

**SAAB**

PRESS INFORMATION

Handläggare *Handled by*

Peter Larsson

Datum *Date*

July 21, 2006

Referens *Reference*

CU 06:054 E

Australia's Regional Express increases Saab 340 Fleet

Regional Express and Saab Aircraft Leasing have reached an agreement covering five aircraft, which will see Rex add one leased Saab 340B plus extend its existing leases for four Saab 340B aircraft.

Regional Express (Rex), the largest independent regional airline in Australia, has reached an agreement with Saab Aircraft Leasing to enter into a 5-year lease agreement for one Saab 340B aircraft as well as a corresponding extension to its existing four Saab 340B leases.

The airline is well known for its affordable fares, reliability and On Time Performance and frequent service from Australia's south eastern major cities of Sydney, Melbourne and Adelaide to 25 regional destinations.. The airline is listed on the Australian Stock Exchange (ASX).

Rex has steadily expanded its Saab 340 fleet and is now one of the largest 340 operators in the world with over 30 aircraft. The airline has initiated the phase out of its 19-seat Metro 23s which will be replaced by Saab 340s before the end of the year, thereby achieving further cost benefits as a single fleet Saab 340 operator.

Morgan Falkengren, Saab Aircraft Leasing Vice President Asia-Pacific states, "We are very proud to be a partner to Regional Express. Our two companies have a long and successful business relationship and we are delighted to see a continued fleet expansion. Rex's profitability margin is among the highest in the world and surpasses even the well established Asia Pacific carriers like Singapore Airlines and Qantas. The consistent profitability of Rex demonstrates that the Saab 340 is very well suited for today's demanding regional airline operations."

Rex Executive Chairman, Lim Kim Hai, said that he was extremely satisfied with the performance of the Saab 340 which he described as the ideal turboprop aircraft for today's regional airline environment.

"Its low operating cost and fuel efficient engines have allowed us to remain highly profitable in spite of the very challenging fuel prices," Mr Lim said.

Saab AB (publ)

Postadress

Postal address

SE-581 88 Linköping
Sweden

Telefon

Telephone

+46 (0)13 18 00 00

Telefax

+46 (0)13 18 72 00

Organisationsnummer

Registered No

556036-0793

Momsregnummer

VAT No

SE556036079301



SAAB

PRESS INFORMATION

Sida Page

2

Saab Aircraft Leasing manages a portfolio of about 200 Saab 340 and Saab 2000 aircraft leased to 25 airlines around the world. With 35 employees, its head-office is in Washington, DC and regional offices in Stockholm Sweden and Tokyo Japan.

Saab is one of the world's leading high-technology companies, with its main operations focusing on defence, aviation and space. The group covers a broad spectrum of competence and capabilities in systems integration.

For further information, please contact:

Michael Magnusson, President and CEO, Saab Aircraft Leasing
Telephone: +1 703 406 7220

www.saabgroup.com

Rex Corporate Communications
Telephone: +61 402 438 361

www.rex.com.au