

The state of the business jet market: 2015-2050



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Market and industry trends

Current market scenario

N10Y market forecast



This presentation includes forward-looking statements or statements about events or circumstances which have not occurred. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting our business and our future financial performance. These forward-looking statements are subject to risks, uncertainties and assumptions, including, among other things: general economic, political and business conditions, both in Brazil and in our market.

The words “believes,” “may,” “will,” “estimates,” “continues,” “anticipates,” “intends,” “expects” and similar words are intended to identify forward-looking statements. We undertake no obligations to update publicly or revise any forward-looking statements because of new information, future events or other factors. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation might not occur. Our actual results could differ substantially from those anticipated in our forward-looking statements.

MACRO TRENDS

MANUFACTURERS

OPERATORS

**PASSENGERS
AND OWNERS**

TECHNOLOGY



**ECONOMY:
UNBALANCED
RECOVERY**

H9D1420265



GO EAST



**CONNECTED
WORLD**



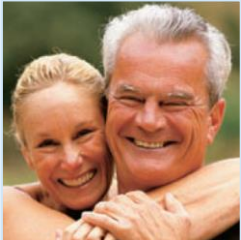
**ENVIRONMENT
CHALLENGES &
OPPORTUNITIES**

Several empowered customers



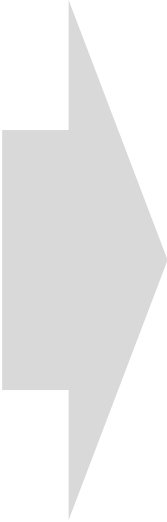
Global Executives

Cosmopolitan Commuters



Active Seniors

Global Clans



More informed consumers

expecting more choices
more customization
more personalization



Report for the Air Travel Industry
Developed by Henley Centre HeadlightVision
in partnership with Amadeus



Source: Future Traveler Tribes 2020 report (Amadeus and Henley Centre HeadlightVision).

