

PRESS RELEASE

**Net Profit of EUR 39 million in the third quarter
EBIT positive at EUR 56 million
Net Profit up by EUR 198 million in the first nine months
Passengers, revenues and market share on the increase.**

Rome, 28 October 2010 – At today's meeting, the Board of Directors of Alitalia - Compagnia Aerea Italiana SpA, chaired by Roberto Colaninno, examined the consolidated Group operating performance as at 30 September 2010, illustrated by Managing Director, Rocco Sabelli.

In the third quarter ending 30 September 2010, recovery in demand from the intercontinental and international market - already seen in the previous quarter - was consolidated, and demand on the home market, previously flat, showed growth.

In this scenario Alitalia recorded a strong improvement in sales performance, higher than demand performance (domestic market share rose to 53%), carried 7.1 million in the three months (+ 11% Vs. the 3rd quarter of 2009), maintained its upward trend in the number of passengers in the intercontinental segment (+8.3%) and international segment (+13.8%), and recorded a significant increase in the domestic market (+10.3%).

The EUR 971 million revenues for the quarter marked a +15% on 2009. The load factor was 76%, up 1.7 points on the same period last year (74.2%).

The positive results of the quarter recorded EBIT of +EUR 56 million (up EUR 41 million on the same period in 2009) and Net Profit of +EUR 39 million (up EUR 38 million on 2009).

Thanks to the positive performance of this quarter, the first 9 months of the year show the following results and progress compared to 2009:

- Net Profit –EUR 125 million (+EUR 198 million improvement Vs. 09.30.2009)
- EBIT –EUR 73 million (+EUR185)
- revenues EUR 2,456 million (+15,1%)
- 17.7 million passengers carried (up 1.1 million, +6.2%)

The significant improvement of financial results Vs. 2009, was achieved despite the negative effects of exchange rates, the raise of fuel costs and the reduction in contributory benefits, factors which compared to the first nine months of 2009 increased costs by around EUR 150 million.

As at 30 September, net borrowings amounted to EUR 827 million (EUR 847 million as at 31 December 2009), largely borrowings on the fleet of owned aircraft, and total cash and cash equivalents – including unused credit lines – amounted to EUR 405 million (EUR 330 million as at 30 December 2009) after a EUR 126 million reimbursement on fleet.

Given the positive trend in sales and income, Alitalia's year-end results are forecast to be better than expected and the operating break-even target to be reached in 2011 is confirmed.

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