



>>> Phenom Operator

Market Report
Second Quarter 2015

WHO WE ARE

Elliott Jets, the aircraft sales division of Elliott Aviation, has eight decades of proven success brokering, acquiring and selling aircraft all over the world. Customers know they can rely on us to provide world-class service with their needs as our priority. Our reputation has made us the trusted partner to chief pilots, executives and aircraft owners. There are few aircraft sales and acquisition businesses in the world that offer you decades of excellence, integrity and passion for customer service. Elliott Jets' team consists of acquisition experts, market research specialists, marketing team, contracts and administrative support, and sales executives.

ELLIOTT AVIATION

Elliott Jets' parent company, Elliott Aviation, is a leading service business providing the industry's highest quality business aviation solutions with 400 skilled employees. An expert in both jets and turboprops from manufacturers including Textron (Beechcraft & Cessna), Embraer, Bombardier and more, customers from around the world fly to Elliott Aviation for all of their aviation needs.

At our one-stop-shop facility in Moline, IL, Elliott Aviation provides FAA and EASA certified aircraft maintenance with nearly 60 factory-trained technicians. In addition to maintenance, we offer one of the largest avionics facilities in the world to assist you with even the most complicated avionics retrofits and enhancements. For total aircraft transformation, our paint and interior teams of nearly 60 craftsmen can assist you with creating a flawless presentation of your aircraft inside and out. Our facilities and equipment create an ideal environment for superior aircraft refurbishment including a climate controlled, downdraft paint facility. To round out our one-stop-shop, we also feature aircraft parts and accessories to keep downtime and costs to a minimum. Our company also offers Wyvern-rated flight charter with a perfect safety record and aircraft management services.

In addition to our headquarters, we also have two other Midwest locations in Minneapolis, MN and Des Moines, IA, giving you easy access from any US location. With state-of-the-art facilities and equipment, proven processes, and highly-trained, experienced technicians, we deliver world-class quality and service customized to you and your aircraft needs. With all of these resources just a phone call away, customers of Elliott Jets can rest assured they have the most collective body of aviation resources dedicated to creating a successful aircraft transaction each and every time.

ACQUISITION SERVICES

Aircraft Acquisitions is a major function of Elliott Jets. We are unique as we are involved in the process every day by investing in turbine aircraft to be owned and resold by Elliott Jets. We are experts at finding the best aircraft, at the best price, and representing you every step along the way. We carefully analyze your situation to acquire the aircraft that best suits your needs based on knowledge of trends, market expertise and industry resources. Whether you need an accredited appraisal, pre-purchase inspection or unrivaled technical expertise, we have a veteran team to assist. Feel confident when hiring Elliott Jets to find your next aircraft or fleet to provide the best outcome for your aviation needs. Our goal is to ensure your peace of mind throughout the entire acquisition process.

BROKERAGE SERVICES

Your aircraft is a huge investment. When it's time to put it on the market you want a quick resolution at the right price. Our team of industry veterans will help you get you a fair price and help you find a buyer — fast. We're committed to providing you with a quick response and the highest level of customer service in the industry. We will set a price for your aircraft that accurately reflects the most up-to-date market conditions. We'll sell your aircraft at the best possible price, in the least amount of time. We handle your transaction from start to finish, sparing you the hassles of selling your own aircraft. Our experienced technical staff conducts an in-depth aircraft evaluation, so you're ready for the sale. Using the latest technologies, our proven processes and exclusive marketing network, we promote your aircraft and attract qualified buyers. At sale time, we negotiate terms on your behalf and prepare all documents, so your transaction will go smoothly. Our promise is an exceptional experience.



AIRCRAFT RESEARCH

Real research is what it takes to analyze and truly understand the pre-owned aircraft marketplace. Elliott has a full time research department which has specialized in jet aircraft for decades. Armed with this research, knowledge of actual selling prices, not just ask and take prices, as well as thorough knowledge of the aircraft, enables accurate appraisal values for aircraft from both the buying and selling standpoint. This accuracy provides the very best information to maximize the sale price of your aircraft while effectively limiting the time on the market before it is sold. Our research department also has the capability to identify all known aircraft publicly for sale as well as aircraft not advertised for sale, but available. Elliott has “off market” sources for acquiring aircraft in addition to the open market with aircraft manufacturers trade-in(s), banks, leasing companies and other dealerships.

Many times these “off market” airplanes will sell before they are ever offered publicly. We are subscribers to dealer aircraft market tracking services. Our researchers communicate regularly with other dealers in the pre-owned aircraft market.

