

February 3, 2009

Dear Fellow Hawker Beechcraft Employee:

In early January, I announced the regrettable but necessary need for Hawker Beechcraft to further reduce its production and workforce levels due to the increasing severity of the global economic decline. I also promised to keep you updated as we completed changes to our business plans.

In the short time since my last communication, we have experienced increased erosion across our industry and the global economy. In addition to declining orders and deliveries, we are facing a host of new challenges:

- The government's stimulus package has failed to sufficiently loosen credit markets, which are absolutely vital to the success of HBC and our industry
- Orders from previously high-volume business segments – the fractional market in particular – have slowed considerably
- The media and some politicians have cast general aviation as a wasteful extravagance instead of a critical business tool and the source of millions of American jobs. A recent editorial in the *New York Times* pointed out just how inaccurate and potentially damaging this portrayal is:
  - *More than one million Americans are employed in manufacturing, managing and maintaining business aircraft*
  - *American aircraft manufacturers dominate the industry globally with half of all U.S. production exported to overseas markets*
  - *Business aviation contributes \$150 billion annually to the U.S. economy*

The increased challenges that lay before us demand an extraordinary response from our company and the U.S. aviation industry to ensure our short-term stability and long-term success. Therefore, we at HBC have conducted a sweeping evaluation of our business plans and implemented a wide range of measures to dramatically reduce our costs. As a consequence of these actions, we will be forced to reduce our workforce by approximately 2,300 employees before the end of the year. The majority will be notified by their management on February 6th.

This is an extremely painful step for the HBC family and community, but one that is absolutely necessary. While I wish I could commit to you that this will be our final action, I cannot do so at this time given the extreme volatility in the marketplace. The bottom line is that we must be prepared to do whatever is required to make certain that we successfully emerge from the downturn and are able to provide future generations with the kinds of jobs that we and previous generations have enjoyed.

We are undoubtedly facing one of the most severe tests in our company's history. However, I want to make clear that I firmly believe HBC, above all others, has the right brands, the right products and most of all, the right people to see us through to a brighter future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Schuster'.

Jim Schuster  
Chairman and CEO