

GOOD THIRD QUARTER RESULTS

- | Profit after taxes USD 65.3 million, as compared to USD 51.4 million in the preceding year
- | EBITDA was USD 102.2 million, up by USD 24.3 million from Q3 2013
- | EBITDAR was USD 114.3 million, as compared to USD 92.7 million in the preceding year
- | Total revenue increased by 17% between years
- | Equity ratio was 40% at the end of September 2013
- | Net cash from operating activities was USD 30.3 million, as compared to USD 10.1 million in the preceding year

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change | 9M 2013 | 9M 2012 | Change | % Change |
|--|---------|---------|----------|-------------|---------|---------|---------|-------------|
| Operating results | | | | | | | | |
| Total income | 371,662 | 317,351 | 54,311 | 17% | 810,307 | 709,444 | 100,863 | 14% |
| EBITDAR | 114,316 | 92,665 | 21,651 | 23% | 173,049 | 146,692 | 26,357 | 18% |
| EBITDA | 102,241 | 77,939 | 24,302 | 31% | 136,863 | 103,709 | 33,154 | 32% |
| EBIT | 82,168 | 61,147 | 21,021 | 34% | 83,939 | 58,938 | 25,001 | 42% |
| EBT | 81,851 | 64,757 | 17,094 | 26% | 82,233 | 65,941 | 16,292 | 25% |
| Profit for the period | 65,325 | 51,362 | 13,963 | 27% | 65,526 | 52,492 | 13,034 | 25% |
| Balance sheet | | | | | | | | |
| Total assets | - | - | - | - | 877,490 | 794,683 | 82,807 | 10% |
| Total equity | - | - | - | - | 352,226 | 306,368 | 45,858 | 15% |
| Interest bearing debt | - | - | - | - | 128,462 | 158,126 | -29,664 | -19% |
| Cash and marketable securities | - | - | - | - | 218,336 | 167,675 | 50,661 | 30% |
| Net interest bearing debt | - | - | - | - | -89,874 | -9,549 | -80,325 | - |
| Cash flow | | | | | | | | |
| Working capital from operations | 111,138 | 89,771 | 21,367 | 24% | 157,811 | 130,657 | 27,154 | 21% |
| Net cash from operating activities | 30,272 | 10,106 | 20,166 | 200% | 215,161 | 168,458 | 46,703 | 28% |
| Net cash used in investing activities | -24,288 | -21,489 | -2,799 | 13% | -80,560 | -50,824 | -29,736 | 59% |
| Net cash used in financing activities | -10,361 | -9,401 | -960 | 10% | -37,290 | -45,329 | 8,039 | -18% |
| Cash and cash equivalents end of period | 215,484 | 151,552 | 63,932 | 42% | 215,485 | 151,552 | 63,933 | 42% |
| Key Ratios | | | | | | | | |
| Earnings per share in USD Cent | 1.32 | 1.04 | 0.28 | 27% | 1.32 | 1.06 | 0.26 | 25% |
| Intrinsic value | - | - | - | - | 8.68 | 7.55 | 1.13 | 15% |
| Equity ratio | - | - | - | - | 40% | 39% | 1.6 ppt | - |
| Current ratio | - | - | - | - | 0.98 | 1.00 | -0.02 | -2% |
| CAPEX USD thousand | 23,376 | 22,939 | 437 | 2% | 93,707 | 66,614 | 27,093 | 41% |
| Transport revenue as % of total revenues | 71% | 72% | -1.0 ppt | - | 69% | 68% | 1.7 ppt | - |
| EBITDAR ratio | 30.8% | 29.2% | 1.6 ppt | - | 21.4% | 20.7% | 0.7 ppt | - |
| EBITDA ratio | 27.5% | 24.6% | 3.0 ppt | - | 16.9% | 14.6% | 2.3 ppt | - |
| Share information ISK | | | | | | | | |
| Highest price in period | 15.30 | 7.21 | 8.09 | 112% | 15.30 | 7.21 | 8.09 | 112% |
| Lowest price in period | 13.00 | 6.65 | 6.35 | 95% | 8.28 | 4.83 | 3.45 | 71% |
| Price at period end | - | - | - | - | 15.20 | 7.13 | 8.07 | 113% |
| Market Cap at period end (millions) | - | - | - | - | 76,000 | 35,650 | 40,350 | 113% |

BJÖRGÓLFUR JÓHANNSSON, PRESIDENT AND CEO

"Icelandair Group's operations have returned profitable growth in recent years. The number of passengers on international flights is projected at 2.3 million this year, up from 1.3 million in 2009. The number of international destinations has increased by 14 at the same time and our aircraft are now 40, as compared to 26 in 2009. The number of available nights in our hotels has grown by 30%, and the number of our employees is now 2,800, up by 700 from 2009. Growth of this magnitude in such a short time can strain a company's infrastructure, but so far we have succeeded in growing without significant setbacks. The Company's strategy with a clear focus on our core business and the experience and expertise of our ambitious employees are the key to these good results.

