TAT TECHNOLOGIES LTD
Form F-4
May 07, 2009
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AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON May 7, 2009

REGISTRATION NO. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form F-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

TAT TECHNOLOGIES LTD.

(Exact name of registrant as specified in its charter)

Israel	**3724**	**N/A**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

P.O. Box 80
Gedera 70750, Israel, Tel: 972-8-862-8500

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Mr. Robert Koch
1031 East Mountain Street, Building 320
Kernersville, North Carolina 27824, Tel: (336) 776-6360

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

Aya Ben David
85 Medinat Hayehudim
Herzelya, Israel 46140
972-9-970-1801

Stephen W. Rubin, Esq.
Proskauer Rose LLP
1585 Broadway
New York, NY 10036, (212) 969-3000

Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this Registration Statement.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price (2)	Amount of registration fee (3)
Ordinary Shares, par value 0.90 New Israeli Shekels per share	2,520,372	N/A	$ 13,509,194	$ 754

(1) Represents the maximum number of Ordinary Shares of the Registrant issuable pursuant to the Agreement and Plan of Merger, dated as of April 3, 2009, by and among the Registrant, LIMC Acquisition Company, and Limco-Piedmont Inc. (Limco), based upon 5,040,744 shares of Limco common stock exchangeable in the merger as of April 30, 2009, each exchanged at an exchange ratio of five tenths of an Ordinary Share of the Registrant for each share of Limco common stock.

(2) Estimated solely for purposes of calculating the registration fee required by the Securities Act of 1933, as amended, and computed pursuant to Rule 457(c) and Rule 457(f)(1), based on the product of the average of the high and low per share sale prices of TAT ordinary shares as reported on the NASDAQ Capital Market on April 30, 2009 of $5.36, multiplied by the maximum number of TAT ordinary shares to be exchanged pursuant to the merger.

(3) Computed pursuant to Rule 457(f) by multiplying the proposed maximum aggregate offering price by 0.00005580.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. TAT may not issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. The proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY COPY - SUBJECT TO COMPLETION, DATED MAY 7, 2009

LIMCO-PIEDMONT INC.
1031 East Mountain Street, Building 320
Kernersville, North Carolina 27824

TO THE STOCKHOLDERS OF LIMCO-PIEDMONT INC.:

You are cordially invited to attend a special meeting of the stockholders of Limco-Piedmont Inc. (also referred to as Limco , we or us) to be held at 10:00 a.m. Eastern Daylight Time, on [*], 2009, at the offices of Proskauer Rose LLP, 1585 Broadway, New York, New York 10036. Only stockholders who held shares of Limco common stock at the close of business on [*], 2009, the record date for the special meeting, will be entitled to receive notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

At the special meeting, we will ask you to vote on a proposal to approve and adopt the Agreement and Plan of Merger that we entered into on April 3, 2009, with TAT Technologies Ltd., an Israeli company which owns 61.8% of Limco s common stock (also referred to as TAT), and its wholly owned subsidiary, LIMC Acquisition Company, a Delaware corporation, as such agreement may be amended from time to time (also referred to as the merger agreement) and approve the merger provided for therein.

Upon completion of the proposed merger, LIMC Acquisition Company will merge with and into Limco, and each of your outstanding shares of Limco s common stock will be converted into the right to receive five tenths (.5) of an ordinary share of TAT. If the merger is completed, Limco will become a wholly owned subsidiary of TAT. TAT s ordinary shares are listed on the NASDAQ Capital Market under the symbol TATTF and on the Tel Aviv Stock Exchange in Israel under the symbol TAT Tech . On [*], 2009, the closing sale price of TAT ordinary shares was $[*] as reported on the NASDAQ Capital Market. It is anticipated that immediately following closing, ordinary shares of TAT will commence trading on the NASDAQ Global Market.

The merger cannot be completed unless Limco stockholders approve and adopt the merger agreement and approve the merger. Such adoption and approval requires the affirmative vote of the holders of a majority of the shares of Limco common stock outstanding on the record date for the special meeting. TAT holds 61.8% of the shares of Limco s common stock outstanding and has advised the Limco Board of Directors that it intends to vote for approval and adoption of the merger. Accordingly, such approval and adoption is assured.

THE SPECIAL COMMITTEE OF THE LIMCO BOARD OF DIRECTORS APPOINTED TO NEGOTIATE AND EVALUATE THE TERMS OF THE MERGER AGREEMENT AND EVALUATE THE FAIRNESS OF THE MERGER (THE SPECIAL COMMITTEE) COMPRISED OF DIRECTORS UNAFFILIATED WITH TAT, AS WELL AS THE ENTIRE LIMCO BOARD OF DIRECTORS UNANIMOUSLY RECOMMEND THAT LIMCO STOCKHOLDERS VOTE FOR APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND APPROVAL OF THE MERGER.

The accompanying proxy statement/prospectus contains detailed information about the merger and the special meeting. WE ENCOURAGE YOU TO READ CAREFULLY THIS PROXY STATEMENT/PROSPECTUS, INCLUDING THE SECTION ENTITLED RISK FACTORS BEGINNING ON PAGE 22.

WHETHER YOU PLAN TO ATTEND THE SPECIAL MEETING OR NOT, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED, AS SOON AS POSSIBLE.

Sincerely,

By: /s/*Shmuel Fledel*

Dr. Shmuel Fledel
Chairman of the Board of Directors

, 2009

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NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES REGULATOR HAS APPROVED OF THE MERGER DESCRIBED IN THIS PROXY STATEMENT/PROSPECTUS OR THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE MERGER, OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS ACCURATE OR ADEQUATE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This proxy statement/prospectus is dated [*], 2009 and is first being mailed to our stockholders on or about [*], 2009.

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ADDITIONAL INFORMATION

You can obtain any of the documents that TAT has filed with the SEC through contacting TAT, at the address below, or from the SEC, at no cost, through the SEC s website at http://www.sec.gov. These documents are available from TAT without charge, excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference as an exhibit in this proxy statement/prospectus. TAT will provide to each person, including any beneficial owner, to whom this proxy statement/prospectus is delivered, a copy of these filings, at no cost, upon written or oral request to TAT at: Re em Industrial Park, Neta Boulevard, Bnei Ayish, Gedera 70750, Israel, Attn: Chief Financial Officer, telephone number: 972-8-862-8500.

IN ORDER FOR YOU TO RECEIVE TIMELY DELIVERY OF THE DOCUMENTS IN ADVANCE OF THE LIMCO SPECIAL MEETING, TAT SHOULD RECEIVE YOUR REQUEST NO LATER THAN [*], 2009.

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LIMCO-PIEDMONT INC.
1031 East Mountain Street
Building 320
Kernersville, North Carolina 27824

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON [*], 2009

TO THE STOCKHOLDERS OF LIMCO-PIEDMONT INC.:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Limco-Piedmont Inc. (also referred to as Limco), a Delaware corporation, will be held at 10:00 a.m., Eastern Daylight Time, on [*], 2009, at the offices of Proskauer Rose LLP, 1585 Broadway, New York, New York 10036, for the following purpose, as more fully described in this proxy statement/prospectus:

To vote upon a proposal to approve and adopt the Agreement and Plan of Merger, dated as of April 3, 2009, by and among Limco, TAT Technologies Ltd., an Israeli company that owns 61.8% of Limco s common stock (also referred to as TAT), and its wholly owned subsidiary, LIMC Acquisition Company, a Delaware corporation, as such agreement may be amended from time to time (also referred to as the merger agreement), and approve the merger provided for therein.

Only the holders of record of Limco s common stock on the close of business on [*], 2009, the record date for the special meeting, are entitled to receive notice of, and to vote at, Limco s special meeting and any adjournments or postponements of the Limco special meeting. The affirmative vote of the holders of a majority of the shares of Limco common stock outstanding on the record date for the special meeting is required to approve and adopt the merger agreement and approve the merger. TAT holds 61.8% of the shares of Limco common stock outstanding and has advised the Limco Board of Directors that it intends to vote for approval and adoption of the merger agreement and approval of the merger. Accordingly, such approval and adoption is assured.

THE SPECIAL COMMITTEE OF THE LIMCO BOARD OF DIRECTORS APPOINTED TO NEGOTIATE AND EVALUATE THE TERMS OF THE MERGER AGREEMENT AND EVALUATE THE FAIRNESS OF THE MERGER (THE SPECIAL COMMITTEE) COMPRISED OF DIRECTORS UNAFFILIATED WITH TAT, AS WELL AS THE ENTIRE LIMCO BOARD OF DIRECTORS, UNANIMOUSLY RECOMMEND THAT LIMCO STOCKHOLDERS VOTE FOR APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND APPROVAL OF THE MERGER. THE SPECIAL COMMITTEE AS WELL AS THE LIMCO BOARD OF DIRECTORS HAVE UNANIMOUSLY DETERMINED THAT THE MERGER AND THE TRANSACTIONS CONTEMPLATED BY THE MERGER AGREEMENT ARE ADVISABLE AND FAIR TO, AND IN THE BEST INTERESTS OF, LIMCO AND ITS PUBLIC STOCKHOLDERS AND HAVE APPROVED THE MERGER AGREEMENT, THE MERGER AND THE OTHER TRANSACTIONS CONTEMPLATED BY THE MERGER AGREEMENT.

By Order of the Board of Directors

By: *\/s/ Shmuel Fledel*

Dr. Shmuel Fledel
Chairman of the Board of Directors

[*], 2009

YOU ARE CORDIALLY INVITED TO ATTEND THE MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY, AS INSTRUCTED IN THESE MATERIALS, AS PROMPTLY AS POSSIBLE IN ORDER TO ENSURE YOUR REPRESENTATION AT THE MEETING. A RETURN ENVELOPE (WHICH IS POSTAGE PREPAID IF MAILED IN THE UNITED STATES) IS ENCLOSED FOR YOUR CONVENIENCE. EVEN IF YOU HAVE VOTED BY PROXY, YOU MAY STILL VOTE IN PERSON IF YOU ATTEND THE MEETING. PLEASE NOTE, HOWEVER, THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE MEETING, YOU MUST OBTAIN A PROXY ISSUED IN YOUR NAME FROM THAT RECORD HOLDER.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

THE FOLLOWING ARE SOME QUESTIONS THAT YOU MAY HAVE REGARDING THE PROPOSED MERGER AND BRIEF ANSWERS TO THOSE QUESTIONS. WE URGE YOU TO READ CAREFULLY THE REMAINDER OF THIS PROXY STATEMENT/PROSPECTUS BECAUSE THE INFORMATION IN THIS SECTION DOES NOT PROVIDE ALL THE INFORMATION THAT MIGHT BE IMPORTANT TO YOU WITH RESPECT TO THE PROPOSED MERGER. ADDITIONAL IMPORTANT INFORMATION IS ALSO CONTAINED IN THE ANNEXES TO THIS PROXY STATEMENT/PROSPECTUS. UNLESS STATED OTHERWISE, ALL REFERENCES IN THIS PROXY STATEMENT/PROSPECTUS TO TAT ARE TO TAT TECHNOLOGIES LTD., (WHICH OWNS 61.8% OF LIMCO S COMMON STOCK) A COMPANY ORGANIZED UNDER THE LAWS OF ISRAEL; AND ITS SUBSIDIARIES; ALL REFERENCES TO LIMCO ARE TO LIMCO-PIEDMONT INC., A DELAWARE CORPORATION AND ITS SUBSIDIARIES; ALL REFERENCES TO MERGER SUB ARE TO LIMC ACQUISITION COMPANY, A DELAWARE CORPORATION AND A WHOLLY-OWNED SUBSIDIARY OF TAT; ALL REFERENCES TO THE MERGED COMPANY ARE TO TAT, WITH LIMCO AS ITS WHOLLY-OWNED SUBSIDIARY FOLLOWING COMPLETION OF THE MERGER; AND ALL REFERENCES TO THE MERGER AGREEMENT ARE TO THE AGREEMENT AND PLAN OF MERGER, DATED AS OF APRIL 3, 2009, BY AND AMONG LIMCO, TAT AND MERGER SUB, A COPY OF WHICH IS ATTACHED AS ANNEX 1 TO THIS PROXY STATEMENT/PROSPECTUS.

WHAT IS THE PROPOSED TRANSACTION?

Limco, TAT and Merger Sub have entered into a merger agreement, pursuant to which Merger Sub will merge with and into Limco with Limco surviving the merger and continuing its existence as a wholly-owned subsidiary of TAT (referred to in this proxy statement/prospectus as the merger). See THE MERGER.

WHY AM I RECEIVING THIS DOCUMENT AND PROXY CARD?

You are receiving this document and proxy card because, as of [*], 2009, the record date for the special meeting, you owned shares of Limco common stock. The affirmative vote of the holders of a majority of the shares of Limco common stock outstanding on the record date for the special meeting is required to approve and adopt the merger agreement and approve the merger.

This proxy statement/prospectus contains important information about the proposed merger, the merger agreement and the Limco special meeting, which you should read carefully. The enclosed voting materials allow you to vote your shares without attending the Limco special meeting.

REGARDLESS OF THE NUMBER OF SHARES YOU OWN, WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING, YOU ARE ENCOURAGED TO VOTE AS SOON AS POSSIBLE.

WHY ARE LIMCO AND TAT PROPOSING THE MERGER?

The boards of directors of Limco and TAT believe that the combination of Limco and TAT (rather than the current situation in which TAT owns 61.8% of Limco s common stock) will provide substantial benefits to the stockholders of both companies and will allow stockholders of both companies the opportunity to participate in a larger company that is capable of creating greater stockholder value than either Limco or TAT could create with the current ownership status. To review the reasons for the merger in greater detail, see THE MERGER - RECOMMENDATION OF THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS , THE MERGER - LIMCO S REASONS FOR THE MERGER and THE MERGER - TAT S REASONS FOR THE MERGER.

WHAT WILL HOLDERS OF LIMCO COMMON STOCK RECEIVE IN THE MERGER?

If the proposed merger is completed, at the effective time of the merger, Limco stockholders will be entitled to receive five tenths (.5) of an ordinary share of TAT for each share of Limco common stock that they own (referred to as the exchange ratio), and cash in lieu of fractional shares. See THE MERGER AGREEMENT - MERGER CONSIDERATION.

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WHAT WILL HAPPEN IN THE PROPOSED MERGER TO THE OPTIONS ISSUED BY LIMCO THAT COULD BE EXERCISED FOR LIMCO COMMON STOCK AT THE OPTION OF THE HOLDER?

All options issued by Limco unexercised at the effective time of the merger will terminate upon the consummation of the merger. Unvested options will not vest as a result of the merger. See THE MERGER AGREEMENT - TREATMENT OF LIMCO OPTIONS.

WHEN IS THE MERGER TRANSACTION EXPECTED TO BE COMPLETED?

The merger is expected to be completed in the second or third quarter of 2009. Until that time, both companies will continue to operate independently. However, Limco and TAT cannot predict the exact timing of the completion of the merger because it is subject to approval by Limco stockholders and other conditions. See THE MERGER AGREEMENT - CONDITIONS TO COMPLETION OF THE MERGER.

DO THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS RECOMMEND THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND THE APPROVAL OF THE MERGER?

Yes. The Special Committee and the Limco Board of Directors each unanimously recommend that Limco stockholders vote FOR approval and adoption of the merger agreement and the approval of the merger. The Special Committee and the Limco Board of Directors have each unanimously determined that the merger and the transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Limco and its public stockholders and have approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. See THE MERGER - RECOMMENDATION OF THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS.

WHAT VOTE OF LIMCO STOCKHOLDERS IS REQUIRED TO APPROVE AND ADOPT THE MERGER AGREEMENT AND APPROVE THE MERGER?

The affirmative vote of the holders of a majority of Limco s common stock outstanding on the record date for the special meeting is required to approve and adopt the merger agreement and approve the merger. TAT holds 61.8% of the shares of Limco s common stock outstanding and has advised the Limco Board of Directors that it intends to vote for approval and adoption of the merger agreement and approval of the merger. Accordingly, such approval and adoption is assured.

IS A VOTE NEEDED BY TAT SHAREHOLDERS?

A vote of TAT s shareholders is not required for approval of the merger agreement or the merger.

WHEN AND WHERE WILL THE LIMCO SPECIAL MEETING BE HELD?

The Limco special meeting will take place on [*], 2009, beginning at 10:00 a.m. Eastern Daylight Time, at the offices of Proskauer Rose LLP, 1585 Broadway, New York, New York 10036.

WHO CAN ATTEND AND VOTE AT THE LIMCO SPECIAL MEETING?

All record holders of Limco common stock as of the close of business on [*], 2009, the record date for the Limco special meeting, are entitled to notice of, and may attend and vote at, the special meeting. As of the close of business on the record date, there were [*] shares of our common stock outstanding, held by [*] stockholders of record.

WHAT SHOULD LIMCO STOCKHOLDERS DO NOW IN ORDER TO VOTE ON THE PROPOSAL BEING CONSIDERED AT THE SPECIAL MEETING?

STOCKHOLDER OF RECORD: SHARES REGISTERED IN YOUR NAME. If on [*], 2009 your shares of Limco common stock were registered directly in your name with Limco s transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record. If you are a stockholder of record, you may vote in person at the special meeting or vote by proxy using the enclosed proxy card. Whether or not you plan to attend

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the special meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the special meeting and vote in person even if you have already voted by proxy.

All shares entitled to vote and represented by properly completed proxies received prior to the Limco special meeting, and not revoked, will be voted at the Limco special meeting as instructed on the proxies. IF YOU SIGN YOUR PROXY BUT DO NOT INDICATE HOW YOUR SHARES OF LIMCO COMMON STOCK SHOULD BE VOTED, THE SHARES REPRESENTED BY YOUR PROPERLY COMPLETED PROXY WILL BE VOTED AS THE LIMCO BOARD OF DIRECTORS RECOMMENDS AND THEREFORE FOR THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND THE APPROVAL OF THE MERGER.

BENEFICIAL OWNER: SHARES REGISTERED IN THE NAME OF A BROKER OR BANK. If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from Limco s transfer agent. Simply complete and mail the proxy card in accordance with the instructions provided by your broker, bank or other agent, or follow the instructions for voting in any other manner as provided by your broker, bank or other agent, to ensure that your vote is counted. To vote in person at the special meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker or bank to request a proxy form.

Your broker will vote your shares of Limco common stock only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without instructions, your shares of Limco common stock will be a broker non-vote, which will have the effect of a vote against the approval and adoption of the merger agreement and approval of the merger.

ARE LIMCO STOCKHOLDERS ENTITLED TO DISSENTERS APPRAISAL RIGHTS?

No. You will not have any appraisal rights under the Delaware General Corporation Law, or under Limco s certificate of incorporation, in connection with the merger, and neither Limco nor TAT will independently provide you with any such rights.

WHAT WILL HAPPEN IF I ABSTAIN FROM VOTING OR FAIL TO VOTE?

An abstention or failure to vote by a Limco stockholder will have the effect of a vote against the approval and adoption of the merger agreement and the approval of the merger. If you sign and return your proxy card but do not indicate how you want to vote, your proxy will be counted as a vote in favor of the approval and adoption of the merger agreement and the transactions contemplated by the merger agreement.

CAN I CHANGE MY VOTE AFTER I HAVE MAILED MY SIGNED PROXY OR DIRECTION FORM?

If you are a record holder of our common stock and you vote by proxy, you may revoke your proxy or change your voting instructions at any time before your proxy is exercised:

- If you mailed a proxy card, by timely mailing another proxy card with a later date;
- By timely notifying Limco in writing before the special meeting that you have revoked your proxy; or
- By attending the special meeting, revoking your proxy and voting in person.

If your shares are held in street name, consult your broker for instructions on how to revoke your proxy or change your vote.

SHOULD I SEND IN MY STOCK CERTIFICATES NOW?

IF YOU ARE A RECORD HOLDER OF LIMCO COMMON STOCK, PLEASE DO NOT SEND YOUR LIMCO COMMON STOCK CERTIFICATES TO US NOW. AFTER THE EFFECTIVE TIME OF THE MERGER, TAT WILL MAIL A LETTER OF TRANSMITTAL TO YOU. YOU SHOULD SEND YOUR LIMCO

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COMMON STOCK CERTIFICATES ONLY IN COMPLIANCE WITH THE INSTRUCTIONS THAT WILL BE PROVIDED IN THE LETTER OF TRANSMITTAL.

WHAT ARE THE IMPLICATIONS OF TAT BEING A FOREIGN PRIVATE ISSUER ?

