



MEDIA RELEASE

Virgin Blue Orders 20 Embraer 'E-Jets'

- New Fleet strategy for Australia's 'New World Carrier'

Thursday 2 November 2006: Virgin Blue Holdings today announced a major new investment with an AUD\$950 million list price order for 20 aircraft from the Embraer E-Jet family.

With deliveries commencing in 2007, the order includes firm commitments for 11 EMBRAER 190 and 3 EMBRAER 170 jet aircraft and options for 6 additional E-Jets.

The Brazilian jets – the first of their type to operate scheduled services in the Australasian region will give the Virgin Blue Group significant additional operating flexibility, while increasing efficiency through lower fuel burn.

Both aircraft types will be fitted with leather Elite seats, the widest economy seat offered worldwide on a single aisle aircraft. Virgin Blue will configure its jets in a single class, 2 x 2 seat layout.

"This acquisition is a key step-change for Virgin Blue under our New World Carrier strategy announced last year," said the airline's Chief Executive Officer, Mr Brett Godfrey.

"Our current fleet of Boeing 737-700 and 737-800 aircraft provides sufficient capacity to serve key routes in the Australian, trans-Tasman and Pacific Island markets, however it is not optimal on all markets," said Mr Godfrey.

"This new jet will enhance our ability to serve the corporate market by more accurately matching seat capacity and frequency to passenger demand.

"We believe the Embraer E-jet family provides jets with large capabilities, which will enable us to operate the right sized aircraft, not only for specific routes, but for specific days and even particular times of the day and night."

"Virgin Blue will have the ability to complement and "right size" our operations and we are currently considering a range of operating possibilities which are yet to be confirmed," added Mr Godfrey.

Coinciding with Virgin Blue's order, Embraer will bring an EMBRAER 190 aircraft to Australia later this month for a national demonstration tour, including a roadshow for Virgin Blue staff throughout the country.

As of September 30, 2006, Embraer had delivered 184 E-Jets to customers in Canada, United States, United Kingdom, Italy, Germany, Finland, Poland, India, Hong Kong, Saudi Arabia, Ecuador and Panama.

"We are delighted that Virgin Blue has selected our E-Jets," said Frederico Fleury Curado, Embraer Executive Vice-President, Airline Market.

“It is particularly satisfying to know that our technologically advanced and fuel efficient E-Jets fit the bill for this ‘New World Carrier’ who is once again poised to change the airline landscape in Australia and the South Pacific. “

The EMBRAER 190s ordered by the Virgin Blue Holdings group have a maximum range of 2,300 nautical miles, or 4,260 kilometres, enabling them to fly with a full payload from Sydney to anywhere in Australia, or beyond to New Zealand and a range of destinations throughout the Pacific. The EMBRAER 190 seating configuration can range from 98 to 114 seats.

The smaller EMBRAER 170s can fly 2,000 nautical miles, or 3,706 kilometres, enabling them to operate from Sydney to anywhere on Australia’s eastern seaboard, as far north as Darwin, or from Adelaide or central Australia to Perth, as well as from eastern Australia to New Zealand and parts of the Pacific. The EMBRAER 170 seating configuration can range from 70 to 80 seats.

Virgin Blue's E-Jets also will include extensive use of new weight-saving materials, fly-by-wire electronic control and new-technology fuel efficient engines reducing both fuel burn and exhaust emissions – a vital consideration in Virgin Blue’s selection of new aircraft.

In addition, the E-Jets meet the most stringent restrictions on aircraft noise, reducing noise around airports and beneath flight paths, as well as minimising cabin noise levels for passengers.

For more information about the Embraer E-Jets, visit www.embraer.com <http://www.embraer.com/>.



Multi award winning airline Virgin Blue and International carriers Pacific Blue and Polynesian Blue currently operate a fleet of 53 Boeing 737 aircraft flying to 22 Australian and 8 International destinations including New Zealand, Fiji, Samoa, Tonga, Vanuatu and the Cook Islands. For Virgin Blue bookings log on to www.virginblue.com.au or call 13 6789. For Pacific Blue bookings log on to www.flypacificblue.com or call 13 1645 from Australia or 0800 670 000 from New Zealand. For dynamic package deals, holiday your way by logging on to www.blueholidays.com.au



Embraer (Empresa Brasileira de Aeronáutica S.A. - NYSE: ERJ; Bovespa: EMBR3) is the world’s leading manufacturer of Commercial jets up to 110 seats with 37 years of experience in designing, developing, manufacturing, selling and providing after sales support to aircraft for the Commercial Aviation, Executive Aviation, and Defense and Government segments. With headquarters in São José dos Campos, State of São Paulo, the Company has offices and customer service bases in the United States, France, Portugal, China and Singapore. Embraer is among Brazil’s leading exporting companies. As of September 30, 2006, Embraer had a total workforce of 18,336 people, and its firm order backlog totaled US\$ 13.3 billion.

For further information:

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