



HURTIGRUTEN

INTERIM REPORT FOR Q1 2011

HIGHLIGHTS

More cruise nights and marginally improved result

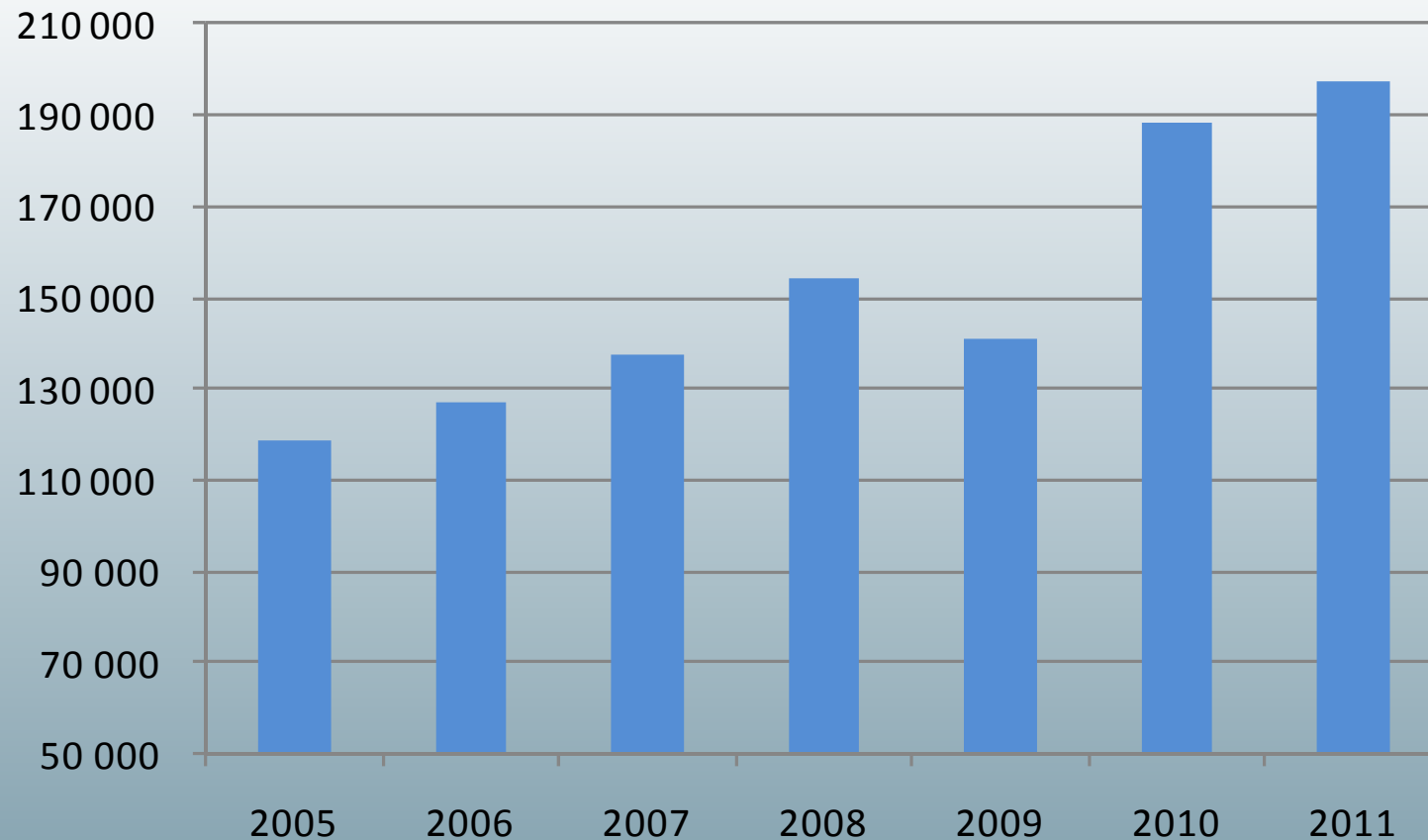
- Pre-tax result improved by NOK 7 million from Q1 2010
- 8.6% more cruise nights improved the capacity utilization to 57.8% from 52.5% last year
- Good result after negotiations with the Government regarding new 8-years agreement for Bergen – Kirkenes
- Improved results from chartering out of ship
- Lower prices on port to port, many schedule changes, increased fuel costs and strong NOK against AUD weaken the result