TAT is subject to the reporting requirements under the Securities Exchange Act of 1934, or the Exchange Act, applicable to foreign private issuers. TAT is required to file its annual report on Form 20-F with the SEC within six months after the end of each fiscal year and to furnish reports on Form 6-K. In addition, TAT must file reports with the Israel Securities Authority and the Tel Aviv Stock Exchange regarding certain information required to be publicly disclosed by TAT in the United States or that is filed with the Securities and Exchange Commission, or regarding information distributed or required to be distributed by TAT to its shareholders. TAT is exempt from certain rules under the Exchange Act, including the proxy rules which impose certain disclosure and procedural requirements for proxy solicitations under Section 14 of the Exchange Act. Moreover, while TAT does publish its quarterly financial statements, TAT is not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act, and is not required to comply with Regulation FD, which addresses certain restrictions on the selective disclosure of material information. In addition, among other matters, TAT s officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of TAT ordinary shares.

WHAT SHOULD I DO IF I RECEIVE MORE THAN ONE SET OF VOTING MATERIALS?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your Limco common stock are voted.

WHAT DO I NEED TO DO NOW?

Limco urges all Limco stockholders to read carefully and consider the information contained in this proxy statement/prospectus, including the annexes, and to consider how the merger will affect you as a stockholder of Limco. You should then vote as soon as possible in accordance with the instructions provided in this proxy statement/prospectus and on the enclosed proxy card.

WHO CAN HELP ANSWER MY QUESTIONS?

If you have questions about the merger you should contact. Shmuel Fledel, the Chairman of Limco, 972-8-862-8500, e-mail: shmuelf@tat.co.il. If you need additional copies of the proxy statement or the enclosed proxy card you should contact: Mary Dowdy, Chief Financial Officer, Limco, 1031 East Mountain Street, Building 320, Kernersville, North Carolina 27824, (336) 276-6360, e-mail: maryd@limcopiedmont.com

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SUMMARY

THIS SUMMARY HIGHLIGHTS SELECTED INFORMATION FROM THIS PROXY STATEMENT/PROSPECTUS AND MAY NOT CONTAIN ALL THE INFORMATION THAT IS IMPORTANT TO YOU. TO UNDERSTAND THE MERGER FULLY AND FOR A MORE COMPLETE DESCRIPTION OF THE LEGAL TERMS OF THE MERGER, YOU SHOULD CAREFULLY READ THIS ENTIRE PROXY STATEMENT/PROSPECTUS, ITS ANNEXES, AND THE OTHER DOCUMENTS TO WHICH YOU ARE REFERRED, INCLUDING IN PARTICULAR THE ATTACHED MERGER AGREEMENT ITSELF, THAT ARE ATTACHED TO THIS PROXY STATEMENT/PROSPECTUS.

THE COMPANIES

TAT Technologies Ltd.

TAT provides a variety of services and products to the military and commercial aerospace and ground defense industries through its Gedera facility in Israel, as well as through its subsidiaries, Bental Industries Ltd., or Bental, in Israel and Limco in the U.S.

TAT operates three businesses: (i) original equipment manufacturing, or OEM, through TAT s facility in Gedera and TAT s subsidiary, Bental, (ii) maintenance, repair and overhaul, or MRO services, through TAT s subsidiary, Limco and (iii) parts services, also through Limco.

TAT, through its Gedera facility, is an OEM of a broad range of heat transfer components, air conditioning systems and other cooling systems used in mechanical and electronic systems on board military and commercial aircraft as well as on ground systems. The Gedera facility is also an OEM of a wide range of aviation accessories and provides limited MRO, services for military and commercial customers, mainly for aviation accessories as well as for certain heat transfer components.

TAT, through its Bental subsidiary, is also an OEM of broad range of electric motion systems. Bental is engaged in the manufacture and sale of motors, generators, and other electro-mechanical motion systems primarily for the defense and aerospace markets.

TAT s ordinary shares are publicly traded on the NASDAQ Capital Market under the symbol TATTF and on the Tel Aviv Stock Exchange under the symbol TAT Tech . It is anticipated that immediately following closing, ordinary shares of TAT will commence trading on the NASDAQ Global Market.

TAT s executive offices are located in the Re em Industrial Park, Neta Boulevard, Bnei Ayish, Gedera 70750, Israel, and TAT s telephone number is 972-8-862-8500.

Limco-Piedmont Inc.

Limco provides MRO services and parts supply services to the aerospace industry. Limco s Federal Aviation Administration, or FAA, certified repair stations provide aircraft component MRO services for airlines, air cargo carriers, maintenance service centers and the military. In conjunction with Limco s MRO services, Limco is also, to a limited extent, an OEM of heat transfer equipment for airplane manufacturers and other selected related products. Limco s parts services division offers inventory management and parts services for commercial, regional and charter airlines and business aircraft owners.

Limco s common stock is publicly traded on the NASDAQ Global Market under the symbol LIMC .

Limco s principal executive offices are located at 1031 East Mountain Street, Building 320, Kernersville, North Carolina 27824, and Limco s telephone number is (336) 276-6360.

LIMC Acquisition Company

LIMC Acquisition Company (or Merger Sub) is a wholly owned subsidiary of TAT. Merger Sub was formed solely for the purpose of effecting the merger. Merger Sub has not conducted any business operations other than those incidental to its formation and in connection with the transactions contemplated by the merger agreement. Upon consummation of the merger, Merger Sub will merge with and into Limco and cease to exist, with Limco surviving the merger and continuing its existence as a wholly owned subsidiary of TAT.

THE MERGER (Page 47)

Under the terms of the merger agreement, Merger Sub will merge with and into Limco, with Limco surviving the merger and continuing its existence as a wholly owned subsidiary of TAT. The merger agreement is attached as Annex 1 to this proxy statement/prospectus. TAT and Limco encourage you to read the merger agreement in its entirety because it is the legal document that governs the merger.

THE MERGER CONSIDERATION (Page 48)

In the merger, each share of Limco common stock outstanding immediately prior to the effective time of the merger will be automatically converted into the right to receive five tenths (.5) of an ordinary share of TAT, which is referred to as the exchange ratio. No fraction of a TAT ordinary share will be issued in the merger. Instead, each holder of shares of Limco common stock who would otherwise be entitled to receive a fractional TAT ordinary share in the merger will be entitled to receive a cash payment in lieu of such fractional TAT ordinary share.

Limco stockholders of record will have to surrender their common stock certificates to receive the merger consideration payable to them. PLEASE DO NOT SEND ANY CERTIFICATES NOW. TAT will send Limco stockholders written instructions on how to surrender Limco common stock certificates for TAT ordinary shares after the merger is completed.

TREATMENT OF LIMCO OPTIONS (Page 48)

All options to purchase Limco common stock unexercised at the effective time of the merger will automatically terminate upon the consummation of the merger. Unvested options will not vest as a result of the merger.

THE LIMCO SPECIAL MEETING (Page 33)

Date, Time & Place

The special meeting of Limco stockholders will be held at 10:00 a.m., Eastern Daylight Time, on , 2009, at the offices of Proskauer Rose LLP, 1585 Broadway, New York, New York 10036.

Matters to be Considered at the Limco Stockholders Meeting

The purposes of the Limco stockholders meeting are to vote upon a proposal to approve and adopt the merger agreement and to approve the merger.

Stockholders Entitled to Vote

You are entitled to notice of, and may vote at, the special meeting if you were the record holder of Limco s common stock as of the close of business on [*], 2009, the record date for the special meeting. As of the close of business on the record date, there were 13,205,000 shares of Limco s common stock outstanding, held by [*] stockholders of record.

Quorum

A quorum of Limco stockholders is necessary to hold a valid meeting. A quorum will be present at the Limco special meeting if a majority of Limco s outstanding shares of common stock entitled to vote at the special

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meeting are represented in person or by proxy. Abstentions and broker non-votes will count as present for the purposes of establishing a quorum.

Vote Required

The affirmative vote of the holders of a majority of shares of Limco common stock outstanding on the record date for the special meeting is required to approve and adopt the merger agreement and approve the merger. TAT holds 61.8% of the shares of Limco s common stock outstanding and has advised the Limco Board of Directors that it intends to vote for approval and adoption of the merger. Accordingly, such approval and adoption is assured.

RECOMMENDATION OF THE LIMCO SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS (Page 39)

The Special Committee (which is comprised of directors unaffiliated with TAT) and the Limco Board of Directors unanimously recommend that Limco stockholders vote FOR approval and adoption of the merger agreement and approve the merger. The Special Committee and, based on the recommendation of the Special Committee, the Limco Board of Directors have unanimously determined that the merger and the transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Limco and its public stockholders and have approved the merger agreement, the merger and the other transactions contemplated by the merger agreement.

LIMCO S REASONS FOR THE MERGER (Page 37)

In making its determination, the Special Committee considered a wide variety of factors in connection with its evaluation of the merger. In light of the complexity of those factors, the Special Committee did not consider it practicable to, nor did it attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its decision.

OPINION OF LIMCO SPECIAL COMMITTEE S FINANCIAL ADVISOR (Page 40)

In connection with the merger, the Special Committee received from its financial advisor, Oppenheimer & Co. Inc., referred to as Oppenheimer, a written opinion, dated April 3, 2009, as to the fairness, from a financial point of view and as of the date of the opinion, to the holders of Limco common stock (other than TAT, Merger Sub and their respective affiliates) of the .5 exchange ratio provided for in the merger agreement. The full text of Oppenheimer s written opinion, dated April 3, 2009, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to this proxy statement/prospectus as Annex II. **Oppenheimer s opinion was provided to the Special Committee in connection with its evaluation of the exchange ratio provided for in the merger agreement from a financial point of view and does not address any other aspect of the merger. Oppenheimer expressed no view as to, and its opinion does not address, the underlying business decision of Limco to proceed with or effect the merger or the relative merits of the merger as compared to any alternative business strategies that might exist for Limco or the effect of any other transaction in which Limco might engage. Oppenheimer s opinion does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to any matters relating to the merger.**

SHARE OWNERSHIP AFTER THE MERGER

Based on the number of shares of Limco common stock outstanding on April 30, 2009, TAT expects to issue approximately 2,520,372 ordinary shares of TAT at the effective time of the merger to Limco stockholders. Based on the number of shares of Limco common stock and TAT ordinary shares outstanding on April 30, 2009, immediately after the effective time of the merger, former Limco public stockholders will own TAT ordinary shares representing approximately 27.8% of the then-outstanding TAT ordinary shares.

At the close of business on April 30, 2009, TAT owned 8,164,256 shares of Limco common stock representing 61.8% of Limco common stock outstanding on such date.

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INTERESTS OF LIMCO S DIRECTORS AND EXECUTIVE OFFICERS IN THE MERGER (Page 39)

In considering the recommendation of the Special Committee and the Board of Directors of Limco, you should be aware that certain directors and executive officers of Limco have interests in the merger that are different from, or in addition to, your interests as a stockholder of Limco generally and may create potential conflicts of interest. The Special Committee and the Board of Directors of Limco were aware of these interests and considered them when they approved and adopted the merger agreement, and the merger contemplated thereby. Of the six members of Limco s Board of Directors, three may be considered affiliates of TAT. Accordingly, the Board of Directors established the Special Committee consisting of three independent directors, to negotiate and evaluate the terms of the merger agreement and to evaluate the fairness of the merger to Limco s public stockholders.

TAT ORDINARY SHARES TRADED ON NASDAQ AND TASE; DELISTING AND DEREGISTRATION OF LIMCO COMMON STOCK (Page 45)

Limco common stock will continue to trade on the NASDAQ Global Market until the completion of the proposed merger. Following the completion of the proposed merger, Limco common stock will no longer be listed on the NASDAQ Global Market and will be deregistered under the Exchange Act. In the merger, holders of Limco common stock will receive ordinary shares of TAT which are publicly traded on the NASDAQ Capital Market under the symbol TATTF and the Tel Aviv Stock Exchange, or TASE, under the symbol TAT Tech . It is anticipated that immediately following closing, ordinary shares of TAT will commence trading on the NASDAQ Global Market.

CASH IN LIEU OF FRACTIONAL SHARES (Page 46)

No fractions of TAT ordinary shares will be issued as consideration in the merger and holders of Limco common stock who would otherwise be entitled to a fraction of a TAT ordinary share (after aggregating all fractional shares that otherwise would be received by such holder), shall be entitled to receive a cash payment in lieu thereof. The amount of cash received by such stockholder will be equal to an amount of cash (rounded to the nearest whole cent), without interest, equal to the product of (i) such fraction, multiplied by (ii) the volume weighted average price of one TAT ordinary share for the five most recent days that TAT ordinary shares have traded ending on the trading day immediately prior to the effective time, as reported on the NASDAQ Capital Market.

NO DISSENTERS APPRAISAL RIGHTS (Page 47)

Holders of Limco common stock will not have any appraisal rights under the Delaware General Corporation Law, or under Limco s certificate of incorporation, in connection with the merger, and neither Limco nor TAT will independently provide holders of Limco common stock with any such rights.

CONDITIONS TO COMPLETION OF THE MERGER (Page 51)

A number of conditions must be satisfied or waived, if permissible under legal requirements, before the proposed merger can be completed. These include, among others:

- effectiveness of the registration statement on Form F-4; and
- adoption of the merger agreement by the stockholders of Limco.

For a more detailed description of this provision, see THE MERGER AGREEMENT - CONDITIONS TO COMPLETION OF THE MERGER.

REGULATORY FILINGS AND APPROVALS NECESSARY TO COMPLETE THE MERGER

In addition to the effectiveness of this registration statement, of which this proxy statement/prospectus is a part, and compliance with applicable provisions of Delaware and Israeli laws, the approval of the Tel-Aviv Stock Exchange (listing of additional shares) is required.

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An application to the Tel-Aviv Stock Exchange for the listing of additional shares will be submitted following the filing of this proxy statement/prospectus with the SEC.

DIRECTORS AND MANAGEMENT OF THE MERGED COMPANY AFTER THE MERGER (Page 45)

The directors and officers of TAT will remain the directors and officers of TAT following the merger until their successors are duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the articles of association of TAT and applicable law. The directors and officers of Limco following the merger will be determined prior to the effective time of the merger.

UNAVAILABILITY OF ALTERNATIVE TRANSACTION (Page 39)

Since TAT is Limco s controlling stockholder, TAT has an absolute veto over any change of control transaction for Limco. TAT has advised the Special Committee that it will not approve any such transaction. Accordingly, no alternative transaction is possible.

TERMINATION The merger agreement may be terminated at any time, prior to the effective time of the merger (notwithstanding any approval by Limco s stockholders) by mutual written consent of TAT and Limco, or as follows:

- by either TAT or Limco if, among other things, the merger has not been completed by September 30, 2009, or the adoption of the merger agreement by Limco s stockholders has not been obtained, or any legal requirement or final and non-appealable injunction prohibits the consummation of the merger;

- by TAT if Limco breaches any of its representations, warranties, covenants or agreements, such that the applicable closing conditions for TAT to effect the merger as set forth in the merger agreement would not be satisfied and such breach is not cured (if curable) within 30 days of delivery of written notice by TAT to Limco of Limco s breach (so long as TAT is not itself in breach of the any of its representations, warranties, covenants or agreements so as to cause the applicable closing conditions for Limco to effect the merger as set forth in the merger agreement not to be satisfied); or

- by Limco if TAT breaches any of its representations, warranties, covenants or agreements, such that the applicable closing conditions for Limco to effect the merger as set forth in the merger agreement would not be satisfied and such breach is not cured (if curable) within 30 days of delivery of written notice by Limco to TAT of TAT s breach (so long as Limco is not itself in breach of any of its representations, warranties, covenants or agreements so as to cause the applicable closing conditions for TAT to effect the merger as set forth in the merger agreement not to be satisfied).

For a more detailed description of these provisions see THE MERGER AGREEMENT - TERMINATION.

EXPENSES

Each party to the merger agreement will bear its own expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement whether or not the merger is completed.

CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER

The merger has been structured to qualify as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended. Assuming the merger so qualifies, you will not recognize gain or loss on the exchange of your Limco common stock for TAT ordinary shares, although gain or loss may be recognized upon the receipt of cash in lieu of fractional TAT ordinary shares. TAT and Limco cannot assure you that the Internal Revenue Service will agree with the treatment of the merger as a tax-free reorganization.

Tax matters are complicated, and the tax consequences of the merger to a particular stockholder will depend in part on such stockholder s circumstances. Accordingly, we urge you to consult your own tax advisor for a

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full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

For further information, please refer to TAXATION - CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER.

MATERIAL ISRAELI TAX CONSIDERATIONS

According to Israeli tax law, the merger may be viewed as a taxable event for Limco shareholders who are Israeli resident individuals or companies. Therefore, TAT may withhold tax from any Israeli resident shareholders of Limco that do not produce to TAT a valid withholding exemption certificate issued by the Israeli tax authorities and applying to the transactions. In cases where an Israeli resident Limco shareholder does not produce an exemption certificate, the consideration shares could be held back until the shareholder satisfies the abovementioned withholding obligations. In addition, Limco security holders who become TAT ordinary shareholders following the merger will be subject to Israeli tax law which generally exempts from Israeli capital gains tax gains derived by foreign residents holding shares of Israeli resident companies traded on a recognized stock exchange, such as the NASDAQ Capital Market, subject to certain conditions.

For further information, please refer to MATERIAL ISRAELI TAX CONSIDERATIONS - TAXATION OF TAT SHAREHOLDERS.

ACCOUNTING TREATMENT (Page 45)

In accordance with US GAAP, this transaction will be subject to the provisions of SFAS No. 160 Noncontrolling Interest in Consolidated Financial Statements , effective for TAT as of January 1, 2009 (SFAS 160). Under SFAS 160, noncontrolling interest in a subsidiary is part of the consolidated equity and transactions with noncontrolling interest holders, which do not involve a change in control of the parent company, are equity transaction (purchase method of accounting does not apply). As a result, the merger transaction shall be accounted for by TAT as an equity transaction within the shareholders equity.

COMPARATIVE RIGHTS OF TAT AND LIMCO SHAREHOLDERS

As a result of the merger, each of your shares of Limco common stock will be converted into the right to receive a fraction of a TAT ordinary share according to the exchange ratio. Because TAT is a corporation organized under the laws of Israel, there are material differences between the rights of Limco stockholders and the rights of holders of TAT ordinary shares. See COMPARATIVE RIGHTS OF TAT AND LIMCO SHAREHOLDERS and DESCRIPTION OF TAT SHARE CAPITAL.

EXCHANGE OF STOCK CERTIFICATES (Page 35)

After the completion of the merger TAT will send to each record holder of Limco common stock a letter of transmittal and exchange instructions for use in exchanging such stock for TAT ordinary shares and cash in lieu of fractional ordinary shares. You should not send in your Limco stock certificates before receiving this letter of transmittal.

VOTING RIGHTS (Page 33)

STOCKHOLDER OF RECORD: SHARES REGISTERED IN YOUR NAME. If on [*], 2009 your shares of Limco common stock were registered directly in your name with Limco s transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record for purposes of the special meeting. If you are a stockholder of record, you may vote in person at the special meeting or vote by proxy using the enclosed proxy card. Whether or not you plan to attend the special meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the special meeting and vote in person even if you have already voted by proxy. You may vote by proxy by signing, dating and returning your proxy card in the pre-addressed postage-paid envelope provided.

All shares entitled to vote and represented by properly completed proxies received prior to the Limco special meeting, and not revoked, will be voted at the Limco special meeting as instructed on the proxies. IF YOU

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SIGN YOUR PROXY BUT DO NOT INDICATE HOW YOUR SHARES OF LIMCO COMMON STOCK SHOULD BE VOTED ON A MATTER, THE SHARES REPRESENTED BY YOUR PROPERLY COMPLETED PROXY WILL BE VOTED AS THE LIMCO BOARD OF DIRECTORS RECOMMENDS AND THEREFORE FOR THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND THE APPROVAL OF THE MERGER.

The method by which you vote by proxy will in no way limit your right to vote at the Limco special meeting if you later decide to attend the meeting in person.

BENEFICIAL OWNER: SHARES REGISTERED IN THE NAME OF A BROKER OR BANK. If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from Limco s transfer agent. Simply complete and mail the proxy card in accordance with the voting instructions provided by your broker, bank or other agent, or follow the instructions for voting in any other manner as provided by your broker, bank or other agent to ensure that your vote is counted. To vote in person at the special meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker or bank to request a proxy form.

Your broker will vote your shares of Limco common stock only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without instructions, your shares of Limco common stock will be a broker non-vote, which will have the effect of a vote against the approval and adoption of the merger agreement and approval of the merger.

SOLICITATION OF PROXIES

The proxy accompanying this proxy statement/prospectus is solicited on behalf of the Limco Board of Directors for use at the Limco stockholders meeting.

