

ANNUAL REPORT
1. januar - 31. december 2016

Norwegian Air Resources Denmark ApS
c/o Norwegian Air Shuttle
Lufthavnsboulevarden 6
2770 Kastrup

CVR nr. 35481206

Submitter:
Sønderup I/S
Statsautoriserede revisorer
Jyllandsgade 9
4100 Ringsted

**Presented and approved at the company's ordinary
general meeting 31. mai 2017**



Chairman

Contents

Management's Statement on the Annual Report	3
Independent Auditor's Report	4
Accounting principles applied	7
Income statement 1 January - 31 December	10
Balance sheet 31 December	11
Notes	13

Management's Statement on the Annual Report

The management have today considered and approved the annual report for Norwegian Air Resources Denmark ApS for the financial year 1 January to 31 December 2016.

The annual report is presented in accordance with the Danish Financial Statements Act.

In the managements opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2016 and of its financial performance for the financial year 1 January to 31 December 2016.

We recommend the annual report for approval at the annual general meeting.

København, 31.mai 2017

Executive Board



Bjørn Erik Barman-Jensen

Board of Directors:



Rolf Krister Aarnio



Guro Halvorsen Poulsen

Independent Auditor's Report

To the shareholders of Norwegian Air Resources Denmark ApS

Opinion

We have audited the Financial Statements of Norwegian Air Resources Denmark ApS for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the Entity's financial position at 31 December 2016 and of the results of its operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- * Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the management commentary.

Copenhagen, den 31 May 2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Business Registration No 33963556



Jens Sejer Pedersen

State-Authorised Public Accountant

Accounting principles applied

The annual report for Norwegian Air Resources Denmark ApS 2016 has been prepared in accordance with the Danish Financial Statements Act for class B companies.

The income statement is presented by type of expenditure and the balance sheet is presented in account from. The measurement currency used is Danish kroner. All other currencies are considered foreign currency.

The accounting principles were applied consistently with the principles of last year's financial reporting.

General information on recognition and measurement

Income is recognized in the income statement as earned, including any value adjustments of financial assets and liabilities. Furthermore, all costs, including amortisation/depreciation and write-downs, are recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of the assets can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

The first recognition measures assets and liabilities at cost. Subsequently, assets and liabilities will be measured individually in respect of each accounting item as described below.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income statement

Gross profit

In pursuance of section 32 (1) of the Danish Financial Statements Act, the first item in the income statement is the gross profit. The item gross profit is the result of revenue, cost of sales, other external cost and other operating income.

Other external costs

Other external cost comprise costs for administration.

Financial items

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year. The financial items comprise interest income and expense, realized and unrealized exchange rate, gains and losses resulting from transactions in foreign currencies and surcharges and refunds regarding corporation tax.

Accounting principles applied

Tax for the year

The company is jointly taxed with other group companies. The current corporation tax is divided between the jointly taxed companies pro rata to their taxable incomes. The parent company functions as the management company for the joint taxation and handles the tax payments to the danish tax authorities.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly on equity by the portion attributable to entries directly on equity.

Balance sheet

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Value is reduced by provisions for bad debts.

Dividend

Proposed dividend for the financial year is recognized as a separate component of the equity. Proposed dividends are recognized as a liability at the time of adoption.

Tax payable and deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as tax calculated on the taxable income allocated with the current tax rate, and adjusted for tax on prior years taxable income and prepaid taxes.

Deferred tax is measured by the liability method concerning temporary differences between the carrying value and tax value of assets and liabilities, calculated based on the planned use of the assets and settlement of the obligation, respectively.

Deferred tax assets, including the tax value of tax losses allowed for carry-forward, are measured at the value at which the asset is expected to be realisable, either through elimination in tax on future earnings or through offsetting in deferred tax liabilities in the same legal tax unit. Any deferred net tax assets are measured at their net realisation values.

Deferred tax is measured based on the tax rules and tax rates applicable in pursuance of the legislation in force on the balance sheet date when the deferred tax is expected to become payable as current tax. Changes in deferred tax due to change in tax rates is recognized in the income statement.

Liabilities

Other liabilities are measured at amortised cost corresponding to the nominal value.

Accounting principles applied

Conversion of foreign currency

Transactions in foreign currencies are converted at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognized in the income statement as a financial income or expense. If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognized directly in the equity.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are converted at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the receivable or payable is recognized in the income statement as financial income or expenses.

Income statement 1 January - 31 December

Note	2016	2015
Gross profit	-100.312	-30.602
Other financial income	4	0
Other financial costs	-2.958	-12.807
PROFIT/-LOSS BEFORE TAX	-103.266	-43.409
Tax for the year	22.719	0
NET PROFIT/-LOSS FOR THE YEAR	-80.547	-43.409
Appropriation of profit		
Retained earnings	-80.547	-43.409
Total appropriation	-80.547	-43.409

Balance sheet 31 December

Note	2016	2015
ASSETS		
Receivables from group companies	1.000	0
Other receivables	22.719	0
Total receivables	23.719	0
Cash funds	80.441	65.616
Total cash funds	80.441	65.616
TOTAL CURRENT ASSETS	104.160	65.616
TOTAL ASSETS	104.160	65.616

Balance sheet 31 December

Note	2016	2015
EQUITY AND LIABILITIES		
2. Equity		
Share capital	80.000	80.000
Retained earnings	-124.556	-44.009
TOTAL EQUITY	-44.556	35.991
Suppliers of goods and services	43.091	24.000
Payables to group companies	105.625	5.625
Total short-term liabilities	148.716	29.625
TOTAL LIABILITIES	148.716	29.625
TOTAL EQUITY AND LIABILITIES	104.160	65.616
3. Main activity		
4. Contingencies		
5. Consolidation		

Noter

2016 2015

1.

The financial statements have been presented on a going concern basis, following undertaking of the Parent/Group to ensure that all liabilities are met as and when they fall due in such a manner that the preparation of the statutory financial statements on a going concern basis continues to be appropriate.

2. Equity

	2016	2015
Share capital		
Beginning of year	80.000	80.000
End of year	80.000	80.000
Retained earnings		
Beginning of year	-44.009	-600
Transferred from net profit	-80.547	-43.409
End of year	-124.556	-44.009
Dividend		
Equity end of year	-44.556	35.991

3. Main activity

The company's is without activity.

4. Contingencies

The company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2014 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

5. Consolidation

Name and registered office of the Parent preparong consolidated financial statements for the smallest group:

Norwegian Air shuttle ASA
Oksenøyveien 3
1366 Lysaker
Norway