The corporations driven by empowered consumers

IAAMI 2015



The sustainability effect

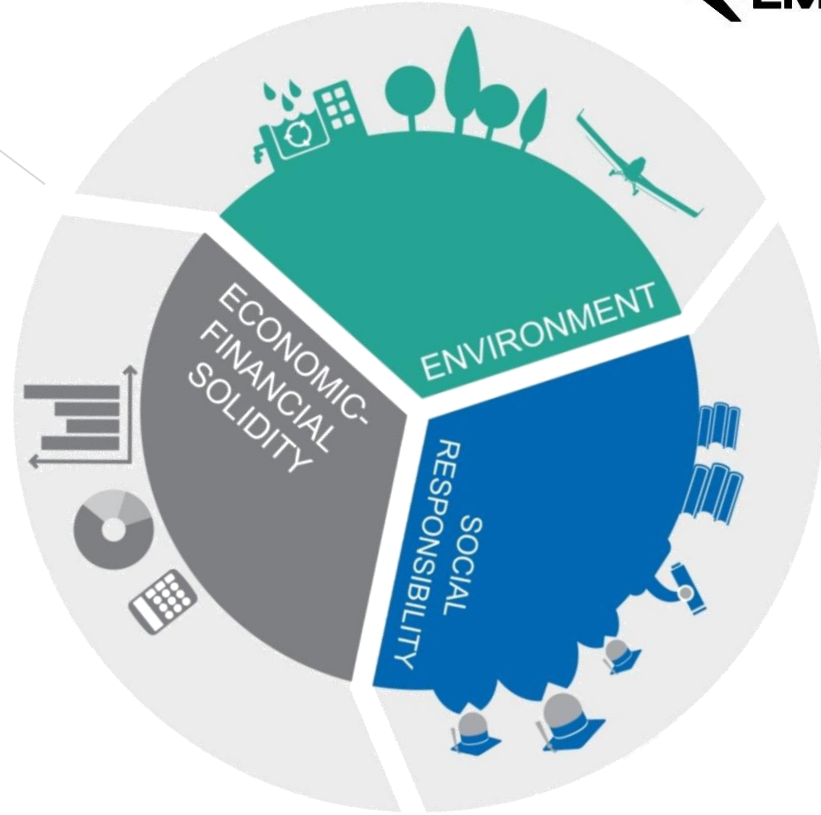


Operational & ownership costs

Pre-owned and financed values as major concerns



Aircraft productivity: availability and cabin features

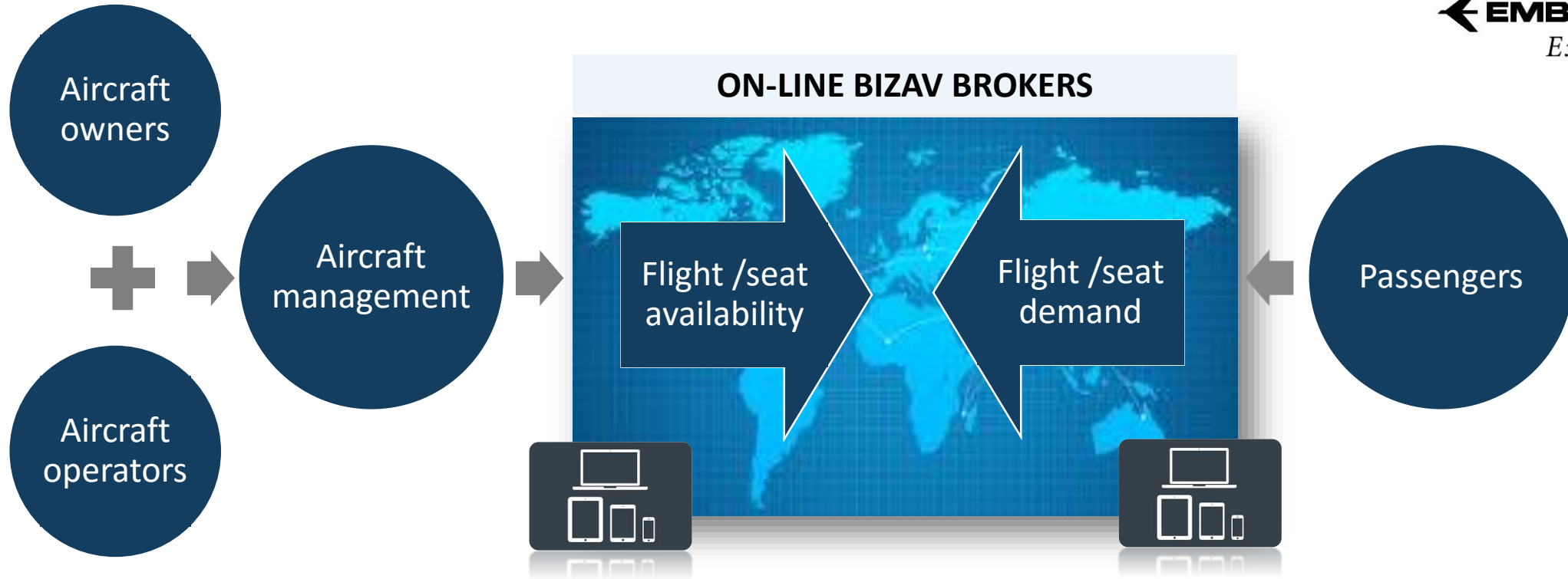


World integration of supply & demand also for bizav

AVIATION 2015



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- Bizav accessibility
- Aircraft management
- Charter commoditization
- Reduced ownership costs

avinode

AIR CHARTER™
GUIDE

VICTOR
FLY SMARTER

AACS Air Charter Service

J E T S M A R T E R

CorporateJetInvestor

Technology trends: passenger experience



- Fast and reliable connectivity
- Personalized entertainment systems
- Privacy and comfort
- Hands-free commands
- Cabin micro environments
- Cabin connectivity
- Cabin air quality and medical care
- Self-cleaning and anti-bacteria materials



Aircraft Health Management



- Accelerated diagnosis
- Systems Prognostics
- Structural health monitoring



Fleet Management System

- Advanced decision making system
- Spare parts management

Leading to a smart integration philosophy

AMI 2015



CENTRAL STORAGE HEALTH MONITORING



DATA EXCHANGE INTERCONNECTED FLEET

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FLIGHT OPERATIONS



INTEGRATED FLEET MANAGEMENT CENTER

Leading to innovation and constant rethinking

LEGACY® 500
BY EMBRAER



LEGACY® 450
BY EMBRAER



- Clean sheet design
- Technology available in larger jets only
- Digital flight controls | Full Fly-By-Wire
- HUD, EVS and future vision
- Air Data System – SmartProbe™
- Low noise and emissions



Cabin Design



Cabin Design



IDEA Brazil Design Award



Innovator of the Year



FBW Innovation of the Year

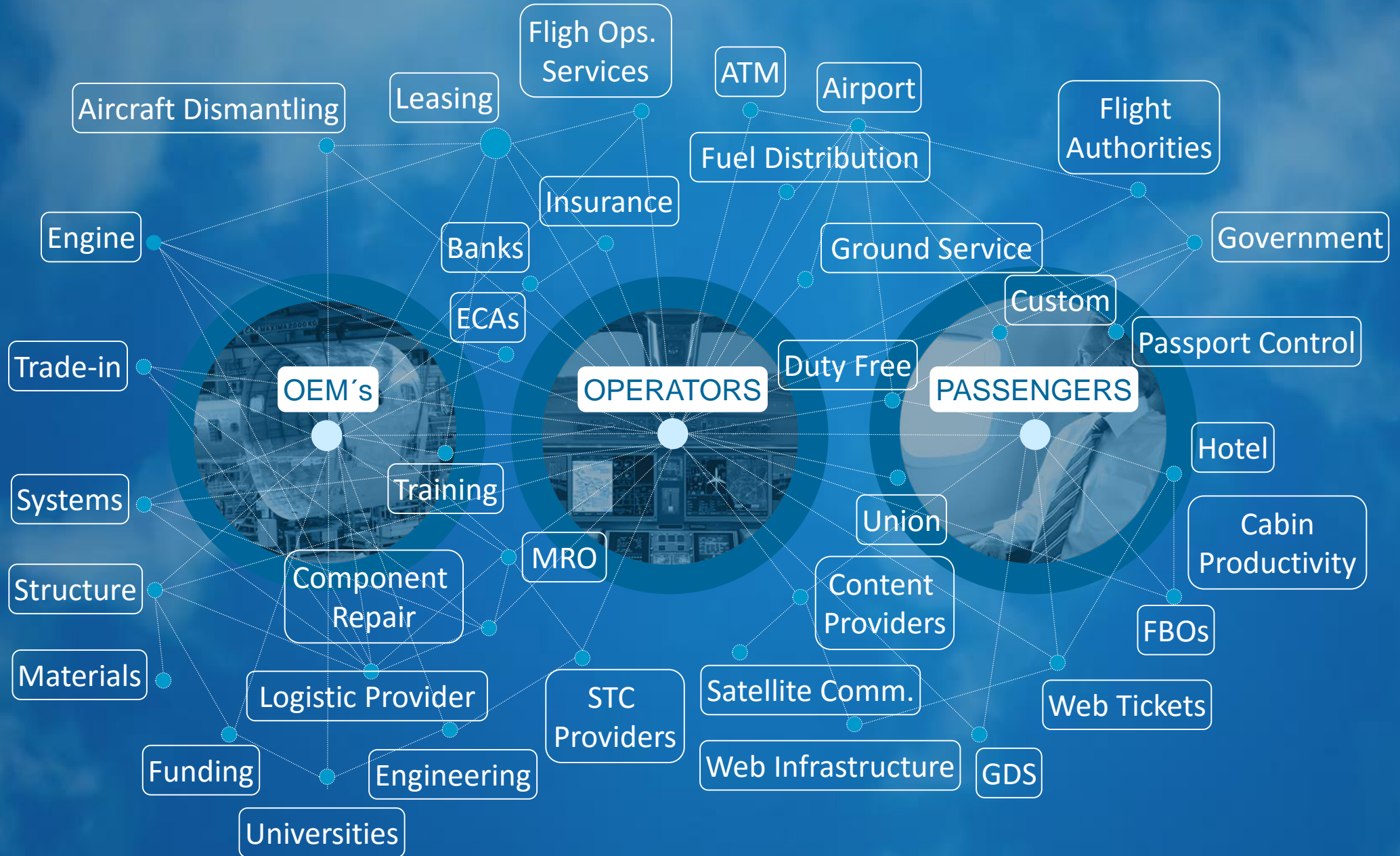


Most innovative aviation brand



2015 Aircraft of the Year

Bizav's future will rely on several issues other than just the aircraft...