Limco is soliciting the enclosed proxy on behalf of the Board of Directors, and will pay all costs of preparing, assembling and mailing the proxy materials. In addition to mailing out proxy materials, Limco s directors and officers may solicit proxies by telephone or fax, without receiving any additional compensation for their services. Limco has requested brokers, banks and other fiduciaries to forward proxy materials to the beneficial owners of its stock.

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SELECTED SUMMARY HISTORICAL AND PRO FORMA COMBINED FINANCIAL DATA

The following tables present summary historical financial data, unaudited condensed consolidated pro forma financial information and comparative per share historical and pro forma data as well as market price and dividend data of TAT and Limco.

Financial Information

The extracts from the financial statements of, and other information about, TAT and Limco appearing in this proxy statement/prospectus are presented in U.S. dollars ($) and have been prepared in accordance with U.S. GAAP.

TAT SELECTED HISTORICAL FINANCIAL INFORMATION

TAT is providing the following financial information to assist you in your analysis of the financial aspects of the merger. The information is only a summary and should be read in conjunction with TAT s historical consolidated financial statements and related notes included elsewhere herein.

TAT s selected historical information is derived from the audited consolidated financial statements of TAT as of December 31, 2008 and 2007 and for each of its fiscal years ended December 31, 2008, 2007 and 2006, which are included elsewhere in this proxy statement/prospectus, and have been prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The selected financial data for each of the years in the two-year period ended Decmeber 31, 2005 and at December 31, 2006, 2005, and 2004 are derived from other audited consolidated financial statements of TAT, which have been prepared in accordance with U.S. GAAP.

The selected unaudited financial data for Gedera as of and for each of the years ended December 31, 2008, 2007, and 2006 represent the financial results of TAT s operations in Gedera, Israel.

The selected unaudited financial data for Bental as of and for the years ended December 31, 2008 and 2007 which are not included elsewhere in this proxy statement/prospectus, have been prepared in accordance with U.S. GAAP. The selected unaudited financial data for Bental for the period from August 18, 2008 to December 31, 2008 represents the financial results of Bental s operations for the period of time in which such operations have been incorporated in TAT s consolidated financial statements and have been prepared in accordance with U.S. GAAP.

The historical results included below in this proxy statement/prospectus are not indicative of the future performance of TAT, Gedera or Bental. You should read the selected historical financial data together with the financial statements and Operating and Financial Review and Prospects included elsewhere in this proxy statement/prospectus.

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TAT Technologies Consolidated Statement of Income Data:

	Year Ended December 31,				
	2008	2007	2006	2005	2004
	(audited) (in thousands, except per share data)				
Revenues					
Sale of products	$ 31,724	$ 18,928	$ 18,512	$ 17,537	$ 19,138
Services and other	71,565	69,776	59,021	31,656	14,105
Total revenues	103,289	88,704	77,533	49,193	33,243
Cost of revenues					
Sale of products	22,977	13,399	12,590	11,322	11,559
Services and other	57,586	51,808	45,049	24,270	10,607
Total cost of revenues	80,563	65,207	57,639	35,592	22,166
Gross profit	22,726	23,497	19,894	13,601	11,077
Operating expenses:					
Research and development costs, net				72	125
Selling and marketing expenses	4,369	3,719	3,466	2,495	1,894
General and administrative expenses	12,407	10,995	6,710	5,138	3,793
Operating income	5,950	8,783	9,718	5,896	5,265
Financial income	2,677	1,707	721	251	233
Financial expenses	(1,503)	(1,006)	(1,185)	(692)	(146)
Other income (expenses), net	(236)	*26,478	59	210	54
Income from operations before income taxes	6,888	35,962	9,313	5,665	5,406
Income taxes	1,795	3,212	3,247	2,136	1,667
Share in results of affiliated company prior to its consolidation	674				
Minority interest	(1,499)	(771)			
Net income	$ 4,268	$ 31,979	$ 6,066	$ 3,529	$ 3,739
Basic net earnings per share	$ 0.65	$ 5.04	$ 1.00	$ 0.58	$ 0.72
Diluted net income per share	$ 0.65	$ 4.99	$ 0.98	$ 0.58	$ 0.67
Weighted average number of shares used in computing basic net income per share	6,546	6,344	6,042	6,042	5,166
Weighted average number of shares used in computing diluted net income per share	6,566	6,408	6,163	6,087	5,564
Cash dividend per share	$	$ 0.40	$ 0.20	$ 0.18	$ 1.18

* Gain from Limco Initial public offering.

TAT Technologies Consolidated Balance Sheet Data:

	As of December 31,				
	2008	2007	2006	2005	2004
	(unaudited) (in thousands)				
Working capital	$ 90,616	$ 79,458	$ 29,743	$ 30,387	$ 26,623

Total assets		135,930		113,407		66,237		60,565		41,207
Long-term liabilities, excluding current maturities		12,925		4,756		8,283		13,786		4,054
Shareholders equity	$	76,077	$	72,793	$	39,720	$	34,861	$	32,526

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Gedera Statement of Income Data:

	Year Ended December 31, 2008	2007 (unaudited) (in thousands)	2006
Revenues:			
Revenues from external customers	$ 22,019	$ 18,995	$ 18,555
Revenues from related parties	5,838	4,494	3,555
Total Revenues	27,857	23,489	22,110
Cost of revenues	21,140	17,891	16,271
Gross profit	6,717	5,598	5,839
Operating expenses:			
Selling and marketing expenses	1,364	1,106	1,190
General and administrative expenses	4,156	3,540	2,336
Operating income	1,197	952	2,313
Financial income (expenses), net	110	538	6
Other income, net		26,478	59
Income from operations before income taxes	1,307	27,968	2,378
Income taxes	29	343	725
Equity profits	2,990	4,354	4,413
Minority interest			
Net income	$ 4,268	$ 31,979	$ 6,066

Gedera Balance Sheet Data:

	As of December 31, 2008	2007 (unaudited) (in thousands)	2006
Working capital	$ 26,794	$ 27,326	$ (22,823)
Total assets	92,402	81,871	52,438
Long-term liabilities, excluding current maturities	10,924	4,175	7,676
Shareholders equity	$ 76,077	$ 72,793	$ 39,720

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Bental Statement of Income Data:

	Year Ended December 31 2008 * (unaudited, in thousands)	Year Ended December 31 2007 * (unaudited, in thousands)	For the period from August 18, 2008 through December 31, 2008 ** (unaudited, in thousands)
Revenues***	$ 32,152	$ 16,345	$ 9,758
Cost of revenues	22,132	11,549	7,845
Gross profit	10,020	4,796	1,913
Operating expenses:			
Selling and marketing expenses	727	609	250
General and administrative expenses	1,566	1,076	713
Operating income	7,727	3,111	950
Financial income (expenses), net	56	(69)	(27)
Income from operations before income taxes	7,783	3,042	923
Income taxes (benefit)	1,671	798	(156)
Net income	$ 6,112	$ 2,244	$ 1,079

* Based on Bental s financial statements for the year ended December 31, 2008 (including the effect of the purchase accounting results from the acquisition of Bental) and for the year ended December 31, 2007.

** Results for the period commencing on August 18, 2008 and ending on December 31, 2008 are as consolidated in TAT financial statements.

*** A significant portion of Bental s 2008 revenues were generated from one project. There can be no assurance that revenues from such project will continue to be generated at this pace.

Bental Balance Sheet Data:

	As of December 31, 2008 * (unaudited, in thousands)	As of December 31, 2007 * (unaudited, in thousands)
Working capital	$ 9,019	$ 3,481
Total assets	19,373	14,117
Long-term liabilities, excluding current maturities	1,166	520
Shareholders equity	$ 10,889	$ 4,694

* Based on Bental s financial statements for the year ended December 31, 2008 (including the effect of the purchase accounting results from the acquisition of Bental) and for the year ended December 31, 2007.

LIMCO SELECTED CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

We are providing the following summary selected financial information to assist you in your analysis of the financial aspects of the merger.

Limco s selected historical information is derived from the audited consolidated financial statements of Limco as of December 31, 2008 and 2007 and for each of its fiscal years ended December 31, 2008 and 2007, which are included elsewhere in this proxy statement/prospectus, and have been prepared in accordance with U.S. GAAP. The selected financial data for each of the years in the three-year period ended Decemeber 31, 2006 and at December 31, 2006, 2005, and 2004 are derived from other audited consolidated financial statements of Limco, which have been prepared in accordance with U.S. GAAP.

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The information set forth below is only a summary and is not necessarily indicative of the results of future operations of Limco or the combined company, and you should read the selected historical financial data together with the audited consolidated financial statements and related notes and Managements Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this proxy statement/prospectus.

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Limco Statement of Income Data:

	Year Ended December 31, 2008	2007	2006 (audited)	2005	2004
			(in thousands, except per share data)		
Revenues					
MRO Services	$ 54,276	$ 49,392	$ 43,824	$ 27,601	$ 13,874
Parts Services	17,289	20,384	15,197	4,055	231
Total revenues	71,565	69,776	59,021	31,656	14,105
Cost and operating expenses					
MRO Services	43,664	35,205	32,214	21,458	10,353
Parts Services	13,922	16,603	12,835	2,812	162
Selling and marketing expenses	2,755	2,613	2,275	1,358	742
General and administrative expenses	7,118	6,981	3,896	2,568	1,442
Amortization of intangibles	326	474	477	237	
Operating income	3,780	7,900	7,324	3,223	1,406
Other Income (expense)					
Interest Income	1,259	897	166	145	122
Loss on sale of investments	(236)				
Other income (expense)	(167)				
Interest expense		(732)	(637)	(357)	
Income from operations before income taxes	4,636	8,065	6,853	3,011	1,528
Income taxes	1,923	2,871	2,523	1,074	556
Net income	$ 2,713	$ 5,194	$ 4,330	$ 1,937	$ 972
Basic net income per share	$ 0.21	$ 0.48	$ 0.48	$ 0.22	$ 0.11
Diluted net income per share	$ 0.21	$ 0.47	$ 0.48	$ 0.22	$ 0.11
Weighted average number of shares used in computing basic net income per share	13,205	10,934	9,000	9,000	9,000
Weighted average number of shares used in computing diluted net income per share	13,205	10,962	9,000	9,000	9,000
Cash dividend per share	$	$	$	$	$

Limco Balance Sheet Data:

	As of December 31, 2008	2007	2006 (audited)	2005	2004
			(in thousands)		
Working capital	$ 55,277	$ 52,631	$ 11,349	$ 12,162	$ 8,791
Total assets	76,946	72,703	38,012	33,742	14,081
Long-term liabilities, excluding current maturities	835	404	4,435	10,386	382
Shareholders equity	66,628	63,885	17,091	12,761	10,824

TAT UNAUDITED CONDENSED CONSOLIDATED

PRO FORMA FINANCIAL INFORMATION

SELECTED UNADUITED PRO FORMA CONDENSED FINANCIAL DATA

The following selected financial data from the unaudited pro forma condensed statements of operations are based on the historical consolidated statements of operations of TAT giving effect to the proposed merger of TAT and Limco for the year ended December 31, 2008, giving effect to the combination as if it occurred on January 1, 2008, reflecting only pro forma adjustments expected to have a continuing impact on the combined results. The unaudited pro forma

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condensed balance sheet is based on the historical consolidated of TAT as of December 31, 2008, giving effect to the combination as if it occurred on December 31, 2008. TAT s historical financial statements currently consolidate the financial statements of Limco.

These unaudited pro forma condensed financial statements are for illustrative purposes only. They do not purport to indicate the results that would have actually been obtained had the merger been completed on the assumed date or for the periods presented, or that may be realized in the future. The unaudited pro forma financial information assumes that, at the effective time of the Merger, (.5) ordinary shares of TAT common stock will be issued in exchange for approximately 1 ordinary shares held by Limco shareholders. The pro forma financial information has been prepared under the provisions of Statement of Financial Accounting Standards (SFAS) No. 160, *Noncontrolling Interests in Consolidated Financial Statements.* SFAS 160 requires companies to account for transactions between controlling and noncontrolling parties as an equity transaction. The pro forma financial information does not reflect these potential expenses and efficiencies. The unaudited pro forma condensed financial statements should be read in conjunction with TAT s Management s Discussion and Analysis of Financial Condition and Results of Operations and Limco s Management s Discussion and Analysis of Financial Condition and Results of Operations , the historical consolidated financial statements, including related notes of TAT and Limco and the unaudited pro forma combined financial statements, covering these periods, included in this proxy statement/prospectus.

TAT UNAUDITED PRO-FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

		For the year December 31, 2008 Pro forma consolidated statement of income ($ in thousands, except per share information)
Revenues:		
Sale of products	$	31,724
Services and other		71,565
		103,289
Cost of revenues:		
Sale of products		22,977
Services and other		57,586
		80,563
Gross profit		22,726
Operating expenses:		
Selling and marketing expenses		4,369
General and administrative expenses		13,565
		17,934
Operating income		4,792
Financial income		2,677
Financial expenses		(1,503)
Other income, net		(236)
Income before income taxes		5,730
Income taxes		1,999
Income before minority interests		3,731
Share in result of affiliated company prior to its consolidation		674

Minority interests in subsidiaries earnings		
Net income		4,405
Net earnings attributable to noncontrolling interest		(463)
Total net income attributable to common shareholders	$	3,942
Basic net income per share	$	0.4859
Basic net income per share attributable to noncontrolling interest		(0.0511)
Basic net income per common share attributable to common shareholders	$	0.4348
Diluted net income per share	$	0.4848
Diluted net income per share attributable to noncontrolling interest		(.0510)
Diluted net income per common share attributable to common shareholders	$	0.4338
Weighted average number of shares basic		9,066,427
Weighted average number of shares diluted		9,086,621

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TAT UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

	As of December 31, 2008 Pro forma consolidated balance sheet ($ in thousands, except per share information)
Total current assets	$ 108,706
Total long-term assets	27,086
Total assets	135,792
Total current liabilities	18,978
Total long-term liabilities	12,894
Total liabilities	31,872
Minority interest	
Shareholders equity:	
Share capital - Ordinary shares of NIS 0.9 par value Authorized: 10,000,000 shares; issued and outstanding: 6,552,671 shares and 9,073,043 shares historical and proforma, respectively	2,794
Additional paid-in capital	64,824
Accumulated other comprehensive loss	(763)
Retained earnings	33,798
Total parent shareholders equity	100,653
Noncontrolling interest	3,267
Total shareholders Equity	103,920
Total liabilities and shareholders equity	$ 135,792

COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA

The information below reflects the historical net income and book value per share of Limco s common stock and the historical net income and book value per ordinary share of TAT in comparison with the unaudited pro forma net loss and book value per share after giving effect to the proposed merger of Limco and TAT accounted for as an equity transaction.

You should read the tables below in conjunction with the audited financial statements of Limco beginning on page III-1 of this proxy statement/prospectus and audited financial statements of TAT commencing at page IV-1 of this proxy statement/prospectus and the related notes and the unaudited pro forma condensed financial information and notes related to such financial statements included elsewhere in this proxy statement/prospectus. The pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have resulted if the merger had been completed as of the assumed dates or of the results that will be achieved in the future.

The selected unaudited pro forma condensed combined financial data as of and for the year ended December 31, 2008 is derived from the unaudited pro forma condensed combined financial information beginning on page 127 of this proxy statement/prospectus and should be

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read in conjunction with that information. Please see the section entitled Unaudited Pro Forma Condensed Financial Statements beginning on page **[*]** of this proxy statement/prospectus.

LIMCO

	For the Year Ended December 31, 2008
Historical Per Common Share Data:	
Basic net income per share	$ .21
Diluted net income per share	.21
Book value per share	4.84

TAT

	For the Year Ended December 31, 2008
Historical Per Common Share Data:	
Basic net income per share	$ .65
Diluted net income per share	.65
Book value per share	11.61

TAT AND LIMCO

	For the Year Ended December 31, 2008
Pro Forma Per Common Share Data:	
Basic net income per share	$ .44
Diluted net income per share	.44
Book value per share	11.07

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SECURITIES MARKET PRICE INFORMATION

MARKET PRICE

TAT Ordinary Shares

TAT s ordinary shares are listed on the NASDAQ Capital Market under the symbol TATTF and on the Tel Aviv Stock Exchange in Israel under symbol TAT Tech . On April 2, 2009, the last trading day prior to the public announcement of the merger, the closing price for the TAT ordinary shares was $5.13 per share on the NASDAQ Capital Market. On [*], 2009, the most recent trading day practicable before the date of this proxy statement/prospectus, the closing price for the TAT ordinary shares was $[*] per share on the NASDAQ Capital Market. It is anticipated that immediately following closing, ordinary shares of TAT will commence trading on the NASDAQ Global Market. As of April 30, 2009 there were 50 holders of record of TAT s ordinary shares.

The following table sets forth, for the periods indicated, the high and low reported sales prices of TAT s ordinary shares on the NASDAQ Capital Market.

	2009	
	High	**Low**
First quarter	5.85	3.95
Second quarter (through May 6, 2009)	6.68	4.74

	2008	
	High	**Low**
First quarter	12.24	6.61
Second quarter	8.60	4.95
Third quarter	7.37	4.76
Fourth quarter	7.01	3.62

	2007	
	High	**Low**
First quarter	28.18	16.60
Second quarter	21.93	15.60
Third quarter	21.95	11.37
Fourth quarter	16.10	13.13

Limco Common Stock

Limco common stock is listed on the NASDAQ Global Market under the symbol LIMC and commenced trading on July 23, 2007. On April 2, 2009, the last trading day prior to the public announcement of the merger, the closing price for the Limco common stock was $2.29 per share on the NASDAQ Global Market. On [*] 2009, the most recent trading day practicable before the date of this proxy statement /prospectus, the closing price for the Limco common stock was $[*] per share on the NASDAQ Global Market. As of April 30, 2009, there were 2 holders of record of Limco s common stock.

The following table sets forth, for the periods indicated, the high and low reported sales prices of Limco s common stock on the NASDAQ Global Market.

	2009	
	High	**Low**
First quarter	3.49	1.9
Second quarter (through May 6, 2009)	2.9	2.18

	2008	
	High	**Low**
First quarter	12.61	5.15
Second quarter	6.90	4.25
Third quarter	5.09	3.72
Fourth quarter	4.50	2.50

	2007	
	High	**Low**
Third quarter (commencing July 23, 2007)	13.88	11.10
Fourth quarter	15.90	11.50

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DIVIDEND POLICY

TAT

On April 8, 2009, TAT paid a cash dividend to its stockholders of approximately NIS2.29 per ordinary share (approximately $.55 per ordinary share). TAT s Board of Directors has no present intention of paying additional cash dividends in the foreseeable future. The payment of additional dividends will be contingent upon TAT s revenues and earnings, capital requirements and general financial condition.

The Israel Companies Law also restricts TAT s ability to declare dividends. TAT can only distribute dividends from profits (as defined in the law), provided that there is no reasonable suspicion that the dividend distribution will prevent TAT from meeting its existing and future expected obligations as they come due.

Limco

Limco has not paid any dividends on its common stock to date and does not intend to pay dividends in the near future. It is Limco s board of director s current intention to retain all earnings, if any, for use in business operations and, accordingly, Limco s Board of Directors does not anticipate declaring any dividends in the foreseeable future. The payment of dividends, if and when paid, will be within the discretion of Limco s then Board of Directors and will be contingent upon Limco s revenues and earnings, capital requirements and general financial condition.

RISK FACTORS

The proposed merger involves certain risks and uncertainties. You should carefully consider the risks and uncertainties described below. The risk factors relating to the business of TAT also include information relating to the business of Limco.

Because the market price of TAT ordinary shares may fluctuate, the value of TAT ordinary shares to be issued in the merger may fluctuate.

Upon completion of the merger, each share of Limco common stock will be converted into the right to receive five tenths (.5) of an ordinary share of TAT. There will be no adjustment to the exchange ratio for changes in the market price of either shares of Limco common stock or TAT ordinary shares. Accordingly, the market value of the TAT ordinary shares that holders of Limco common stock will be entitled to receive upon completion of the merger will depend on the market value of the TAT ordinary shares at the time of the completion of the merger and could vary significantly from the market value of TAT ordinary shares on the date of this document or the date of the Limco special meeting.

Such variations could be the result of changes in the business, operations or prospects of TAT, market assessments of the likelihood that the merger will be completed or the timing of the completion of the merger, general market and economic conditions and other factors both within and beyond the control of TAT. Because the completion of the merger will occur after the date of the Limco special meeting, Limco stockholders will not know at the time of the Limco special meeting the market value of the TAT ordinary shares they will receive upon completion of the merger.

