ICELANDAIR GROUP

## ICELANDAIR GROUP RETURNS GOOD SECOND QUARTER RESULTS

- **Profit after taxes USD 18.5 million, as compared to USD 14.3 million last year**
- **EBITDA USD 42.9 million, as compared to USD 28.8 million last year**
- **Total revenue increased by 13%**
- **Equity ratio 32% at the end of June**
- **Net cash provided by operating activities USD 106.4 million, as compared to USD 72.2 million in the preceding year**

| USD thousand | Q2 2013 | Q2 2012 | Change | % Change | 6M 2013 | 6M 2012 | Change | % Change |
|---|---|---|---|---|---|---|---|---|
| **Operating results** | | | | | | | | |
| Total income | 265,600 | 234,395 | 31,205 | 13% | 438,645 | 392,093 | 46,552 | 12% |
| EBITDAR | 54,611 | 42,891 | 11,720 | 27% | 58,733 | 54,027 | 4,706 | 9% |
| EBITDA | 42,936 | 28,818 | 14,118 | 49% | 34,622 | 25,770 | 8,852 | 34% |
| EBIT | 24,769 | 14,514 | 10,255 | 71% | 1,771 | -2,209 | 3,980 | 180% |
| EBT | 23,305 | 17,811 | 5,494 | 31% | 382 | 1,184 | -802 | -68% |
| Profit for the period | 18,490 | 14,319 | 4,171 | 29% | 201 | 1,130 | -929 | -82% |
| **Balance sheet** | | | | | | | | |
| Total assets | - | - | - | - | 901,308 | 821,678 | 79,630 | 10% |
| Total equity | - | - | - | - | 285,145 | 253,692 | 31,453 | 12% |
| Interest bearing debt | - | - | - | - | 137,066 | 167,096 | -30,030 | -18% |
| Cash and marketable securities | - | - | - | - | 222,088 | 189,090 | 32,998 | 17% |
| Net interest bearing debt | - | - | - | - | -85,022 | -21,994 | -63,028 | - |
| **Cash flow** | | | | | | | | |
| Working capital from operations | 48,154 | 38,429 | 9,725 | 25% | 46,673 | 40,886 | 5,787 | 14% |
| Net cash from operating activities | 106,436 | 72,214 | 34,222 | 47% | 184,889 | 158,352 | 26,537 | 17% |
| Net cash used in investing activities | -15,477 | -16,826 | 1,349 | -8% | -56,272 | -29,335 | -26,937 | 92% |
| Net cash used in financing activities | -15,690 | -10,214 | -5,476 | 54% | -26,929 | -35,928 | 8,999 | -25% |
| Cash and cash equivalents end of period | 219,343 | 172,135 | 47,208 | 27% | 219,343 | 172,135 | 47,208 | 27% |
| **Key Ratios** | | | | | | | | |
| Earnings per share expressed in USD Cent | 0.37 | 0.29 | 0.08 | 28% | 0.00 | 0.02 | -0.02 | -100% |
| Intrinsic value | - | - | - | - | 7.03 | 6.25 | 0.78 | 12% |
| Equity ratio | - | - | - | - | 32% | 31% | 0.8 ppt | - |
| Current ratio | - | - | - | - | 0.82 | 0.84 | -0.02 | -2% |
| CAPEX USD thousand | 27,229 | 20,697 | 6,532 | 32% | 70,331 | 43,675 | 26,656 | 61% |
| Transport revenue as % of total revenues | 71% | 69% | 2.0 ppt | - | 68.0% | 64.3% | 3.7 ppt | - |
| EBITDAR ratio | 20.6% | 18.3% | 2.3 ppt | - | 13.4% | 13.8% | -0.4 ppt | - |
| EBITDA ratio | 16.2% | 12.3% | 3.9 ppt | - | 7.9% | 6.6% | 1.3 ppt | - |
| **Share information ISK** | | | | | | | | |
| Highest price in period | 13.49 | 6.66 | 6.83 | 103% | 13.49 | 6.66 | 6.83 | 103% |
| Lowest price in period | 11.13 | 6.10 | 5.03 | 82% | 8.22 | 4.83 | 3.39 | 70% |
| Price at period end | - | - | - | - | 12.99 | 6.61 | 6.38 | 97% |
| Market Cap at period end (millions) | - | - | - | - | 64,950 | 33,050 | 31,900 | 97% |

