

AIR ONE EXPANDS ACTIVITIES AT CAPODICHINO: NEW FLIGHTS FOR VENICE, PALERMO AND PISA AND A NEW OPERATIVE BASE AT THE AIRPORT. FORECASTS CALL FOR 43% INCREASE IN EMPLOYMENT

Today, 27 September, 2006, the President of the Campania Regional Council, **Antonio Bassolino**, Regional Councilman for Transport **Ennio Cascetta**, the CEO of Gesac, the Naples Capodichino airport management company), **Mauro Pollio** and the Managing Vice-Director of Air One, **Riccardo Toto**, presented expansion programme for the Italian airline at the Campania airport.

Expansion of Air One services at Capodichino airport

Air One expansion of services in Naples began this summer and includes:

- The introduction of new direct, domestic and international scheduled flights and an increase in capacity and frequency of already existing routes;
- The establishment of an operative base from Capidichino Airport.

3.8 million euro from the Campania Region for expansion of activities

Expansion was also made possible thanks to a 3,840,000 subsidy granted by the Campania Region until 2008 pursuant to a specific selection procedure, managed by Gesac, and destined for airlines wanting to introduce new routes or increase frequency of departures or arrivals from and to the Campania airport.

Selection Procedure in compliance with European regulations

The selection procedure utilised is in compliance with the principals of transparency, non-discrimination and proportionality in keeping with EU policy stances.

1. EXPANSION OF FLIGHT SERVICE

As of 1° October, new flights for Pisa, Venice and Palermo

The Air One flight expansion programme calls for the introduction of the following flights as of 1 October:

- Naples-Pisa (1 flight per day)
- Naples-Venice (2 flights per day)
- Naples-Palermo (2 flights per day)

Promotional fares will be offered on the new routes.

Routes which have already been increased

Service on the following routes was expanded 18 September:

- Naples-Bologna (from 1 to 2 flights per day)
- Naples-Athens (from weekly service to daily service)

Future plans for new flights to Vienna, Zurich, Catania and Reggio Calabria

Plans for 2007-08 include the introduction of the following routes: Naples-Ancona, Naples-Vienna and Naples-Zurich as well as direct service between cities in southern Italy (*Mezzogiorno*) such as Naples-Catania and Naples-Reggio Calabria.

The importance of service between other cities of the *Mezzogiorno*

All the new connections are strongly supported by the Campania Region, especially those with other cities in the *Mezzogiorno* as called for in the transportation plan presented last February by the *Mezzogiorno* Regional Co-ordination Committee

2. OPERATIVE BASE AT CAPODICHINO

Capodichino will be Air One's fourth operative base in Italy

In addition to the flight expansion plan, Air One has decided to establish an operative base at the Capodichino Airport with a permanent organisational structure and representation which will be added to the list of already existing bases at Rome-Fiumicino, Milan-Linate and Turin-Caselle.

As of October 3 Bombardiers with another 2 in arrival by 2008

The base, which will become active as of October, will maintain 3 90-seat Bombardier CRJ900 *regional jets* on site (with the addition of another 2 by 2008).

Aircraft characterised by comfort and reduced environmental impact

The new CRJ900s aircraft are particularly comfortable and reduce environmental impact because this aircraft is in compliance with the new CAEP6 regulations which call for decreased emissions of nitrogen oxides, lower noise levels and reduced fuel consumption.

Further investments for additional support equipment and vehicles

In addition to its symbolic and logistic value, the establishment of a base at Capodichino airport entails further investment on the part of Air One for a total ranging between 350-400,000 euro earmarked for new equipment and vehicles necessary for base activities.

Benefits for the economy and employment

The expansion of Air One activities at the Capodichino Airport will lead to benefits for the airport economy and employment.

A 43% increase in number of Air One employees thanks to the new operative base

Owing to the establishment of the new operative base, Air One forecasts a 43% increase in the number of employees including pilots, flight assistants, official representatives and additional company resources to provide the airline with services at the airport.

The impact on related activities

In addition to the direct impact of enhanced service (based upon studies conducted at Cologne University, every additional million passengers generates 1,104 jobs and a turnover of 100 million euro) there is also an indirect impact created by crews and passengers (tourism and hotel sectors) as well as the impact on correlated industries linked to airport activities generated by the purchase of goods and services

Results at Capodichino: 34% increase in traffic since 1999.

Once again, the expansion of Air One activities confirm the results attained in recent years at the Capodichino airport: since 1999, there has been an increase of 34% in overall traffic (see Gesac report).

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