



NORWEGIAN IS VERY DISAPPOINTED ABOUT LACK OF GOVERNMENT SUPPORT

News / Airlines, Finance



The government of Norway announced that Norwegian will not receive further financial support, which Norwegian had clearly communicated was necessary to maintain operations throughout the Covid-19 crisis. The company is now facing a very uncertain future, but we will do everything in our power to get through this crisis and to continue doing what Norwegian has been doing for almost 20 years: Ensuring competition and providing affordable fares for all. “First of all, I would like to thank of our customers, colleagues, the Norwegian Parliament, shareholders, leasing companies, creditors, bondholders, the travel industry and all others who have been supporting Norwegian in these challenging times. The fact that our government has decided to refrain from providing Norwegian with further financial support is very disappointing and feels like a slap in the face for everybody at Norwegian who is fighting for the company when our competitors are receiving billions in funding from their respective governments,” said Norwegian’s CEO Jacob Schram.

Norwegian has 2300 employees in Norway and several thousand colleagues in other countries.

“We are called Norwegian, We are Norwegian. We are a part of Norway and Norway is a part of us. This is the way it has been for almost 20 years. The support that we have received from our customers throughout all these years has meant a lot to us, in particular now during the Covid-19 crisis. We offer routes from Kristiansand in the south to Svalbard in the north, routes that cannot be replaced overnight. It will take time and it will have consequences for the competitive situation in Norway, like we have seen before. We also notice that airlines across the world that are also dependent on support to survive, are receiving billions from their respective authorities. Based on the number of tourists we fly to Norway, we contribute to sustaining 24,000 people in our country and boost the local economy by approximately 18 billion NOK per year. That alone clearly demonstrates that even moderate financial support, would constitute a profitable investment for Norway. How anyone could come to a different conclusion is impossible to understand. The local travel industry and businesses have again and again emphasized the importance of Norwegian’s route network. I recently visited all of our four bases in Norway and also met with local politicians and businesses,” said Schram.

Ever since the pandemic hit aviation across the world in March, Norwegian has made a substantial financial restructuring of 18 billion NOK from debt to equity. At the beginning of 2020, Norwegian anticipated the best summer ever for the company.

“We could clearly see the results of our hard work to go from growth to profitability, which was initiated in 2018. With further support to get Norwegian through this unprecedented crisis for the aviation industry, we would come out as a more sustainable and competitive airline, with a new structure and improved operation. Without support, the way forward has become much more uncertain. However, we will do whatever we can get through this crisis, to the benefit of our hard-working colleagues, our «Red Nose Warriors», and our customers,” Schram added.

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