



JETNET iQ *Snap!*

Q2 2012 Summary Report

Prepared for:
JETNET iQ Global Business Survey Respondents

JETNET iQ Snap!: 2nd Quarter 2012 - Private & Confidential

Thank You, Merci, Obrigado, Muchas Gracias, תודה, Danke, ありがとう, Grazie, شكرا, спасибо, 謝謝

Thank you for participating in our quarterly JETNET iQ Global Business Aviation Surveys. Your opinions and inputs are vital to the many people in the industry tasked with designing and developing aircraft, providing aviation services on the ground and in the air, financing / selling / and buying aircraft, and creating the operational framework for safe and efficient flight.

JETNET has been a trusted source of aviation market intelligence since 1988. From humble beginnings in Utica, New York, we have built one of the finest research teams and business aviation databases in the industry. Our people are professional and dedicated, and our data products and services are unique and innovative. Now, with JETNET iQ, JETNET CRM, JETNET Evolution, Aviation Business Index, and

our interface enhancements for Mac users, we are taking our services to a higher level, providing you unprecedented data coverage, connectability, and market insights wherever you are.

On June 6, 2012, we successfully hosted our 2nd annual JETNET iQ Global Business Aviation Summit with thought leaders from across the industry. We are already planning our 2013 event for New York, as we move into even larger conference room facilities. This fall, please plan to visit us at the JETNET booth at NBAA in Orlando, FL from Oct. 30-Nov. 1, 2012. Thank you for participating in our quarterly survey - we hope this JETNET iQ *Snap!* Report helps you take your business to a higher altitude.

Vincent Esposito
President, JETNET LLC

Navigating by JETNET iQ

JETNET iQ *Snap!* is one of the ways we would like to say thanks for the time and opinions you provide us when participating in our quarterly JETNET iQ Global Business Aviation Surveys. With seemingly endless demands on your time, we appreciate your help and want to provide you something back in return. In the attached pages you will find some of the latest market intelligence that we have collected and analyzed.

Our goal is to be a resource to identify and work the issues that matter to the business aviation community. As an industry leader and aviation professional, you make a difference by participating in these surveys, providing us with objective and subjective perspectives into the state of the worldwide business aviation industry.

JETNET iQ *Snap!* reflects the collaborative insights of you, our respondents, and our

JETNET iQ research team. Collectively, we have extensive experience in business aviation, from executive offices and boardrooms, to the office cubicles, factory floors, design centers, situation rooms, cockpits, service hangars and flight lines of the industry. Much like a magnifying glass concentrates light and energy, JETNET iQ draws from a diverse set of intelligence sources to bring the power of this experience into sharp focus.

Since early 2011, our JETNET iQ research team has been reaching out to you – fixed-wing turbine aircraft owners and operators - with our quarterly JETNET iQ Global Business Aviation Surveys. We hope that this latest issue of JETNET iQ *Snap!* is useful and insightful to you.

Rollie Vincent
JETNET iQ Creator/Director
rollie@jetnet.com

JETNET

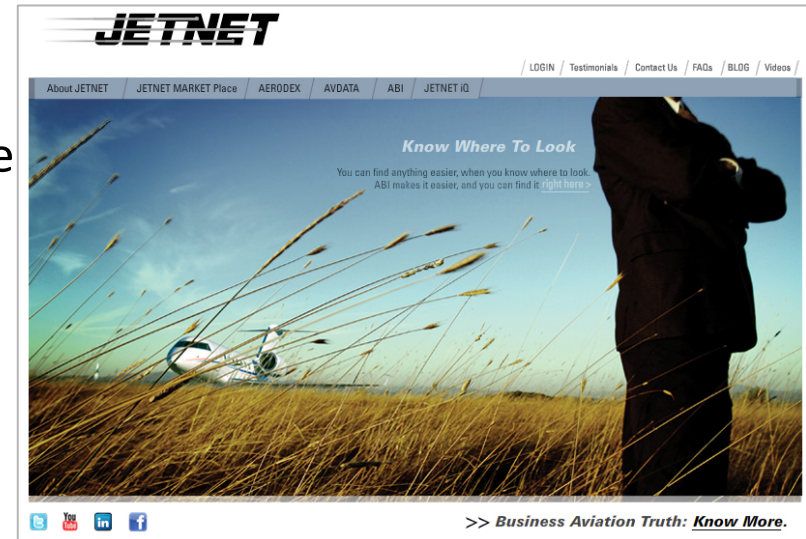
- Founded in 1988
- Privately-owned family business
- Headquarters in Utica, NY
- 70 employees (43 in research)
- Daily contact with aircraft owners and operators globally



JETNET: Worldwide leader in aviation market intelligence

JETNET

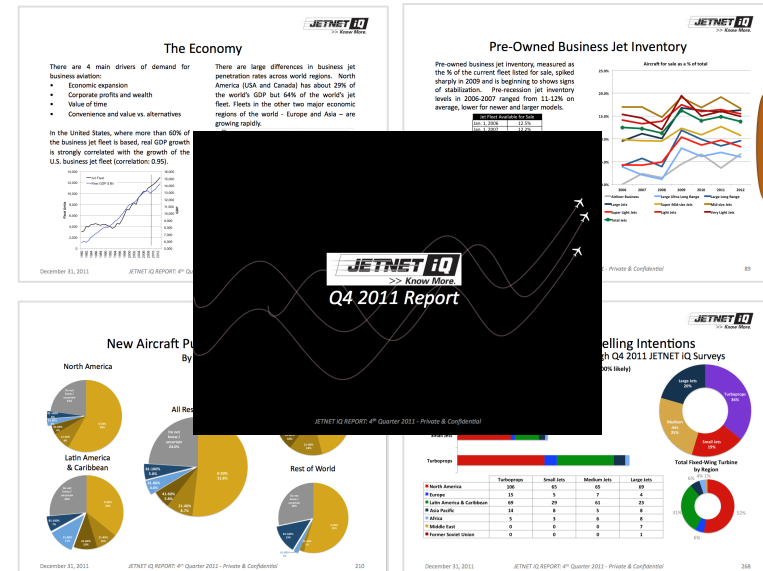
- Main products:
 - JETNET iQ
 - JETNET Evolution / Evolution Mobile
 - AERODEX
 - Aviation Business Index (ABI)
 - AvData
 - JETNET CRM
 - Helidex
 - Rotodex
 - Big Planes - Commercial Airliner Database
 - Sales Price Index (SPI)
- Data coverage:
 - 60,000 business aircraft (fixed and rotary wing)
 - 50,000 commercial aircraft



JETNET: Tracking more than 110,000 aircraft worldwide

JETNET iQ - 3 Main Elements

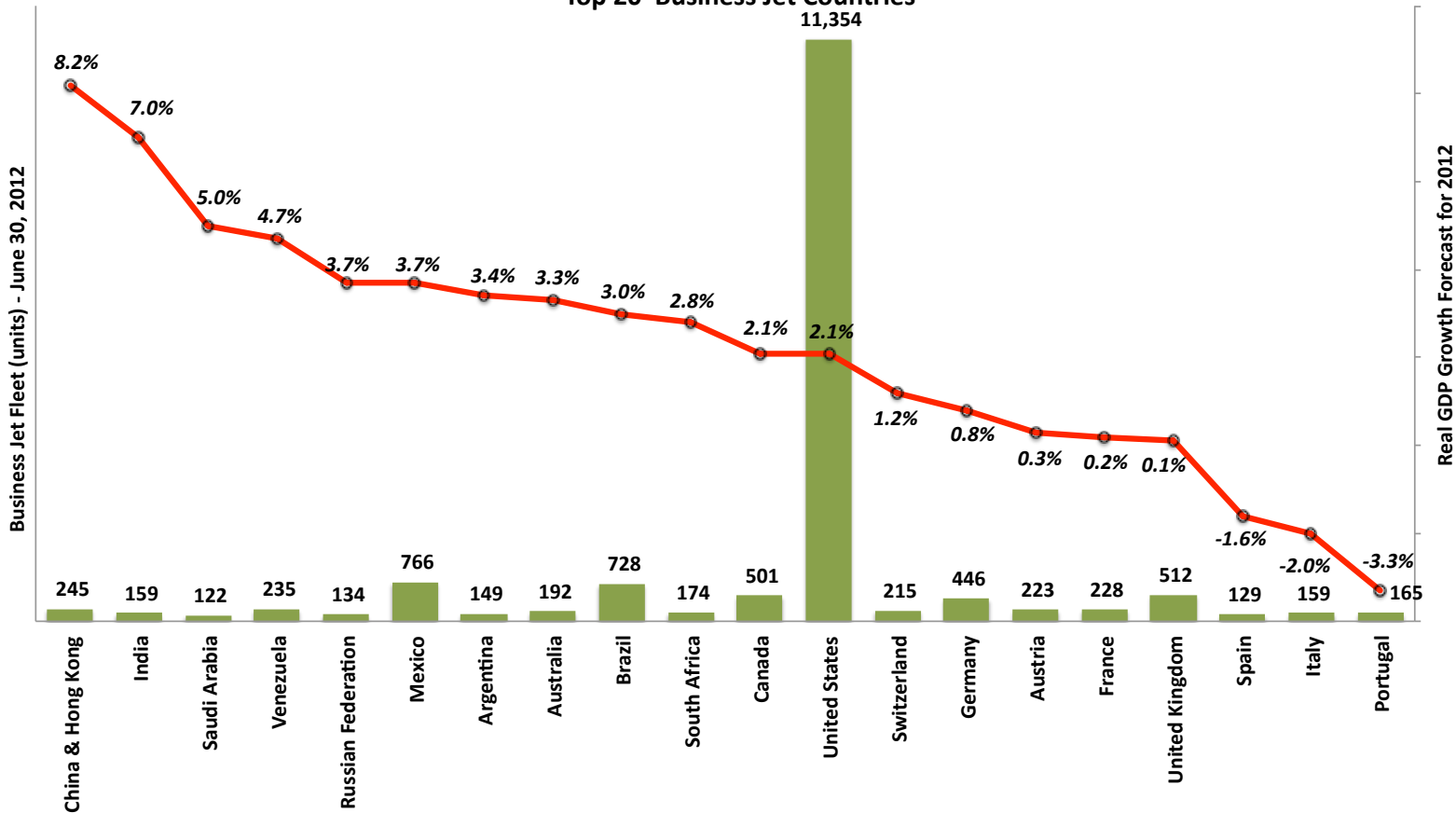
- JETNET iQ Reports
 - The Economy
 - The Industry
 - The Survey
 - The Forecast
- JETNET iQ Summits
 - Networking conferences with industry thought leaders
- JETNET iQ Consulting
 - Customized project research services