## BJÖRGÓLFUR JÓHANNSSON, PRESIDENT AND CEO

"Icelandair Group's second quarter results were good and improved between years. Profit after taxes amounted to USD 18.5 million, up by USD 4.2 million from last year. The Group's international flight operations continue to perform well. Capacity on international flights was increased by 17% between years, bringing passenger numbers over the quarter to 609 thousand. The greatest increase in capacity was on the North Atlantic routes, where the increase in passenger numbers was also greatest, at 22%.

The Icelandic tourist industry has benefited from the increase in the number of tourists visiting Iceland, which is approaching record heights. The Group's freight operations have been improving, with the increased emphasis on freight in scheduled air services giving good results.

At the beginning of the year we issued an EBITDA forecast for 2013 in the range of USD 115-120 million; this forecast was increased to USD 122-127 million on the posting of the interim report for the first quarter. Over the first six months of the year operations have been successful and external trends have also favoured the Company. Fuel prices have been lower than assumed in the Company's forecasts, and the trends in currency prices have also been positive compared to the assumptions in the Company's forecasts. The booking situation for the second half of the year is good, and based on current assumptions EBITDA is now projected in the range of USD 140-145 million."

## TRANSPORT FIGURES

- **Passenger numbers on international flights were just short of 609 thousand, up by 11%**
- **The passenger load factor on international flights was 79.6%**
- **Sold block hours in charter projects were down by 11% between years**
- **Sold nights in the Company's hotels increased by 6% between years**

| | Q2 2013 | Q2 2012 | Change |
|---|---|---|---|
| **INTERNATIONAL FLIGHTS** | | | |
| Number of passengers (´000) | 608.9 | 547.0 | 11% |
| Load factor (%) | 79.6 | 82.1 | -2.6 ppt |
| Available seat kilometers (ASK´000,000) | 2,245.1 | 1,910.7 | 17% |
| **REGIONAL- AND GREENLAND FLIGHTS** | | | |
| Number of passengers (´000) | 79.1 | 88.5 | -11% |
| Load factor (%) | 70.5 | 68.0 | 2.6 ppt |
| Available seat kilometers (ASK´000,000) | 38.4 | 45.7 | -16% |
| **CHARTER FLIGHTS** | | | |
| Fleet Utilization (%) | 96.9 | 94.8 | 2.0 ppt |
| Sold Block Hours | 6,941 | 7,808 | -11% |
| **CARGO** | | | |
| Available tonne kilometers (ATK´000) | 51,601 | 47,131 | 9% |
| Freight tonne kilometers (FTK´000) | 24,417 | 23,075 | 6% |
| **HOTELS** | | | |
| Available Hotel Room Nights | 80,978 | 75,788 | 7% |
| Sold Hotel Room Nights | 57,773 | 54,533 | 6% |
| Utilization of Hotel Rooms (%) | 71.3 | 72.0 | -0.6 ppt |

Capacity on international flights increased by 17% in the second quarter, and passenger numbers over the same period increased by 11%. Passenger numbers grew in all markets, with the biggest increase in the North Atlantic market, at 22%. The increase in the tourist market to Iceland was just over 10%. The passenger load factor was 79.6%, as compared to 82.1% at the same time last year.

Passengers on regional flights and Greenland routes were approximately 79 thousand over the period, down by 11% from last year. Capacity was 16% below last year's levels. The passenger load factor was 70.5%, improving by 2.6 percentage points between years. The number of sold block hours in the quarter fell between years as a result of reduced demand in the charter markets. Freight on passenger flights increased by 6% from the preceding year. The number of sold hotel room nights increased by 6% in the second quarter. The utilisation of hotel rooms was 71.3%, as compared to 72.0% at the same time last year.

