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Norwegian reports strong improvement in earnings and record high load factor

Norwegian (NAS) today reported its second quarter results for 2015. The pre-tax result (EBT) was 456 MNOK, an improvement of 593 MNOK from the previous year. The load factor for this period was 85 percent with strong progress in all of Norwegian's markets. This also applies to the long-haul operation, where the load factor was over 90 percent and the passenger number has more than doubled since the same period last year.

The load factor for the second quarter was 85 percent, up five percentage points from the same quarter last year. Norwegian's long-haul operation had an even higher load factor of 91 percent. During the second quarter, the airline carried 324,000 passengers on its long-haul network. This means that passenger figures for the long-haul operation has more than doubled since the same period last year, where the passenger number was 139,000.

Norwegian currently operates 434 routes in Europe, USA and Asia – 21 of which are long-haul routes. All in all, Norwegian has 28 long-haul destinations for sale, with more to come within just a few weeks, including London Gatwick – Boston.

During the second quarter, Norwegian took delivery of a new 787 Dreamliner and two Boeing 737-800 aircraft. Today, Norwegian has a long-haul fleet of eight Dreamliner aircraft. Four more Dreamliners will be added to the fleet next year; all of which will be a bigger version of the ones Norwegian operates today.

Solid growth in all markets

Seven million passengers chose to travel with Norwegian in the second quarter – an increase of nine percent. Norwegian's strongest growth in terms of passenger numbers was at London Gatwick, with Oslo Airport as a close runner up. The Spanish airports are also experiencing a solid rise in number

of Norwegian-passengers. During this quarter, Norwegian has launched domestic routes in Spain, new routes to the Caribbean, as well as new routes between the Caribbean and the cities of Boston, New York and Washington DC.

Despite a weak Norwegian krone, the unit costs are down, ensuring the company's competitiveness in the future. The fuel prices have decreased, which more than outweighs the effects of a weak Norwegian krone. New aircraft consume considerably less fuel than older aircraft, which gives Norwegian a significant competitive advantage. Norwegian boasts one of the world's youngest aircraft fleets with an average age of just four years.

During the second quarter, Norwegian's total revenue was almost 5.9 BNOK, up 16 percent from the same quarter last year. Norwegian's long-haul routes had a revenue growth of 60 percent. Norwegian's production growth (ASK) for this quarter was 8 percent, while the company's traffic growth (RPK) was 15 percent, which reflects that each of Norwegian's passengers on average flies significantly longer than they did before. In addition, more and more passengers are purchasing optional extras on board.

Norwegian named the world's best low cost long haul airline

"It has been a good quarter for Norwegian with a positive growth throughout our route network, particularly on our long-haul network. We fill the seats on our aircraft, we continue to launch new and exciting destinations and, not least, we have received fantastic feedback from our customers in the form of two SkyTrax awards," said Norwegian's CEO Bjørn Kjos.

In June, Norwegian was voted 'Best Low-Cost Airline in Europe' for the third year running, as well the 'World's Best Low-Cost Long-Haul Airline' for the first time, only two years after launching its long-haul service. Skytrax World Airline Awards is the most prestigious and recognized accolade in the airline industry. Travellers from over 160 countries take part each year in the world's largest airline passenger satisfaction survey to decide the award winners.

For detailed information, please see pdf attached.

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Norwegian Air Shuttle ASA, commercially branded “Norwegian”, is a low-cost airline listed on the Oslo Stock Exchange. Norwegian is the world’s seventh largest low-cost airline. The company reported its highest ever passenger figures in a single year with almost 24 million passengers in 2014. Norwegian has a route portfolio that stretches across Europe into North Africa and the Middle East, as well as long-haul flights to the US and Southeast Asia. The company has over 400 routes to more than 130 destinations and employs approximately 5,500 people. The company has several hundred undelivered aircraft on firm order. Norwegian was founded in 1993 and its headquarter is in Fornebu, Norway. Norwegian offers better leg room than most competitors, in-flight WiFi on short haul, a fleet of around 100 aircraft with an average age of only four years; one of the youngest fleets in the world. In 2013, 2014 and 2015, Norwegian was voted Europe’s best low-cost carrier of the year by the renowned SkyTrax World Airline Awards. Norwegian was also the first airline to be awarded the World’s best low-cost long-haul airline in 2015 by SkyTrax. In 2014, Norwegian also won three prizes at the prestigious Passenger Choice Awards for Best Airline in Europe, Best Inflight Connectivity & Communications and Best Single Achievement in Passenger Experience for its moving map on the 787 Dreamliners. In addition, Norwegian was awarded Europe’s best low-cost airline by AirlineRatings.com for the second year running.

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