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# Presentation of fourth quarter 2024

13 February 2025



## 2024 operating result (EBIT) NOK 1,873 million

- full-year EBIT second highest in company history
- Q4 group EBIT negative NOK 93 million
  - Norwegian EBIT negative NOK 222 million
  - Widerøe EBIT NOK 128 million
- results impacted by non-recurring currency effects from weakening NOK vs. USD
  - other losses/gains negative NOK 197 million in Q4
  - costs also negatively impacted by FX in Q4
- full-year unit cost ex. fuel in NOK up 4%

## Strong balance sheet

- liquidity position NOK 10.9 billion
  - incl. NOK 1bn in fixed-income fund investments
- NOK 0.60 per share distribution proposal
  - distribution through dividend or share buy-back
- financing agreed for first 18 aircraft deliveries
  - LOI stage for additional 7 aircraft
  - very attractive terms

## Preferred travel partner throughout Nordics

- 350 Norwegian routes on sale across attractive network
  - over 100 Widerøe routes
- operational excellence with few cancellations
  - Cirium top five European airline (DY) in 2024
- strong customer satisfaction vs. peers
  - Net Promoter Score (NPS) close to 50
- capturing corporate market share
- increasing market position in Norway
  - 70%+ of overall growth at Avinor airports in 2024
  - 50% overall market share
- Spenn launched in November
  - loyalty programme ecosystem for partners

## Court rules in full favour for EU ETS 2020 obligation

- Oslo District Court ruled in full favour with Norwegian
  - entitled to fulfil obligations by offering dividend
  - penalty of close to NOK 400 million unlawful
- due full refund of penalty plus interest
  - interest currently amounting to NOK 88.1 million
- verdict has been appealed by Ministry

## Well-positioned for 2025

- increased clarity on Boeing deliveries
  - 3 aircraft delivered so far this year
  - forecasting 88 aircraft fleet for summer
- 2025 Norwegian growth forecasted at 4% YoY
- Program 'X' to accelerate profitability
  - strong cost focus and capitalising on previous capacity growth
  - harvesting on investments from 2024
  - Widerøe synergies



Number of passengers in fourth quarter (group)

**6.2** million (+32% YoY)

**Load factor**  
(change YoY)

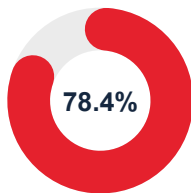


**Norwegian capacity (ASK)**

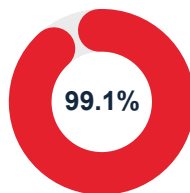


**Q4 operating performance (Norwegian)**

**Punctuality**



**Regularity**

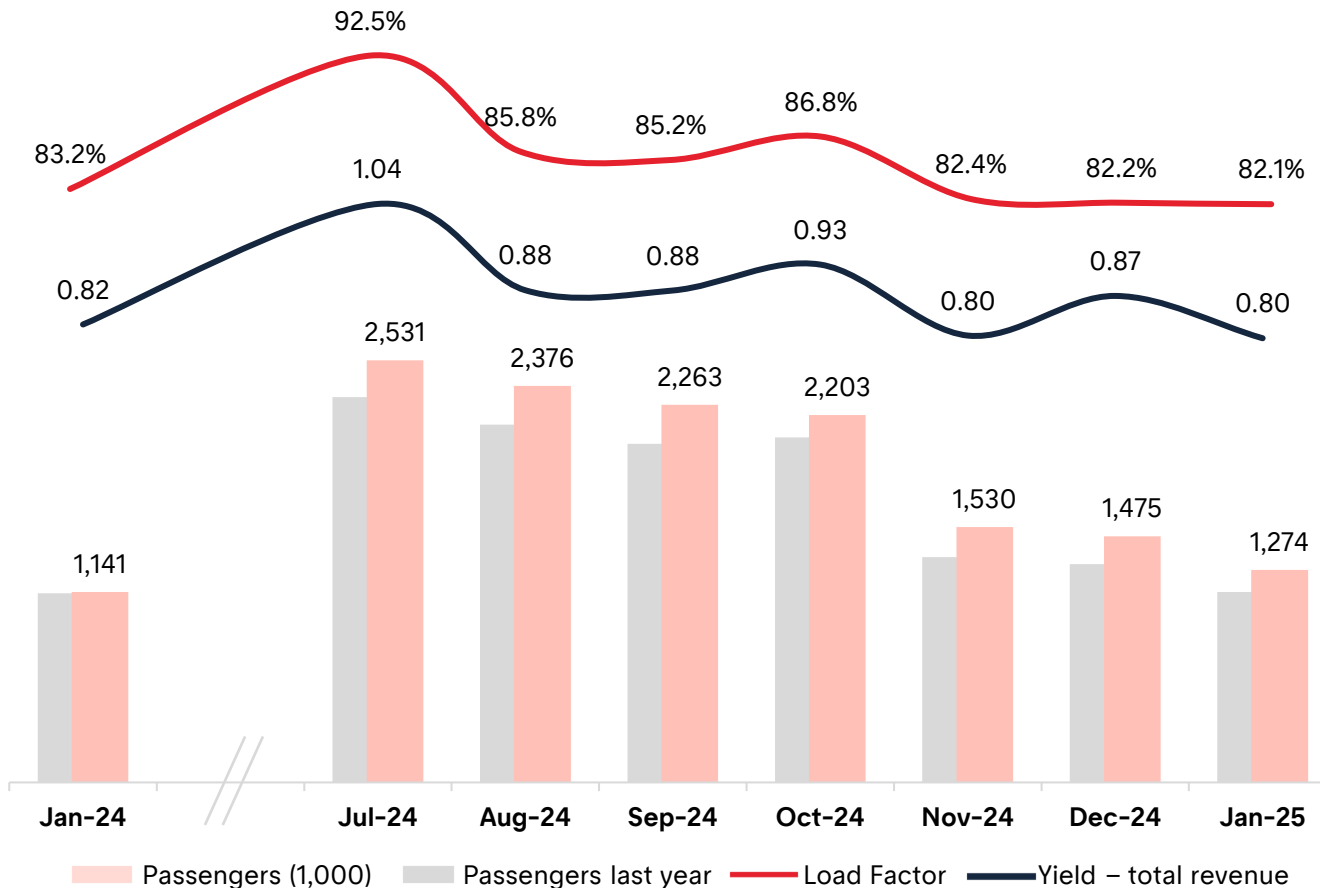


- challenging winter weather conditions
- Cirium names Norwegian (DY) fifth most punctual European airline in 2024



