

November 4, 2011

Fellow Hawker Beechcraft Employees:

In 2009, we sized our company to a Business and General Aviation market we anticipated to begin growing in 2012. At present, the airplane markets in which we compete are showing little sign of growth, and the key indicators that could trigger such growth are stubbornly low.

We know there is pent up demand for our products, but major world regional economies are troubled: Europe's debt crisis continues, China's growth is slowing, and the Arab Spring is running into a Fall of unrest in the Middle East. The U.S. is experiencing a continuing recessionary climate while our elected leaders are adversely targeting our products and customers in their attempts to cope with budget shortfalls. This combination of events is continuing to erode buyer confidence and hence demand for our products. It is my view that this condition, or some combination of it, will exist for quite some time in our Business and General Aviation sector.

Our Defense and Special Mission businesses face real challenges as spending on defense is under pressure in our government and in governments around the world. While we have stability in these sectors of our business, we must make smart changes to enhance our competitiveness in new markets worldwide.

We have solid plans and good potential for growth in international markets and in new, innovative retrofit products in our Global Customer Support business. We will align this team to be better supported by other market facing groups in our company.

The combination of these factors brings us to a decision to continue to resize and align our company to a market that is projected, for the next two years, to remain small relative to past markets and which projects modest growth rates beyond that time. The necessary reductions in force will affect all levels of our company. Affected employees will be given a 60-day Worker Adjustment and Retraining Notice (WARN) on November 11. Each employee will be notified of whether he/she will be required to work during all or some portion of the 60-day WARN period based on business needs.

We will continue to work hard to transform our business through major shifts in work, changes in process and focus on first-time quality. We are making good progress, as we must, to be efficiently competitive in a smaller future market. I am very proud of our team's effort to transform this business under difficult economic conditions.

This is a rough time for our company, community and employees. It is very important that we continue our pattern of respect and care for our impacted colleagues and that we put this next phase of our transformation to a smaller company behind us quickly and focus on shaping our future as a more agile and stronger team.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Boisture".

Bill Boisture
Chairman and CEO