Members of the Special Committee may be deemed to have potential conflicts of interest in recommending that you vote in favor of the approval and adoption of the merger agreement and approval of the merger.

Members of the Special Committee negotiated the terms of the merger agreement, unanimously approved the merger agreement and unanimously recommend that you vote in favor of the adoption of the merger agreement and approval of the merger. These directors may have interests in the merger that are different from, or in addition to, or in conflict with, yours. These interests include the possible election of one or more of such individuals as directors of TAT following the merger, and the indemnification of former Limco directors by the merged company. You should be aware of these interests when you consider the Special Committee s recommendation that you vote in favor of the proposal to adopt the merger agreement and approve the merger.

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The trading price of TAT ordinary shares may be affected by factors different from those affecting the price of Limco common stock.

Upon completion of the merger, holders of Limco common stock will become holders of TAT ordinary shares. The results of operations of the merged company, as well as the trading price of TAT ordinary shares after the merger, may be affected by factors different from those currently affecting Limco s results of operations and the trading price of Limco common stock. See INFORMATION ABOUT LIMCO and INFORMATION ABOUT TAT elsewhere in this Proxy Statement/Prospectus.

TAT is a foreign private issuer under the rules and regulations of the SEC and, thus, is exempt from a number of rules under the Exchange Act and is permitted to file less information with the SEC than a company incorporated in the United States.

As a foreign private issuer under the Exchange Act, TAT is exempt from certain rules under the Exchange Act, including the proxy rules, which impose certain disclosure and procedural requirements for proxy solicitations. Moreover, TAT is not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies with securities registered under the Exchange Act; and is not required to comply with Regulation FD, which imposes certain restrictions on the selective disclosure of material information. In addition, TAT s officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of TAT ordinary shares. Accordingly, after the merger, if you continue to hold TAT ordinary shares, you may receive less information about the merged company than you currently receive about Limco, and be afforded less protection under the U.S. federal securities laws than you are currently afforded. If the merged company loses its status as a foreign private issuer, it will no longer be exempt from such rules and, among other things, will be required to file periodic reports and financial statements as if it were a company incorporated in the United States. The costs incurred in fulfilling these additional regulatory requirements could be substantial.

No Alternative Transaction is Possible..

Since TAT is Limco s controlling stockholder, TAT has an absolute veto over any change of control transaction for Limco. TAT has advised Limco that it will not approve any such transaction. Accordingly, no alternative transaction is possible.

The aerospace industry is subject to significant government regulation and oversight, and TAT and its subsidiaries may have to incur significant additional costs to comply with these regulations.

The aerospace industry is highly regulated in the United States and in other countries. TAT and its subsidiaries must be certified or accepted by the FAA, the United States Department of Defense, the European Aviation Safety Agency, or EASA, and similar agencies in foreign countries and by individual original equipment manufacturers, or OEMs, in order to manufacture, sell and service parts used in aircraft. If any of the material certifications, authorizations or approvals of any of TAT or its subsidiaries are revoked or suspended, then the operations of TAT or its subsidiaries, as the case may be, will be significantly curtailed and TAT and its subsidiaries could be subjected to significant fines and penalties. In the future, new and more demanding government regulations may be adopted or industry oversight may be increased. TAT and its subsidiaries may have to incur significant additional costs to achieve compliance with new regulations or to reacquire a revoked or suspended license or approval, which could reduce their profitability.

TAT competes with a number of established companies in all aspects of TAT s business, many of which have significantly greater resources or capabilities than TAT does.

For the OEM of heat transfer components, TAT s major competitors are other OEMs who manufacture heat transfer components, including the Hughes-Treitler division of Ametek Inc., Lytron Inc., Hamilton Sundstrand Corporation and Honeywell International Inc. Some of TAT s competitors are far larger, have substantially greater resources, including technical, financial, research and development, marketing and distribution capabilities than TAT has, and enjoy greater market recognition. These competitors may be able to achieve greater economies of scale and may be less vulnerable to price competition than TAT. TAT may not be able to offer its products as part

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of integrated systems to the same extent as its competitors or successfully develop or introduce new products that are more cost effective or offer better performance than those of its competitors. Failure to do so could adversely affect TAT s business, financial condition and results of operations.

A number of TAT s competitors have inherent competitive advantages. For example, TAT competes with the service divisions of large OEMs that in some cases have design authority with respect to their OEM products and are able to derive significant brand recognition from their OEM manufacturing activities. TAT also competes with the in-house service divisions of large commercial airlines, and there is a strong incentive for an airline to fully-utilize the services of its maintenance employees and facilities.

For the OEM of electric motion systems, TAT s major competitors are mainly large companies that provide standard products and companies that provide special customized solutions. As the providers of the systems usually tend to prefer local manufacturers for the purchase of the components, penetrating markets outside of Israel requires high levels of product innovation.

Further, TAT s competitors may have additional competitive advantages, such as:

- the ability to adapt more quickly to changes in customer requirements and industry conditions or trends;
- greater access to capital;
- stronger relationships with customers and suppliers;
- greater name recognition; and
- access to superior technology and marketing resources.

If TAT is unable to overcome these competitive disadvantages, then TAT s business, financial condition and results of operations would be adversely affected.

TAT derives a substantial part of its revenues from several major customers. If TAT loses any of these customers or they reduce the amount of business they do with TAT, TAT s revenues may be seriously affected.

Five customers accounted for approximately 25.0%, 22.0% and 23.0% of TAT s revenues for the years ended December 31, 2008, 2007 and 2006, respectively. TAT s major customers may not maintain the same volume of business with TAT in the future. If TAT loses any of these customers or they reduce the amount of business they do with TAT, TAT s revenues may be seriously affected.

A substantial part of the revenues of TAT and its subsidiaries are from contracts with the U.S. and Israeli governments and is subject to special risks. A loss of all, or a major portion, of the revenues of TAT or any of its subsidiaries from government contracts could have a material adverse effect on TAT s operations.

A substantial portion of the revenues of TAT and its subsidiaries are from contracts with the U.S. and Israeli governments. Sales to the U.S. and Israeli governments accounted for approximately 5.0% and 0.6% of TAT s revenues on a consolidated basis for the year ended December 31, 2008, 4.4% and 1.1% of TAT s revenues for the year ended December 31, 2007 and 4.0% and 1.1% of TAT s revenues for the year ended December 31, 2006, respectively.

Business with the U.S. and Israeli governments, as well as with the governments of other countries, is subject to risks which are not as relevant in business with private parties. These risks include the ability of the governmental authorities to unilaterally:

- suspend TAT or any of its subsidiaries from receiving new contracts pending resolution of alleged violations of procurement laws or regulations;

- terminate existing contracts, with or without cause, at any time;

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- reduce the value of existing contracts;
- audit the contract-related costs and fees of TAT and its subsidiaries, including allocated indirect costs; and
- control or potentially prohibit the export of the products of TAT and its subsidiaries.

A decision by a governmental authority to take any or all of the actions listed above could materially reduce the sales and profitability of TAT and its subsidiaries. Most of the U.S. Government contracts of TAT and its subsidiaries can be terminated by the U.S. Government either for its convenience or if TAT or any of its subsidiaries defaults by failing to perform under the contract. Termination for convenience provisions provide only for the recovery of costs incurred or committed, settlement expenses and profit on the work completed by TAT and its subsidiaries prior to termination.

Declines in military budgets may result in reduced demand for the products and manufacturing services of TAT and its subsidiaries. Any decline could result in reduction in the core business revenues of TAT and its subsidiaries and adversely affect their business, results of operations and financial condition.

If TAT does not receive the governmental approvals necessary for the export of its products, TAT s revenues may decrease. Similarly if TAT s suppliers and partners do not receive their government approvals necessary to export their products or designs to TAT, TAT s revenues may decrease and TAT may fail to implement its growth strategy.

Under Israeli law, the export of certain of the products and know-how of TAT is subject to approval by the Israeli Ministry of Defense. To initiate sales proposals with regard to exports of the products and know-how of TAT and to export such products or know-how, TAT must obtain permits from the Ministry of Defense. TAT may not be able to receive in a timely manner all the required permits for which it may apply in the future.

Similarly, under foreign laws the export of certain military products, technical designs and spare parts require the prior approval of, or export license from, such foreign governments. In order to maintain the third party production, certain co-development activities and procurements required for the performance of certain contracts, TAT must receive detailed technical designs, products or product parts samples from its strategic partners or suppliers. TAT may not be able to receive all the required permits and/or licenses in a timely manner. Consequently, TAT s revenues may decrease, and TAT may fail to implement its growth strategy.

TAT depends on a limited number of suppliers of components for its products and if TAT or any of its subsidiaries is unable to obtain these components when needed, they would experience delays in manufacturing their products and TAT s financial results could be adversely affected.

TAT relies on limited number of key suppliers for parts for its OEM, MRO services and parts services businesses. Certain of these suppliers are currently the sole source of one or more components upon which TAT is dependent. Suppliers of some of these components require TAT to place orders with significant lead-time to assure supply in accordance with TAT s requirements. If TAT were to engage in a commercial dispute with or be unable to obtain adequate supplies of parts from these suppliers at commercially reasonable prices, TAT s operations could be interrupted. Increased costs associated with supplied materials or components could increase TAT s costs and reduce TAT s profitability if TAT is unable to pass these cost increases on to its customers.

TAT may face increased costs and a reduced supply of raw materials. TAT may not be able to recoup future increases in the cost of raw materials or in electric power costs for its operations through price increases for its products.

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In recent years, the cost of raw materials used by TAT has fluctuated significantly due to market and industry conditions. The cost of electric power used in TAT s operations has also increased in the last several years. TAT may not be able to recoup future increases in the cost of raw materials or electric power costs through price increases for its products.

TAT faces special risks from international sales operations. One or more of the risks associated with international sales may have a material adverse effect on TAT s future revenues and, as a result, TAT s business, operating results and financial condition.

TAT s international sales and operations, including exports, comprise a growing proportion of TAT s operating results. In the years ended December 31, 2008, 2007 and 2006, approximately 83.5%, 91.7% and 90.9% of TAT s sales, respectively, resulted from TAT s international operations. This source of revenue is subject to various risks, including:

- governmental embargoes or foreign trade restrictions;
- changes in U.S. and foreign governmental regulations;
- changes in foreign exchange rates;
- tariffs;
- other trade barriers; and
- political, economic and social instability; and difficulties in accounts receivable collections.

TAT and its subsidiaries may not be able to sustain or increase revenues from international operations or TAT or any of its subsidiaries may encounter significant difficulties in connection with the sale of its products in international markets or one or more of these factors may have a material adverse effect on TAT s and its subsidiaries future revenues and, as a result, TAT s business, operating results and financial condition.

TAT may engage in future acquisitions that could dilute TAT s shareholders equity and harm TAT s business, results of operations and financial condition.

TAT has pursued, and will continue to pursue, growth opportunities through internal development and acquisition of complementary businesses, products and technologies. TAT is unable to predict whether or when any other prospective acquisition will be completed. The process of integrating an acquired business may be prolonged due to unforeseen difficulties and may require a disproportionate amount of TAT s resources and management s attention. TAT may not be able to successfully identify suitable acquisition candidates, complete acquisitions, integrate acquired businesses into its operations, or expand into new markets. Further, once integrated, acquisitions may not achieve comparable levels of revenues, profitability or productivity as TAT s existing business or otherwise perform as expected. The occurrence of any of these events could harm TAT s business, financial condition or results of operations. Future acquisitions may require substantial capital resources, which may require TAT to seek additional debt or equity financing.

Future acquisitions by TAT could result in the following, any of which could seriously harm TAT s results of operations or the price of TAT s ordinary shares:

- issuance of equity securities that would dilute TAT s shareholders percentages of ownership;
- large one-time write-offs;
- the incurrence of debt and contingent liabilities;
- difficulties in the assimilation and integration of operations, personnel, technologies, products and information systems of the acquired companies;

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- diversion of management s attention from other business concerns;
- contractual disputes;
- risks of entering geographic and business markets in which TAT has no or only limited prior experience; and
- potential loss of key employees of acquired organizations.

Rapid technological changes may adversely affect the market acceptance of the products of TAT.

The aerospace market in which TAT competes is subject to technological changes, introduction of new products, change in customer demands and evolving industry standards. The future success of TAT will depend upon its ability to keep pace with technological developments and to timely address the increasingly sophisticated needs of its customers by supporting existing and new technologies and by developing and introducing enhancements to its current products and new products. TAT may not be able to successfully develop and market enhancements to its products that will respond to technological change, evolving industry standards or customer requirements. TAT may experience difficulties that could delay or prevent the successful development, introduction and sale of such enhancements; and such enhancements may not meet the requirements of the market or achieve any significant degrees of market acceptance. If release dates of any new products or enhancements of TAT are delayed, or if when released, they fail to achieve market acceptance, TAT s business, operating results and financial condition would be materially adversely affected.

TAT has fixed-price contracts with some of its customers and TAT bears the risk of costs in excess of its estimates.

TAT has entered into multi-year, fixed-price contracts with some of its MRO and OEM customers. Pursuant to these contracts, TAT realizes all the benefits or costs resulting from any increases or decreases in the cost of providing services to these customers. Most of TAT s contracts do not permit TAT to recover for increases in raw material prices, taxes or labor costs. Any increase in these costs could increase the cost of operating the business of TAT and reduce its profitability. Factors such as inaccurate pricing and increases in the cost of labor, materials or overhead may result in cost over-runs and losses on those agreements. TAT may not succeed in obtaining an agreement of a customer to reprice a particular product, and may not be able to recoup previous losses resulting from incomplete or inaccurate engineering data.

TAT depends on its key executives, and may not be able to hire and retain additional key employees or successfully integrate new members of its team and the loss of a key employee could have a material adverse effect on TAT s business.

TAT s success will depend largely on its continued reliance on the experience and expertise of the senior management of TAT. Any of the senior managers of TAT may terminate his employment with TAT and seek employment with others who may seek his expertise. The loss of the expertise of any of the senior management of TAT through death, disability or termination of employment would have a material and adverse effect on TAT s business, financial condition and results of operations. TAT is not the beneficiary of life or disability insurance covering any of the executives, key employees or other personnel of TAT.

TAT depends on its manufacturing and MRO facilities, and any material damage to these facilities may adversely impact TAT s operations.

TAT believes that its results of operations will be, dependent in large part upon its ability to manufacture and deliver OEM products and to provide MRO services promptly upon receipt of orders and to provide prompt and efficient service to its customers. As a result, any material disruption of TAT s day-today operations could have a material adverse effect on their business, customer relations and profitability. TAT relies on its Gedera, Israel, Kibbutz Marom-Golan, Israel, Kernersville and Winston-Salem, North Carolina facilities for the production of its OEM products and provision of its MRO and parts services. A fire, flood, earthquake or other disaster or condition

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that significantly damaged or destroyed any of these facilities would have a material adverse effect on the operations of TAT.

TAT uses equipment that is not easily repaired or replaced, and therefore material equipment failures could cause TAT or its subsidiaries to be unable to meet quality or delivery expectations of its customers.

Many of the service and manufacturing processes of TAT are dependent on equipment that is not easily repaired or replaced. As a result, unexpected equipment failures could result in production delays or the manufacturing of defective products. The ability of TAT to meet the expectations of its customers with respect to on-time delivery of repaired components or quality OEM products is critical. The failure by TAT to meet the quality or delivery expectations of its customers could lead to the loss of one or more of its significant customers.

TAT may fail to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002.

The Sarbanes-Oxley Act of 2002 imposes certain duties on TAT and TAT s executives and directors. TAT s efforts to comply with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 governing internal controls and procedures for financial reporting, have resulted in increased general and administrative expense and a diversion of management time and attention, and TAT expects these efforts to require the continued commitment of significant resources. TAT may identify material weaknesses or significant deficiencies in its assessments of its internal controls over financial reporting. Failure to maintain effective internal controls over financial reporting could result in investigation or sanctions by regulatory authorities and could have a material adverse effect on TAT s operating results, investor confidence in TAT s reported financial information and the market price of TAT s ordinary shares.

TAT has potential exposure to liabilities arising under environmental laws and regulations.

The business operations and facilities of TAT are subject to a number of federal, state, and local laws and regulations that govern the discharge of pollutants and hazardous substances into the air and water as well as the handling, storage and disposal of such materials and other environmental matters. Compliance with such laws as they relate to the handling, storage and disposal of hazardous substances is a significant obligation for TAT at each of its facilities. TAT would be subject to serious consequences, including fines and other sanctions, and limitations on the operations of TAT due to changes to, or revocations of, the environmental permits applicable to its facilities if it fails to comply. The adoption of new laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or the imposition of new cleanup requirements could require TAT to incur costs and become subject to new or increased liabilities that could increase the operating costs of TAT and adversely affect the manner in which TAT conducts its business.

Under certain environmental laws, liability associated with investigation or remediation of hazardous substances can arise at a broad range of properties, including properties currently or formerly operated by TAT or any of its predecessors, as well as properties to which TAT sent hazardous substances or wastes for treatment, storage, or disposal. Costs and other obligations can arise from claims for toxic torts, natural resource and other damages, as well as the investigation and clean up of contamination at such properties. Under certain environmental laws, such liability may be imposed jointly and severally, so TAT may be responsible for more than its proportionate share and may even be responsible for the entire liability at issue. The extent of any such liability can be difficult to predict.

TAT is exposed to potential liabilities arising from product liability and warranty claims.

TAT s operations expose TAT to potential liabilities for personal injury or death as a result of the failure of an aircraft component that has been designed, manufactured, serviced or supplied by TAT. TAT believes that, in an effort to improve operating margins, some customers have delayed the replacement of parts beyond their recommended lifetime, which may undermine aircraft safety and increase the risk of liability of TAT and its subsidiaries.

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TAT cannot assure you that it will not experience any material product liability losses in the future, that it will not incur significant costs to defend such claims, that its insurance coverage will be adequate if claims were to arise or that it would be able to maintain insurance coverage in the future at an acceptable cost. A successful claim brought against TAT or its subsidiaries in excess of its available insurance coverage may have a material adverse effect on TAT s business.

In addition, in the ordinary course of business of TAT, contractual disputes over warranties can arise. TAT may be subject to requests for cost sharing or pricing adjustments from its customers as a part of its commercial relationships with them, even though they have agreed to bear these risks.

TAT s share price has been volatile in the past and may decline in the future.

TAT s ordinary shares have experienced significant market price and volume fluctuations in the past and may experience significant market price and volume fluctuations in the future in response to factors such as the following, some of which are beyond TAT s control:

- quarterly variations in TAT s operating results;
- operating results that vary from the expectations of securities analysts and investors;
- changes in expectations as to TAT s future financial performance, including financial estimates by securities analysts and investors;
- announcements of technological innovations or new products by TAT or TAT s competitors;
- announcements by TAT or TAT s competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments;
- changes in the status of TAT s intellectual property rights;
- announcements by third parties of significant claims or proceedings against us;

- additions or departures of key personnel;
- future sales of TAT s ordinary shares;
- de-listing of TAT s shares from the NASDAQ Capital Market; and
- stock market price and volume fluctuation.

Domestic and international stock markets often experience extreme price and volume fluctuations. Market fluctuations, as well as general political and economic conditions, such as a recession or interest rate or currency rate fluctuations or political events or hostilities in or surrounding Israel, could adversely affect the market price of TAT s ordinary shares.

In the past, securities class action litigation has often been brought against companies following periods of volatility in the market price of its securities. TAT may in the future be the target of similar litigation. Securities litigation could result in substantial costs and divert management s attention and resources both of which could have a material adverse effect on TAT s business and results of operations.

Substantial future sales of TAT s ordinary shares by TAT s principal shareholders may depress TAT s share price.

TAT s principal shareholder, Isal Investment Ltd., or Isal, beneficially owns 71% of TAT s outstanding shares, of which 59% of TAT s outstanding shares are held directly by TAT Industries Ltd. If they sell substantial amounts of TAT s ordinary shares or if the perception exists that TAT s principal shareholders may sell a substantial

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number of TAT s ordinary shares, the market price of TAT s ordinary shares may fall Any substantial sales of TAT s shares in the public market also might make it more difficult for TAT to sell equity or equity-related securities in the future at a time, in a place and on terms TAT deems appropriate.

Because TAT has significant operations in Israel, TAT may be subject to political, economic and other conditions affecting Israel that could increase TAT s operating expenses and disrupt TAT s business.

TAT is incorporated under the laws of, and TAT s executive offices, manufacturing plant and research and development facilities are located in, the State of Israel. As a result, political, economic and military conditions affecting Israel directly influence TAT. Any major hostilities involving Israel, a full or partial mobilization of the reserve forces of the Israeli army, the interruption or curtailment of trade between Israel and its present trading partners, or a significant downturn in the economic or financial condition of Israel could have a material adverse effect on TAT s business, financial condition and results of operations.