# Delivering strong winter passenger growth

## Norwegian Traffic – PAX per month, load factor and yield



### Capacity reduced in winter season

- matching capacity with seasonal variations in demand
- Nov.-Jan. capacity down 30%+ vs. prior months

### Increased capacity year-on-year

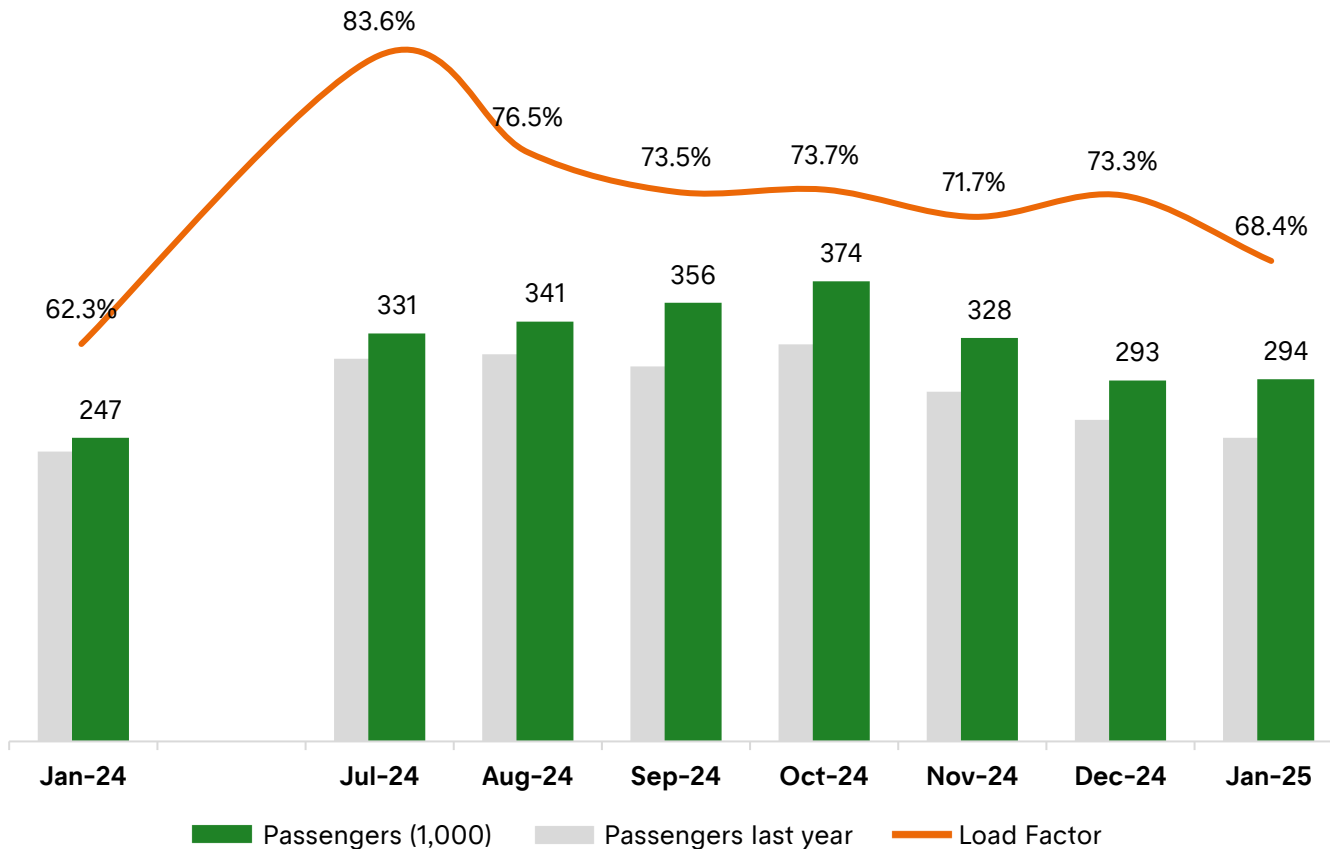
- adapting to high demand for winter warm and arctic holidays
- Q4 capacity (ASK) up 19% YoY  
– more longer sectors with avg. stage length +10%

### Satisfactory January performance

- passenger growth 12% YoY

# Widerøe passenger record for 2024

## Widerøe Traffic – PAX per month and load factor



### Q4 traffic performance

- 995,000 passengers – up 13% YoY
- Load factor increased to 73%  
– improving load on both commercial and PSO networks

### Record traffic for full-year

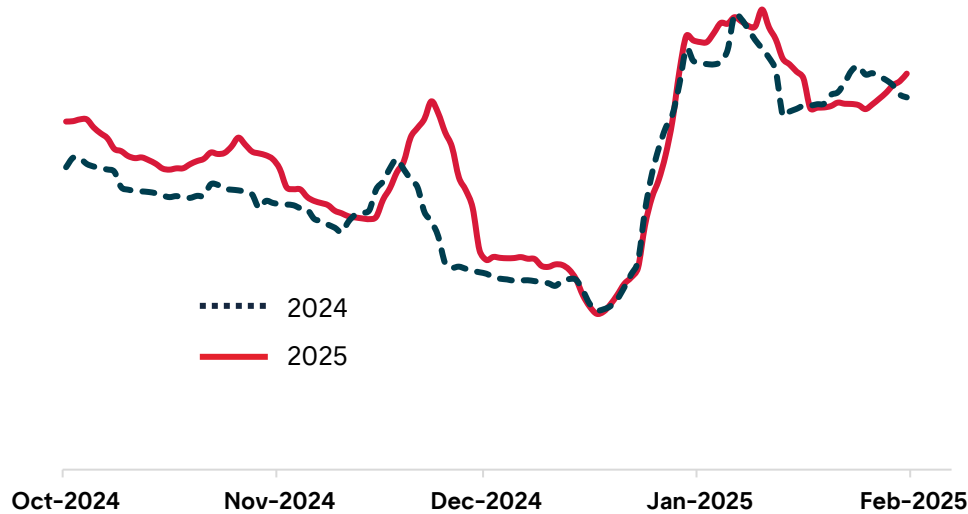
- 3.8 million passengers for 2024 – up 11% YoY
- full-year load factor 72.3% – up close to 5 p.p. YoY