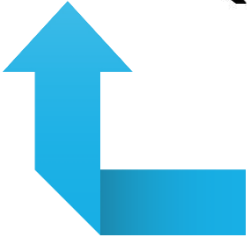


Current market scenario

Current Scenario



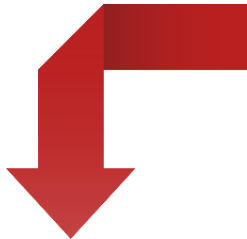
US 2015 GDP growth expected at 2.5%
US Corporate profits and HNWI at record levels
New products entering into service



Traffic recovery on track in US but slower than expected in Europe
New and pre-owned pricing pressure



European markets continue at risk
Softening emerging markets demand



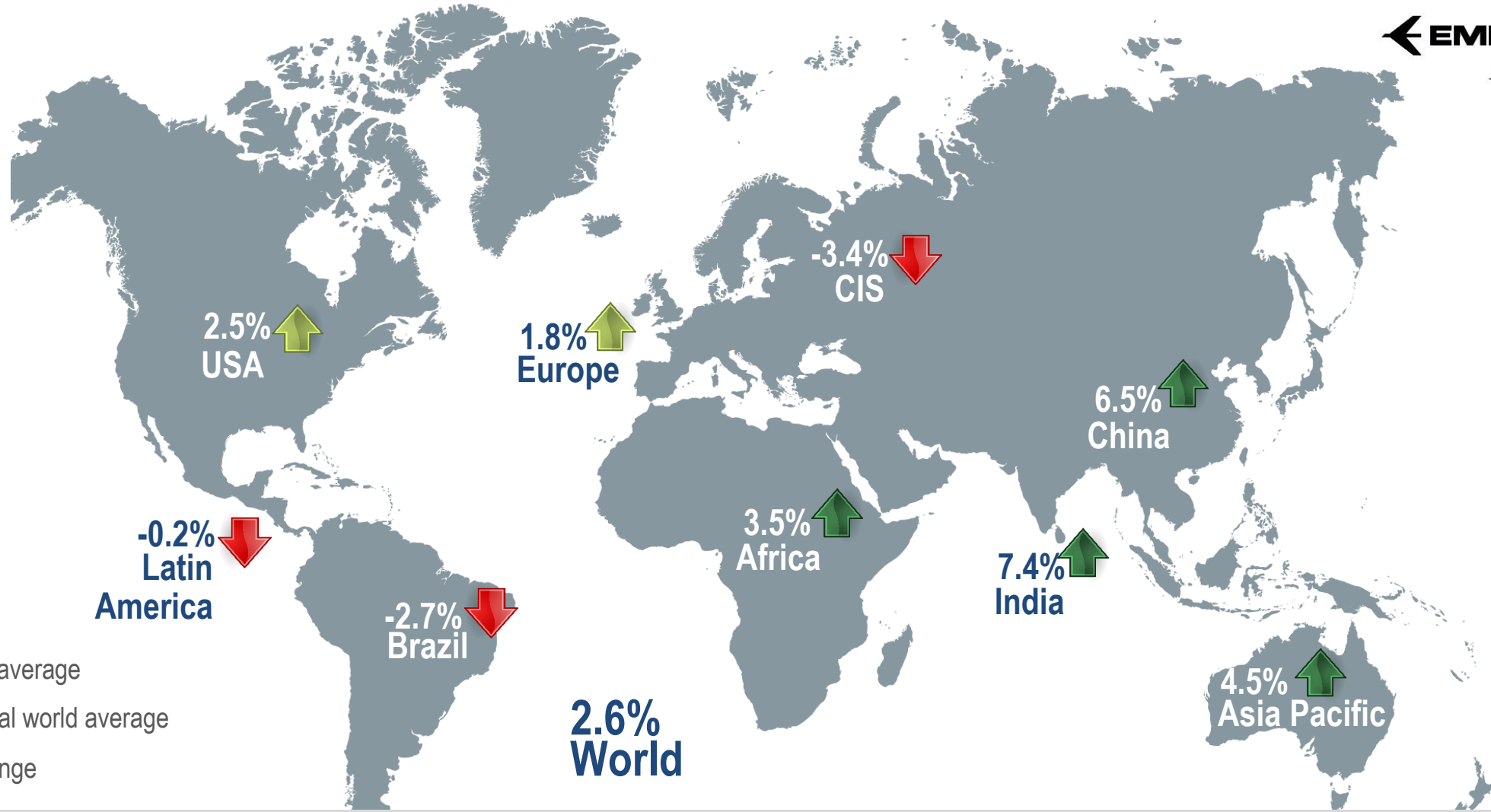
Improved economic environment in US is driving demand

2015 World GDP growth rates per region

AMI 2015



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- ▲ Above world average
- ▲ Below or equal world average
- ▼ Negative change

An unbalanced world economic recovery

Source: IHS Global Insight, September 2015. *Note: Europe includes Western, Central and Eastern countries and excludes CIS.

