2009 NBAA
Media Briefing

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2009 Business Aviation Outlook

- 23rd Year of Survey, 18th consecutive public report release
- 1,200 Corporate flight departments from around the world
  - Aircraft Manufacturers and other sources
- 5 year purchase plans increased over 2008, but are delayed
- International demand gains share
- Significant delivery down cycle in 2009 and 2010
  - Several programs suspended or delayed
- Long-term outlook for measured recovery
  - Up to 11,000 aircraft worth $200B projected from 2009-2019

Business Aviation Environment – Mid-Year 2009

- First Half '09 business jet deliveries - 407 aircraft worth $8.0 B

  25% decrease in units

  24% decrease in constant 2009 dollars

- Several Hundred New Jet Orders repositioned during first half 2009:

  Book-to-Bill ratio negative since Q4 2008, after several years exceeding 2.0

  Industry backlog deferred, still represents several years volume at expected rates

- Fractional industry net share gain / loss for first half of 2009 down 41%

  Fractional Segment took ~18 new jets in first half, off 66% from 2008 levels

- Business Jet flights down in U.S. and Europe – but positive trends emerging

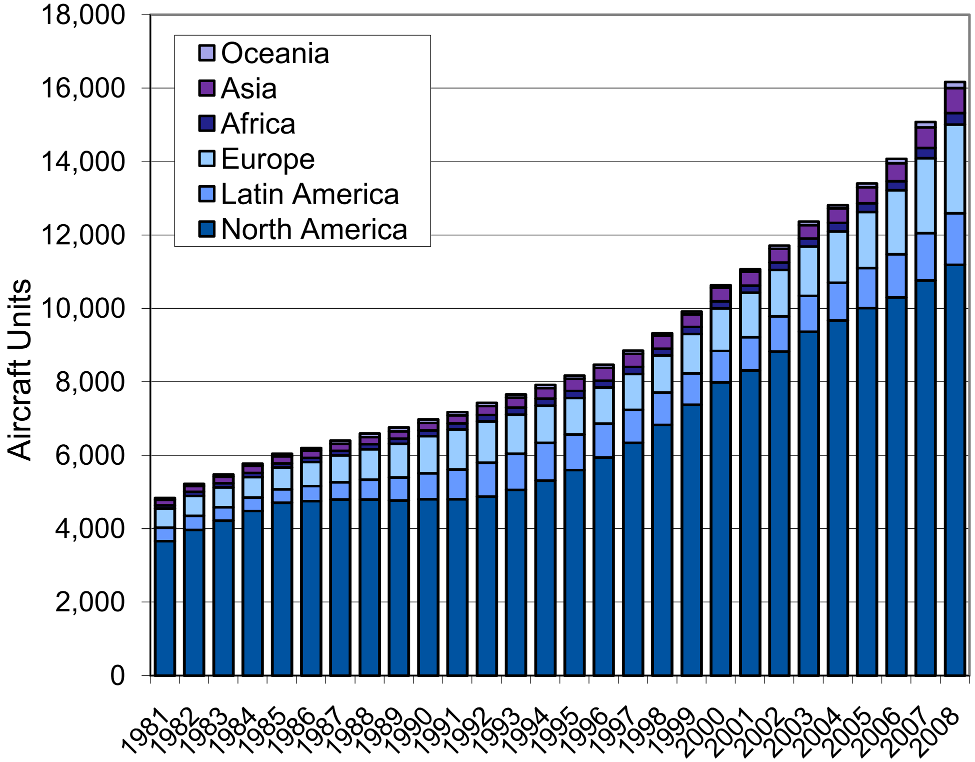
  Level of decline improving since Q109

  Longer range Aircraft monthly usage in the U.S. nearly back to positive territory

