

norwegian

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Norwegian reports passenger growth and a negative result in a seasonally weak first quarter

Norwegian today reported its first quarter results for 2017 with a result of -1.5 billion Norwegian kroner, NOK (-\$174 million). Despite strong passenger growth, higher fuel costs, tough competition and a stronger NOK contributed to the negative result. This year's Easter led to a shift of income over to April, as last year's Easter was in March. The company launched 39 new routes this quarter.

The net result was -1,492 million NOK, compared to -800 million NOK the same quarter previous year. The airline carried 6.7 million passengers in the first quarter, an increase of 14 percent. Norwegian's strongest growth was in the United States, Spain and France. In the Nordics, the passenger growth was 6 percent. The capacity growth was 22 percent and the load factor was 84 percent – marginally down in a quarter traditionally characterized by less demand and travel.

Norwegian's global growth strategy will provide economies of scale and lower unit costs. During the first quarter, unit costs excluding fuel fell by 4 percent and debt was cut by 1 billion NOK. Cash and cash equivalents at the end of the quarter was 4.8 billion NOK.

“In this quarter, we particularly see the effects of higher fuel costs combined with a strengthened Norwegian krone against the British pound, euro and Swedish krona, which accounts for almost half of our sales. In addition, the figures are affected by the fact that Easter was not in the first quarter, like last year. At the same time, we are filling the aircraft and attract more passengers both in new and more established markets. Our long-haul operation is now well established, proving that customers want affordable fares and new aircraft on intercontinental routes,” said CEO Bjørn Kjos.

Norwegian launched 39 new routes during the first quarter, including routes between the U.S. and Ireland, Northern Ireland, Scotland and Norway. During the first quarter of 2017, Norwegian took delivery of seven brand new Boeing 737-800 aircraft, as well as one Boeing 787-9 Dreamliner. In April the company launched three new intercontinental destinations from London Gatwick to Singapore, Denver and Seattle.

For detailed information, please see pdf attached.

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Norwegian is the world's sixth largest low-cost airline and carried 30 million passengers in 2016. The airline operates 500 routes to more than 150 destinations in Europe, North Africa, Middle East, Thailand, Caribbean and the U.S. Norwegian has a fleet of almost 130 aircraft, with an average age of 3.6 years, making it one of the world's youngest fleets. Norwegian was named the [Most Fuel-Efficient Airline on Transatlantic Routes](#) by the International Council on Clean Transportation (ICCT). Norwegian was named the World's Best Low-Cost Long-Haul Airline by the renowned SkyTrax World Airline Awards in 2015 and 2016, and for the fourth consecutive year, named Europe's Best Low-Cost Airline. Norwegian employs 7,000 people. The airline offers 40 nonstop routes from the U.S. to London, Paris, Scandinavia and the Caribbean. Follow [@Fly_Norwegian](#) on Twitter, join the discussion on [Facebook](#) and keep up with our adventures on [Instagram](#). For more information on Norwegian and its network, visit [norwegian.com](#).

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