

THE INSIDE STORY



New Frozen Food Facility

In October 2007, Allegheny County Executive Dan Onorato and the Allegheny County Airport Authority announced that LSG Sky Chefs, the world's largest airline caterer, was expanding its deep-frozen food operations worldwide and had chosen Pittsburgh International Airport as the location of its first deep-frozen food manufacturing facility in North America.

The manufacturing facility is located in 20,000 square feet of LSG Sky Chefs' customer service center on airport property and was expected to create 21 new jobs in 2008 and an additional 37 new jobs by 2010. The facility opened in early 2008 with an initial capacity for producing approximately 11 million meals annually, with room to double that production over time.

LSG Sky Chefs chose Pittsburgh International Airport because of the company's history with the airport, as well as the airport's proximity to major international gateway airports on the East Coast and in the Midwest, which enable direct shipments of deep-frozen foods to those airports.

LSG Sky Chefs pursued this strategy to meet increasing demand for frozen-food meals in the airline industry, driven by cost, quality and consistency for such meals. In addition to growing demand in North America, LSG Sky Chefs announced a joint venture earlier in 2007 with China National Aviation Group Ltd. to establish a frozen meal plant facility in Qingdao, Shandong Province, China, to meet growing demand for deep-frozen foods from airlines in the Asia/Pacific region. These additions will enable the company to build on its already considerable expertise in frozen-food production acquired through its subsidiary, LSG-Sky Food, which opened in Germany in 1994.

LSG Sky Chefs is the world's largest provider of in-flight services. These include airline catering, in-flight equipment and logistics, as well as the management of onboard service and in-flight retail. The group is also the industry leading expert in managing the complete in-flight service supply chain for several airlines. LSG Sky Chefs partners with 270 airlines worldwide and operates some 190 customer service centers in 49 countries, producing an estimated 387 million airline meals each year. In 2006, the companies belonging to LSG Sky Chefs Group achieved consolidated revenues of €2.3 billion.

Contact: Kevin Evanto 412-350-3171 kevin.evanto@alleghenycounty.us