Hurtigruten group – income statement

Hurtigruten group (NOK 1 000)	Q1 2011	Q1 2010	Variance
Operating revenues	797 956	727 876	70 080
Operating expenses	794 639	713 945	80 694
Other losses/(gains) - net	0	-3 301	-3 301
EBITDA	3 316	17 232	-13 916
Depreciation & impairment losses	92 912	89 696	-3 216
EBIT	-89 595	-72 464	-17 131
Net financial items	-40 997	-57 042	16 045
Share of profit/loss of associates	1 811	2 053	-242
Profit (loss) before tax for continued business	-128 782	-127 454	-1 328
Profit (loss) before tax for discontinued business	2 471	-6 212	8 684
Net profit (loss) before tax	-126 310	-133 666	7 356

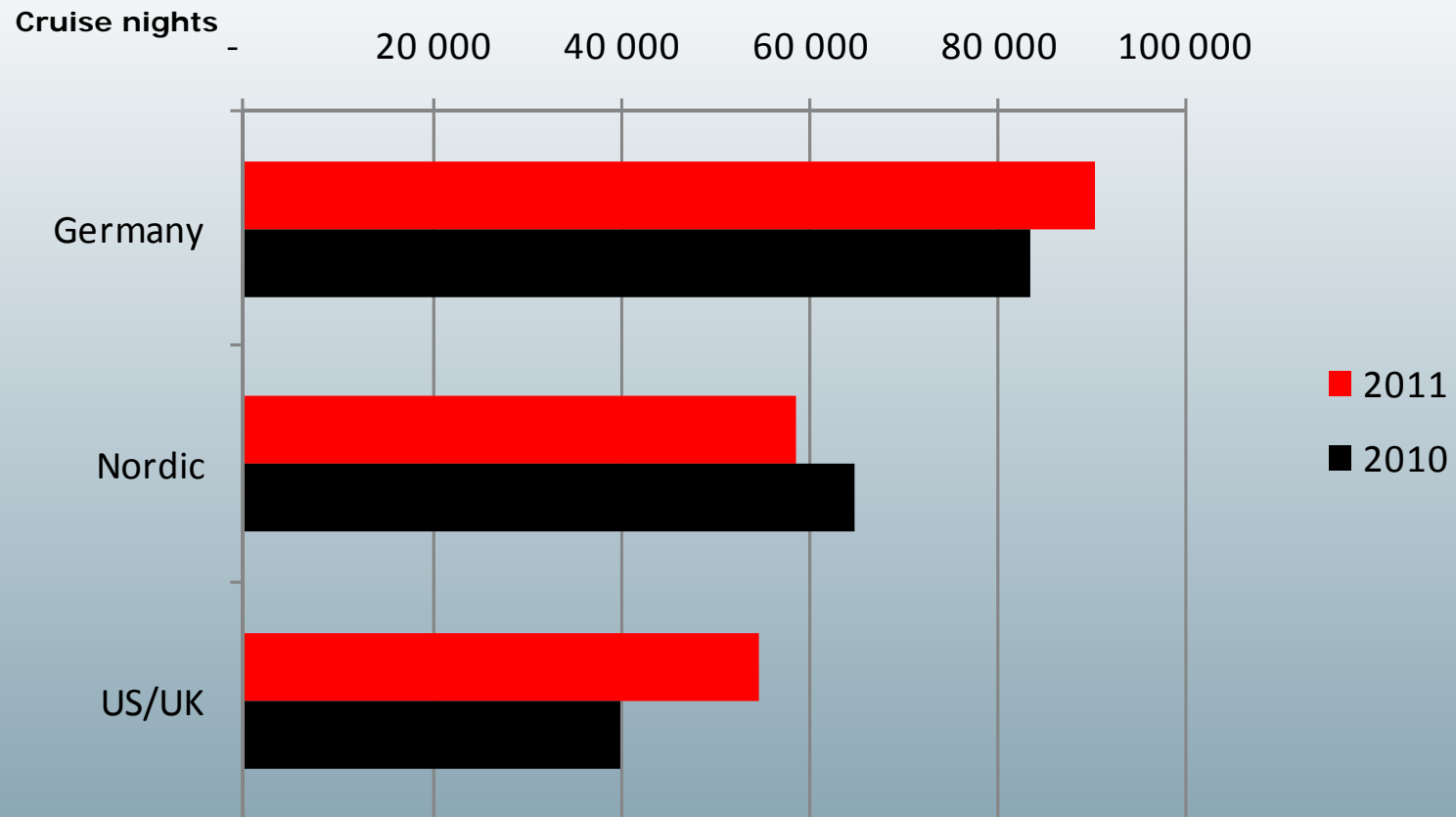
Even more winter guests – Beat record from 2010

