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Rex Third Quarter Earnings Rise by 8%

Regional Express (Rex) today released its third quarter unaudited results, which show the group's profit before tax rising from \$7.6m in the same quarter last year to \$8.2m this year, or a rise of 8%.

Here to release the results at its quarterly investor briefing, Rex Executive Chairman Lim Kim Hai said that regional aviation in Australia, and indeed aviation world wide, encountered a veritable tsunami in the past few months with the horrific oil prices, the severe shortage of pilots and the financial crisis.

"I have been watching closely the results in this quarter of all the airlines. In the U.S. for example, almost all the airlines lost money with the notable exception of Southwest which saw its profits plummeting by 60%. This has resulted in the collapse of half a dozen airlines worldwide since the close of the quarter.

"We also have Easter in this quarter, which for us is a very slow period."

Mr Lim expressed his great satisfaction with the performance of the Rex group, "Given the extremely difficult environment of the third quarter, I must say that we performed beyond our own expectations. The results are a testimony to the underlying strength of our business model. Rex remains debt free which sets us apart from nearly every other airline in the world.

"I want to take this opportunity to pay a special tribute to the tenacity of our staff who stepped up selflessly to take up the slack whenever we were in a tight spot. This Rex spirit is what sets us apart and helps us to continue to do well even in the midst of the perfect storm."

Commenting on the forecast for the full year, Mr Lim said, "Bookings for the last quarter are strong, translating into high load factors. With only one month left of the year, I am confident of meeting our earlier profit forecast, which called for net earnings to match that of the previous year's."

The full details of the Q3 results can be found on the Company's website.

Rex also announced today that Jim Davis was appointed as the Managing Director of the Company with immediate effect. Jim was appointed acting Managing Director after the retirement of Geoff Breust in December 2007.

Rex is Australia's largest independent regional airline operating a fleet of 38 Saab 340 aircraft on more than 1,200 flights weekly to 23 destinations from Sydney, Melbourne and Adelaide. The Rex Group comprises Regional Express, air freight and charter operator Pel-Air Aviation and Dubbo based regional airline Air Link, as well as the pilot academy Australian Airline Pilot Academy.