Interim report for the third quarter of 2009

Hurtigruten ASA

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Highlights of the third quarter

- Profit of NOK 127 million for third quarter, NOK 67 million better than the same period of 2008
  - Profit of NOK 151 million for the first nine months, up NOK 277 million from 2008
- Chartering out m/v Nordnorge contributed NOK 37 million in the third quarter
- Reduced financial costs
- Lower passenger revenues in the third quarter
  - Cruise nights down six per cent from same period of 2008
  - Prices down three per cent
- Costs down by NOK 35 million from the third quarter of 2008
  - Downsizing in Nordic region taking effect
  - Bunkers costs down 34 per cent
  - Crew costs down 7 per cent by optimizing the manning according to cruise nights
- Continued focus on restructuring, particularly by improved operating efficiency

Continued progress for Hurtigruten

Operations during the third quarter showed a pre-tax profit of NOK 127 million, an improvement of NOK 67 million from the same period of 2008. Pre-tax profit for the first nine months was NOK 151 million, compared with a loss of NOK 126 million in the same period of last year.

Profits were affected by lower fuel, crew and interest costs, and by chartering out m/v Nordnorge.. Despite a difficult global market, which reduced the number of cruise nights and prices, results made solid progress during the quarter.
The improvement in third-quarter profits from the same period of last year primarily reflects:

- Chartering out m/v Nordnorge made a net contribution of NOK 37 million
- Net financial costs reduced
- NOK 35 million in reduced costs
  - project costs were lower
  - the Nordic downsizing made itself felt
  - bunkers costs declined by 34 per cent
  - crew costs were smaller as a result of lower capacity and optimized number of staff

Restructuring work

Since the improvement programme was launched at the annual general meeting of 15 May 2008, Hurtigruten ASA has attended a comprehensive program in order to improve the operating efficiency.

1) Increase revenues – Black Belt improvement programme

   In third quarter there has been a focus on introducing new and more efficient solutions for online booking.

2) Reduce debt – divest businesses outside the core area

   No businesses were divested during the third quarter, and sales processes for the remaining activities outside the core business have been halted for the time being.

   This applies to Hurtigruten's holding in AS TIRB, which operates the bus business through its Cominor AS subsidiary. The sales process for the bus business was halted after charges were preferred against Cominor AS by Troms county council in June 2009. The company remains ignorant of the details of these charges.

   The sale of m/v Nordnorge has also been halted until the criteria for a new tender are clarified. The charter for m/v Finnmarken to duty in Australia, confirmed on 26 October 2009, also means that vessel sales are not relevant for the time being. While Hurtigruten has an opportunistic attitude towards enquiries about the sale of businesses, real property and other fixed assets, no active sales processes are under way.

3) Cost-cutting programme on schedule

   A detailed plan was drawn up in the fourth quarter of 2008 for reducing Hurtigruten ASA's administrative and sales costs. Staffing is to be halved and costs cut by NOK 150 million per annum, with the full effect from 2010.

   Downsizing was implemented in the Nordic part of the organisation during the first quarter of 2009, and in the USA and the UK during the third quarter. The reorganisation in Germany and France has started somewhat behind the original plan, but was in progress by November. The effect will be obtained during the second quarter of next year.

4) Hurtigruten public procurement contract

   The Ministry of Transport and Communications and the company reached agreement on 27 October 2008 concerning a new and higher payment for the government's purchase of maritime transport services on the Bergen-Kirkenes coastal route. The ministry is currently working on the criteria for a new competitive tendering process for this service. The minister confirmed in September that the main principle for a new invitation to tender will be similar to the present position, with 34 ports of call and 11 ships. Detailed tendering criteria are expected to be presented before the end of 2009.

5) Financial restructuring

   The banks accepted the company's financial restructuring plan on 3 February 2009. An extraordinary general meeting of Hurtigruten ASA approved the plan on 20 February 2009. That has given Hurtigruten solid and predictable financing.

The Hurtigruten group comprises the Hurtigruten coastal, m/v Fram and Spitsbergen product areas. In addition comes other business. The interim report contains segment information for all the product areas.

This interim report has been prepared in accordance with IAS 34.

Interim accounts

With effect from 1 January 2009, the company has reorganised its financial reporting on the basis of industry standards for the cruise sector with adjustments. This is intended to provide better information about the key drivers in the company. The group structure has been discontinued, and administrative functions previously reported under other business are now allocated to the various product areas in accordance with their scope. In connection with further development of the financial reporting, there has been a change in activities allocated to Spitsbergen product area. Historical figures have been restated for comparative purposes.

The company had 13 ships at 30 September 2009, of which 11 were used for daily sailings in Hurtigruten's licensed service between Bergen and Kirkenes. Following the renegotiation of the public procurement contract with the government, Hurtigruten has been given the opportunity to reduce production by one ship on the Bergen-Kirkenes coastal service in the November-March period. M/v Nordnorge was chartered throughout the first half of 2009 and up to 13 August as a hotel ship for Aker Solutions ASA in the Adriatic. This vessel has subsequently been docked at a German yard for technical and material maintenance, and is at the moment laid up. M/v Nordnorge will be laid up until next April, when it is due to replace m/v Finnmarken along the Norwegian coast.

Income statement

The Hurtigruten group had total operating revenues in the third quarter of NOK 992 million (2008: NOK 991 million). Chartering out m/v Nordnorge yielded NOK 55 million in extra income. However, fewer passengers and lower prices in Hurtigruten coastal meant that overall revenues were on a par with the same period of last year.