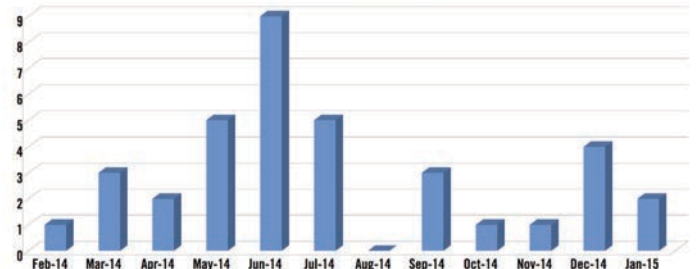
We have the means to identify, qualify and accurately evaluate all available aircraft. Additionally, Elliott will advertise to find aircraft owners who have not yet decided to market their airplanes. All of this assures you that in today's market you don't need to overpay for and will be able to find the best available aircraft.

AIRCRAFT VALUATION AND NEGOTIATION

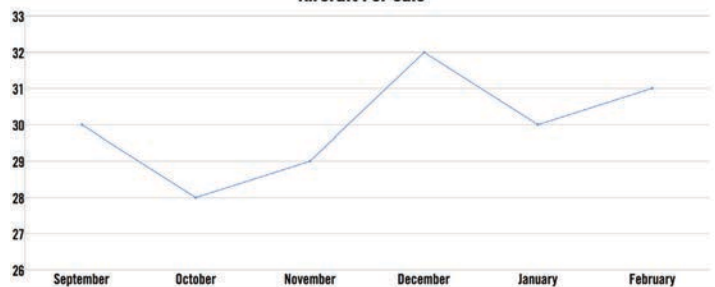
Once the target group of aircraft is identified, Elliott works the search and performs the valuation and negotiation process. Elliott will manage the entire purchase for you through closing. The real world experience, reputation and professionalism of Elliott Jets truly provides a distinct industry advantage.

Our interests are your interests as we represent you in this transaction. As we have done many times in acquiring aircraft, you will be kept fully informed of every step. This process is always completely transparent for you. You will never be left wondering what is happening or what is next.

Aircraft Transactions



Aircraft For Sale



MULTI-MEDIA MARKETING

Elliott Jets uses all forms of media communications to advertise your aircraft for sale. Elliott utilizes internet and print advertising on multiple prominent turbine aircraft marketing sites. Elliott Jet's own web-site, both in mobile and internet applications, social media, email mass mailings to qualified lists of customers globally and electronic media are included at multiple sales offices throughout the United States. Check out additional information on aircraft for sale, our services, a side-by-side aircraft comparison tool and more at www.elliottjets.com.

In addition, Elliott creates brochures, specs sheets, and professional photographs and videos of your airplane both in print and electronic formats. All of these marketing means are designed to communicate accurately with the best impression the aircraft we are selling for you to the potential buyer.



MULTI-MARKET SELLING

Elliott Jets Executive Sales Directors are located in multiple areas of the US providing for local contact and relationship selling. These seasoned and knowledgeable professionals know what is important to you and to potential customers. Their schedule is your schedule and the potential purchaser's schedule. They know a sale may be made by being available and ready to answer at a moment's notice. Elliott Jets is also a member of the National Aircraft Resale Association and is part of this premier organization of turbine brokers and dealers.



A TURN-KEY PROCESS

Elliott Jet's process for you is completely "turn-key". Our business is selling airplanes and your business is running and managing your business. When you hire Elliott Jets, the entire brokerage process is professional, complete and transparent. The only tasks for you are to sign documents and approve deals. Selling a turbine aircraft is a very complex transaction with many customer touches, potential pitfalls, as well as many financial and legal negotiation points along the way. The Elliott Executive Sales Directors and Elliott team take that complexity and make it simple. Aircraft brokerage services at Elliott Jets manage all of those processes and negotiation points for you.





THE PHENOM 100/300 MARKET

What will happen for the rest of 2015 in the pre-owned Phenom 100/300 market? The indications are that activity and pricing will remain much the same with no big changes. Current inventory levels are holding below the 6% mark for both models and with the strength of the US dollar, North America is home to the majority of the Phenom 100/300 buyers.

In terms of product enhancements, 2014 brought 11 new interior options and the incorporation of ground spoilers to the Phenom 100 while the Phenom 300 saw new cabin seats and the Prodigy Touch (Garmin 3000) became the new standard flight deck.

As a Phenom expert at Elliott Jets, I would be happy to assist you with any questions you may have with your next aircraft transaction. Please contact me for further information.

