



P I N N A C L E
A I R L I N E S C O R P.

**Federal Aviation Administration
33rd Annual Aviation Forecast Conference**

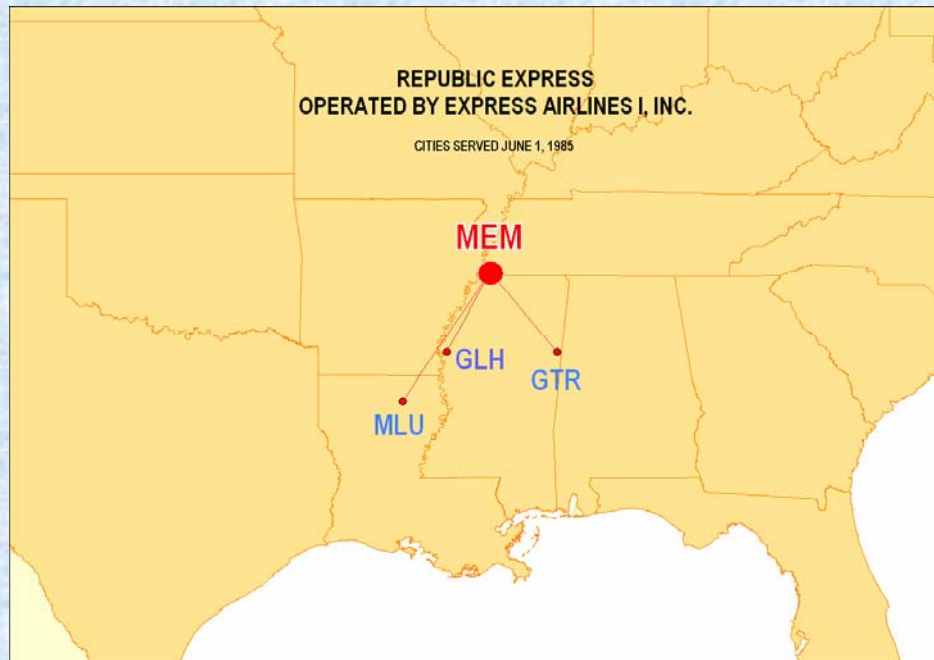


Presenting Pinnacle Airlines Corp.

- A dynamic, well-run holding company with two operating subsidiaries: Pinnacle Airlines Inc. and Colgan Air Inc.
- Regional Airline Partnerships with Continental Airlines, Delta Air Lines, Northwest Airlines, United Airlines and US Airways
- Over 5,000 committed employees
- Current fleet of 139 regional jets and 48 turboprop aircraft
- 14 additional CRJ-900s on order for delivery by February 2009
- 15 Q-400 next generation turboprops on order (deliveries started in December 2007, completed by June 30, 2008)
- A respected leader in the regional airline industry

The Pinnacle Success Story

- Pinnacle Airlines Inc. **began** operations in 1985 as Express Airlines 1 Inc. operating turboprop aircraft for Republic Airlines between Memphis and three small communities in Mississippi and Louisiana.

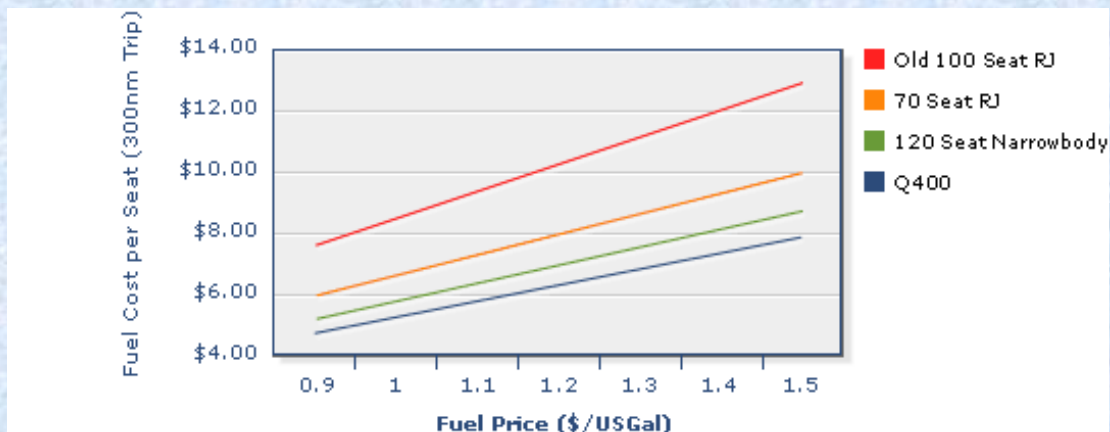


Bombardier Q-400 Turboprop



Q-400 Turboprop Growth Platform

- Pinnacle ordered 15 firm and 30 optional Q-400 aircraft to be operated by its Colgan subsidiary
- Pinnacle's turboprop growth will be built around the Q-400 New Generation Turboprop
 - Superior operating performance to traditional turboprops and similar regional jets
 - Enhanced passenger comfort compared to regional jets
 - Unique performance capabilities facilitate reduced block times in congested ATC environment
 - Environmentally friendly "green" aircraft – lower fuel burn, lower emissions, reduced noise levels
 - Operating costs at or below 50 seat regional jets, yet comfortably seats 70-78 passengers