## SECOND QUARTER OPERATIONS

| USD thousand | Q2 2013 | Q2 2012 | Change |
|---|---|---|---|
| EBITDAR | 54,611 | 42,891 | 11,720 |
| EBITDA | 42,936 | 28,818 | 14,118 |
| EBIT | 24,769 | 14,514 | 10,255 |
| EBT | 23,305 | 17,811 | 5,494 |
| Profit for the period | 18,490 | 14,319 | 4,171 |
| EBITDAR % | 20.6% | 18.3% | 2.3 ppt |
| EBITDA % | 16.2% | 12.3% | 3.9 ppt |

Icelandair Group's operations in the second quarter were successful. The growth in the Company's international flight operations was 17%, which generated increased business in other business activities of the Group. The significant increase in the number of tourists visiting Iceland had a positive impact on all tourist-related services, combined with improved results in the Company's freighting operations due to decisive measures taken by the Company. EBITDA was positive by USD 42.9 million, improving by USD 14.1 million between years. The EBITDA ratio was 16.2% in the second quarter, as compared to 12.3% over the corresponding period in 2012. EBIT was USD 24.8 million, as compared to USD 14.5 million at the same time last year. Profit after taxes came to USD 18.5 million, as compared to a profit of USD 14.3 million in the corresponding quarter of 2012. EBITDAR amounted to USD 54.6 million, as compared to USD 42.9 million in the second quarter of 2012. The EBITDAR ratio increased by 2.3 percentage points and amounted to 20.6%.

## INCOME

- **Total revenue was 13% in excess of the second quarter of 2012**
- **Passenger revenues increased by 17% between years**
- **Transport revenue accounted for 71% of total revenue**

| USD thousand | Q2 2013 | Q2 2012 | Change | % Change | % of rev. ´13 |
|---|---|---|---|---|---|
| Transport revenue: | 188,170 | 161,295 | 26,875 | 17% | 71% |
| Passengers | 177,277 | 151,643 | 25,634 | 17% | 67% |
| Cargo and mail | 10,893 | 9,652 | 1,241 | 13% | 4% |
| Aircraft and aircrew lease | 29,563 | 29,106 | 457 | 2% | 11% |
| Other operating revenue | 47,867 | 43,994 | 3,873 | 9% | 18% |
| **Total** | **265,600** | **234,395** | **31,205** | **13%** | **100%** |

Transport revenue increased by USD 26.9 million, or 17%; of this figure, passenger revenue increased by USD 25.6 million. Income from aircraft and aircrew lease increased by USD 0.5 million and amounted to USD 29.6 million. Other operating revenue amounted to USD 47.9 million, up by USD 3.9 million, or 9%, as compared to the second quarter of 2012. The increase was the result of the expanded scope of business of the Group, with income from product sales at hotels, airports and in aircraft increasing by USD 2.7 million in comparison with the same period of last year, and revenue from tourist services increased by USD 2.0 million. The table below shows a breakdown of other revenue.

| USD thousand | Q2 2013 | Q2 2012 | Change | % Change |
|---|---|---|---|---|
| Sale at airports and hotels | 20,049 | 17,386 | 2,663 | 15% |
| Revenue from tourism | 17,598 | 15,608 | 1,990 | 13% |
| Aircraft and cargo handling services | 8,271 | 8,333 | -62 | -1% |
| Maintenance revenue | 1,327 | 842 | 485 | 58% |
| Gain on sale of operating assets | -61 | 183 | -244 | -133% |
| Other operating revenue | 683 | 1,642 | -959 | -58% |
| **Total** | **47,867** | **43,994** | **3,873** | **9%** |

