

avantair®

Fly Smart.

**Avantair, Inc.
(OTCBB: AAIR)**

Steven Santo, CEO



This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, including, without limitation, statements regarding Avantair's financial position, business strategy, plans, and Avantair's management's objectives and its future operations, and industry conditions, are forward-looking statements. Although Avantair believes that the expectations reflected in such forward-looking statements are reasonable, Avantair can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from Avantair's expectations ("Cautionary Statements") as described in Avantair's public filings include, without limitation, the effect of existing and future laws and governmental regulations, the results of future financing efforts, and the political and economic climate of the United States. All subsequent written and oral forward-looking statements attributable to Avantair, or persons acting on Avantair's behalf, are expressly qualified in their entirety by the Cautionary Statements.

AIRCRAFT

- Safest, economical and high performance Piaggio Avanti P180
- Currently 58 aircraft in fleet – North American exclusivity of Piaggio P180 aircraft
- Largest and quietest cabin in its category
- Low operating costs – innovative aerodynamic design & most fuel efficient in its class
- Fastest twin turboprop ever built – light jet speed

COMPETITIVE PRICING

- Award winning programs (Fractional Shares, Axis Leases, Edge Cards)
- 40% less than competitive programs

PEOPLE & SERVICE

- Over 200 highly trained pilots, approx. 100 skilled maintenance workers in 3 facilities
- State-of-the-art, 24/7 operations center in Clearwater, FL
- Entire organization committed to one aircraft type and industry leading customer service



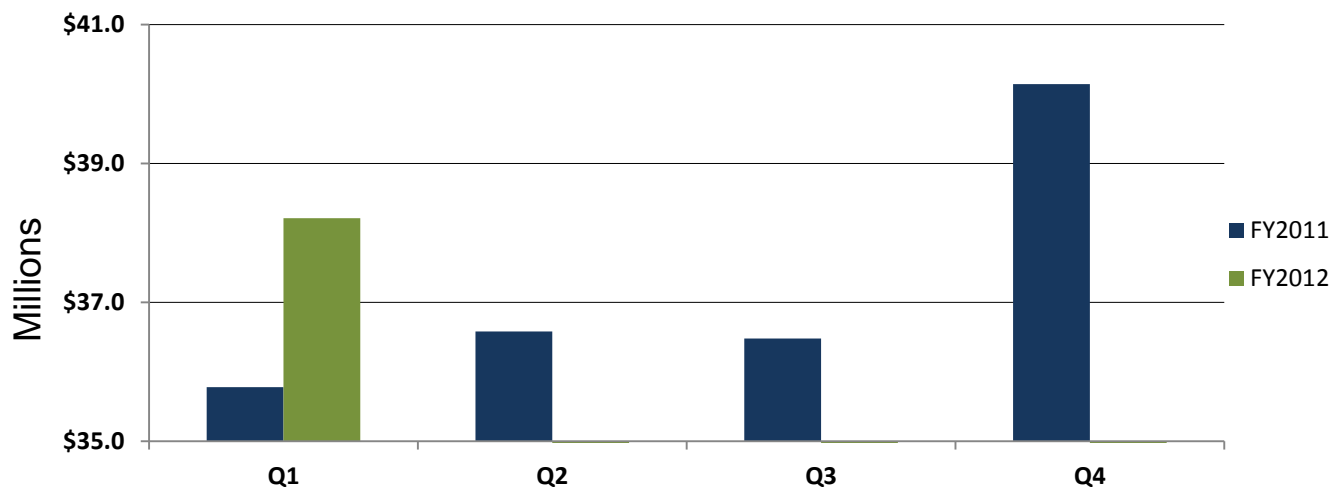
- Consistent revenue growth through challenging economic environment
 - 9% CAGR from FY08 - FY11
- Revenue generating flight hours reached record level of 43,305 in FY11
- Significant improvement in Adjusted EBITDA in Q1 FY12 from Q1 FY11
- Implementing improvements, efficiencies and back office cost reductions targeted between \$1 million to \$1.5 million per quarter during FY12
 - FBO, non-core and G&A headcount, facility leases, third party contracts, as well as a series of other back office initiatives
- Sept 30, 2011 balance sheet snapshot
 - \$4.4 million in cash and \$88 million of deferred revenue

