

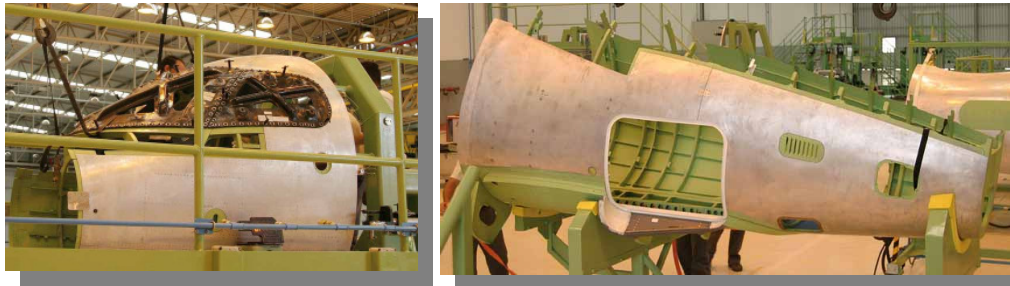


PHENOM EXECUTIVE JET PROGRAMS ACHIEVE NEW MILESTONES

Phenom 100 prototype is on the assembly line and Phenom 300 design advances

São José dos Campos, February 27, 2007 - The Phenom 100 and Phenom 300 programs are making progress as planned. The Phenom 100 executive jet prototype is being manufactured at Embraer's facility in Botucatu, where the successful assembly of several fuselage sections has been recently completed. Results confirm that the manufactured components fully conform to the CATIA V5 virtual product design.

Final assembly of the Phenom 100 prototype will commence, in March, at the main production plant in São José dos Campos. The first flight of the Phenom 100 is scheduled for mid-year and certification and entry into service for mid-2008.



Phenom 100 cockpit and rear fuselage in Embraer's facility in Botucatu

"Our continual investments in people, technology and industrial facilities have steadily advanced the Phenom 100 and Phenom 300 programs," said Luís Carlos Affonso, Embraer Executive Vice-President, Executive Jets. "Over 800 Embraer engineers are engaged in both programs and we are committed to delivering truly revolutionary jets."

Other Phenom 100 program advances include the integration tests of the avionics rig for the Prodigy[®] flight deck, which is already fully functional. The flight test instruments rack was assembled and integration tests are being conducted. The rack will be installed on the Phenom 100 prototype for the flight test campaign.

Embraer has invested heavily in such production-line technologies as automated riveting machines; composite material production, as in the case of the pressure bulkheads for the Phenom jets; and construction of new facilities for the production, final assembly, painting and interior completion of both aircraft.

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Phenom 100 central fuselage in the assembly process

Pratt & Whitney Canada performed the first engine run of the PW617F turbofan engine that will power the Phenom 100, on June 29, 2006. The engine's first flight, coupled to Pratt & Whitney Canada's testbed aircraft, was in October 2006. It has since logged over 600 test hours and has been engaged in a comprehensive flight test campaign, accruing more than 60 flight hours. Results have demonstrated that the engine meets or exceeds original performance parameters.

The first two flight-worthy engines are expected to arrive at Embraer in March, for installation on the Phenom 100 prototype. Certification of the PW617F is scheduled for the fourth quarter of this year.

The Phenom 300 program is also advancing steadily and has completed its schedule of full-model wind tunnel tests at the Central Aerohydrodynamic Institute (TsAGI) in Russia. Test results give Embraer a high degree of confidence that the Phenom 300's projected range, maximum speed and field performance will be met. Additional wind tunnel tests will be performed with a partial wing model to further specify aileron control. These tests will be conducted at the test facilities of the Comando Geral de Tecnologia Aeroespacial (CTA), in Brazil.

Embraer is investing over US\$ 100 million to enhance the customer support for its portfolio of executive jets. Three new service centers will be built in the U.S. and another one at Le Bourget airport, in Paris, France. By mid-2008, the Company's customer support network is expected to consist of seven wholly-owned and 38 authorized service centers in all regions of the world.

As part of the Company's plan to provide the highest level of pilot training to Phenom customers, Embraer has signed an agreement with CAE to form a global training joint venture, which will provide comprehensive pilot and ground crew training.

As of December 31, 2006, the Phenom 100 and Phenom 300 had logged over 350 firm orders in 23 countries. The planned production rate of the Phenom 100 and Phenom 300

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jets will be from 120 to 150 aircraft per year, by 2009, which will be their second year of production.

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Note to Editors

Embraer (Empresa Brasileira de Aeronáutica S.A. - NYSE: ERJ; Bovespa: EMBR3) is the world's leading manufacturer of Commercial jets up to 110 seats with 37 years of experience in designing, developing, manufacturing, selling and providing after sales support to aircraft for the Commercial Aviation, Executive Aviation, and Defense and Government segments. With headquarters in São José dos Campos, State of São Paulo, the Company has offices and customer service bases in the United States, France, Portugal, China and Singapore. Embraer is among Brazil's leading exporting companies. As of December 31, 2006, Embraer had a total workforce of 19,265 people, and its firm order backlog totaled US\$ 14.8 billion.

This document may contain projections, statements and estimates regarding circumstances or events yet to take place. Those projections and estimates are based largely on current expectations, forecasts on future events and financial tendencies that affect the Company's businesses. Those estimates are subject to risks, uncertainties and suppositions that include, among others: general economic, political and trade conditions in Brazil and in those markets where the Company does business; expectations on industry trends; the Company's investment plans; its capacity to develop and deliver products on the dates previously agreed upon, and existing and future governmental regulations. The words "believe", "may", "is able", "will be able", "intend", "continue", "anticipate", "expect" and other similar terms are supposed to identify potentialities. The Company does not feel compelled to publish updates nor to revise any estimates due to new information, future events or any other facts. In view of the inherent risks and uncertainties, such estimates, events and circumstances may not take place. The actual results can therefore differ substantially from those previously published as Company expectations.

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