

December 21, 2010

Fellow Hawker Beechcraft Employees:

I am pleased to inform you that we have reached a formal agreement with the State of Kansas that significantly incentivizes the company to maintain its presence in Wichita over the next 10 years. Since my update at last week's All Hands Meetings, the State, City of Wichita and Sedgwick County came through with a new incentive package totaling \$45 million that encourages HBC to retain at least 4,000 jobs and maintain its current product lines in Wichita.

I joined Kansas Governor Mark Parkinson, Wichita Mayor Carl Brewer and Sedgwick County Commissioner Karl Peterjohn today to make the announcement at an event at the National Center for Aviation Training. With the assistance from this package, we plan to maintain our Headquarters, Engineering, Supply Chain, Composite Fuselage Manufacturing, Aircraft Final Assembly, Flight Test, and Global Customer Support functions on Beech Field here in Wichita.

A key component of this package is funding for tuition reimbursement and training. Our company and our people will benefit directly from the educational opportunities provided at Wichita State University and the impressive National Center for Aviation Training. This modern, state-of-the-art training center will provide a superb opportunity for us to train and cross train our work force to increase efficiency and quality in the areas of aero structures, avionics, composites, interior installations and aircraft completions. We look forward to working with our union members and leadership to ensure that we optimize the flexible capability of our experienced work force to build in competitive strength and sustainability in the craftsmanship that is so important to continued commercial success.

In addition, this support will continue and expand current and future product innovation in advanced composites and rugged designs that are the signal strengths of our Hawker and Beechcraft brands worldwide.

This announcement marks a key point in the future of Hawker Beechcraft. With the acceptance of this agreement, we are committing to be successful as a Wichita, Kansas, and U.S.-based private company and preserving a valued American industry in tomorrow's aviation markets. With the strong level of commitment to our people and their skills enhancement, we intend to have the best trained work force in the industry to power the development, manufacturing and projection of our diversified product line of business turbine aircraft, trainers and special mission offerings to emerging global markets from here in Kansas.

We will continue our actions and plans to transform our company. All previously announced closures and reductions in force will be executed on or ahead of schedule.

The last several months have held much discussion and decision about the future locations for all or parts of our company. I recognize this has created concern for many of you. I want to thank you for your patience with this process as we have moved decisively and aggressively to adapt our company to the new realities of the business aviation industry and world economy after the economic reset that began in 2008 and is still very much with us.

While I would have liked to provide this update in person, I am grateful to be able to share this good news in time for the holidays. I wish you and your families a happy and safe holiday season.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Boisture", written in a cursive style.

Bill Boisture
Chairman and CEO