

Icelandair Group Press Release
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Icelandair Group and Virgin subsidiaries sign a 7, 3 billion ISK agreement

LatCharter, the Latvian airline owned by Loftleidir Icelandic, a subsidiary of Icelandair Group has signed an agreement with Virgin Nigeria Airlines, a subsidiary of Virgin Atlantic Airways. From April this year LatCharter will operate two Boeing 767-300ER aircraft on the daily flight route between London, England and Johannesburg, South-Africa, through Lagos, Nigeria

Sigþór Einarsson, Icelandair Group Chief Operating Officer and Chairman of LatCharter says the agreement is the largest in the history of Loftleidir Icelandic and LatCharter, worth 7, 3 billion ISK in the next 4 years. The contract will generate revenue of 2,1 billion ISK per year in year one and two and 1,5 billion per year for the rest of the contract. “This agreement is in line with Icelandair Group policy of fast growth in the international charter operations and aircraft trading. We look at this a knowledge based expansion, as we are exporting the vast experience and business contacts within Icelandair Group. This contract is an important milestone on that route; it increases turnover fast, it opens new markets and opportunities for further growth”.

“We are pleased with our marketing success in the growing travel and tourism sector in Africa. In addition to this new assignment Loftleidir Icelandic has since last November operated a Boeing 767-300ER aircraft for Ghana International Airlines on the route between London and Johannesburg, through Accra”, says Sigþór Einarsson.

Loftleidir Icelandic acquired the charter airline LatCharter Airlines last year. At that time, LatCharter operated two Airbus A320 aircraft. Two more A320's have since been added, and when the two Boeing aircraft that will be flown for Virgin are added the fleet will have tripled since the company was purchased. Further growth is expected in the near future for both LatCharter and Loftleidir Icelandic.

Virgin Nigeria Airlines was founded in September 2004 and is a part of the Virgin Group headed by Richard Branson. The company is a subsidiary of Virgin Atlantic Airways. The Virgin Nigeria fleet is now 11 aircraft, serving 10 destinations.

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