





GA Aircraft Landscape





New Generation Aircraft



- Avionics, Flight Decks
- New Generation Engines
- New Airframe Methods and Materials
- More Affordable Price

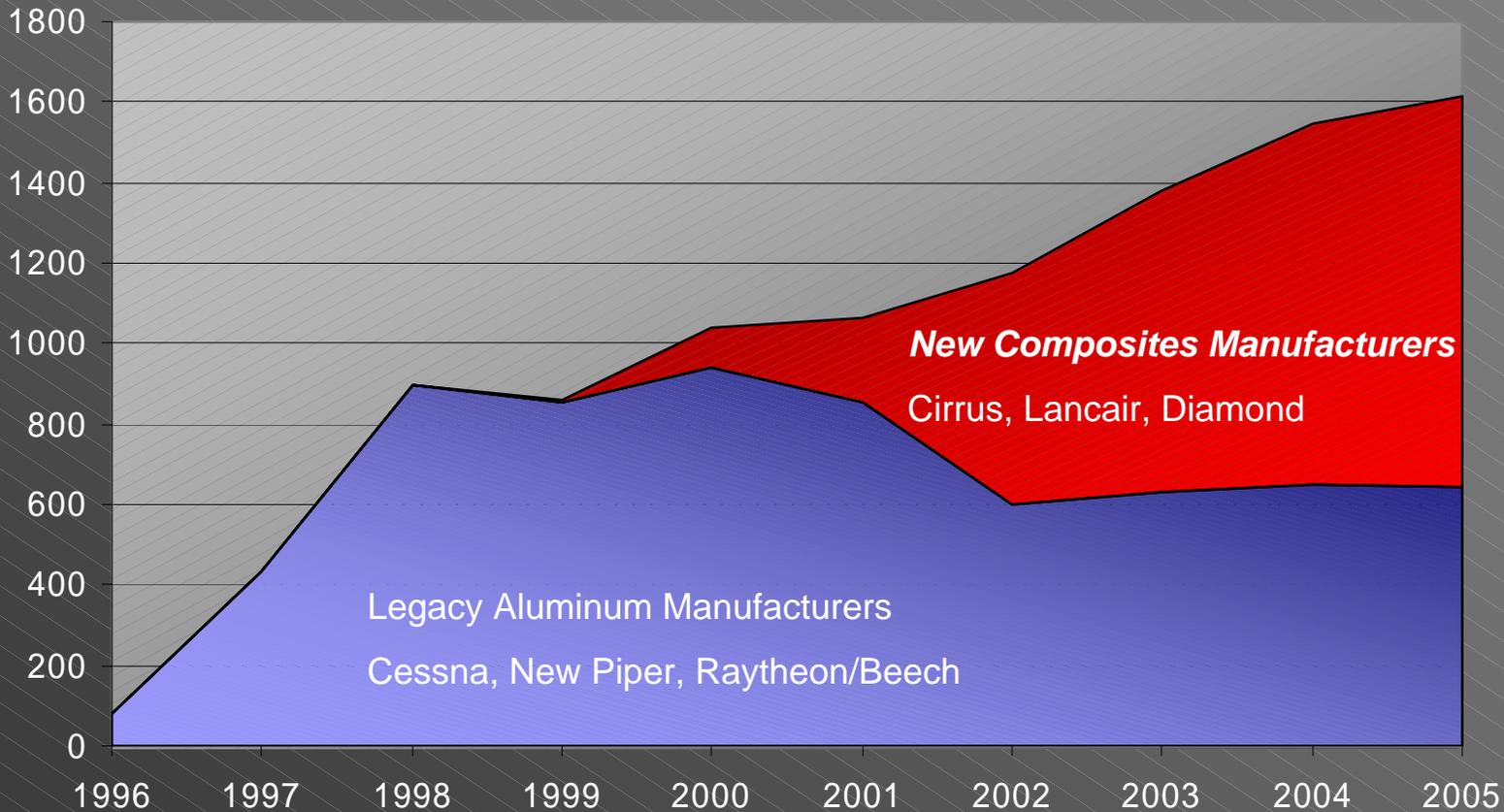


Market Forecast

**New Product Introduction
Historically Drives New Sales &
Segments in General Aviation**



Legacy Aircraft Vs. New Composite Aircraft, Under \$500K



