



## For immediate release

July 24, 2008

### Diamond Aircraft announces DA42 Customer Assistance Program

To support its fleet of Thielert-powered DA42 aircraft in North America, Diamond Aircraft today announced a new DA42 Customer Assistance Program, which paves the way for upgrading the airplanes to the new Austro-engines powerplant, and provides tangible support to indirectly subsidize increased TAE engine operating costs, brought about by the TAE insolvency.

Key to the customer assistance program are Diamond's parallel initiatives to 1. certify the Austro Engine in the DA42 including a retrofitable upgrade kit to convert existing customer aircraft to the more powerful AE 300 engine, and 2. the company's efforts to STC alternative support and maintenance solutions to the existing TAE engine.

"We are expending significant resources on these extensive programs in our very best effort to protect our existing customers, regardless of the possible outcome of the TAE insolvency," said Peter Maurer, President of Diamond Aircraft Industries. "The potential of upgrading existing DA42's – to deliver greatly improved performance, reliability and manufacturer support – will greatly enhance their value and best protect the investment that our customers have made in their aircraft. We are introducing our Customer Assistance Program to offer meaningful assistance and benefits to all of our valued customers."

The DA42 Customer Assistance Program has several elements, collectively designed to offer short and long term benefits and to protect Diamond customer's investment in their DA42.

Diamond is offering all program participants the following:

1. An up to 30% subsidy of the cost of the optional Austro Engine retrofit, when it becomes available for retrofit, to compensate for extraordinary TAE support or AOG cost.
2. Priority position for Austro Engine retrofit kits.
3. A 30% discount on any TAE-engine specific parts and services that are under development by Diamond (STC), when those become available
4. An immediate 20% discount on all DA42 Diamond airframe parts.
5. A 12 months extension of the airframe parts warranty.
6. Complete flexibility with no requirement to decide on the Austro Engine upgrade until performance and pricing are announced and retrofit kits are certified.

Customers participating in the program will receive several meaningful benefits as a result of the program:

1. Financial assistance through parts and service discounts and subsidy of Austro Engine retrofits, to address the current higher operating costs and possible extended AOG's, resulting from the TAE insolvency.
2. A significantly better-performing airplane. An Austro-engine powered DA42 has 26% more horsepower than the TAE-equipped version (340 vs 270 hp, with better altitude performance) and improved specific fuel consumption. The TAE powered DA42 offers performance improvements across the board, from better take-off and climb performance, to improved single-engine performance as well as higher cruise speeds.
3. Increased equity in the aircraft. The company expects the retrofit to significantly increase the resale value of the aircraft – especially since new DA42 'NG' (next generation) models are expected to be priced significantly above the historic selling price of TAE-equipped aircraft.

DA42 customers have already received more detailed information on this program. Registration Forms with additional details, estimated availabilities, and the terms and conditions of this program will be mailed out to each customer by mid-August.

For further questions, customers can contact their local Diamond distribution center, or the Diamond DA42 North American Hotline at DA42-TAE-NorthAmericaSupport@diamondair.com



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