849.9 | 5,771.4 |
| Principal repayments | -427.8 | -323.0 | -1,220.6 | -1,158.7 | -1,827.5 |
| Financing costs paid | -192.0 | -161.8 | -605.4 | -590.9 | -799.7 |
| Proceeds from issuing new shares | 0.0 | 42.4 | 0.0 | 100.8 | 138.1 |
| Net cash flows from financial activities | 1,322.5 | 781.4 | 2,321.9 | 2,201.1 | 3,282.3 |
| Foreign exchange effect on cash | 38.5 | -11.0 | 16.9 | -18.0 | -6.8 |
| Net change in cash and cash equivalents | -777.2 | -748.8 | -220.9 | 285.4 | 443.0 |
| Cash and cash equivalents in beginning of period | 3,010.4 | 3,045.4 | 2,454.2 | 2,011.1 | 2,011.1 |
| Cash and cash equivalents in end of period | 2,233.2 | 2,296.5 | 2,233.2 | 2,296.5 | 2,454.2 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Unaudited

| (Amounts in NOK million) | Q3 2016 | Q3 2015 | YTD 2016 | YTD 2015 | Full Year 2015 |
|--------------------------------------------------|--------------|--------------|--------------|--------------|-------------------|
| Net profit (loss) for the period | 992.5 | 832.8 | 937.8 | 619.5 | 246.2 |
| Actuarial gains and losses | 0.0 | 0.0 | 0.0 | 21.0 | 44.5 |
| Exchange rate differences Group | -155.9 | 147.5 | -319.6 | 332.7 | 421.1 |
| Share of OCI associated companies | 3.2 | 0.0 | 3.2 | 0.0 | 0.0 |
| Total comprehensive income for the period | 839.8 | 980.3 | 621.5 | 973.2 | 711.8 |
| Profit attributable to: | | | | | |
| Owners of the company | 839.8 | 980.3 | 621.5 | 973.2 | 711.8 |

CONDENSED CONSOLIDATED CHANGES IN EQUITY

Unaudited

| (Amounts in NOK million) | YTD 2016 | YTD 2015 | Full Year 2015 |
|-------------------------------------------|----------------|----------------|-------------------|
| Equity - Beginning of period | 2,965.3 | 2,108.3 | 2,108.3 |
| Total comprehensive income for the period | 621.5 | 973.2 | 711.8 |
| Share issue | 0.0 | 100.8 | 138.1 |
| Equity change on employee options | 0.0 | 3.0 | 7.1 |
| Equity - End of period | 3,586.7 | 3,185.2 | 2,965.3 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1 General and accounting principles

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

The consolidated financial statements of the Group for the year ended December 31, 2015 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 December 31, 2015. 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 December 31, 2015.

Judgments, estimates and assumptions

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

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

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended December 31, 2015.

Note 2 Risk

SENSITIVITY ANALYSIS

| | Effect on income MNOK |
|-------------------------------------|--------------------------|
| 1% decrease in jet fuel price | 44 |
| 1% depreciation of NOK against USD | -115 |
| 1% depreciation of NOK against EURO | -7 |

The sensitivity analysis reflects the effect on operating costs in 2016 by changes in market prices and exchange rates. The effect on operating costs is annualized based on current level of production, fuel prices and exchange rates. Operational hedges are not included in the calculation of the sensitivity.

Note 3 Revenue

Passenger revenue comprise only ticket revenue, while ancillary passenger revenue is other passenger related revenue such as optional extras. Other revenue consist of revenue not directly related to passengers such as cargo, third-party products, gain from sale of assets and other income.

OPERATING REVENUE BREAKDOWN

| Unaudited <i>(Amounts in NOK millions)</i> | Q3 2016 | Q3 2015 | <i>Change</i> | YTD 2016 | YTD 2015 | <i>Change</i> | Full Year 2015 |
|------------------------------------------------------|--------------------------|-------------------|---------------|---------------------------|--------------------|---------------|--------------------------|
| Per activity | | | | | | | |
| Passenger revenue | 6,916.1 | 6,130.4 | 13 % | 16,299.8 | 14,181.6 | 15 % | 18,505.8 |
| Ancillary passenger revenue | 1,190.7 | 967.4 | 23 % | 3,001.9 | 2,500.9 | 20 % | 3,275.3 |
| Other revenue | 253.3 | 179.0 | 42 % | 428.1 | 489.7 | -13 % | 710.1 |
| Total | 8,360.1 | 7,276.8 | 15 % | 19,953.0 | 17,172.2 | 16 % | 22,491.1 |
| Per geographical market | | | | | | | |
| Domestic | 1,432.5 | 1,187.2 | 21 % | 4,221.6 | 3,530.8 | 20 % | 4,786.9 |
| International | 6,927.6 | 6,089.6 | 14 % | 15,731.5 | 13,641.4 | 15 % | 17,704.2 |
| Total | 8,360.1 | 7,276.8 | 15 % | 19,953.0 | 17,172.2 | 16 % | 22,491.1 |

Note 4 Segment information

The Executive Management team 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 entire operation and irrespective of geographic location.

