



ICELANDAIR GROUP HF
PRESENTATION OF Q4 2013 RESULTS | 7 FEBRUARY 2013



FINANCIAL RESULTS

BOGI NILS BOGASON | CFO



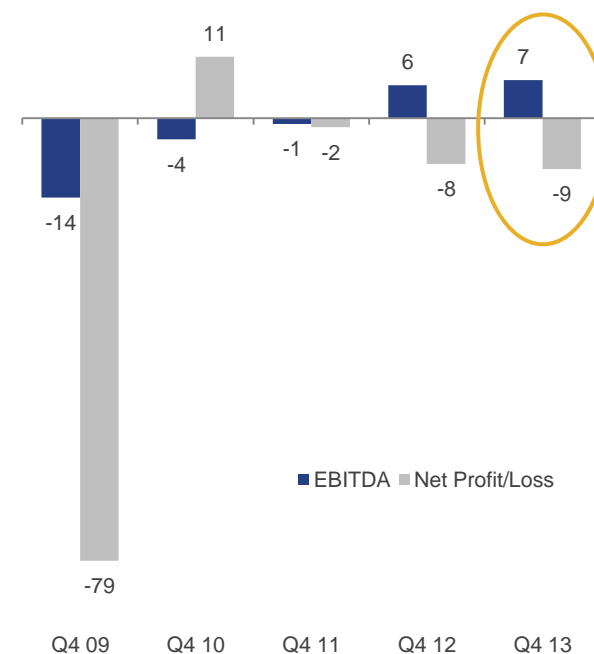
INCOME STATEMENT Q4

LOSS AMOUNTED TO USD 9.1 MILLION

USD million	Q4 2013	Q4 2012	% Chg.
Operating Income	212.7	189.4	12%
Salaries and related expenses	62.1	53.4	16%
Aircraft fuel	54.0	49.5	9%
Aircraft and aircrew lease	7.5	11.0	-32%
Aircraft maintenance expenses	17.1	19.1	-11%
Aircraft handling, landing and comm.	16.6	13.9	19%
Other expenses	48.5	36.6	33%
EBITDA	6.8	5.9	-
EBIT	-10.9	-8.2	-
EBT	-11.2	-8.5	-
Loss for the period	-9.1	-8.2	-
EBITDA ratio	3.2%	3.1%	0.1 ppt
EBITDAR	16.8	19.1	-
EBITDAR ratio	7.9%	10.1%	-2.2 ppt

EBITDA and net profit (like-for-like*)

USD million



* not incl. figures for Bluebird in 2009- 2010

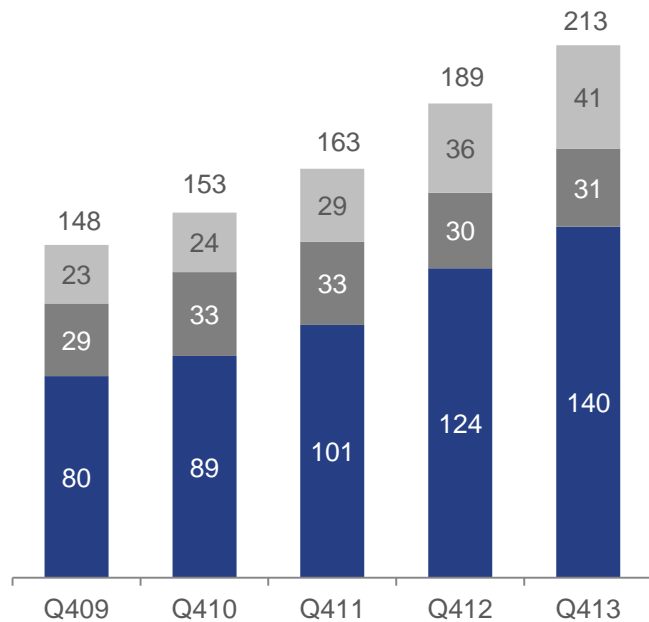
REVENUE INCREASE IN Q4 12%

INCREASE IN NUMBER OF PASSENGERS FROM Q4 2009 82%

Operating revenue Q4 (like-for-like*)