Consolidated operating costs before depreciation and amortisation were NOK 764 million in the third quarter (2008: NOK 799 million). This reduction reflected lower crew and fuel costs. Spending on bunkers declined by NOK 42 million in the quarter because of reduced oil prices and consumption.

Other losses and gains yielded a net expense of NOK 1 million compared with a gain of NOK 0.4 million in the same quarter of 2008.

Consolidated profit before depreciation and amortisation (EBITDA) for the third quarter was NOK 227 million (2008: NOK 193 million). This improvement of NOK 34 million primarily reflected the net contribution from chartering m/v Nordnorge and reduced operating costs.

Depreciation and impairment charges totalled NOK 77 million (2008: NOK 71 million) for the quarter. This increase reflected the fact that depreciation was suspended for m/v Nordnorge in 2008 because the vessel was up for sale.

Consolidated operating profit before interest and tax (EBIT) was NOK 150 million (2008: NOK 122 million) for the third quarter.

Net financial costs were NOK 36 million (2008: NOK 84 million) for the third quarter, reflecting a decline in 2009 interest rates and foreign currency gains.

Share of profit from associates was in third quarter NOK 3 million (2008: NOK 3 million).

Consolidated pre-tax profit for the continued business was NOK 117 million (2008: NOK 42 million) for the quarter.

Consolidated pre-tax profit for the discontinued business was NOK 10 million (2008: NOK 18 million) in the third quarter. These activities include the public transport business, Bergenske Reisebyrå AS and Hurtigruten's share of profit in Nor Lines AS. The principal reason for the reduction in proit is that a provision of NOK 20 million for losses on the public transport contract with Troms county council was reversed in the third quarter of 2008. When this item is taken into account, discontinued business showed an improvement of NOK 12 million in pre-tax profit, primarily related to the fast ferry business in Troms county.

Consolidated pre-tax profit came to NOK 127 million (2008: NOK 60 million) in the third quarter.

Cash flow
Net cash flow from operational activities rose by NOK 9 million during the third quarter, reflecting improved profits for the period. However, net cash flow was somewhat lower than the improvement in earnings because significant financial items in the third quarter of 2009 income statement have no liquidity effect for the group.

Net negative cash flow from investing activities was up by NOK 29 million from the third quarter of 2008. That reflected somewhat higher capital spending in 2009 plus the fact that the settlement for the sale of shares in Hurtigruten Hotels AS was received in July 2008.

Net cash flow from financial activities was up by NOK 347 million in the third quarter from the same period of last year. This reflected the draw-down of NOK 150 million from the bridging loan with NOK 300 million credit limit, in the third quarter of 2009, while instalments were paid in the same period of last year in accordance with the original redemption plan for the group's mortgage debt.

Balance sheet and liquidity
As a consequences of the planned and implemented divestment of businesses by the group, the public transport business area and Hurtigruten`s share in Nor Lines AS were classified at 30 September 2009 as discontinued business. This classification accords with IFRS 5, and comparative figures in the income statement for corresponding periods in 2008 have been restated in accordance with the same principle. Pursuant to IFRS 5, assets and liabilities related to these activities are presented as "assets classified as held for sale" and "liabilities related to assets classified as held for sale" at 30 September 2009. Both current and non-current assets and liabilities related to these businesses are included in the respective items.

Consolidated fixed assets totalled NOK 4 388 million at 30 September (31 December 2008: NOK 4 304 million). This increase primarily reflects the reclassification of m/v Nordnorge from assets classified as held for sale to fixed assets, reduced by depreciations in 2009.

Current assets at 30 September totalled NOK 1 499 million (2008: NOK 1 037 million). Working capital rose by 3 755 million from 31 December 2008 to reach NOK 769 million at 30 September. This growth primarily reflects a reclassification of mortgage debt from current to non-current liabilities following the approval and implementation of the financial restructuring plan.

Liquid assets were NOK 1 270 million at 30 September, including undrawn drawing rights (NOK 895 million excluding undrawn drawing rights and restricted assets), compared with NOK 528 million (NOK 363 million excluding restricted assets) at 31 December 2008. The change primarily reflects the net NOK 373 million raised in the first half by the private placement and subsequent repair issues, improved group earnings and the draw-down in third quarter of NOK 150 million of the bridging loan with NOK 300 million credit limit.

At 30 September, the group had assets classified as held for sale of NOK 606 million (1008: NOK 1 592 million). This reduction reflects the sale of the ferry and fast ferry business and Bergenske Reisebyrå AS, and the reclassification of m/v Nordnorge from assets classified as held for sale to the continued business under property, plant and equipment.

The company's total non-current liabilities at 30 September amounted to NOK 3 619 million (2008: NOK 107 million). This change primarily reflects the reclassification of mortgage debt from current to non-current liabilities following the approval and implementation of the financial restructuring plan.

Current liabilities came to NOK 730 million (2008: NOK 4 023 million). This change primarily reflects the reclassification of mortgage debt from current to non-current liabilities following the approval and implementation of the financial restructuring plan.

The group had liabilities of NOK 242 million related to assets classified as held for sale at 30 September 2009 (2008: NOK 1 468 million). This reduction reflects the sale of the ferry and fast ferry business and Bergenske Reisebyrå AS, and the reclassification of liabilities related to m/v Nordnorge from liabilities related to assets classified as held for sale to the continued business under non-current liabilities.