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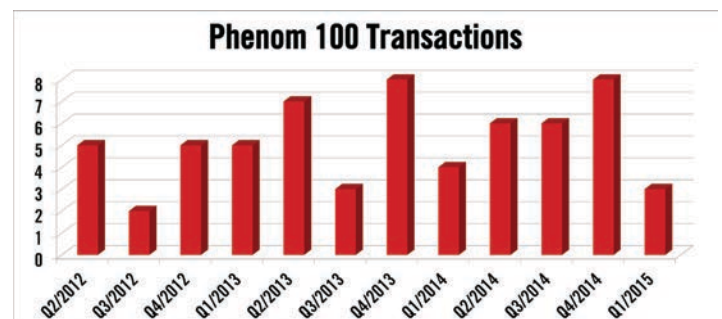
Market Snapshot for the Phenom 100

On Market: 16
 Fleet Size: 315
 % on market: 5%
 Average asking price: \$2,800,000
 Avg. Days on Market (sold in 2014): 138
 Average TT of aircraft currently for sale: 850
 Transactions in 2014: 34
 Transactions in Q1: 3

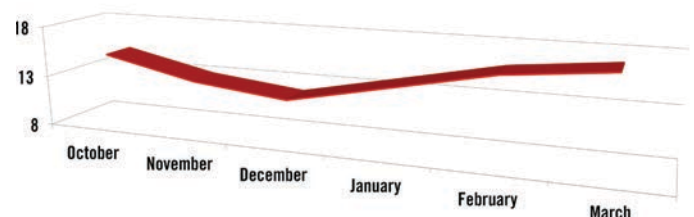
Current State of the Phenom 100 Market

Overall, the pre-owned Phenom 100 market continues on its 2014 track of stability. We saw an active 34 retail transactions in 2014 (9 in Q4) and 3 YTD sales in 2015. With the current Phenom 100 fleet numbering over 315 aircraft and only 5% being listed on the market for sale, we're anticipating the Phenom 100 market will remain stable in 2015.

Asking prices range in the \$2.350m to \$2.9m range for the 2008-2010 models with lower time late model 2013/2014 models in the mid to high \$3m range. The average days on the market for the Phenom 100 in 2014 was 138 days.



Phenom 100 For Sale



Phenom 100 Performance

Fuel Capacity:	2,804 Lb
Range (NM):	1,178
Seating:	4/7
Cabin Volume (CuFt):	212
Max Speed (Kts):	390
Cruise Speed (Kts):	333
Rate of climb (f/s):	3,061
Balanced field length/Landing (feet):	3,040/2,448
Baggage:	18/53
Ceiling (feet):	41,000
Direct Operating Cost (per hour)	\$1,211.28
Direct Operating Cost (per NM)	\$3.76

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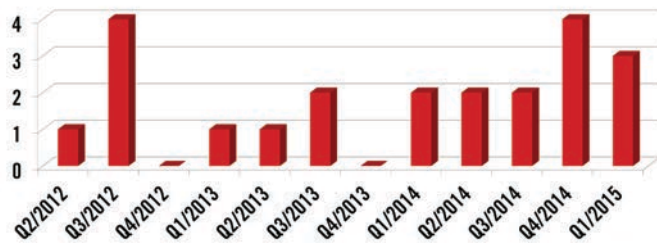
Market Snapshot for the Phenom 300

On Market: 9
 Fleet Size: 257
 % on market: 3.5%
 Average asking price: \$7,500,000
 Avg. Days on Market (sold in 2014): 134
 Average TT of aircraft currently for sale: 829
 Transactions in 2014: 12
 Transactions in Q1: 3



PHENOM 300

Phenom 300 Transactions



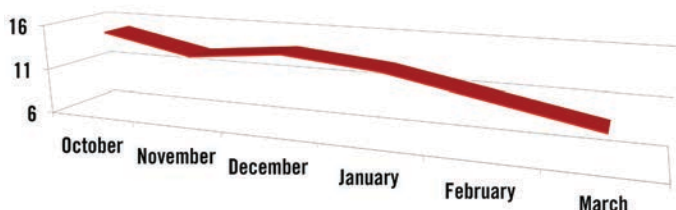
Current State of the Phenom 300 Market

The Phenom 300 retained its crown of being the most sold and delivered light jet with over 71 entering worldwide service in 2015. The current Phenom 300 fleet has grown to 257 aircraft with 3.5% showing on the market for sale.

With only 12 pre-owned transactions taking place in 2014, we are watching this market closely for any significant trend indications. Average asking prices are ranging from the low \$6m range for 2010 model years to the high \$7m to mid \$8m range for 2012 and late 2013 models. Much like its smaller sibling, the average days on the market for the Phenom 300 in 2014 was 134 days.



Phenom 300 For Sale



Phenom 300 Performance

Fuel Capacity (gallons):	5,353 Lb
Range (NM):	1,900
Seating:	7/9
Cabin Volume (CuFt):	324
Max Speed (NM):	444
Cruise Speed (NM):	383
Rate of climb (f/s):	3,335
Balanced field length/Landing (feet):	3,138/2,229
Baggage:	19/66
Ceiling (feet):	45,000
Direct Operating Cost (per hour)	\$1,857.57
Direct Operating Cost (per NM)	\$4.59

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