

HEADLINES



The world-class private terminal at Kuwait International Airport.

Mercury rises to new era in Kuwait

Mercury Air Group will today announce an agreement with Kuwait's United Projects Company to manage a new "world-class" private terminal FBO at Kuwait International Airport (KWI).

The US-based company says the agreement has the potential to start a new era of business aviation in the region. Mercury brings more than 35 years of FBO experience through its Mercury Air Centers, which span more than 20 locations.

The plan is to begin operations from the new facility this September. It is expected to offer many amenities commonly found in world-class hotels, including concierge services, conference centre, meeting rooms, upscale customer and pilot lounges and fine dining. It will also include Wi-Fi

internet access, aircraft charter, in-flight catering, car rentals, limousine services, immigration and customs, cargo loading, long term parking facilities and commercial aircraft boarding.

"This impressive and functional facility is the first of its kind, not only in Kuwait, but in the entire region - and the first to answer the increasing demand for high levels of quality and international standards in the Middle East," says Joe Czyzyk chairman and CEO of Mercury Air Group.

"As business aviation continues to expand worldwide, we are enthusiastic about providing the exacting and exceptional level of service that helped grow our chain in the United States to one of the largest and finest networks in the industry."

Grob SPn to stand proud in Middle East

One new aircraft currently in development in Germany could pave the way for a new era for business jet usage in the Middle East.

The Grob SPn is progressing toward a planned EASA certification for the first quarter of next year but is still awaiting the result of the German accident investigation report into the November 29 crash of the second prototype that killed the company's chief test pilot Gerard Guillaumaud.

The results of that investigation are due this week. Chief executive Niall Olver says: "Some customers will have up to six months delay.

We'll be at full production rate within 12 months and have a fairly tight plan. We are not overly optimistic, we are realistic."

Olver is looking forward to introducing the SPn to the Gulf and says that the business jet market is changing.

Change

"Go back a few decades and it was all about very large aircraft sold to very few wealthy families. But there are drivers for change. The families are fragmenting, with the sons and the grandsons separating out. Those generations are more

western educated and making business decisions rather than just spending the money. So the appeal for smaller jets, more efficient jets is growing quite exponentially.

"The concept of an entry-level jet in the Middle East is very different. Business jet users here don't like cabins you can't stand up in. The SPn has a stand up cabin. It stands very proud on the ramp and this works.

"We can't change it to a 747 but it has the attributes that resonate with the people in the Middle East. The market place is more business minded about acquisition."

Olver is keen to shake off the "utility" tag that the aircraft was given when it was first revealed at the Paris Airshow in 2005. But he recognises that the concept works for the Middle East where it can adapt quickly from luxury VIP cabin to a simpler people or freight carrier.

Olver also says that the company is likely to grow the SPn into a family of aircraft. He also confirmed that the company has frozen the development of the Grob 160. "It is not correctly profiled for the market at the price point that the old Grob had designed it for," Olver says.



Niall Olver: The SPn has a stand up cabin.

Pilatus banks on versatility

The broadening of the business aircraft market in the Middle East could spell good news for Swiss turbo-prop manufacturer Pilatus (Stand C420).

"Traditionally the business aviation market in the Middle East is jet orientated," says Fred Muggli head of PC12 sales and marketing. "However we feel the versatility of the PC12 is something that sets it apart."

Success

Several PC12s are operated in Iraq but so far has not made an impact in the rest of the region.

However it has enjoyed success in other parts of the world, with over 800 units sold and a manufacturing backlog of 150 aircraft. "Our production is sold out until 2008. We haven't



started selling 2009 production because the current demand would see this sold out in a matter of weeks," adds Muggli.

Muggli believes that the PC12NG - Next Generation - will help the sales push. Following the launch of the NG at NBAA last October, certification is expected towards the end of 2007, with a production ramp up and first delivery in early 2008.

This would see the factory building 90 aircraft next year - 25 legacy PC12/47s and 65 NGs.

Integrated

The NG features fully integrated Honeywell Primus Apex avionics and a cockpit that has been redesigned by BMW Designworks USA.

To complement the interior changes, there is a more powerful engine in the form

of a Pratt & Whitney Canada PT6A-67P that gives an extra 15% in thermodynamic power for a quicker climb and 280kt (520km/h) cruise speed, 10kt faster than the current PC-12.

The changes to the powerplant include single crystal compressor turbine blades, new compressor stators, and a new first stage compressor rotor.

The result is an increase in thermodynamic power



The legacy PC12/47 - there are no exterior changes. The BMW Designworks USA redesigned the cockpit to increase functionality and comfort featuring Honeywell's Primus Apex integrated avionics.

from 1703ESHP (Equivalent Shaft Horse Power) to 1,845ESHP because of new ITT (Interstage Turbine Temperature) limits. There is also an increase in maximum mechanical power for the climb, from 1,000SHP to 1,200SHP due to a new torque limit. Maximum take-off power remains unchanged at 1,200SHP.

"MEBA is a new experience for Pilatus, we are here

to show the capabilities of the PC12," says Muggli.

The PC12 by nature is a versatile aircraft that features a large cabin door which can allow the aircraft to be operated for freight, medevac, executive, commuter, or a combination of freight and passenger loads.

"We feel there is more of a market for the aircraft for its utility roles because of the jet dominance for business users," says Muggli.

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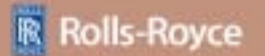
DAILY NEWS

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Operators remove worry from their things-to-do lists.

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MEBA'S RECORD DEBUT



Signing up to the new Hawker 750, left to right NetJets MidEast chief executive, Skip Geddes; NAS chief executive Taher Agueel; Ted Farid, Raytheon's VP New Business Development and Sean McGeough, Raytheon's VP International Sales.

Show launches with \$250m Hawker deal

The first official Middle East Business Aircraft Association conference, MEBA, kicks off today on the back of yesterday's record announcement of the biggest business jet deal in the region's history.

Saudi charter business, National Air Service (NAS), announced the US\$250 million order for 20 Hawker 750 aircraft at a pre-show event in Dubai yesterday. The deal gives the Raytheon Aircraft Company (RAC) its first international order for this latest derivative of the world's best selling business jet, the Hawker 800.

Ted Farid, RAC's vice president of International sales, who is speaking at today's

conference, says the type has already received great support with orders from US-based Netjets for both its domestic and international business but that it was "delighted" to sign the deal direct with the Saudi business..

NAS is an affiliate of Netjets and is expected to receive some of the Netjets order for its fleet - but the company was so impressed with the aircraft's performance projections that it ordered 20 of its own for Gulf charter operations.

The Hawker 750 was announced at NBAA in October. Based on the platform of the Hawker 800, the aircraft has replaced a fuel tank with additional baggage space. "Lots of people have asked for more baggage, so we gave them more baggage space. The only thing you lose from the 800XP is the winglets," Farid says.

Invest

Taher Agueel, Chief Executive Officer of NAS, says: "As the leading provider of private aviation services in the Middle East, National Air Services continues to invest in the future of this rapidly expanding sector. The region's economic trends are all pointing upwards, and demand for aviation services is expanding in line with such growth. We believe the new Hawker 750 will quickly become the first choice for private aircraft users across the region."

With a 2,100 nautical mile range the Hawker 750 features the largest fuselage in the light-mid size aircraft segment. The airplane has the same cabin as the Hawker 800-series, accommodating up to eight passengers, and because the ventral fuel tank is being replaced with a heated external baggage compartment it has an additional 32 cubic foot capacity. The airplane will continue to use the highly successful Honeywell TFE-731-5BR engine and state-of-the-art Pro Line 21 avionics package. The aircraft will not sport winglets but it will feature a Hawker 400XP-style interior. RAC currently has firm orders for 40 Hawker 750s.

Learjet 60 sets new world speed mark

A Learjet 60 broke a world speed record yesterday as the ExecuJet owned aircraft flew to Dubai from Jeddah in one hour 59 minutes.

More importantly for manufacturers Bombardier is that onboard the aircraft was Saudi businessman Ghassan Tabbah Shalabi, president of Inma Arabia Investment of Dubai. He arrived at MEBA to order a new upgraded version of the aircraft - the Bombardier Learjet 60XR. The aircraft will be based in Jeddah

Bombardier confirmed four Middle Eastern orders for the type in total including two for Kuwait and one for Dubai. The total value of the orders is US\$52 million.

Mr Shalabi's aircraft will be operated by ExecuJet and also offered through Bombardier's business jet charter programme, Skyjet International.

"Prior to selecting the Learjet 60XR, my thorough



Things are looking up: Saudi businessman Ghassan Tabbah Shalabi becomes the launch customer in the Middle East for the Learjet 60XR to the delight of Bombardier's Jahid Fazal-Karim.

due diligence included flights on each of its competitors and without doubt, the Learjet 60 outperformed them all," Mr Shalabi said.

The Learjet 60 XR has a range of 2,451nm (4,539km) and will be

delivered to Middle Eastern customers from the fourth quarter of 2007. It typically will carry six passengers and can fly Dubai to Moscow.

The Learjet 60 on display in the static park gives a good taste of what

is to come and operators ExecuJet were celebrating the record flight.

"The jet performed superbly as expected," said Capt James Sizemore. "We took off from Jeddah at 10h00 and quickly climbed to 41,000 feet

(12,497m) to avoid turbulence and traffic. The aircraft handled beautifully throughout the flight and the time easily establishes a new benchmark for this trip."

The trip between the two cities was 998nm.



Inside the Gulfstream G-150, space to move.

Gulfstream: Watch this space

Gulfstream has brought its latest model to MEBA and is ready to demonstrate that even the smallest of its product range has the size, the comfort and speed to meet the growing demands of a Gulf market.

The Savannah, US-based company has always had a large presence in the Middle East with its long-range aircraft leading the field of tradition business jet sales.

Ownership

But now the company offers a mid-size aircraft - the G150 - to introduce customers to the concept of Gulfstream ownership. It is on display at the static park alongside the ultra long range G450 and the super mid-size G200.

The G150 officially entered service in August last year beating its published

performance targets. It has also broken three world speed records in the past few weeks. Its range has been increased by 250nm (460km) to 2,950nm with four passengers and two crew. Alongside an increase in range, the balanced field length has been reduced by 14% to 5,000ft (1,525m) and a 16% reduction in landing distance to 2,885ft (878m).

Recent developments include a deal with Hindustan Aeronautics Limited to supply component packages for the G150 and International Communications has been selected to supply its Iridium satellite systems as standard equipment. The aircraft will feature the ICS-200 dual-channel Iridium satellite phones for two-way air-to-ground communications, voice, fax and data.

Universal expands Middle East operations

Universal Weather and Aviation, announced yesterday that it is to expand its presence in the Middle East with a new operations centre in Dubai, and a new UVglobal Network location in Beirut, Lebanon.

Both facilities are set to open within 90 days. This growth is in addition to the recently-opened Universal Aviation ground services office in Dubai.

Flourishing regional economies, improved infrastructure and an increase in business aviation traffic were the impetus behind Universal's decision to increase its presence in the Middle East according to director, Lex den Herder, Director

Committed

"Universal has been serving the Middle East market for more than four decades, and we are committed to continuing to provide the excellent services focusing on Middle East operators from our Dubai operations centre, as well as other key locations in the region," he said,

The operations centre will be located at Dubai International Airport, and will provide specialized services while serving as a regional hub for Trip Support Services to Middle East-based clients traveling within the region. It will provide complete trip support services, including weather briefs, flight planning, permits and ground handling arrangements.

Airbus hits heights with regional sales

Airbus kicked off the MEBA show with a double order announcement for corporate and VIP aircraft.

The first announcement, made in Dubai Monday confirmed that the Royal Air Force of Oman (RAFO) has ordered two A320s from the Airbus Corporate Jetliner (ACJ) family.

The second announcement was for two new VIP versions of the ultra long-haul A340s - one for an A340-500 for a Middle Eastern customer and one for an A340-300.

Build

The deals build on a customer-base of 40 or so VIP and government versions of Airbus wide-bodies already in service.

The Airbus A340-500 is



Airbus A340-Presige, planned for a Middle Eastern customer

powered by Rolls-Royce Trent 500 engines, and the A340-300 by CFM International CFM56-5s.

"With its huge cabin, ultra long-range, and the four-engined freedom to take the remotest routings

in its stride, the Airbus A340 is today's ultimate long-haul VIP transport," says Airbus Chief Operating Officer Customers, John Leahy. "With a VIP Airbus A340-500, you can literally fly non stop to the world".

The Oman order gives Airbus another new government customer for its VIP products. The ACJ Family has already been chosen by the Azerbaijan, Brazilian, Czech, French, Italian, Qatari, Thai, UAE, Venezuelan and other governments, all of which recognise its ability to carry larger delegations than traditional top-of-the-line corporate jets.

With extensive passenger seating, plus a kit to convert part of the cabin at short notice, RAFO's A320s will have a dual role - carrying troops in day-to-day operations as well as transporting senior defence officials on an ad hoc basis.

RAFO's A320s will be powered by International Aero Engines V2500s.

Going Dutch will boost demand, says Fokker

Fokker Services (Stand C301) believes that the Middle East is the region, which will generate the largest demand for its recently opened VIP conversion and completion centre in Woensdrecht, Holland and is exhibiting here at MEBA to present its services to potential clients.

"I believe the Middle East will generate the greatest demand for completion services on large cabin single-aisle jets" says Peter van Oostrum, business development manager "most of our short-term demand has been for green completions of A318s and A319s"

Announce

The company will announce at MEBA today that it has been appointed by an undisclosed Middle Eastern customer, to do the completion for an Airbus A318 to a floorplan similar to the Elite configuration.

The company says its market analysis of 2006 suggest that a combination of factors such as increasing oil revenues, changing travel patterns and upgrading to large single-aisle aircraft will lead to the demand in its services.

Currently in the facility and undergoing completion is a Bombardier CRJ700 with an Airbus A319 due to join shortly for ACJ completion.

Its aircraft focus will be for single-aisle Airbus models, Bombardier CRJs and BBJ/737NGs. At the same time, it is also reporting interest in further VIP conversions of the Fokker 100s from the Russian Market.



MEBA board sets November 2008 date for next event

MEBAA will play a key part in the development of the business aviation industry throughout the whole Middle East region, from Morocco to Oman said chairman Ali al Naqbi at a press

conference on the eve of the MEBA event.

The board of the Middle East Business Aviation Association met at the Airport Expo yesterday and agreed the dates for the next event

- November 23 - 25 2008, with the venue still to be confirmed.

Ali al Naqbi presented the 16 founding members of the Association with a commemorative certificate.