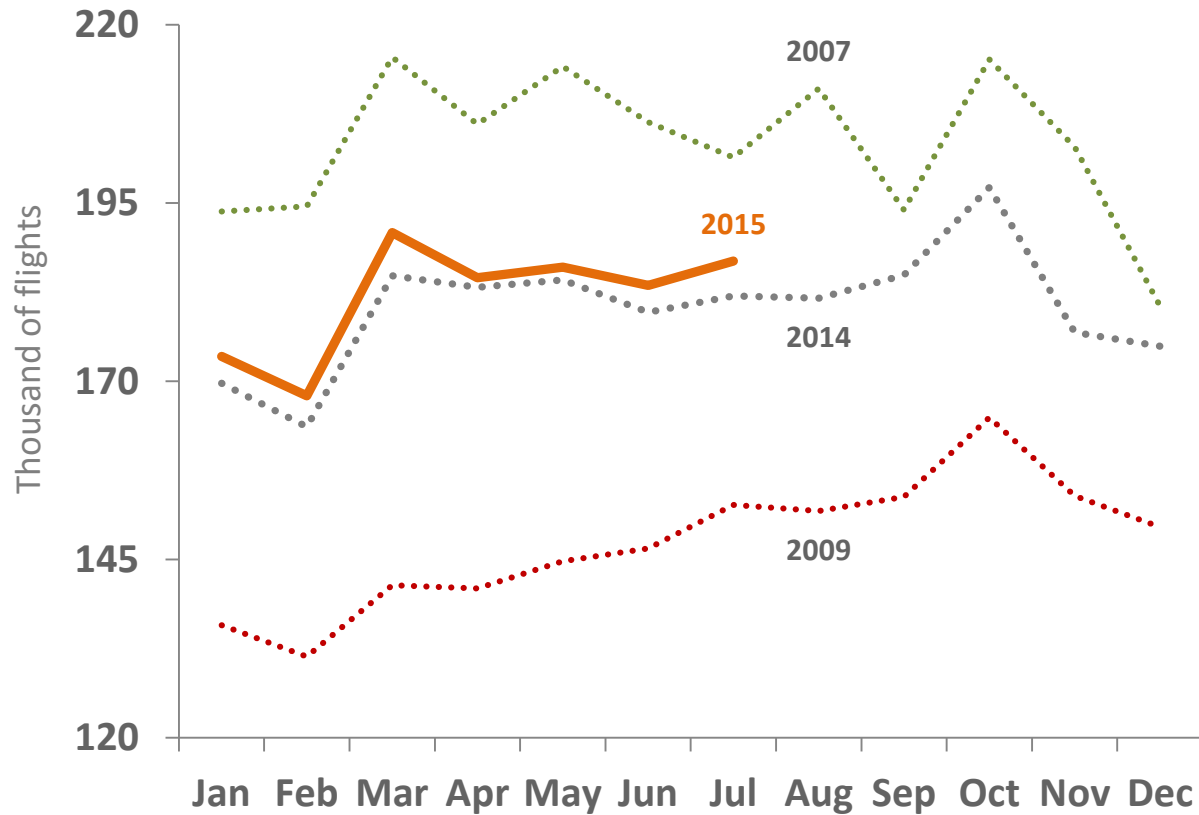
Flight activity in major markets

IAMI 2015



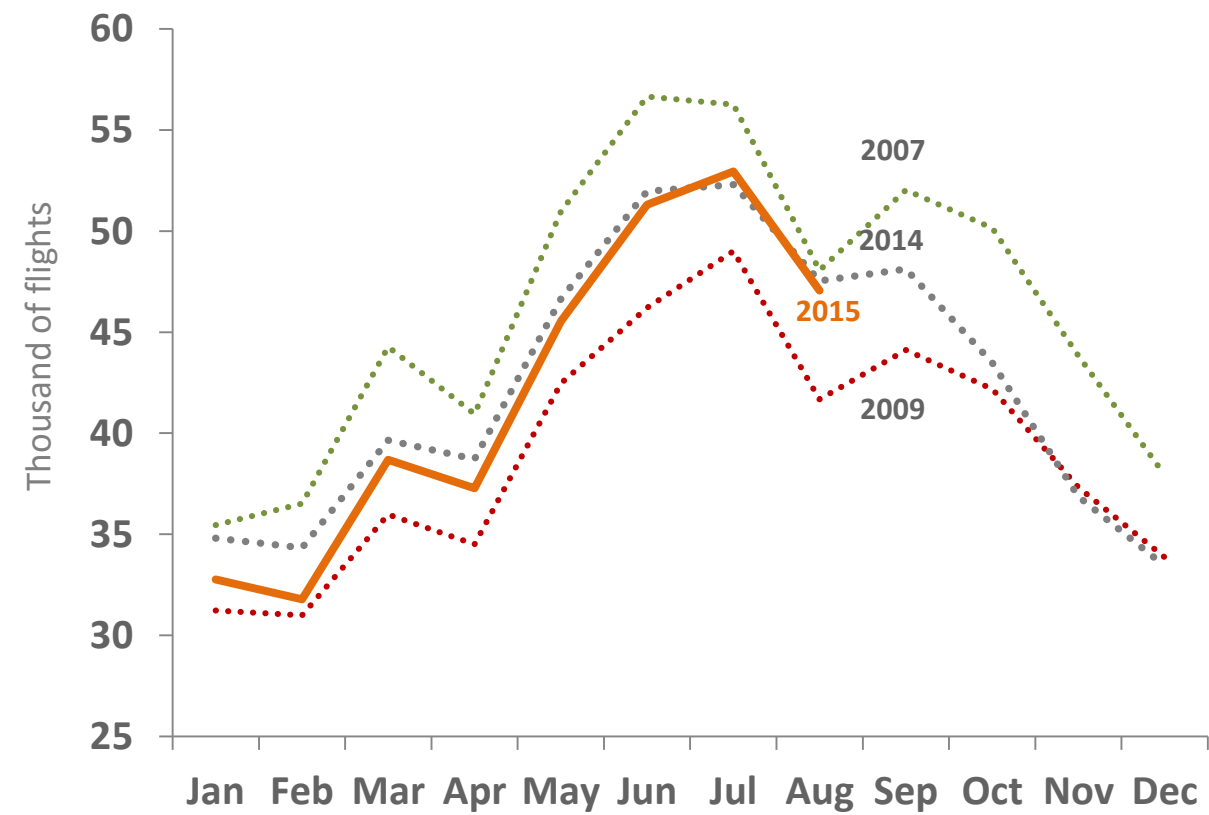
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USA