## EXPENSES

- **Total expenses increased by USD 17.1 million**
- **Cost increases mostly a result of increased capacity on international flights**
- **Expense of aircraft and aircrew lease decreased, as aircraft formerly under lease are now owned by the Company, and the price of leasing has dropped**

| USD thousand | Q2 2013 | Q2 2012 | Change | % Change | % of exp. ´13 |
|---|---|---|---|---|---|
| Salaries and other personnel expenses | 63,193 | 52,760 | 10,433 | 20% | 28% |
| Aircraft fuel | 64,496 | 58,693 | 5,803 | 10% | 29% |
| Aircraft and aircrew lease | 17,285 | 19,738 | -2,453 | -12% | 8% |
| Aircraft handling, landing and communication | 19,198 | 17,488 | 1,710 | 10% | 9% |
| Aircraft maintenance expenses | 11,706 | 12,541 | -835 | -7% | 5% |
| Other operating expenses | 46,786 | 44,357 | 2,429 | 5% | 21% |
| **Total** | **222,664** | **205,577** | **17,087** | **8%** | **100%** |

Salaries and personnel expenses increased by USD 10.4 million, or 20%, in comparison with the second quarter of 2012. The increase was a result of the expanded scope of the Company's business and the impact of contractual wage increases.

Fuel costs increased by USD 5.8 million, representing an increase of 10% from the preceding year due to the expanded business in international transport. The world market price of oil was on average USD 931/ton in the second quarter of 2013, as compared to USD 995/ton over the same period in 2012.

Aircraft and aircrew lease decreased by USD 2.5 million in comparison with the second quarter of 2012, or 12%. The reason is the acquisition of aircraft which the Company previously held on lease and a drop in leasing prices.

Aircraft servicing, handling and navigation expenses increased by USD 1.7 million between years, or 10%, as a result of increased capacity and general price increases. Maintenance expenses amounted to USD 11.7 million, down by 7% year on year. Other expenses amounted to USD 46.8 million, increasing by USD 2.4 million between years. The table below shows a breakdown of principal items and trends between years.

| USD thousand | Q2 2013 | Q2 2012 | Change | % Change |
|---|---|---|---|---|
| Operating cost of real estate and fixtures | 5,525 | 4,562 | 963 | 21% |
| Communication | 3,542 | 2,869 | 673 | 23% |
| Advertising | 3,976 | 3,643 | 333 | 9% |
| Booking fees and commission expenses | 8,864 | 7,324 | 1,540 | 21% |
| Cost of goods sold | 5,267 | 4,568 | 699 | 15% |
| Customer services | 3,625 | 2,882 | 743 | 26% |
| Tourism expenses | 9,924 | 9,869 | 55 | 1% |
| Allowance for bad debt | -879 | 2,421 | -3,300 | -136% |
| Other operating expenses | 6,942 | 6,219 | 723 | 12% |
| **Total other operating expenses** | **46,786** | **44,357** | **2,429** | **5%** |

## FINANCIALS

- **Financial items were negative over the quarter**
- **The currency effect was negative by USD 42 thousand, as compared to a positive result of USD 5.0 million last year**

| USD thousand | Q2 2013 | Q2 2012 | Change | % Change |
|---|---|---|---|---|
| Interest income | 524 | 639 | -115 | -18% |
| Interest expenses | -1,891 | -2,286 | 395 | -17% |
| Currency effect | -42 | 4,964 | -5,006 | -101% |
| **Net finance income** | **-1,409** | **3,317** | **-4,726** | **-142%** |

Financial expenses in the second quarter amounted USD 1.9 million, down by USD 0.4 million between years. The currency effect in the quarter was negative by USD 42 thousand, as compared to a positive figure of USD 5.0 million in the same quarter of 2012.

