

## 'CINNAMON AIR' domestic air taxi service in Sri Lanka

Saffron Aviation, a joint venture between John Keells Holdings (JKH), MMBL Leisure Holdings and Phoenix Ventures, signed an agreement with the Board of Investment of Sri Lanka, to establish a domestic air taxi service in Sri Lanka with an initial investment of USD 6.8mn out of a total planned investment of USD 8.4mn.

The start-up fleet will consist of two Cessna 208 Caravan Amphibian aircrafts (seating nine passengers each) and one wheeled Cessna 208B Grand Caravan aircraft (seating 12 passengers) that would provide the flexibility for the airline to operate from any of the domestic and international airports as well as from waterdromes in Sri Lanka.

The domestic air taxi service, flying under the brand name 'Cinnamon Air' will provide a unique service of scheduled daily flights linking the Bandaranaike International Airport with key holiday locations on the South West Coast, the East Coast, Kandy, the Cultural Triangle and Hambantota/Yala. Flights to and from the BIA will largely connect with arrival and departure flight timings of the National Carrier and all major international airlines serving Colombo.

The air taxi service will augment the overall visitor experience in Sri Lanka by reducing the time spent by tourists on road transfers between the airport and hotels and on excursions.

Whilst scheduled services will be retailed through Tour Operators and Travel Agents and directly to customers via the internet, Cinnamon Air will also offer short scenic flights and charter flights to any part of the island for groups, cruise passengers and corporate travellers. Commercial operations of Cinnamon Air are expected to commence in the last quarter of FY 2012.