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AUDITORS' REPORT PURSUANT TO ART. 156 OF LEGISLATIVE DECREE No. 58 OF FEBRUARY 24, 1998

To the Shareholders of
EUROFLY S.p.A.

1. We have audited the financial statements of Eurofly S.p.A. (the "Company"), which comprise the balance sheet as of December 31, 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the Auditing Standards recommended by CONSOB, the Italian Commission for listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

   For comparative purposes the financial statements present the corresponding data of the prior year. As discussed in the explanatory notes, the Directors have retrospectively adjusted the comparative data related to the audited financial statements of the prior year, on which we issued our auditors' report on April 13, 2007. Such adjustments have been necessary in order to expose, also for the 2006 financial year, all costs and revenues related to the Business Unit "*All Business*", dismissed in June 2007, in a single line, called "*Result from discontinued operations*", as required by IFRS 5. The methods used for the retrospective adjustment of the corresponding data of the prior period and the information presented in the explanatory notes, with regard to changes made to such data, have been audited by us for the purpose of expressing our opinion on the financial statements as of December 31, 2007.

3. In our opinion, the financial statements present fairly the financial position of Eurofly S.p.A. as of December 31, 2007, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

4. In the year ended December 31, 2007, the Company incurred significant losses, amounting to Euro 21.8 million, less than those included in the Business Plan for 2007-2009, approved by the Board of Directors on June 28, 2007, than updated on October 27, 2007 with an extension of the analysis to 2010 (the "Business Plan"). The Directors explain in their management report the main causes of the significant losses incurred in the year, due also to the start up of the long range routes to India and Mauritius Islands and to the operational events, as the breakdowns occurred in April.

The Directors state that the financial statements as of December 31, 2007 have been prepared on a going-concern basis, which depends on achieving the aims of the Business Plan that, moreover, are significantly influenced by the trend of non controllable scenario variables. Above all, the Directors state that the Business Plan foresees a turnaround for the Company under both equity, financial and business prospective, by repositioning the Company from charter carrier to mixed carrier (scheduled and charter), on the basis of a strong integration with the shareholder Meridiana S.p.A.

As of the date of the present auditors' report, the completion of the capital increases in cash, for the amount of Euro 15 million, and by contribution in kind, for the amount of Euro 8 million, and the financial debt restructuring closed in November 2007 with a new loan agreement for the maximum exposure of Euro 15 million – available on demand for a 36 months period and accompanied by financial covenants to be taken over on a six months basis and described by the Directors in the explanatory notes to the financial statements, the failure to comply with such covenants could entail, at the discretion of the lending banks, immediate repayment of the loan – already allowed the Company to reach equity and financial breakeven, as forecasted in the Business Plan as well allowing, not to fall in the provisions set by art. 2446 and 2447 of the Italian Civil Code.

Moreover, referring to the business performance of the first two months of 2008 financial year, the Directors state that the economics results of the Company are lower than the expectations, mainly due to events affecting the destination Kenya and the unexpected increase in fuel costs; nevertheless, the Directors – although pointing out that the aims of the Business Plan and the trend of the first moths of the current financial year are significantly influenced by the trend of non controllable scenario variables – confirm the reasonableness of the projections and assumptions of the Business Plan. As a consequence, although at the presence of the uncertainties previously discussed, the Directors have however prepared the financial statements on a going-concern basis, applying valuation criteria consistent with such assumption in valuation of assets – above all tax asset, whose recognition in the financial statements as of December 31, 2006 was qualified in our Auditors' Report issued on April 13, 2007 due to the significant uncertainties on the going concern assumption at that date – and liabilities.

5. Pursuant to law, the Company has indicated in the report on operations the key financial data from the most recent financial statements of the company with respect to which it is subject to management and coordination. The audit procedures performed by us do not extend to such data.

DELOITTE & TOUCHE S.p.A.

Signed by
Ernesto Lanzillo
Partner

Milan, Italy,
April 11, 2008

This report has been translated into the English language solely
for the convenience of international readers