Cruise nights



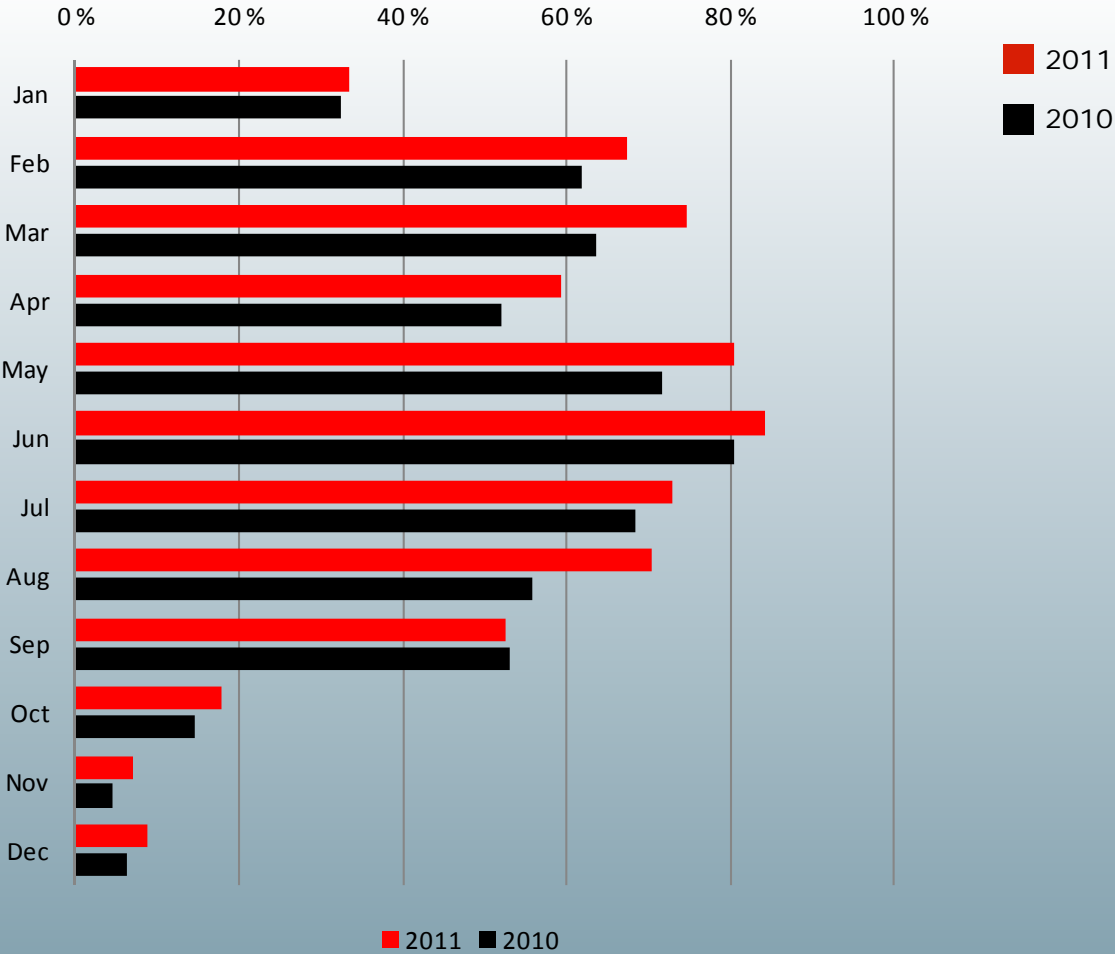
Total no of cruise nights Q1 – both round trip and port to port