Source: Bombardier

Bombardier CRJ-900 NextGen Regional Jet



CRJ-900 Regional Jet Growth Platform

- Regional jet growth will be focused on opportunities with the CRJ-900
 - Great performance and reliability
 - Outstanding economics
 - New cabin offers greater passenger appeal and comfort
 - Environmentally friendly – greenhouse gas emissions up to 27% less than competition and produces less noise than its counterparts

Not Your Father's Regional Airlines

155+ million passengers

- 23% of U.S. domestic
- up 57% 2002-06

4.98 million flights

- nearly 50% U.S. domestic schedule
 - up 12% 2002-06
 - ***but down 3% 2005-'06***

2,400 regional aircraft

- 39% of US fleet
- 1,762 jets (29%) and 602 turboprops (10%)

Source: RAA Annual Report 2007

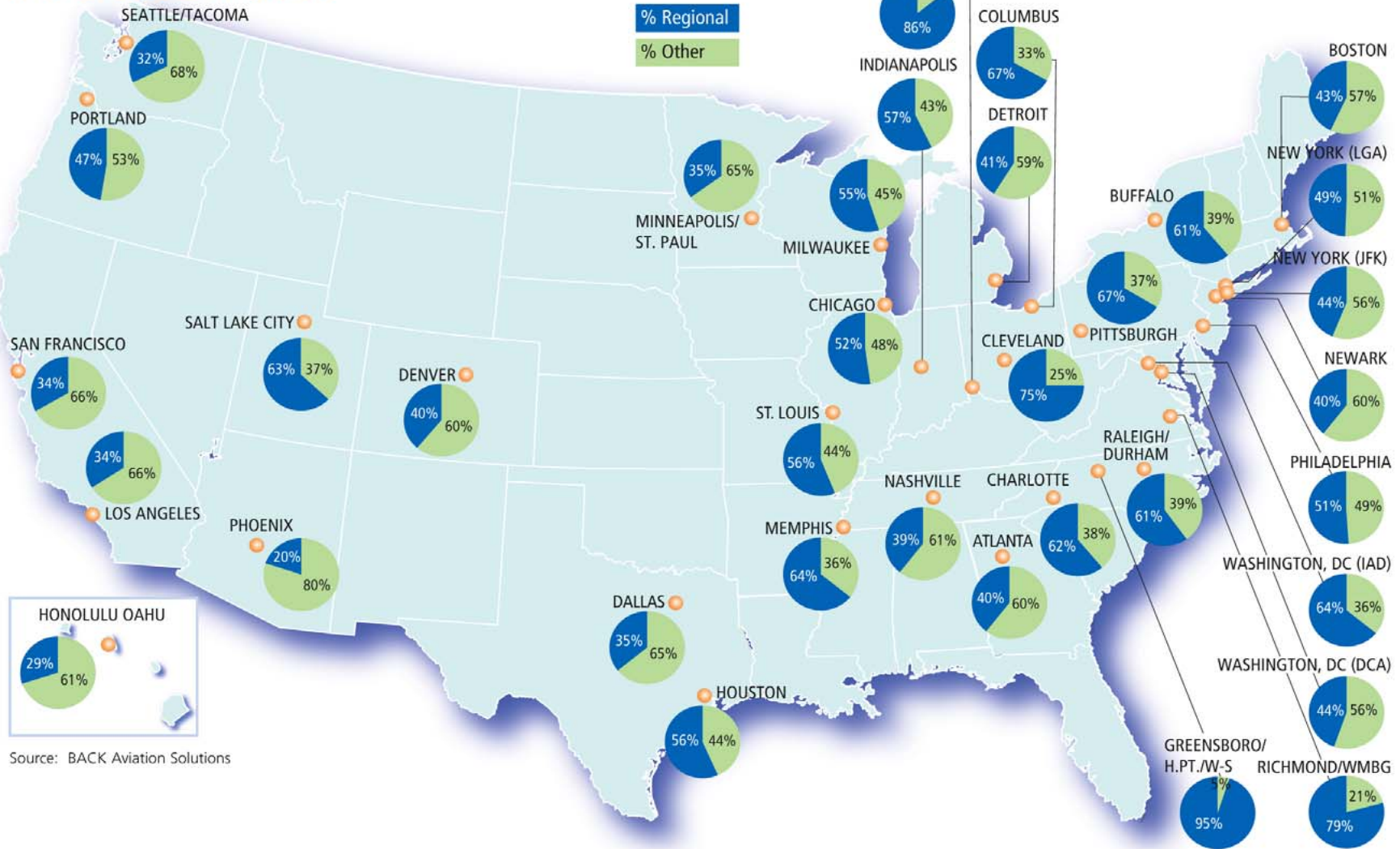
Not Your Father's Regional Airlines

Bigger Planes, Longer Flights

- **2002-2006**
 - average seating up 32% (35-51)
 - trip length up 72% (333-460nm)
- **90+% passengers fly seamless with majors**
 - wholly-owned/CPA/pro rate
 - reservations, tickets, bags, scheduling and daily ops
- **Connecting small and medium size cities to world thru U.S. hub airports**