Since the establishment of the State of Israel in 1948, Israel and its Arab neighbors have engaged in a number of armed conflicts. A state of hostility, varying from time to time in intensity and degree, has led to security and economic problems for Israel. Major hostilities between Israel and its neighbors may hinder Israel s international trade and lead to economic downturn. This, in turn, could have a material adverse effect on TAT s operations and business. There has been an increase in unrest and terrorist activity in Israel, which began in September 2000 and which has continued with varying levels of severity. The future effect of this deterioration and violence on the Israeli economy and TAT s operations is unclear. Since June 2007, when Hamas effectively took control of the Gaza Strip, there have been extensive hostilities along the Gaza Strip. Ongoing violence between Israel and the Palestinians as well as tension between Israel and the neighboring Syria and Lebanon may have a material adverse effect on TAT s business, financial conditions and results of operations.

Furthermore, there are a number of countries, primarily in the Middle East, as well as Malaysia and Indonesia, that restrict business with Israel or Israeli companies, and TAT is precluded from marketing its products to these countries. Restrictive laws or policies directed towards Israel or Israeli businesses may have an adverse impact on TAT s operations, TAT s financial results or the expansion of TAT s business.

TAT may be adversely affected by a change in the exchange rate of the NIS against the dollar. Because exchange rates between the NIS and the dollar fluctuate continuously, exchange rate fluctuations, particularly larger periodic devaluations, may have an impact on TAT s profitability and period to period comparisons of TAT s results.

TAT s financial statements are stated in dollars, while a portion of TAT s expenses, primarily labor expenses, is incurred in NIS and a part of TAT s revenues are quoted in NIS. Additionally, certain assets, as well as a portion of TAT s liabilities, are denominated in NIS. Because exchange rates between the NIS and the dollar fluctuate continuously, exchange rate fluctuations, particularly larger periodic devaluations, may have an impact on TAT s profitability and period to period comparisons of TAT s results. TAT s results may be adversely affected by the devaluation of the NIS in relation to the dollar (or if such devaluation is on lagging basis), if TAT s revenues in NIS are higher than TAT s expenses in NIS and/or the amount of TAT s assets in NIS are higher than TAT s liabilities in NIS. Alternatively, TAT s results may be adversely affected by an appreciation of the NIS in relation to the dollar (or if such appreciation is on a lagging basis), if the amount of TAT s expenses in NIS are higher than the amount of TAT s revenues in NIS and/or the amount of TAT s liabilities in NIS are higher than TAT s assets in NIS.

TAT s results of operations may be negatively affected by the obligation of its personnel to perform military service.

Many of TAT s employees and some of TAT s directors and officers in Israel are obligated to perform annual reserve duty in the Israeli Defense Forces and may be called for active duty under emergency circumstances at any time. If a military conflict or war arises, these individuals could be required to serve in the military for extended periods of time. TAT s operations could be disrupted by the absence for a significant period of one or more of TAT s executive officers or key employees or a significant number of other employees due to military service. Any disruption in TAT s operations could adversely affect TAT s business.

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Your rights and responsibilities as a shareholder will be governed by Israeli law and differ in some respects from the rights and responsibilities of shareholders under U.S. law.

TAT is incorporated under Israeli law. The rights and responsibilities of holders of TAT s ordinary shares are governed by TAT s memorandum of association, articles of association and by Israeli law. These rights and responsibilities differ in some respects from the rights and responsibilities of shareholders in typical U.S. corporations. In particular, each shareholder of an Israeli company has a duty to act in good faith and in a customary manner in exercising his or her rights and fulfilling his or her obligations toward the company and other shareholders and to refrain from abusing his power in the company, including, among other things, in voting at the general meeting of shareholders on certain matters. Israeli law provides that these duties are applicable in shareholder votes on, among other things, amendments to a company s articles of association, increases in a company s authorized share capital, mergers and interested party transactions requiring shareholder approval. In addition, a controlling shareholder of an Israeli company, or a shareholder who knows that he or she possesses the power to determine the outcome of a shareholder vote or who has the power to appoint or prevent the appointment of a director or officer in the company, has a duty of fairness toward the company. However, Israeli law currently does not define the substance of this duty of fairness. Because Israeli corporate law has undergone extensive revision in recent years, there is relatively little case law available to assist in understanding the implications of these provisions that govern shareholder behavior.

Israeli law may delay, prevent or make difficult an acquisition of TAT, which could prevent a change of control and, therefore, depress the price of TAT s shares.

Israeli corporate law regulates mergers, requires tender offers for acquisitions of shares above specified thresholds, requires special approvals for transactions involving directors, officers or significant shareholders and regulates other matters that may be relevant to these types of transactions. Furthermore, Israeli tax considerations may make potential transactions unappealing to TAT or to some of TAT s shareholders. These provisions of Israeli law may delay, prevent or make difficult an acquisition of TAT, which could prevent a change of control and therefore depress the price of TAT s shares.

Investors and TAT s shareholders generally may have difficulties enforcing a U.S. judgment against TAT, TAT s executive officers and directors or asserting U.S. securities laws claims in Israel.

TAT is incorporated in Israel and all of TAT s executive officers and directors reside outside the United States. Service of process upon them may be difficult to effect within the United States. Furthermore, all of TAT s assets and most of the assets of TAT s executive officers and directors are located outside the United States. Therefore, a judgment obtained against TAT or any of them in the United States, including one based on the civil liability provisions of the U.S. federal securities laws, may not be collectible in the United States and may not be enforced by an Israeli court. It also may be difficult for you to assert U.S. securities law claims in original actions instituted in Israel. However, subject to certain time limitations and other conditions, Israeli courts may enforce final judgments of United States courts for liquidated amounts in civil matters, including judgments based upon the civil liability provisions of those and similar acts.

As a foreign private issuer whose shares are listed on the NASDAQ Capital Market, TAT may follow certain home country corporate governance practices instead of certain NASDAQ requirements.

As a foreign private issuer whose shares are listed on the NASDAQ Capital Market, TAT is permitted to follow certain home country corporate governance practices instead of certain requirements of the NASDAQ Marketplace Rules. A foreign private issuer that elects to follow a home country practice instead of such requirements, must submit to NASDAQ in advance a written statement from an independent counsel in such issuer s home country certifying that the issuer s practices are not prohibited by the home country s laws. In addition, a foreign private issuer must disclose in its annual reports filed with the Securities and Exchange Commission or on its website each such requirement that it does not follow and describe the home country practice followed by the issuer instead of any such requirement. As a foreign private issuer listed on The NASDAQ Capital Market, TAT may follow TAT s home country law, instead of the NASDAQ Marketplace Rules, which require that TAT obtain shareholder approval for certain dilutive events, such as for the establishment or amendment of certain equity based compensation plans, an issuance that will result in a change of control of TAT, certain transactions other than a

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public offering involving issuances of a 20% or more interest in TAT and certain acquisitions of the stock or assets of another company. It is anticipated that immediately following closing, ordinary shares of TAT will commence trading on the NASDAQ Global Market.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus, including information included or incorporated by reference in this proxy statement/prospectus, may contain certain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements concerning the proposed merger. Generally, the words expects, anticipates, targets, goals, projects, intends, plans, seeks, estimates, variations of such words and similar expressions identify forward-looking statements and any statements regarding the benefits of the merger, or TAT s or Limco s future financial condition, results of operations and business are also forward-looking statements. Without limiting the generality of the preceding sentence, certain statements contained in the sections THE MERGER - BACKGROUND OF THE MERGER, THE MERGER - TAT S REASONS FOR THE MERGER, THE MERGER - LIMCO S REASONS FOR THE MERGER, AND TH MERGER -RECOMMENDATION OF THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS constitute forward-looking statements.

These forward-looking statements involve certain risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others, the following factors:

- the ability to complete the merger or whether the completion may be delayed;
- costs related to the proposed merger;
- difficulties and delays in obtaining regulatory approvals for the merger;
- potential difficulties in meeting conditions set forth in the merger agreement;
- prior to or after the completion of the merger, the businesses of the companies may suffer due to uncertainty, as well as other risks applicable to both TAT s and Limco s business;
- continued compliance with government regulations;
- competition in the industry in which TAT or Limco does business;
- TAT and Limco s business strategy and plans;
- exchange rate fluctuations;
- general economic conditions; and

- political, economic and military conditions in Israel.

Any forward-looking statements in this proxy statement/prospectus are not guarantees of future performance, and actual results, developments and business decisions may differ from those contemplated by those forward-looking statements, possibly materially. Except as otherwise required by applicable law, TAT and Limco disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section.

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THE LIMCO SPECIAL MEETING OF STOCKHOLDERS

DATE, TIME AND PLACE

This proxy statement/prospectus is being furnished in connection with the solicitation of proxies by the Board of Directors of Limco for the special meeting of our stockholders to be held at 10:00 a.m. Eastern Daylight Time, on [*], 2009 at the offices of Proskauer Rose LLP, 1585 Broadway, New York, New York 10036. This proxy statement, the attached notice of the special meeting and the accompanying proxy card are first being sent or given to our stockholders on or about [*], 2009.

MATTERS TO BE CONSIDERED AT THE LIMCO STOCKHOLDERS MEETING

The purposes of the Limco stockholders meeting are to vote upon a proposal to approve and adopt the merger agreement and approve the merger.

The Special Committee and the Limco Board of Directors unanimously recommend that Limco stockholders vote FOR approval and adoption of the merger agreement and approval of the merger. The Special Committee and, based on the recommendation of the Special Committee, the Limco Board of Directors have unanimously determined that the merger and the transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Limco and its public stockholders and have approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. See THE MERGER - LIMCO S REASONS FOR THE MERGER and THE MERGER - RECOMMENDATION OF THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS.

STOCKHOLDERS ENTITLED TO VOTE

You are entitled to notice of, and may vote at, the special meeting if you were the record holder of our common stock as of the close of business on [*], 2009, the record date for the special meeting. As of the close of business on the record date, there were 13,205,000 shares of our common stock outstanding, held by [*] stockholders of record.

QUORUM

A quorum of Limco stockholders is necessary to hold a valid meeting. A quorum will be present at the Limco special meeting if a majority of Limco s outstanding shares of common stock entitled to vote at the special meeting are represented in person or by proxy. Abstentions and broker non-votes will count as present for the purposes of establishing a quorum.

VOTE REQUIRED

The affirmative vote of the holders of a majority of Limco s common stock outstanding on the record date for the special meeting is required to approve and adopt the merger agreement and approve the merger. Limco s issued and outstanding options do not have voting rights and securities represented by Limco s options, which have not been exercised into Limco common stock prior to or on the record date, will not be entitled to vote at the special meeting. TAT holds 61.8% of the shares of Limco common stock outstanding and has advised the Limco Board of Directors that it intends to vote for approval and adoption of the merger agreement and approval of the merger. Accordingly, such approval and adoption is assured.

VOTING RIGHTS

As of the record date, there were 13,205,000 shares of Limco common stock issued and outstanding, each of which entitles its holder to one vote. Limco options do not have voting rights and the holders thereof will not be entitled to vote at the special meeting.

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VOTING YOUR SHARES

STOCKHOLDER OF RECORD: SHARES REGISTERED IN YOUR NAME. If on [*], 2009 your shares of Limco common stock were registered directly in your name with Limco s transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record for purposes of the special meeting. If you are a stockholder of record, you may vote in person at the special meeting or vote by proxy using the enclosed proxy card. Whether or not you plan to attend the special meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the special meeting and vote in person even if you have already voted by proxy. You may vote by proxy by signing, dating and returning your proxy card in the pre-addressed postage-paid envelope provided.

All shares entitled to vote and represented by properly completed proxies received prior to the Limco special meeting, and not revoked, will be voted at the Limco special meeting as instructed on the proxies. IF YOU SIGN YOUR PROXY BUT DO NOT INDICATE HOW YOUR SHARES OF LIMCO COMMON STOCK SHOULD BE VOTED ON A MATTER, THE SHARES REPRESENTED BY YOUR PROPERLY COMPLETED PROXY WILL BE VOTED AS THE LIMCO BOARD OF DIRECTORS RECOMMENDS AND THEREFORE FOR THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND THE APPROVAL OF THE MERGER.

The method by which you vote by proxy will in no way limit your right to vote at the Limco special meeting if you later decide to attend the meeting in person.

BENEFICIAL OWNER: SHARES REGISTERED IN THE NAME OF A BROKER OR BANK. If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from Limco s transfer agent. Simply complete and mail the proxy card in accordance with the voting instructions provided by your broker, bank or other agent, or follow the instructions for voting in any other manner as provided by your broker, bank or other agent, to ensure that your vote is counted. To vote in person at the special meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker or bank to request a proxy form.

Your broker will vote your shares of Limco common stock only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without instructions, your shares of Limco common stock will be a broker non-vote, which will have the effect of a vote against the approval and adoption of the merger agreement and approval of the merger.

RECEIPT OF MULTIPLE PROXY CARDS

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted.

REVOKING YOUR PROXY AND CHANGING YOUR VOTE

If you are a record holder of our common stock and you vote by proxy, you may revoke your proxy or change your voting instructions at any time before your proxy is exercised:

- By timely mailing another proxy card with a later date;

- By timely notifying Limco in writing before the special meeting that you have revoked your proxy; or

- By attending the special meeting, revoking your proxy and voting in person.

If your shares are held in street name, consult your broker for instructions on how to revoke your proxy or change your vote.

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ABSTENTIONS AND BROKER NON-VOTES

An abstention or failure to vote by a Limco stockholder will have the effect of a vote against the approval and adoption of the merger agreement and approval of the merger.

If your broker holds your shares in its name and you do not give the broker voting instructions, your broker may not vote your shares. If you do not give your broker voting instructions and the broker does not vote your shares, this is referred to as a broker non-vote which will have the effect of a vote against the approval and adoption of the merger agreement and approval of the merger.

SOLICITATION OF PROXIES

The proxy accompanying this proxy statement/prospectus is solicited on behalf of the Limco Board of Directors for use at the Limco stockholders meeting.

Limco is soliciting the enclosed proxy on behalf of the Board of Directors, and will pay all costs of preparing, assembling and mailing the proxy materials. In addition to mailing out proxy materials, Limco s directors and officers may solicit proxies by telephone or fax, without receiving any additional compensation for their services. Limco has requested brokers, banks and other fiduciaries to forward proxy materials to the beneficial owners of its stock.

YOU WILL NOT HAVE DISSENTERS APPRAISAL RIGHTS IN THE MERGER

You will not have any appraisal rights under the Delaware General Corporation Law, or under Limco s certificate of incorporation, in connection with the merger, and neither Limco nor TAT will independently provide you with any such rights.

QUESTIONS ABOUT VOTING

If you have any questions about how to vote or direct a vote in respect of your Limco common stock, you may call Limco s Chief Financial Officer, Ms. Mary Dowdy, at (336) 276-6360. You may also want to consult your financial and other advisors about the vote.

STOCKHOLDER PROPOSALS FOR LIMCO S 2009 ANNUAL MEETING OF STOCKHOLDERS

If the merger is not consummated and you wish to include a stockholder proposal in the proxy materials for Limco s 2009 Annual Meeting of Stockholders, your proposal must be submitted in writing by [*], 2009, to our Secretary at 1031 East Mountain Street, Building 320, Kernersville, North Carolina 27824. If you wish to submit a proposal that is not to be included in next year s proxy materials or nominate a director, you must do so by no later than [*], 2009 and no earlier than [*], 2009. If the merger is consummated prior to such dates, the foregoing provisions will be inapplicable.

LIMCO STOCK CERTIFICATES

IF YOU ARE A RECORD HOLDER OF LIMCO COMMON STOCK, PLEASE DO NOT SEND YOUR LIMCO COMMON STOCK CERTIFICATES TO US NOW. AFTER THE EFFECTIVE TIME OF THE MERGER, THE EXCHANGE AGENT WILL MAIL A LETTER OF TRANSMITTAL TO YOU. YOU SHOULD SEND YOUR LIMCO COMMON STOCK CERTIFICATES ONLY IN COMPLIANCE WITH THE INSTRUCTIONS THAT WILL BE PROVIDED IN THE LETTER OF TRANSMITTAL.

THE MATTERS TO BE CONSIDERED AT THE LIMCO STOCKHOLDERS MEETING ARE OF GREAT IMPORTANCE TO THE LIMCO STOCKHOLDERS. ACCORDINGLY, LIMCO STOCKHOLDERS ARE URGED TO READ AND CAREFULLY CONSIDER THE INFORMATION PRESENTED IN THIS PROXY STATEMENT/PROSPECTUS, AND TO COMPLETE, DATE, SIGN AND PROMPTLY RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED POSTAGE PRE-PAID ENVELOPE.

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THE MERGER

BACKGROUND OF THE MERGER

The terms of the Merger Agreement are the result of negotiations between representatives of TAT and the Special Committee. The following is a brief discussion of the background of these negotiations and the merger.

During a telephonic meeting of Limco s Board of Directors held on July 14, 2008, Avi Ortal, a director of both Limco and TAT, advised the Board of Directors of Limco that TAT desired to acquire all of the outstanding shares of Limco common stock not owned by TAT. After discussion regarding the proposal, the Board of Directors of Limco appointed the Special Committee consisting of the three independent directors of Limco, Michael Gorin, Lawrence Findeiss and Dr. Jacob Gesthalter, with Mr. Gorin designated as the Chairman of the Special Committee. The Special Committee was authorized to evaluate the TAT proposal and to negotiate potential terms of such a transaction with representatives of TAT. The Special Committee subsequently engaged Oppenheimer & Co. Inc. (Oppenheimer) as its financial advisor and Proskauer Rose LLP (Proskauer) as its counsel.

On July 23, 2008, Mr. Ortal met with the Special Committee and its advisors. At this meeting, Mr. Ortal reviewed with the Special Committee the rationale for the proposed transaction and shared with the Special Committee a description of TAT s various businesses (including their current and historical financial results and prospects) as well as TAT s valuation of each of the businesses. He then proposed a structure for the transaction pursuant to which a newly-formed wholly-owned subsidiary of TAT would be merged into Limco and each outstanding share of Limco s common stock would be converted into the right to receive .4 of an ordinary share of TAT. Following the proposal, the Special Committee discussed, among other things, steps that would need to be taken to further evaluate the proposal, including the need for a due diligence review of TAT, its operations and prospects.

On July 29, 2008, the Special Committee and its advisors visited TAT s facilities, and met with TAT s management, in Gedera, Israel. After a tour of the facility, members of TAT s management made formal presentations outlining the products, operations, financial history and prospects of the Gedera-based business. On July 30, 2008, the Special Committee and its advisors traveled to Bental, located in northern Israel, to continue the due diligence review of TAT. As with Gedera, the Bental visit included a tour of the facility followed by formal presentations by the Bental management team outlining the products, operations, financial history and prospects of Bental.

Throughout the first two weeks of August 2008, the Special Committee and its advisors had numerous telephonic meetings to discuss the proposed transaction, financial matters relating to TAT and the drafts of the merger agreement. The Special Committee continued to negotiate with Mr. Ortal requesting an increased exchange ratio for Limco s public shareholders, as well as certain protective provisions, including: (i) a majority of the minority (non-TAT shareholders) requirement for approval of the transaction and (ii) a floor price for the Limco shares or a guaranteed minimum premium above the market price of Limco shares.

On August 21, 2008, Mr. Ortal met with the Special Committee and its advisors, and informed the members of the Committee that TAT was unwilling to agree to the Special Committee s requests and would not proceed with the transaction.

On December 9, 2008, Mr. Ortal advised the Chairman of the Special Committee that TAT was interested in restarting conversations to acquire all of the shares of Limco common stock that TAT did not currently own. Mr. Ortal proposed the same exchange ratio and transaction terms that he had proposed in August 2008. Over the next week, the Special Committee discussed the proposal with its advisors. The Special Committee then advised Mr. Ortal that the proposal would need to include some, if not all, of the protective provisions it previously had requested. Again, the Special Committee and Mr. Ortal were unable to reach an agreement as to the terms of a proposed transaction and on December 17, 2008, Mr. Ortal advised the Special Committee that TAT would not proceed with the transaction on the terms requested by the Special Committee.

On March 3, 2009, Mr. Findeiss advised the Limco Board of Directors that due to personal reasons, he intended to resign as a director of Limco, effective March 31, 2009. Accordingly, on March 31, 2009, Mr. Findeiss was replaced as a member of the Board of Directors and the Special Committee by Eran Goren.

