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Norwegian concludes on accounting treatment of Norwegian Finans Holding (NOFI) - no impact on the book value of equity in Q1 2018

Norwegian have today concluded on the accounting treatment of Norwegian Finans Holding (NOFI), resulting in a change for 2017. This will not have any impact on Norwegian's book value of equity at 31 March 2018, as the investment in NOFI will be recognized at market value from Q1 2018, instead of the previously announced Q2 2017.

In the interim report for Q4 2017, Norwegian commented that there was a dialogue between the company and Finanstilsynet regarding the accounting treatment of the investment in NOFI. In a recent meeting with Finanstilsynet, Norwegian have been informed that Finanstilsynet recommend accounting treatment for 2017 of the shares according the equity method of accounting. Norwegian have decided to follow the recommendation by Finanstilsynet, resulting in a change in the preliminary full year financial statements presented in connection with the company's Q4 presentation.

The financial impact on Norwegians accounts for 2017 will be as commented in the interim report for Q4. As of December 31, 2017, this will result in a reduction of the recognized value of the investment by NOK 1,993 million with a corresponding decrease in end balance equity. Effects of a change back to IAS 28 will also reverse financial gains in net profits of NOK 1,657 million, reverse fair value changes recorded in other comprehensive income of NOK 498 million and increase share of profit from associated companies by NOK 163 million.

Norwegian will again recognize the investment at fair value Q1 2018,

following the recent changes in the Board of Directors in NOFI. The impact of the financial accounts will reflect the market value of the investment at the time of the transaction, with a financial gain in Q1 2018. The net impact of the equity at 31 March 2018 will be unchanged compared to the current situation. Following these changes, Norwegian expect to have concluded the dialogue with Finanstilsynet.

Lysaker, 15 March 2018

Norwegian Air Shuttle ASA

Tore Østby, Acting CFO

About Norwegian:

Norwegian is a listed company on the Oslo Stock Exchange and is the world's sixth largest low-cost airline operating over 500 routes to more than 150 destinations in Europe, the U.S. and Asia. In 2017, Norwegian carried more than 33 million passengers. Norwegian has approximately 9.600 employees and a modern, environmentally friendly fleet of more than 140 aircraft with an average age of 3.6 years. The airline was voted Europe's best low-cost carrier of the year for the fifth year running and World's best low-cost long-haul airline by the renowned SkyTrax World Airline Awards for the third consecutive year.

For more information, visit www.norwegian.com

Contacts



For journalists only

Press Contact

Norwegian Press Office

press@norwegian.com

+47 815 11 816



Marketing/sponsorship requests: marketing@norwegian.com

Press Contact

Marketing/sponsorship requests: marketing@norwegian.com