

## Press Release

November 13<sup>th</sup> 2008

### Interim Management Statement

BBA Aviation plc, the aviation services and systems support group, is today issuing an Interim Management Statement for the period from 1 July to 12 November 2008.

We anticipate that our performance in the second half will be broadly similar to the first half and in line with our expectations as indicated at the time of our interim results.

Total year to date revenue for the Group for the period ending 25 October 2008 was 17% higher than the same period in 2007. On an organic basis (exclusive of acquisitions and disposals and at constant exchange rates and fuel prices) overall group revenue grew by approximately 1% which was slightly lower than the 2% organic growth reported at the interim results.

Conditions in the business and general aviation market have been somewhat weaker since the announcement of our interim results in August, reflecting the continuing economic uncertainty, particularly in North America.

Against this background, and as a result of early management actions to manage operating costs and discretionary expenditure, BBA Aviation has performed well.

Since 1 July sales in Signature have declined marginally on a year to date basis and are down organically by 5% compared to the 4% reduction reported at the half year. The US business remains volatile and has been somewhat weaker than the first half but the European operations continue to grow strongly.

The other four businesses, which account for approximately 50% of the Group, are performing in line with or ahead of our expectations. In particular, Engine Repair demand has remained robust on a number of engine programmes and the international markets are holding up well. The Legacy Support business also continues to grow strongly and today is announcing that it has secured a major new licence from Honeywell for a total consideration of £24m of which £15m is payable in cash immediately. Under the terms of the licence Ontic will supply components and repair and overhaul services to support Honeywell's 700 series Auxiliary Power Units. The licence is expected to generate annual sales of £10m and will be earnings enhancing in 2009. Please see our separate release for details.

The previously announced acquisition of Hawker Beechcraft's line service division was completed in two stages on 23 July and 3 October for a total consideration of \$128.5m and the integration of these high quality new locations into the Signature network is proceeding to plan.

Whilst the Group continues to expect that it will generate strong free cash flow in 2008, the recent strengthening of the US dollar against sterling will increase substantially the translated value of our US dollar denominated debt. This does not impact our financial covenants and we continue to maintain significant additional financing headroom. Conversely the stronger dollar will also increase the translated value of earnings in the second half.

Commenting on the Interim Management Statement Simon Pryce, Group Chief Executive said: 'Despite the continuing weak market conditions our businesses have continued to perform well and we have reconfirmed the guidance for 2008 that we gave at the time of our interim results. Our flexible cost base is enabling our businesses to remain resilient in the current environment, and we continue to be extremely well positioned for long term growth. We are pleased to announce today a strategically important new licence for Ontic which will significantly expand its product portfolio and which, together with other licences awarded in 2007 and 2008, will increase the revenue in our Legacy Support group by approximately 50% once the products have been fully absorbed.'

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**Notes to Editors**

**BBA Aviation plc** is a world leader in the provision of Flight Support and Aftermarket Services and Systems for business aviation, regional airline, military and commercial aviation operators, including FBO services, fueling, ground handling, turbine engine repair and overhaul and aviation components, landing gear and hydraulic systems. BBA has leading positions, well-known and reputable brands and a proven track record of organic and acquisition-led growth. BBA Aviation companies include Signature Flight Support, ASIG, Executive Beechcraft, Ontic, International Governor Services, APPH, Dallas Airmotive, Premier Turbines, H&S Aviation, International Turbine Service and Barrett Turbine Engine Company. For more information, please visit [www.bbaaviation.com](http://www.bbaaviation.com).