

**Source: just4airlines.com, 26 September 2008**

## **Rex exits Mildura to Sydney**

Regional Express (Rex) has announced that it will exit the Mildura to Sydney route from the 2nd of November 2008.

Rex General Manager, Network Strategy and Sales, Mr Warrick Lodge said, "Rex took the commercial decision to open up the Mildura to Sydney route back in 2002, however the 8000 annual passenger route has always been a marginal one."

"The introduction of Virgin Blue services between Mildura and Melbourne will result in a significant over-supply of seats in the total Mildura market. We will no longer be able to subsidise the loss-making Mildura to Sydney route with our Mildura to Melbourne services, as we expect the latter's margins to be reduced."

Mr Lodge added, "I foresee many other regional cities losing their air services in the next 12 months in today's environment of high fuel prices and galloping airport, security and regulatory costs. Smaller regional routes are extremely vulnerable in today's environment."

Mr Lodge however said that Rex remained fully committed to the Mildura to Melbourne route and would continue to provide the much needed flight frequency that regional travellers require. "Rex has grown annual passenger numbers through Mildura Airport from approximately 22,000 in FY03 to more than 70,000 in FY08 and we see this as a significant achievement that brings about many economic and social benefits to the City of Mildura."

Customers holding a reservation between Mildura and Sydney beyond the 2nd of November will be offered a full refund.