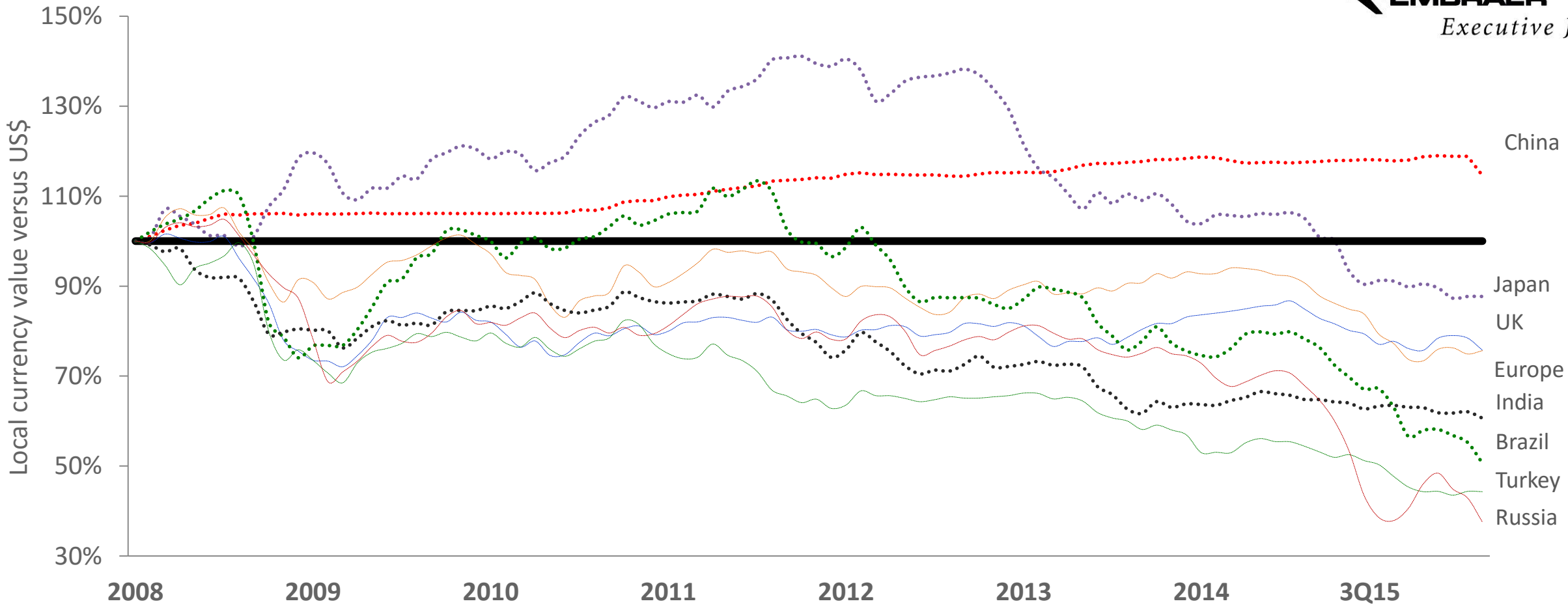
2015: 1.6% higher than 2014 (Jan-Jul)

EUROPE



2015: 2.5% lower than 2014 (Jan-Aug)

Exchange rates



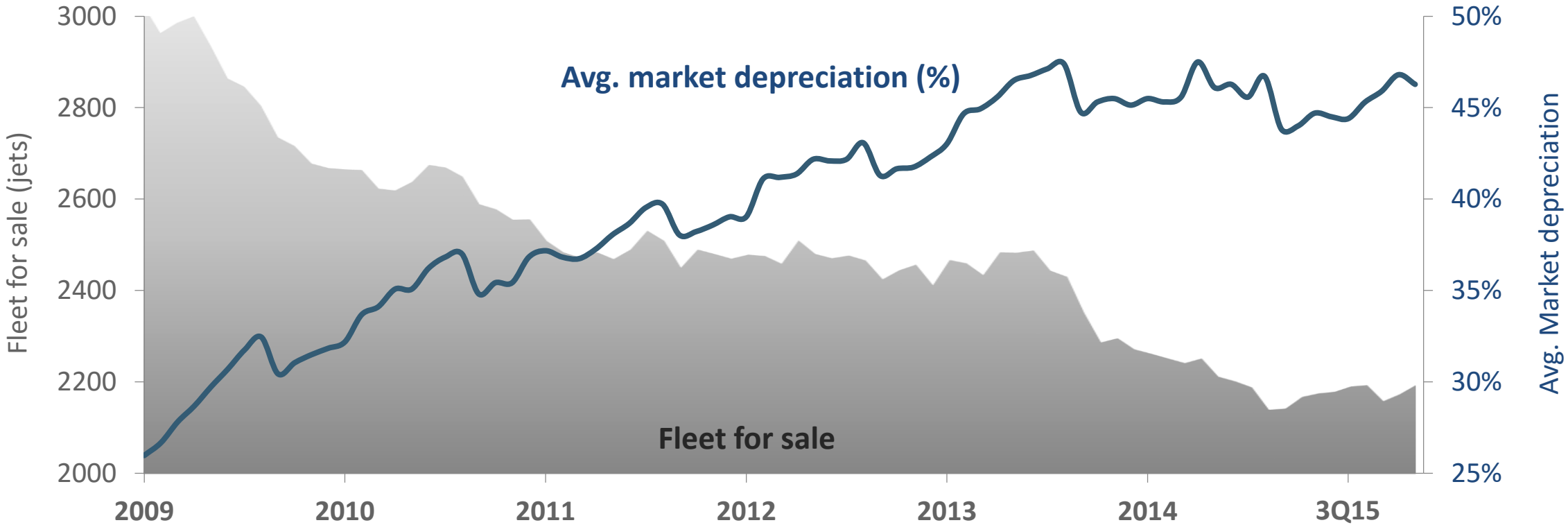
Depreciation of local currencies: reducing purchase power in emerging markets

