

AIR CANADA ADDS TO EMBRAER ORDER WITH 15 EMBRAER 175s

Airline becomes the first customer for Embraer's second member of a new airliner family

São José dos Campos, November 12, 2004 – Embraer today announced an order from Air Canada for 15 EMBRAER 175 airliners, plus options for an additional 15 aircraft, adding to its order placed earlier this year for 45 firm and 45 option EMBRAER 190 aircraft. Deliveries of the EMBRAER 175s are set to begin in July 2005.

At list price, the order for the 15 EMBRAER 175s is valued at US\$ 420 million (CAD\$ 507.86 million), with a potential value of US\$ 840 million (CAD\$ 1.016 billion) if all options are converted. With this formal purchase agreement, Air Canada becomes the first customer for the EMBRAER 175.

Air Canada signed an agreement in September for 45 EMBRAER 190s, with options for 45 additional aircraft. Those aircraft will begin delivery in late 2005 following final certification, while Brazilian and U.S. certification of the EMBRAER 175 is expected by the end of this year.

“Having an important and prestigious airline such as Air Canada as the first EMBRAER 175 operator worldwide is a distinction that honors and motivates all of us at Embraer. Air Canada has shown foresight in looking to smaller airliners as a key component of its future success, and we are happy to be a part of its strategy,” said Embraer President and CEO Maurício Botelho. *“Like other airlines with an eye on the future, Air Canada will reap the benefits of a new family of aircraft specifically designed for the market niche between 70 and 110 seats, with its unprecedented combination of economics, performance and comfort, benefiting operators and passengers.”*

“Together with the EMBRAER 190, the EMBRAER 175 will give Air Canada a competitive edge in offering high frequency, low-cost services on new and existing routes in Canada and the United States,” said Robert Milton, President and Chief Executive Officer. *“I am confident our customers will be favorably impressed with the comfortable travel experience provided by these aircraft.”*

The EMBRAER 175s for Air Canada will be configured for 73 seats in dual-class configuration – nine Executive Class seats at 39-inch pitch, and 64 Hospitality seats at 32-inch pitch.

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THE EMBRAER 170/190 FAMILY

Designed to tap the 70-to-110-seat market and help carriers right-size fleets, this four-member family of Ejets is a new-generation of commercial aircraft featuring advanced engineering design, exceptional performance efficiency, superior operating economics and a spacious cabin. The EMBRAER 170, first in the family, is in commercial operation in the U.S. and Europe. The EMBRAER 175's certification campaign will be concluded in the final quarter of 2004. The EMBRAER 190 is set to gain certification in the third quarter of 2005, when deliveries will begin. The EMBRAER 195 is expected to make its first flight in December 2004.

Embraer Image Gallery

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Note to Editors

Embraer (Empresa Brasileira de Aeronáutica S.A. - NYSE: ERJ; Bovespa: EMBR3 and EMBR4) is the world's leading manufacturer of Commercial jets up to 110 seats with 35 years of experience in designing, developing, manufacturing, selling and providing after sales support to aircraft for the global airline, Defense and Corporate markets. With headquarters in São José dos Campos, state of São Paulo, the Company has offices and customer service bases in Australia, China, France, Singapore and the United States. Embraer is among Brazil's leading exporting companies. As of September 30, 2004 Embraer had a total workforce of 14,541 people, and its firm order backlog totaled US\$ 11.0 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 other: general economic, politic 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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