### Challenging winter operating environment

- winter weather storms impacting operations
- “go-slow” industrial action amongst technicians  
– agreement reached in December

# Norwegian – building on a successful New Year’s campaign

7-day rolling sales figures (PAX) – All markets<sup>1)</sup>



## Stable booking momentum

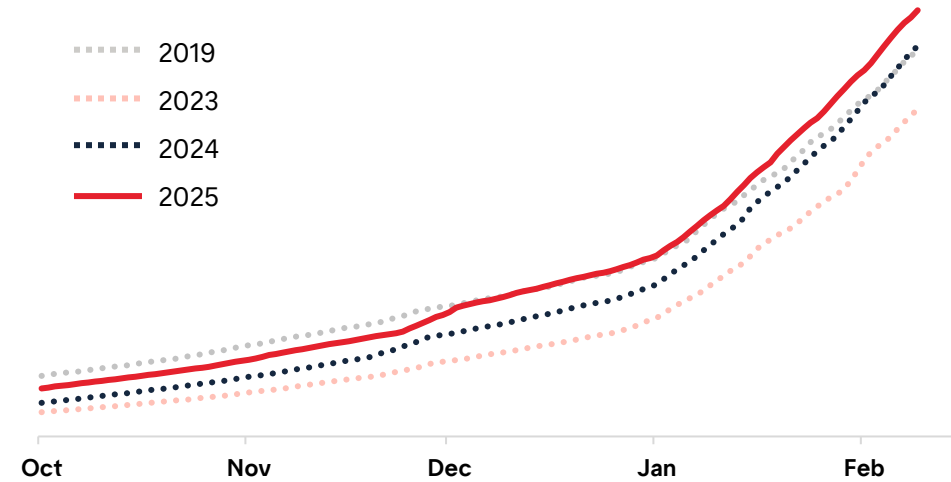
- diversified bookings across destinations and travel month

## Significant growth in Q1

- 15% capacity increase for February and March
- capacity growth reducing to sub 5% from April onwards

1) travel anytime, anywhere as of 9 February 2025

Booked revenue – Travel February to June<sup>2)</sup>



## Booked load ahead YoY for April travel onwards

- more than 380,000 additional tickets sold vs. last year at corresponding date for February to June travel

## Yield outlook improving after Q1

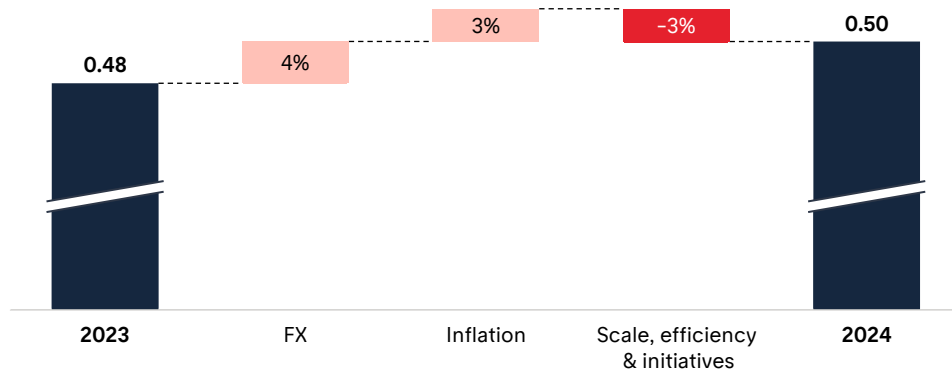
- stable to improving yield for Q2 onwards
- February and March yield impacted by increasing sector length
- March traffic softer YoY due to Easter – April traffic boosted correspondingly

2) 2019 adjusted for comparable route network

# Weakening NOK creating headwinds, but also opportunities

## 2024 unit cost impacted by weakening NOK

Norwegian NOK unit cost (CASK) ex. fuel



### Weakening NOK impacting OPEX

- cost for fuel, technical, leasing, airport, ATC, handling and crew
- net P&L impact partly neutralised due to EUR and DKK revenues

### Non-recurring balance sheet effects

- weakening NOK also impacting results through translation to NOK of USD denominated operating liabilities

## Increasing demand for Nordic holidays



### Holidays impacted by currency and travel trends

- Nordic travel increasing in popularity with weak NOK and SEK
  - also increased popularity for travel to northern Finland
- significant growth in 2024 inbound travel to Norway
  - Avinor reports 42% growth vs. 2022 in foreigners travelling to Norway vs. 18% growth for Norwegians travelling abroad\*

### Uniquely positioned to capture traffic

- complete route network including onward travel with Widerøe
  - Widerøe also experiencing increased demand for inbound travel
- Net Promoter Score (NPS) close to 50
  - passengers valuing airline's strong operational performance

\*) Data based on the Norwegian National Travel Survey (RVU)