Pre-owned prices and inventory

IAMI 2015



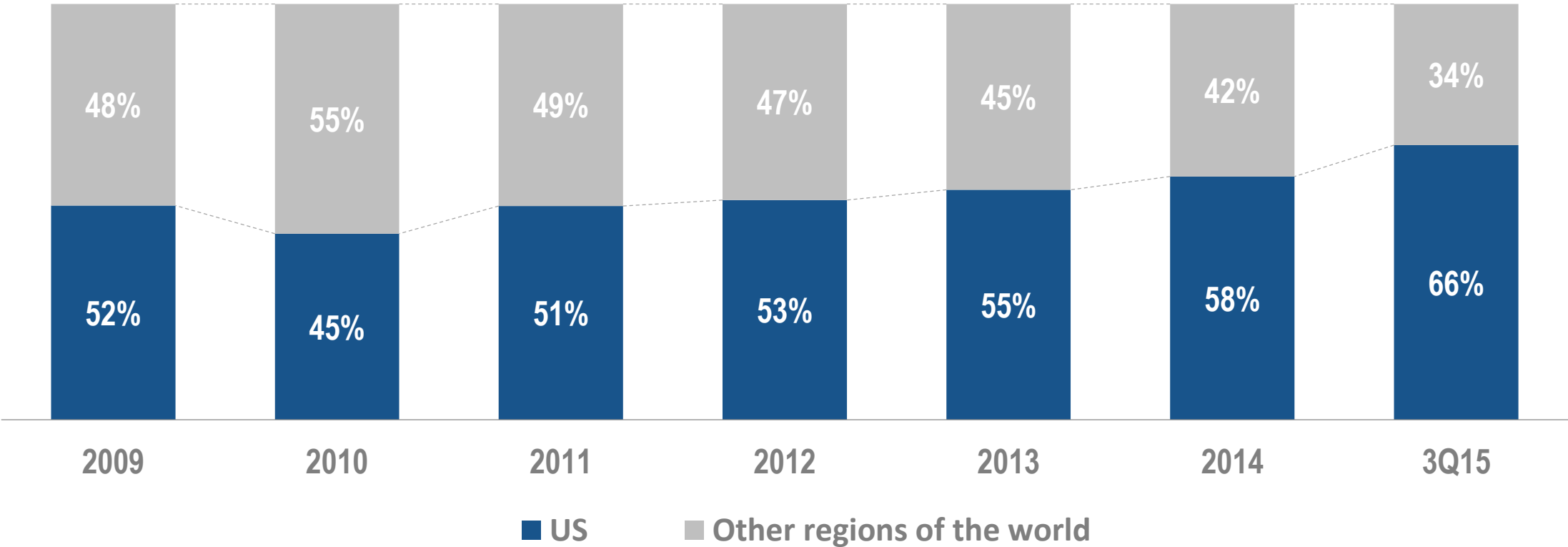
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Pre-owned aircraft prices still pressuring new aircraft sales

Regional markets: deliveries evolution (units)