Germany still the most important winter market – but strong growth in UK/US



2011 bookings - improvements in all months

Capacity utilization YTD, comparing 2011 vs 2010*



* Booking status as of 1 May 2011

Challenging quarter with many schedule changes

- Bad weather in March
- Technical problems for two ships

No of cancelled port calls in Q1 2011

	Technical	Weather	Delays	Misc.	
SHIP	TD	WT	DL	XX	Total
Lofoten	1	27	0	0	28
Nordstjernen	46	11	0	1	58
Finnmarken	0	0	0	0	0
Midnatsol	60	10	0	17	87
Trollfjord	3	5	0	0	8
Nordnorge	2	26	1	0	29
Polarlys	1	1	0	1	3
Nordkapp	0	28	0	0	28
Kong Harald	0	0	0	0	0
Nordlys	0	20	1	0	21
Richard With	7	12	0	4	23
Vesterålen	0	23	0	2	25
TOTAL	120	163	2	25	310
%	38,7 %	52,6 %	0,6 %	8,1 %	100,0 %



ACCOUNTS Q1 2011

Hurtigruten group – income statement

Hurtigruten group (NOK 1 000)	Q1 2011	Q1 2010	Variance
Passenger ticket revenues	244 189	277 332	-33 143
Onboard revenues	76 483	64 564	11 919
Goods, cars and other revenues	270 681	174 464	96 218
Contractual revenues*	206 602	211 516	-4 914
Total revenues	797 956	727 876	70 080
Commissions, transportation and other	84 678	87 483	2 805
Onboard	54 176	44 149	-10 027
Ship manning costs	239 834	191 027	-48 807
Fuel	76 882	68 682	-8 200
Other cruise operating costs	202 445	186 536	-15 909
Total cruise operating costs	658 015	577 877	-80 138
S, G & A	136 624	136 068	-556
Total operating costs	794 639	713 945	-80 694
Other (losses)/gains - net	0	3 301	-3 301
EBITDA	3 316	17 232	-13 916
Depreciation and impairment losses	92 912	89 696	-3 216
EBIT	-89 595	-72 464	-17 131
Net financial items	-40 997	-57 042	16 045
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* 3/7 of annual contractual revenues from Public Procurement Contract booked in Q1

Hurtigruten group

Balance sheet (IFRS)

<i>(NOK 1 000)</i>	31.03.2011	01.01.2011
Assets		
Tangible non-current assets	4 114 413	4 163 328
Intangible non-current assets	265 493	259 526
Financial non-current assets	187 884	149 987
Current assets	1 733 434	1 710 930
Assets held-for-sale	68 076	68 076
Total assets	6 369 300	6 351 848
Equity and liabilities		
Paid-in capital and retained earnings	1 300 661	1 370 364
Minority interests	293 366	288 126
Total equity	1 594 027	1 658 490
Non-current liabilities	3 591 739	3 682 801
Provisions	113 473	163 747
Current liabilities	990 061	763 477
Liabilities on assets held-for-sale	80 000	83 333
Total liabilities	4 775 273	4 693 358
Total equity and liabilities	6 369 300	6 351 848

Product information

Operating profit before depreciation (EBITDA)

