

KEY FACTS AND FIGURES

Region Avia is a private airline operating regular passenger and freight services to all parts of Russia. Region Avia Airlines also offers charter corporate flights and services for regional and local authorities in Russia.

- *Commercial Operator Certificate No. 495 from 19.08.2006*
- *Aircraft fleet – 8 AN-28 turboprop aircrafts.*
- *Hub airport – Bykovo (Moscow)*

Currently Region Avia runs regular flights in the following Russian regions and districts: Central Federal District, Khanty-Mansiyski Autonomous District, the Sakha Republic (Yakutiya), Karelia and Kamchatka. We plan to widen our coverage of regional flights within the next two years.

AIRCRAFT FLEET

So far our fleet consists of the An-28 (<http://www.regionavia.ru/eng/gallery.php>), a turbo-prop plane ideally suited to our Company since it was designed specifically for regional air traffic and, uniquely, can take off and land on short air strips, enabling us to fly to and from any Russian airport with a runway of at least 600 meters and to meet most client wishes. Converting the passenger cabin for freight takes just 15-20 minutes, allowing every flight to achieve the maximum commercial efficiency.

STRATEGY

Region Avia strategic goal is to restore the connections which used to exist between Russia's cities and towns and develop new destinations for passenger and freight services. In a word – Region Avia Airlines aims to provide regular flights to link Russia's outlying cities with the country's main regional air hubs.

*In order to expand Region Avia network of regional air transport, we plan to build up a fleet consisting of **foreign-made turbo-props** that will offer services on domestic flights of up to 1,000 kilometers in Russia.*

*We are considering the following aircraft models as the most appropriate ones meeting Region Avia Five-Year Business plan: **ATR-42 300/500, EMB-120, DASH-8 100/300.***

In the frame of the Business Plan, within 2008 it is intended to dry lease/buy 5 used aircraft.

PARTNERS

Region Avia Strategy has been already approved by high-level stakeholders and has got real support from them:

- **European Bank of Reconstruction and Development (EBRD).** About 45% of Region-Avia stocks have been purchased by the direct investment fund Norum, established by EBRD.
- **Lufthansa Consulting.** The schedule for commercial flights of Region Avia for 2008-2009 is ready and the destinations worked out in cooperation with Lufthansa Consulting.
- **The Government of Moscow City.** Region Avia Airlines has been included in governmental program on the development of regional passenger services in the Central Federal District. Region Avia has been granted the governmental credit line (approx. US\$ 6.3 MM).

- **Development Fund of Central Federal District of Russia** (Structure of Presidential Administration). Development Fund Finance Committee approved Region Avia investment project on the Resumption of Regional Passenger Services in the Central Federal District.

CEO

Denis Pavshinsky is Chairman of the Board of Directors and CEO of Region-Avia. Mr. Pavshinsky (aged 38) is responsible for strategic development of the airline and relations with stakeholders. Previously Pavshinsky held the post of Tver region Deputy Governor, in charge of tourism, sport and youth policies. From 2003 to 2004 he headed the Central Federal District (CFD) Investment Agency, which was created for the realization of major investment projects in CFD regions. Until 2003 Pavshinsky worked as chief of a major holding that provided funds to a branch of industry. In the early 90s he established a series of enterprises specializing in the supply of radio-electronic equipment to the Russian air force and civil aviation. He graduated from the Moscow Institute of Radio Engineering, Electronics and Automation. Subsequently he gained two higher qualifications in management and law at the Moscow Academy of Economics and Law. Married, he has a son and two daughters.

MEDIA ABOUT US



“New Competitor for Russian Railways”

...Region-Avia joint-owner and CEO Denis Pavshinsky has ambitious plans. As he told Vedomosti, he wants to provide services between most of the big cities in central and southern Russia and therefore intends to increase the number of daily flights from 10 to approximately 40 next year. The schedule for commercial flights for 2008-2009 is now ready and the destinations worked out in cooperation with Lufthansa Consulting...

<http://www.regionavia.ru/eng/viewnews.php?id=8179584f379e5e13ddcdccfd806f867c>

Kommersant

“Region-Avia to buy fleet of foreign turboprops for medium-haul flights on routes up to 1,500 km”

...A new major regional air carrier may appear in Russia. According to information received by the Kommersant newspaper, Region Avia Airline intends to purchase a fleet of 50 turboprop foreign aircraft for use on medium-haul domestic flights of up to 1,500 km. After \$65 million in investment, with the main investor in the project the Norum fund, which is linked to European Bank of Reconstruction and Development (EBRD), Region-Avia plans to carry over 3 million passengers by 2010-2012, a figure comparable to the market leaders...

<http://www.regionavia.ru/eng/viewnews.php?id=4629cb583b003c4e6cafd352ea1d89da>



From Wikipedia. <http://en.wikipedia.org/wiki/Region-Avia>

АвиаПОРТ

“Region-Avia rolls out new services”

...The carrier is more interested in Russia's central region, where the Company plans to begin a major project to revive local air services. Region-Avia has already signed cooperation agreements with nine airports: Bikovo and Vnukovo in Moscow and the airports in Tambov, Kursk, Bryansk, Stary Oskol, Voronezh, Lipetsk and Ivanovo. Initially, flights will be to and from these airports, all of which have been certified to handle the An-28...

<http://www.regionavia.ru/eng/viewnews.php?id=b603b267f30316b8228554f1892830de>



“LH Consulting support new Russian regional airline plans”

...The LCG team faced the challenge of estimating the market sizes for the city pairs with no aviation traffic history and only scanty data available. Besides indentifying more than 30 new regional destinations in Central Russia, the LCG consultants evaluated various options for building up the most profitable network structure for the re-launch of a new regional airline...

<http://www.newstodate.aero/news/index.php?catagory =all&id=9256>



...EBRD financed carrier expands towards target of 3m regional passengers a year.

<http://www.concise.org/aerospace/viewarticle.cfm?articleid=7366>



“Region Avia Fleet Talks”, Jan 2008

...The airline has expanded dramatically since it was formed in 2005 and has ambitious plans to boost its share of the domestic regional market to as much as 35% as it targets carrying more than ten million passengers by 2012.

<http://www.regionavia.ru/eng/viewnews.php?id=684accbd110843377e46a308cbb78f21>

CONTACTS

Please do not hesitate to contact us if you have questions or need additional information.

REGION AVIA AIRLINES

Molodogvardeyskaya st., 57, Moscow, Russia, 121351

Tel: +7 495 980 87 48

Fax: +7 495 644 33 78

E-mail: info@regionavia.ru

WEB: www.regionavia.ru/eng