

## Company Overview

- Eclipse Aerospace, Inc. (“Eclipse“ or the “Company”) is an Original Equipment Manufacturer of twin-engine light jet aircraft
- The Company primarily serves the owner / operator, corporate and aircraft charter market with increasing focus on government and military, flight training and international markets
- With 286 aircraft in service globally, Eclipse holds a strong market share in the very light jet segment
- Significant investment in tooling and intellectual property with Company potential to license I.P. and establish foreign manufacturing capabilities with international partners
- Headquartered in Albuquerque, NM with an additional domestic facility
- 2018E revenue and adjusted EBITDAR of \$18.2 million and (\$3.6) million, growing to \$471.9 million and \$117.6 million, respectively, by 2022E

## Active and Planned Aircraft



## Business Lines

### Aircraft Service & Upgrades

#### Service Offerings

- Maintenance and upgrade services for the existing fleet of 286 aircraft are provided through two Company-owned Platinum Service Centers and six licensed, global Gold Service Centers
- Offers owners multiple maintenance programs, providing visibility into future revenue streams due to the recurring nature of FAA-mandated maintenance and inspections
- Provides a variety of upgrades for aircraft, including enhanced avionics
- Ownership of Type Certificate gives the Company exclusive rights to the replacement of most parts, service and support of Eclipse aircraft

### Aircraft Remanufacturing

- The Company plans conversion of pre-owned aircraft to upgraded specifications, including addition of state-of-the-art Garmin G3000 avionics, to resell into the secondary market with full factory warranty as Garmin Special Edition (“gSE”) jets
- Further upgrade potential is in development by the Company
- Significant near-term cash flow opportunity supporting the Company’s development of new aircraft



## Aircraft Overview

### Eclipse 500

- First certified Very Light Jet (“VLJ”)
- Efficient operation, low cost of ownership
- Green aircraft: low emissions and noise output
- Advanced, integrated avionics system with IS&S EFIS and Garmin FMS

### Eclipse 550

- Builds on the Eclipse 500 platform with the addition of:
  - Integrated dual FMS, auto throttle, anti-skid brake system, independent standby displays, integrated full size chart display, glass windshields, and upgraded Interior

### Legacy Aircraft Features

- Maximum cruise speed: 375 kt
- NBAA IFR Range with Maximum fuel: 1,125 nm
- Max Altitude: 41,000 ft.
- Available payload with full fuel: 614 lb
- Takeoff Distance: 2,433 ft
- Landing Distance: 2,790 ft
- Operating cost of approximately \$600 per hour

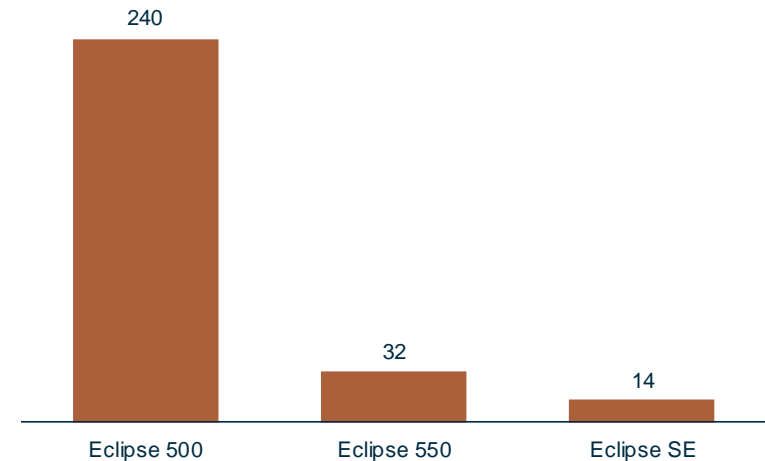
## Highlights

- Eclipse benefits from demand for maintenance, upgrades, remanufacturing and general repair services of the existing fleet
  - The Company has an installed base of 286 jets operating throughout the world
- Eclipse maintenance business generates approximately \$14 million of revenue per year with positive EBITDAR
- The Company maintains 70% market share of aftermarket services at Company and authorized service centers
  - All specialized components used on Eclipse jets are covered by the Company's Type Certificate
  - FAA-approved manufacturer to produce replacement parts for the Eclipse jet fleet (contractual agreements with suppliers require that repairs must be processed through Eclipse)
- In addition to standard maintenance and repair, Eclipse offers a number of both optional and mandatory upgrade programs
  - More than half of the current fleet qualifies for major upgrades
  - The Company supplies the fleet with current and future upgrades, including anti-lock brakes, Garmin Avionics and auto throttles
  - Upgrades can be packaged to solicit highest demand

