

Air Midwest to Shut Down Passenger Operations

2008-05-14

Air Midwest, Inc., a wholly owned subsidiary of Mesa Air Group, Inc. (NASDAQ:MESA) today announced that it will discontinue all operations including its current scheduled services provided under the Essential Air Service (EAS) program.

This announcement follows the company's January 15, 2008 announcement of the decision to discontinue Air Midwest's operations. The company cites record-high fuel prices, insufficient demand and a difficult operating environment as the main factors in its decision.

Air Midwest began filing notices with the Department of Transportation (DOT) of its intent to terminate EAS beginning over a year ago. "Although we are unable to continue to provide service, Air Midwest plans to cooperate with the DOT and any replacement carriers in the interest of lessening the impact on the communities affected," said Greg Stephens, Air Midwest's President.

Air Midwest will shut down based on the following schedule:

Effective May 23rd east coast operations serving:

Lewisburg, WV

DuBois, PA

Franklin, PA

Athens, GA

Effective May 31st west coast operations serving:

Ely, NV

Merced, CA

Visalia, CA

Prescott, AZ

Kingman, AZ

Farmington, NM

Effective June 30th central operations serving:

Columbia, MO

Joplin, MO

Kirksville, MO

Grand Island, NE

McCook, NE

Little Rock AR

"We are extremely saddened this decision has become necessary, Air Midwest has a long and proud history and has served millions of passengers in its 43 years of operation," said Jonathan Ornstein, CEO of Mesa Air Group. "Unfortunately under the current economic conditions there was no foreseeable way to achieve sustained profitability. Even with subsidies from the DOT, Air Midwest has been unable to sustain profitability for the last several years. While this was an extremely difficult decision, and one that the company worked tirelessly to avoid, we are working diligently to minimize the impact this decision will have on Air Midwest's passengers and employees."

Air Midwest, Inc. is a wholly owned subsidiary of Mesa Air Group, Inc., and currently operates 20 Beech 1900D 19-seat airliners serving 27 cities throughout the country. Air Midwest was founded in Wichita, Kansas in May 1965 by Gary Adamson as Aviation Services, Inc. In 1969, it changed its name to Air Midwest and by 1978 it was operating a fleet of 10 Metroliners. Air Midwest was purchased by Mesa Air Group in 1991.

Mesa currently operates 181 aircraft with over 1,000 daily system departures to 150 cities, 38 states, the District of Columbia, Canada, the Bahamas and Mexico. Mesa operates as Delta Connection, US Airways Express and United Express under contractual agreements with Delta Air Lines, US Airways and United Airlines, respectively, and independently as Mesa Airlines and go!. In June 2006 Mesa launched inter-island Hawaiian service as go! This operation links Honolulu to the

neighbor island airports of Hilo, Kahului, Kona and Lihue. The Company, founded by Larry and Janie Risley in New Mexico in 1982, has approximately 5,000 employees and was awarded Regional Airline of the Year by Air Transport World magazine in 1992 and 2005. Mesa is a member of the Regional Airline Association and Regional Aviation Partners.

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