## BALANCE SHEET AND FINANCIAL POSITION

- **Total assets amounted to USD 901.3 million at the end of the second quarter**
- **The equity ratio was 32%**
- **Interest-bearing debt amounted to USD 137.1 million, down from the level of the beginning of the year**

| USD thousands | 30.06.2013 | 30.06.2012 | Change | 31.12.2012 |
|---|---|---|---|---|
| Total assets | 901,308 | 821,678 | 79,630 | 762,895 |
| Total equity | 285,145 | 253,692 | 31,453 | 295,932 |
| Interest bearing debt | 137,066 | 167,096 | -30,030 | 150,906 |
| Net interest bearing debt | -85,022 | -21,994 | -63,028 | 18,112 |
| Cash and marketable securities | 222,088 | 189,090 | 32,998 | 132,794 |
| Equity ratio | 32% | 31% | 1 ppt | 39% |
| Current ratio | 0.82 | 0.84 | -2% | 0.94 |

Operating assets amounted to USD 315.6 million, increasing by USD 32.6 million from the beginning of the year. Investments in operating assets are further explained in the section on cash flow and investments. The Company's largest asset is its fleet of aircraft. The table below shows an overview of the Company's fleet at the end of the second quarter. The fleet comprised 39 aircraft, of which 27 are owned by the Company.

| Type | Icelandair | Cargo | Loftleiðir | Air Iceland | Group fleet 30.06.13 | Group fleet 31.12.12 | Of wich own | Of wich leased | Ch. as of 31.12.12 |
|---|---|---|---|---|---|---|---|---|---|
| B757 200 | 17 | 4 | 3 | | 24 | 23 | 17 | 7 | 1 |
| B757 300 | 1 | | | | 1 | 1 | 1 | | 0 |
| B767 300 | | | 4 | | 4 | 5 | | 4 | -1 |
| B737 800 | | | 1 | | 1 | 1 | | 1 | 0 |
| Fokker F-50 | | | | 6 | 6 | 6 | 6 | | 0 |
| Dash 8-200 | | | | 2 | 2 | 2 | 2 | | 0 |
| A-320 | | | | | 1 | 1 | 1 | | 0 |
| **Total** | **18** | **4** | **8** | **8** | **39** | **39** | **27** | **12** | **0** |

Equity amounted to USD 285.1 at the end of the second quarter, and the equity ratio was 32%, increasing from the end of the second quarter of 2012, when the ratio was 31%. A dividend approved at the annual general meeting resulted in a reduction in equity. The dividend was paid out in April. The dividend amounted to USD 0.24 per share, for a total of USD 11.8 million. The equity ratio at the end of 2012 was 39%.

Interest-bearing liabilities amounted to USD 137.1 million, as compared to USD 150.9 million at the beginning of the year. Payments on long-term liabilities in the second quarter amounted to USD 3.9 million. Cash and marketable securities amounted to a total of USD 222.1 million at the end of the second quarter of 2013, as compared to USD 132.8 at the beginning of the year. Net interest-bearing debt therefore amounted to USD -85.0 million at the end of the quarter, down by USD 103.1 million from the turn of the year.

| USD thousands | 30.06.2013 | 30.06.2012 | Change | 31.12.2012 |
|---|---|---|---|---|
| Loans and borrowings non-current | 87,433 | 136,711 | -49,278 | 119,358 |
| Loans and borrowings current | 49,633 | 30,385 | 19,248 | 31,548 |
| Marketable securities | 2,745 | 16,955 | -14,210 | 15,734 |
| Cash and cash equivalents | 219,343 | 172,135 | 47,208 | 117,060 |
| **Net interest bearing debt** | **-85,022** | **-21,994** | **-63,028** | **18,112** |

## CASH FLOW AND INVESTMENTS

- **Cash at the end of the second quarter was USD 219.3 million**
- **Investments amounted to USD 27.2 million**
- **Dividend payment of USD 11.8 million**
- **Payments on long-term liabilities amounted to USD 3.9 million**

| USD thousand | Q2 2013 | Q2 2012 | Change |
|---|---|---|---|
| Working capital used in (from) operations | 48,154 | 38,429 | 9,725 |
| Net cash from/used in operating activities | 106,436 | 72,214 | 34,222 |
| Net cash used in investing activities | -15,477 | -16,826 | 1,349 |
| Net cash used in financing activities | -15,690 | -10,214 | -5,476 |
| Increase in cash and cash equivalents | 75,269 | 45,174 | 30,095 |
| **Cash and cash equivalents, 30.06** | **219,343** | **172,135** | **47,208** |