## Service Center Footprint



## Current Fleet Composition



# Transformation Plan Underway with New, Seasoned Management



**Alan Klapmeier**  
CEO

- Founded Cirrus Design, and was responsible for the certification of the SR20 and SR22 aircraft. More than 7,000 Cirrus aircraft have been delivered, and the SR22 has been the world's best selling single-engine aircraft for over 10 years. Alan's last project at Cirrus was the SF50 Vision Jet
- Former Chairman of the Board of the General Aviation Manufacturing Association (GAMA)
- Board of Directors - EAA
- Board of Visitors member of the AOPA Foundation.
- Enshrined in the National Aviation Hall of Fame, 2014
- Winner of the 2004 Ernst & Young Entrepreneur of the Year award for manufacturing
- Winner of the 2006 Airport Journal "Living Legends" Aviation Entrepreneur of the Year award
- Responsible for introducing technologies such as the glass cockpit, whole-plane parachute systems and in-flight weather for small planes
- Licensed pilot for 40 years, with more than 13,000 hours flight time



**Kevin Gould**  
COO

- 30-year track record of leadership across multiple roles in the aviation industry
- Former President and CEO of Piper Aircraft
  - Implemented aggressive strategies for cost control, product development, customer support and global expansion
  - Introduced outsourcing, branding and distribution agreements
  - Introduced new aircraft with reduced production flow time
  - Successful sale of the Company with 50x increase in equity value
- SVP of Operations at Adam Aircraft, startup manufacturer of piston and jet aircraft
- Multiple management and executive positions with The Boeing Company
- Founder of Hawk Aerial, provider of commercial drone services
- Independent aerospace consultant for clients including Bombardier and Avcorp
- Licensed pilot for 15 years



**Mike Wyse**  
*Chairman of the Board /  
Company Operational  
Advisor*

- 19+ years of professional experience, across all industries and asset classes, providing comprehensive solutions to complex problems
- Held numerous C-level positions, including CEO, CFO, COO and CRO; member of numerous Boards
- Primary focus on developing, implementing and leading the turnaround strategy
- Managing Partner of Wyse Advisors LLC
  - Boutique firm focused on Special Situations; CRO, Advisory, Independent Director roles; expertise in Business Development, Strategic Advisory, Turnaround Management, Capital Raises and Solution Facilitation
- Extensive experience across all facets of stressed / distressed situations
- Proven success in negotiation with all constituents
- Proven effectiveness in enhancing financial credibility
- Proven ability to gain consensus amongst all interested parties

## Required Inspection and Maintenance

- Each customer is made aware of required inspection and maintenance in the Aircraft Maintenance Manual (AMM) and Engine Maintenance Manual (EMM)
- AMM example:
  - 300 hour / 24 Month Maintenance = \$8,000
  - 1,200 hour / 48 month Maintenance = \$10,000 - \$13,000
- EMM example:
  - Annual Engine Inspection = \$2,000

## Common Customer-Requested Work

- Examples of common service requests:
  - Anti-Skid Braking System - \$80,000
  - Glass windshield replacement - \$63,000
  - ADS-B Out capability - \$25,000
  - Brake replacement - \$12,000
  - Auxiliary heat for pitot tubes - \$10,000
  - Replacement of failed pitot tubes - \$8,000
  - Batteries replacement - \$6,000

## Commentary Regarding Service Scheduling and Revenue

- Service center “Corridor” software system automatically sends an inspection and maintenance update email to every owner each week.
- Once in shop, scheduled work can expand to include upselling and detection of unknown needs
- FAA mandated Automatic Dependent Surveillance – Broadcast (ADS-B) must be installed in the entire Eclipse fleet by 1/1/20