JETNET iQ: Analysis and forecasting services for business aviation leaders

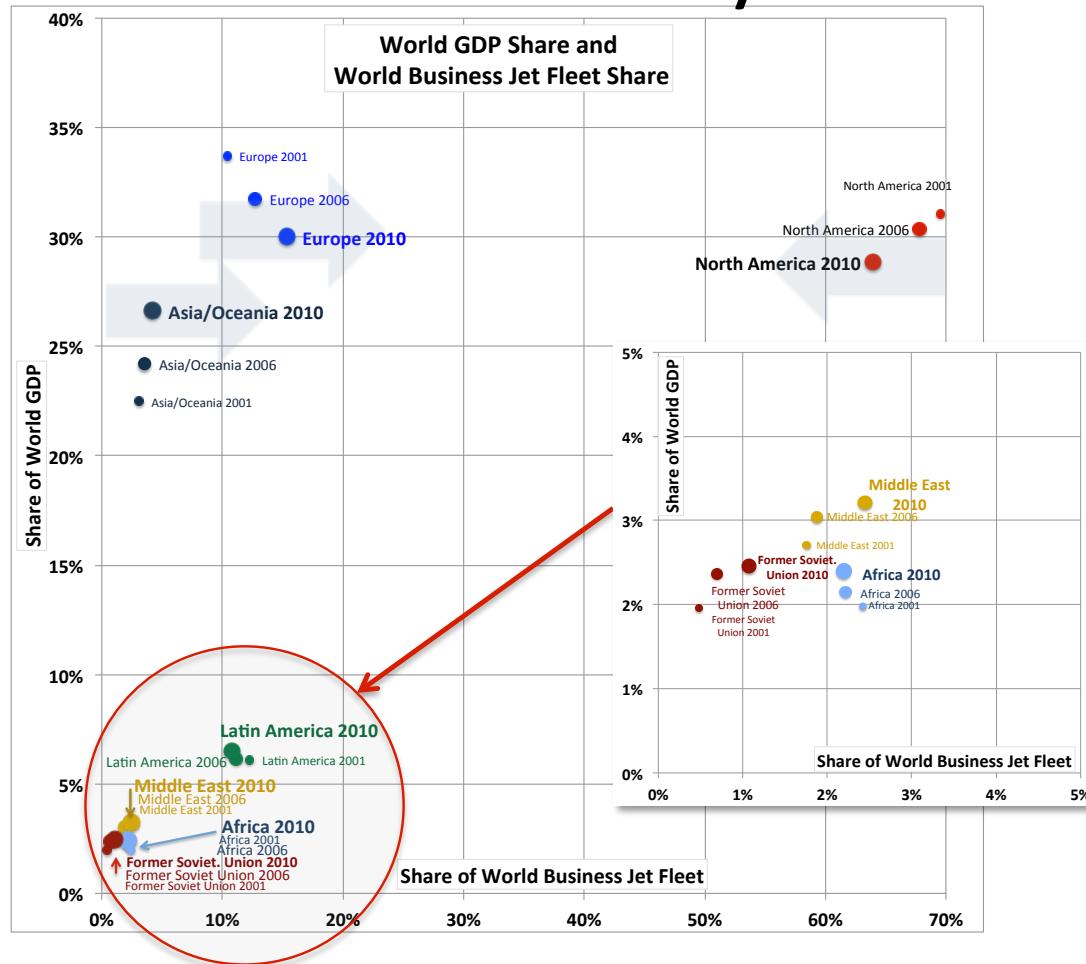
The Economy

2012 GDP Forecasts vs. Business Jet Fleet for the 'Top 20' Business Jet Countries



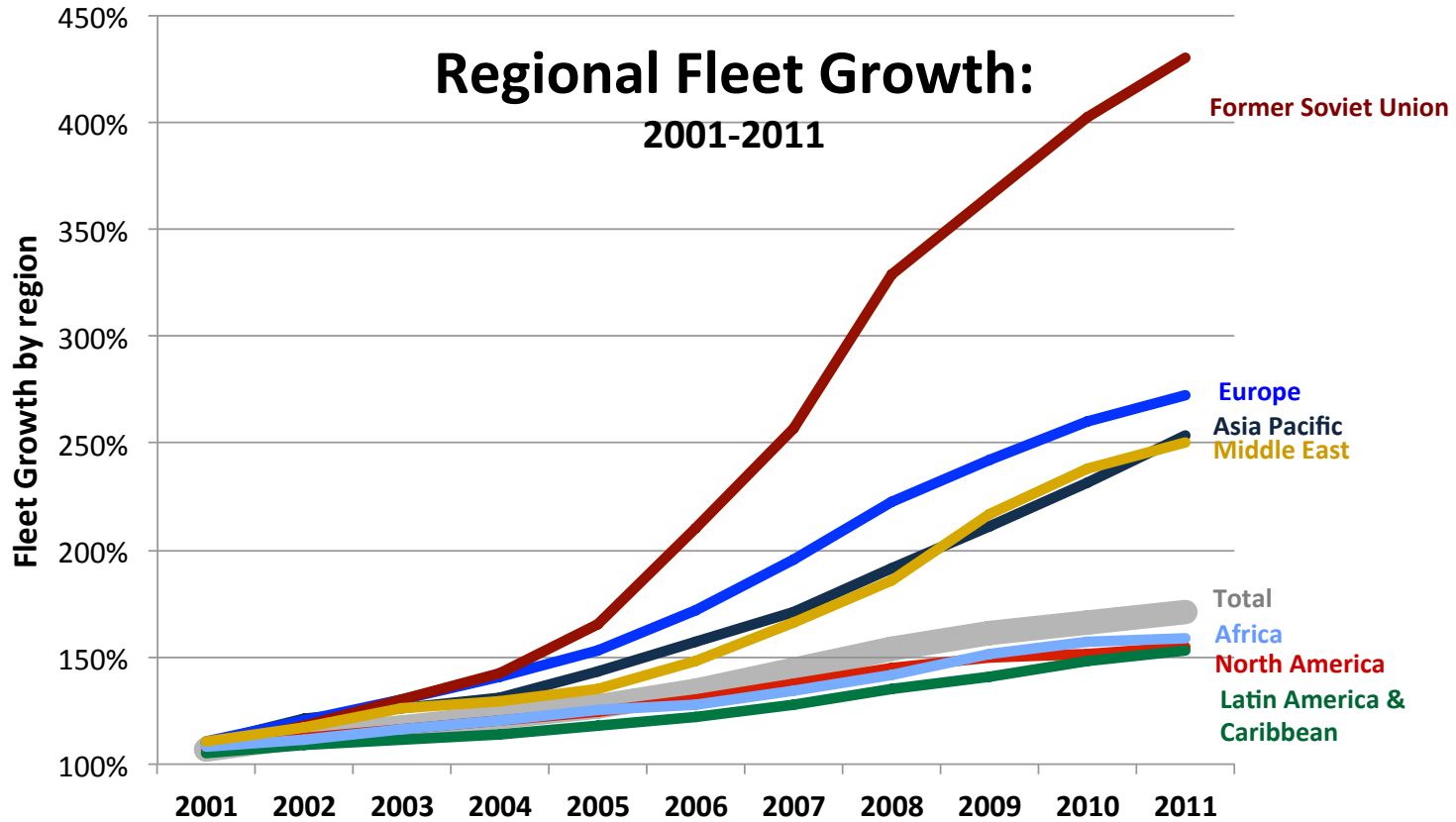
The "Top 20" business aviation countries have widely divergent economic outlooks in 2012

The Economy



North America, Europe, and Asia Pacific – similarly sized economies, very different fleets

Business Jet Fleet by Region



Asia Pacific is poised to be the world's fastest growing fleet over the next 10 years