2015



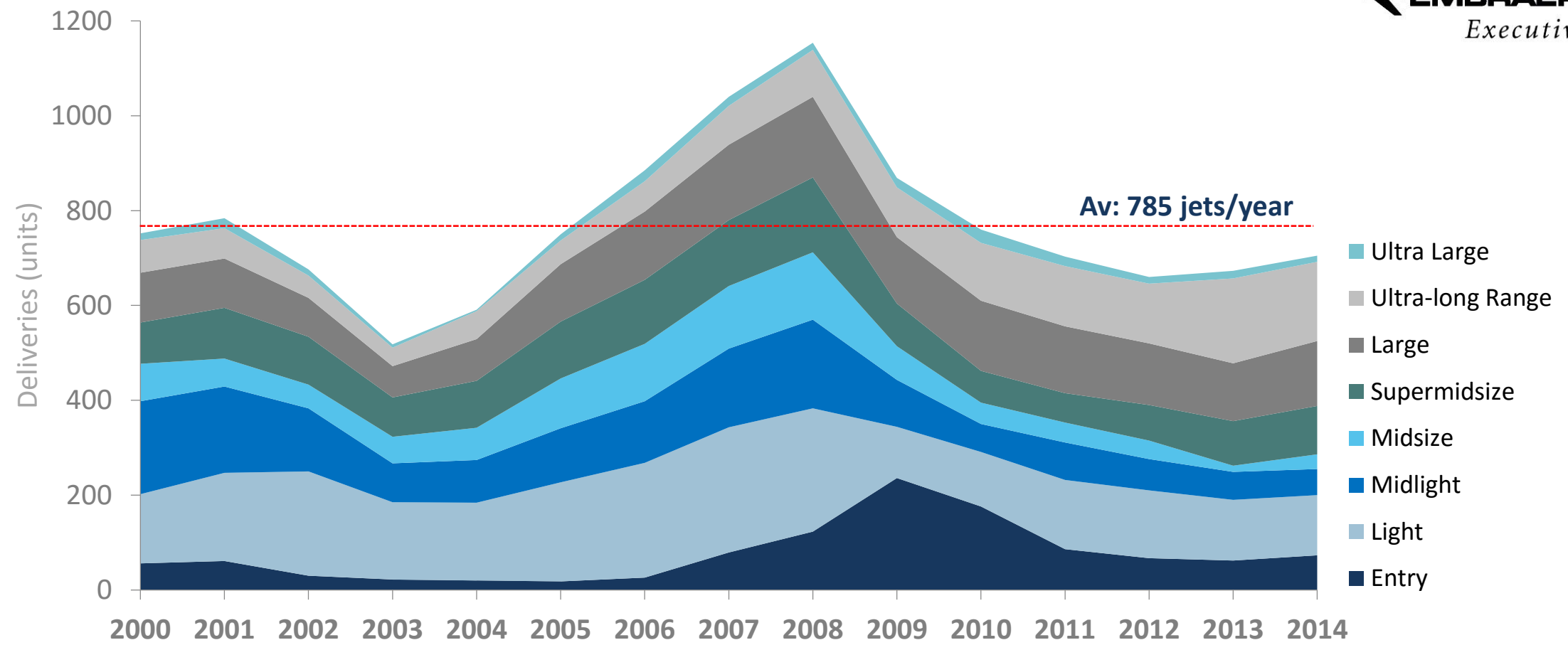
US share has grown 28% since 2009

Historic deliveries

IAMI 2015



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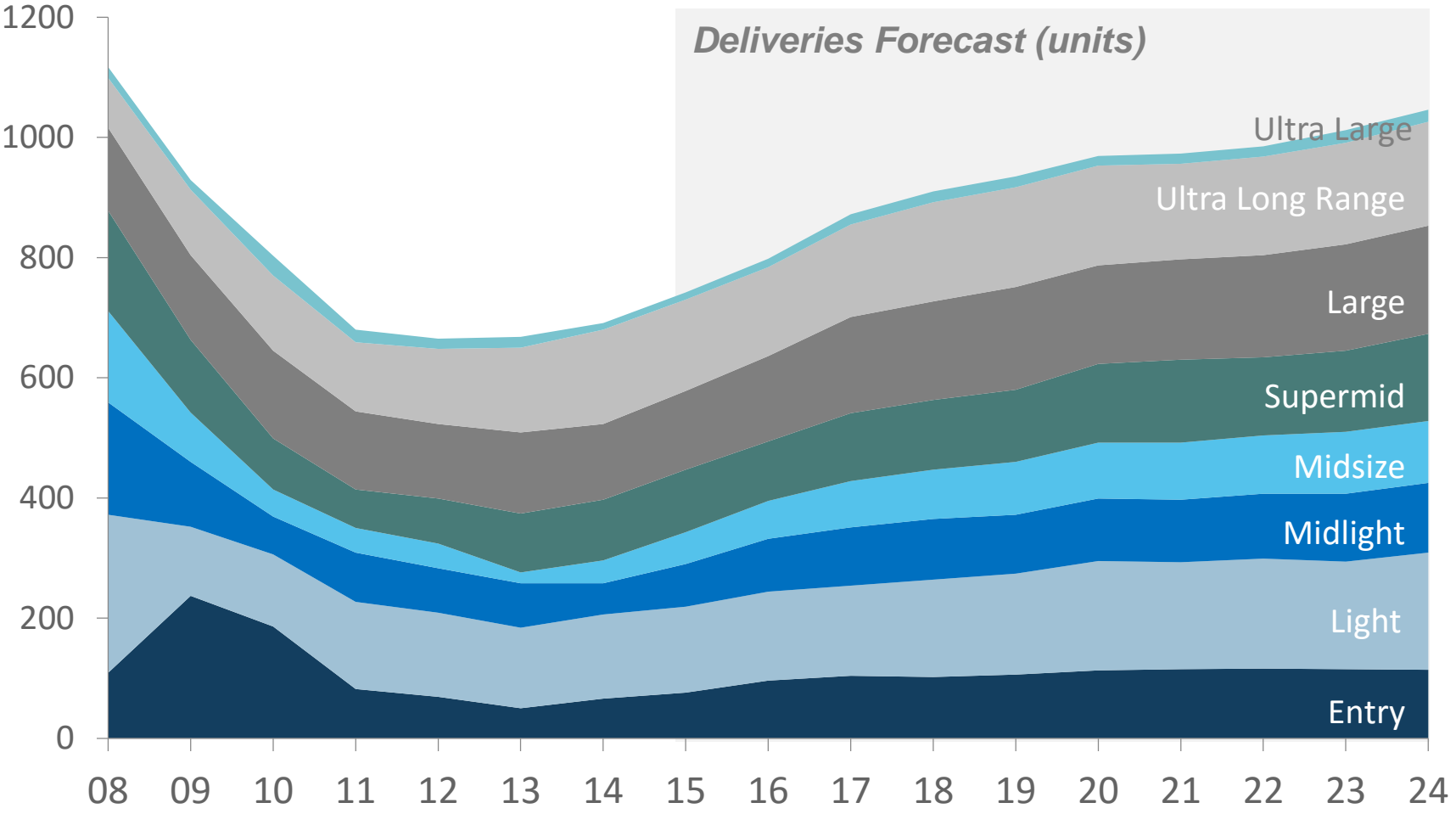