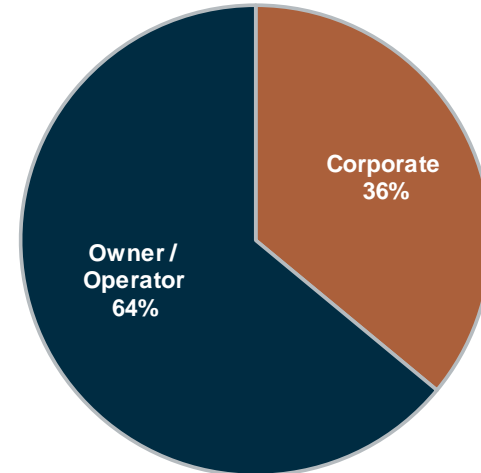




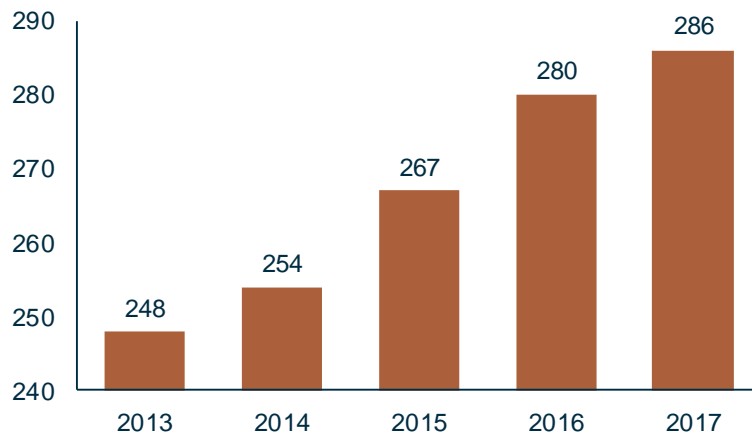
## Fleet Overview

- The existing fleet of 286 Eclipse jets is operated by a mix of owner / operators and corporate fliers, mostly in the US
- The owner / operator market includes chartered aircraft and makes up 64% of the fleet. Corporate customers comprise the remaining 36%
- The growth strategy focuses on expanding into a number of the Company's addressable markets: air taxi / charter, international sales, and government / trainer aircraft sales
- Despite a projected change in fleet composition over the next 5 years, management expects owner / operators and corporate customers to remain the primary users of Eclipse jets

## Active Fleet by Use

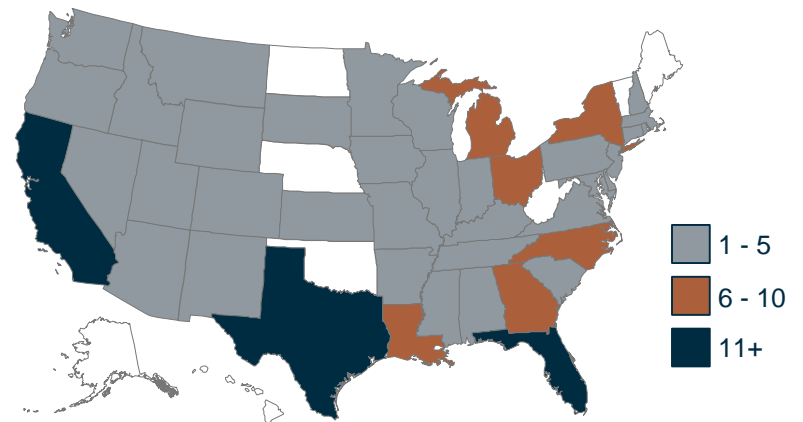


## Historical Fleet Evolution



## Domestic Ownership Base

**255 aircraft in the global fleet are based in the US**



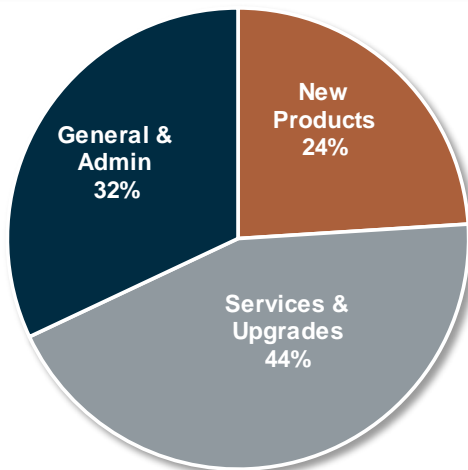
Location	Size (Sq. Ft.)	Purpose	Lessor
ABQ International Airport – Sunport #1	21,850	Flight Test, Hangar, and Storage	City of Albuquerque
ABQ International Airport – Sunport #2	45,900	Primary Assembly and Offices	City of Albuquerque
ABQ International Airport – Sunport #3	68,000	Offices, Final Assembly, Paint Facility	City of Albuquerque
ABQ International Airport – Sunport #10	51,300	Pre-fab, Welding, Warehousing	Third Party
PWK Chicago Executive Airport	25,000	Service and Upgrade Facility	Airport

- Eclipse operates from two locations: (1) Albuquerque, New Mexico, (2) Wheeling, Illinois
  - Over 212,000 square feet of facilities nationwide
  - All facilities are leased
- In addition to the Company's two maintenance facilities, MRO services are provided at eight 3<sup>rd</sup> party facilities worldwide

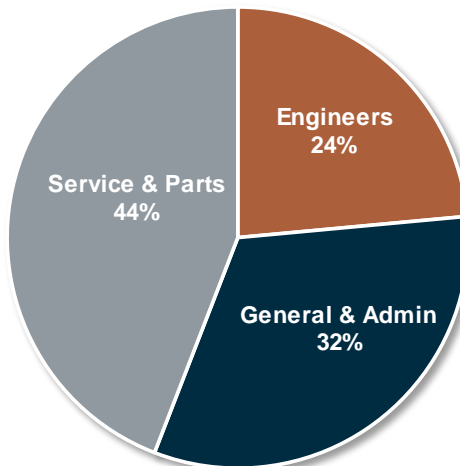
## Overview

- Approximately 68 Eclipse employees nationwide
  - The headcount includes employees on staff as of 12/31/2017, and does not include temps or contractors
- The Company enjoys a highly qualified workforce
  - Over 50% of the Company's employees have over 5 years' tenure
  - Core Engineering and Engineering Management team have been in place since the Company's inception
  - Qualified workforce from which to draw in the metro Albuquerque area

## Employees by Business Line



## Employees by Function



## Employees by Location