Business Jet Fleet by Manufacturer

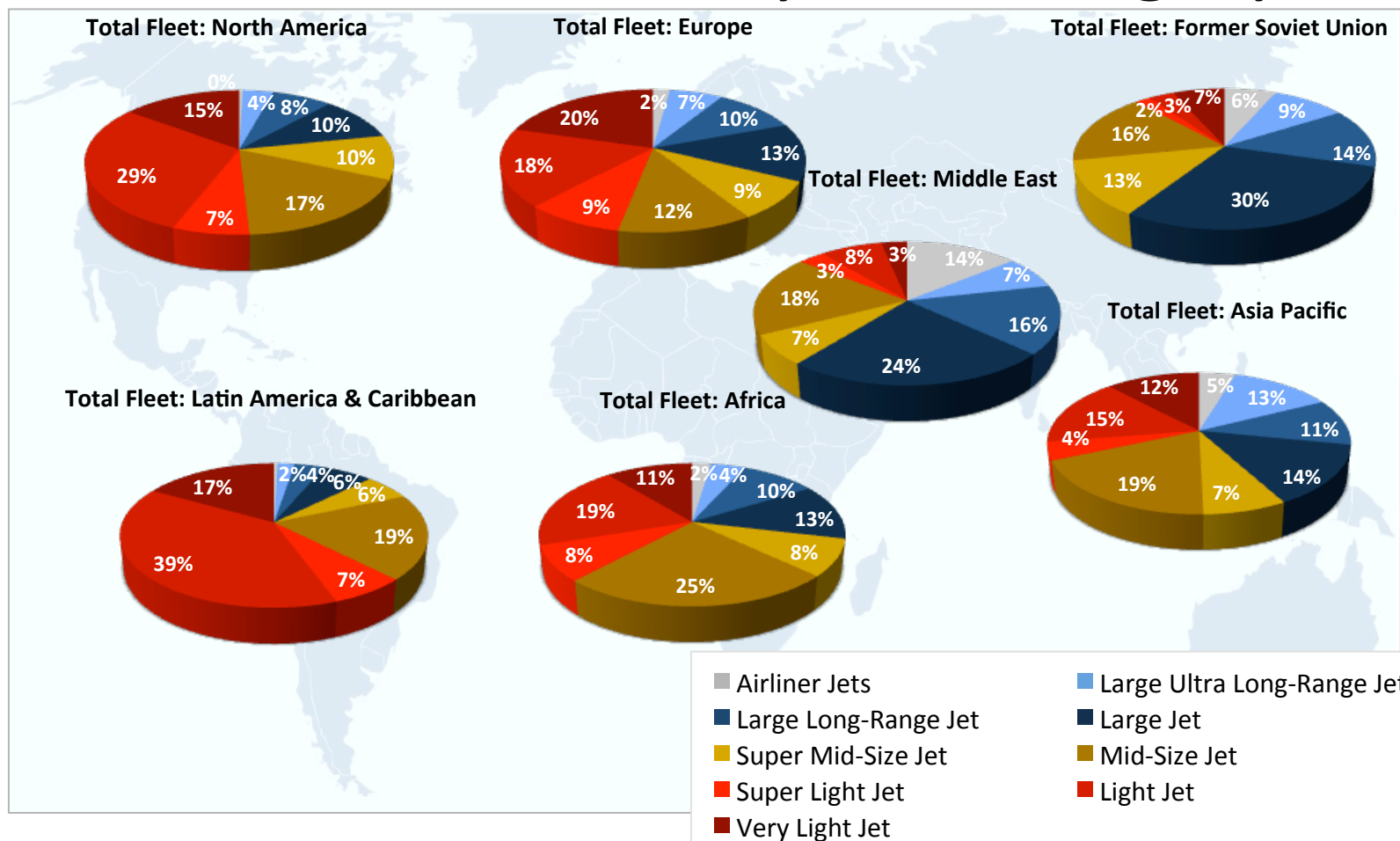
NORTH AMERICA		EUROPE		FORMER SOVIET UNION	
OEM	Total Fleet	OEM	Total Fleet	OEM	Total Fleet
Bombardier	2,587	Bombardier	569	Bombardier	66
Cessna Citation	4,128	Cessna Citation	1,012	Cessna Citation	18
Dassault Falcon	1,168	Dassault Falcon	483	Dassault Falcon	35
Embraer	221	Embraer	99	Embraer	16
Gulfstream	1,527	Gulfstream	184	Gulfstream	19
Hawker Beechcraft	1,510	Hawker Beechcraft	289	Hawker Beechcraft	35
Other	714	Other	98	Other	19
Total	11,855	Total	2,734	Total	208

MIDDLE EAST	
OEM	Total Fleet
Bombardier	93
Cessna Citation	58
Dassault Falcon	54
Embraer	34
Gulfstream	82
Hawker Beechcraft	70
Other	70
Total	461

LATIN AMERICA & CARIBBEAN		AFRICA		ASIA PACIFIC	
OEM	Total Fleet	OEM	Total Fleet	OEM	Total Fleet
Bombardier	533	Bombardier	74	Bombardier	218
Cessna Citation	723	Cessna Citation	103	Cessna Citation	204
Dassault Falcon	135	Dassault Falcon	55	Dassault Falcon	62
Embraer	123	Embraer	16	Embraer	41
Gulfstream	150	Gulfstream	51	Gulfstream	173
Hawker Beechcraft	329	Hawker Beechcraft	102	Hawker Beechcraft	156
Other	157	Other	20	Other	59
Total	2,150	Total	421	Total	913

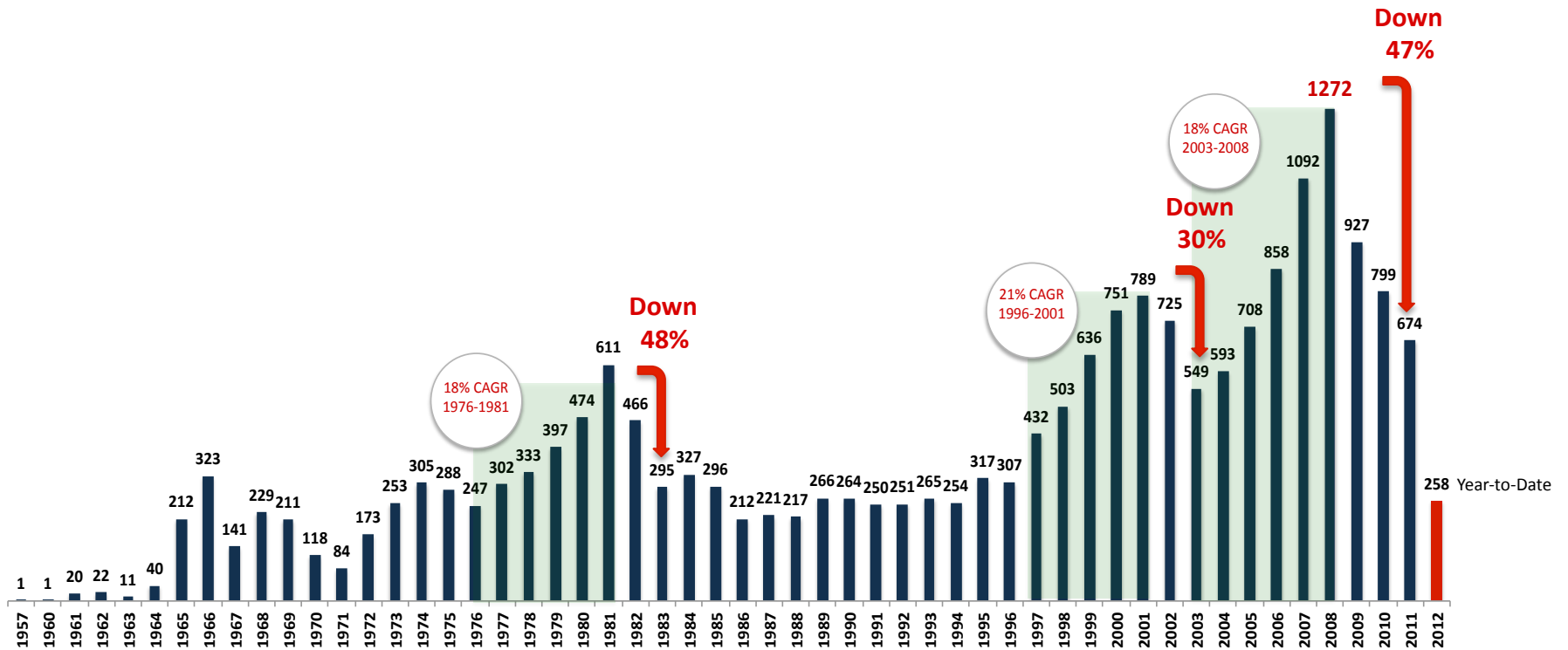
World fleet was 18,742 jets on June 30, 2012, representing 91.1% of jets ever delivered

Business Jet Fleet by Size Category



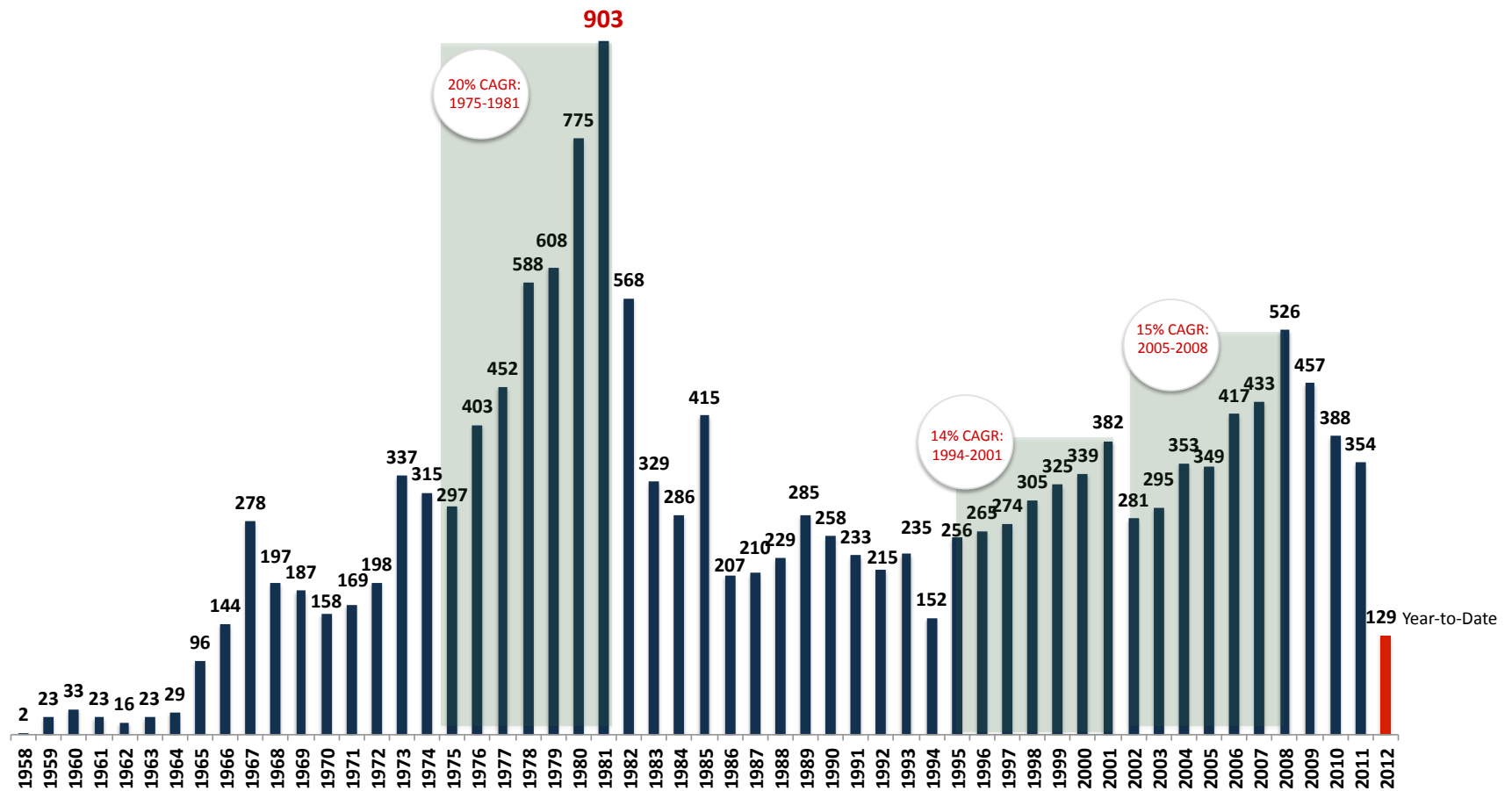
There is a large regional variation in the mix of jet size categories in the fleet