# Corporate travel – strong growth in 2024

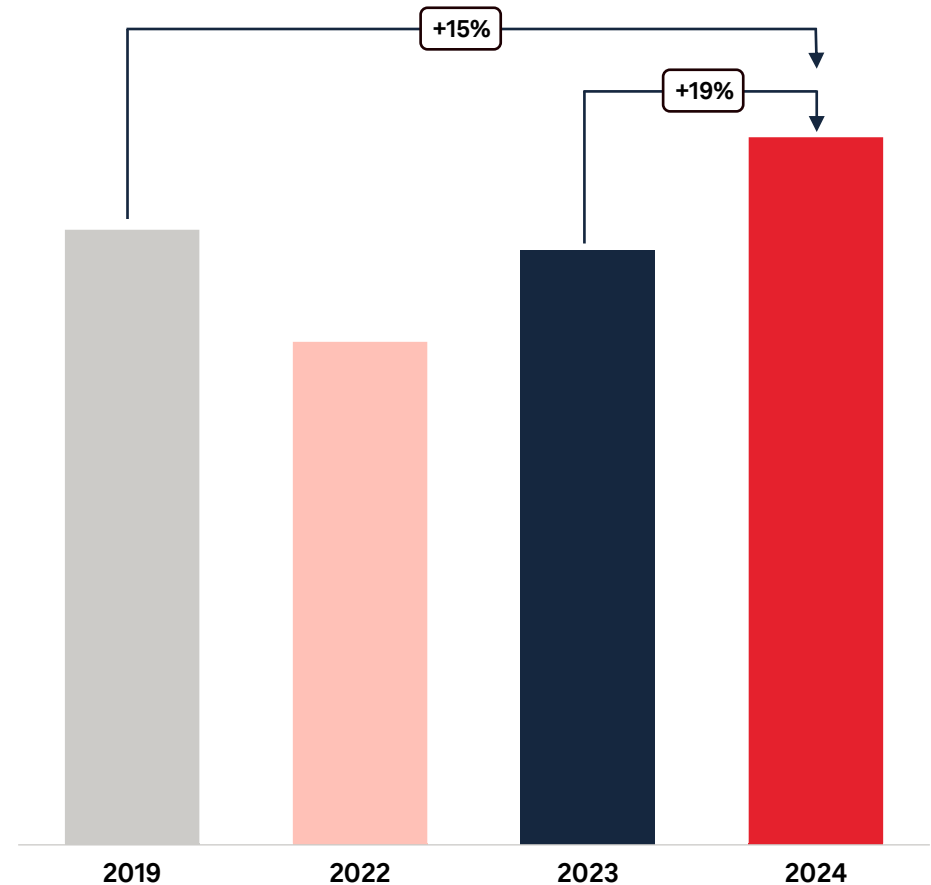
## Corporates choosing Norwegian

- **Avinor reports 2024 corporate travel in Norway still below 2019**
  - domestic corporate travel 11% below 2019, corporate travel abroad down 15%\*
- **from corporates we speak to:**
  - 50% or higher share of travel with Norwegian
  - highly value Norwegian’s on-time performance and regularity
- **onboarded new SMEs and larger corporates in 2024**
  - close to 3,000 new corporate agreements signed
  - growth in all sales channels
- **four-year contract with Armed Forces started 1 Feb.**
  - strong initial performance
  - largest biofuel agreement in aviation history in Norway

## Key initiatives ahead

- **Widerøe travel with seamless end-to-end connectivity**
  - tailoring Norwegian-Widerøe corporate offering
  - interlining traffic flows in 2024 up 58% YoY
- **focus on capturing market share in Sweden**
  - country’s aviation tax abolished from July 2025
- **Norwegian Reward Priority**
  - improving seamless flow of benefits
- **launch of biofuel choice product to corporates**

## Norwegian corporate passengers per year



\*) Data based on the Norwegian National Travel Survey (RVU)



# Accelerating Norwegian Reward through Spenn

## Norwegian Reward – even better with Spenn



### Award winning loyalty program

- **4.4 million members** across Nordics
- **Frequent Travel Awards** in October  
– named program with “Best earning and Redemption”

### Reward Benefits

- new benefit for every 8 flights  
– including fast track, free seat and free baggage

### Norwegian Reward Priority

- **unlock all benefits** and more after 32 flights
- exciting changes coming soon!

## Successful launch of Spenn



**Already 630,000 Spenn earners in the Nordics,**  
**with 4+ million transactions and 750 million Spenn earned**



**Strong Spenn awareness**  
**- 33% in Norway**

### Spenn launched 19 November

- Spenn is a loyalty currency created together with Strawberry
- **allows faster earn and easy redemption of points** across partners
- **approx. 50% conversion of users to app**, building Norwegian Reward member recruitment and communication channel

### Available across Nordics

- Spenn most popular in Norway, thereafter Sweden  
– significant growth potential across the Nordics

### Attractive partner proposition

- 14 fully fledged partners already integrated
- **exciting partner dialogues** with more partners coming

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# Financial results for Q4 2024

# Quarterly financial highlights

## Revenue

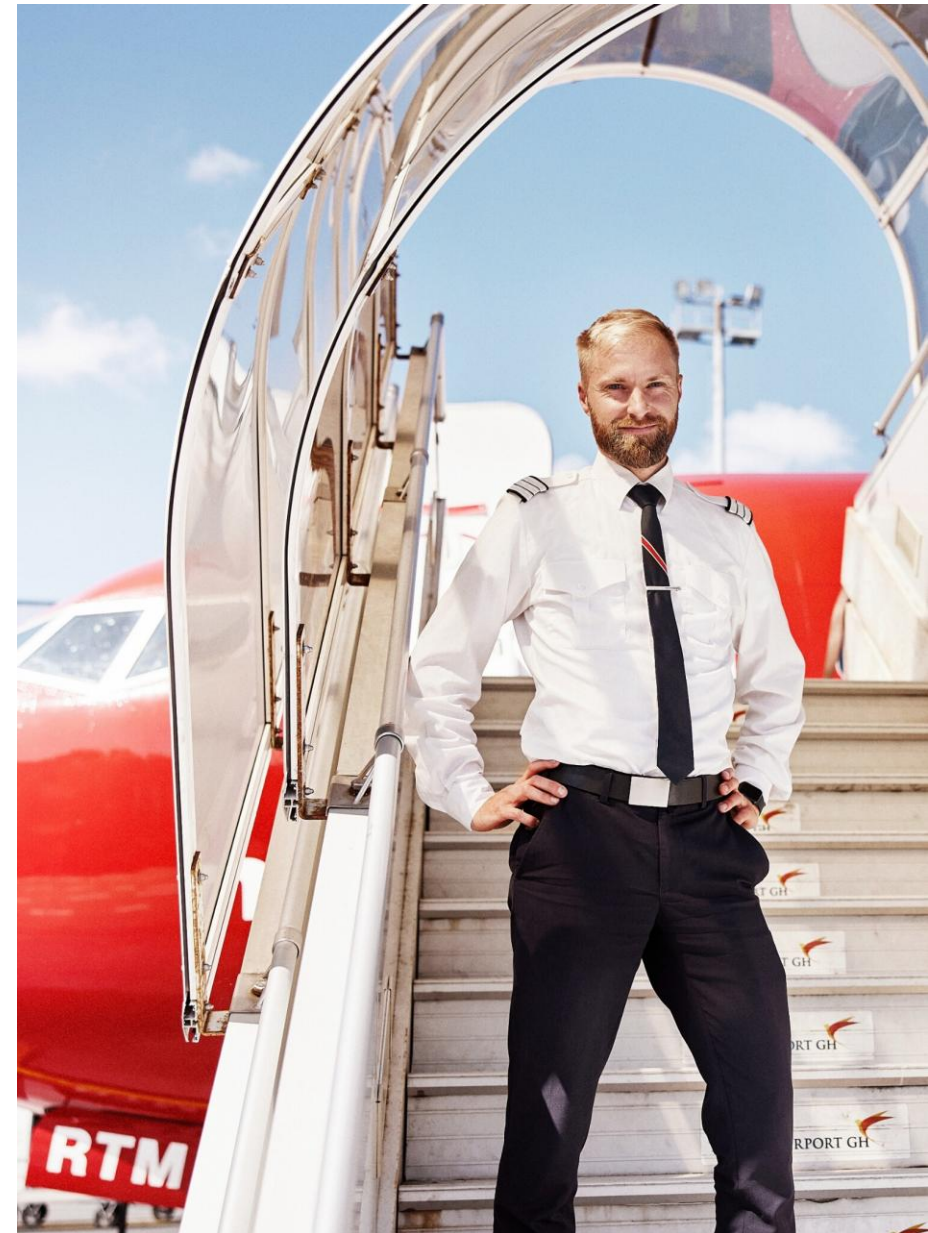
- **group revenue increasing to NOK 8.2 billion** – up 39% vs. last year
  - Widerøe contribution NOK 1.8 billion
- **Norwegian capacity up 19%**
  - total unit revenue down 2% YoY following 10% increase in avg. stage length
- **Norwegian ancillary NOK 188 per pax**
  - up from NOK 173 last year