Net cash provided by operating activities in the second quarter amounted to USD 106.4 million, up by USD 34.2 million from the corresponding quarter of 2012. Investments in operating assets amounted to USD 23.9 million. Investments in long-term expense and intangible assets amounted to USD 3.3 million. In the following table is an overview over main investments.

| USD thousand | Q2 2013 |
|---|---|
| Operating assets: | |
| Aircraft and aircraft components | 18,821 |
| Overhaul own aircraft | 2,521 |
| Other | 2,544 |
| Total operating assets | 23,886 |
| Long term cost | |
| Overhaul leased aircraft | 2,458 |
| Intangible assets | 885 |
| **Total Capex** | **27,229** |

Dividend payment amounted to USD 11.8 million and payments on long-term liabilities amounted to USD 3.9 million over the quarter. Cash increased by 75.3 million over the quarter. The increase over the same period last year was USD 45.2 million.

## OUTLOOK FOR ICELANDAIR GROUP HF.

- **The general outlook in the air transport industry is improving**
- **Profitable organic growth in 2013**
- **Improvement in freight operations**

A recent report from the International Air Transport Association (IATA) reveals that airline companies are generally anticipating improving profitability in the sector in the coming months. Increased demand is anticipated in passenger flights and there is also increased optimism in the freight markets. Reductions in cost are not expected in the coming months and yields are expected to remain unchanged, both in passenger flights and cargo transport.

The prospects in Icelandair's operations in the coming months are favourable. Based on the current assumptions, the Company's plans for profitable organic growth in 2013 should materialise. The flight schedule in international operations will be 16% larger this year than last year, with a resulting positive impact on other business within the Group, whether in hotel operations, services to tourists in Iceland, ground handling services or international freight transport.

The international flight operations of Icelandair Group have been successful to date this year, and the outlook for the second half of the year is also good. Fuel prices are projected to be lower than in previous assumptions, with a positive impact on financial performance. The booking situation is favourable and in line with the increase in capacity. The number of passengers on international flights is projected at approximately 2.3 million over the year, 15% above last year's figure.

The Company's regional flight operations are facing a challenging operating environment for reasons that include large increases in public levies in Iceland in recent years. The Company's response has been to reduce capacity. The Company will reduce its regional flight schedule by 4% from 2012 for these reasons.

Icelandair Group's freight business has improved. Charter flight operations have been steadily reduced, with freight on scheduled flights filling their void. Two aircraft are engaged in scheduled air services to and from Iceland to Europe and North America, and the holds of passenger aircraft are utilised for cargo. The outlook for this part of the Group's operations is favourable, particularly as regards exports from Iceland, which have increased between years. Two additional aircraft are engaged in charter operations for TNT in Europe. Other charter operations are performing well, and the Company currently has eight aircraft under charter in Russia, Venezuela and New Guinea.

Icelandair Group's hotels have undergone extensive renovation in the past two years, with continued renovations planned in 2013. The introduction of new destinations in Icelandair Group's international flight schedule and the systematic marketing of Iceland as a year-round destination have had a positive impact on the utilisation of the Company's hotels, particularly over the winter months. The current booking situation is good and similar to that of recent years. However, there has been a change in that bookings are now being made at shorter notice than before.

The Company's fuel hedging situation at the end of June is highlighted in the table below. The table shows that 46% of the projected use over the period from July to December has been hedged through contracts. In addition to contractual hedges, the Company defines the interaction of the USD/EUR and fuel prices as an internal hedge.

| 2013 | Estimated usage (tons) | Hedge and option contracts | Av. Hedge price USD | % hedged |
|---|---|---|---|---|
| July | 26,245 | 12,400 | 1,030 | 47% |
| August | 26,191 | 12,400 | 1,021 | 47% |
| September | 21,109 | 10,250 | 999 | 49% |
| October | 17,776 | 8,250 | 984 | 46% |
| November | 15,216 | 6,250 | 965 | 41% |
| December | 13,959 | 6,250 | 976 | 45% |
| **Total** | **120,496** | **55,800** | **1,002** | **46%** |

*Included in the column "Hedge and option contracts".