Business Jet Fleet Deliveries (units)



The 2009-2011 new jet delivery downturn was similar in amplitude to that of 1982-83

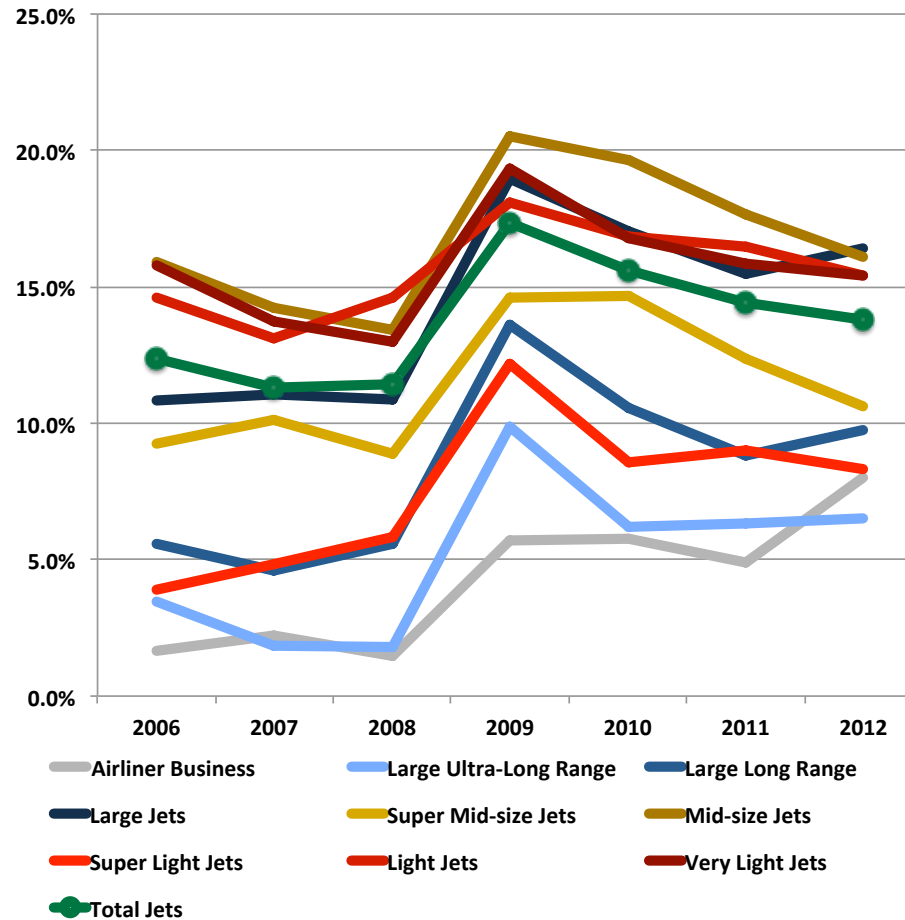
Business Turboprop Deliveries (units)



New turboprop delivery cycles have been less severe than for new jets for almost 20 years

Pre-Owned Business Jet Inventory

Aircraft for sale as a % of total




The percentage of pre-owned jets for sale has yet to return to pre-2008 levels

JETNET iQ Quarterly Surveys

- Multilingual owner / operator surveys
 - Utilization patterns and expectations
 - Brand perceptions
 - Purchase criteria / inhibitors
 - Purchase / selling intentions
 - New product preferences
 - Special topics of interest (e.g. China)

JETNET iQ GLOBAL BUSINESS AVIATION SURVEY - Q1 2012 English

WELCOME



WELCOME!

Thank you for agreeing to participate in this survey sponsored by JETNET LLC, the world's leading provider of business aviation market intelligence.

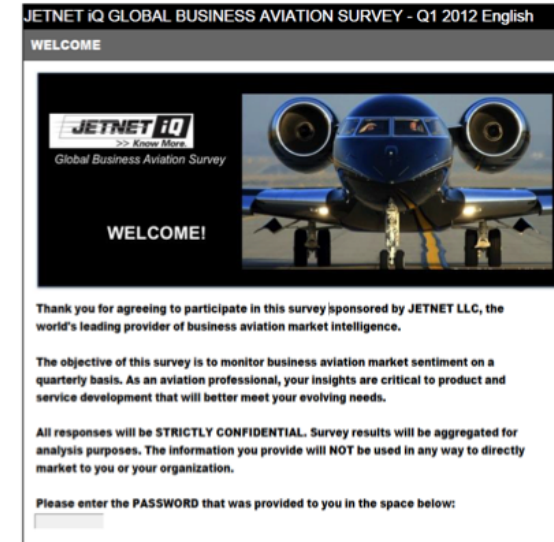
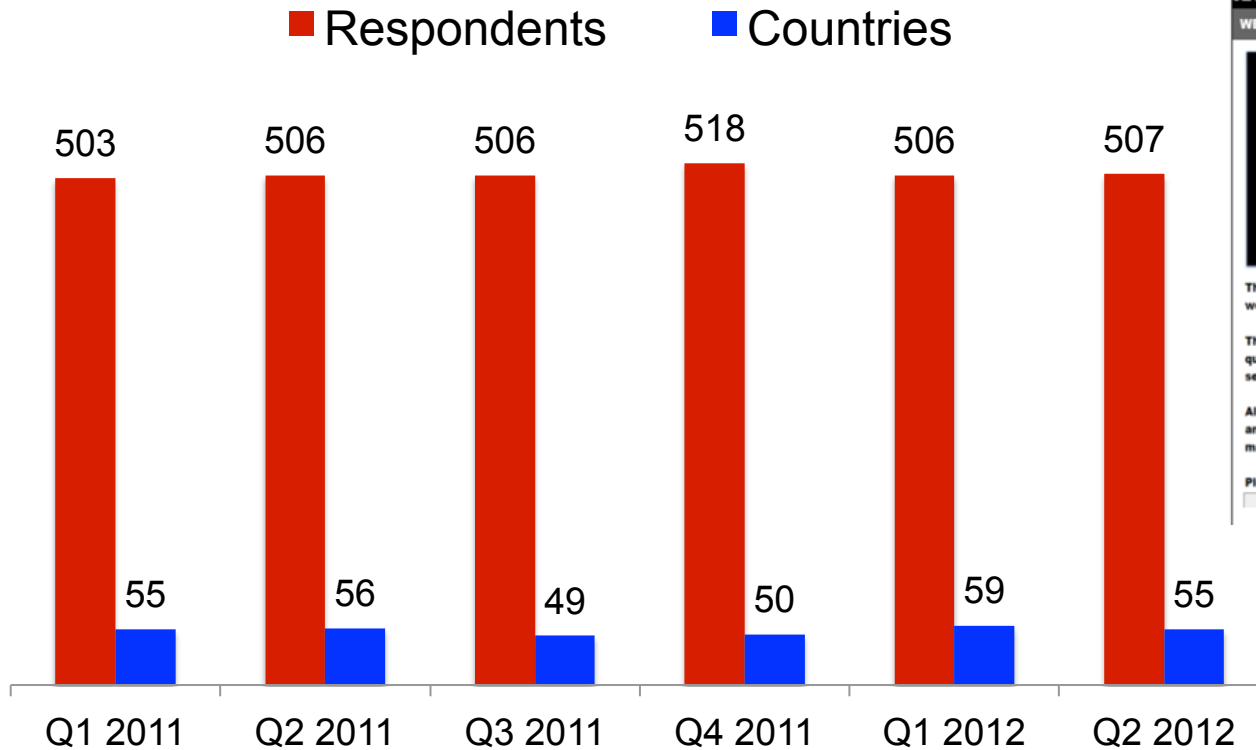
The objective of this survey is to monitor business aviation market sentiment on a quarterly basis. As an aviation professional, your insights are critical to product and service development that will better meet your evolving needs.

All responses will be STRICTLY CONFIDENTIAL. Survey results will be aggregated for analysis purposes. The information you provide will NOT be used in any way to directly market to you or your organization.