Source: RAA Annual Report 2007

Share of Regional Airline Service at the top 35 Airports



Source: BACK Aviation Solutions

70% of U.S. Served *Only* by Regionals

US Airports Served Exclusively by Regional Airlines for the Lower 48



RJ's as Scapegoat for ATC Delays

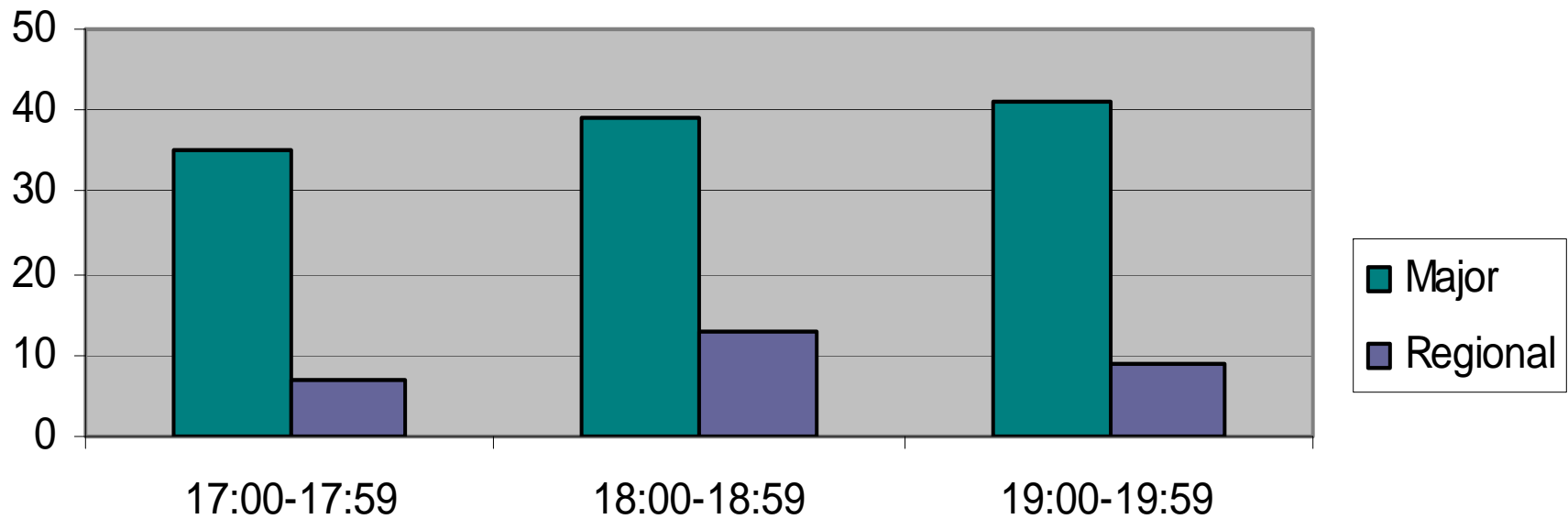
- ***“Airlines are ramming those hateful regional jets down our throats and clogging the nation’s skies and airports with the tiny, delay-creating aircraft...”***

*Joe Brancatelli
USA Today
September 24, 2007*

RJ and Narrowbody Departures

Few RJs during JFK evening "rush hour"

Number of JFK departures between 5pm and 8pm:
(September 21, 2007)



Source: Back Aviation analysis of OAG data

Recent Developments – U.S. Airline Industry

- Softening macroeconomic outlook (threat of a recession)
- Dramatic upswing in fuel prices
- Increasing domestic price competition
- Tough domestic revenue environment leading largest carriers to reduce domestic capacity and expand international flying
- Regionals moving toward greater risk, but potentially rewarding business models
 - Under new contracts, regionals will generally assume aircraft ownership risk
 - Some carriers are moving into foreign operations and non-flying operations
- Mainline carriers focused on larger gauge regional aircraft
 - Scope clause restrictions limit expansion
- Low-cost carriers are using 100 seat jets to penetrate markets typically dominated by regionals

Source: Goldman Sachs

Regional Airlines Future

- Regional Airlines are in **integral** part of the nation's Network Airlines.
- Regional Airlines are the **exclusive** providers of Airline service to **442** communities.
- Regional Aircraft are getting **larger**.
- The number of 50 seat jets will be **reduced**.
- The stronger Regional Airlines will **benefit** from consolidation.
- Regionals will continue to garner a larger share of domestic traffic.
- Majors tend to shift more flying to the regionals during economic downturn.



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