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On March 25, 2009, Mr. Ortal advised the Chairman of the Special Committee that TAT again was interested in restarting conversations to acquire all of the shares of Limco common stock that TAT did not currently own. Mr. Ortal proposed an exchange ratio of ..465 of an ordinary share of TAT for each outstanding share of Limco common stock in a transaction which would not include any of the protective provisions previously requested by the Special Committee. The Special Committee advised Mr. Ortal that this proposal was not acceptable. Mr. Ortal then advised the Special Committee that TAT would be willing to increase the exchange ratio to .5 of an ordinary share of TAT for each share of Limco common stock as long as the transaction did not include the protective provisions. Mr. Ortal advised the Special Committee that, based on the current business prospects of Limco, unless such provisions were withdrawn, TAT would not proceed with the transaction. The Special Committee then consulted with its advisors regarding the current state of the capital markets, the overall economy, conditions in the airline industry and Limco s business prospects. After a series of discussions between the parties, the Special Committee agreed in principle to Mr. Ortal s proposal of an exchange ratio of .5 of an ordinary share of TAT for each outstanding share of Limco common stock.

On March 27, 2009, the management of Limco updated the Special Committee and its advisors on the previously provided financial information and business prospects of Limco. On March 30, 2009, the management of TAT and Bental also updated the Special Committee and its advisors on the previously provided financial information and business prospects of TAT and Bental. From March 27, 2009 through April 2, 2009, the Special Committee had numerous conversations and meetings with its advisors relating to the proposed transaction. Additionally during that period, the Special Committee s and TAT s legal advisors exchanged drafts of the merger agreement.

On the morning of April 3, 2009, the Special Committee held a meeting, together with representatives of Proskauer and Oppenheimer, to discuss the proposed transaction with TAT. Proskauer reviewed with the Special Committee the terms of the proposed merger and the merger agreement. Also at this meeting, Oppenheimer reviewed with the Special Committee its financial analysis of the ..5 exchange ratio provided for in the merger agreement. Additionally, Oppenheimer rendered an oral opinion to the Special Committee, which was confirmed by delivery of a written opinion dated April 3, 2009, to the effect that, as of that date and based on and subject to the matters described in the opinion, the exchange ratio provided for in the merger agreement was fair, from a financial point of view, to the holders of Limco common stock (other than TAT, Merger Sub and their respective affiliates). After a lengthy discussion, the Special Committee unanimously approved the agreement and plan of merger, and plan to recommend that Limco s stockholders vote for the approval and adoption of the merger agreement.

Immediately following the Special Committee meeting the entire Board of Directors of Limco met and, based on the recommendation of the Special Committee, unanimously approved the Agreement and Plan of Merger.

LIMCO S REASONS FOR THE MERGER

The Special Committee believes there are substantial benefits to Limco s public stockholders that can be obtained as a result of the merger. If the merger is completed, the public stockholders of Limco will receive an equity interest in a more diversified company with a larger public float and listing on dual markets (NASDAQ and TASE). In addition, the combined company will no longer have to pay the considerable legal, accounting and other costs resulting from both the parent (TAT) and its majority owned subsidiary (Limco) being public companies. At a meeting of the Board of Directors of Limco held on April 3, 2009, the Special Committee advised the Board of Directors of Limco that the Special Committee had unanimously determined that the merger agreement and the merger were fair to and in the best interests of Limco s public shareholders. Based on the recommendation of the Special Committee, Limco s Board of Directors then unanimously approved the Agreement and Plan of Merger and resolved to recommend the adoption of the merger agreement by Limco s shareholders.

In evaluating the merger, the Special Committee consulted with Limco s senior management, as well as the Special Committee s legal and financial advisors. Among the matters considered by the Special Committee were the following:

- The effect of negative changes in the economic landscape on the aerospace industry;

- Current trends in the aerospace industry (e.g., consolidation of MRO players for economy of scale, combining OEM and MRO capabilities, airlines developing in-house MRO capabilities);

- Synergies between the companies: (a) TAT, through its Gedera facility, is a large OEM of heat exchangers for the aerospace industry. Limco s core business is the provision of MRO services to participants in the aerospace industry. TAT s core design capabilities will provide Limco enhanced capabilities to repair heat exchanger systems and components, enabling it to compete more effectively in the industry. (b) TAT is also a supplier to Limco of heat exchanger components which enables Limco to be more efficient. The proposed merger will provide more alignment between the companies and will allow Limco to acquire cores at reduced prices allowing Limco to be more competitive in the repair of heat exchangers;

- Combining Limco with TAT and Bental will increase Limco s growth potential by enabling it to penetrate additional MRO markets such as the ground applications market;

- Following the merger, Limco s stockholders will receive shares in a more diversified company with more products and services;

- The merger will eliminate public company costs which Limco does not have capacity to bear in this market;

- The current and historical market prices and trading volumes of Limco s common stock and TAT s ordinary shares;

- The Special Committee s knowledge of TAT s business, operations, financial condition and prospects based on a due diligence review of TAT;

- Oppenheimer s opinion, dated April 3, 2009, to the Special Committee as to the fairness, from a financial point of view and as of the date of the opinion, to the holders of Limco common stock (other than TAT, Merger Sub and their respective affiliates) of the .5 exchange ratio provided for in the merger agreement, as more fully described below under the caption Opinion of Limco Special Committee s Financial Advisor ; and

- The terms of the merger agreement.

The Special Committee also considered and balanced against the potential benefits of the merger a number of risks and uncertainties concerning the merger including the following:

- The risk that the merger might not be completed in a timely manner or at all.

- The out-of-pocket costs of the merger.

- The restrictions on the conduct of Limco s business prior to completion of the merger, which require Limco to conduct its business in the ordinary course, and the fact that these restrictions might delay or prevent Limco from undertaking business opportunities that may arise pending completion of the merger.

- The risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the merger, and the possibility of management and employee disruption associated with the merger.

- The other risks and uncertainties relating to Limco s and TAT s business described in the section entitled RISK FACTORS above.

In view of the variety of factors and the quality and amount of information considered, as well as the complexity of these matters, the Special Committee did not find it practicable to, and did not attempt to, assign relative weights to the above factors or the other factors considered by it. In addition, the Special Committee did not

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reach any specific conclusion on each factor considered, but conducted an overall analysis of these factors. Individual members of the Special Committee may have given different weights to different factors.

RECOMMENDATION OF THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS

Based on its consideration of the foregoing factors, the Special Committee and the Limco Board of Directors (based on the recommendation of the Special Committee) have unanimously determined that the merger and the transactions contemplated by the merger agreement are advisable and fair to, and in the best interests of, Limco and its public stockholders and have approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. THE SPECIAL COMMITTEE AND THE LIMCO BOARD OF DIRECTORS UNANIMOUSLY RECOMMEND THAT STOCKHOLDERS OF LIMCO VOTE FOR THE PROPOSAL TO APPROVE AND ADOPT THE MERGER AGREEMENT AND APPROVE THE MERGER.

In considering the recommendation of the Special Committee and the Limco Board of Directors with respect to the merger agreement, Limco stockholders should be aware that the members of the Special Committee may have certain interests in the merger that are different from, or are in addition to, the interests of Limco public stockholders generally, as discussed below.

NO ALTERNATIVE TRANSACTION IS POSSIBLE

Since TAT is Limco s controlling stockholder, TAT has an absolute veto over any change of control transaction for Limco. TAT has advised Limco that it will not approve any such transaction. Accordingly, no alternative transaction is possible.

INTERESTS OF THE SPECIAL COMMITTEE IN THE MERGER

When you consider the recommendation of the Special Committee in favor of adoption of the merger agreement and approval of the merger, you should keep in mind that the members of the Special Committee may have interests in the merger that are different from, or in addition to, your interests as a stockholder.

Of the six members of Limco s Board of Directors, three may be considered affiliates of TAT. Accordingly, the Board of Directors established the Special Committee consisting of Limco s three independent directors: Michael Gorin, Dr. Jacob Gesthaler and Lawrence Findeiss. On March 3, 2009 Mr. Findeiss advised the Limco Board of Directors that he wished to resign as a director effective March 31, 2009. Accordingly, on March 31, 2009 Mr. Findeiss was replaced as a member of the Board of Directors and the Special Committee by Eran Goren. None of the members of the Special Committee are affiliated with TAT. Mr. Gorin serves as Chairman of the Special Committee. In establishing the Special Committee, Limco s Board of Directors noted the significant time demands required to serve on the Special Committee and authorized fees of $30,000 to Mr. Gorin for his services as Chairman and fees of $10,000 for each other member of the Special Committee. In addition, each member of the Special Committee receives a fee of $1,000 for each meeting of the Special Committee attended. While no commitments have been made, it is possible that following the closing of the merger, one or more members of the Special Committee will be elected directors of TAT. The Special Committee considered these interests when it considered and approved the merger agreement and the merger.

NO CHANGE IN CONTROL AGREEMENTS

None of the Company s directors or executive officers has change in control agreements and other than fees paid to the members of the Special Committee described under INTERESTS OF THE SPECIAL COMMITTEE IN THE MERGER , no executive officers or directors of Limco will receive any payments in connection with the merger.

CONTINUED DIRECTOR AND OFFICER INDEMNIFICATION

Pursuant to the merger agreement, as of the completion of the merger and thereafter, TAT has agreed to, and is required to cause the surviving corporation to, (i) for six years, fulfill the obligations under the existing indemnification agreements and in Limco s certificate of incorporation and bylaws for claims arising from acts or omissions as directors and/or officers that occurred on or prior to the completion of the merger, (ii) not amend the

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provisions regarding the indemnification of officers and directors in the surviving corporation s organizational documents so as to adversely affect the rights of Limco s officers and directors and (iii) for six years, maintain the current level of directors and officers liability insurance coverage for Limco s officers and directors.

TAT S REASONS FOR THE MERGER

In reaching its decision to approve the merger agreement and the merger, the TAT Board of Directors consulted with TAT s management and reviewed various financial data, due diligence and evaluation materials. The TAT Board of Directors considered a number of factors that it believes support its decision to approve the merger agreement and the merger, including:

- the likelihood that this acquisition will also enhance TAT s ability to access capital to fund its strategic initiatives;

- anticipated greater liquidity and higher trading volume of TAT s shares following the merger;

- the combined company will no longer have to pay the considerable legal, accounting and other costs resulting from both TAT and its majority owned subsidiary, Limco, being public companies; and

- the avoidance of conflicts of interest inherent in having a subsidiary that is not wholly-owned.

TAT s Board of Directors also considered and balanced against the potential benefits of the merger a number of risks and uncertainties concerning the merger, including, but not limited to:

- the risk that the merger may not be completed in a timely manner or at all;

- the substantial expenses to be incurred in connection with the merger, even if the merger is not completed; and

- the risk of diverting management s attention from other strategic priorities to complete the merger as well as the fact that some of TAT s officers and employees have and will experience significant distraction from their work during the period in which the merger will be pending.

The above discussion concerning the information and factors considered by TAT s Board of Directors is not intended to be exhaustive, but includes the material factors considered by it in making its determinations. In view of the variety of factors considered in connection with the evaluation of the merger agreement, TAT s Board of Directors did not quantify or otherwise attempt to assign relative weight to the specific factors it considered in reaching its determinations. In addition, individual directors may have considered various factors to have different relative importance. TAT s Board of Directors considered all of the factors as a whole and considered the factors in their totality to be favorable and to support the decision to approve the merger agreement.

OPINION OF LIMCO SPECIAL COMMITTEE S FINANCIAL ADVISOR

The Special Committee has engaged Oppenheimer as its financial advisor in connection with the merger. In connection with this engagement, the Special Committee requested that Oppenheimer evaluate the fairness, from a financial point of view, to the holders of Limco common stock (other than TAT, Merger Sub and their respective affiliates) of the .5 exchange ratio provided for in the merger agreement. On April 3, 2009, at a meeting of the Special Committee held to evaluate the merger, Oppenheimer rendered to the Special Committee an oral opinion, which was confirmed by delivery of a written opinion dated April 3, 2009, to the effect that, as of that date and based on and subject to the matters described in its opinion, the exchange ratio provided for in the merger agreement was fair, from a financial point of view, to the holders of Limco common stock (other than TAT, Merger Sub and their respective affiliates).

The full text of Oppenheimer s written opinion, dated April 3, 2009, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to this proxy statement/prospectus as Annex II. **Oppenheimer s opinion was provided to the Special Committee in connection**

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with its evaluation of the exchange ratio provided for in the merger agreement from a financial point of view and does not address any other aspect of the merger. Oppenheimer expressed no view as to, and its opinion does not address, the underlying business decision of Limco to proceed with or effect the merger or the relative merits of the merger as compared to any alternative business strategies that might exist for Limco or the effect of any other transaction in which Limco might engage. Oppenheimer s opinion does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to any matters relating to the merger. The summary of Oppenheimer s opinion described below is qualified in its entirety by reference to the full text of its opinion.

In arriving at its opinion, Oppenheimer:

- reviewed the merger agreement;

- reviewed audited financial statements of Limco for fiscal years ended December 31, 2006, December 31, 2007 and December 31, 2008;

- reviewed audited financial statements of TAT for fiscal years ended December 31, 2006 and December 31, 2007 and unaudited financial statements for TAT for the fiscal year ended December 31, 2008;

- reviewed financial forecasts and estimates relating to Limco and TAT prepared by the respective managements of Limco and TAT;

- held discussions with the senior managements of Limco and TAT with respect to the businesses and prospects of Limco and TAT;

- reviewed historical market prices and trading volumes for Limco common stock and TAT ordinary shares;

- reviewed and analyzed certain publicly available financial data for companies that Oppenheimer deemed relevant in evaluating Limco and TAT;

- reviewed certain publicly available financial terms of transactions that Oppenheimer deemed relevant in evaluating the merger;

- analyzed the estimated present value of the future cash flows of Limco and TAT based on financial forecasts and estimates prepared by the respective managements of Limco and TAT;

- reviewed the premiums paid, based on publicly available financial information, in merger and acquisition transactions Oppenheimer deemed relevant in evaluating the merger; and

- performed such other analyses, reviewed such other information and considered such other factors as Oppenheimer deemed appropriate.

In rendering its opinion, Oppenheimer relied upon and assumed, without independent verification or investigation, the accuracy and completeness of all of the financial and other information provided to or discussed with Oppenheimer by Limco, TAT and their respective employees, representatives and affiliates or otherwise reviewed by Oppenheimer. With respect to the financial forecasts and estimates relating to Limco and TAT, Oppenheimer assumed, at the direction of the managements of Limco and TAT and with Limco s consent, without independent verification or investigation, that such forecasts and estimates were reasonably prepared on bases reflecting the best available information, estimates and judgments of the respective managements of Limco and TAT as to the future financial condition and operating results of Limco and TAT.

Oppenheimer assumed, with Limco s consent, that the merger would qualify for federal income tax purposes as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended. Oppenheimer also assumed, with Limco s consent, that the merger would be consummated in accordance with its terms without waiver, modification or amendment of any material term, condition or agreement and in compliance with all

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applicable laws and other requirements and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases with respect to the merger, no delay, limitation, restriction or condition would be imposed that would have an adverse effect on Limco, TAT or the contemplated benefits of the merger. Oppenheimer neither made nor obtained any independent evaluations or appraisals of the assets or liabilities, contingent or otherwise, of Limco or TAT. Oppenheimer s opinion relates to the relative values of Limco and TAT. Oppenheimer did not express any opinion as to the underlying valuation, future performance or long-term viability of Limco or TAT or as to the actual value of TAT ordinary shares when issued in the merger or the prices at which Limco common stock or TAT ordinary shares would trade at any time. Oppenheimer expressed no view as to, and its opinion did not address, any terms or other aspects or implications of the merger (other than the exchange ratio to the extent expressly specified in its opinion) or any aspect or implication of any other agreement, arrangement or understanding entered into in connection with the merger or otherwise, including, without limitation, the fairness of the amount or nature of, or any other aspect relating to, the compensation to be received by any individual officers, directors or employees of any parties to the merger, or any class of such persons, relative to the exchange ratio. In addition, Oppenheimer expressed no view as to, and its opinion did not address, Limco s underlying business decision to proceed with or effect the merger nor did its opinion address the relative merits of the merger as compared to any alternative business strategies that might exist for Limco or the effect of any other transaction in which Limco might engage. In connection with its engagement, Oppenheimer was not requested to, and did not, solicit third party indications of interest in the possible acquisition of all or a part of Limco. Oppenheimer s opinion was necessarily based on the information available to it and general economic, financial and stock market conditions and circumstances as they existed and could be evaluated by Oppenheimer on the date of its opinion. The credit, financial and stock markets are experiencing unusual volatility and Oppenheimer expressed no opinion or view as to the potential effects, if any, of such volatility on Limco, TAT or the proposed merger. Although subsequent developments may affect its opinion, Oppenheimer does not have any obligation to update, revise or reaffirm its opinion. Except as described above, Limco imposed no other instructions or limitations on Oppenheimer with respect to the investigations made or the procedures followed by it in rendering its opinion.

This summary is not a complete description of Oppenheimer s opinion or the financial analyses performed and factors considered by Oppenheimer in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to summary description. Oppenheimer arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole, and did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis for purposes of its opinion. Accordingly, Oppenheimer believes that its analyses and this summary must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying Oppenheimer s analyses and opinion.

In performing its analyses, Oppenheimer considered industry performance, general business, economic, market and financial conditions and other matters existing as of the date of its opinion, many of which are beyond the control of Limco and TAT. No company, business or transaction used in the analyses is identical to Limco, TAT or the merger, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, business segments or transactions analyzed.

The assumptions and estimates contained in Oppenheimer s analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than those suggested by its analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the assumptions and estimates used in, and the results derived from, Oppenheimer s analyses are inherently subject to substantial uncertainty.

The type and amount of consideration payable in the merger was determined through negotiation between the Special Committee and TAT, and the decision to enter into the transaction was solely that of the Special Committee and Limco s Board of Directors. Oppenheimer s opinion and financial presentation were only one of many factors considered by

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the Special Committee in its evaluation of the merger and should not be viewed as determinative of the views of the Special Committee or Limco s Board of Directors or management with respect to the merger or the exchange ratio.

The following is a summary of the material financial analyses reviewed with the Special Committee in connection with Oppenheimer s opinion dated April 3, 2009. **The financial analyses summarized below include information presented in tabular format. In order to fully understand Oppenheimer s financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Oppenheimer s financial analyses.**

Implied Exchange Ratio Analysis

Oppenheimer calculated implied exchange ratios based on selected publicly traded companies analyses and discounted cash flow analyses of Limco and TAT as described below. For purposes of its financial analysis of TAT, Oppenheimer performed a sum-of-the-parts analysis of TAT based on the sum of (i) the implied equity value of TAT s standalone operations, (ii) the implied equity value of TAT s 70% ownership interest in Bental Industries Ltd., referred to as Bental Industries, and (iii) the implied equity value of TAT s 61.8% ownership in Limco.

Selected Companies Analyses

Limco

Oppenheimer performed a selected companies analysis of Limco in which Oppenheimer reviewed financial and stock market information of Limco and the following five selected publicly held companies with operations in the aerospace maintenance, repair and overhaul industry, which is the industry in which Limco operates:

- AAR CORP.
- HEICO Corporation
- Héroux-Devtek Inc.
- Triumph Group, Inc.
- Vector Aerospace Corporation

Oppenheimer reviewed, among other things, enterprise values of the selected companies, calculated as fully-diluted market value based on closing stock prices on April 1, 2009, plus debt, less cash and cash equivalents and other adjustments, as multiples of calendar years 2009 and 2010 estimated earnings before interest, taxes, depreciation and amortization, referred to as EBITDA and revenue. Oppenheimer also reviewed equity values of the selected companies based on closing stock prices on April 1, 2009 as a multiple of calendar years 2009 and 2010 estimated earnings per share, referred to as EPS. Oppenheimer then applied a range of selected calendar years 2009 and 2010 estimated EBITDA, revenue and EPS multiples derived from the selected companies to corresponding data of Limco (adjusted to exclude certain one-time nonrecurring items). Financial data for Limco were based on internal estimates of Limco s management. Financial data for the selected companies were based on publicly available research analysts estimates, public filings and other publicly available information.

TAT

Oppenheimer performed a selected companies analysis of TAT in which Oppenheimer reviewed financial and stock market information of the following nine selected publicly held companies with operations in the aerospace components and parts industry, which is the industry in which TAT operates:

- Barnes Group Inc.
- Esterline Technologies Corporation
- Goodrich Corporation
- Hampson Industries PLC
- Ladish Co., Inc.
- Meggitt PLC

- Moog Inc.
- North Star Aerospace, Inc.