## Profits

- **quarterly group operating profit (EBIT) negative NOK 93 million**
  - Norwegian EBIT negative NOK 222 million
  - Widerøe EBIT NOK 128 million
- **weakening NOK negatively impacting results this quarter**
  - other losses/gains negative NOK 197m due to translation of USD denominated operating liabilities
  - various cost items impacted by weakening NOK
- **Unit cost ex. fuel NOK 0.53 – flat YoY**

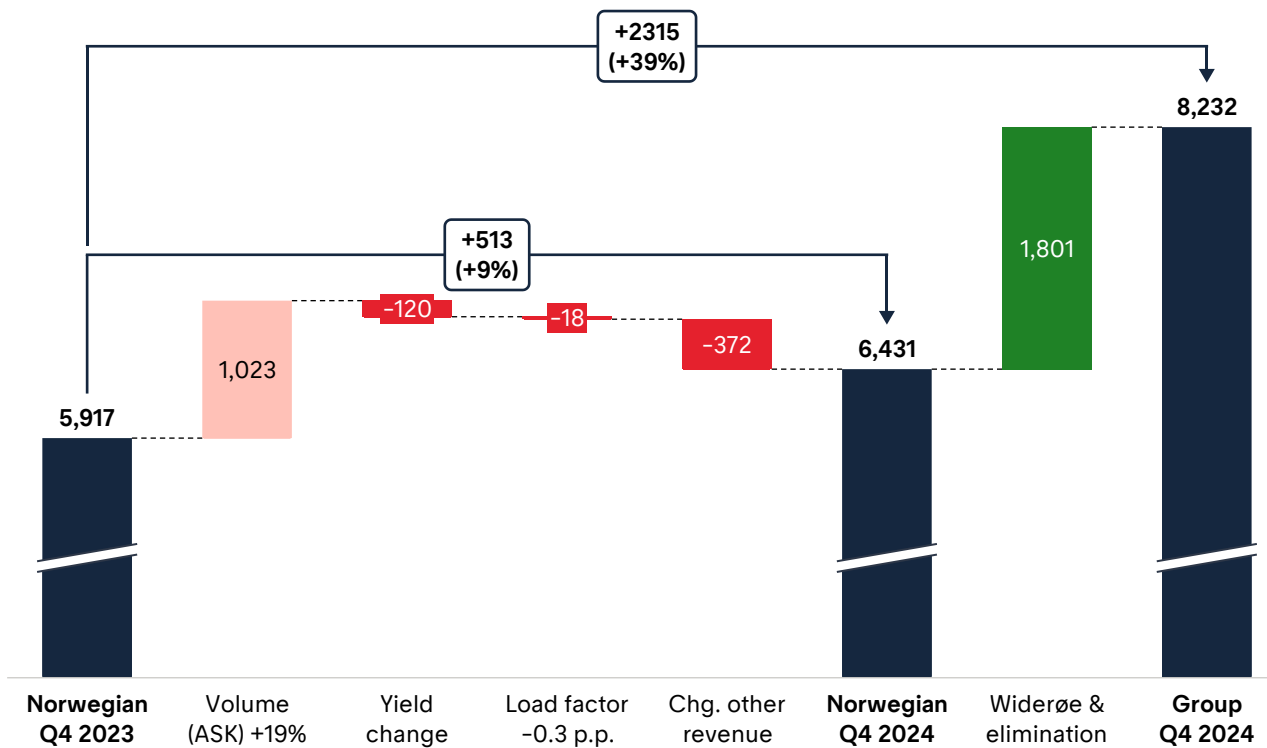
## Balance sheet

- **strong cash position**
  - robust cash position NOK 9.9 billion
  - NOK 1 billion of fixed-income investments excluded from cash position this quarter
- **equity ratio 19.3%** – up 0.3 p.p. from previous quarter
- **Distribution proposal for 2024 of NOK 0.60 per share**
  - to be paid-out as dividend or buy-back of shares
  - subject to AGM and certain conditions in company's debt instruments



# Revenue development – Group with 39% growth YoY

Quarterly total operating revenue (NOK million)



## Capacity, and PAX increase in quarter

- Norwegian capacity (ASK) up 19% vs. Q4 2023
- load factor and yield marginally lower YoY with capacity increase and 10% longer avg. sector

