

PRESS RELEASE

ALISUD acquires 100% of GESAC HANDLING a Naples airport ground handling company

Thanks to an agreement with Gesac Spa, Alisud has acquired 100% of GESAC HANDLING – the Naples airport ground handling company. With the transfer of the remaining minority shares (40%) formerly held by Gesac S.p.A., the Alisud Group, which already held majority shares of 60%, in fact has now acquired control of the entire share package.

Alisud*, a Campania based company which boasts years of experience in the handling and airport services sector and in all air transport related activities, became majority share-holder 1 January 2003.

The sale of the residual shares to Alisud satisfies a need of a strategic nature and – above all – provides an advantageous opportunity from the perspective of re-launching the ground handling company thus enabling it to strengthen its position in the airport handling market – which is now liberalised and extremely competitive. Indeed, the transfer is part of the evolution of a process initiated by Legislative Decree 18/99 which implemented European Community Directive 96/67 regarding the liberalisation of ground handling services. Hence, the need to establish GESAC HANDLING in 2000 and the entry of Alisud as majority share holder.

The Gesac operation responds perfectly to the company's role in assuming total management of the airport (as defined by the forty-year license obtained 11 February 2003 and recognised by ENAC certification which was granted to Gesac in September of 2004), thus rendering Gesac responsible for the full operations of airport services and the development of infrastructure in terms of *safety*, *security* and service quality. In this manner, Gesac will be able to maintain an absolutely neutral and transparent role in relation to the other handling companies present at the Naples airport which operate in a competitive situation.

The company transfer of shares will not influence operational plans in any way, rather, it will allow GESAC HANDLING to become more competitive by the further improvement of services both in terms of costs and quality which, in turn, will allow for possible investments in handling activities in other airports. The presence of Gesac, the airport management company, as a shareholder constituted a potential obstacle to the development and partnership strategy at other Italian airports.

In order to achieve this objective, for the past three years, GESAC HANDLING has operated through its subsidiary, Eagles Services, at the Venice airport where it has obtained nearly a third of the handling services market and plans to expand into the Palermo and Catania airports in the near future (an activity which is, for the most part, in synergy with the pre-existing group from the Naples and Sigonella military airports).

Recently, on 5 May, GESAC HANDLING Spa, established **GH Palermo Spa, a ground handling company, which operates in joint venture (49%) with Gesap Spa, the ground handling company at the Falcone and Borsellino Airport in Palermo.**

"This corporate operation conducted by Gesac arose precisely from the company's focus on its role as airport management company. In order to become more competitive, handling activities must be developed by operators in the sector whose core business is handling services," **declared Mauro Pollio CEO and Managing Director of Gesac Spa.**

"Our priority objective is to confront the handling market, which is an extremely competitive market, in an appropriate manner with a strategy aimed at expansion into a national and international service network," **stated Paolo Zincone, Alisud Managing Director.**

Ultimately, among Alisud's priority plans is another minority shareholder which would facilitate the entrance of GESAC HANDLING into a large international network and secure and consolidate the company and the group's position in the handling services market.

(*) **Alisud Spa** was established in 1956 as an air line. A private Campania company, Alisud has acquired much experience in the management of handling services (from 1961 to 68 at the Naples civil airport and from 1969 to 1986 at the Catania and Palermo airports – the American military bases in Naples where Alisud has operated since 1972 and Signonella from 1976 to 1997 and once again since Novembre 2002) and in the various activities related to the business of air transport. attività connesse al business del trasporto aereo. La gestione delle attività di assistenza a terra è stata già ampiamente sperimentata con successo sulla base militare NSA di Capodichino dove la compagine Alisud- Gesac Handling e Servisair opera da circa quattro anni in partnership attraverso il **CONSORZIO ALGESE**.

Naples, 10 May 2005