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- TransDigm Group Incorporated

Oppenheimer reviewed, among other things, enterprise values of the selected companies, calculated as fully-diluted market value based on closing stock prices on April 1, 2009, plus debt, less cash and cash equivalents and other adjustments, as multiples of calendar years 2009 and 2010 estimated EBITDA and revenue. Oppenheimer then applied a range of selected calendar years 2009 and 2010 estimated EBITDA and revenue multiples derived from the selected companies to corresponding data of TAT s standalone operations and Bental Industries. Financial data for TAT s standalone operations and Bental Industries were based on internal estimates of TAT s management. Financial data for the selected companies were based on publicly available research analysts estimates, public filings and other publicly available information. Oppenheimer then calculated an implied per share equity reference range for TAT based on the sum of (i) the implied equity value reference range for TAT s standalone operations indicated by this analysis, (ii) 70% of the implied equity value reference range for Bental Industries indicated by this analysis and (iii) 61.8% of the average implied equity value reference range for Limco indicated by Oppenheimer s financial analyses relating to Limco.

Based on the implied per share equity reference ranges for Limco and TAT calculated as described above, these analyses indicated the following implied exchange ratio reference range, as compared to the exchange ratio provided for in the merger agreement:

Implied Exchange Ratio Reference Range	Exchange Ratio
0.30 0.38	0.5

Discounted Cash Flow Analyses

Limco

Oppenheimer performed a discounted cash flow analysis of Limco to calculate the estimated present value of the unlevered, after-tax free cash flows that Limco was forecasted to generate during fiscal years 2009 through 2013 based on internal estimates of Limco s management. Oppenheimer calculated terminal values for Limco by applying a range of terminal value EBITDA multiples of 4.1x to 5.0x to Limco s fiscal year 2013 estimated EBITDA. The present value of the cash flows and terminal values was then calculated using discount rates ranging from 15.2% to 18.6%.

TAT

Oppenheimer performed a discounted cash flow analysis of TAT by calculating the estimated present value of the unlevered, after-tax free cash flows that TAT s standalone operations and Bental Industries were forecasted to generate during fiscal years 2009 through 2013 based on internal estimates of TAT s management. Oppenheimer calculated terminal values for TAT s standalone operations and Bental Industries by applying a range of terminal value EBITDA multiples of 4.2x to 5.2x to each of TAT s standalone operations and Bental Industries fiscal year 2013 estimated EBITDA. The present values of the cash flows and terminal values were then calculated using discount rates ranging from 12.0% to 14.7%. Oppenheimer then calculated an implied per share equity reference range for TAT based on the sum of (i) the implied equity reference range for TAT s standalone operations indicated by this analysis, (ii) 70% of the implied equity value reference range for Bental Industries indicated by this analysis and (iii) 61.8% of the average implied equity value reference range for Limco indicated by Oppenheimer s financial analyses relating to Limco.

Based on the implied per share equity reference ranges for Limco and TAT calculated as described above, these analyses indicated the following implied exchange ratio reference range, as compared to the exchange ratio provided for in the merger agreement:

Implied Exchange Ratio Reference Range	Exchange Ratio
0.39 0.53	0.5

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Miscellaneous

Limco has agreed to pay Oppenheimer for its financial advisory services to the Special Committee in connection with the merger an aggregate fee of $400,000, a portion of which was payable upon delivery of Oppenheimer s opinion and a portion of which is contingent upon consummation of the merger. Limco also has agreed to reimburse Oppenheimer for its reasonable expenses, including reasonable fees and expenses of its legal counsel, and to indemnify Oppenheimer and related parties against liabilities, including liabilities under the federal securities laws, relating to, or arising out of, its engagement. Oppenheimer and its affiliates in the past have performed and in the future may perform investment banking and other services for Limco unrelated to the merger, for which services Oppenheimer and its affiliates have received and expect to receive compensation, including having acted as lead underwriter for the initial public offering of Limco common stock in 2007. In the ordinary course of business, Oppenheimer and its affiliates may actively trade the securities of Limco and TAT for Oppenheimer s and its affiliates own accounts and for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

The Special Committee selected Oppenheimer to act as its financial advisor in connection with the merger based on Oppenheimer s reputation and experience and its familiarity with Limco and its business. Oppenheimer is an internationally recognized investment banking firm and, as a part of its investment banking business, is regularly engaged in valuations of businesses and securities in connection with acquisitions and mergers, underwritings, secondary distributions of securities, private placements and valuations for other purposes. The issuance of Oppenheimer s opinion was approved by an authorized committee of Oppenheimer.

REGULATORY FILINGS AND APPROVALS NECESSARY TO COMPLETE THE MERGER

Other than the effectiveness of this registration statement, of which this proxy statement/prospectus is a part and compliance with applicable provisions of Delaware and Israeli laws, the approval of the Tel-Aviv Stock Exchange (listing of additional shares) is required.

The application to the Tel-Aviv Stock Exchange for the listing of additional shares will be submitted on or around the closing date.

DIRECTORS AND MANAGEMENT OF THE MERGED COMPANY

The current directors and officers of TAT will be the directors and officers of TAT following the merger until their successors are duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation of TAT and applicable law. The directors and officers of Limco following the merger will be determined prior to the effective time of the merger.

ACCOUNTING TREATMENT

In accordance with US GAAP, this transaction will be subject to the provisions of SFAS No. 160 Noncontrolling Interest in Consolidated Financial Statements , effective for TAT as of January 1, 2009 (SFAS 160). Under SFAS 160, noncontrolling interest in a subsidiary is part of the consolidated equity and transactions with noncontrolling interest holders, which do not involve a change in control of the parent company, are equity transaction (purchase method of accounting does not apply). As a result, the merger transaction shall be accounted for by TAT as an equity transaction within the shareholders equity.

TAT ORDINARY SHARES TRADED ON NASDAQ AND TASE; DELISTING AND DEREGISTRATION OF LIMCO COMMON STOCK

Limco common stock will continue to trade on the NASDAQ Global Market until the completion of the proposed merger. Following the completion of the proposed merger, Limco common stock will no longer be listed on the NASDAQ Global Market and will be deregistered under the Exchange Act. In the merger, holders of Limco common stock will receive ordinary shares of TAT which are publicly traded on the NASDAQ Capital Market under the symbol TATTF and the Tel Aviv Stock Exchange, or TASE, under the symbol TAT Tech . It is

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anticipated that immediately following closing ordinary shares of TAT will commence trading on the NASDAQ Global Market.

CASH IN LIEU OF FRACTIONAL SHARES

No fractions of TAT ordinary shares will be issued as consideration in the merger and holders of Limco common stock who would otherwise be entitled to a fraction of a TAT ordinary share (after aggregating all fractional shares that otherwise would be received by such holder), shall be entitled to receive a cash payment in lieu thereof. The amount of cash received by such stockholder will be equal to an amount of cash (rounded to the nearest whole cent), without interest, equal to the product of (i) such fraction, multiplied by (ii) the average closing price of one TAT ordinary share for the five most recent days that TAT ordinary shares have traded ending on the trading day immediately prior to the effective time of the merger, as reported on the NASDAQ Capital Market.

EFFECTIVE TIME OF THE MERGER AND THE SHARE EXCHANGE

The merger will be completed and become effective when, following the approval and adoption of the merger agreement at the Limco special meeting and the satisfaction or waiver or each of the other closing conditions under the merger agreement, the certificate of merger is duly filed with and accepted by the Secretary of State of the State of Delaware or at such other time as may be mutually determined by TAT and Limco and specified in the certificate of merger. The merger will be completed and the certificate of merger will be filed after all of the conditions to the merger contained in the merger agreement are satisfied or, where permissible, waived.

Upon the effective time of the merger, subject to the conditions discussed below under THE MERGER AGREEMENT - CONDITIONS TO COMPLETION OF THE MERGER, each outstanding share of Limco common stock will be, by virtue of the merger and without any further action on the part of TAT, Merger Sub, Limco or any Limco stockholder, converted into the right to receive five tenths (.5) of an ordinary share of TAT.

No fractions of TAT ordinary shares will be issued to any holders of Limco common stock, and holders thereof who would otherwise be entitled to a fraction of a TAT ordinary share (after aggregating all fractional shares that otherwise would be received by such holder) shall be entitled to receive in lieu thereof a cash payment, as set forth below. The cash payment to be received by such stockholder will be equal to an amount of cash (rounded to the nearest whole cent) without interest, equal to the product of (i) such fraction, multiplied by (ii) the average closing price of one TAT ordinary share for the five most recent days that TAT ordinary shares have traded ending on the trading day immediately prior to the effective time of the merger, as reported on the NASDAQ Capital Market. It is anticipated that immediately following closing, ordinary shares of TAT will commence trading on the NASDAQ Global Market.

The merger agreement provides that prior to the effective time of the merger TAT shall cause to be made available to the exchange agent, the TAT ordinary shares to be exchanged for converted shares of Limco common stock and cash amounts sufficient for payment in lieu of fractional shares.

In addition, promptly after the effective time of the merger, and in no event more than five business days thereafter, TAT will mail to each record holder of a certificate or certificates that represented outstanding shares of Limco common stock immediately prior to the effective time of the merger, a letter of transmittal and instructions for use in exchanging such stock certificates for TAT ordinary shares. You should not send in your Limco stock certificates before receiving this letter of transmittal.

The merger agreement contemplates that, after the exchange agent receives back from a record holder the stock certificates, the letter of transmittal duly completed and validly executed in accordance with the instructions thereto, the exchange agent will promptly mail to the record holder a certificate or certificates representing the appropriate number of ordinary shares of TAT to be issued to such record holder by TAT and payment in lieu of fractional shares which such holders may be eligible to receive.

PLEASE DO NOT SEND YOUR LIMCO COMMON STOCK CERTIFICATES. AFTER THE EFFECTIVE TIME OF THE MERGER, TAT WILL MAIL A LETTER OF TRANSMITTAL TO YOU. YOU SHOULD SEND YOUR LIMCO COMMON STOCK CERTIFICATES ONLY IN COMPLIANCE WITH THE INSTRUCTIONS THAT WILL BE PROVIDED IN THE LETTER OF TRANSMITTAL.

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Options to purchase Limco common stock will not be exchanged in the merger. PLEASE DO NOT SEND YOUR OPTIONS TO THE EXCHANGE AGENT FOR EXCHANGE. Any Limco options unexercised at the effective time of the merger shall thereafter automatically terminate and be of no further force or effect. Unvested Option will not vest as a result of the Merger.

NO DISSENTERS APPRAISAL RIGHTS

Holders of Limco common stock will not have any appraisal rights under the Delaware General Corporation Law, or under Limco s certificate of incorporation in connection with the merger, and neither Limco nor TAT will independently provide holders of Limco common stock with any such rights.

THE MERGER AGREEMENT

THE FOLLOWING SUMMARY DESCRIBES SELECTED MATERIAL PROVISIONS OF THE MERGER AGREEMENT, WHICH IS INCLUDED IN THIS PROXY STATEMENT/PROSPECTUS AS ANNEX 1 AND IS INCORPORATED BY REFERENCE INTO THIS PROXY STATEMENT/PROSPECTUS. THIS SUMMARY MAY NOT CONTAIN ALL OF THE INFORMATION ABOUT THE MERGER AGREEMENT THAT IS IMPORTANT TO YOU. IN THE EVENT OF ANY DISCREPANCY BETWEEN THE TERMS OF THE MERGER AGREEMENT AND THE FOLLOWING SUMMARY, THE MERGER AGREEMENT WILL CONTROL.

YOU ARE ENCOURAGED TO CAREFULLY READ THE MERGER AGREEMENT IN ITS ENTIRETY.

THE MERGER AGREEMENT HAS BEEN INCLUDED TO PROVIDE YOU WITH INFORMATION REGARDING ITS TERMS. IT IS NOT INTENDED TO PROVIDE ANY OTHER FACTUAL INFORMATION ABOUT TAT OR LIMCO. SUCH INFORMATION CAN BE FOUND ELSEWHERE IN THIS DOCUMENT AND, WITH RESPECT TO TAT, IN THE PUBLIC FILINGS THAT TAT MAKES WITH THE SEC, WHICH ARE AVAILABLE WITHOUT CHARGE THROUGH THE SEC S WEBSITE AT HTTP://WWW.SEC.GOV.

THE REPRESENTATIONS AND WARRANTIES DESCRIBED BELOW AND INCLUDED IN THE MERGER AGREEMENT WERE MADE BY EACH OF TAT AND LIMCO TO THE OTHER. THESE REPRESENTATIONS AND WARRANTIES WERE MADE AS OF SPECIFIC DATES AND ARE SUBJECT TO IMPORTANT EXCEPTIONS. IN ADDITION, THE REPRESENTATIONS AND WARRANTIES MAY HAVE BEEN INCLUDED IN THE MERGER AGREEMENT FOR THE PURPOSE OF ALLOCATING RISK BETWEEN TAT AND LIMCO RATHER THAN TO ESTABLISH MATTERS AS FACTS. THE MERGER AGREEMENT IS DESCRIBED IN THIS PROXY STATEMENT/PROSPECTUS AND INCLUDED AS ANNEX 1 HERETO ONLY TO PROVIDE YOU WITH INFORMATION REGARDING ITS TERMS AND CONDITIONS, AND NOT TO PROVIDE ANY OTHER FACTUAL INFORMATION REGARDING TAT, LIMCO OR THEIR RESPECTIVE BUSINESSES. ACCORDINGLY, YOU SHOULD NOT RELY ON THE REPRESENTATIONS AND WARRANTIES IN THE MERGER AGREEMENT AS CHARACTERIZATIONS OF THE ACTUAL STATE OF FACTS ABOUT TAT OR LIMCO.

THE MERGER

Following the satisfaction or waiver of all of the conditions to completion of the merger contained in the merger agreement, including the adoption of the merger agreement by the stockholders of Limco, Merger Sub will merge with and into Limco, with Limco continuing as the surviving corporation and as a wholly-owned subsidiary of TAT under the name of Limco-Piedmont Inc.

EFFECTIVE TIME OF THE MERGER

The merger will become effective when the certificate of merger is duly filed with the Secretary of State of the State of Delaware or such other time as mutually determined by TAT and Limco and specified in the certificate of merger. The parties are working to complete the merger as quickly as possible. The merger is expected to be completed promptly after the special meeting of Limco stockholders described in this proxy statement/prospectus. However, the merger is subject to the satisfaction or waiver of various conditions as set forth in the merger

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agreement. No assurances can be given that such conditions will be satisfied or waived or that the parties will obtain any necessary approvals in a timely manner, if at all.

MERGER CONSIDERATION

If the merger is completed, each share of Limco common stock not held by TAT, Merger Sub or Limco outstanding as of immediately prior to the effective time of the merger will automatically be converted into and represent the right to receive five tenths (.5) of an ordinary share of TAT. Cash will be paid in lieu of fractional shares. Any outstanding shares of Limco held by TAT, Merger Sub or Limco will be canceled and cease to exist and no consideration will be delivered in exchange for such shares.

After the merger is completed, you will have the right to receive the merger consideration, but you will no longer have any rights as a Limco stockholder. You will receive written instructions from the exchange agent appointed by TAT for sending in your stock certificates and receiving the ordinary shares of TAT and cash (in lieu of fractional shares) to which you will be entitled.

Former Limco stockholders are currently expected to own approximately 27.8% of TAT immediately after the merger, based on the 6,552,671 TAT ordinary shares and 13,205,000 shares of Limco common stock outstanding as of April 30, 2009.

TREATMENT OF LIMCO OPTIONS

Under the merger agreement, each option to purchase Limco common stock that is outstanding immediately prior to the effective time of the merger will terminate in full. Unvested options will not vest as a result of the Merger.

PAYMENT PROCEDURES

American Stock Transfer & Trust Company or another bank or trust company designated by TAT and reasonably satisfactory to Limco shall serve as exchange agent. Upon your proper surrender of your certificate(s) representing Limco common stock to the exchange agent, the exchange agent will deliver to you the merger consideration. As of the effective time of the merger, TAT will have made available to the exchange agent a number of TAT ordinary shares and cash sufficient to deliver the merger consideration to each Limco stockholder. Promptly after the effective time of the merger, the exchange agent will mail a letter of transmittal and instructions to each stockholder for use in surrendering your stock certificate(s). When you properly surrender your stock certificate(s) to the exchange agent for cancellation, together with a properly completed and duly signed letter of transmittal and any other documents that the exchange agent may require, you will be entitled to receive the merger consideration. From and after the effective time of the merger, until certificate(s) representing common stock of Limco have been properly surrendered, each such certificate will be deemed to represent only the right to receive ordinary shares of TAT, plus cash in lieu of fractional shares.

The exchange agent will only deliver the merger consideration in a name other than the name in which a surrendered certificate representing Limco stock is registered if (i) such certificate(s) are properly endorsed and otherwise in proper form for transfer and (ii) such other person who requests such exchange (A) pays to TAT or any agent designated by TAT any transfer or other taxes required by reason of the issuance of the TAT ordinary shares to such other person or (B) has established to the reasonable satisfaction of TAT that such tax has been paid or is not payable.

If a certificate representing Limco stock is lost, stolen or destroyed, TAT may require, as a condition to the receipt of the merger consideration, that the holder of such certificate deliver an affidavit of such fact in form satisfactory to the exchange agent with respect to the lost, stolen or destroyed certificate.

REPRESENTATIONS AND WARRANTIES

The merger agreement contains representations and warranties made by Limco relating to, among other things: organization, good standing organizational documents; capital structure of Limco; SEC filings, financial statements, absence of liabilities; absence of certain changes; intellectual property rights; title to assets and property;

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material contracts; compliance with legal requirements; legal proceedings and orders; governmental authorizations; tax matters; employee benefit plans; labor matters; environmental matters; insurance; authority of Limco related to the merger agreement; required stockholder vote; conflicts, required filings and consents; and payment of fees to brokers.

The merger agreement contains representations and warranties by TAT and Merger Sub relating to, among other things: organization and good standing; organizational documents; capital structure of TAT; SEC filings, financial statements; absence of liabilities; absence of certain changes; intellectual property rights; title to assets and properties; material contracts; compliance with legal requirements; legal proceedings and orders; governmental authorizations; tax matters, employee benefit plans, labor matters, environmental matters, insurance; authority of TAT related to the merger agreement; conflicts, required filings and consents; payment of fees to brokers; and operation of merger sub.

Many of the representations of Limco, TAT and Merger Sub are qualified by materiality, knowledge or a material adverse effect standard.

The representations and warranties in the merger agreement are complicated and not easily summarized. You are urged to read carefully the sections of the merger agreement entitled Representations and Warranties of the Company and Representations and Warranties of Parent and Merger Sub.

CONDUCT PRIOR TO COMPLETION OF THE TRANSACTION

Limco And TAT

During the period between April 3, 2009 and the effective time of the merger (or, if earlier, until the termination date) (the Pre-Closing Period), each of Limco and TAT will, and will ensure that each of their subsidiaries will conduct its business in all material respects only in the ordinary course and shall use commercially reasonable efforts, consistent with past practice to:

- preserve its business organization intact and maintain its existing relations and goodwill with customers, suppliers, distributors, creditors, lessors, officers, employees, business associates and consultants;

- maintain and keep its material properties and assets in good repair and condition;

- maintain in effect all material governmental permits pursuant to which it currently operates; and

- maintain and enforce all material intellectual property rights.

Limco

Except as specifically permitted by the merger agreement, during the Pre-Closing Period, without TAT s prior written consent, Limco will not, and will not permit of its subsidiaries to:

- amend its organizational documents except for such amendments that would not prevent or materially impair the consummation of the transactions contemplated by the merger agreement;
- split, combine or reclassify its outstanding shares of capital stock without adjusting the merger consideration;
- declare, set aside or pay any dividend payable in cash, stock or property in respect of any capital stock; or
- adopt a plan of complete or partial liquidation or dissolution.

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TAT

Except as specifically permitted by the merger agreement, during the Pre-Closing Period, without Limco s prior written consent, TAT will not, and will not permit any of its subsidiaries to:

- amend its organizational documents except for such amendments that would not prevent or materially impair the consummation of the transactions contemplated by the merger agreement;
- split, combine or reclassify its outstanding shares of capital stock without adjusting the merger consideration;
- declare, set aside or pay any dividend payable in cash, stock or property in respect of any capital stock; or
- adopt a plan of complete or partial liquidation or dissolution.