Results in the third quarter were good, with profit after taxes at USD 65.3 million, as compared to USD 51.4 million last year. Our international flight schedule this quarter was the most extensive in our history. We carried 822 thousand passengers. The greatest increase was in the North Atlantic market, at 16%, with passengers in this market accounting for 52% of the total passenger number. The tourist market to Iceland also increased significantly, by over 7%.

It has been the Company's strategy since 2009 to level seasonal fluctuations and develop Iceland as a year-round destination with a beneficial impact on the Icelandic tourist industry in itself. We have been at the forefront in increasing the flow of tourists outside the peak season and we continue to see excellent opportunities in winter tourism. We will continue to leverage these opportunities and develop further avenues for growth in Icelandic tourism. "

TRANSPORT FIGURES

- | **Passengers on international flights were 822 thousand, increasing in number by 10%**
- | **The passenger load factor on international flights was 83.7%**
- | **Sold block hours in charter projects were down by 9% between years**
- | **The number of sold nights in the Company's hotels increased by 1% between years.**

| | Q3 2013 | Q3 2012 | Change |
|---|---------|---------|----------|
| INTERNATIONAL FLIGHTS | | | |
| Number of passengers ('000) | 821,8 | 746,0 | 10% |
| Load factor (%) | 83,7 | 84,0 | -0,3 ppt |
| Available seat kilometers (ASK'000,000) | 2.882,0 | 2.562,8 | 12% |
| REGIONAL- AND GREENLAND FLIGHTS | | | |
| Number of passengers ('000) | 90,4 | 101,9 | -11% |
| Load factor (%) | 73,1 | 69,0 | 4,1 ppt |
| Available seat kilometers (ASK'000,000) | 53,9 | 62,9 | -14% |
| CHARTER FLIGHTS | | | |
| Fleet Utilization (%) | 95,7 | 95,8 | -0,1 ppt |
| Sold Block Hours | 7.325 | 8.089 | -9% |
| CARGO | | | |
| Available Tonne Kilometers (ATK'000) | 61.203 | 54.963 | 11% |
| Freight Tonne Kilometers (FTK'000) | 23.189 | 21.005 | 10% |
| HOTELS | | | |
| Available Hotel Room Nights | 98.907 | 96.284 | 3% |
| Sold Hotel Room Nights | 83.420 | 82.361 | 1% |
| Utilization of Hotel Rooms (%) | 84,3 | 85,5 | -1,2 ppt |

Capacity on international flights increased by 12% in the third quarter, and passenger numbers over the same period increased by 10%. Passenger numbers increased in all markets, with the largest growth in the North Atlantic market, at 16.1%. The increase in the tourist market to Iceland was 7.2%. The passenger load factor was 83.7%, as compared to 84.0% at the same time last year.

Passengers on regional flights and Greenland routes were around 90 thousand over the quarter, down by 11% from last year. Capacity was 14% below last year's levels. The passenger load factor was 73.1%, as compared to 69.0% over the same period last year. 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 routes increased by 10% from the preceding year. The number of sold hotel room nights increased by 1% in the third quarter. The utilisation of hotel rooms was 84.3%, as compared to 85.5% in the corresponding period of 2012.

