

REX PRESS CONFERENCE

7 November 2007 – Sydney, New South Wales

PILOT SHORTAGE IN AUSTRALIA AND REX ROAD MAP FOR RECOVERY

Opening Address by The Hon. John Sharp, Deputy Chairman,
Regional Express Holdings Limited

Ladies and Gentlemen,

The severe pilot shortage has resulted over the last four months in massive disruption to Rex's operations and I am sure the operations of other airlines. Rex has been forthright and complete with its disclosures and has issued five media releases to inform the public and its shareholders of the situation and its plans for overcoming this very serious threat.

The media releases issued were:

03 October 2007	"Rex Launches Pilot Cadet Scheme"
09 October 2007	"Rex Warns of Looming Catastrophic Shortage of Pilots in Australia"
31 October 2007	"Ongoing Pilot Shortage Forces Regional Express to Temporarily Suspend 'Snowy Mountains' Service"
01 November 2007	"Rex and Mangalore Airport Announce Creation of Pilot Academy"
05 November 2007	"Rex Announces Suspension of Maryborough Service due to Pilot Shortage"

However, we still have numerous requests from the media seeking further comment. We therefore believe it is expedient to call a press conference to respond, within the bounds of the disclosure rules of the ASX, collectively to all media questions.

I will now take questions from the floor.

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Pilot shortage in Australia Rex road map for recovery




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rex.
Regional Express

OTP Calendar Year 2004-2006









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Airline	On Time Departure			Cancellation Rate (%)		
	2006	2005	2004	2006	2005	2004
	2 nd	1 st	2 nd	0.3%	0.2%	0.2%
	4 th	4 th	3 rd	0.9%	1.1%	0.9%
	3 rd	7 th	5 th	1.0%	1.2%	0.8%
	5 th	5 th	4 th	0.5%	1.0%	1.0%
	1 st	3 rd	6 th	0.8%	0.8%	0.8%
	6 th	2 nd	1 st	2.3%	1.5%	0.2%
	6 th	6 th	N/A	2.3%	1.7%	N/A