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 third quarter 2016 there are no changes in related parties compared to the description in Note 26 in the Annual Report for 2015. There have been no significant transactions with related parties during the third quarter or first nine months of 2016.

Note 6 Borrowings**Unaudited**

| <i>(Amounts in NOK million)</i> | 30 Sep 2016 | | 30 Sep 2015 | | At 31 Dec 2015 | |
|---------------------------------|------------------------------|-------------------|-----------------------|-------------------|--------------------------|-------------------|
| | Long term | Short term | Long term | Short term | Long term | Short term |
| Bond issue | 2,585.7 | 990.3 | 2,025.0 | 0.0 | 3,221.6 | 0.0 |
| Credit facility | 163.8 | 1,037.1 | -4.5 | 1,543.9 | 0.0 | 1,473.5 |
| Aircraft financing | 14,527.8 | 1,617.6 | 12,237.3 | 1,971.6 | 13,321.8 | 1,567.9 |
| Total | 17,277.2 | 3,645.0 | 14,257.8 | 3,515.5 | 16,543.4 | 3,041.4 |
| Total Borrowings | 20,922.3 | | 17,773.3 | | 19,584.8 | |

Note 7 Shareholder information

20 Largest shareholders at September 30, 2016

| Shareholder | Country | Number of shares | Percent | Percent |
|---------------------------------------|---------|-------------------|----------------|----------------|
| 1 HBK INVEST AS | NOR | 8,795,873 | 24.6 % | 24.6 % |
| 2 FOLKETRY GDFONDET | NOR | 3,201,103 | 9.0 % | 8.5 % |
| 3 SKAGEN VEKST | NOR | 1,188,040 | 3.3 % | 3.1 % |
| 4 VERDIPA PIRFONDET DNB NORGE (IV) | NOR | 1,068,915 | 3.0 % | 3.1 % |
| 5 SKAGEN KON-TIKI | NOR | 1,060,005 | 3.0 % | 2.9 % |
| 6 DANSKE INVEST NORSKE INST. II. | NOR | 942,366 | 2.6 % | 2.5 % |
| 7 CLEARSTREAM BANKING S.A. | LUX | 700,000 | 2.0 % | 2.2 % |
| 8 VERDIPA PIRFONDET DNB NORGE SELEKTI | NOR | 650,000 | 1.8 % | 1.8 % |
| 9 FERD AS | NOR | 598,519 | 1.7 % | 1.5 % |
| 10 KLP AKSJE NORGE VPF | NOR | 552,841 | 1.5 % | 1.5 % |
| 11 DANSKE INVEST NORSKE AKSJER INST | NOR | 519,153 | 1.5 % | 1.4 % |
| 12 VERDIPA PIRFONDET DELPHI NORDEN | GBR | 499,235 | 1.4 % | 1.2 % |
| 13 STA TOIL PENSJON | NOR | 480,565 | 1.3 % | 1.2 % |
| 14 DNB NOR MARKETS, AKSJEHAND/ANALYSE | NOR | 444,297 | 1.2 % | 1.0 % |
| 15 JP MORGAN CHASE BANK, NA | NOR | 400,000 | 1.1 % | 1.0 % |
| 16 DNB LIV/SFORSIKRING ASA | NOR | 360,000 | 1.0 % | 1.0 % |
| 17 VERDIPA PIRFONDET HANDELSBANKEN | NOR | 350,000 | 1.0 % | 1.0 % |
| 18 DATUM AS | NOR | 310,860 | 0.9 % | 0.9 % |
| 19 KOMMUNAL LANDSPENSJONSKASSE | NOR | 300,898 | 0.8 % | 0.9 % |
| 20 SKANDINAVISKA ENSKILDA BANKEN AB | SVE | 289,492 | 0.8 % | 0.8 % |
| Top 20 shareholders | | 22,712,162 | 63.5 % | 63.5 % |
| Other shareholders | | 13,047,477 | 36.5 % | 36.5 % |
| Total number of shares | | 35,759,639 | 100.0 % | 100.0 % |

Norwegian Air Shuttle ASA had a total of 35,759,639 shares outstanding at September 30, 2016, equal to December 31, 2015. There were a total of 12,224 shareholders at the end of the quarter.

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

Note 8 Contingencies and legal claims

Note 27 to the Annual Financial Statement for 2015 disclosed information about a claim from the unions organizing pilots and cabin crew. The District Court has issued a ruling, which Norwegian will appeal. Financial exposure from the ruling is limited. There are no other additions or changes to the information regarding contingencies or legal claims presented in note 27 to the Annual Financial Statements for 2015.