Please enter the PASSWORD that was provided to you in the space below:

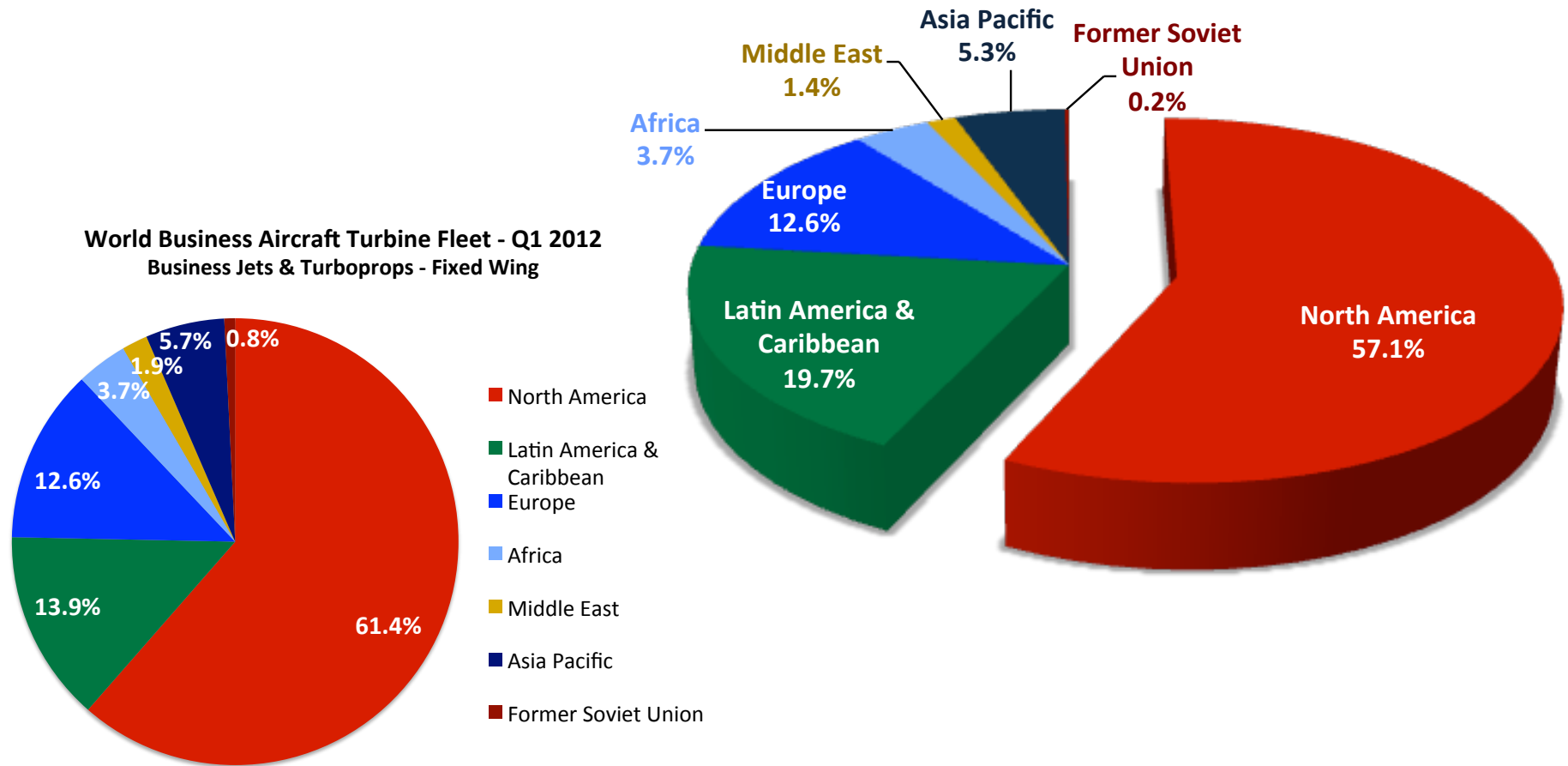
JETNET iQ Surveys: Quarterly, multilingual, worldwide

JETNET iQ Survey Respondents



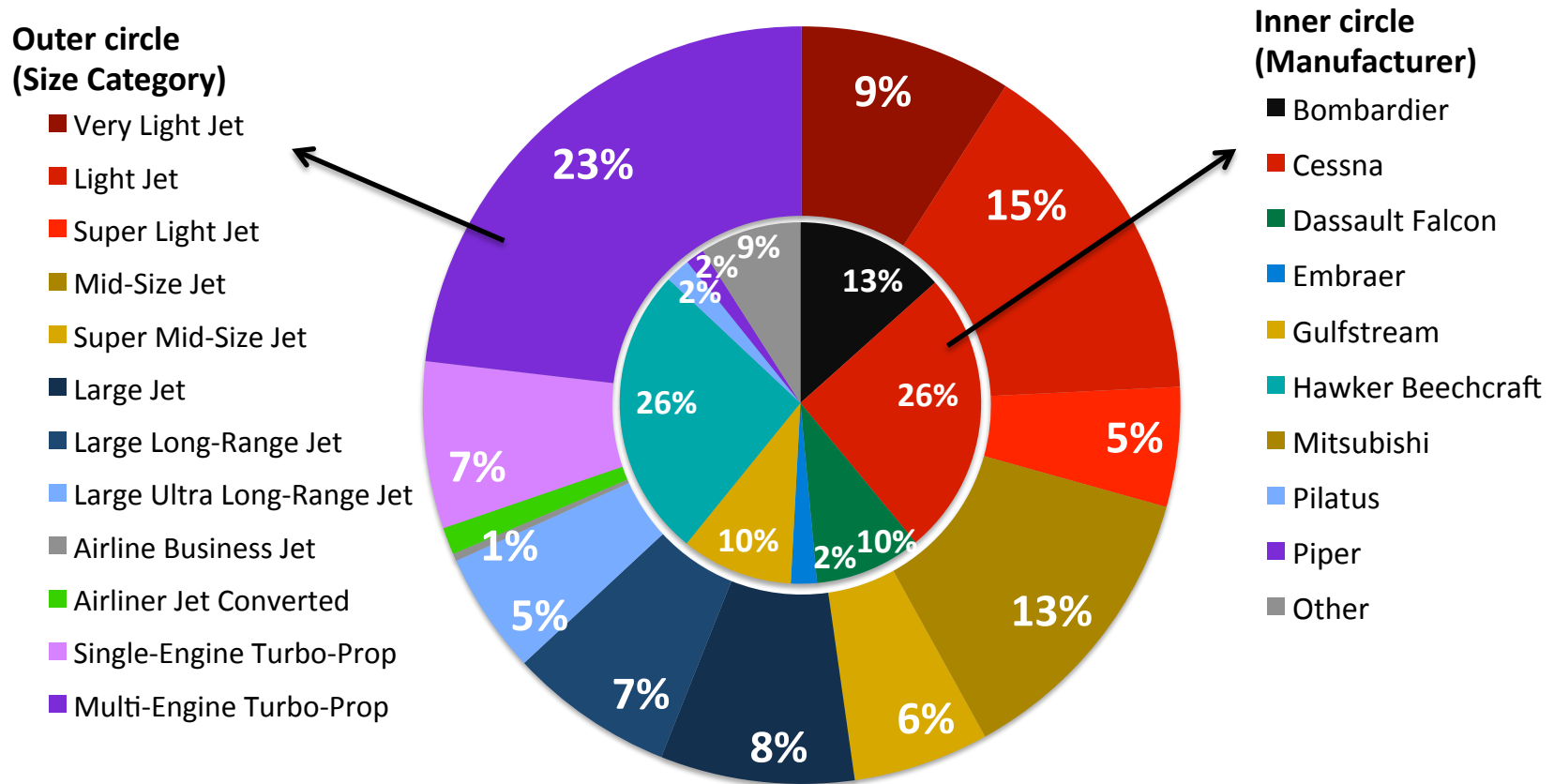
JETNET iQ Surveys: Since Q1 2011, >3,000 respondents from 99 countries

Location of JETNET iQ Survey Respondents



JETNET iQ Surveys: Respondent location closely matches the world turbine fleet

Fleet of JETNET iQ Survey Respondents



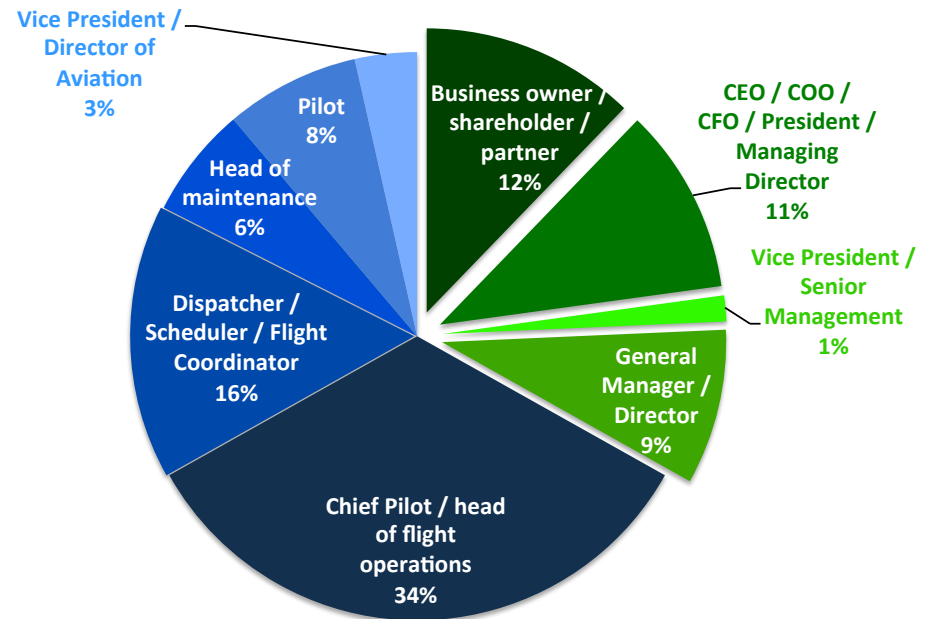
Q2 2012: 507 survey respondents from 55 countries fly 1,292 fixed-wing turbine aircraft

Job Titles

JETNET iQ Q2 2012 Survey Respondents

Title of respondent	Completed
Business owner / shareholder / partner	83
CEO / COO / CFO / President / Managing Director	72
Vice President / Senior Management	10
General Manager / Director	60
Chief Pilot / head of flight operations	229
Dispatcher / Scheduler / Flight Coordinator	106
Head of maintenance	43
Pilot	52
Vice President / Director of Aviation	24
Total	679