Hurtigruten group (NOK 1 000)	Q1 2011	Q1 2010	Variance
Hurtigruten Norwegian coast	-49 227	-29 937	-19 290
Explorer products	11 164	20 824	-9 660
Spitsbergen	719	-727	1 446
Charter	34 690	11 970	22 720
Other business	5 970	15 102	-9 132
EBITDA	3 316	17 232	-13 916
Depreciation & impairment losses	92 912	89 696	-3 216
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Hurtigruten Norwegian coast

- Even more winter guests

Hurtigruten Norwegian coast (NOK 1 000)	Q1 2011	Q1 2010	Variance
Passenger ticket revenues	207 897	213 340	-5 443
Onboard revenues	63 625	60 566	3 059
Goods, cars and other revenues	23 348	14 693	8 655
Contractual revenues	154 259	157 231	-2 972
Total revenues	449 129	445 831	3 298
Commissions, transportation and other	67 316	74 374	7 058
Onboard	43 886	40 302	-3 584
Ship manning costs	118 086	108 827	-9 259
Fuel	69 444	58 310	-11 134
Other cruise operating costs *	83 377	75 707	-7 670
Total cruise operating costs	382 108	357 519	-24 589
S, G & A	116 248	118 249	2 001
Total operating costs	498 356	475 768	-22 588
EBITDA	-49 227	-29 937	-19 290

* Includes harbour costs, repair & maintenance, insurance and other operating costs

Explorer products; - Lower prices and increase in fuel costs

Explorer products (NOK 1 000)	Q1 2011	Q1 2010	Variance
Passenger ticket revenues	57 607	64 899	-7 293
Onboard revenues	3 600	3 856	-256
Goods, cars and other revenues	2 002	456	1 545
Total revenues	63 208	69 211	-6 003
Commissions, transportation and other	16 381	12 303	-4 078
Onboard	4 501	3 961	-540
Ship manning costs	5 522	5 164	-358
Fuel	8 140	6 873	-1 267
Other cruise operating costs	5 664	9 386	3 722
Total cruise operating costs	40 207	37 687	-2 520
S, G & A	11 838	10 701	-1 137
Total operating costs	52 044	48 388	-3 657
EBITDA	11 164	20 824	-9 660

Spitsbergen

- More group traffic

Spitsbergen (NOK 1 000)	Q1 2011	Q1 2010	Variance
Other revenues	36 996	32 435	4 561
Total revenues	36 996	32 435	4 561
Commissions, transportation and other	984	805	-178
Ship manning costs	8 576	7 333	-1 243
Other cruise operating costs	21 009	17 022	-3 987
Total cruise operating costs	30 569	25 160	-5 408
S, G & A	5 709	8 002	2 293
Total operating costs	36 277	33 162	-3 115
EBITDA	719	-727	1 446

Charter

- Weaker AUD

Charter (NOK 1 000)	Q1 2011	Q1 2010	Variance
Onboard revenues	9 412	142	9 270
Charter revenues	87 183	73 584	13 599
Other operating revenues	50 600	2	50 598
Total revenues	147 195	73 728	73 467
Onboard	5 943	0	-5 943
Ship manning costs	54 492	16 555	-37 937
Other cruise operating costs	49 052	44 405	-4 647
Total cruise operating costs	109 488	60 962	-48 526
S, G & A	3 017	796	-2 221
Total operating costs	112 504	61 758	-50 747
EBITDA	34 690	11 970	22 720

Other business

Other business <i>(NOK 1 000)</i>	Q1 2011	Q1 2010	Variance
Goods, cars and other revenues	49 793	55 771	-5 979
Contractual revenues	52 343	54 285	-1 942
Total revenues	102 136	110 056	-7 921
Ship manning costs	53 158	53 148	-10
Other cruise operating costs	42 639	44 965	2 326
Total cruise operating costs	95 797	98 113	2 316
S, G & A	368	142	-226
Total operating costs	96 166	98 255	2 090
Other (losses)/gains - net	0	3 301	-3 301
EBITDA	5 970	15 102	-9 132