## Other revenue with lower one-offs

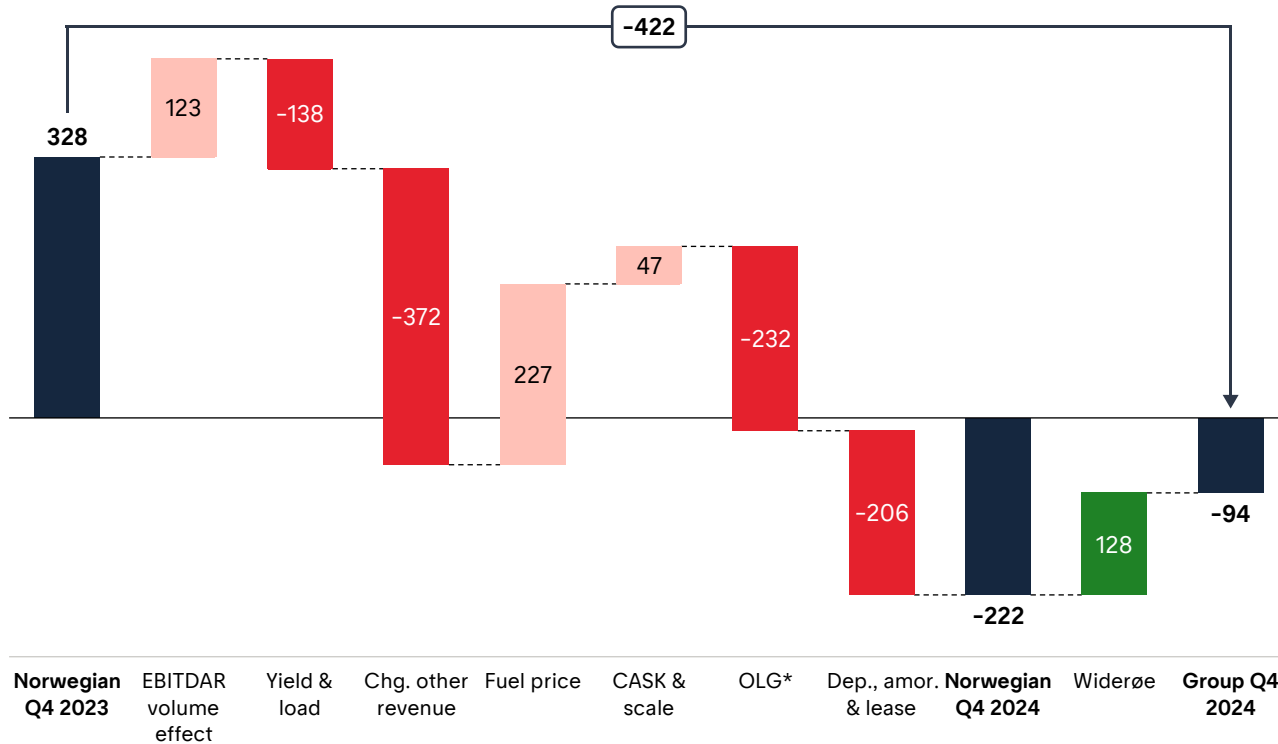
- other revenue for Norwegian NOK 147m – down from NOK 519m previous year
- Q4 2023 positively impacted by Covid-19 CashPoint expiry and trademark dispute settlement with Bank Norwegian

## Widerøe contributing positively

- 22% share of group operating revenue in quarter

# Operating profit (EBIT) development

Quarterly EBIT (NOK million)



## Capacity increase and reduced other rev.

- Non-recurring other revenue in Q4 2023

## Weak NOK impacting costs and revaluations

- unit cost excl. fuel NOK 0.53 – unchanged YoY
- other losses/gains net loss NOK 197m in Q4  
– revaluation to NOK of USD denominated operating liabilities

## Depreciation up vs. last year

- Norwegian fleet 86 aircraft at year-end
- NOK 107m wet-lease costs for delayed aircraft for Norwegian  
– significant delay compensation booked in Q4 2023

\*) other losses/(gains)

# Group P&L – impacted by currency translation effects

<i>NOK million</i>	Q4 2024 (Group)	Q4 2023 (Norwegian)	Chng. (YoY)		Full year 2024	Full year 2023
Passenger revenue	6,916	4,582			29,621	20,617
Ancillary passenger revenue	1,016	816			4,561	3,700
Other revenue	300	519		→ non-recurring revenues in Q4 2023	1,134	1,223
<b>Total operating revenue</b>	<b>8,232</b>	<b>5,917</b>	<b>+39%</b>		<b>35,317</b>	<b>25,539</b>
Personnel expenses	2,062	1,033		→ additional flying FTEs, wage inflation and Widerøe inclusion	7,959	4,025
Aviation fuel	2,176	1,817			9,377	7,715
Airport and ATC charges	784	611			3,495	2,770
Handling charges	649	510			2,588	2,134
Technical maintenance expenses	285	177			1,187	698
Other operating expenses	901	600			3,514	2,409
<b>EBITDAR excl other losses/(gains)</b>	<b>1,376</b>	<b>1,170</b>	<b>+206</b>		<b>7,197</b>	<b>5,789</b>
Other losses/(gains)	197	-29	+226	→ balance sheet translation effects relating weakening NOK vs. USD	291	35
<b>EBITDAR</b>	<b>1,179</b>	<b>1,199</b>			<b>6,907</b>	<b>5,754</b>
Aircraft lease, depreciation and amortisation	1,272	871			5,034	3,522
<b>Operating profit (EBIT)</b>	<b>-93</b>	<b>328</b>	<b>-421</b>		<b>1,873</b>	<b>2,232</b>
Net financial items	-127	-120			-508	-428
<b>Profit before tax (EBT)</b>	<b>-222</b>	<b>208</b>			<b>1,355</b>	<b>1,804</b>
Income tax expense (income)	0	55		profit offset against non-booked tax carry → forward losses	0	67
<b>Net profit (loss)</b>	<b>-223</b>	<b>153</b>	<b>-375</b>		<b>1,355</b>	<b>1,737</b>

