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Norwegian secures three billion NOK through fully underwritten rights issue

Norwegian is strengthening its balance sheet through a fully underwritten rights issue of three billion Norwegian kroner (NOK, approximately \$353.2 million) in order to increase its financial flexibility and create headroom to the covenants of its outstanding bonds. The company has during the past years made considerable investments in new aircraft and launch a wide range of new routes, not least intercontinentally. The growth will now abate and the profitability increase.

"Norwegian has been through a period of significant growth. Going forward, we will see an increased focus on cost savings and CAPEX reductions. We will now get in place a strengthened balance sheet that supports the further development of the company. We are very pleased to see that our main shareholders offer strong support in a time where the market is still challenging. With the strengthened balance sheet, the organization can now devote all its attention to further development of the company," said CEO Bjørn Kjos of Norwegian.

A series of initiatives will contribute to reduced cost:

- -Aircraft divestments, including establishing a joint venture for aircraft ownership
- -Postponement of aircraft deliveries
- -The extensive cost reduction program, #Focus2019, will contribute to estimated reduction of minimum NOK 2 billion in 2019
- -Optimization of the base structure and route network
- -The agreement with Rolls-Royce related to compensation for the operational disruptions on its long-haul operations

The additional capital of three billion NOK will be raised through a fully underwritten rights issue, which will be voted on during an extraordinary general meeting on February 19, 2019. In connection with the fully underwritten rights issue, the company will publish its Q4 2018 results on February 7, 2019. The traffic results for February 2019 will be published on March 11, 2019.

For more information, please read the notice to the stock exchange [here](#).

About Norwegian

Norwegian is the world's fifth largest low-cost airline and carried 37 million passengers in 2018. The airline operates more than 500 routes to over 150 destinations in Europe, North Africa, Middle East, Thailand, Caribbean, North and South America. Norwegian has a fleet of more than 150 aircraft, with an average age of 3.7 years, making it one of the world's youngest and "greenest" fleets.

Norwegian has been named the [Most Fuel-Efficient Airline on Transatlantic Routes](#) by the International Council on Clean Transportation (ICCT) twice. Norwegian has been voted 'Europe's Best Low-Cost Airline' by passengers for six consecutive years at the SkyTrax World Airline Awards 2013-2018, along with being named the 'World's Best Low-Cost Long-Haul' Airline' for the past four years. Norwegian employs more than 11,000 people worldwide.

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