Discontinued business

Discontinued business <i>(NOK 1 000)</i>	Q1 2011	Q1 2010	Variance
Fast ferries	2 471	499	1 972
Nor Lines group	0	-6 712	6 712
Profit/loss before tax	2 471	-6 212	8 684

MEASURES AND PROSPECTS

Tender 2010 - criteria

3 alternatives – 34 ports

1. Every day
2. Every day summer, 5 days a week winter
3. 5 days a week all year

Capacity

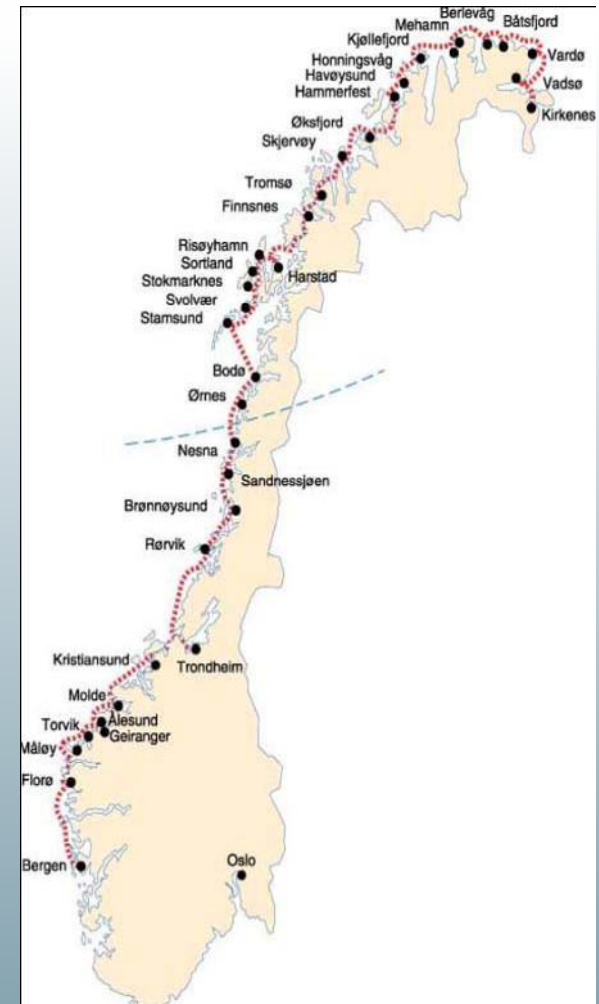
- 320 passengers (400 today)
- 120 berths (150 today)
- 150 euro pallets (same as today) Tromsø and north