Note 9 Events after the reporting date

Norwegian Air Shuttle ASA has successfully completed a tap issue of EUR 60 million in the unsecured bond NAS07 (ISIN NO 0010753437, maturity 11 December, 2019). The total nominal amount outstanding in NAS07 following the tap issue will be EUR 185 million. The settlement date for the tap issue was 6 October, 2016. Net proceeds from the tap issue will be used for general corporate purposes.

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 third quarter or first nine months of 2016.

Definitions

| | |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ASK: | Available Seat Kilometers. Number of available passenger seats multiplied by flight distance. |
| RPK: | Revenue Passenger Kilometers. Number of sold seats multiplied by flight distance. |
| Unit revenue: | Passenger Revenue divided by Available Seat Kilometers. |
| Unit cost: | Total operating expenses plus leasing, excluding other losses/(gains)-net, divided by Available Seat Kilometers. |
| Load factor: | Relationship between RPK and ASK (percentage). Describes the rate of utilization of available seats. |
| EBITDAR: | Earnings before interest, tax, depreciation, amortization, restructuring, rent/leasing and associated company. |
| EBITDA: | Earnings before interest, tax, depreciation, amortization and associated company. |
| EBIT: | Earnings before interest, tax and associated company. Equivalent to Operating profit in the Consolidated Income Statement in the annual report. |
| EBT: | Earnings before tax. Equivalent to Profit (loss) before tax in the Consolidated Income Statement in the annual report. |
| EBITDAR ex other losses/(gains) | Earnings before interest, tax, depreciation, amortization, restructuring, rent/leasing, and associated company, adjusted for other losses/(gains)-net. |
| EBITDA ex other losses/(gains) | Earnings before interest, tax, depreciation, amortization and associated company, adjusted for other losses/(gains)-net. |
| Other losses/(gains)-net | Consist of fair value losses/(gains) on financial assets at fair value through profit or loss and foreign exchange losses/(gains) on operating activities. |
| Equity ratio | Book equity divided by Total Assets. |
| Net interest bearing debt | Long term borrowings plus Short term borrowings less Cash and cash equivalents. |
| Constant currency | A currency exchange rate that excludes the impact of exchange rate fluctuations from comparable period, e.g last year as comparable period. |
| Fixed asset investment | Consist of the following items presented in the statement of financial position in the annual report: Financial assets available for sale, Investment in associate and Other receivables. |

Information about the Norwegian Group

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Visiting address Oksenøyveien 3, Fornebu

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Telefax +47 67 59 30 01
Internet www.norwegian.com

Organization Number NO 965 920 358 MVA

Board of Directors Norwegian Air Shuttle ASA

| | |
|-------------------------|-------------------------|
| Bjørn H. Kise | Chairman |
| Liv Berstad | Deputy Chairman |
| Ada Kjeseth | Director |
| Christian Fredrik Stray | Director |
| Geir Olav Øien | Employee representative |
| Linda Olsen | Employee representative |
| Marcus Hall | Employee representative |

Group Management

| | |
|--------------------------|--------------------------------------------------------------------------|
| Bjørn Kjos | Chief Executive Officer |
| Frode E. Foss | Chief Financial Officer |
| Asgeir Nyseth | Chief Operating Officer |
| Dag Skage | Chief Information Officer |
| Frode Berg | Chief Legal Officer |
| Thomas A. Ramdahl | Chief Commercial Officer |
| Jan Dahm-Simonsen | Chief Human Resources Officer |
| Anne-Sissel Skånvik | Chief Communications Officer |
| Edward Thorstad | Chief Customer Officer |
| Tore K. Jenssen | CEO, Arctic Aviation Assets Ltd and CEO, Norwegian Air International Ltd |
| Bjørn Erik Barman-Jensen | Managing Director, Norwegian Air Resources Ltd |
| Lennart Ceder | Accountable Manager, Norwegian Air UK Ltd |

Investor Relations

Tore Østby investor.relations@norwegian.com

Other sources of Information

Annual reports www.norwegian.no/om-oss/selskapet/investor-relations/reports-and-presentations/annual-reports/

Quarterly publications www.norwegian.no/om-oss/selskapet/investor-relations/reports-and-presentations/interim-reports-and-presentations/

Financial Calendar 2016

| | | |
|----|-------|--------------------------------|
| 4 | March | Monthly traffic data February |
| 6 | April | Monthly traffic data March |
| 21 | April | First Quarter results (Q1) |
| 9 | May | Monthly traffic data April |
| 10 | May | General Shareholder Meeting |
| 6 | June | Monthly traffic data May |
| 6 | July | Monthly traffic data June |
| 14 | July | Second Quarter Results (Q2) |
| 4 | Aug | Monthly traffic data July |
| 6 | Sept | Monthly traffic data August |
| 6 | Oct | Monthly traffic data September |
| 20 | Oct | Third Quarter Results (Q3) |
| 4 | Nov | Monthly traffic data October |
| 6 | Dec | Monthly traffic data November |