



PRESS RELEASE

Monthly report in accordance with Article 114, paragraph 5 of Legislative Decree 58/98

Milan, 30 July 2008 – The following report is issued by Eurofly S.p.A. in compliance with Consob's request, in accordance with Article 114, paragraph 5 of Legislative Decree 58/98, for monthly reporting on the capital, financial position and operating results of the company.

1) Agreements with Meridiana

No significant new agreements to pursue commercial and operational synergies were entered into with Meridiana in June 2008.

2) Update on any changes and adjustments to the targets laid down in the Industrial Plan

Today's Board of Directors reviewed 2008/2010 Business Plan, revising the target released last 27 October 2007 (among the others net loss of euro 8 million for 2008, break even for 2009 and positive net result for 2010), and extended the provision to 2011 and 2012.

For further details of 2008/2012 new Business Plan please refer to the relative press release issued today.

3) Capital, financial position and operating results

June posted a negative result, in line with the business seasonality. The loss was worsened by the fuel cost. Taking the information currently available into consideration, the economic results of the first six months may determine a level of equity at the end on June provided in art 2446 civil code. The situation should change in the following months due to the seasonality of the business and the capital increase approved today by the Board of Directors. For details on the capital increase, please refer to the press release issued today.

The financial position is described below.

4) Net financial position

The table below shows the net financial position with detailed information on short-, medium- and long-term assets and liabilities.

31.12.07			30.06.08		31.05.08
Total			Total	with related parties	Total
Euro/000					
6.955	A. Cash	(1)	15.502	-	5.830
-	B. Derivative contracts included in cash	(1)	-	-	-
6.955	C. Net cash and equivalents (A) + (B)		15.502	-	5.830
-	D. Current financial receivables		-	-	-
15.914	E. Current bank debt	(1)	15.000	-	15.891
-	F. Derivative contracts included in bank debt	(1)	-	-	-
514	G. Current portion of non-current debt		526	-	526
4.323	H. Current financial debt		-	-	-
20.751	I. Current financial debt (E) + (F) + (G) + (H)		15.526	-	16.417
13.796	J. Net current financial debt (I) - (C) - (D)		24	-	10.587
-	K. Non-current financial receivables		-	-	-
3.268	L. Non-current bank debt		3.018	-	3.018
-	M. Bonds issued		-	-	-
-	N. Other non-current debt		-	-	-
3.268	O. Non-current financial debt (L) + (M) + (N)		3.018	-	3.018
17.065	P. Net financial debt (J) - (K) + (O)		3.042	-	13.605
Reconciliation with cash flow and balance sheet tables:					
(8.960)	(1) Net cash and equivalents		502	-	(10.061)

Net financial position for June is equal to € 3.0 million. The improvement with respect to € 13.6 million reported in May is due to the increase of net cash, thanks to the improvement of the management of net working capital, that benefits also of the positive effect of seasonality on proceeds. The composition of the net financial position is the following: (i) € 15.5 net cash, higher than the previous month; (ii) € 15.0 million of current financial debt, slightly lower than May; (iii) € 0.5 million is the short term portion of mortgage loan, in line with May figure; (iv) € 3.0 million long term portion of mortgage loan, in line with May. Net cash is positive for € 0.5 million, to be compared with € -10.1 million in May.

5) Short-term guarantees provided by the banking system, amounts used and any repayment requests

The breakdown of the short-term guarantees and the amounts used by item as of 30 June 2008 is provided below.

30.06.08

Euro/000	Granted	Use	% of use
Cash facilities	16,000	15,000	93.75%
Bank guarantees facilities	8,700	6,745	77.53%
Total	24,700	21,745	88.04%

On top of the bank guarantees facilities described above, there is a bank guarantee facility of 4,2 million US\$, related to a location agreement of 5 aircrafts, fully covered by cash pledge of Meridiana. Eurofly settled a deposit in favour of Meridiana of the same amount.

6) Description of the main covenants and negative pledge and indication of compliance with them

The debt restructuring plan incorporates various clauses, including a negative pledge clause, as well as financial covenants to be realized every six months at the end of December, with reference to the figures included in the approved annual report, and of June, with reference to the figures included in the approved half year report.

Further details are available in the press releases dated 28 November 2007.

7) Report on outstanding debt, including financial, commercial, tax-, and benefit-related debt and amounts owed to employees

As at 30 June 2008, there were no outstanding tax, social security or employee payables. There were also no outstanding debts to related parties. As for trade payables, €25.8 million was past due, with €2.7 million being past due by more than one year. There are no suspensions of supply in effect. There are no demands for payment, other than those that are a part of ordinary administration.

As at 30 June 2008 court orders totalling € 5.4 million had been received. These orders relate mainly to Alitalia (10 court orders amounting to €2.6 million) and the Verona Valerio Catullo airport (one court order amounting to €2.1 million), and another six counterparties.

The Financial Reporting Officer, Maurizio Cancellieri, has stated in accordance with Article 154 bis, paragraph 2 of the Consolidated Finance Act (Testo Unico della Finanza) that the accounting information contained in this press release is consistent with the documentary findings, and the accounting entries and records.

For further information:

Press office

Fast-Com S.r.l.

Paolo Santagostino

Tel +39 02.46.91.501

Fax +39 02 36.50.43.77

Cell +39 349.38.56.585

paolo.fastcom@grupposantagostino.com

Investor Relations

Eurofly S.p.A.

Valeria Sgaramella

Tel +39 02.82.68.85.50

Fax +39 02.82.68.80.51

investor.relations@eurofly.it