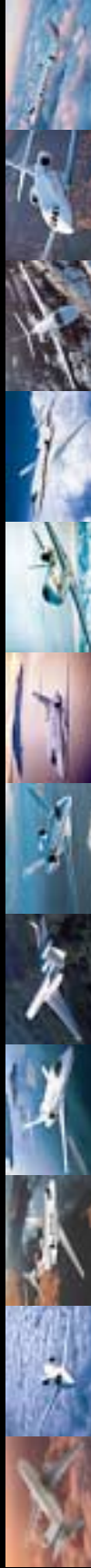




THE PIONEER AND  
WORLDWIDE LEADER  
IN FRACTIONAL AIRCRAFT OWNERSHIP



# History of Executive Jet

- Established in 1964 as first private charter company in the world.
- NetJets fractional aircraft ownership program was created in 1986.
- Berkshire Hathaway purchased Executive Jet in 1998.





# Executive Jet, Inc. and NetJets

- Executive Jet is the company.
- NetJets is the fractional ownership program.





# Our Corporate Structure

Executive Jet, Inc.

Executive Jet  
Management

Executive Jet  
Charter

NetJets

# What is Fractional Aircraft Ownership?

- An *undivided interest* in a specific, serial numbered aircraft based on the number of hours you fly in a year.



# What are the Costs?

- Acquisition Cost
  - The one time purchase of the asset.



# Acquisition Costs



Whole plane = \$8,000,000  
1/8 Share = \$1,000,000



Whole plane = 800 occupied hrs.  
1/8 Share = 100 occupied hrs.

# What are the Costs?

- Acquisition Cost
  - The one time purchase of the asset.
- Monthly Management Fee
  - Covers indirect operating costs (pilot salaries, training, hangaring, administration, etc.).
- Occupied Hourly Fee
  - Covers direct operating costs (fuel, maintenance, catering, landing fees, etc.).

# NetJets Provides Guaranteed Availability

- Our fleet of aircraft is blanketed across the U.S.
- NetJets owned "core fleet."
- Subcontract when necessary.



## Charter is a better alternative if:

- Yearly flight time is less than 50 hours.
- Trips do not exceed more than 1-2 days.
- Need only one aircraft per day.
- Depart from and return to the same location.

# Full Ownership is a better alternative if:

- Yearly flight exceeds 400-500 hours, *and...*
- Fly most often from one location, *and...*
- Require only one aircraft per day.





Advantages

# Advantages of Buying with NetJets

- Aircraft Choices
- International Capabilities
- Experience
- Asset Value
- Contract Renewal
- Most Favored Nations
- Financial Strength
- Safety

# Aircraft Choices

- Because we are not a manufacturer, we *choose* the world's finest aircraft.
- Boeing, Cessna, Dassault Falcon, Gulfstream, Raytheon.
- Historically and factually, our aircraft offerings have the best residual values.



# Current Executive Jet Fleet:

■ Citation S/II:	6	■ Falcon 2000:	24
■ Citation V Ultra:	75	■ Gulfstream V:	4
■ Citation Excel:	16	■ Gulfstream IV-SP:	40
■ Citation VII:	17	■ Boeing Business Jet:	2
■ Hawker 800XP:	38	■ Other:	68
■ Hawker 1000:	27	■ Over 580 more aircraft on order	
■ Citation X:	45		

# Aircraft Choices

- By year end 2001, we'll manage over 400 aircraft.
- 10 different aircraft types available – 5 additional aircraft types have been ordered.
- More aircraft to fit your travel profile.
- Greater interchange offerings.

# International Capabilities

- NetJets<sup>®</sup> Europe
- NetJets<sup>®</sup> Middle East
- NetJets<sup>™</sup> Asia and NetJets<sup>™</sup> South America are being developed.

*All interchangeable*



# NetJets Experience

- Executive Jet has provided business jet solutions for over 35 years.
- Invented private jet charter - we have flown the most hours.
- Invented fractional ownership - we have the most years in the industry.
- In 2001, NetJets will fly over 250,000 flights, 125,000,000 miles to over 90 countries.

# What's "The Deal?"

- Asset Value
- Most Favored Nations
- Contract Renewal



# Asset Value

- Fair Market Value
  - New
  - Used
- Average age of our fleet = 2.5 years.



# Most Favored Nations

- With NetJets every owner is treated equally.
  - Warren Buffett pays...
  - what Tiger Woods pays...
  - what Joe Smith pays...
  - what GE pays.

# Financial Strength

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*Berkshire Hathaway*

# NetJets Safety

- All aircraft cockpits are identically outfitted.
- All aircraft are factory maintained.
- Our pilots fly *one* type of aircraft.
- All pilots are captains.
- 24-hour, on-staff meteorologists, dispatchers, auditors, schedulers, etc.

# NetJets Operation Center



# Pilot Training & Credentials

- New hires – 2,500 hrs. minimum before consideration.
  - Average new hire – over 6,000.
- Total average hours – over 8,000.
- FlightSafety International – 2x's per year - 20 days of training.
- New hires remain on probation for one year.
- Fly an average of 75 hours per month.

## Some Other Reminders...

- NetJets share is depreciable.
  - 51% of your flying is for business.
- Financing alternatives are available.
- Multiple shares in different aircraft types can be purchased.

## Some of Our Owners Include:

- America Online
- Arnold Schwarzenegger
- Boeing
- Dow Chemical
- General Electric
- Gillette
- Mondavi Wineries
- Pete Sampras
- Prudential Insurance
- Roger Staubach
- Seagram
- Sun Microsystems
- Texaco
- Tiger Woods
- United Technologies
- Warren Buffett

## Other Interesting Facts:

- Over 1,600 pilots on staff
- Currently manage over 350 aircraft
- In the last 6 years, Executive Jet has ordered 942 new aircraft totaling more than \$17 billion
- 70% of Executive Jet's new NetJets business comes from existing owners and personal referrals



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