

**Source: TradingMarkets.com, 27 Feb 08**

## **Regional Express H108 net profit \$10.3m**

Regional Express Holdings Ltd (ASX:REX) delivered a net profit of \$10.3 million for the half year to December 31 2007 down 1.2 per cent compared with \$11.5m in the prior corresponding half.

Revenue was \$128.9m against \$104.4m.

No interim dividend was declared.

The airline said the profit reduction came from flight cancellations, route suspensions and service disruptions with an acute pilot shortage.

Additionally there was a one-off increase in engineering cost of \$3m and a start-up cost of a pilot academy in Victoria.

The loss of the Olympic Dam service resulted in a reduction of overall network yield.

Measures to address the pilot shortage have allowed for a steady recovery in required pilot numbers half way through the period.