



PRESS RELEASE

**Financial statements for the first half of 2010.
Revenues stood at € 1,480 million (+13%).
Operating results at -129 million (+ € 144 million vs. 2009). Total cash € 491 million.
Flight punctuality at 82.5%.**

Rome, 30 July 2010 – The Board of Directors of Alitalia - Compagnia Aerea Italiana SpA, chaired by Roberto Colaninno, met today in Rome and approved the consolidated Group financial statements for the first half of 2010, presented by the CEO Rocco Sabelli.

In the first half of the year ending on 30 June 2010, the Alitalia Group transported 10.6 million passengers (up 3% compared with the first half of 2009, also taking into account the period from 1-13 January). Such growth was primarily spurred by intercontinental and international activity, which reported increases of 22.9% and 7.6% in the number of passengers transported, respectively.

The load factor was 68%, up 9.3 points compared with the same period of 2009 (58.7%).

Revenues stood at €1,480 million, representing growth of 13% with respect to the first half of 2009 (€1,309 million). The trend in revenues posted a substantial improvement between the first quarter (€649 million) and the second quarter (€831 million). Such progress was primarily driven by the seasonal trend and the recovery in air traffic demand, primarily in America and Asia and then to a less extent in Europe, and even less in Italy.

The operating result for the period under consideration was a negative €129 million (a negative €273 million in 2009), while the net result was a negative €164 million (a negative €324 million in 2009).

Losses were halved compared with the same period in 2009. This was achieved despite the negative impact coming from the increase in fuel costs, the rise in payroll costs due to the reduction in “CIGS” contributions and the economic effects deriving from the limitations on air traffic imposed by the eruption of the volcano in Iceland.

Net financial indebtedness as of 30 June totalled €783 million and is primarily related to indebtedness pertaining to the Company’s fleet (€837 million).

Total cash and cash equivalents, including undrawn credit lines, amounted to approximately €491 million as of 30 June.

As of 30 June, the fleet comprised 156 aircraft, including 9 new Airbus A320s delivered in 2009 and 5 delivered in the first half of 2010. Moreover, 2 new Airbus A320s and 2 new Airbus A330s have been delivered in July.

The cabin renovation plan involving Alitalia’s other 46 Airbus medium-range aircraft and calling for investment of more than €20 million was completed. All of Alitalia’s short- and medium-range aircraft are now fitted with slim seats in leather and individual passenger screens.

From an operating perspective, the six-month period reported important progress in service levels and in customer satisfaction. Flight regularity reached 99.6% and punctuality reached 82.5%, up 11 points with respect to the same period in 2009 (71.6%).

On the Rome-Milan route, flight punctuality was 91.2% (77.6% in the first six months of 2009). This improvement confirms the validity of the several actions implemented to ensure excellent service on Italy's most important route.

The investments in new aircraft, the improvement in operating performance and the new offer of products and services led to a significant increase in the level of customer satisfaction, which rose from 71.7% in June 2009 to 82.1% in June 2010.

The second quarter of the year was the first in terms of full activity of Air One *smart carrier* service at Milan's Malpensa airport. Such service was launched on 28 March of this year.

In the these three months, Air One transported around 320,000 passengers out of Malpensa with flights to 14 destinations, of which 4 international. This positive result confirms the validity of the formula. During the second quarter, the punctuality of Air One flights at Malpensa was 89%.

The Board of Directors has expressed its satisfaction with the results reached as such results are in line with economic and operating objectives. Moreover, taken together with the positive trend in July, these results show that the Company is on track to break even at the operational level in 2011.

	1 st half 2010	1 st half 2009	Change
Passengers transported	10,600,000	10,300,000	+ 3 %
Load Factor	68 %	58.7 %	+ 9.3 p.p.
Revenues	1,480	1,309	+ 13 %
Operating result (in million euros)	- 129	- 273	+ 144
Net result (in million euros)	- 164	- 324	+ 160
Entire network punctuality A15	82.5 %	71.6 %	+ 10.9 p.p.
Rome-Milan-Rome punctuality A15	91.2 %	77.6 %	+ 13.6 p.p.
Customer satisfaction (June)	82.1 %	71.7 %	+ 10.4 p.p.

For information to press:

Paolo Di Prima

Alitalia - Responsabile Relazioni con i Media

Tel. 06-65630817

Email. diprima.paolo@alitalia.it – ufficio.stampa@alitalia.it