Consolidated equity at 30 September was NOK 1 808 million (31 December 2008: NOK 1 163 million). The equity ratio was 27.9 per cent (31 December 2008: 16.8 per cent). The group has a convertible bond loan totalling NOK 48.4 million which is regarded as equity in relation to its loan covenants. Including this, the equity ratio at 30 September was 28.5 per cent. Hurtigrutens total amount of shares is 420 259 163.

Product areas

Hurtigruten coastal

The Hurtigruten coastal product area is the largest activity in Hurtigruten ASA and accounted for about 78 per cent of its operating revenues in the third quarter. Operations during the period were normal.

Operational regularity during the third quarter was good, at more than 97.4 per cent. Sixty-three per cent of the variances reflected technical conditions related primarily to two vessels, while 17 per cent were attributable to bad weather.

Operating revenues in the third quarter came to NOK 773 million (2008: NOK 845 million). The bulk of this reduction reflected lower volume, particularly in September – a good month in 2008. The number of cruise nights declined by six per cent during the quarter, split evenly between round trip (Bergen-Kirkenes-Bergen) and port to port passengers (travelling part of the route). The port to port product showed the biggest decline in September, with a reduction of no less than 24 per cent, while the round trip product experienced its largest downturn in July. Cruise nights during the third quarter came to 242 731 (2008: 258 091) for round trip passengers and 141 029 (2008: 149 960) for the port to port passengers. Capacity measured as available cruise nights declined by 7.2 per cent for the quarter, which contributed to a 1.2 per cent improvement in capacity utilisation from 2008.

Increased use of campaign discounts contributed to a decline in passenger revenue per cruise night, which fell for the quarter by 2.8 per cent gross and 3.3 per cent net. Total onboard spending per cruise night increased by 0.9 per cent for the quarter. Meantime onboard revenues is down with five per cent in according to reduced number of passengers.. The loss of revenue from chartering m/v Nordstjernen to Spitsbergen Travel AS had a negative effect on revenues for the product area. A NOK 3 million increase in contract income related to compensation for nitrogen oxide tax in connection with the renegotiated agreement with the Ministry of Transport and Communications which was put in place during December 2008.

Operating costs came to NOK 588 million for the third quarter (2008: NOK 678 million). This reduction derived mainly from lower crew and bunkers costs, which partly reflected the replacement of m/v Nordnorge with m/v Nordstjernen. Bunkers costs declined by NOK 44 million during the quarter as a result of both lower oil prices and reduced consumption.. While consumption fell by 7.6 per cent, the price per litre was down 34.5 per cent. Sales and administrative costs were cut as a result of downsizing in the Nordic region, and some effect from the downsizing implemented in the USA and the UK during the third quarter. The corresponding period of 2008 also included project costs which were not repeated this year.

Operating profit before depreciation and impairment (EBITDA) was NOK 185 million (2008: NOK 167 million) for the third quarter.

M/v Fram

Activity related to m/v Fram is no longer defined as a separate (explorer cruise) business area from 2009, but as a separate product area. This vessel was deployed during the third quarter for cruising along Greenland's west coast. Cruise nights increased by 4.9 per cent during the quarter compared with the same period of 2008. However, the overall Greenland season was extended by 22 days for 2009 and thereby showed lower capacity utilisation compared with last year.

Operating revenues totalled NOK 85 million in the third quarter (2008: NOK 86 million). Fuel costs declined, but this was more than offset by higher port fees and increased commission payments. Operating costs totalled 86 million (2008: NOK 78 million) for the third quarter.

This added up to an operating loss before depreciation and impairment (EBITDA) of NOK 1 million for the quarter, which represents a reduction of NOK 9 million from the same period of 2008.

Spitsbergen

In connection with the further development of the group's reporting, changes have been made with respect to the activities allocated to the Spitsbergen product area. The latter does not correspond to the legal accounts of Spitsbergen Travel group. Historical figures have been restated for comparative purposes.

The EBITDA contribution from the Spitsbergen product area in the third quarter reduced with NOK 6 million compared with the same period of 2008. Cruise activities related to Svalbard declined from the third quarter of last year, partly as a result of the global financial crisis but also as a result of changes in vessel composition. Cruises in the 2008 season were provided by the chartered m/v Polar Star and m/v Nordstjernen. The original plan for the 2009 season was to increase capacity with an additional chartered liner, m/v Expedition. However, the extension of the charter for m/v Nordnorge in the Adriatic meant that cruising off Svalbard by m/v Nordstjernen was cancelled. Operating profit before depreciation and impairment (EBITDA) for the third quarter was NOK 10 million (2008: NOK 17 million).

Other business

Activity related to the chartering of m/v Nordnorge and the ship's activity en route from Antarctic/Europe cruises during the first half of 2008 are classified as other business. So are a limited portfolio of property and other activities which do not fall naturally within the three product areas.

Hurtigruten ASA entered into an agreement with Aker Solutions ASA in November 2008 concerning a charter for m/v Nordnorge as a hotel ship in the Adriatic. This ran originally until 5 April 2009, with options for extensions. Aker Solutions exercised an option to extend the charter, and the contract was terminated on 13 August 2009.

Operating profit before depreciation and impairment (EBITDA) for other business was NOK 33 million in the third quarter (2008: NOK 1 million). This improvement reflects the charter of m/v Nordnorge to Aker Solutions.