# Robust balance sheet

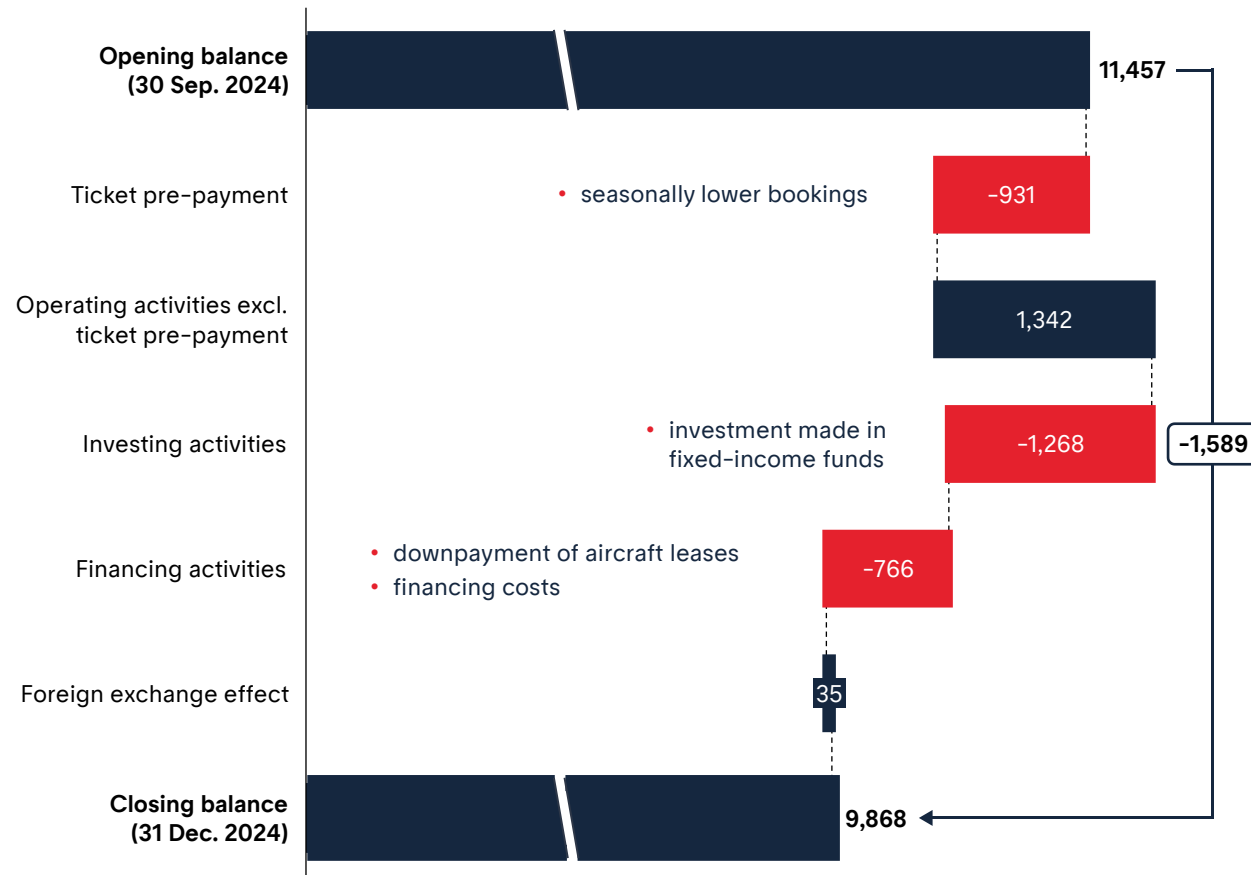
<i>NOK million</i>	31 Dec. 2024	30 Sep. 2024	Chng. (QoQ)	
Intangible assets	2,429	2,618		
Tangible assets	19,403	18,452	+952	
<b>Total non-current assets</b>	<b>22,346</b>	<b>21,503</b>		
Receivables	3,872	4,049		
Financial investments	1,012	0	+1,012	→ new fixed-income fund investments
Cash and cash equivalents	9,868	11,457		
<b>Total current assets</b>	<b>15,254</b>	<b>16,012</b>		
<b>Assets</b>	<b>37,600</b>	<b>37,515</b>		
<hr style="border-top: 1px dashed red;"/>				
<b>Equity</b>	<b>7,241</b>	<b>7,111</b>		
Non-current debt	12,249	11,622		
Other non-current liabilities	4,985	4,523		
<b>Total non-current liabilities</b>	<b>17,234</b>	<b>16,145</b>		
Air traffic settlement liabilities	4,143	5,233	-21%	→ bookings lower with season, but significantly up YoY (Norwegian +18%)
Current debt	3,829	3,719		
Other current liabilities	5,154	5,307		
<b>Total current liabilities</b>	<b>13,125</b>	<b>14,260</b>		
<b>Liabilities</b>	<b>30,359</b>	<b>30,404</b>		
<b>Equity and liabilities</b>	<b>37,600</b>	<b>37,515</b>		
<b>Equity ratio (%)</b>	<b>19.3</b>	<b>19.0</b>	<b>0.3 p.p.</b>	→ up 0.4 p.p. YoY

Net interest-bearing debt			
<i>NOK million</i>	31 Dec. 2024	30 Sep. 2024	Chng. (QoQ)
Cash & equiv.	9,868	11,457	-1,589
Financial Investments	1,012	0	+1,012
Aircraft financing	13,025	12,170	+855
Other IB debt	239	358	
Retained Claims Bonds	2,814	2,812	
<b>NIBD</b>	<b>5,197</b>	<b>3,883</b>	<b>+1,314</b>

- **NIBD increase** predominantly due to increased lease liabilities with revaluation from weakening NOK  
– NOK weakened 8% vs. USD in Q4
- NIBD inc. fixed-income fund investments NOK 1,012m  
– higher exp. return and slightly higher risk profile
- **86 aircraft in Norwegian and 49 at Widerøe**  
– unchanged fleet compared to previous quarter
- **distribution proposal NOK 0.60 per share for 2024**  
– to be paid-out as dividend or buy-back of shares  
– subject to AGM and certain conditions in company's debt  
– dividend fund from 2022/23 NOK 847m at year-end

# Cash flow in quarter

Quarterly cash flow (NOK million)



## Bookings lower with expected seasonality

- working capital effect with normalised holdback

## Cash balance not inc. fixed-income fund investments placed during Q4

## Excess liquidity

- placed on deposits and money-market funds
- rate-of-return 5.5%

## Boeing prepayment – significant portion already paid in

- prepayment to date NOK 3.5bn
- 2025 prepayments below NOK 100m



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# The way forward



# Aircraft arriving ahead of summer season

## Boeing delivering aircraft again

- In January we received two new aircraft
  - took delivery of third aircraft yesterday
  - in 2024, Boeing delivered two new aircraft to Norwegian
- fourth aircraft is expected ahead of the summer season
- expecting to take delivery of 11-13 aircraft this year

