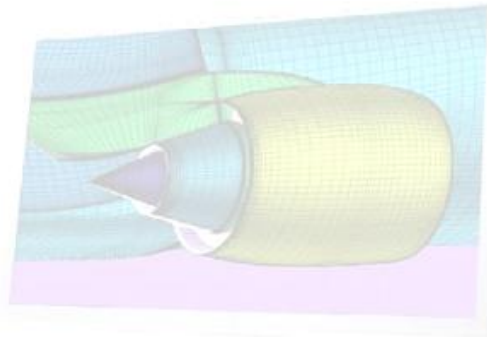


Middle River Aircraft Systems and Aircelle Establish Joint Venture Agreement

GE Aviation's Baltimore-based affiliate, Middle River Aircraft Systems (MRAS), and Aircelle, a SAFRAN company based in Paris, France recently announced agreement on a new joint venture company to cooperatively develop, produce and support engine nacelles for the next-generation single-aisle commercial airliners.



This joint venture is part of the company's global strategy to reach markets where new aircraft will be developed as well as support growth in existing, established markets. Additionally, this relationship provides investment opportunities for larger projects and leverages the technologies that both companies are developing resulting in earlier market introduction of high technology systems.

The agreement covers complete nacelles (the system that surrounds the engine on wing and provides reverse engine thrust slowing the aircraft) and nacelle subsystems – providing highly competitive and innovative solutions based on the expertise and resources of Aircelle, and Middle River Aircraft Systems. The proposed venture will consider new business opportunities with all engine and aircraft manufacturers involved in the single-aisle airliner category. The new company will have a joint management and operational structure, with 50 percent ownership held each by Middle River Aircraft Systems and Aircelle. The final agreements are planned to close in December 2008.



Middle River Aircraft Systems is one of the world's leading suppliers of jet engine thrust reversers and nacelle systems, with annual revenue of approximately half a billion dollars. The company also produces a variety of specialized structures for major aircraft manufacturers, including Boeing, Bell and Lockheed Martin, for commercial and military aircraft. MRAS is the largest supplier for the Boeing CH47 and V22 by part number, with over 3000 parts. Middle River employs a workforce of over 1,000 employees at its Baltimore, Maryland site.

In addition to design and manufacturing, Middle River Aircraft Systems provides technical and logistics support for its' aircraft systems

“This partnership will provide MRAS with greater global reach and greater access to technologies which both companies are developing. These benefits will result in top line growth, reduced time to market, and a better integrated nacelle and engine system benefiting our customers and the Joint Venture,” said Sagar Patel, the President & General Manager of Middle River Aircraft Systems.

Over the last four years, MRAS has seen rapid growth in revenues, with business increasing 74%, including the export of CF34-10A nacelles to China. The business also continues to expand its workforce to meet increasing customer demand, with over 300 new employees hired since 2004. The company’s proposed joint venture with Aircelle opens additional opportunities to drive continued growth in Baltimore.

MRAS is headquartered in Eastern Baltimore County since 1929, the site of the original Glenn L. Martin Company. The one million square foot facility contains manufacturing, laboratory, and engineering facilities designed specifically for the development and production of aerospace systems employing many of Baltimore’s most skilled workers. Middle River Aircraft Systems has recently been named one of Baltimore’s top employers by the Baltimore Business Journal, and has also been selected for the 2008 Best of Baltimore Award by the U.S. Local Business Association (USLBA).