Discontinued business
On the basis of the planned and implemented divestment of businesses in the company, the whole of the public transport business, Bergenske Reisebyrå AS and Hurtigruten`s share in Nor Lines AS were classified as discontinued business at 30 September 2009. Bergenske Reisebyrå AS was sold on 23 February 2009. Discontinued business is presented as a separate item in the income statement under profit/(loss) for discontinued business. In the product area information, the balance sheet for the public transport business in 2008 is included in continued business.

Pre-tax profit for discontinued business in the third quarter came to NOK 10 million (2008: NOK 18 million). This reduction primarily reflects the reversal in the third quarter of 2008 of a NOK 20 million provision on the public transport contract with Troms county council. When this item is taken into account, pre-tax profit for discontinued business improved by NOK 12 million.

The fast ferry business in Troms county showed an increase of NOK 8 million in pre-tax profit from the third quarter of 2008. This reflected reduced bunkers prices and payroll costs.

Operations for the bus business conducted through AS TIRB were stable. Lower contract revenues during the quarter were offset by reduced operating costs and diesel oil prices, so that the pre-tax result for the bus business in the third quarter improved by NOK 2 million from the same period of last year. Charges were laid by Troms county council against the Cominor AS subsidiary in June. The company has still received no details about the charges.

The share of profit from Nor Lines AS was down by NOK 3 million from the third quarter of 2008, reflecting a lower volume of freight.

Prospects
The financial crisis put greater pressure on prices and volumes than previously. The progress in the spread of the swine flu (H1N1 virus) epidemic will continue to present challenges for the travel trade.

Hurtigruten ASA has implemented extensive market measures to safeguard volumes as much as possible during the fourth quarter, and to persuade passengers to book early for 2010. This looks like having an effect for the coming winter and spring, where the group sees a substantial increase in volume compared with the status a year ago. Volumes for the summer months of 2010 are currently behind 2008.

The new Polar Global booking system has been introduced in the Nordic region, and the booking in Tallinn (outsourced) has moved into normal operation after a challenging start-up phase. The downsizing programme follows the plan and is implemented in the Nordic region and the UK/USA. Germany/rest of Europe will start the downsizing in firth quarter and its full effect will not be felt there before mid-2010.

Particular attention has been paid by Hurtigruten during 2009 to the customer experience on board. Customer satisfaction surveys show that more than 95 per cent of Hurtigruten's guests are satisfied or very satisfied with the product. The board of directors takes this as a recognition that the company manages to deliver a good product while improving operational efficiency.

The company will continue to deliver on its core values, which are Secure, Generous and Responsible. For residents along the Norwegian coast, Hurtigruten will be a good provider of local transport and a freight carrier they can rely on. The group is therefore satisfied that the Ministry of Transport and Communications announced before the Norwegian general election in September that the principal criteria for a new tender would be similar to the service familiar to the coastal community today. It will be important to win the competition over a new tender for the Bergen-Kirkenes coastal service, providing that the terms give scope for acceptable long-term profitability.

Chartering out m/v Finnmarken is important, especially because it is a long term contract. The platform created by the financial restructuring in February and now reinforced by a long-term charter provides a good basis for implementing the rest of the restructuring programme, which is intended to produce a focused and profitable Hurtigruten company. This restructuring will characterise the whole of 2009 and part of 2010. The results for the first nine months show that the company is in the right direction.

Tromsø, 9 November 2009
The board of directors of Hurtigruten ASA

Consolidated income statement

(NOK 1 000)	Note	**3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008
Operating revenues		**988 252**	991 384	2 286 581	2 323 783
Contractual revenues	7	**3 284**	-	223 639	162 378
Total revenues		**991 536**	991 384	2 510 220	2 486 161
Payroll expenses		**202 641**	216 748	582 659	615 362
Depreciation and impairment losses		**76 790**	71 135	233 955	226 696
Other operating costs	7	**560 974**	582 134	1 494 026	1 610 596
Other losses/(gains) - net		**755**	(426)	986	(17 142)
Operating profit/ (loss)		**150 377**	121 793	198 594	50 649
Operating profit/ (loss) before depreciation		**227 167**	192 928	432 549	277 345
		-	-	-	-
Finance income		**37 181**	32 197	89 350	58 331
Finance costs		**(73 266)**	(115 728)	(239 888)	(269 056)
Finance costs - net		**(36 085)**	(83 531)	(150 538)	(210 725)
		-	-	-	-
Share of profit/ (loss) of associates		**2 656**	3 428	7 477	13 439
Profit/ (loss) before income tax on continued business		**116 948**	41 690	55 533	(146 637)
Income tax expense on continued business		**28 631**	4 230	19 915	(39 488)
Profit/ (loss) on continued business		**88 317**	37 461	35 618	(107 150)
Profit/ (loss) before income tax on discontinued business	2, 6	**9 974**	18 066	95 505	20 314
Income tax expense on discontinued business	2, 7	**2 494**	4 517	17 223	5 079
Profit/ (loss)		**95 797**	51 010	113 900	(91 914)
Attributable to minority interest		**24 000**	1 029	65 599	14 062
Earnings per share for profit attributable to the equity holder of the company;					
- basic		**0,17**	1,82	0,12	(3,86)
- diluted		**0,17**	1,82	0,12	(3,86)