Note: Respondent was able to chose whichever applied

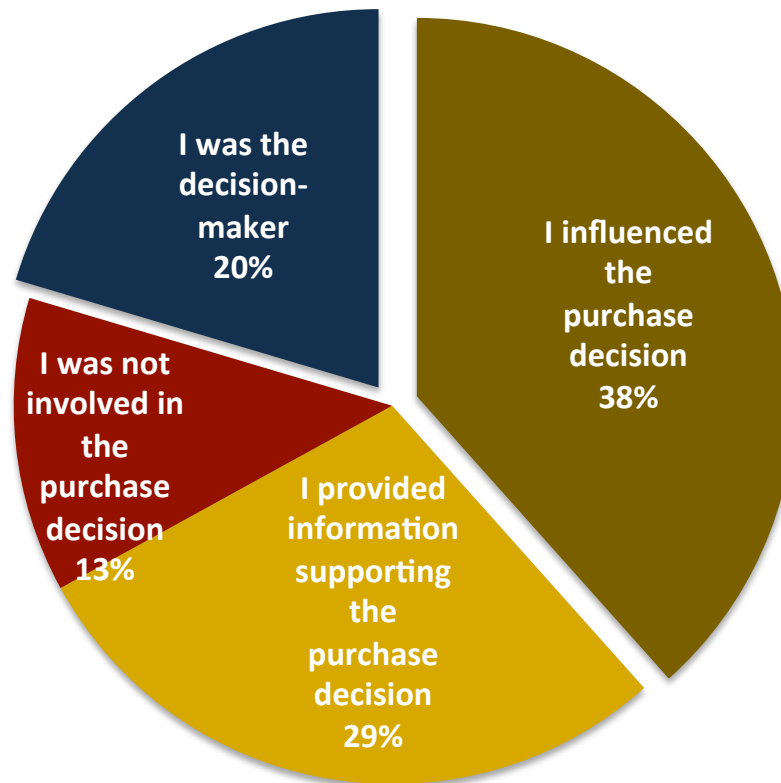


Aviation Professionals	454	67%
Senior Management / General Manager	225	33%

33% of Q2 2012 survey respondents are senior management; 67% are aviation professionals

Involvement in Last Aircraft Purchase

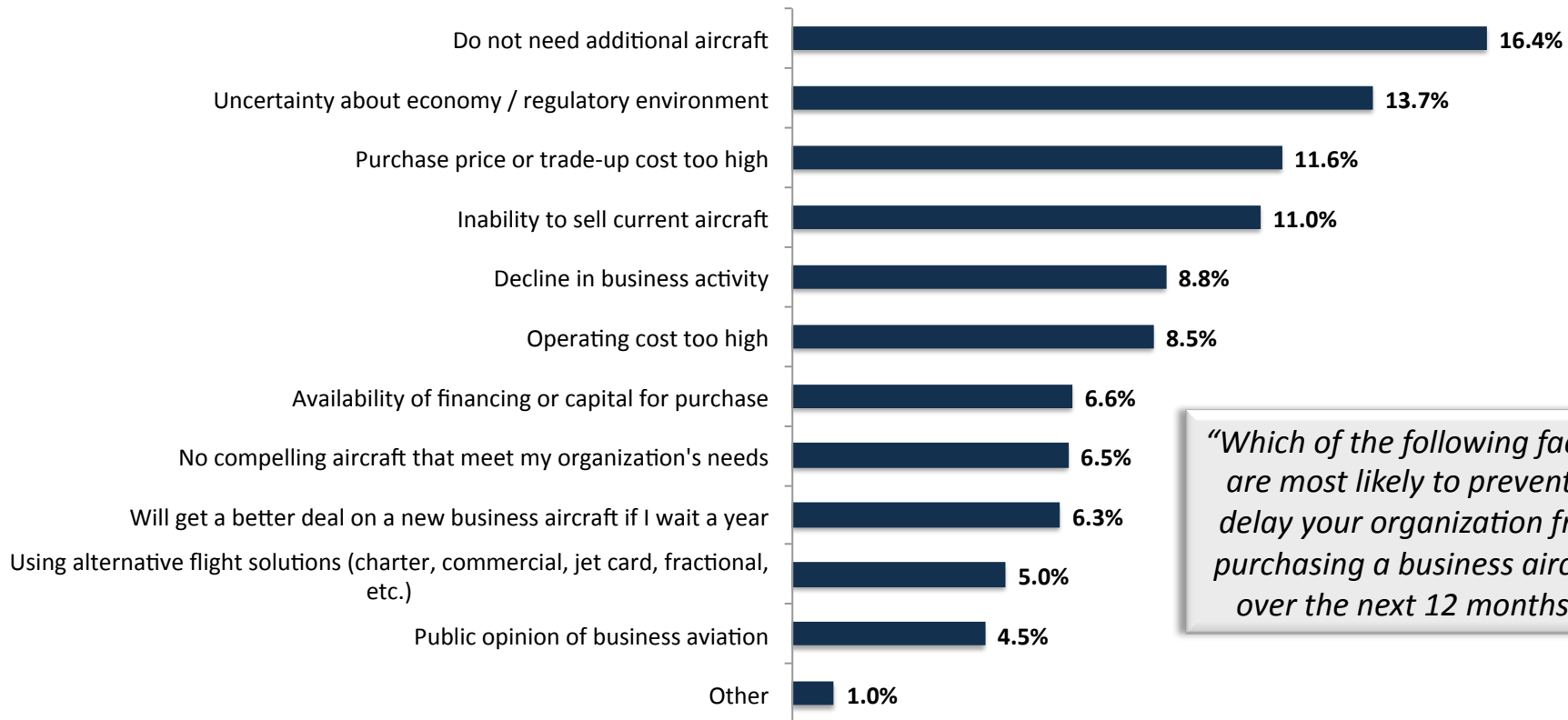
JETNET iQ Q2 2012 Survey Respondents



58% of Q2 2012 Survey respondents made or influenced the last aircraft purchase decision

Inhibitors to New Aircraft Purchase

JETNET iQ Survey Respondents

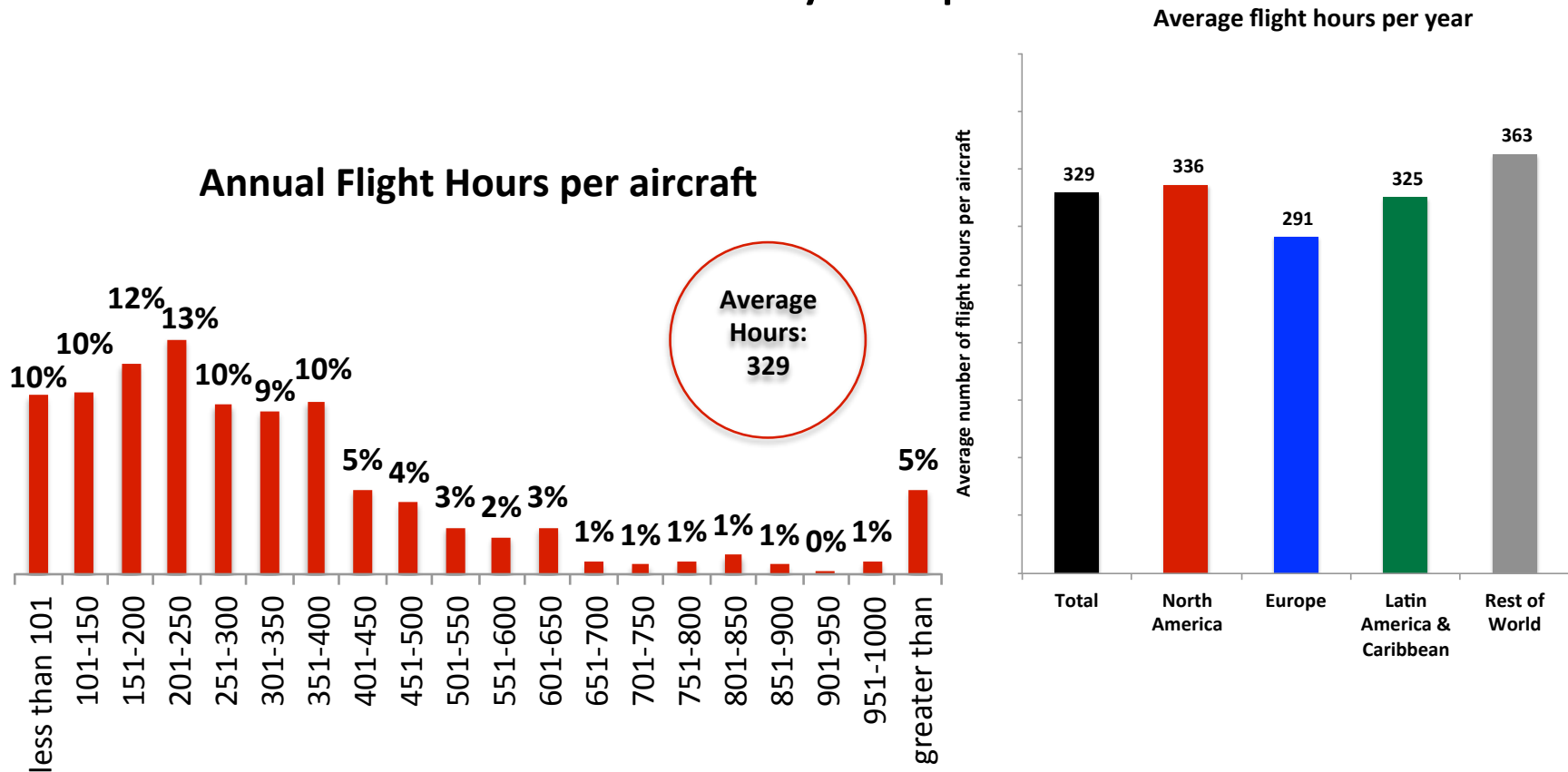


“Which of the following factors are most likely to prevent or delay your organization from purchasing a business aircraft over the next 12 months?”