■ Legacy Aircraft Shipments ■ Composite Aircraft Shipments

Legacy Aluminum Manufacturers
Cessna, New Piper, Raytheon/Beech

New Composites Manufacturers
Cirrus, Lancair, Diamond



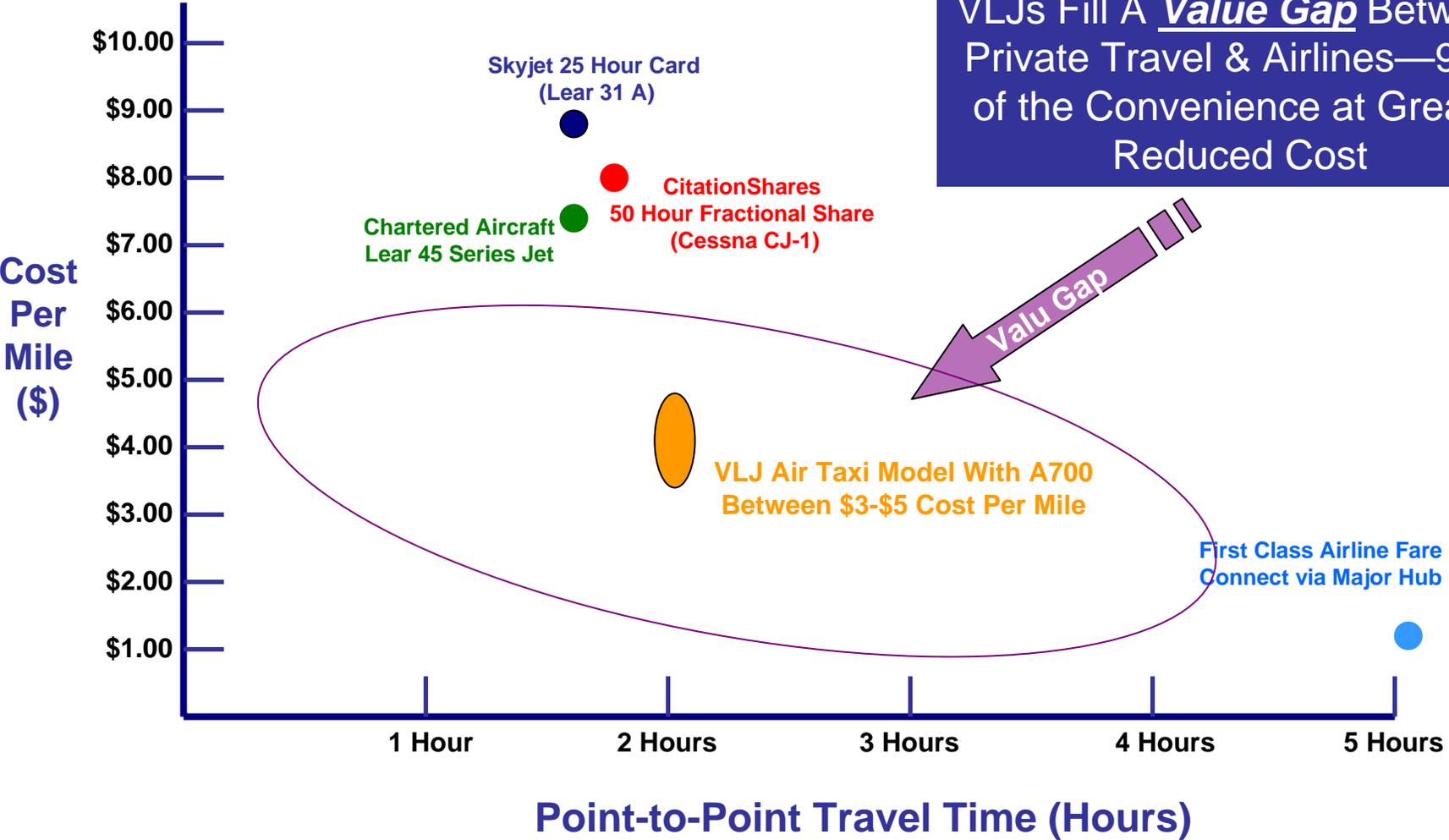
Instrument Panel

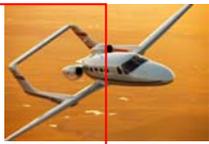




Cost Vs. Time for a typical 2-hour flight on A700 (Ex: St. George, UT to Portland, OR)

