



Geoffrey L. Berger
CEO

September 27, 2010

Dear Piper Employees,

It has been more than eight weeks since my appointment as Interim CEO here at Piper and I wanted to take a minute of your time to begin communicating periodically to each and every one of our valued employees just how things are progressing. We have a lot going on, as you know, and I wanted to share with everyone some of my thoughts about our progress.

As you know the General Aviation industry in general and the markets for Piper's aircraft have continued to be impacted by weak overall economic conditions here in the United States. In response, most of our competitor aircraft manufacturers have taken and are taking significant actions to reduce costs and cut back on production rates. Cessna has cut thousands of jobs and Cirrus, Hawker Beechcraft, and others have suffered large layoffs, unpaid time off, and reduced their production to adjust to future demand. Of course, I am also well aware that the impact of actions on Piper employees has been significant. Across the industry, the toll on all of our workforces has so far been unforgiving

Your Senior Leadership Team here at Piper has aggressively responded to these challenges by expanding the scope of the overall sales focus, and attacking all areas of our business where we can distinguish our products from the competition. Recent initiatives like RACE are beginning to yield positive customer feedback, and we have made substantial progress in penetrating foreign markets with recent aircraft sales to Asia, South America, the Middle East and Eastern Europe. At the same time, we are hopeful that recently proposed tax legislation will also be implemented by our government to help stimulate more new aircraft purchasing in the United States as well.

In parallel with our efforts to bolster and broaden Piper's sales efforts, new product development on the PiperJet is advancing well on-track and the program pace is accelerating, with the fullest support of our shareholders. Over the past 12 months we have hired more than 140 new employees in support of the PiperJet initiative, and we expect that the next twelve months will see this great airplane advance from product design to actual production development. Piper employees are already beginning to cut metal for first article conforming parts here in Vero Beach and our dealers are extremely enthusiastic about prospects for this innovative new aircraft. Stay tuned for related announcements to be made at the upcoming NBAA conference in October.

Despite the encouraging results achieved through our expanded sales efforts and recent focus on "globalization," Piper remains challenged by overall market weakness. At the beginning of this year we were forecasting sales of approximately 200 aircraft for 2010, however by the end of the second quarter it had become apparent that we needed to temper our expectations considerably. That forecast was reduced to approximately 162 units in June and unfortunately the market has continued to demonstrate little or no tangible signs of recovery since. We have reluctantly had to reduce that forecast further to an estimated 158 units. While this achievement represents a significant improvement overall versus 2009, and reflects better gains than others in our industry, clearly it remains substantially below where we need to be to become a truly healthy stable company.

The Senior Leadership Team and I continually review and adjust to every aspect of Piper's business to ensure that we are prudently responding to these challenges and to position Piper for long-term growth and stability. This is a continuous process and we've already made several rounds of difficult decisions, resulting in reductions in staffing levels and curtailment of all but the most important development spending. Simultaneously, we continue to review each of our capital spending initiatives to identify opportunities to achieve further gains in productivity and efficiency. The recent furlough in August was an unfortunate necessity, and as you know, another furlough is planned during the week of November 29th.

Everyone on our team realizes that these stringent cost control measures are not easy for anyone however; they continue to be necessary until our markets rebound. We are working hard to strengthen our platform, for stability and growth overall within very challenging and unprecedented market circumstances and it is quite possible that further tough measures will be necessary before things show improvement. As a result, I want you to know that no aspect of our business or our organization is being overlooked, and that our goal is to become as cost competitive as possible without sacrificing the levels of product quality and customer service that have made Piper a legend and are the direct result of your contributions.

I genuinely appreciate everyone's exceptional effort and support during these difficult times and want everyone to know that it is recognized within all levels of our organization. And in the meanwhile, I encourage you to share any feedback you may have with your leadership regarding thoughts and ideas for helping make Piper its best during these difficult times. It can only be achieved with everyone's collective support.

Thank you.

A handwritten signature in blue ink that reads "Geoff Berger". The signature is written in a cursive, flowing style.