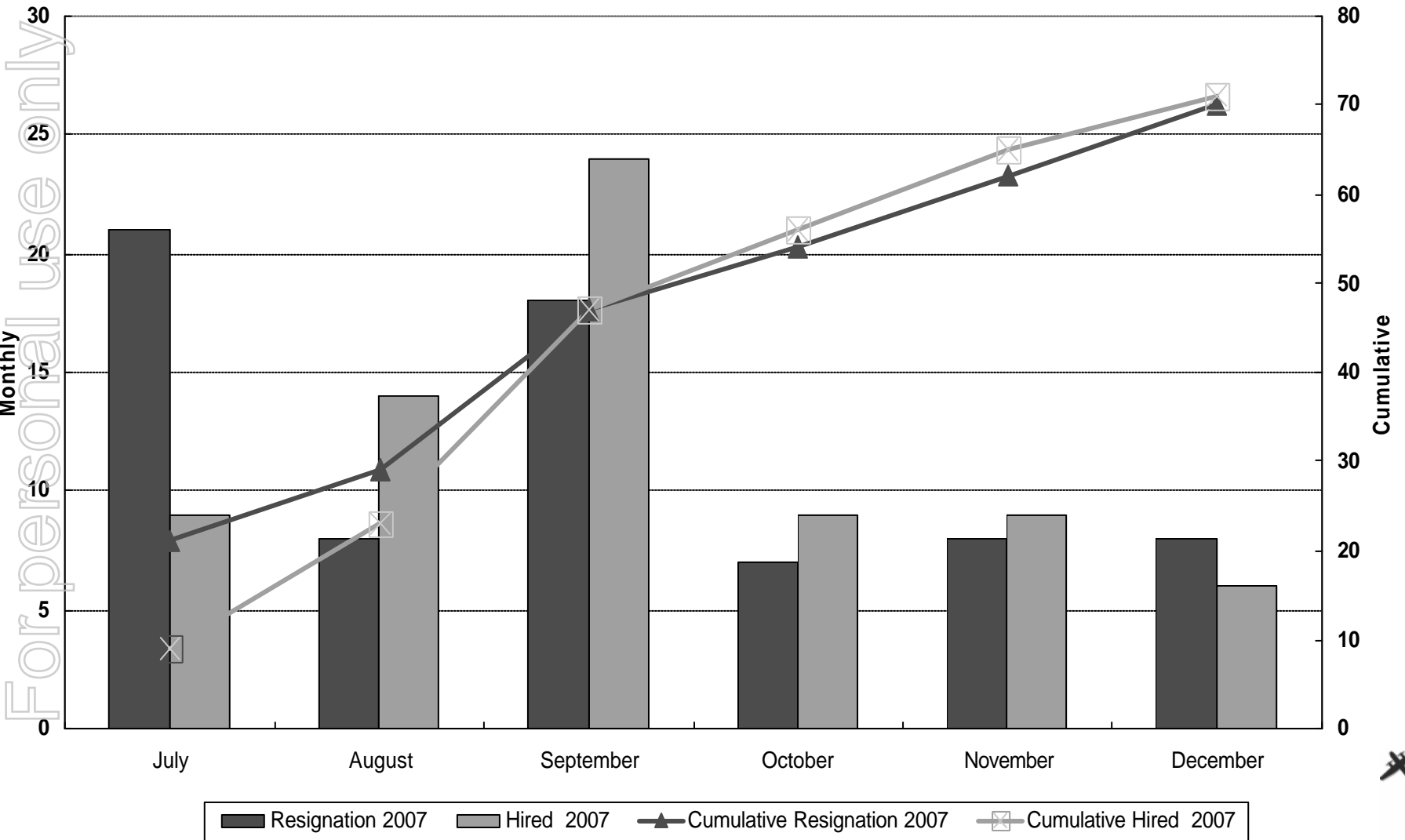
Cancellations Aug 2007

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Airline	Latest BTRE Report - Aug 2007	
	Cancellation Rate (%)	
	2 nd (0.7%)	
	1 st (0.6%)	
	5 th (1.8%)	
	1 st (0.6%)	
	4 th (1.6%)	
	3 rd (0.8%)	
	6 th (2.7%)	
	Sept 2007 (1.8%)	Oct 2007 (2.1%)

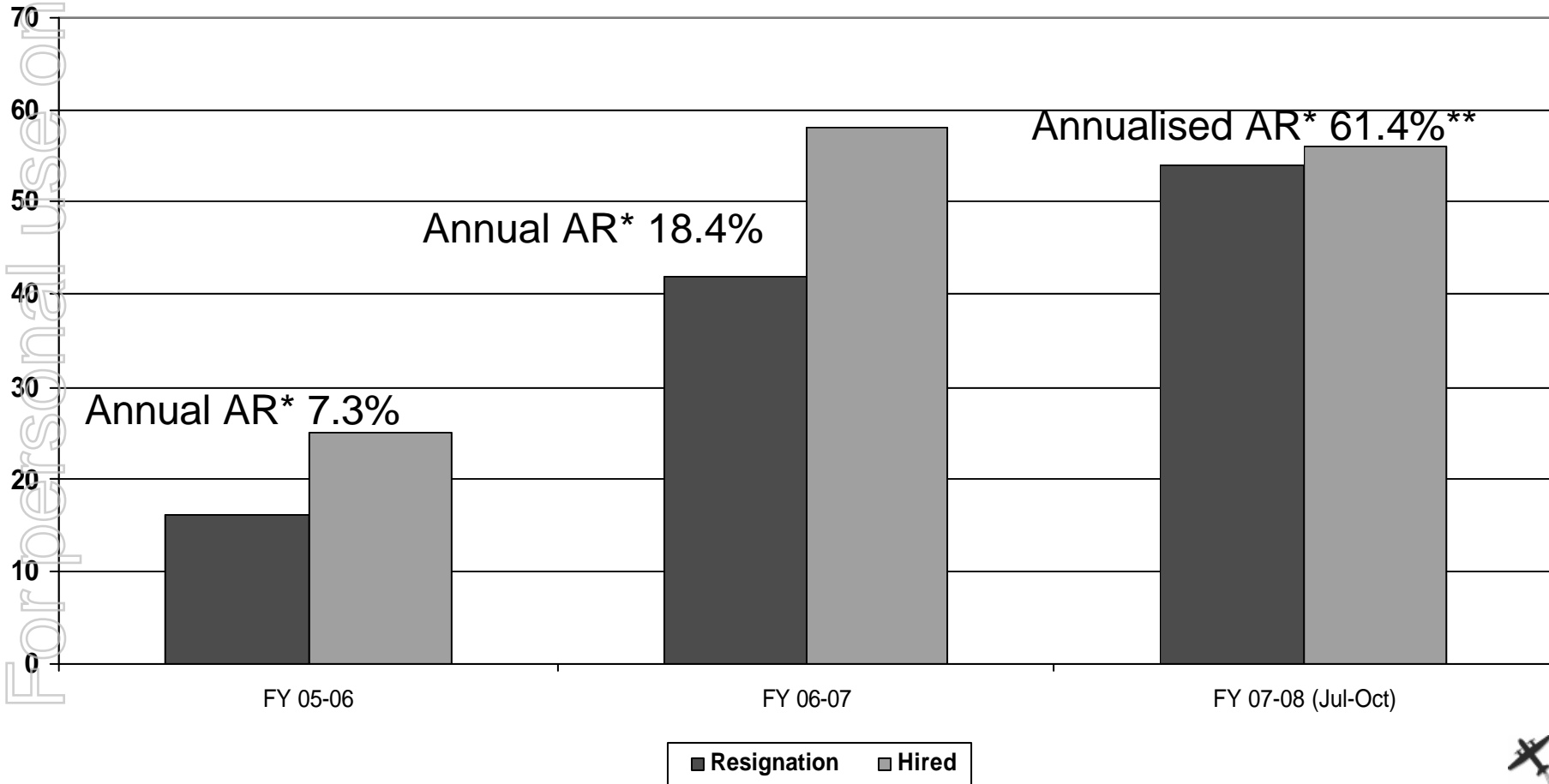


Rex Pilot Turnover 2007 to Date with Projections



Rex Pilot Turnover FY05/06,06/07,07/08

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*Attrition rate

** Annualised rate based on actual July – Oct 07 and forecast Nov - Dec 07



Reasons for Pilot Resignations Calendar Year 2007

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