

## **Transform 2015 – Update on the business plan for the French regional hub**

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The two regional airlines Brit Air and Regional (both subsidiaries of the Air France group) and Airlinair, today presented to their respective Works Councils an update of the strategic business plan for the new French regional hub and its impact on jobs for crew members.

Within the framework of the Transform 2015 project and the reorganization of short and medium-haul operations, the Air France group aims to regroup the three airlines Airlinair, Brit Air and Regional into a single French regional hub. This project is part of the Air France group's recovery plan.

### **A new commercial offer rapidly adaptable to market changes**

The French regional hub's strategy will focus on offering its customers a new commercial offer which is rapidly adaptable to market changes and rival airlines and which is more competitive for business and leisure travel, both inter-regional and to Europe.

This division will operate flights under a new brand with a different positioning as well as flights operated on behalf of Air France.

Sales and marketing will be carried out by the airlines' own sales forces, based in the French regions, offering responsiveness and proximity to local teams, supported by those of Air France.

The new brand, the range of fares and the flight schedule will be announced in January 2013 for a launch in April 2013.

### **Reduced crew numbers at Brit Air and Regional without redundancies**

In 2013, the French regional hub will operate 86 aircraft (instead of 93 currently) with a greater number of seats. Consequently, on the basis of this business plan, the development of employment for 2013, taking into account non-replaced natural departures, will result in a decrease of 64 jobs for crew (5 flight attendants and 12 pilots at Brit Air out of a total of 587 aircrew and 47 pilots at Regional out of a total of 409 pilots).

The methods implemented to deal with overstaffing will be identical to those of Air France, without redundancies, subject to an effective increase in overall economic efficiency of 15% guaranteed by the agreements.

The current dynamics of the discussions will enable the Works Councils to be informed and consulted late September on the methodology agreements. Information relative to overstaffing of ground staff will be specified at the end of September following the joint working groups within the three airlines which are currently underway.

Negotiations will then start with the unions.

*"This new French regional division aims to specialize more than ever in services to the provinces and will contribute to regional economic development and tourism in our French regions," said Lionel Guérin, in charge of the reorganization of the French regional hub. "In a competitive and increasingly difficult economic environment, it is essential to make changes. I trust in our experience, energy and commitment to rise to all these new challenges together. In these necessary times of change, our priority will remain our customers," he added.*

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