## EBITDA FORECAST FOR 2013

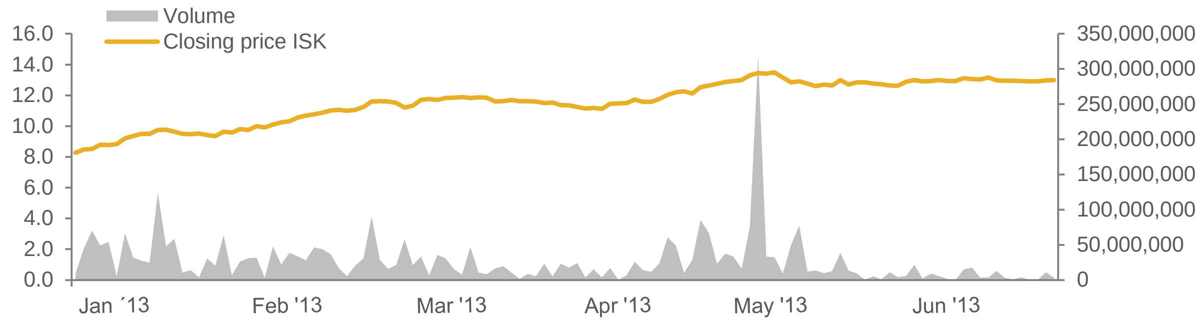
At the start of the year Icelandair Group issued an EBITDA forecast for 2013 in the range of USD 115-120 million. The forecast was increased to USD 122-127 million on the posting of the interim report for the first quarter. According to a new forecast (based on real figures for the first six months of the year and updated assumptions for the remaining months), EBITDA is now projected to increase and amount to USD 140-145 million. The forecast assumes an average fuel price of USD 941/ton in July, USD 1,000/ton in August-September, and USD 1,030/ton in the fourth quarter. The average EUR/USD cross rate is projected at 1.30. The next update of the forecast will be in connection with the publishing of the Q3 2013 results.

## SHAREHOLDERS

- **The price of Icelandic Group stock has increased by 58% since the turn of the year**
- **Icelandair Group's share price increased by 14% in the second quarter**
- **The Company's market value at the end of June was ISK 65.0 billion**

The Company's market value was ISK 65.0 billion at the end of the second quarter of 2013. The closing price at the end of the quarter was ISK 12.99 per share. The highest closing price per share of the quarter was ISK 13.49, the lowest price was ISK 11.13 per share, and the average price over the period was ISK 12.64 per share. The number of issued shares on 30 June 2013 was 5,000,000,000, and the number of outstanding shares at the same time was 4,974,540,000. The price of shares in the Company increased by 58% in the first six months of 2013 and the number of shareholders was 1,697 at the end of June, increasing by 239 from the beginning of the year.

**Share prices and volume – trend in the first six months of 2013:**




## PRESENTATION MEETING 1 AUGUST 2013

An open presentation for stakeholders will be held on Tuesday 1 August 2013 at the Icelandair Hotel Reykjavik Natura. Björgólfur Jóhannsson, President and CEO of Icelandair Group, and Bogi Nils Bogason, CFO, will present the Company's results and respond to questions. The presentation will begin at 8:30 a.m. in Meeting Room 2. The presentation material will be available after the meeting on the Icelandair Group website, www.icelandairgroup.is, and on the Nasdaq OMX Iceland hf news system.

## APPROVAL OF QUARTERLY STATEMENT

The consolidated accounts of Icelandair Group for the second quarter of 2013 were approved at a meeting of the Board of Directors on 31 July 2013.

## FINANCIAL CALENDAR

- **Financial statement for the third quarter – week 44, 2013**
- **Financial statement for the fourth quarter – week 6, 2014**

## FOR FURTHER INFORMATION PLEACE CONTACT:

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