REGISTRATION STATEMENT; PROXY STATEMENT/PROSPECTUS AND LIMCO STOCKHOLDERS MEETING

Limco and TAT agreed to prepare this proxy statement/prospectus and TAT agreed to file with the SEC the registration statement in which this proxy statement/prospectus is included as a prospectus. Each of Limco and TAT also agreed to: (i) cause the registration statement and the proxy statement/prospectus to comply in all material respects with the rules and regulations promulgated by the SEC, NASDAQ Capital Market and the NASDAQ Global Market; and (ii) take all steps necessary to promptly cause the proxy statement/prospectus and registration statement, as applicable, to be filed with the SEC and disseminated to Limco stockholders. Additionally, Limco has agreed that this proxy statement/prospectus would include the recommendations of the special committee and Limco s Board of Directors to Limco s stockholders to adopt the merger agreement.

Additionally, Limco agreed to take all action necessary to call, hold and convene a Limco stockholders meeting to vote to adopt the merger agreement.

BOARD RECOMMENDATION

Limco agreed that its Special Committee and its Board of Directors will recommend to the stockholders of Limco to vote in favor of adoption and approval of the merger agreement at the Limco stockholders meeting.

REGULATORY MATTERS

Each party will (and will cause its affiliates to) use its reasonable best efforts to take, or cause to be taken, all actions, to file, or cause to be filed, all documents and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by the merger agreement, including obtaining all necessary consents, waivers, approvals, authorizations, permits or orders from all governmental entities or other persons, including responding to additional inquiries or requests for additional information from any governmental entity.

PUBLICITY

TAT and Limco have agreed to consult with each other and obtain the approval of the other before issuing any press release or otherwise making any public statement (except as otherwise specifically provided in the merger agreement).

DIRECTORS AND OFFICERS INSURANCE; INDEMNIFICATION

Pursuant to the merger agreement, following the effective time of the merger and through the sixth anniversary of the effective time, TAT has agreed to, and to cause Limco (as the surviving corporation) to, maintain at least the current level and scope of directors and officers liability insurance policy currently in effect. All rights to indemnification by Limco (or any successor) and exculpation existing in favor of their directors and officers for

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their acts and omissions occurring at or prior to the effective time of the merger pursuant to Limco s organizational documents will survive.

SURVIVAL OF REPRESENTATIONS AND WARRANTIES

None of the representations and warranties of either party contained in the merger agreement, or contained in any certificate delivered pursuant to the merger agreement or in connection with any of the transactions contemplated by the merger agreement survive the effective time of the merger.

CONDITIONS TO COMPLETION OF THE MERGER

Limco s and TAT s obligations to effect the merger are subject to the satisfaction (or waiver in certain cases) of the following conditions:

- adoption of the merger agreement by the stockholders of Limco;

- the registration statement in which this proxy statement/prospectus is included as a prospectus shall have become effective;

- No governmental entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any law or order that is in effect and permanently enjoins or otherwise prohibits the consummation of the merger or the transactions contemplated under the merger agreement.

In addition, TAT s obligation to effect the merger is subject to the satisfaction (or waiver in certain cases) of the following conditions:

- The representations and warranties of Limco contained in the merger agreement shall be true and correct in all material respects (provided that the representations and warranties modified by materiality shall be true and correct in all respects), both as of the date of the merger agreement and as of the closing date with the same effect as though such representations and warranties had been made on and as of the closing date, except that those representations and warranties which by their express terms are made as of a specific date shall be required to be true and correct only as of such date.

- Limco shall have performed or complied in all material respects with all material agreements and covenants required by the merger agreement to be performed or complied with by it on or prior to the effective time. TAT shall have received a certificate of an executive officer of Limco to the foregoing effect.

- No material adverse effect with respect to Limco shall have occurred since the date of the merger agreement. TAT shall have received a certificate, dated the date of the closing and signed by an executive officer of Limco, to the foregoing effect.

Limco s obligation to effect the merger is subject to the satisfaction (or waiver in certain cases) of the following conditions:

- The representations and warranties of TAT and merger sub contained in the merger agreement shall be true and correct in all material respects (provided that the representations and warranties modified by materiality shall be true and correct in all respects), both as of the date of the merger agreement and as of the closing date with the same effect as though such representations and warranties had been made on and as of the closing date, except that those representations and warranties which by their express terms are made as of a specific date shall be required to be true and correct only as of such date.

- TAT shall have performed or complied in all material respects with all material agreements and covenants required by the merger agreement to be performed or complied with by it on or prior to the

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effective time. Limco shall have received a certificate of an executive officer of TAT to the foregoing effect.

- No material adverse effect with respect to TAT shall have occurred since the date of the merger agreement. Limco shall have received a certificate, dated the date of the closing and signed by an executive officer of TAT to the foregoing effect.

TERMINATION OF THE MERGER AGREEMENT

The merger agreement may be terminated (notwithstanding any approval by Limco s stockholders):

- by mutual written consent of TAT and Limco at any time prior to the effective time of the merger; or

- by either TAT or Limco if:

  - the effective time shall not have occurred prior to September 30, 2009 (such date shall be referred To herein as the outside date); provided, however, that such right to terminate the merger agreement shall not be available to any party that has breached in any material respect its obligations under the merger agreement in any manner that shall have proximately caused the effective time not to occur on or before the outside date;

  - the approval of Limco s stockholders shall not have been obtained at the stockholders meeting duly convened therefor (or at any adjournment or postponement thereof) at which a quorum is present and the vote to adopt the merger agreement and approve the merger is taken; or

  - a court or governmental entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, law, ordinance, rule, regulation, judgment, decree, injunction or other order that is in effect and permanently enjoins or otherwise prohibits the consummation of the merger and the transactions contemplated by the merger agreement, which statute, law, ordinance, rule, regulation, judgment, decree, injunction or order is final and nonappealable.

- by TAT if: (i) there has been a breach by Limco of any representation, warranty, covenant or agreement contained in the merger agreement which (A) would result in a failure of a TAT closing condition and (B) has not been or cannot be cured within 30 days after written notice to Limco of such breach and the intention to terminate the merger agreement or (ii) if facts exist which render impossible one or more of the TAT closing conditions by the outside date; in each case, provided that TAT is not in material breach of its obligations or its representations and warranties under the merger agreement; or

- by Limco if (i) there has been a breach by TAT of any representation, warranty, covenant or agreement contained in the merger agreement which (A) would result in a failure of a Limco closing condition and (B) has not been or cannot be cured within 30 days after written notice to TAT of such breach and the intention to terminate the merger agreement or (ii) if facts exist which render impossible one or more of the Limco closing conditions by the outside date; in each case, provided that Limco is not in material breach of its obligations or its representations and warranties under the merger agreement;

EXPENSES

Each party to the merger agreement will bear its own expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement.

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AMENDMENT

The merger agreement may be amended at any time prior to the effective time of the merger by an instrument in writing signed by the parties thereto, provided that after the approval of the merger by the stockholders of Limco, no amendment to the merger agreement shall be made which by law or the rules of the NASDAQ Global Market requires further approval by the stockholders of Limco without such further approval by such stockholders.

DESCRIPTION OF TAT SHARE CAPITAL

A SUMMARY OF THE MATERIAL PROVISIONS GOVERNING TAT S SHARE CAPITAL IMMEDIATELY FOLLOWING THE COMPLETION OF THE MERGER IS EXPLAINED BELOW. THIS SUMMARY IS NOT COMPLETE AND SHOULD BE READ WITH TAT S ARTICLES OF ASSOCIATION, A COPY OF WHICH HAS BEEN FILED AS AN EXHIBIT TO THIS REGISTRATION STATEMENT ON FORM F-4.

GENERAL

This section summarizes the material rights of TAT shareholders under Israeli law, and the material provisions of TAT s articles of incorporation, as amended (referred to as TAT s articles of incorporation). This description of TAT s share capital is only a summary and does not describe the articles of association in their entirety.

DESCRIPTION OF ORDINARY SHARES

TAT s articles of incorporation authorize up to 10 million ordinary shares, par value NIS 0.90 per share. Under TAT s articles of association, the ordinary shares do not have preemptive rights. TAT may from time to time, by approval of a majority of its shareholders, increase its authorized share capital. All ordinary shares are registered shares, rather than bearer shares.

The ownership or voting rights of TAT s ordinary shares by non-residents of Israel is not restricted in any way by TAT s articles of association, as amended. The State of Israel does not restrict in any way the ownership or voting rights of ordinary shares of Israeli entities by non-residents of Israel, except with respect to subjects of countries that are in a state of war with Israel. TAT s ordinary shares do not have cumulative voting rights for the election of directors. The affirmative vote of the shareholders present in person or by proxy that represent the majority of voting power present in person or by proxy have the power to elect all nominees up for election to TAT s Board of Directors.

In the event of TAT s liquidation, after satisfaction of liabilities to creditors, TAT s assets will be distributed to the holders of TAT s ordinary shares in proportion to the nominal value of their respective holdings. This liquidation right may be affected by the grant of a preferential dividend or distribution right to the holder of a class of shares with preferential rights that may be authorized in the future. Dividends may be paid only out of profits, as defined in the Israeli Companies Law. TAT s Board of Directors is authorized to declare dividends.

Holders of ordinary shares have one vote for each ordinary share held on all matters submitted to a vote of shareholders. Subject to the provisions set forth in Section 46B of the Israeli Securities Law, these voting rights may be affected by the grant of any special voting rights to the holders of a class of shares with preferential rights that may be authorized in the future. TAT s major shareholders do not have different voting rights from each other or other shareholders.

Resolutions of shareholders (e.g. resolutions amending TAT s articles of association, electing or removing directors, appointing an independent registered public accounting firm, authorizing changes in capitalization or the rights attached to TAT s shares or approving a wind-up or merger) require the affirmative vote (at a meeting convened upon advance notice of no less than either twenty one days or thirty five days depending if the resolutions include one or more of the issues detailed in Section 87 of The Israeli Companies Law) of shareholders present in person or by proxy and holding shares conferring, in the aggregate, at least a majority of the votes actually cast on such resolutions.

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The quorum required for a meeting of shareholders is at least two shareholders present, in person or by proxy, within half an hour of the time fixed for the meeting s commencement that together hold shares conferring in the aggregate more than 1/3 of the total voting power of TAT s shares. A meeting adjourned for lack of a quorum is adjourned to the same day in the following week at the same time and place, or any time and hour as the Directors shall designate and state in a notice to the shareholders. At the reconvened meeting, in the event a quorum is not present within half an hour of the time fixed for the meeting s commencement, two shareholders present in person or by proxy shall constitute a quorum.

TAT s registration number at the Israeli Registrar of Companies is 52-003579-1.

Modification or abrogation of the rights of any existing class of shares requires either the written consent of all of the holders of the issued shares of such class or the adoption of a resolution by an ordinary majority of a general meeting of holders of such class. The quorum required for a class meeting is at least two shareholders present, in person or by proxy, within half an hour of the time fixed for the meetings commencement that together hold shares conferring in the aggregate at least 1/3 of the total voting power of the issued shares of such class. If no quorum is present, the meeting shall be adjourned to the same day in the following week at the same time and place, or any time and hour as the Directors shall designate and state in a notice to the shareholders. At the reconvened meeting, in the event a quorum is not present within half an hour of the time fixed for the meeting s commencement, two shareholders of such class present in person or by proxy shall constitute a quorum.

As of April 30, 2009 6,552,671 ordinary shares of TAT were outstanding.

The transfer agent and registrar for TAT s ordinary shares is American Stock Transfer and Trust Company, LLC, 6201 15th Avenue, Brooklyn, New York 11219.

OTHER SECURITIES

In addition to ordinary shares, TAT has outstanding options to acquire 65,477 ordinary shares of TAT.

COMPARATIVE RIGHTS OF TAT AND LIMCO SHAREHOLDERS

GENERAL

TAT is incorporated under the laws of the State of Israel. Limco is incorporated under the laws of the State of Delaware. If the merger is completed, Limco stockholders will exchange their respective shares of Limco common stock for TAT ordinary shares in accordance with the merger agreement. The following is a summary comparison of material differences between the rights of a Limco common stockholder and a TAT ordinary shareholder arising from the differences between the laws of the State of Delaware and of the State of Israel and the governing instruments of the respective companies.

The following summary does not purport to be a complete statement of the rights of holders of TAT ordinary shares under the applicable provisions of the Israeli Companies Law, 1999, referred to herein as the Israeli Companies Law, and the TAT articles of association dated April 7, 1985, as amended, or the rights of Limco stockholders under the applicable provisions of the Delaware General Corporation Law, referred to herein as the DGCL, and the Limco certificate of incorporation and bylaws, each as amended, or a complete description of the specific provisions referred to herein. This summary contains a list of the material differences but is not intended to be an exhaustive list or a detailed description of the provisions discussed. You should refer to the Israeli Companies Law and the DGCL, as well as TAT s articles of association and Limco s certificate of incorporation and bylaws for a better understanding of the comparative rights of TAT shareholders and Limco stockholders. Limco s certificate of incorporation and bylaws have been filed separately as exhibits 4.1 AND 4.2 to Limco s Registration Statement on Form S-1 filed with the SEC on April 16, 2007. TAT s articles of association has been filed as exhibit 3.1 to the Registration Statement on Form F-4, File No. 333-[*] of which this proxy statement/prospectus forms a part. See WHERE YOU CAN FIND MORE INFORMATION.

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SUMMARY OF MATERIAL DIFFERENCES BETWEEN THE RIGHTS OF LIMCO STOCKHOLDERS AND THE RIGHTS OF TAT SHAREHOLDERS

	LIMCO STOCKHOLDERS RIGHTS	TAT SHAREHOLDER RIGHTS
NUMBER OF DIRECTORS	Under the DGCL, Limco s Board of Directors must consist of at least one member with the number fixed by the certificate of incorporation or bylaws of the corporation.	Pursuant to TAT s articles of incorporation, the number of directors on TAT s Board of Directors shall not be less than two nor more than eleven, including the external and independent directors. Under the Israeli Companies Law, a public company
	Limco s Board of Directors currently consists of six	must have at least two external directors.
	directors. The number of directors may be fixed by resolutions adopted by a majority of the authorized number of directors constituting Limco s Board of Directors.	
ELECTION OF DIRECTORS	Directors may be elected at an annual meeting of stockholders at which a quorum is present, by a plurality vote of the shares present at the meeting.	Directors are elected at an annual meeting of shareholders at which a quorum, constituted in the presence, in person or by proxy, of two or more shareholders holding at least a third (1/3) of the voting rights, within half an hour of the time fixed for the meeting s commencement, is present by a majority of the participating votes cast by holders of shares present or represented by proxy. Under Israeli Companies Law, the external directors are elected by a qualified majority at a general meeting of shareholders such that in counting the votes of the majority at the general meeting at least one-third of all the votes of shareholders who are not holders of control in TAT or representatives of such persons, present at the time of voting are included; whereby in counting the total votes of such shareholders abstentions shall not be taken into account. Alternatively, the Israeli Companies Law provides that such appointment shall be valid if the total number of votes by non-controlling shareholders opposing such appointment is no greater than 1% of the total voting rights in TAT.
TERM AND CLASSES OF DIRECTORS	Limco directors are not classified. At each annual meeting of Limco stockholders, directors shall be elected for a full term of one year.	TAT s directors are elected to the Board of Directors and hold office until the succeeding annual general meeting of shareholders, except for external directors who according to the Israeli Companies Law, are elected for a term of three years, which can be renewed for subsequent 3-year terms, subject to certain conditions.

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
REMOVAL OF DIRECTORS		Limco stockholders may remove a director either with or without cause by the affirmative vote of the holders of not less than a majority of the outstanding shares of common stock at a special meeting of the stockholders duly called for such purpose. At any meeting of the Board of Directors, any director may be removed for cause by a vote of the majority of the directors.		Directors (other than the external directors) may be removed by a resolution passed by an ordinary majority in an extraordinary general meeting if the director is given a reasonable opportunity to state his case. Otherwise, a director shall also be removed from his office upon the occurrence of any of the following events: (a) The director dies or is declared legally incapacitated by a competent court; (b) If the director is a company, upon its winding-up; (c) A court of competent jurisdiction orders the termination of the director s office due to either: (i) the court s determination that the director is permanently unable to fulfill his function; or (ii) such director s conviction outside Israel of the offenses of bribery, deceit, offenses by managers of a corporate body or offenses involving misuse of inside information; (d) The director is declared bankrupt or enters into an arrangement with creditors; (e) If the director resigns his office after giving notice of such; or (f) Where a director has been convicted by a final judgment of certain offenses in the Israeli Penal Law, 5737-1977, Israeli Securities Law, 5728-1968, or other offenses deemed sufficiently grace by a competent court, whereby such director shall so inform TAT and his office shall terminate on the date of giving of such notice, and shall not be reappointed as a director unless five years have passed.

				In accordance with the relevant provisions of the Israeli Companies Law, upon either the ruling of a competent court or resolutions of both TAT s Board of Directors and the extraordinary general meeting of TAT s shareholders (the shareholders resolution must achieve the same percentage as is required for the election of an external director), the termination of the office of an external director may be ordered if the Board of

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
				Directors decides that such director has ceased to fulfill one of the conditions required under the Israeli Companies Law for his appointment or that such director has committed a breach of a fiduciary duty to TAT.
VACANCIES ON THE BOARD OF DIRECTORS		If any vacancies occur in Limco s Board of Directors, by reason of death, resignation, disqualification, removal, other causes or if the authorized number of directors is increased, and unless Limco s Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by the stockholders, the directors then in office may fill any such vacancy by a majority of the directors then in office, even though less than a quorum of Limco s Board of Directors. Any director elected in accordance with the above shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director s successor shall have been elected and qualified.		In the event of one or more vacancies on the board of Directors, the continuing Directors may continue to act as long as the Board of Directors consists of at least a majority of the total number of Directors elected and not less than two. However, in the event that the remaining Directors are not a majority of the total number of Directors, or less than two, the remaining director may call for the convening of a General Meeting for the purpose of the election of Directors. The Directors may at any time and from time to time appoint any other person as a Director, whether to fill a casual vacancy or to add to their number. Any director so appointed shall hold office until the first General meeting convened after such appointment and may be re-elected.
BOARD OF DIRECTORS QUORUM AND VOTE REQUIREMENTS		A quorum of Limco s Board of Directors shall consist of a majority of the exact number of directors fixed from time to time by Limco s Board of Directors in accordance with Limco s certificate of incorporation; however, at any meeting whether a quorum be present or otherwise, a majority of the directors present may adjourn the meeting from time to time until the time fixed for the next regular meeting of the Limco Board of Directors, without notice other than by announcement at the meeting. Except as otherwise required by law, the act of a majority of the directors present at any meeting at which a quorum is present is sufficient for the act of the Board of Directors.		The quorum for commencing a TAT Board of Directors meeting shall be a majority of the members of the Board of Directors holding office on the date of the meeting who are lawfully entitled to participate in the meeting (as conclusively determined by the chairman of the Board of Directors), including alternate directors, if there is a meeting at which an appointing director is not present. Each director shall have one vote. Resolutions of the Board of Directors shall be passed by a majority of votes of the directors present at the meeting and voting thereat, without taking into account the votes of abstainees. The Board of Directors chairman shall have an additional or casting vote, in case of a tie.
ACTION OF THE BOARD OF DIRECTORS WITHOUT A MEETING		Any action required or permitted to be taken at any meeting of Limco s Board of Directors or of any committee thereof may be taken without a meeting, if all members of Limco s Board of Directors or such committee, as the case may be,		TAT s Board of Directors may pass resolutions without convening, provided that all the directors entitled to participate in the discussion and vote on a matter brought for a resolution agree thereto by giving their

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
		consent thereto in writing and such writing or writings are filed with the minutes of proceedings of Limco s Board of Directors or such committee.		written consent.
STOCKHOLDER MEETING		The annual meeting of Limco s stockholders shall be held at such date and time as may be designated from time to time by the Board of Directors. Under the DGCL, special meetings of stockholders may be called by the Board of Directors and by such other person or persons authorized to do so by the corporation s certificate of incorporation or bylaws. Under Limco s bylaws, a special meeting of stockholders may be called by (a) the chairman of the Board of Directors, (b) the chief executive officer, (c) Limco s Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Limco Board of Directors for adoption) or (d) any other officer if the holders of at least 25% of all votes eligible to be cast on an issue deliver to such officer a demand that a special meeting be called. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, notice is given when deposited in the United States mail. Notice of the meeting of stockholders may be waived in writing, either before or after such meeting, and will be waived by any stockholder by his attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting.		The annual general meeting of TAT s shareholders is to be held once in every calendar year at such date and time as may be designated by the Board of Directors, but no later than fifteen months after the last annual general meeting. Not less than either twenty one days or thirty five days (depending if the resolutions include one or more of the issues detailed in Section 87 of The Israeli Companies Law) prior notice shall be given of every shareholder meeting. The accidental omission to give notice of a meeting to any shareholder, or the non receipt of notice sent to such shareholder, shall not invalidate the proceedings at such meeting. