



TAURUS
AEROSPACE GROUP

Intelligent, Integrated Solutions

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THE OPPORTUNITY

BEFORE MARKET - The before market aerospace and defense landscape can be characterized by companies manufacturing, and delivering discrete aircraft parts and sub-assemblies that meet original equipment manufacturer (OEM) specifications. The general trend in this sector is towards the larger Tier 1 manufacturers outsourcing many manufacturing-related functions, including design, engineering, assembly, transportation, inventory management and other critical items, to the smaller Tier 2 and 3 suppliers. This trend can be witnessed on the Boeing 787, Airbus A350XWB, Cessna Columbus, and several military programs. Many of these programs have been subject to lengthy delays, and many of those delays can be attributed to the lack of comprehensive integration among the Tier 2 and 3 suppliers. Taurus Aerospace Group competes in this space and is one of the few in the airframe market that have the capability of supplying fully integrated, engineering solutions, thus relieving the OEMs of the burden of aerostructure subassembly and part design.

AFTER MARKET – In a similar fashion to the before market, the after market can be characterized by greater outsourcing among the largest customers in the market, principally the military and commercial airlines. These two groups have traditionally been vertically integrated, with functions such as engineering, reliability, quality assurance, line maintenance, procurement and supply chain management being an integral part of each organization. With lower costs and better performance, suppliers have been able to assume some of those internal functions and have been able to integrate them across several airlines and different branches of the military. Suppliers have thus been able to apply best practices across different fleets, carriers and geographies. Taurus has been able to leverage its expertise from its aftermarket assets and has begun to capture a share of outsourced services, including engineering and line maintenance.

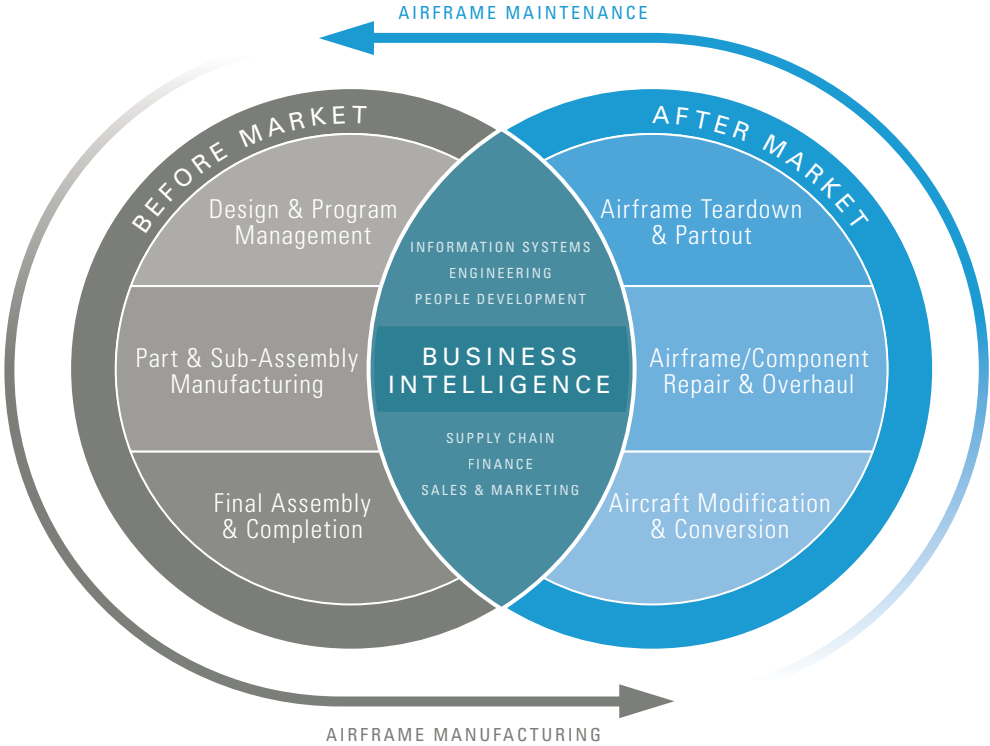
INTELLIGENT, INTEGRATED SOLUTIONS

Taurus Aerospace Group was created to provide the aerospace industry with a differentiated supplier that provides a suite of airframe-related products and services. Central to the strategy is the development of an advanced engineering organization serving as the nervous system of the organization. The foundation of Taurus products will be engineered solutions that provide a significant value proposition, whether through a design/build program to produce a key structural component for a new aircraft or the design, manufacture and installation of critical aircraft modifications or upgrades. Key to this strategy is leveraging experience and insight from the before and aftermarket across both segments.

Through adherence to this tightly focused strategy, Taurus companies will offer complementary capabilities that lead to compelling value-added services, the cornerstone of our "Intelligent Integrated Solutions." Our goal is to make the delivery of these services a simple and reliable process.

Our strategy, which is represented graphically below, will allow us to build a company that is unique in its focus by delivering airframe engineering solutions, whether for a key structural element (e.g., floor assemblies, door structures); the development, test and production of aging aircraft modifications for commercial or military aircraft; or the design, development and certification of a new aircraft modification or upgrade (e.g., crew rest areas, interior reconfigurations) for one of our airline customers. A key differentiator is the ability to handle the entire project from design through testing, certification, manufacturing, assembly and installation.

Exhibit 1: Taurus Enhanced Business Intelligence



- ▶ Design better aircraft by leveraging historical manufacturing, maintenance and operating data
 - New programs
 - Upgrades and modifications
- ▶ Source and build a high-quality, low-cost network of shared suppliers
- ▶ Utilize access to capital to invest in advanced capabilities and capacity expansion to accelerate growth
- ▶ Build highly integrated companies which allow Taurus to offer high value, total-care solutions across the lifecycle
- ▶ Taurus engineering will leverage industry insight from third-party consulting into value-added services for internal products and services

THE CONTINUUM OF ENGINEERING KNOWLEDGE

A critical element of the differentiation strategy is the ability to create intellectual property for Taurus by synthesizing our vast airframe-related corporate knowledge base. While our engineering team works with OEM customers on the design and development of new parts, the knowledge they gain relative to new design techniques, materials and processes can be applied to the design, development and certification of after market repairs and modifications. Likewise, Taurus has the unique perspective gained from working on aircraft of differing ages and the ability to feed the related stress, corrosion and fatigue impacts into our Before Market design activities, resulting in better engineering solutions. We refer to this as the “continuum of engineering knowledge”, and believe this will create significant intellectual property for the business, and more importantly a differentiated value proposition to the customer.

For example, one of our platform companies, Aviation Technical Services, supports aircraft at every phase of the lifecycle, and they have a unique ability to provide our customers with insight based on data and experience that allows them to comprehensively evaluate and understand performance. This knowledge will allow Taurus to design, develop and fabricate modifications for the aircraft’s airframe or interior which meet the needs of our customers through the delivery of superior products and value.

At the same time, the companies of Taurus will provide similar intelligence to their peers within our family, leading to continuous improvement in our own skills, materials, and techniques. Part of our commitment to advancing our capabilities is our investment in advanced machining and repair technologies to better serve our customers.

We believe this continuum, with engineering at its core, supports our before market and after market companies and customers with the information required to make critical decisions. Whether through the design of products or the completion of critical maintenance services for both the airframe and its related components, this continuum serves as a clear differentiator and sets Taurus Aerospace Group apart from its competitors.