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Innovative Solutions and Support, Inc. F2Q09 (Qtr End 03/31/09) Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator instructions). Your first question comes from Steve Denault from Northland Securities. Your line is open.

Steve Denault – Northland Securities

Good morning everyone, nice quarter. I just wanted to make sure that I heard everything correct. So your EPS guidance for this year is \$0.28 to \$0.30?

John Long

Right, that is correct Steve, yes.

Steve Denault – Northland Securities

Okay, what was the backlog, I totally missed it.

John Long

Roman, do you want to touch on that?

Roman Ptakowski

The backlog at the end of the quarter was \$39 million.

Steve Denault – Northland Securities

Okay.

Roman Ptakowski

And it has grown –

John Long

In the first three weeks of the new quarter we booked an additional \$4 million.

Roman Ptakowski

\$4 million, our backlog has grown since the end of the quarter.

Steve Denault – Northland Securities

Okay then I heard \$50 million military proposals outstanding, what was the general aviation proposals outstanding?

Roman Ptakowski

Commercial and GA combined it is about \$55 million, more than \$55 million.

Steve Denault – Northland Securities

Okay and of course I missed your comments on the Cessna's PC, did you say next month?

Geoff Hedrick

They are going to go into FAA flight test which means the FAA is going to fly four and they expect STC issued I think in June, isn't it? Yes, they are going to fly test in May with the FAA I think they do ground testing next week and they will be in FAA flight test I guess later this month of May and with a STC probably issued in June. It is pretty remarkable, very, very fast track.

Steve Denault – Northland Securities

Okay, how do you see this playing out, obviously there is a lot of Cessnas on the ground, in terms of rolling it out to whether it be company owned retrofit locations first or – how should we think about it?

Geoff Hedrick

For the Cessna program, they have 34 centers worldwide and I do believe a distribution channel and installation channel for the equipment. We just expect that almost four days this week out in Wichita training and bringing all the field sales and installation people up to date and briefing them on the program, Cessna is preparing the people and putting the full-court press worldwide. We expect the installations to be done by these 34 centers and sponsored and promoted by Cessna.

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