Time period

- 8 years starting 1 January 2013 at the latest
- Bid deadline 30 September 2010

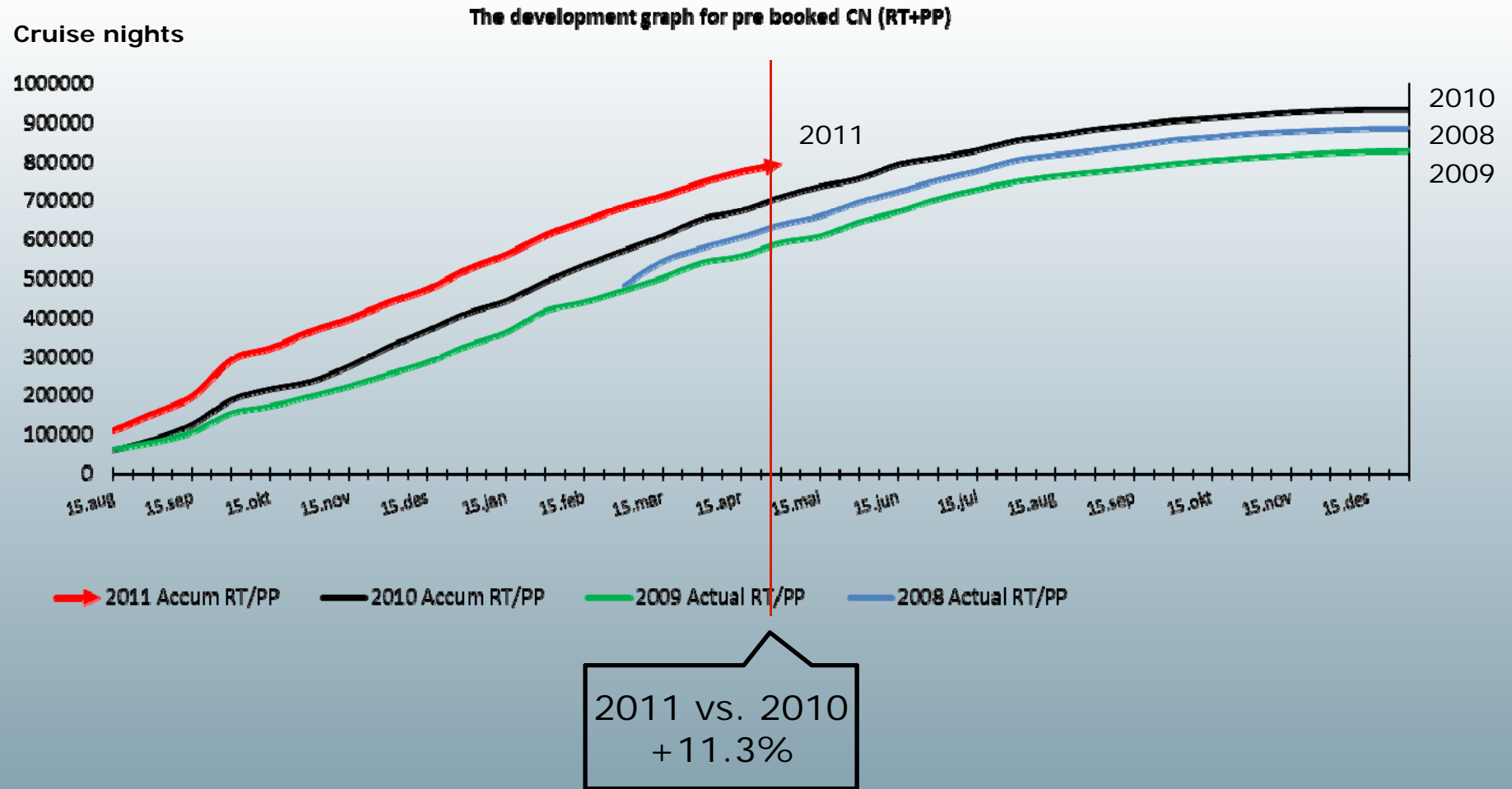
Severe penalties for deviations



Good result after negotiations

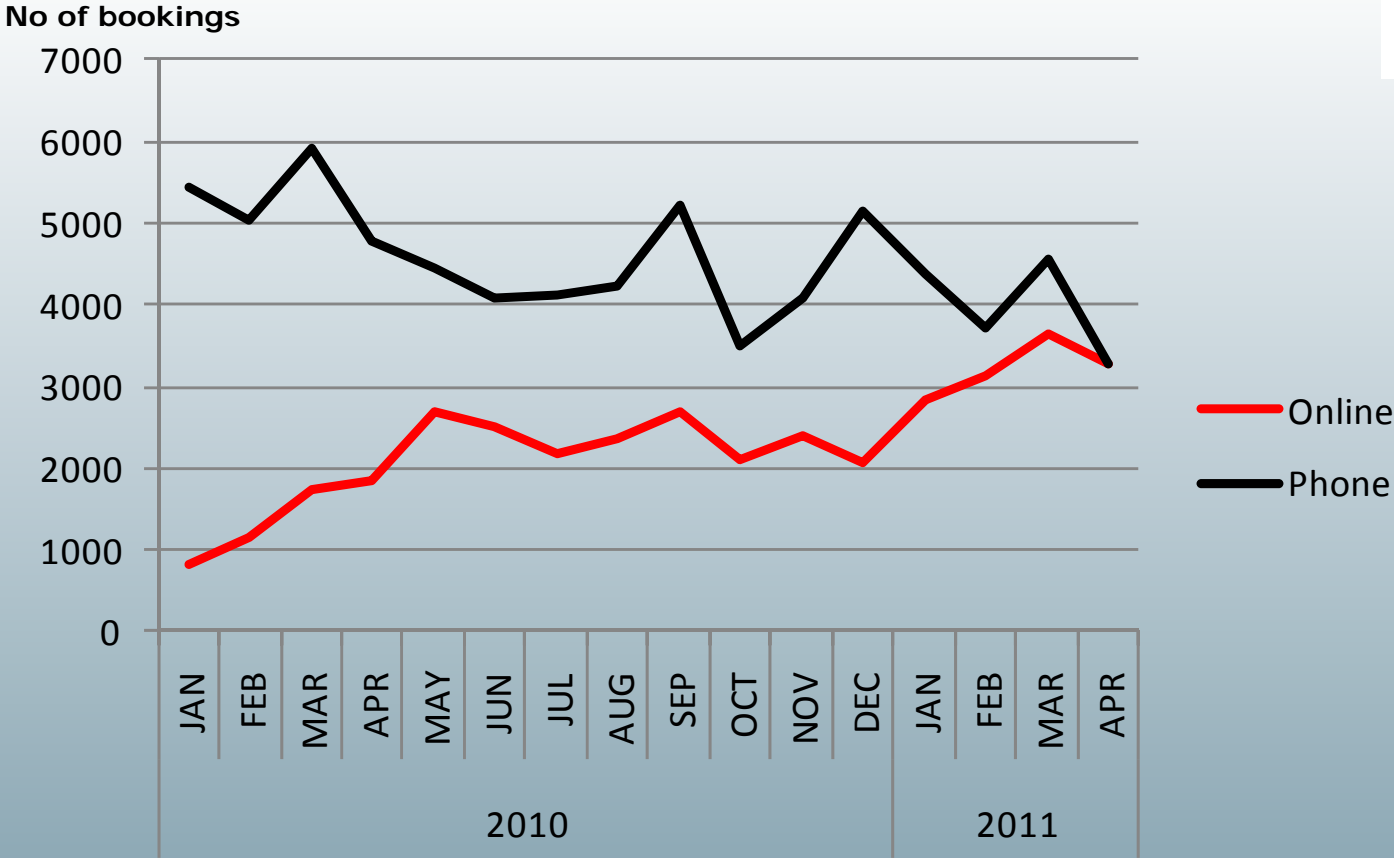
- The state selected 7/7 alternative
- NOK 640 million in average yearly payment (index 2011)
 - NOK 700 million first year (today's agreement NOK 377 million for 2010)
- Start up 1 January 2012
- Contract period 8 years + one year option
- Softening of penalties for deviations
 - Weather deviations – no deductions or penalties
 - Technical deviations - reduced payment, but no penalties
 - Allowed to take out 22 days from service for festivals/promos

11.3% higher booking than last year



* Booking status as of 1 May 2011

Online bookings on par with telephone bookings



Charter

- MV Finnmarken chartered to Boskalis in Australia
- Contract expires 30 October 2011, charterer option to extend for further 18 months
- Contract revenue AUD 135 million for 18 months
- EBITDA NOK 35 million in Q1
- Weak AUD against NOK had negative impact on result



Smaller bus business

- Tromsø bus tender per year (4 May 2011)
 - Nobina NOK 179 million
 - Nettbuss NOK 185 million
 - Cominor NOK 201 million
 - Veolia NOK 203 million
 - Norgesbuss NOK 215 million



- Possible write down of goodwill and fixed assets in Q2, NOK 50 million

Marginal improvement in Q1

- 15% more round trip cruise nights with same price level as last year
- Booking speed 11% above last year
- MV Finnmarken in steady operation
- Significantly improved state contract from 1 January 2012
- But
 - Increasing fuel costs, weak AUD, disappointing port to port booking and weakened cruise market