

CEO Update

October 16, 2012



FY 2013 Q1 Highlights

Client Activity

- Projects, jobs created, capital investment

Federal Funding Opportunities

- Pursuing \$7 million

Unmanned Aircraft Systems (UAS)

- ACA leading state's efforts to be named official UAS test site

California Strategy

- Secured offices in Northern and Southern California



Q1 Client Activity

21 projects

4,166 jobs created (74% of the total number of jobs created for all of FY2012)

\$498.4 million capital investment

Total payroll of more than \$267 million

Average salary approximately \$62,000



FY 2013 Q1 Client Activity



HYDRO



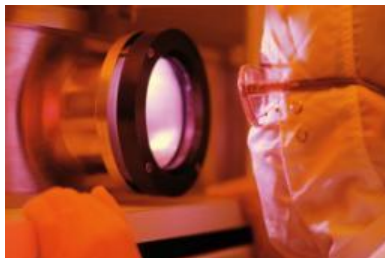
Jobs Pipeline

Pipeline: 270 companies

Jobs: 48,200

Average Wage Range: \$40,000 - \$100,000

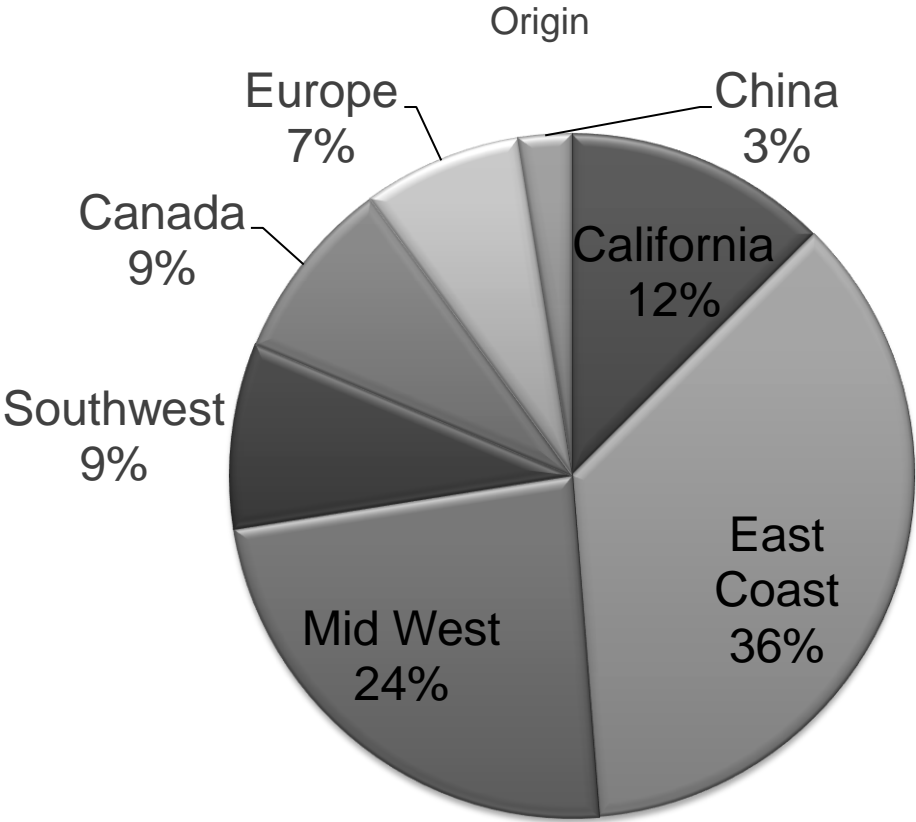
Capital Investment: \$3.1 Billion



Jobs Pipeline

48,220 Jobs

\$3.1B Capital Investment



Industry

Industry	Percentage
Advanced Manufacturing	29%
Information Technology	12%
Bioscience/Healthcare	12%
Bus., Financial Svcs	11%
Renewable Energy	11%
Aerospace & Defense	10%
Mining, Oil & Gas	4%
Other	11%



Federal Funding Opportunities

More than \$7 million in grant applications (awarded & pending - potentially 30% increase in annual operating budget):

Awarded: \$1.8m to accelerate innovation and job creation in Arizona's aerospace and defense industry

Pending: \$5m (\$1m/year for 5 years) to create Manufacturing Extension Partnership Center