USD million

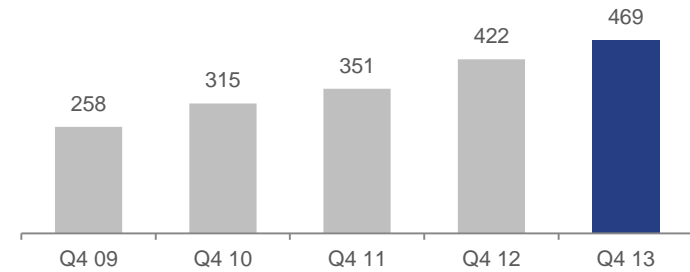
- Other revenues
- Aircraft and aircrew lease
- Transport revenue



* not incl. figures for Bluebird in 2009 and 2010

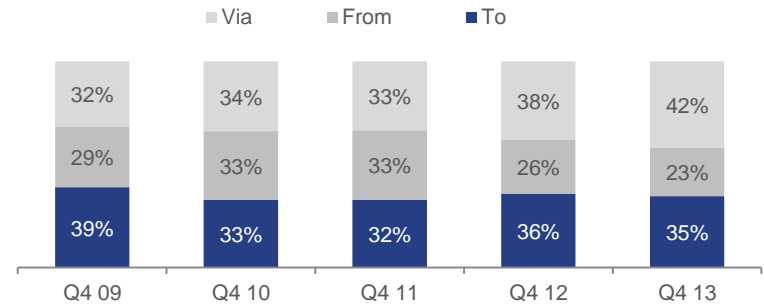
Passenger development Q4

2009 - 2013



Passenger mix Q4

2009 - 2013



CASH FLOW IN Q4 2013

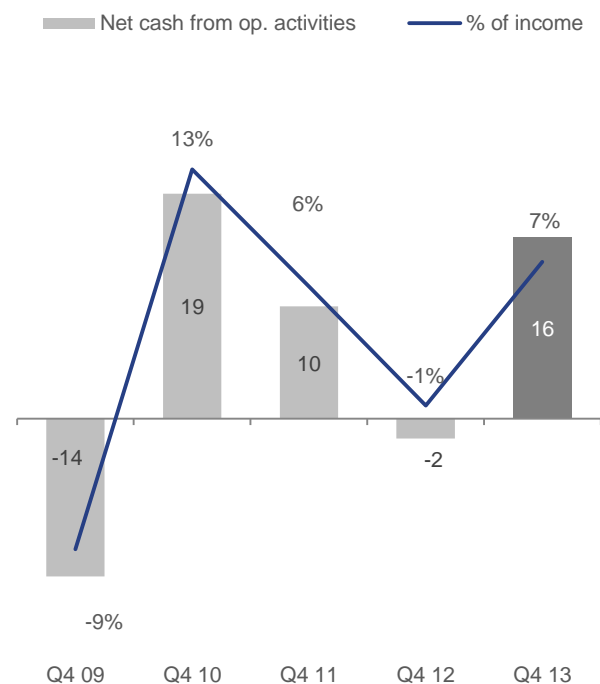
USD million	Q4 2013	Q4 2012
Working capital from operations	4.6	10.8
Net cash from operating activities	15.7	-1.7
Net cash used in investing activities	-32.7	-25.7
Net cash used in financing activities	-7.9	-6.1
Change in cash and cash equivalents	-24.9	-33.5
Cash and cash equivalents end of period	191.5	117.1

Comments

- | Capital expenditures in Q4 2013 amounted to USD 20.5 million
- | Repayment of long term borrowings amounted to USD 7.9 USD