2009 Purchase Plans Improved Despite Recession

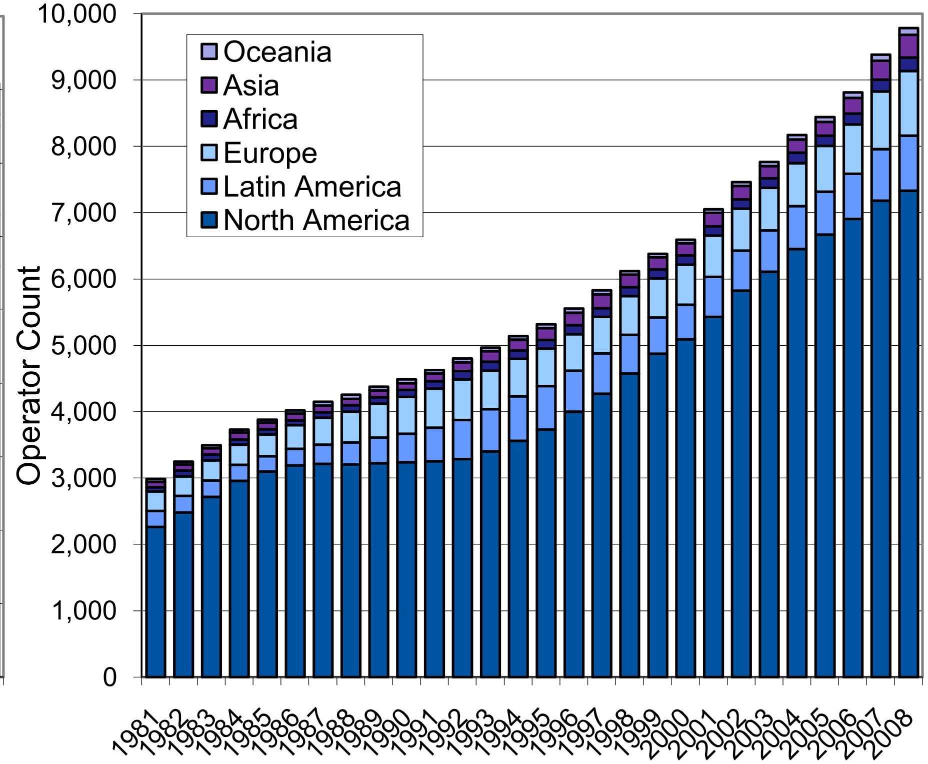
World Business Jet Fleet & Operator Base

World Business Jet Fleet



16200 Business Jets
5 Yr. CAGR +5.5%

World Business Jet Operators



9,800 Jet Operators
5 Yr. CAGR +4.7%

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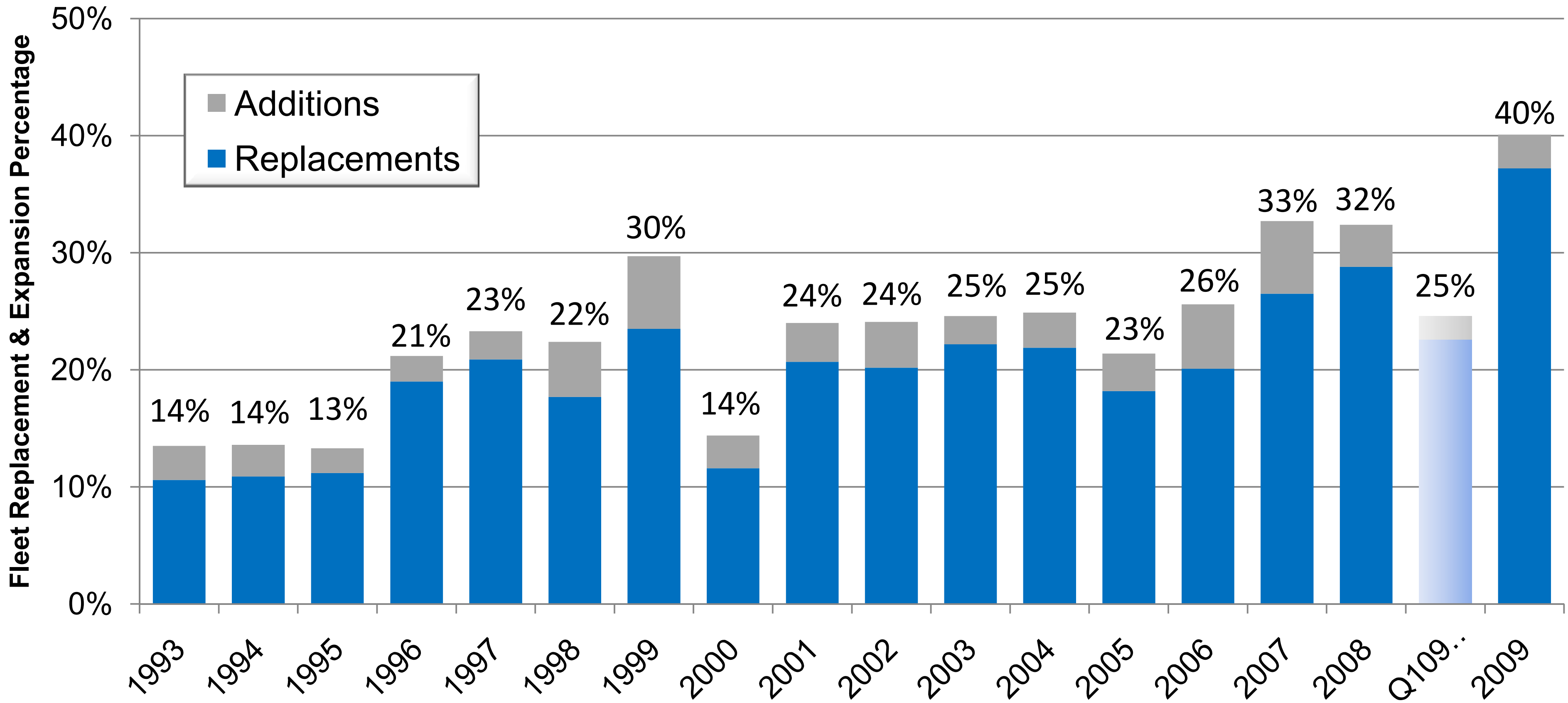
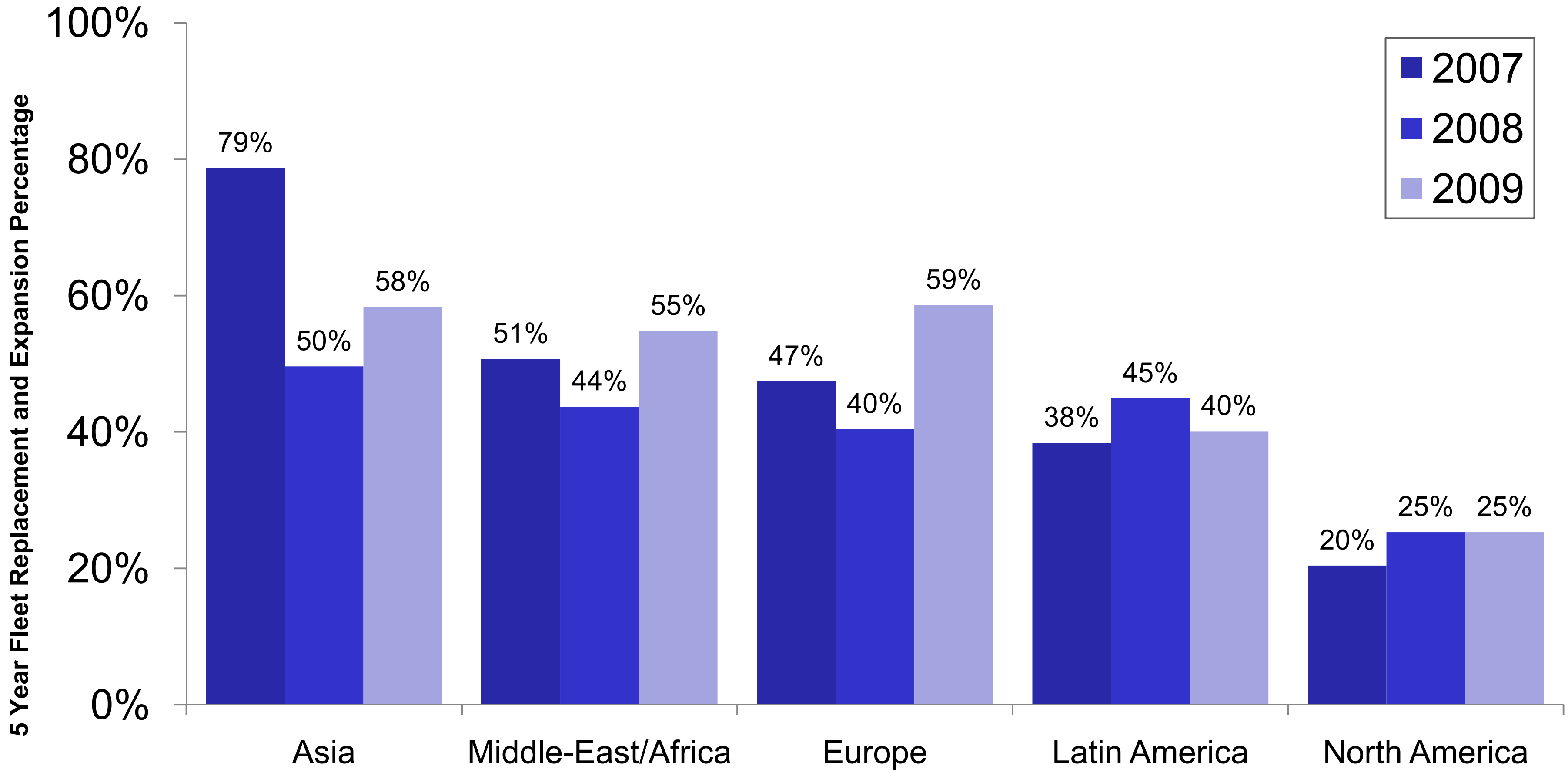
Five Year Purchase Plans for New Jets



2009 Purchase Plans Increased

Operators Looking Ahead to Economic Recovery

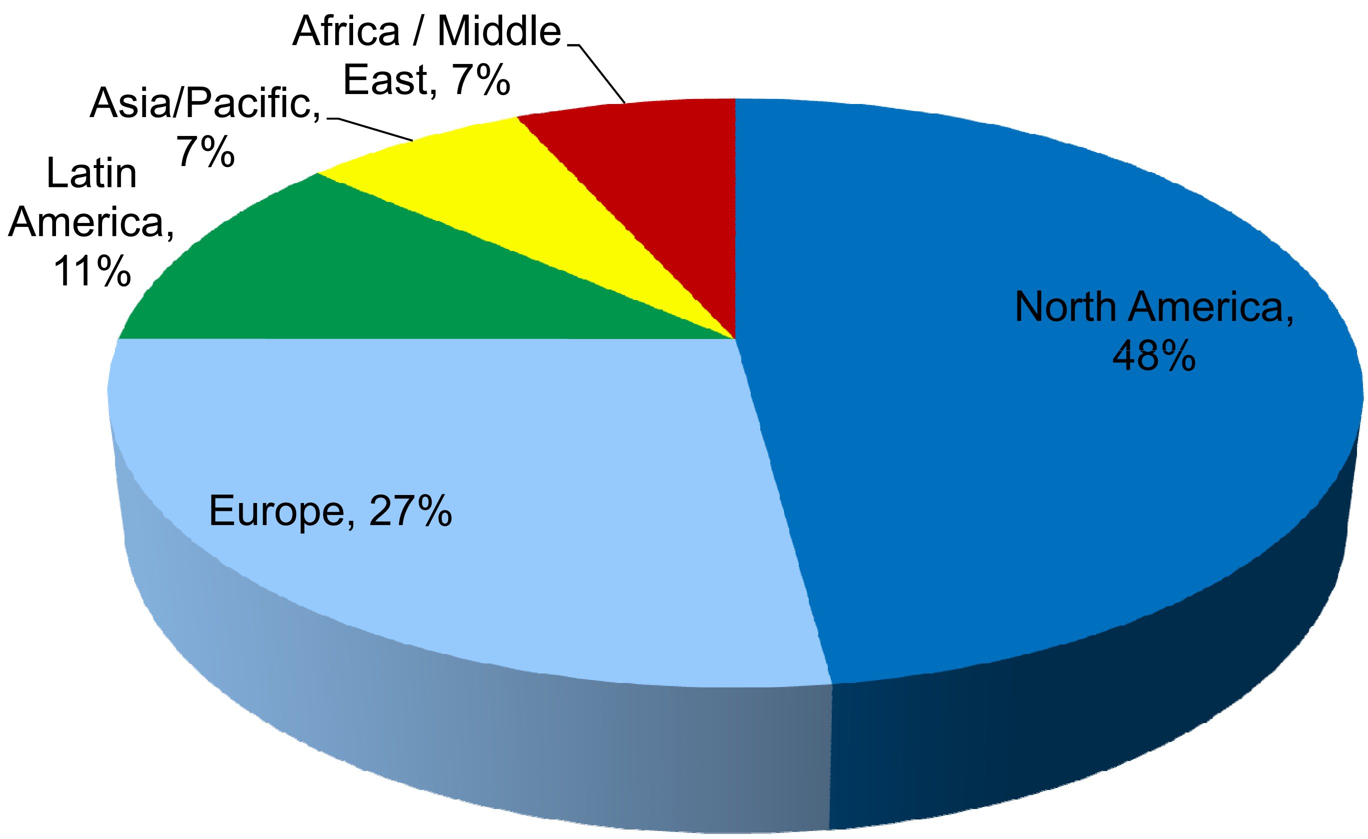
2009 Purchase Expectations by Region



Significant Global Demand Still Present –
North America, Latin America More Conservative

Regional Demand for New Jets in the Next 5 Years

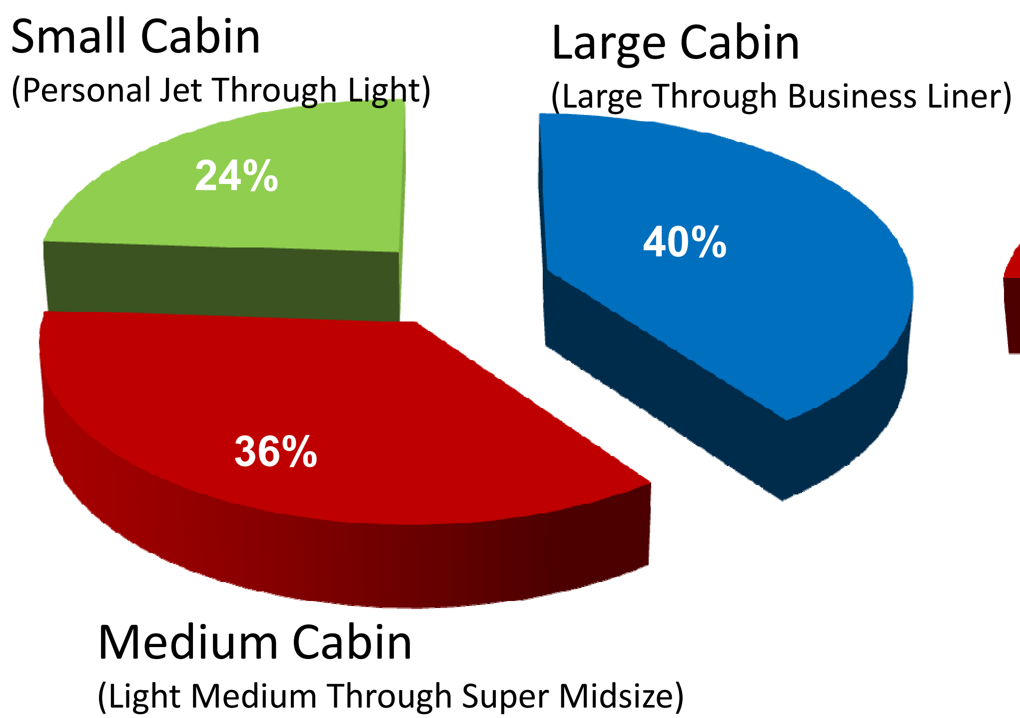
Traditional Corporate & Charter Operator Base



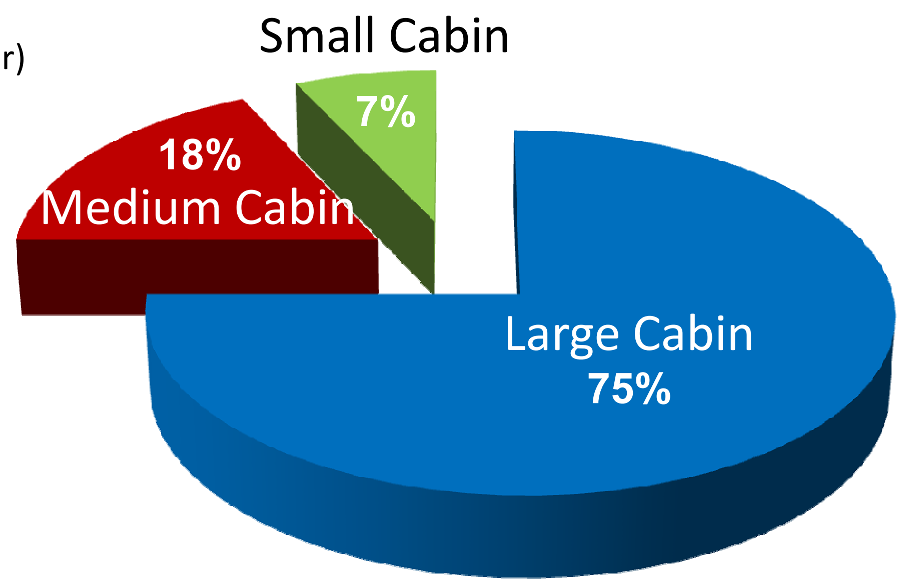
International Share of Demand Continues to Increase

New Jet Purchase Mentions by Class

Mentions Unit Share



Mentions Value



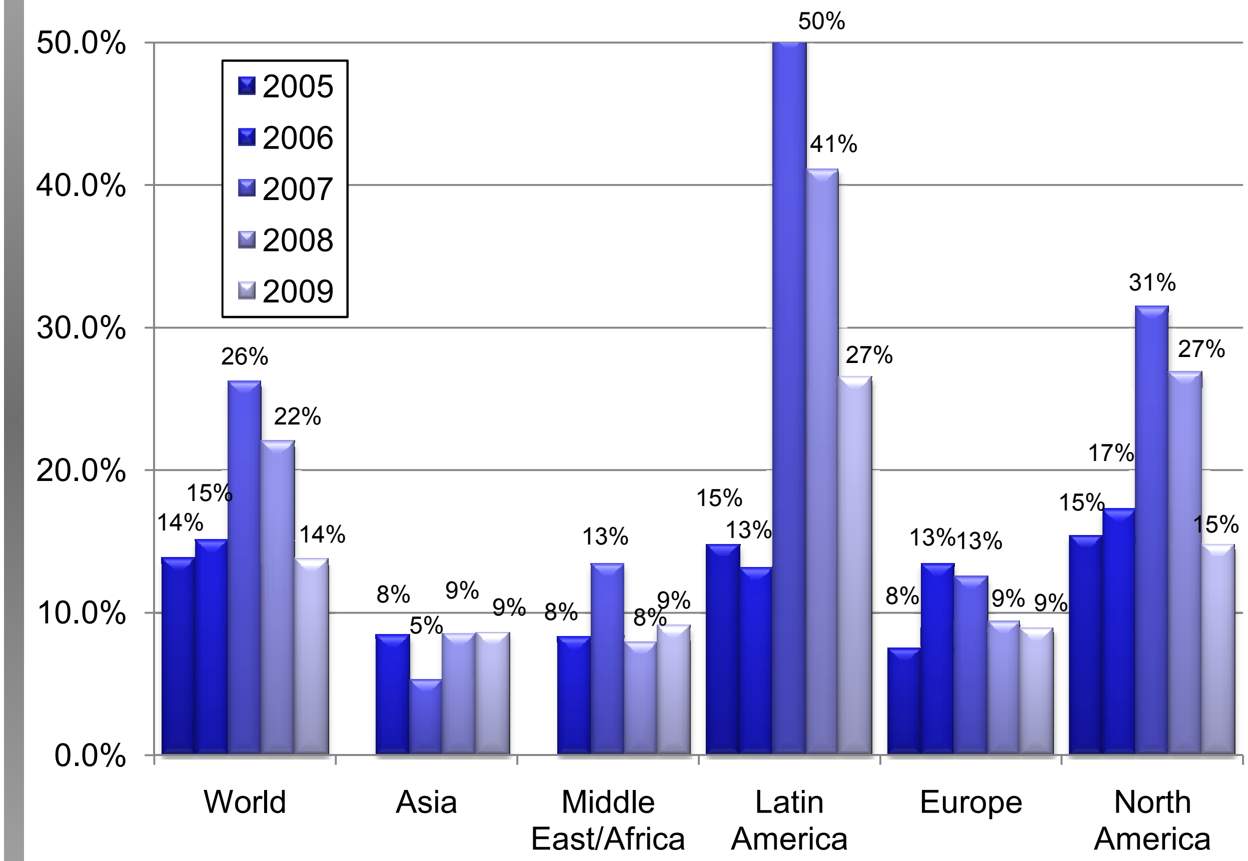
Big Cabin Jets Captured 40% of Mentions and 75% of $Value

2009 Purchase Expectations for Used Jets

2009 Used Jet Trends

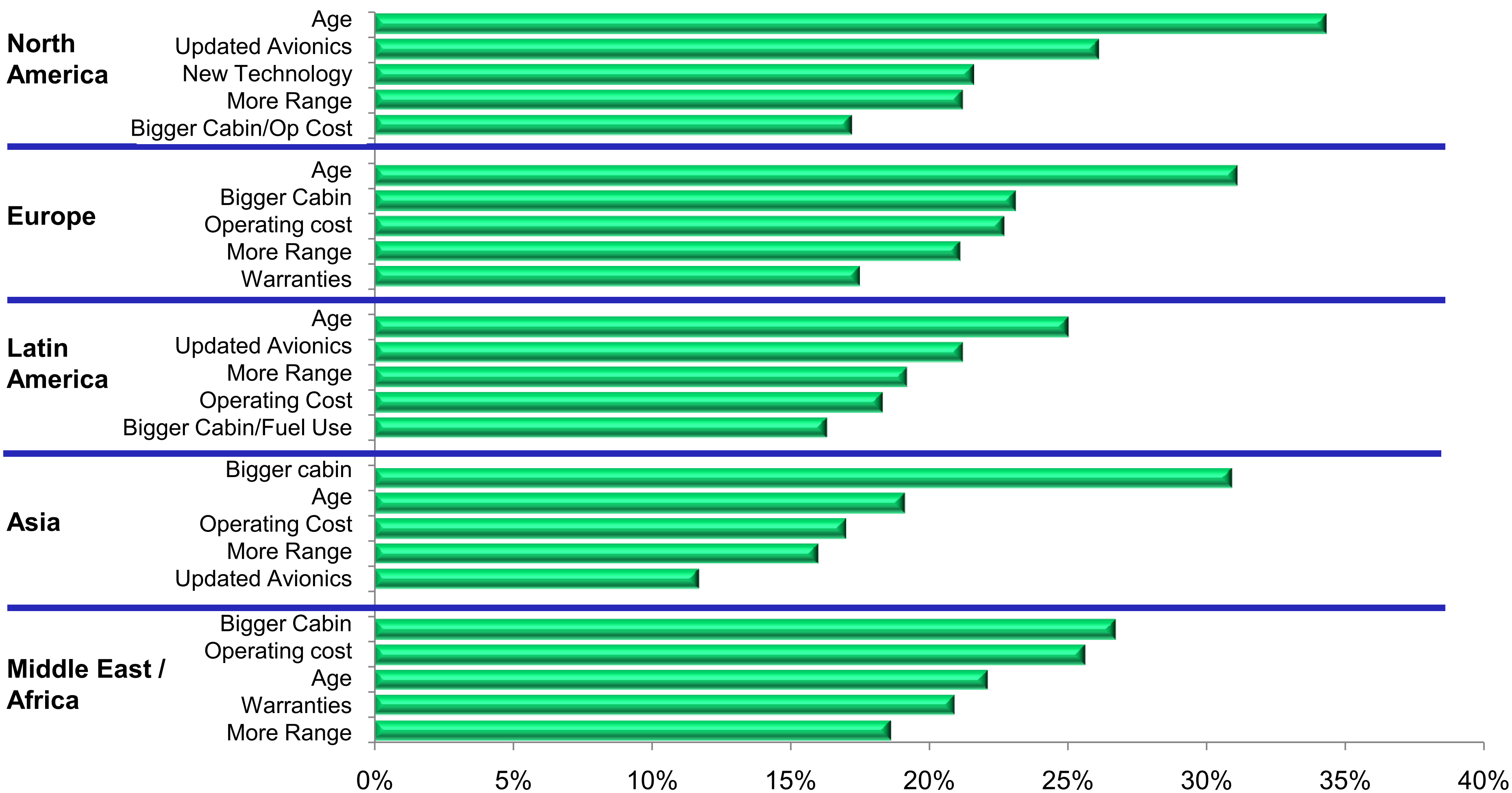
- Huge run up in used jet inventory for sale since mid 2008 has stabilized and begun to fall slightly
  - ~17% of active fleet listed for sale
  - ~900 late model jets under 10 years old listed.
  - 40% are Very Light and Medium class aircraft
  - Other classes up to lesser degree
- Average asking prices declining significantly for all models
- Forward look at used jet purchase plans in 2009 survey fell again

5 Year Replacement and Expansion percentages



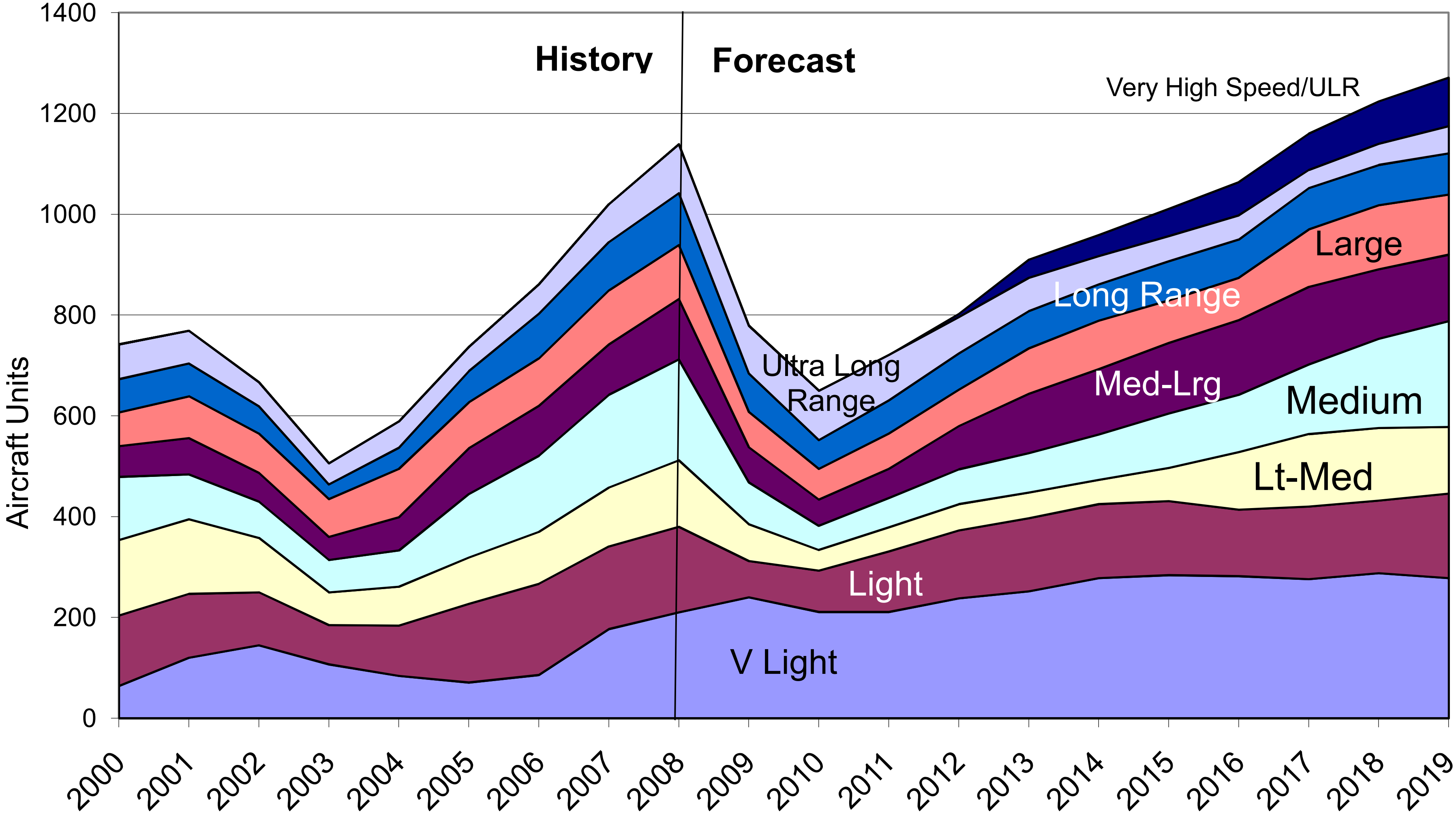
Continued Decline in Near Term Used Jet Interest

Reasons for New Jet Purchase – 2009 Survey



Efficiency and Operating Costs Gained Importance

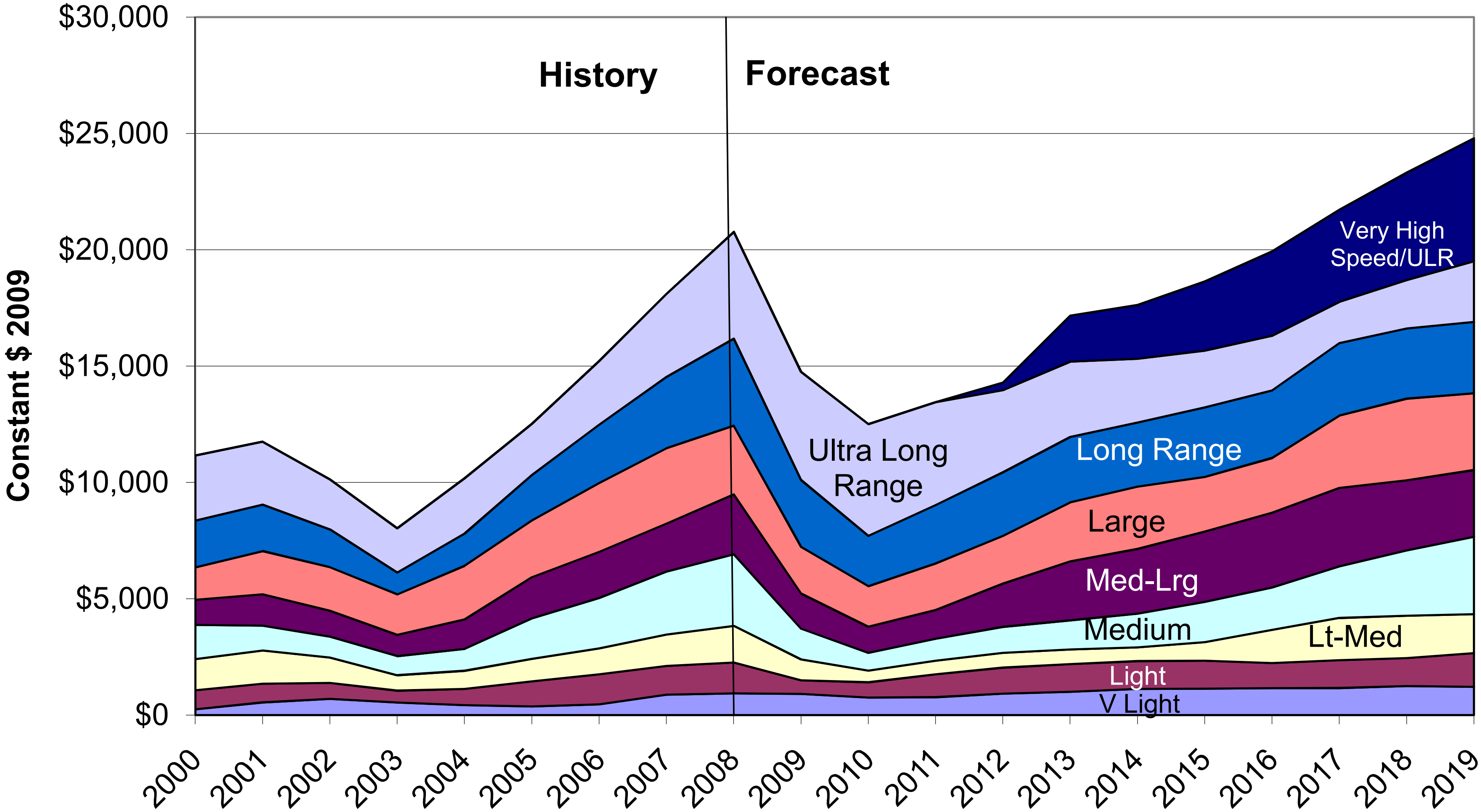
July 2009 Outlook for Business Jet Deliveries



10,000-11,000 New Jets from 2009 - 2019

July 2009 Outlook for Business Jet Deliveries

Constant 2009 Dollars



~$200B from 2009 - 2019

Conclusions

- Deliverіes will cycle down in 2009 and 2010:
  - Peak-to-trough decline will be in a range of 40% or more
- Buyer X signaling a potential recovery :
  - Global Insight indicates that a global economic recovery has begun
  - Weak dollar will have positive impact on International sales
  - Number of Jets per UHNWI in emerging markets far below potential
  - Recovery in new aircraft deliveries will initiate in 2011/2012
- Pipeline of new high value models still supports longer term growth
- Net new jet orders expected to be positive in 2010 and accelerate in 2011
- Very light segment production ramping up – backlogs appear to be holding
- Signs of stabilization in fleet utilization and used aircraft:
  - U.S. and European flight activity stabilizing
  - Improvement in jet utilization expected to begin in 2010, coincident with global economic recovery

Longer Term New Jet Outlook Positive –
Buyer X Survey Signaling a New Jet Demand Recovery