Balance sheet

(NOK 1 000)	Note	**30.09.2009**	01.01.2009	01.01.2008
Assets				
Tangible fixed assets		**4 098 149**	3 942 462	5 646 381
Intangible fixed assets		**233 145**	297 944	339 681
Financial fixed assets		**56 646**	63 251	160 133
Current assets		**1 498 546**	1 036 666	1 567 934
Assets held-for-sale	2	**605 884**	1 592 353	-
Total assets		**6 492 370**	6 932 676	7 714 129
Equity and liabilities				
Paid-in equity and retained earnings	5	**1 532 971**	946 808	1 548 944
Minority interest in equity		**275 181**	216 245	226 479
Total equity		**1 808 151**	1 163 053	1 775 423
Long-term liabilities	5	**3 618 651**	106 801	4 231 581
Provisions		**93 464**	172 003	434 427
Current liabilities	5	**729 886**	4 023 237	1 272 699
Liabilities on assets held-for-sale	2, 6	**242 218**	1 467 582	-
Total liabilities		**4 684 219**	5 769 623	5 938 707
Total equity and liabilities		**6 492 370**	6 932 676	7 714 129

Equity

(NOK 1 000)		**3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008
Equity at the beginning of the period	5	**1 669 728**	1 676 311	1 163 053	1 775 423
Profit/ (loss) for the period		**95 797**	51 010	113 900	(91 914)
Private placement		**-**	-	392 516	-
Costs of private placement		**(441)**	-	(19 106)	-
Equity adjusments in associates		**-**	-	163	-
Derivative financial instruments at fair value		**39 019**	(53 849)	128 866	(7 210)
Other equity adjustments		**4 048**	18 128	28 758	15 298
Equity at the end of the period		**1 808 151**	1 691 600	1 808 151	1 691 598

Consolidatet cash flow statement

(NOK 1 000)	**3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008
Net cashflow from operating activities	**89 443**	80 430	161 708	47 795
Net cashflow from investment activities	**(45 804)**	(17 165)	365 310	(83 847)
			-	-
Net cashflow from financing activities	**140 152**	(206 529)	5 550	(247 589)
Net increase/ (decrease) in cash and cash equivalents	**183 791**	(143 264)	532 568	(283 641)
Cash and cash equivalents overdrafts at the beginning of the period	**711 335**	686 662	362 558	827 039
Cash and cash equivalents overdrafts at the end of the period	**895 126**	543 398	895 126	543 398

PRODUCT INFORMATION	HURTIGRUTEN COASTAL				MV FRAM			
(NOK 1 000)	**3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008	**3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008
Operating revenues	**769 412**	845 182	1 695 494	1 866 725	**85 350**	85 931	213 616	180 282
Contractual revenues	**3 284**	-	223 639	162 378	**-**	-	-	-
Total revenues	**772 696**	845 182	1 919 133	2 029 103	**85 350**	85 931	213 616	180 282
Payroll expenses	**166 594**	185 094	472 808	501 947	**16 273**	19 425	48 963	58 207
Depreciation and impairment	**68 350**	61 036	204 780	193 757	**3 226**	5 594	13 299	16 702
Other operating costs	**421 276**	493 202	1 166 081	1 288 024	**70 015**	58 185	159 585	176 165
Other losses/(gains) - net	**-**	-	-	-	**-**	-	-	-
Operating profit/ (loss)	**116 476**	105 850	75 464	45 375	**(4 164)**	2 727	(8 231)	(70 792)
Finance costs - net	**(31 621)**	(70 419)	(131 352)	(181 209)	**(5 215)**	(8 823)	(19 049)	(23 945)
Share of profit/ (loss) of associates	**-**	-	-	-	**-**	**-**	-	**-**
Profit/ (loss) before income tax on continued business	**84 855**	35 431	(55 888)	(135 834)	**(9 379)**	(6 096)	(27 280)	(94 737)
Profit/ (loss) before income tax on discontinued business	**-**	-	-	-	**-**	-	-	-
Profit/ (loss) before income tax	**84 855**	35 431	(55 888)	(135 834)	**(9 379)**	(6 096)	(27 280)	(94 737)
Operating profit/ (loss) before depreciation	**184 826**	166 886	280 244	239 132	**(938)**	8 321	5 068	(54 090)
Additional information								
Assets	**5 112 602**	4 417 326	5 112 602	4 417 326	**482 458**	770 523	482 458	770 523
Assets held-for-sale	**-**	**-**	**-**	**-**	**-**	-	-	-
Liabilities	**4 034 454**	3 813 140	4 034 454	3 813 140	**415 909**	546 297	415 909	546 297
Liabilities on assets held-for-sale	**-**	-	-	-	**-**	-	-	-
Investmens during the period	**42 491**	13 192	95 120	88 447	**1 969**	-	3 159	3 378

PRODUCT INFORMATION

(NOK 1 000)	**SPITSBERGEN** **3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008	**OTHER** **3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008
Operating revenues	**77 904**	70 154	175 315	196 162	**55 615**	852	202 368	103 392
Contractual revenues	**-**	-	-	-	**-**	-	-	-
Total revenues	**77 904**	70 154	175 315	196 162	**55 615**	852	202 368	103 392
Payroll expenses	**12 775**	12 223	35 776	36 877	**6 706**	5	24 813	18 332
Depreciation and impairment	**2 244**	2 122	8 554	7 841	**2 969**	2 383	7 322	8 396
Other operating costs	**54 858**	41 334	111 191	109 637	**15 146**	149	57 681	59 548
Other losses/(gains) - net	**-**	-	-	-	**755**	(426)	986	(17 142)
Operating profit/ (loss)	**8 027**	14 475	19 794	41 807	**30 039**	(1 259)	111 566	34 258
Finance costs - net	**687**	1 174	303	1 885	**64**	(5 462)	(440)	(7 454)
Share of profit/ (loss) of associates	**-**	-	-	-	**2 656**	3 428	7 477	13 439
Profit/ (loss) before income tax on continued business	**8 714**	15 649	20 097	43 692	**32 759**	(3 293)	118 603	40 243
Profit/ (loss) before income tax on discontinued business	**-**	-	-	-	**9 974**	18 066	95 505	20 314
Profit/ (loss) before income tax	**8 714**	15 649	20 097	43 692	**42 733**	14 773	214 108	60 557
Operating profit/ (loss) before depreciation	**10 271**	16 597	28 348	-	**33 008**	1 124	118 888	42 654
Additional information								
Assets	**325 266**	323 153	325 266	-	**73 906**	746 024	73 906	746 024
Assets held-for-sale	**-**	-	-	6 415	**605 884**	1 314 079	605 884	1 314 079
Liabilities	**85 343**	94 895	85 343	23 427	**14 041**	269 546	14 041	269 546
Liabilities on assets held-for-sale	**-**	-	-	-	**242 218**	1 141 447	242 218	1 141 447
Investmens during the period	**258**	8 952	6 091	13 614	**5 790**	1 256	31 286	59 714

PRODUCT INFORMATION

(NOK 1 000)	ELIMINATIONS **3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008	HURTIGRUTEN GROUP **3rd quarter 2009**	3rd quarter 2008	Year to date 2009	Year to date 2008
Operating revenues	**(29)**	(10 735)	(211)	(22 778)	**988 252**	991 384	2 286 581	2 323 783
Contractual revenues	**-**	-	-	-	**3 284**	-	223 639	162 378
Total revenues	**(29)**	(10 735)	(211)	(22 778)	**991 536**	991 384	2 510 220	2 486 161
Payroll expenses	**293**	-	294	-	**202 641**	216 747	582 659	615 363
Depreciation and impairment	**-**	-	-	-	**76 789**	71 135	233 955	226 696
Other operating costs	**(321)**	(10 735)	(505)	(22 778)	**560 974**	582 135	1 494 027	1 610 595
Other losses/(gains) - net	**-**	-	-	-	**755**	(426)	986	(17 142)
Operating profit/ (loss)	**(1)**	**-**	-	**-**	**150 377**	121 793	198 593	50 649
Finance costs - net	**-**	-	-	-	**(36 085)**	(83 530)	(150 538)	(210 723)
Share of profit/ (loss) of associates	**-**	-	-	-	**2 656**	3 428	7 477	13 439
Profit/ (loss) before income tax on continued business	**(1)**	-	-	-	**116 948**	41 691	55 532	(146 635)
Profit/ (loss) before income tax on discontinued business	**-**	-	-	-	**9 974**	18 066	95 505	20 314
Profit/ (loss) before income tax	**(1)**	**-**	-	**-**	**126 922**	59 757	151 037	(126 321)
Operating profit/ (loss) before depreciation	**(1)**	-	-	-	**227 166**	192 928	432 548	277 345
Additional information								
Assets	**(107 746)**	(180 615)	(107 746)	(180 615)	**5 886 486**	6 076 411	5 886 486	6 076 411
Assets held-for-sale	**-**	-	-	-	**605 884**	1 314 079	605 884	1 314 079
Liabilities	**(107 746)**	(180 615)	(107 746)	(180 615)	**4 442 001**	4 543 263	4 442 001	4 543 263
Liabilities on assets held-for-sale	**-**	-	-	-	**242 218**	1 141 447	242 218	1 141 447
Investmens during the period	**-**	-	-	-	**50 508**	23 400	135 656	165 153

Non-GAAP financial information

(NOK 1 000, except passenger CN)	**Q3 2009**	Q3 2008	YTD 2009	YTD 2008
Passenger cruise nights	**383 760**	408 051	829 955	897 338
Round trip cruise nights	**242 731**	258 091	526 920	559 915
Port to port cruise nights	**141 029**	149 960	303 035	337 423
Available passenger cruise nights (APCN)	**426 348**	459 560	1 176 296	1 294 704
Occupancy rate	**90,0 %**	88,8 %	70,6 %	69,3 %
Passenger ticket revenues	**618 460**	681 129	1 366 147	1 511 728
Onboard revenues	**121 654**	128 155	267 401	277 573
Total revenues	**740 114**	809 284	1 633 548	1 789 301
Less:				
Commisions, transportation and other	**135 197**	147 859	337 080	374 023
Onboard	**86 249**	90 892	184 281	190 193
Net revenues	**518 668**	570 533	1 112 187	1 225 085
Gross ticket revenues per cruise night (NOK)	**1 929**	1 983	1 968	1 994
Net ticket revenues per cruise night (NOK)	**1 352**	1 398	1 340	1 365
Total cruise operating expenses	**477 908**	563 725	1 272 311	1 417 645
Selling, general and administrative expenses	**109 963**	114 572	366 578	372 326
Gross cruise costs	**587 871**	678 297	1 638 889	1 789 971
Less:				
Commisions, transportation and other	**135 197**	147 859	337 080	374 023
Onboard	**86 249**	90 892	184 281	190 193
Net cruise costs	**366 425**	439 546	1 117 528	1 225 755
Gross cruise costs per APCN (NOK)	**1 379**	1 476	1 393	1 383
Net cruise costs per APCN (NOK)	**859**	956	950	947
Net cruise costs exclusive fuel per APCN (NOK)	**693**	706	783	743
Net cruise costs per cruise night (NOK)	**955**	1 077	1 346	1 366
Fuel consumption (thousand litre)	**19 560**	21 171	52 388	58 543
Fuel cost per litre (NOK)	**3,43**	5,24	3,55	4,31

Notes to the accounts

Note 1 Accounting policies

The interim financial report for the group includes Hurtigruten ASA with subsidiaries and associated companies. The interim financial report is prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial report does not include all information which will appear in the annual financial report which is prepared in accordance with all effective IFRS -standards, and should therefore be read in connection with the annual report for 2008.

The annual report 2008 for the group can be obtained through a request to the company main office or on the website www.hurtigruten.com. A description of the accounting policies applied in the interim financial reporting are described in the note of accounting policies in the annual report for 2008.

In the preparation of the interim financial report, estimates and assumptions have been applied, which has affected assets, liabilities, net income and costs. Actual figures can deviate from estimates applied.

Note 2 Classification of "discontinued business"

"Discontinued business" is a part of the business which is either sold or classified as held for sale. In accordance with IFRS 5 "Non current assets held for sale and discontinued operations", such items must be classified apart from other results through a separate line in the income statement. Corresponding assets and liabilities are presented (gross) apart from other assets and liabilities in the balance sheet.

Based on planned and completed sales of business in the group, public transport, Bergenske Reisebyrå AS and the groups share of profit from Nor Lines AS, are presented as "discontinued business". Comparative figures in the income statement for equivalent periods in 2008 have been restated in accordance with this principle. Income statement for discontinued business appears as follows:

(NOK 1 000)	**3rd quarter 2009**	3rd quarter 2008	YTD 2009	YTD 2008
Operating revenues	**131 246**	363 750	430 556	1 060 158
Payroll costs	**70 258**	168 232	198 723	473 466
Depreciation and impairment	**10 486**	29 590	31 091	92 092
Other operating costs	**41 820**	143 523	136 104	460 919
Other losses/(gains) - net	**100**	-618	29 948	2 226
Operating profit / (loss)	**8 782**	21 787	94 586	35 907
Finance income	**330**	4 407	1 830	12 048
Finance costs	**2 541**	14 179	8 525	37 142
Finance costs - net	**-2 211**	-9 772	-6 695	-25 094
Share of profit/(loss) of associates	**3 403**	6 051	7 615	9 502
Profit / (loss) before income tax	**9 974**	18 066	95 506	20 315
Income tax expense	**2 494**	4 517	17 223	5 079
Profit / (loss)	**7 480**	13 549	78 283	15 236

Assets held-for-sale, and liabilities on assets held-for-sale appears as follows:

(NOK 1 000)	**30.09.2009**	01.01.2009
Assets		
Tangible fixed assets	**422 551**	1 266 732
Intangible fixed assets	**53 348**	41 567
Financial fixed assets	**97 333**	88 566
Current assets	**32 652**	195 488
Assets held-for-sale	**605 884**	1 592 353
Liabilities		
Long-term liabilities	**80 089**	99 213
Provisions	**35 586**	53 568
Current liabilities	**126 453**	1 314 801
Liabilities on assets held-for-sale	**242 128**	1 467 582

Note 3 Financial risk management
There are potential risks and uncertainties that can affect the operation of the companies in the group. This may lead to actual results deviating from expected and historical results. Information concerning the most important risks and uncertainties is disclosed in the latest annual report published on the website www.hurtigruten.com.

No essential changes in the financial risk management have been done since the annual report for 2008 was published.

Note 4 Information about segments
As a consequence of changes in the group's internal reporting structure, the segment reporting is altered as of 1 January 2009. Comparative figures for 2008 are adapted.

With effect from 1 January, the Hurtigruten coastal and explorer cruise products have been the company's core activity and only business area. For reporting purposes, the company has resolved to specify operating profit before depreciation and impairment (EBITDA) for the three product areas of Hurtigruten coastal, MV Fram and Spitsbergen, in addition to other business. The company has also converted its financial reporting to industry standards for the cruise sector with adjustments. This is intended to provide better information about the key drivers in the company. The group structure has been discontinued, and administrative functions previously reported under other business are now allocated to the various product areas in accordance with their scope. In connection with further development of the financial reporting, there has been a change in activities allocated to Spitsbergen product area. The financial reporting of Spitsbergen product area is not equal to the financial statement of the Spitsbergen Travel group. Historical figures have been restated for comparative purposes.

Note 5 Proceeds from and payments of borrowings
The company has clauses on financial covenants related to parts of its loan portfolio regarding liquidity, solidity and cash flow. These covenants must be met at the end of each quarter and the second covenant must be met on a running basis. At the date when the annual accounts for 2008 were presented, the company did not have all the terms of the financial restructuring in place. The company was accordingly unable to document at 31 December 2008 that it would not be in breach of the covenants during the next 12 months, and loans related to these covenants was therefore reclassified from non-current to current liabilities at 31 December 2008. The financial restructuring plan for the company was entered into in February 2009, which includes a new instalment profile and new conditions. The company can in this manner document not to breach the financial covenants the next

12 months. The loan portfolios related to these financial covenants are accordingly reclassified from current borrowings to non-current borrowings.