Net cash from operating activities

USD million



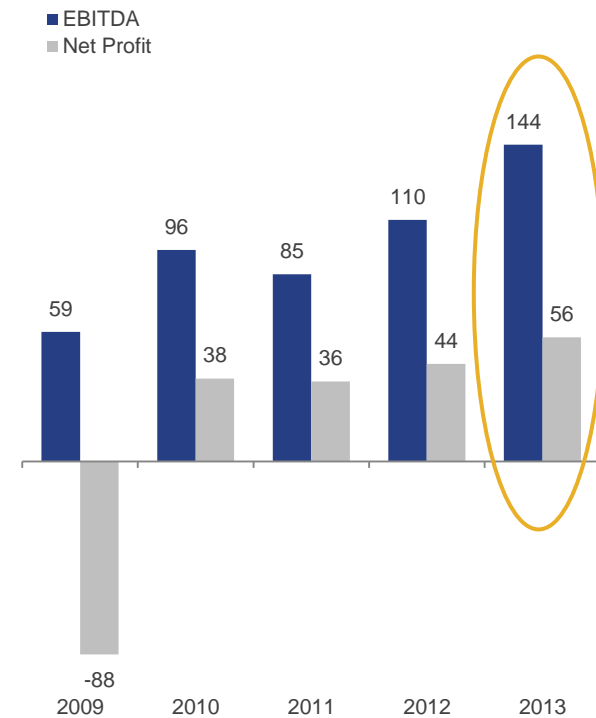
INCOME STATEMENT

PROFIT FOR THE YEAR AMOUNTED USD 56.4 MILLION

USD million	2013	2012	% Chg.
Operating Income	1,023.0	898.9	14%
Salaries and related expenses	239.4	203.8	17%
Aircraft fuel	242.6	220.1	10%
Aircraft and aircrew lease	34.6	46.7	-26%
Aircraft maintenance expenses	81.5	78.2	4%
Aircraft handling, landing and comm.	74.3	66.5	12%
Other expenses	206.8	173.9	19%
EBITDA	143.7	109.6	-
EBIT	73.0	50.8	-
EBT	71.0	57.4	-
Profit for the period	56.4	44.3	-
EBITDA ratio	14.0%	12.2%	1.9 ppt
EBITDAR	189.9	165.8	-
EBITDAR ratio	18.6%	18.4%	0.1 ppt

EBITDA and net profit (like-for-like*)

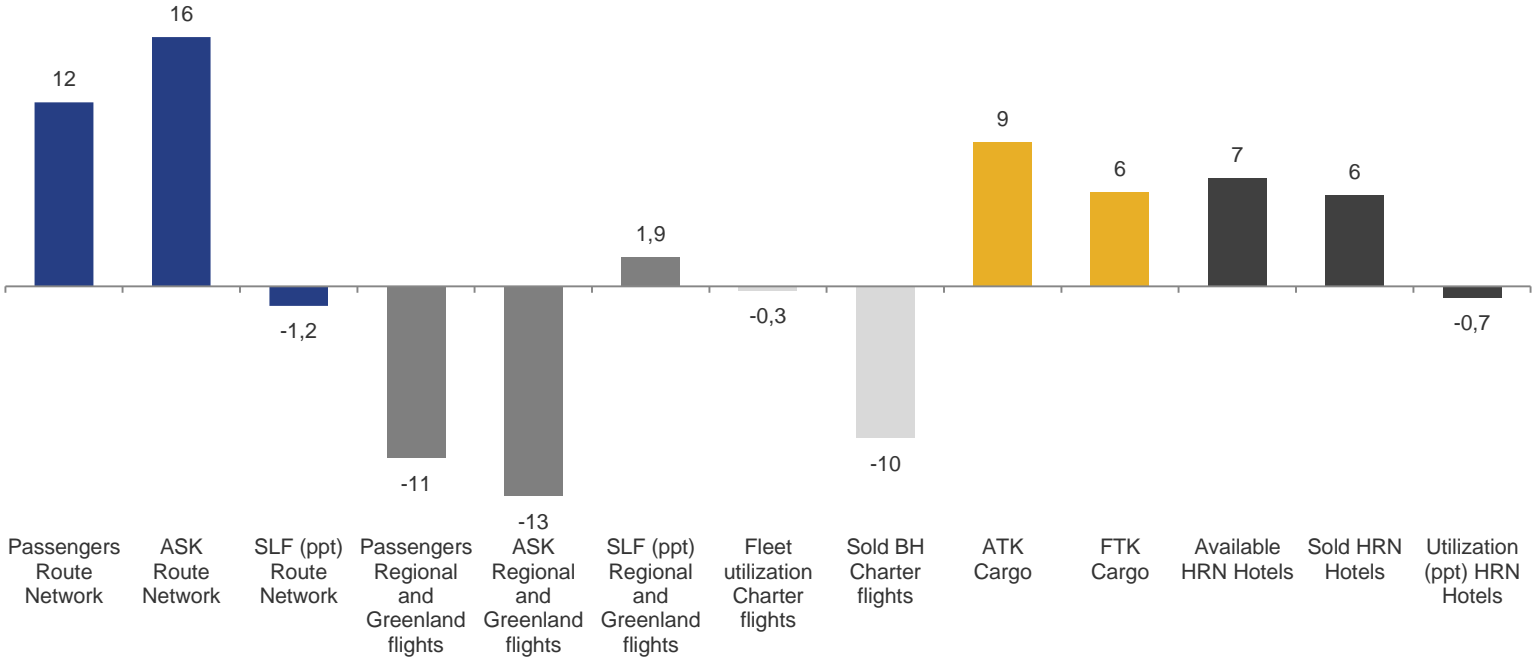
USD million



* not incl. figures for Bluebird in 2009- 2010

TRAFFIC DATA 2013

Year-on-year change in %



Icelandair Hotels
www.icelandairhotels.com





BALANCE SHEET

EQUITY RATIO 42%

USD million	31.12.. 2013	31.12 2012
Assets		
Operating Assets	299.2	283.0
Intangible assets	179.7	176.7
Other non-current assets	18.1	14.2
Total non-current assets	497.0	473.9
Other current-assets	136.4	156.2
Markatable securities	8.0	15.7
Cash and cash equivalents	191.5	117.1
Total current assets	335.9	289.0
Total assets	832.9	762.9