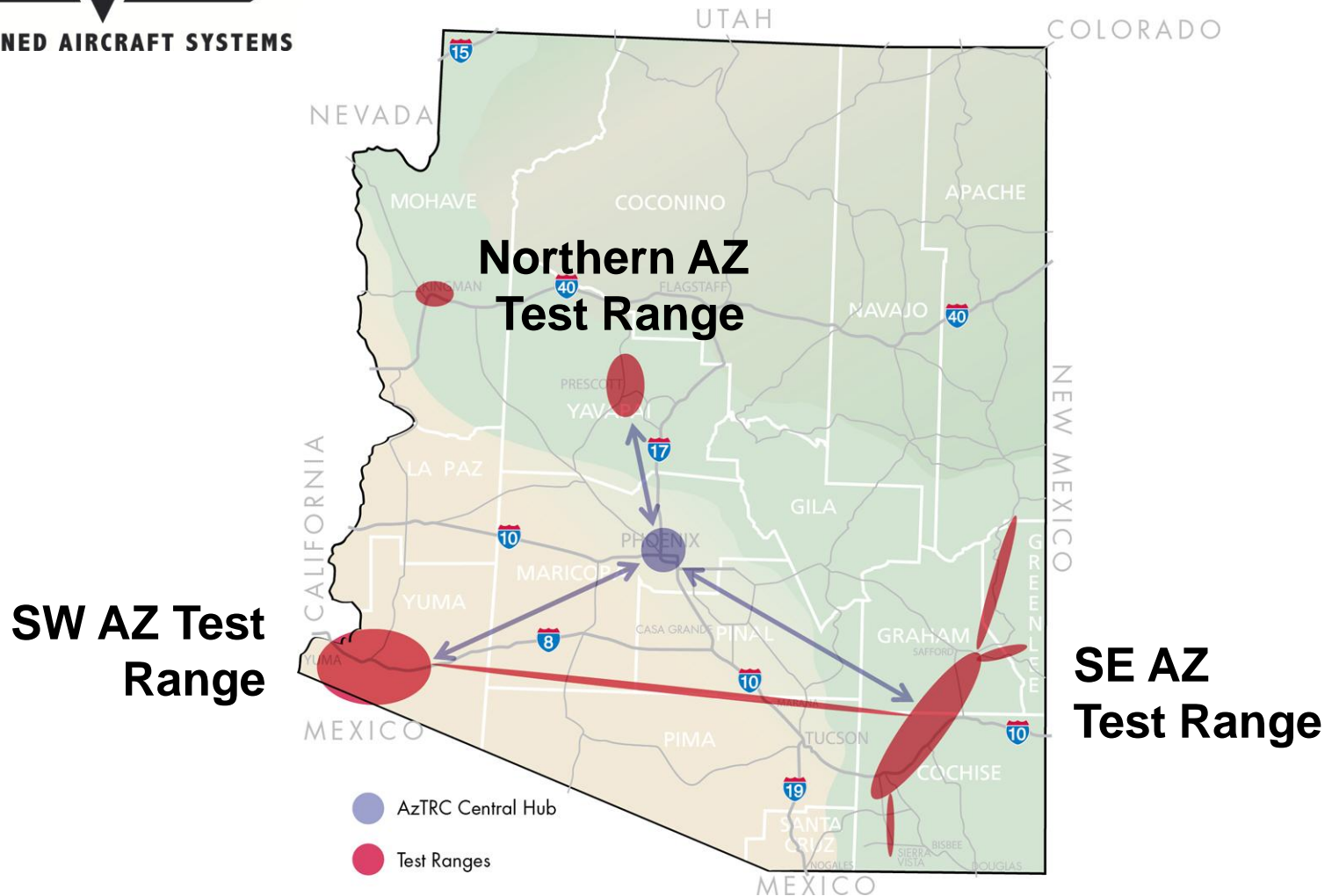
Awarded: \$80,000 to better prepare Arizona's small high-tech companies to compete more effectively for federal SBIR/STTR funding

Awarded: \$490,000 for small business export assistance





Unmanned Aircraft Systems (UAS)



**Northern AZ
Test Range**

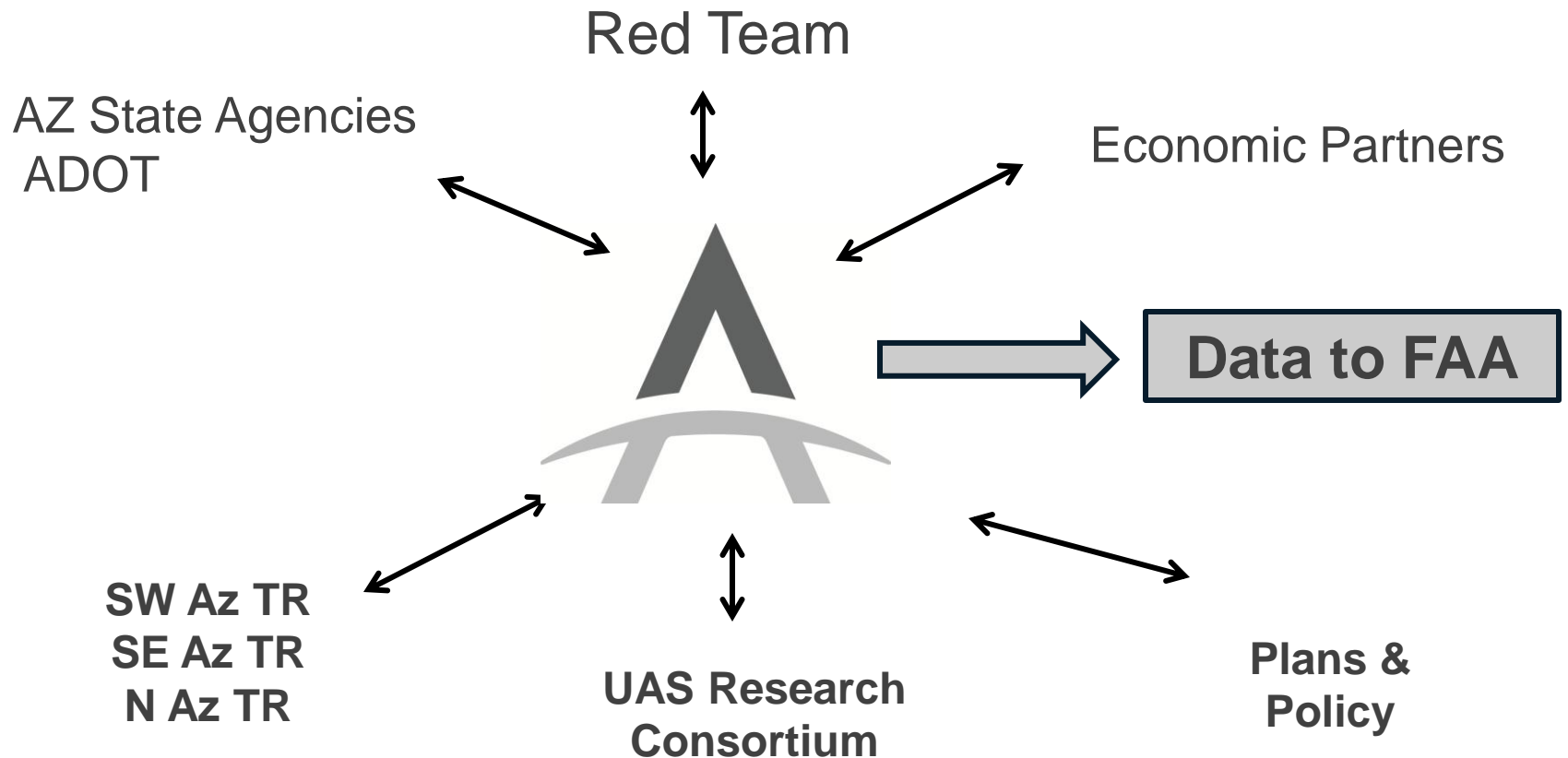
**SW AZ Test
Range**

**SE AZ
Test Range**

- AzTRC Central Hub
- Test Ranges



FAA expected to release Screening Information Request (SIR) in late 2012



California Strategy

Secured two offices:

Santa Clara (N. Ca):

- Currently interviewing qualified candidates in market

Santa Monica (S. Ca):

- Hired Vice President of Business Attraction





ARIZONA
COMMERCE
AUTHORITY

Innovate. Advance. Succeed.