THIRD QUARTER OPERATIONS

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change |
|-----------------------|---------|---------|---------|----------|
| EBITDAR | 114,316 | 92,665 | 21,651 | 23% |
| EBITDA | 102,241 | 77,939 | 24,302 | 31% |
| EBIT | 82,168 | 61,147 | 21,021 | 34% |
| EBT | 81,851 | 64,757 | 17,094 | 26% |
| Profit for the period | 65,325 | 51,362 | 13,963 | 27% |
| EBITDAR % | 30.8% | 29.2% | 1.6 ppt | - |
| EBITDA % | 27.5% | 24.6% | 3.0 ppt | - |

Icelandair Group showed good results in the third quarter. The Company's international flight operation was successful, and the growth in the number of tourists to Iceland had a positive impact on all tourist-related business. EBITDA was positive by USD 102.2 million, up by USD 24.3 million between years. The EBITDA ratio improved by 3 percentage points from the third quarter of 2012, to 27.5%. EBIT was USD 82.2 million, as compared to USD 61.1 million at the same time last year. Profit after taxes came to USD 65.3 million, as compared to USD 51.4 in the corresponding quarter of 2012. EBITDAR amounted to USD 114.3 million, as compared to USD 92.7 million in the third quarter of 2012. The EBITDAR ratio increased by 1.6 percentage points, to 30.8%.

REVENUE

- | **Total revenue was 17% in excess of the third quarter of 2012**
- | **Passenger revenue increased by 16% between years**
- | **Transport revenue was 71% of total revenue**

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change | % of rev. '13 |
|----------------------------|----------------|----------------|---------------|------------|---------------|
| Transport revenue: | 264,430 | 228,853 | 35,577 | 16% | 71% |
| Passengers | 254,085 | 219,287 | 34,798 | 16% | 68% |
| Cargo and mail | 10,345 | 9,566 | 779 | 8% | 3% |
| Aircraft and aircrew lease | 28,829 | 31,140 | -2,311 | -7% | 8% |
| Other operating revenue | 78,403 | 57,358 | 21,045 | 37% | 21% |
| Total | 371,662 | 317,351 | 54,311 | 17% | 100% |

Transport revenue increased by USD 35.6 million; of this figure, passenger revenue increased by USD 34.8 million. Income from aircraft and aircrew lease fell by USD 2.3 million and amounted to USD 28.8 million. Other operating revenue amounted to USD 78.4, up by USD 21.0 million, or 37%, as compared to the third quarter of 2012. The increase is a result of the expanded scope of operation of

the Group. Income from sales merchandise in hotels, airports and aircraft increased by USD 3.5 million, and income from tourist services increased by USD 7.8 million, amounting to a total of USD 32.6 million. Maintenance revenue increased significantly as a result of an increase in sold consultancy and implementation of a new entertainment system and seats for customers. However, expenses also increased, as explained in the section on maintenance expenses below. The table below shows a breakdown of other revenue.

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change |
|---------------------------------------|---------------|---------------|---------------|------------|
| Sale at airports and hotels | 23,893 | 20,379 | 3,514 | 17% |
| Revenue from tourism | 32,559 | 24,771 | 7,788 | 31% |
| Aircraft and cargo handling services | 8,246 | 7,656 | 590 | 8% |
| Maintenance revenue | 9,729 | 1,642 | 8,087 | 493% |
| Gain/loss on sale of operating assets | 283 | -210 | 493 | -235% |
| Other operating revenue | 3,693 | 3,120 | 573 | 18% |
| Total | 78,403 | 57,358 | 21,045 | 37% |

EXPENSES

- | **Total expenses increased by USD 30.0 million**
- | **Cost increases were mostly a result of increased capacity**
- | **Aircraft and aircrew lease decreased as a result of the reduction in the number of charter aircraft.**

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change | % of exp. '13 |
|--|----------------|----------------|---------------|------------|---------------|
| Salaries and other personnel expenses | 62,020 | 54,518 | 7,502 | 14% | 23% |
| Aircraft fuel | 80,687 | 73,617 | 7,070 | 10% | 30% |
| Aircraft and aircrew lease | 11,447 | 20,194 | -8,747 | -43% | 4% |
| Aircraft handling, landing and communication | 25,340 | 23,621 | 1,719 | 7% | 9% |
| Aircraft maintenance expenses | 24,335 | 14,760 | 9,575 | 65% | 9% |
| Other operating expenses | 65,592 | 52,702 | 12,890 | 24% | 24% |
| Total | 269,421 | 239,412 | 30,009 | 13% | 100% |

Salaries and personnel expenses increased by USD 7.5 million, or 14%, in comparison with the third 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 7.1 million, which represents a rise of 10% from the preceding year and reflects the increased business in international transport. The world market price of oil was on average USD 992/ton in the third quarter of 2013, as compared to USD 1,027/ton over the same period in 2012.

Aircraft and aircrew lease amounted to USD 11.4 million, decreasing in comparison with the third quarter of 2012 by USD 8.7 million, or 43%. The reason is fewer leased aircraft in the Group's operations.

