

NEWS RELEASE

For Immediate Release

Technical failures at utility companies affecting LIAT's operations

ST. JOHN'S, Antigua, July 27, 2010 – Regional airline LIAT said recent technical failures from various utility service providers within its network have been negatively impacting its operations.

The company is pointing out that it has been experiencing some difficulties in its communication network, as a direct result of the technical failures at the utility companies.

LIAT listed three recent developments which it said had significantly affected its operations and on-time performance. These included:

1. The failure of a local loop, which is the link to LIAT's distribution system;
2. A lightning strike, knocking out one company's network resulting in disruptions to access to LIAT's ticketing and distribution system;
3. Fluctuation in the power supply at one company causing severe damage to one of LIAT's uninterruptible power supply systems. This caused LIAT's main servers to fail.

The company said that in a number of instances its check-in operations and city offices were affected by the technical failures and this in turn negatively impacted the processing of passengers.

The company's management has indicated that LIAT continues to work with its utility suppliers to rectify the problems.

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About LIAT

LIAT is one of the leading Caribbean airlines. It is owned by regional shareholders, with the major shareholders being the Governments of Barbados, Antigua and Barbuda and St. Vincent and the Grenadines. More information about LIAT may be found at www.liat.com.

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