The following table reflects the reconciliation of net loss, prepared in conformity with GAAP to the non-GAAP financial measure of Adjusted EBITDA:

	<u>Three Months Ended September 30,</u>	
	<u>2011</u>	<u>2010</u>
Net loss	\$ (1,702,270)	\$ (4,814,309)
Add:		
Depreciation and amortization	903,813	1,256,797
Interest expense	1,056,123	1,249,014
Stock-based compensation	173,209	95,763
Subtract:		
Interest and other income	(65,998)	(11,122)
Gain on debt extinguishment	(438,621)	—
Adjusted EBITDA	\$ (73,744)	\$ (2,223,857)

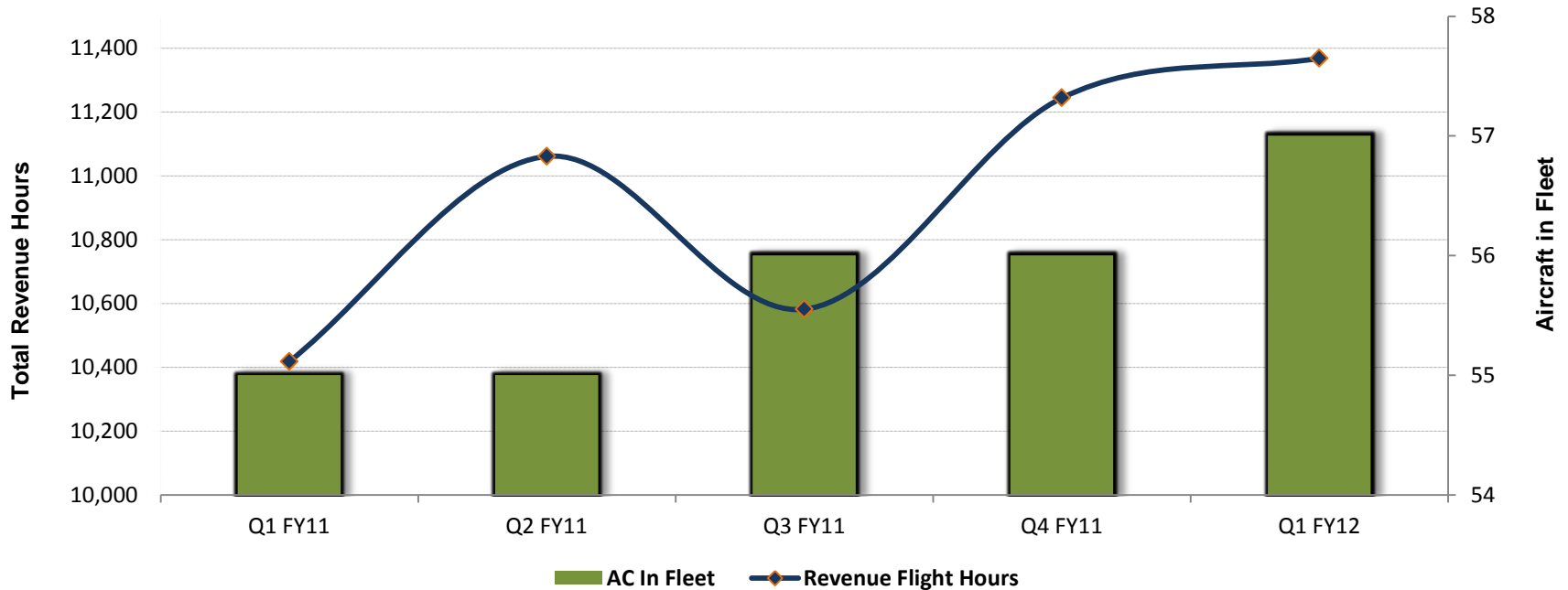
The Company believes that the non-GAAP financial measure of Adjusted EBITDA is useful to investors as it excludes the gain on extinguishment of debt and other income and expense items that do not directly reflect the underlying performance of the Company's business operations. This measure is a supplement to accounting principles generally accepted in the U.S. used to prepare the Company's financial statements and should not be viewed as a substitute for GAAP measures. In addition, the Company's non-GAAP measure may not be comparable to non-GAAP measures of other companies.

