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Norwegian reports record profit of NOK 733 million

Today Norwegian presents a pre-tax profit of NOK 733 million, which is the best result in a single quarter in the company's history. Compared to the same quarter last year the unit cost is significantly reduced and the number of passengers increased by as much as 25 percent.

The company carried more than 3.8 million passengers in the third quarter, 757,000 more than the same period in 2009. The total turnover was more than NOK 2.8 billion, an increase of 25 percent. The production increased by 34 percent. The load factor was a solid 80 percent despite the considerable capacity boost. The unit cost is down six percent since the third quarter of 2009 and is now at .41 NOK including fuel.

The company's third quarter result is also influenced by the NOK 175 million compensation paid by Scandinavian Airlines following industrial espionage.

"We are pleased to report the best quarterly result in Norwegian's history. Lower unit cost is necessary to further boost our competitiveness. If granted the same conditions as our competitors by the Scandinavian governments we are in a good position to meet the head-on competition. By continually phasing in several brand new and more environmentally friendly aircraft, our costs will continue to decrease and our passengers will experience increased in-flight comfort. When our 737-300 fleet is discontinued in 2012 we will have a cost-efficient and unitary fleet," said CEO of Norwegian, Bjørn Kjos.

Key Figures – 3rd quarter 2010 (3rd quarter 2009):

Passengers: 3.8 million (3.1 million)

Revenue: 2.8 BNOK (2.3 BNOK)

Load Factor: 80 percent (82 percent)

EBITDAR: 840 MNOK (669 MNOK)
EBITDA: 624 MNOK (515 MNOK)
EBT: 733 MNOK (519 MNOK)
Net Result: 528 MNOK (375 MNOK)

Please find more financial figures in the attached pdf.

Brand new and cost-efficient aircraft

11 brand new 737-800 aircraft have so far been delivered to Norwegian this year. In December an additional two will be delivered. These two aircraft will feature the exclusive Dreamliner interior: The Sky Interior. Next year, Norwegian increases its fleet by adding an additional 15 brand new Next Generation aircraft as more and more 737-300 aircraft are being phased out. By 2012 Norwegian will have a unitary fleet of Next Generation Boeing 737-800 with an average age of three years.

As Boeing's Sky Interior "Launch Customer", Norwegian's first aircraft featuring this exclusive interior will be delivered in early December. The new cabin will give the passengers a new in-flight experience that will enhance comfort considerably.

The aircraft that entered the fleet this fall feature a new type of brakes that reduce the total weight of the plane, consequently cutting fuel cost. Next year, improvements on aircraft and engines will further reduce fuel consumption.

In a few years Norwegian will have one of Europe's newest, most environmentally friendly and cost-efficient fleets.

Boeing 737-800 deliveries:

2010: 13 (11 delivered – 2 in December)

2011: 15

2012: 12

2013: 10

2014: 11

2015: 5

2016: 4

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Norwegian Air Shuttle ASA, commercially branded “Norwegian,” is a public low-cost airline noted on the Oslo Stock Exchange. The company is the second largest airline in Scandinavia, and has a route portfolio that stretches across Europe into North Africa and the Middle East. With competitive prices and customer friendly solutions and service, the company has experienced significant growth over the previous years. With more than 10.7 million passengers in 2009, Norwegian is the 3rd largest low-cost airline in Europe. The turnover in 2009 was in excess of NOK 7.3 billion. Norwegian currently operates 53 aircraft on 238 routes to 95 destinations and employs approximately 2 000 people.

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