2015 volume expected to be similar to 2014

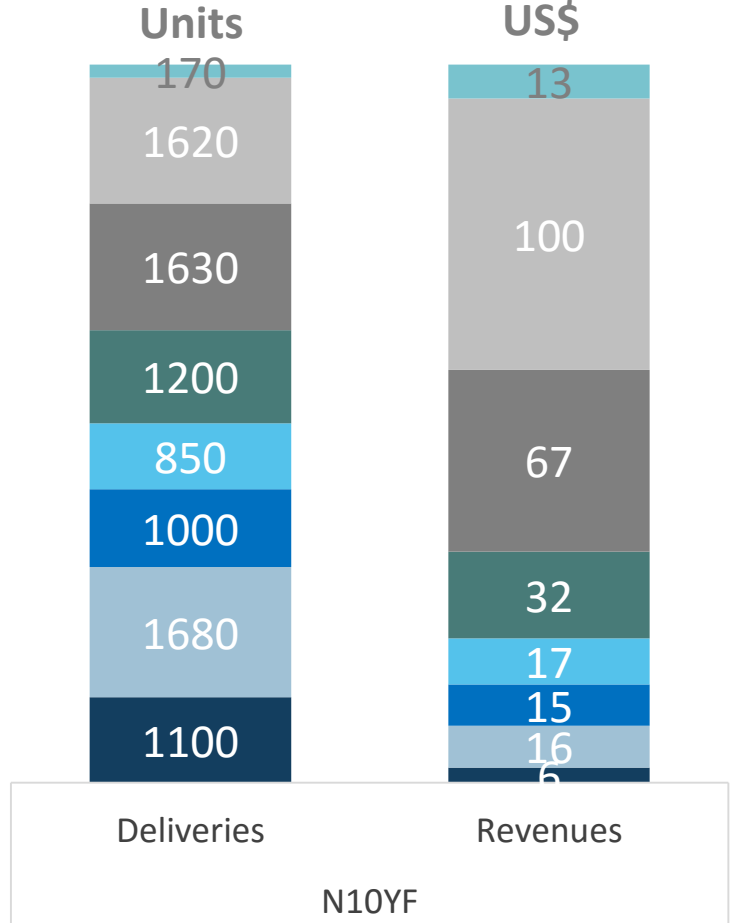


N10Y Market forecast snapshot

2015-2024 deliveries forecast



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9,250 jets and US\$ 265 Bi over the next 10 years

Source: Embraer proprietary analysis.

Forecasted growth rates

IAMI 2015

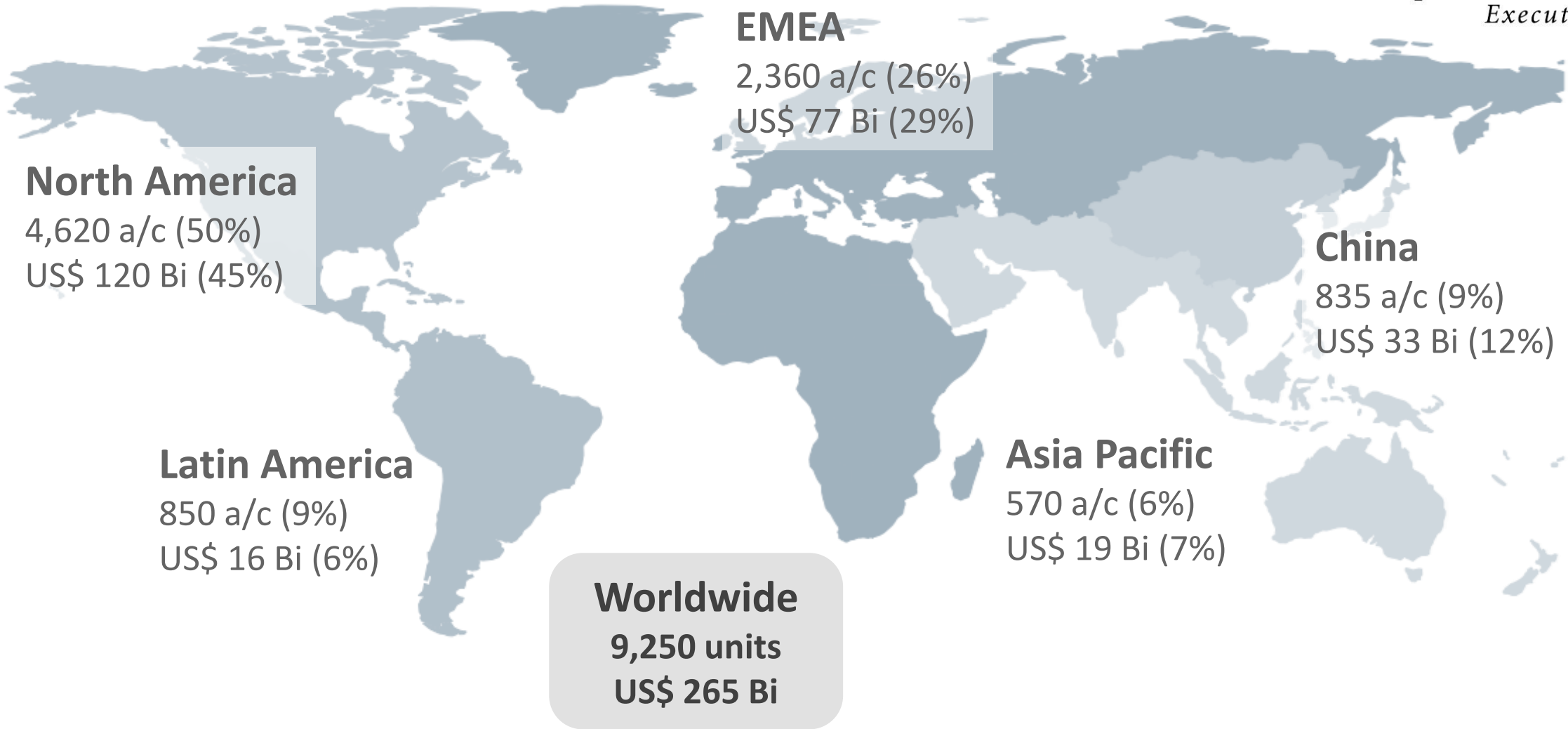


Jet class	<i>Deliveries</i>		<i>Revenue</i>	
	N5Y	N10Y	N5Y	N10Y
Entry	10%	6%	12%	6%
Light	4%	3%	4%	3%
Midlight	14%	8%	16%	10%
Midsized	18%	10%	21%	12%
Super Midsized	4%	4%	4%	4%
Large	6%	4%	7%	4%
Ultra-long Range	1%	1%	2%	2%
Ultra-large	10%	6%	9%	5%
Total	6%	4%	5%	4%

Source: Embraer proprietary analysis.

2015-2024 Market forecast by region

MIAMI 2015



Note: Sum of regional numbers might differ from total numbers due to rounding. Source: Embraer proprietary analysis.

Summary: key forces and drivers shaping bizav

2015



Short-medium
term:

A slow growth global market, US centric



Emerging markets slower demand: political & economical uncertainties, mainly

New aircraft versus pre-owned gap (prices and inventory) continued

Innovative aircraft models

Long term:

Empowered, connected and more demanding users

Unbalanced and shorter cycles in global economies

Sustainability pressure: individuals and corporations

Technology-driven innovations encompassing OEMs, operators and passengers