“Do not need additional aircraft” has fallen to 16% in Q2 2012 from 26% in Q3 2011

Aircraft Utilization – Last 12 Months

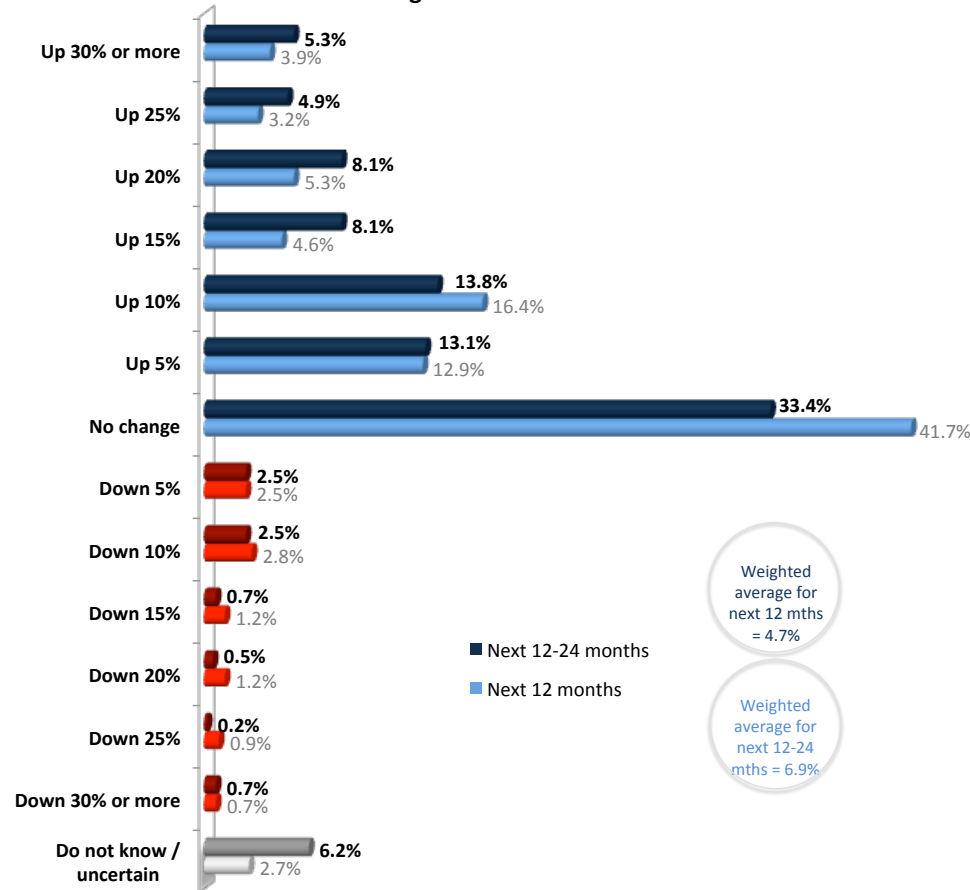
JETNET iQ Survey Respondents



Average annual utilization tends to be lowest in Europe, highest in emerging markets

Aircraft Utilization – Future Expectations

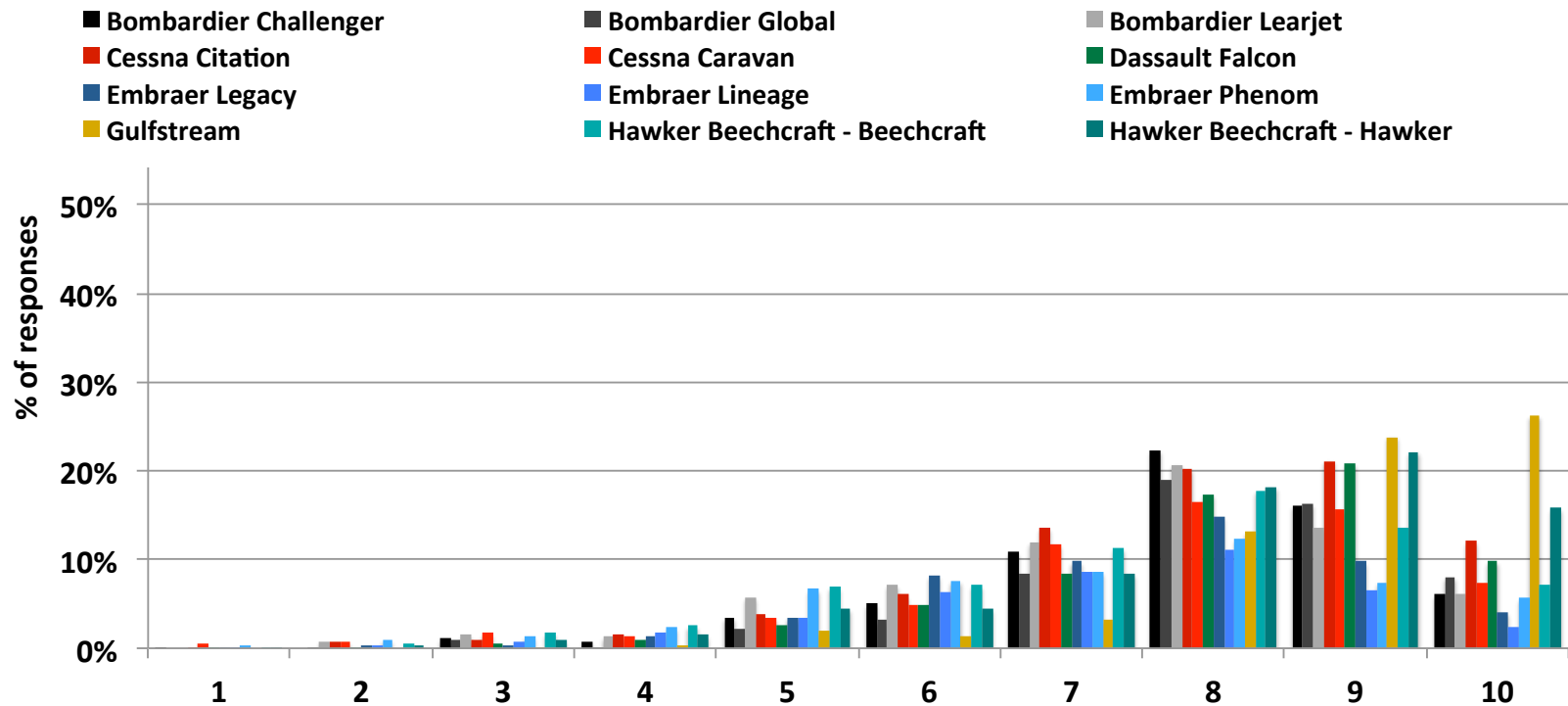
Compared with your past 12 months, what changes do you expect in your total annual flight hours over the next 24 months?



On average, respondents expect to fly 5% more hours in the next 12 months vs. prior 12 months

