



May 30, 2022 07:06 BST

Norwegian to purchase 50 Boeing 737 MAX 8 aircraft

Norwegian Air Shuttle ASA has reached an agreement in principle with Boeing for a recommitment to purchase 50 Boeing 737 MAX 8 aircraft. The agreement also includes options for an additional 30 aircraft. The 50 aircraft are due to be delivered between 2025 and 2028, at a schedule closely corresponding to current aircraft lease expirations. This entails a limited net increase of the company's current fleet. The parties' agreement in principle is subject to various closing conditions, which are targeted to be concluded by the end of June 2022.

The company intends to finance the outstanding balance of pre-delivery

payments through positive cash flow from operating activities. A significant share of the aircraft will be owned by the company, ensuring an optimised and balanced aircraft financing structure. Subsequent to the conclusion of these agreements, Norwegian estimates to record a net gain of approximately NOK 2 billion.

“This is a landmark deal that sets out a path whereby Norwegian will own a large share of its fleet. This will result in lower all-in costs and increased financial robustness, enabling us to further solidify our Nordic stronghold. The deal also allows us to serve our customers with state-of-the-art aircraft that can run increasingly on sustainable aviation fuel,” said Svein Harald Øygard, Chair of the Board of Norwegian.

The purchase agreement demonstrates Norwegian’s continuously strong commitment to operate a modern and fuel-efficient fleet. The Boeing 737 MAX 8 is approximately 14 percent more fuel-efficient compared to the previous-generation aircraft, putting the company on strong footing to achieve its target of reducing emissions by 45 percent by 2030.

“The overall terms achieved are attractive for Norwegian, and the deal fits well with our long-term fleet strategy and route program. It will enable us to serve our customers with modern fuel-efficient aircraft with the latest technology, significantly reducing our carbon footprint. The deal will also strengthen the company’s equity considerably, further solidifying Norwegian’s financial position,” said Geir Karlsen, CEO of Norwegian.

About Norwegian

Norwegian was founded in 1993 but began operating as a low-cost carrier with Boeing 737 aircraft in 2002. Since then, our mission has been to offer affordable fares for all and to allow customers to travel the smart way by offering value and choice throughout their journey.

Norwegian has been voted Europe’s Best Low-Cost airline by Skytrax for six consecutive years and won Airline Program of the Year Europe & Africa at the Freddie Awards for four consecutive years. Since 2012, Norwegian has won over 55 awards for our service, product, and innovation in the industry.

We were the first airline in the world to join the UN Climate Secretariat's climate action-initiative in 2019, pledging to work systematically to become carbon neutral by 2050.

Norwegian operates a short haul network across the Nordics and to key European destinations providing customers with excellent quality at affordable fares.

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