VLJs Fill A Value Gap Between Private Travel & Airlines—90% of the Convenience at Greatly Reduced Cost





Under a **Medium Demand** scenario, the VLJs convert a small % of total Available Seat Miles as projected by FAA and IATA traffic forecasts. This represents a conservative conversion of a percentage of high-net worth travelers.

Picking up .16% of worldwide ASMs by 2010 results in 2,000 VLJs in service in the 2010 timeframe.

Medium Demand VLJ Scenario				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Market Size M	152,341,347	157,520,953	162,876,665	168,414,472
X(T-1) # Adoptions Previous Period	-	609,365	1,291,642	2,053,309
P	0.004			
Q	0.09			
X Unadjusted	609,365	682,277	761,666	847,989
X Adjusted for Market Size	256,268	286,931	320,318	356,621
VLJ Demand-US Only	148	287	513	571
Cumulative Demand-US Total	148	435	947	1,518
Asia-Pacific	16	31	56	62
Europe	31	60	108	120
Middle East	3	6	11	12
Africa	1	2	3	3
Latin America	9	17	31	34
VLJ Demand-Overseas	60	117	209	232
Cumulative Demand-Overseas	60	177	386	618
VLJ Demand-Total	208	404	721	803
Cumulative Demand-Total	208	612	1,333	2,136
% Market Penetration	0.40%	0.43%	0.47%	0.50%
Available Seat Miles	398,548	1,173,261	2,557,033	4,097,635
<i>% of Total ASMs</i>	<i>0.02%</i>	<i>0.05%</i>	<i>0.11%</i>	<i>0.16%</i>



The Products



A500



- Pressurized inline piston twin, 6 seats, 7,000 lbs gross, 44' wing, 240 kts., 1,100 mi. range, \$1.2m.

Customers:

- Owner/operators wanting safety (inline thrust) and new technology (carbon fiber, sidestick and avionics).
- Step up from high performance singles and existing twins.

A700



- 7 seats w/lavatory or 8-seat air taxi, 44' wing, 340 kts., 1,100 mi. range, \$2.25m.

Civilian Customers:

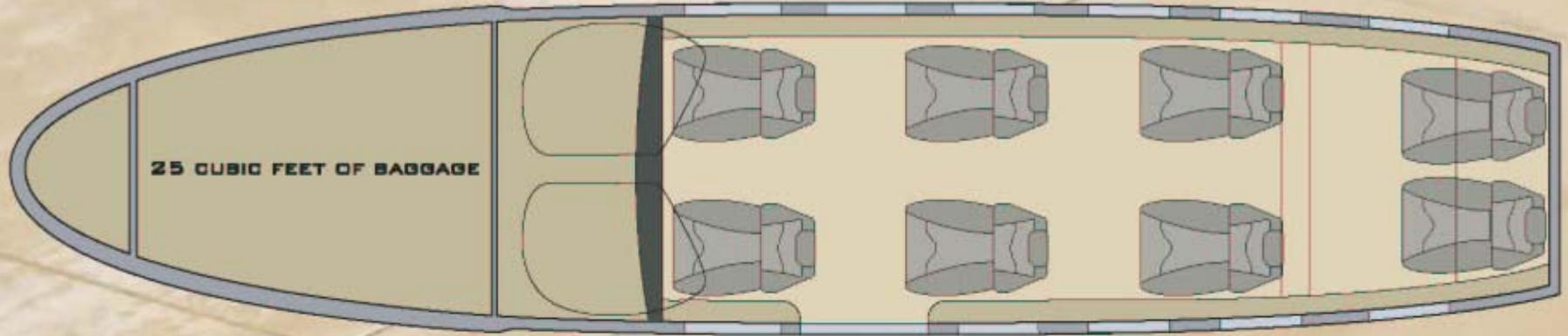
- Owner/operators wanting turbine jet; step up from high performance twins and turbo props.
- Charter operators, fractional, and developing Air Taxi market.



