



EMBRAER RELEASES FIRST CHINESE MARKET OUTLOOK

Company presents Chinese regional aviation demand for the next 20 years

São José dos Campos, November 4, 2008 – Embraer released its first market outlook dedicated to the Chinese market, at a press conference held today at Airshow China 2008, in the city of Zhuhai, Guang Dong Province, People’s Republic of China.

The market outlook provides a series of analyses based on the evolution of the Chinese air transportation industry, and presents Embraer’s vision of the future development trends of the regional segment. In line with the expansion of China’s aviation market, Embraer forecasts a total demand of 875 new regional aircraft, over the next 20 years, consisting of 120 for 30-60 seats, 295 for 61-90 seats, and 460 for 91-120 seats.

The forecast also points out that the air transportation industry will continuously push for greater fuel efficiency and give more attention to environment-friendly equipment, which, Embraer believes, will further encourage the development of this industry in China. Taking the EMBRAER190 jet as an example, and comparing it with a 150-seat narrowbody plane, it presents a 27% lower fuel cost. For the Chinese air transportation industry, if all flights carrying less than 100 passengers could be right-sized with 100-seat jets, an annual fuel savings of 180,000 tons can be expected, which means a reduction of 565,000 tons of CO₂ and 2.68 million tons of NO_x emissions.

“Announcing its market outlook at the largest and most influential aviation trade show in China shows that Embraer highly regards the Chinese market,” said Mr. Guan Dongyuan, President – Embraer China. *“We believe that the future of the Chinese regional aviation market will generate great opportunities for the players in the aviation industry. Embraer is fully committed to such a market and is well prepared to provide it with outstanding products and services.”*

The entire study – “Embraer China Market Outlook (2009-2028)” – can be found at www.embraer.com, in English and in Chinese.

Embraer Image Gallery

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Note to Editors

Embraer (Empresa Brasileira de Aeronáutica S.A. - NYSE: ERJ; Bovespa: EMBR3) is the world's largest manufacturer of commercial jets up to 120 seats, and one of Brazil's leading exporters. Embraer's headquarters are located in São José dos Campos, São Paulo, and it has offices, industrial operations and customer service facilities in Brazil, the United States, France, Portugal, China and Singapore. Founded in 1969, the Company designs, develops, manufactures and sells aircraft for the Commercial Aviation, Executive Aviation, and Defense and Government segments. The Company also provides after sales support and services to customers worldwide. On September 30, 2008, Embraer had a workforce of 23,745 employees and a firm order backlog of US\$ 21.6 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 Embraer'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 Embraer 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. Embraer 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 Embraer expectations.

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