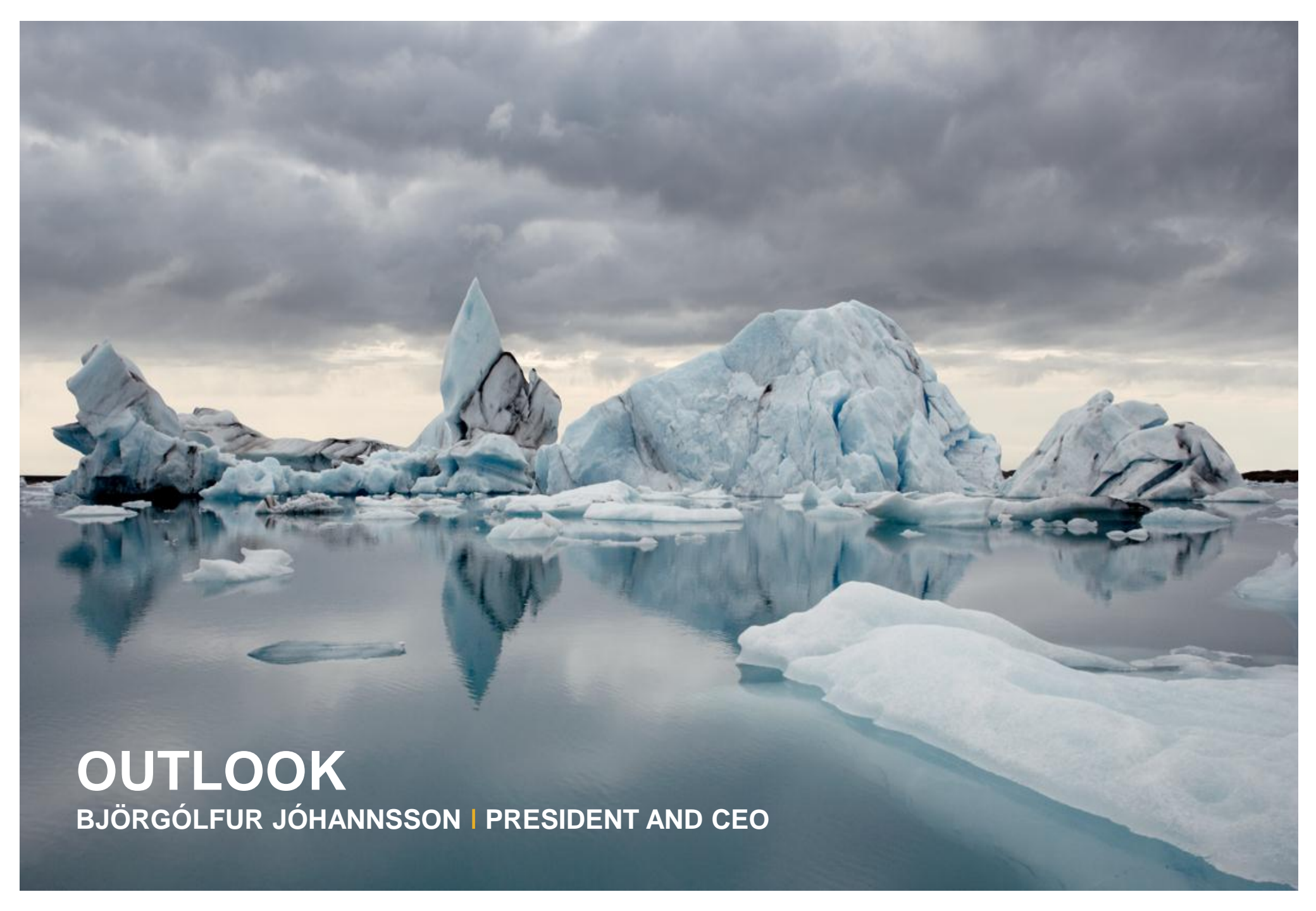
Comments

- | Cash, cash equivalents and marketable securities USD 199.5 million
- | Interest-bearing debt USD 122.0 million
- | The effect of reassessed tax calculations for the years 2007-2011 is not included in the financial statements

USD million	31.12. 2013	31.12 2012
Equity and liabilities		
Stockholders equity	346.1	295.9
Loans and borrowings non-current	78.5	119.4
Other non-current liabilities	51.7	41.7
Total non-current liabilities	130.2	161.1
Loans and borrowings current	43.5	31.5
Trade and other payables	159.5	152.2
Deferred income	153.5	122.1
Total current liabilities	356.6	305.9
Total equity and liabilities	832.9	762.9
Equity ratio	42%	39%
Current ratio	0.94	0.94
Net interest bearing debt	-77.5	18.1
Interest bearing debt	122.0	150.9







OUTLOOK

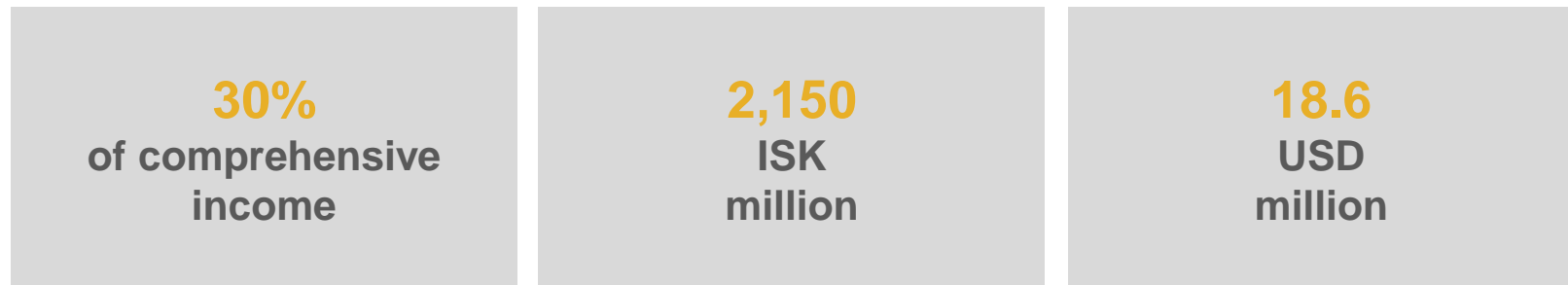
BJÖRGÓLFUR JÓHANSSON | PRESIDENT AND CEO

DIVIDEND PROPOSAL TO SHAREHOLDERS

Our Dividend Policy:

The goal is to pay 20-40% of each year's net profit as dividend. Final annual dividend payments will be based on the financial position of the Company, operating capital requirements and market conditions.

The Board of Directors proposes to pay as a dividend in 2014:





OUR STRATEGY FIRMLY ESTABLISHED IN 2013

1

Focus on the Route Network and Tourism Services

2

Focus on reducing seasonality in the Group's operations

3

Focus on organic growth and business development

4

Focus on achieving greater synergies between Group companies

5

Focus on improving efficiency with special emphasis on continued cost control





ICELANDAIR GROUP

Reykjavík Airport
101 Reykjavík Iceland
Tel: +354 50 50 300
Fax: +354 50 50 389
info@icelandairgroup.is
Copyright © Icelandair Group.
All rights reserved.