Aircraft handling, landing and communication expenses increased by USD 1.7 million between years, or 7%, as a result of increased capacity and general price increases. Maintenance expenses amounted to USD 24.3 billion, increasing by 65% year on year. The main reason for the increase was cost relating to the renewal of the interiors of aircraft in charter assignments, as noted in the explanation of increased maintenance revenues above. Other expenses amounted to USD 65.6 million, increasing by USD 12.9 million between years. The table on next page shows a breakdown of other expenses.

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change |
|--|---------------|---------------|---------------|------------|
| Operating cost of real estate and fixtures | 6,098 | 5,588 | 510 | 9% |
| Communication | 3,257 | 3,104 | 153 | 5% |
| Advertising | 5,289 | 4,050 | 1,239 | 31% |
| Booking fees and commission expenses | 11,210 | 8,724 | 2,486 | 28% |
| Cost of goods sold | 6,290 | 6,015 | 275 | 5% |
| Customer services | 5,795 | 4,347 | 1,448 | 33% |
| Tourism expenses | 21,415 | 15,299 | 6,116 | 40% |
| Allowance for bad debt | -464 | -40 | -424 | 1060% |
| Other operating expenses | 6,702 | 5,615 | 1,087 | 19% |
| Total other operating expenses | 65,592 | 52,702 | 12,890 | 24% |

FINANCIALS

- Financial items were negative over the quarter
- The currency effect was positive by USD 1.4 million, as compared to ISK 5.1 million for the same period of last year

| USD thousand | Q3 2013 | Q3 2012 | Change | % Change |
|---------------------------|-------------|--------------|---------------|--------------|
| Interest income | 313 | 867 | -554 | -64% |
| Interest expenses | -2,038 | -2,158 | 120 | -6% |
| Currency effect | 1,419 | 5,058 | -3,639 | -72% |
| Net finance income | -306 | 3,767 | -4,073 | -108% |

Financial expenses in the third quarter amounted USD 2.0 million, down by USD 0.1 million between years.

BALANCE SHEET AND FINANCIAL POSITION

- Total assets amounted to USD 877.5 million at the end of the third quarter
- The equity ratio was 40%
- Interest-bearing debt amounted to USD 128.5 million, down from the level of the beginning of the year

| USD thousand | 30.09.2013 | 30.09.2012 | Change | 31.12.2012 |
|--------------------------------|------------|------------|---------|------------|
| Total assets | 877,490 | 794,683 | 82,807 | 762,895 |
| Total equity | 352,226 | 306,368 | 45,858 | 295,932 |
| Interest bearing debt | 128,462 | 158,126 | -29,664 | 150,906 |
| Net interest bearing debt | -89,874 | -9,549 | -80,325 | 18,112 |
| Cash and marketable securities | 218,336 | 167,675 | 50,661 | 132,794 |
| Equity ratio | 40% | 39% | 2 ppt | 39% |
| Current ratio | 0.98 | 1.00 | -2% | 0.94 |

Operating assets amounted to USD 307.5 million, increasing by USD 24.5 from the beginning of the year. For a further discussion of investments in operating assets in the third quarter, see the section on cash flow and investments. The table on next page shows an overview of the Company's fleet at the end of September. The fleet comprised a total of 40 aircraft, of which 27 are owned by the Company.

| Type | Icelandair | Cargo | Loftleiðir | Air Iceland | Group fleet 30.09.13 | 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 | | | 2 | | 2 | 1 | | 2 | 1 |
| 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 | 9 | 8 | 40 | 39 | 27 | 13 | 1 |

Equity amounted to USD 352.2 at the end of the third quarter, and the equity ratio was 40%, increasing from the end of the third quarter of 2012, when the ratio stood at 39%. The equity ratio at the end of 2012 was 39%.

Interest-bearing liabilities amounted to USD 128.5 billion, as compared to USD 150.9 billion at the beginning of the year. Payments on long-term liabilities in the third quarter amounted to USD 10.4 million. Cash and marketable securities amounted to a total of USD 218.3 million at the end of the third quarter of 2013, as compared to USD 132.8 at the beginning of the year. Net interest-bearing debt therefore amounted to USD -89.9 million at the end of the quarter, down by USD 108.0 million from the turn of the year.

| USD thousands | 30.09.2013 | 30.09.2012 | Change | 31.12.2012 |
|----------------------------------|----------------|---------------|----------------|---------------|
| Loans and borrowings non-current | 83,553 | 126,682 | -43,129 | 119,358 |
| Loans and borrowings current | 44,909 | 31,444 | 13,465 | 31,548 |
| Marketable securities | 2,852 | 16,123 | -13,271 | 15,734 |
| Cash and cash equivalents | 215,484 | 151,552 | 63,932 | 117,060 |
| Net interest bearing debt | -89,874 | -9,549 | -80,325 | 18,112 |

CASH FLOW AND INVESTMENTS

- | Cash at the end of the third quarter amounted to USD 215.5 million
- | Investments amounted to USD 23.4 million
- | Payments on long-term liabilities amounted to USD 10.4 million

| USD thousand | Q3 2013 | Q3 2012 | Change |
|---|----------------|----------------|---------------|
| Working capital from operations | 111,138 | 89,771 | 21,367 |
| Net cash from operating activities | 30,272 | 10,106 | 20,166 |
| Net cash used in investing activities | -24,288 | -21,489 | -2,799 |
| Net cash used in financing activities | -10,361 | -9,401 | -960 |
| Decrease in cash and cash equivalents | -4,377 | -20,784 | 16,407 |
| Cash and cash equivalents, end of period | 215,484 | 151,552 | 63,932 |

Net cash provided by operating activities in the third quarter amounted to USD 30.3 million, up by USD 20.2 million from the third quarter of 2012. Investments in operating assets amounted to USD 10.2 million. Investments in long-term expense and intangible assets amounted to USD 13.1 million; see the overview of investments in the table on the next page.

| USD thousand | Q3 2013 |
|----------------------------------|---------------|
| Operating assets: | |
| Aircraft and aircraft components | 2,284 |
| Overhaul own aircraft | 5,850 |
| Other | 2,094 |
| Total operating assets | 10,228 |
| Long term cost | |
| Overhaul leased aircraft | 12,652 |
| Intangible assets | 496 |
| Total Capex | 23,376 |

Payments on long-term liabilities amounted to USD 10.4 million in the quarter. Cash was reduced by USD 4.4 million over the quarter, as compared to a reduction of USD 20.8 over the corresponding period last year.

OUTLOOK FOR ICELANDAIR GROUP HF.

- | **The general outlook in air transport market is improving**
- | **Extensive growth in international airline transport projected in 2014**
- | **Positive impact on tourism**

According to the most recent report from the International Air Transport Association (IATA), airline operators are anticipating improved operating prospects in the next 12 months. Increased demand is anticipated in passenger transport and a general increase in average air fares. Input costs are also expected to remain unchanged, or even fall, as a result of cost cutting initiatives. Improving prospects are also anticipated in the freight market, although demand for cargo transport is not expected to grow as much as in the passenger market.

The Group's booking position in the fourth quarter is favourable and indicates that the growth will be strongest in the North Atlantic market, although the tourist market to Iceland is also expected to grow. The Company is expected to show continued profitable organic growth in 2014. The international flight schedule will be the most extensive in the Company's history, 18% larger than in 2013. The Company expects to transport 2.6 million passengers, which represents an increase of 350 thousand passengers from 2013. The plans for continued profitable growth will have a positive impact on all tourist services in Iceland. The Company's Route Network is the key to tourist arrivals in Iceland, and when the number of flights is increased an increase in the number of tourists will normally follow. Three Boeing 757 aircraft will be added to the fleet, bringing the total number of Boeing 757 aircraft in the Route Network to 21 next year. Flights will be introduced to three new destinations, and the frequency of flights to various cities in North America and Europe will also be increased. The new destinations will be Edmonton and Vancouver in Canada, and Geneva in Switzerland. A new air transport agreement between Iceland and Canada will open new and exciting opportunities for flights between the two countries and connecting flights to Europe.

Charter flights with freight have been systematically reduced in the Company's business. In October one of two aircraft assigned in charter projects was returned to its owner. The focus will now be on freight carried on scheduled air services from Iceland to Europe and North America. Two freight aircraft will continue on scheduled air services, and the holds of passenger aircraft will be used for freight.

Icelandair Group's hotels have undergone extensive renovation in the last two years, and two new hotels have been opened. Customers have responded well, and the development work has increased

Iceland's attraction as a destination still further. Icelandair Group now has plans to open a new hotel in downtown Reykjavik in the summer of 2015. The new hotel will have 142 rooms as well as restaurant facilities. Increased interest in Reykjavik as a venue for conferences has required an additional supply of high-quality accommodation, and the Company is responding to this trend. The new hotel is intended to meet this demand, and the proximity of the hotel to the Harpa Concert and Conference facilities is a valuable advantage.

The Company's fuel hedging situation at the end of September is highlighted in the table below. The table shows that 32% of the projected use over the period from October 2013 to June 2014 has been hedged through contracts. In addition to contractual hedging, the Company has defined the interaction of EUR/USD and fuel prices as an internal hedge.

| Period | Estimated usage (tons) | Hedge and option contracts | Av. Hedge price USD | % hedged |
|--------------|------------------------|----------------------------|---------------------|------------|
| Oct 2013 | 17,776 | 8,250 | 984 | 46% |
| Nov 2013 | 15,216 | 7,250 | 970 | 48% |
| Dec 2013 | 13,959 | 7,250 | 980 | 52% |
| Jan 2014 | 12,350 | 5,000 | 971 | 40% |
| Feb 2014 | 10,719 | 5,000 | 971 | 47% |
| Mar 2014 | 13,991 | 6,000 | 984 | 43% |
| Apr 2014 | 15,001 | 2,000 | 982 | 13% |
| May 2014 | 18,538 | 2,000 | 994 | 11% |
| Jun 2014 | 24,396 | 3,000 | 976 | 12% |
| Total | 141,947 | 45,750 | 978 | 32% |

Included in the column "Hedge and option contracts"

EBITDA FORECAST FOR 2013

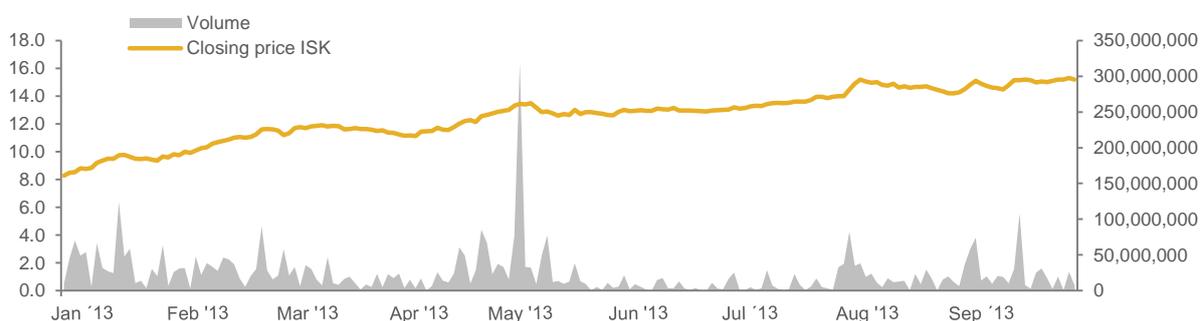
The Company is projecting EBITDA for the year 2013 at USD 140-145 million. This forecast assumes an average price per ton of jet fuel of USD 1,004/ton in October and USD 1,000/ton in November and December. The EUR/USD cross is projected at an average of 1.35 on Q4 2013.

SHAREHOLDERS

- | **The share price of Icelandic Group has increased by 84% since the turn of the year**
- | **The price of Icelandair Group shares increased by 17% in the third quarter**
- | **The Company's market value at the end of September was ISK 76.0 billion**

The Company's market value was ISK 76.0 million at the end of the third quarter of 2013. The closing price at the end of the quarter was ISK 15.20 per share. The highest close-of-day price per share of the quarter was ISK 15.30, the lowest price was ISK 13.00 per share, and the average price over the period was ISK 14.36 per share. The number of issued shares on 30 September 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 84% in the first nine months of 2013, and the number of shareholders was 1,771 at the end of September, up by 313 from the beginning of the year.

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



INVESTOR MEETING 31 OCTOBER 2013

An open presentation for stakeholders will be held on Thursday 31 October 2013 at the Hilton Hotel Reykjavik Nordica. 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, held in conference room F+G, will begin at 16:30. 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 third-quarter report for 2013 were approved at a meeting of the Board of Directors on 30 October 2013.

FINANCIAL CALENDAR

| **Financial statement for the fourth quarter – week 6, 2014**

FOR FURTHER INFORMATION PLEASE CONTACT:

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