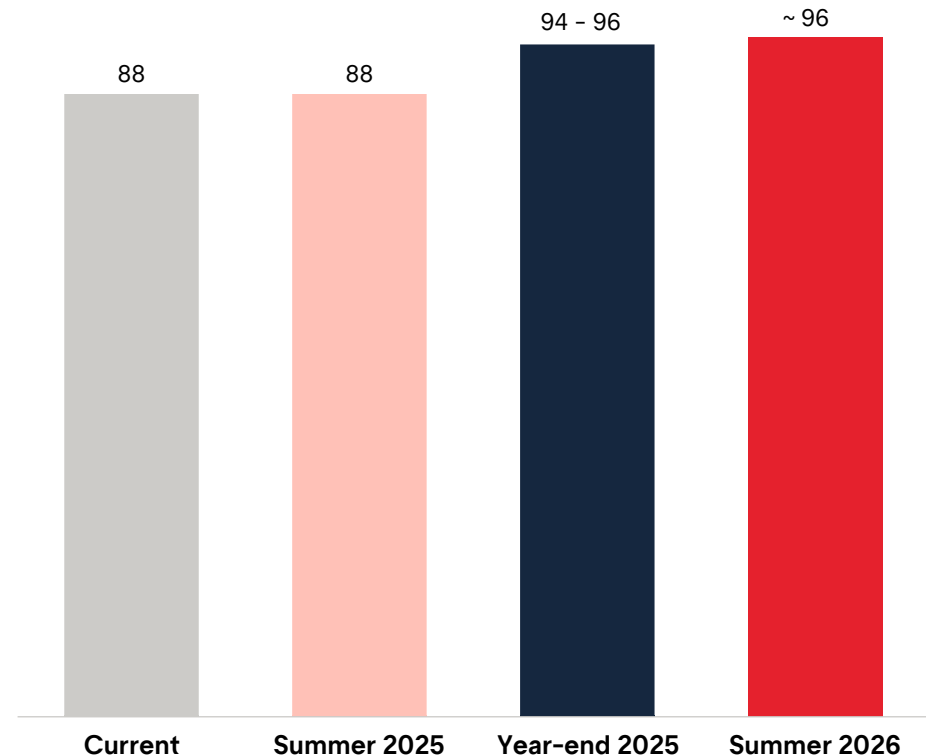
## Aircraft delays are industry-wide

- competitors also incurring Boeing delays
- P&W GTF engine issues
  - avg. up to 350 A320neo-family out-of-service at any one time until 2026\*
- delivery delays net positive for supply/demand balance and yield environment

## Aircraft order

- order for 50 737 MAX 8 aircraft
  - first aircraft expected to be delivered in Q4 2025
  - option for additional 30 aircraft
  - attractive pricing
- financing for up to 18 aircraft in place, LOI signed for additional seven aircraft
  - best-ever terms for company
  - 13 aircraft to be owned, 12 sale- and leaseback transactions

## Fleet estimate until 2026



# Delivering sustainable profitability through Program 'X'

## Current trading environment

### Macroeconomic factors

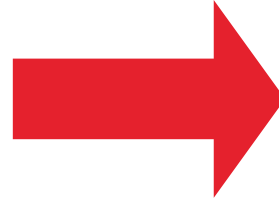
- **consumer confidence with robust demand**  
– real-wage growth and falling interest rates
- **weak NOK against USD and EUR**  
– increasing cost for key input factors including fuel

### Growth rate reducing

- **industry wide aircraft delivery delays**  
– extending operation of aircraft with lower fuel-efficiency  
– potentially positive for **supply/demand balance**
- **reduced investments in network growth**
- lower growth enabling organisational **streamlining**

### Industry-wide cost pressure persist

- **increased airport and ATC charges**
- **inflationary pressure** for crew and technical
- **environmental requirements increasing**  
– phase out of free EU ETS allowance allocation  
– SAF blending mandate from 2025



## Program 'X'

### Profitability program initiated

- program launched in November
- **focusing on improvements in 2025-2026** to deliver on strategy and deliver improved profitability
- **Chief Performance Officer** Jeanette Bø-Alnes appointed to drive execution

### Key cost and revenue initiatives

- **cost reductions** across organisations
- **Widerøe** – capturing additional cost synergies
- **revenue** initiatives
- **efficiency improvements** through automation

### Harvesting from 2024 investments

- **New Distribution Platform roll-out**  
– improved functionality, upselling and distribution
- **Widerøe** – capturing commercial synergies  
– network alignment and loyalty programme




# Outlook & summary

# Outlook

		FY 2025	Q1	Q2	Q3	Q4
	Capacity growth <sup>1)</sup>	c. 4%	c. 17%	c. 2%	c. 2%	c. 0%

## FY 2025

	Norwegian unit cost excl. fuel <sup>2)</sup>	Single-digit % increase vs. 2024
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1) Available seat kilometres (ASK) vs. same period 2024

2) Assuming current foreign exchange rates



## Fourth quarter performance

- **significant capacity growth for Norwegian**
  - Significant passenger growth for both Norwegian and Widerøe
- **unit cost flat YoY, while also impacted by FX**
- **liquidity position NOK 10.9 billion**
- **NOK 0.60 distribution proposal for 2024**
  - to be paid out as dividend or buy-back of shares

## Leading airline group in Nordics

- **seamless interlining with Widerøe**
  - capturing key commercial synergies from 2025
- **operational excellence with few cancellations**
  - key to continue growing market share for corporate travel
- **Spenn launched – loyalty platform with partners**
- **strong ESG commitment**
  - committed to reduce carbon emissions

## Well-positioned for 2025

- **winter capacity balanced to counter seasonality**
- **2025 growth impacted by aircraft delays**
  - delays are industry-wide, reducing aircraft supply in market
  - harvesting from 2024 investments in network growth
- **Boeing delivering aircraft again**
  - agreed initial financing for own order at attractive terms
- **launch of Program 'X' to drive sustainable profitability**
  - delivering on cost, revenue and operational initiatives
  - capitalising on previous investments

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