

London Stock Exchange Derivatives

MARKET NOTICE 2019/007

ADJUSTMENT FOR PREFERENTIAL RIGHTS ISSUE IN NORWEGIAN AIR SHUTTLE (NAS)

London Stock Exchange Derivatives Market (LSEDM) informs Member Firms that the Board of Directors of NAS has resolved to propose that the Company carries out a capital increase through a fully underwritten rights issue with proceeds of approximately NOK 3 billion.

Company:	Norwegian Air Shuttle (NAS)
Subscription price:	TBA
Number of new shares:	TBA
Adjustment date:	19 February after market close
Ex-date:	20 February
Adjustment method:	See details in the end of this notice and in Section 3 of the LSEDM Corporate Actions Policy

The proposed Rights Issue is subject to shareholder approval at an extraordinary general meeting of the Company (the "EGM") to be held 15:00 (Oslo time) on 19 February 2019.

LSEDM will issue a new notice as soon as subscription price and number of new shares are made available.

Members are encouraged to ensure that clients are aware of this adjustment.

If you have any questions please call Derivatives Corporate Actions Team on +44 (0)207 797 3660.

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Stock derivative adjustment:

Adjustment factor, A:

$$A = \frac{P_{\text{cum}}^{\text{wvap}}}{P_{\text{ex}}}$$

$P_{\text{cum}}^{\text{wvap}}$ = The stock's volume-weighted average price before the issue

P_{ex} = The stock's theoretical value after the issue

The stock's theoretical value after the issue, P_{ex} :

$$P_{\text{ex}} = \frac{(n_{\text{cum}} * P_{\text{cum}}^{\text{wvap}}) + (n_{\text{new}} * E)}{n_{\text{cum}} + n_{\text{new}}}$$

n_{cum} = The total number of outstanding stocks before the issue

$P_{\text{cum}}^{\text{wvap}}$ = The stock's volume-weighted average price before the issue

n_{new} = The number of new stocks

E = Subscription price

New exercise price, X_{ex} :

$$X_{\text{ex}} = \frac{X_{\text{cum}}}{A}$$

X_{cum} = Exercise price or futures price before adjustment

New contract size, N_{ex} :

$$N_{\text{ex}} = N_{\text{cum}} * A$$

N_{cum} = Contract size before adjustment

Adjustment factors are rounded to six decimals, adjusted exercise prices are rounded to two decimals and future prices are rounded to four decimals. Adjusted contract sizes are rounded to the nearest whole integer.