A700 Air Taxi Configuration



A700 8 Seat Interior



Seat pitch: First row of passenger seats - 42", Second row of passengers - 42", Last row of passengers - 47"



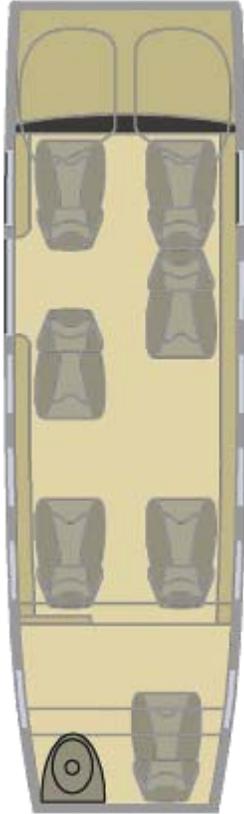


A700: Light Jet Cabin at a VLJ Price

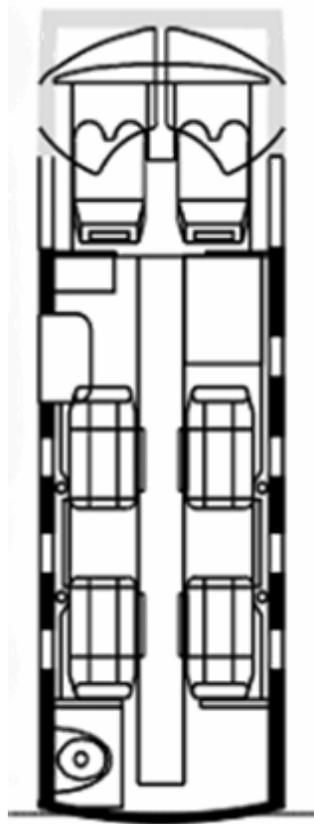


Best Value in its Class

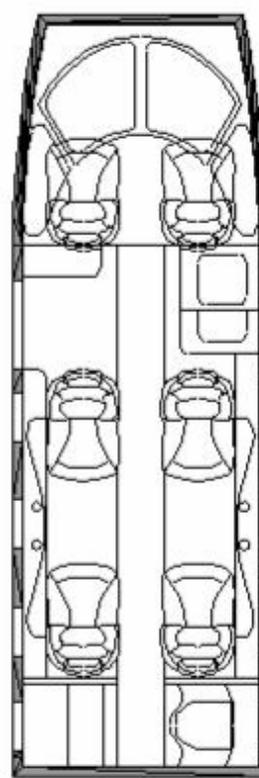
A700



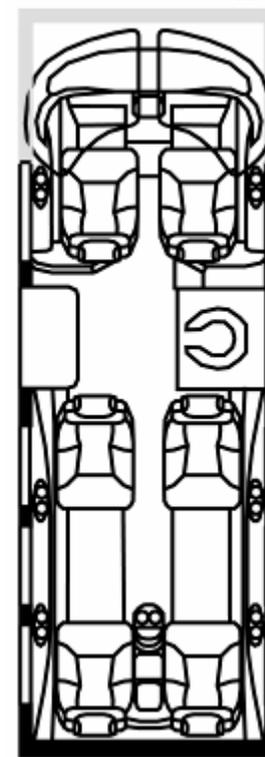
CJ1+



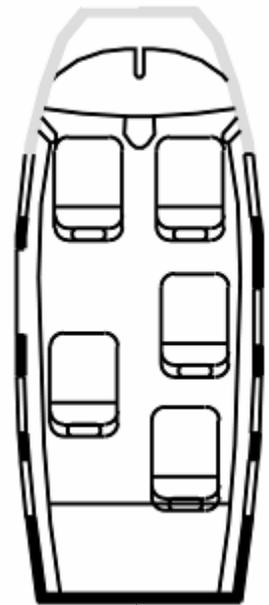
Phenom 100



Mustang



Eclipse



No External Baggage

Price (\$):

\$2.25

\$4.50

\$2.98

\$2.65

\$1.71

Belted Seating: 7 to 8

7

6

6

5



A700 and A500 In Flight