- Total Q1 FY12 revenue = \$38.2 million
 - Revenue growth of 6.8% from Q1 FY11 revenue of \$35.8 million

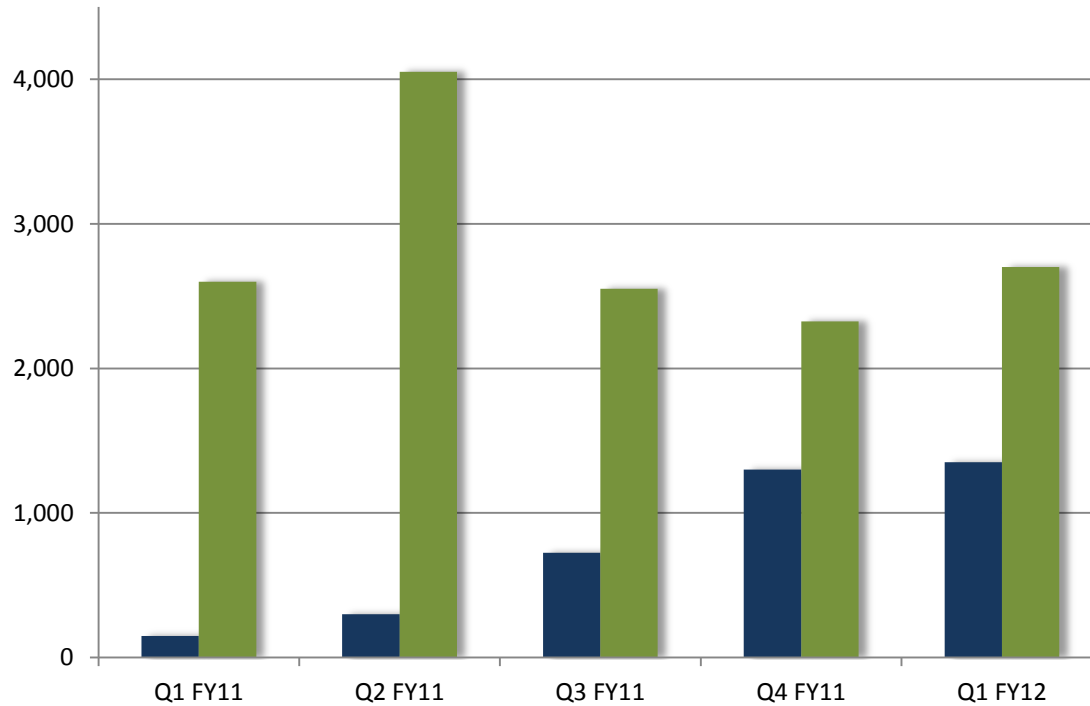


- Q1 FY12 Unit Sales by Program
 - Axis Lease Program = 26 new sales (program began in March 2011)
 - New Fractional Ownership Program = 1 share
 - Cards sold including Edge Card Program = 108 (4% increase from Q1 FY11)

Aircraft in Fleet and Total Revenue Flight Hours



Product Sales



 Fractional/Lease Programs

 Edge Card Program

- Focus on core business objective of marketing, selling and servicing customers through Fractional Shares, Axis Leases and Edge Cards
- Align and develop personnel to achieve our business objectives
- Enhancing a metric driven culture emphasizing achievement of key performance goals
- Focus on back office cost efficiencies that do not impact safety, operations or customer service
- Strengthening key vendor relationships
- Optimizing use of technology as a competitive advantage
- Exploring the expansion of our operating model to select global markets through strategic alliances

Why is AAIR a solid long-term investment?

- Growing market share up 4 points since calendar year 2010
- Increased revenue by 6.8% in Q1 FY12 from Q1 FY11
- Improved operating performance in Q1 FY12 from Q1 FY11
- Strategically positioned to take advantage of challenging economy
- Adding new aircraft to meet demand
- Avantair is the “responsible” choice

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