

PRESS RELEASE

ATR foresees demand for 300 new turboprops in China over the next two decades

Development of regional air transport network in China will stimulate demand

Zhuhai, November 2, 2016 – According to the July 2016 ATR Market Forecast, demand for new turboprops in China is expected to reach 300 units by 2035. ATR also anticipates that regional network development is the next big opportunity in China, with some 800 new regional routes expected to be created by turboprops over the next 20 years.

Of the 300 deliveries of new turboprops forecast within the next 20 years, 270 would be in the 61-80-seat segment and 30 in the 40-60-seat segment.

There is tremendous potential to introduce modern turboprops for short haul route development in China. As of today, regional aircraft only represent some 2.5% of the total fleet operating in China, compared to 25% worldwide.

Nearly 80% of the turboprops expected for delivery in China will be used to create new routes. This is particularly expected in less densely populated cities and regions, which have less developed road infrastructure, limitations to developing high speed train networks, and lower traffic demand. These regions could benefit economically from the development of air connectivity with efficient, reliable, affordable and right-sized solutions that ATR already provides to some 200 operators worldwide.

The development of an improved air transportation network of airports serving all regions of the country is a clear aim of the national government. The Chinese government forecasts the development of some 70 new airports within the next 5 years, a substantial addition to the 200 airports currently operating in the country.

At Airshow China in Zhuhai, ATR's Head of Global Sales John Moore highlighted: "There is a real need to further develop regional connectivity in China, both between smaller towns and to and from smaller towns to the larger hubs. Regional aviation is essential to provide more efficient connections and to fuel economic growth and development."

Since the beginning of the program, the regional turboprop manufacturer ATR has delivered over 1,300 aircraft. ATR has already achieved significant success in the Asia-Pacific region; this region overtook Europe in 2014 to boast the largest fleet of ATRs in operation. ATR aircraft represent the most fuel-efficient, comfortable and state-of-the-art solution to China's regional aviation needs.

For more than 20 years, China has been a major partner of the program. Xian Aircraft Company (XAC), a subsidiary of China Aviation Industry Corporation (AVIC), produce several major

components of the ATR aircraft, including fuselage sections for the 50-seat ATR 42s and the 70-seat ATR 72s and outer wing boxes for the ATR 42s.

About ATR:

Founded in 1981, ATR is the world leader on the market for regional aircraft with 90 seats or fewer. Since its creation, ATR has sold over 1,500 aircraft. ATR models equip the fleets of some 200 airlines in nearly 100 countries. ATR is an equal partnership between two major European aeronautics players, Airbus Group and Leonardo-Finmeccanica. Its head office is in Toulouse. ATR is ISO 14001 certified. For more information, please visit <http://www.atr-aircraft.com>

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