According to financial covenants, the following conditions must be met:

- The group's working capital and unused credit facilities must be positive.
- The group must maintain a free liquidity of at least NOK 200 million over the term of the loan.
- EBITDA must be greater than the group's annual debt obligation and dividend payments or the group's free liquidity (with credit facilities included) must be a minimum of NOK 350 million.
- An equity ratio of 22.5 per cent up to and including 30 June 2009, where the convertible bond issued by Hurtigruten ASA is treated as equity under the loan agreement. From 30 September 2009 up to and including 30 June 2010 the equity ratio must be 25 per cent, and from 30 September 2010 onwards the equity ratio must be 27.5 per cent.

Note 6 Changes to estimates

Loss on contracts relates to the contract with Troms county council for the operation of fast ferries and county road ferries. This contract yields a substantial deficit because the sharp rise in bunker costs and the actual development in passenger numbers do not give a right to regulate contractual revenues. The contract expired on 31 December 2007, but Troms county council had a unilateral right to extend the contract for three one-year periods. Two of these options have been exercised. According to IAS 37, a provision of NOK 59.4 million related to the contract was accordingly made at 31 December 2007. Due to further rise in bunker prices in the first half of 2008, an additional provision of NOK 30 million was made at 30 June 2008. Troms county council has in writing confirmed not to exercise the final one-year extension, and the contract will therefore terminate at 31 December 2009. The provision of NOK 19.8 million related to the last option period was accordingly reversed in the third quarter of 2008. By the end of second quarter 2009 a provision of NOK 7 million is remaining, and will be charged to income as the contract progresses in the fourth quarter of 2009.

Note 7 Contingent outcomes

In connection to the sale of the shares in Nor-Cargo Holding AS in 2004, the company`s opinion is that the capital gain should be recognised under the Norwegian tax exemption model, which involves a tax exemption for such gains. The Ofoten tax assessment office resolved in 2006 that the capital gain would not be recognised under this model, so that the gain became liable to tax. Hurtigruten included a provision of NOK 79 million for the possible tax liability in its 2006 accounts. The tax case was taken to court, where the view taken by the Ofoten tax assessment office was upheld. This judgement was appealed to the appeal court in November 2008. The court found in favour of the Hurtigruten ASA case that the capital gain should fall within the tax exemption model. The provision made for capital gains tax in the 2006 accounts was therefore reversed in the annual accounts for 2008. The entry is recognised as a tax charge on discontinued business. The government appealed the decision to the Supreme Court's appeals committee, and 9 October the Supreme Court gave judgement in favour of Hurtigruten ASA. Hurtigruten ASA was warded the legal costs. The decision from Supreme Court does not have any consequences for the company's accounts.

NOK 10 million in nitrogen oxide tax was charged to the third quarter in 2009. Members of nitrogen oxide fund have collectively undertaken to reduce emissions of these gases by 30 000 tonnes in total, broken down into 2 000 tonnes in 2008, 4 000 tonnes in 2009 and 24 000 tonnes in 2010. The Norwegian Pollution Control Authority will monitor that the fund reaches its collective goals. If these are not met, the members can be required to pay the full amount of the tax on their respective share of the emissions. This requirement will be calculated on the basis of the percentage share of the collective goals which fail to be achieved. The fund has achieved the settled goal for 2008.

Stortinget (The Norwegian Parliament) resolved in December 2008 to appropriate an additional NOK 125 million for the public procurement contract in 2008. This extra appropriation includes a calculated NOK 52 million in compensation for nitrogen oxide tax paid in 2007, a calculated NOK 7 million as 90 per cent of payments to the nitrogen oxide fund for the first half of 2008, and a calculated NOK 66 million as general compensation for 2008. The Ministry of Transport and Communications is due to submit a new proposal to the parliament on compensation for payments to the nitrogen oxide fund for the second half of 2008 and for 2009, in addition to continuing the general compensation. Per publication date such new proposal has not been put forward. A total of NOK 7 million was recognised as income in the fourth quarter of 2008 related to nitrogen oxide tax compensations for the second half 2008 and a total of NOK 48 million in the third quarter of 2009 related to the nitrogen oxide tax compensations as well as increased general compensation.

The general compensation is due to be maintained throughout the term of the existing contract unless the company’s earnings from the contract substantially improve. The Ministry of Transport and Communications has assumed that the additional appropriation accords with the regulations on state aid. However, should the Efta Surveillance Authority (ESA) consider that the payment conflicts with the European Union's rules on government subsidies, all or part of the compensation could be demanded reimbursed.

Note 8 Business influenced by seasonal factors

The Hurtigruten coastal operation is influenced by seasonal factors with the main season from May through September (more than 50 per cent occupancy). The itinerary and fleet of the company is, according to the Hurtigruten public procurement, the same the whole year, except from the November-March period. The exception is a consequence of the renegotiation of the public procurement contract with the government, where Hurtigruten has been given the opportunity to reduce the production by one ship on the Bergen-Kirkenes coastal service in this period.

Explorer cruises with MV Fram is cyclic because the cruises are concentrated around three geographic areas (different parts of the year); Antarctica, Greenland and cruise between Antarctica and the Arctic. The Svalbard operation has a main season reaching from March through August. The activity is operated by the subsidiary Spitsbergen Travel.