Brand Reputations of Aircraft Manufacturers

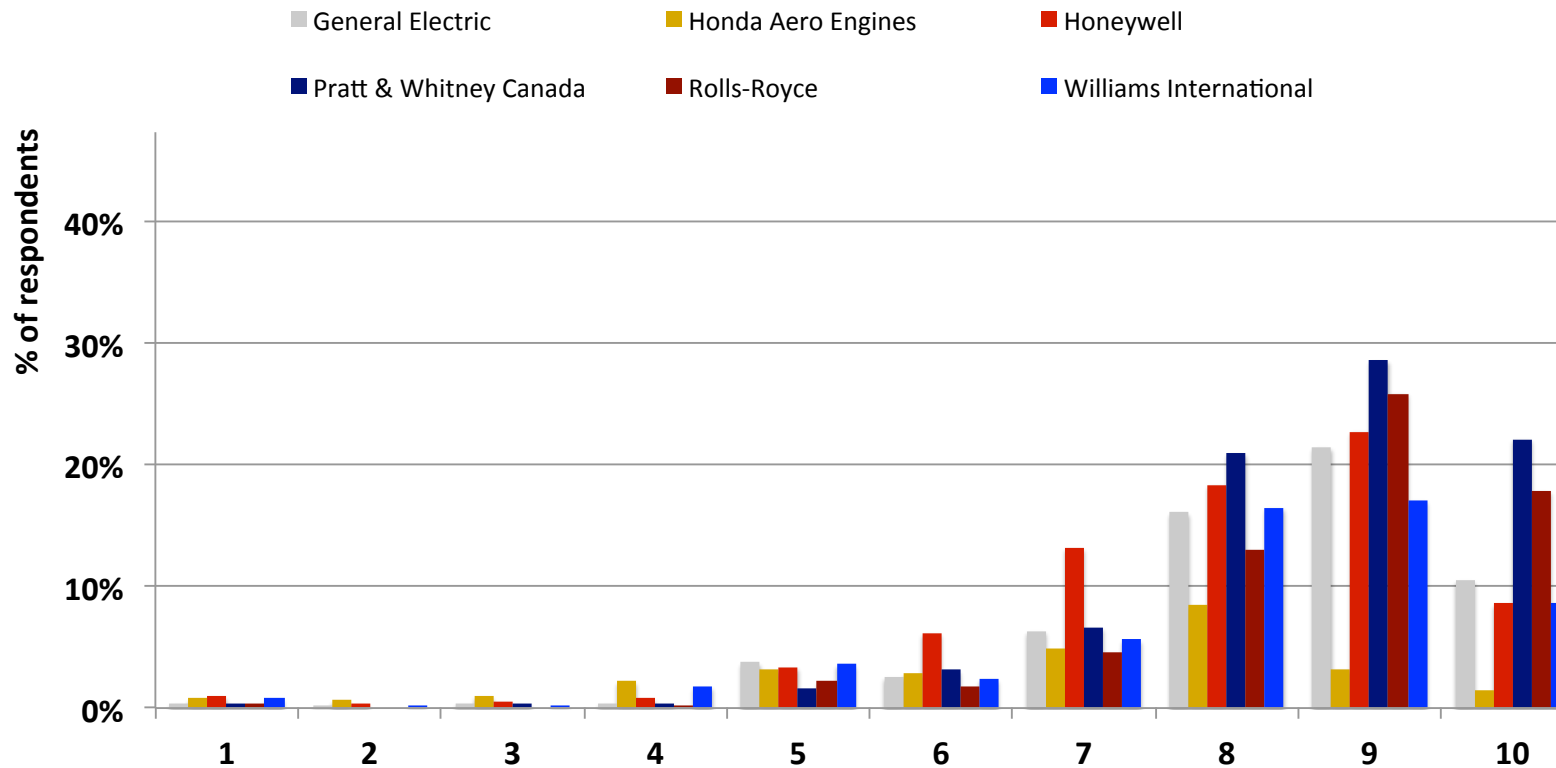
1-10 Scale, where "10" = Highest



Gulfstream is the leading brand amongst aircraft manufacturers

Brand Reputations of Engine Manufacturers

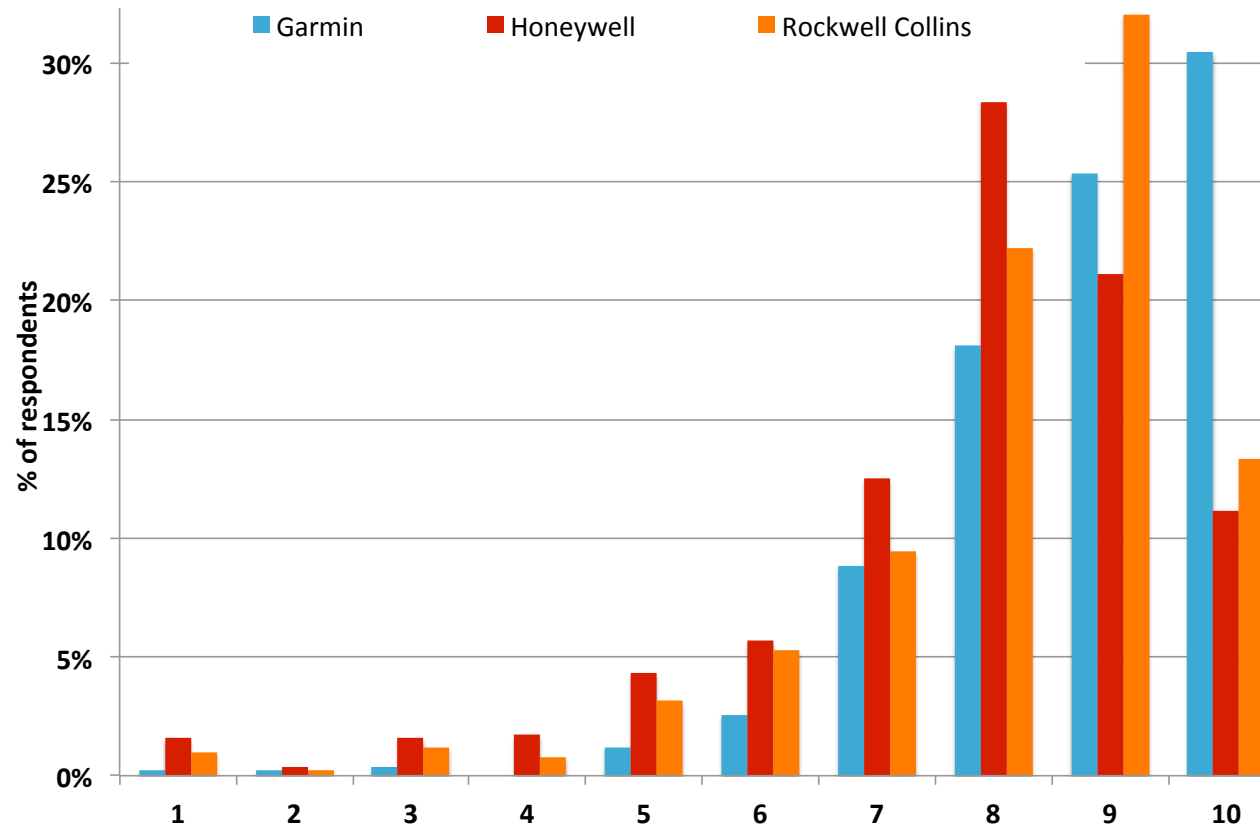
1-10 Scale, where “10” = Highest



Pratt & Whitney Canada and Rolls-Royce are the two top-rated engine manufacturer brands

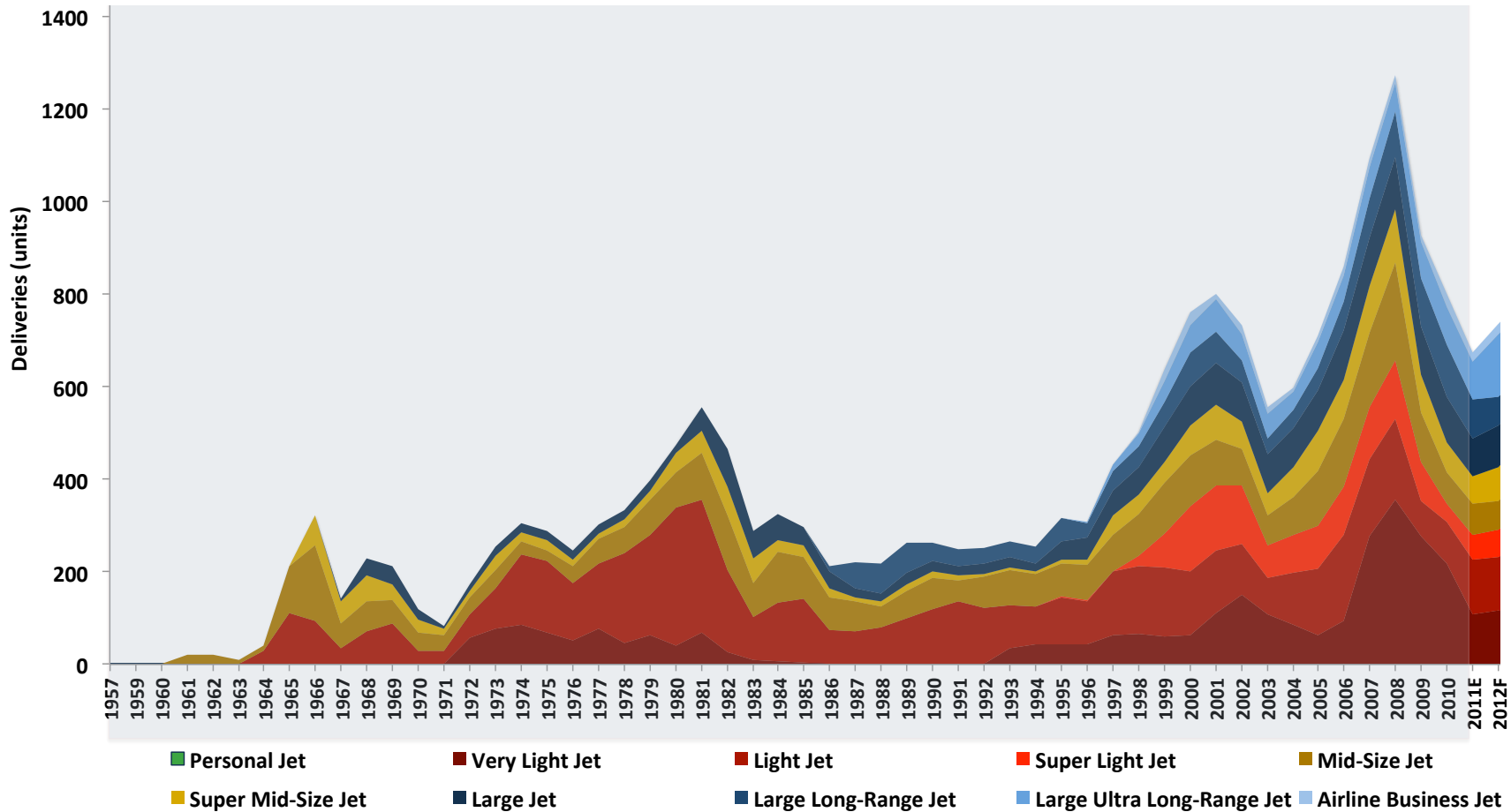
Brand Reputations of Avionics Manufacturers

1-10 Scale, where "10" = Highest



Garmin is the top-rated avionics brand, followed by Rockwell Collins

Business Jet Deliveries and 2012 Forecast



JETNET iQ 2012 business jet delivery forecast is 735 units, up 9% over 2011

About JETNET iQ

Launched in January 2011, JETNET iQ is a forecasting and premium advisory service for the business aviation market, designed to help customers “Know More”. Available on an annual subscription basis, JETNET iQ has 3 main elements:

- 1) JETNET iQ REPORTS are the definitive analytical reference for the business aviation industry, incorporating state-of-the-industry analyses, proprietary aircraft owner/operator surveys, and detailed 10-year delivery and fleet forecasts, updated quarterly.
- 2) JETNET iQ SUMMITS provide fast-paced thought-provoking insights into the state of the industry, and unique networking opportunities.
- 3) JETNET iQ CONSULTING serves the needs of members with customized research and analysis requirements on a project-by-project basis.

For more information on JETNET iQ, log on to www.jetnetiq.com or contact Rolland Vincent, JETNET iQ Creator/Director at 1-972-439-2069 or rollie@jetnet.com.

About JETNET

Since 1988, JETNET has delivered the most comprehensive and reliable business aircraft research to its exclusive clientele of aviation professionals worldwide. JETNET is the ultimate source for information and intelligence on the worldwide business, commercial, and helicopter aircraft fleet and marketplace, comprised of some 100,000 airframes. Headquartered in its state-of-the-art facility in Utica, NY, JETNET offers comprehensive user-friendly aircraft data via real-time internet access or regular updates.

For more information on JETNET LLC log on to jetnet.com or contact Paul Cardarelli, JETNET Director of Sales and Marketing, at 800-553-8638 (USA) or paul@jetnet.com; International inquiries, contact Karim Derbala, JETNET Exclusive Agent, EMEA, at 41.0.43.243.7056 or karim@jetnet.com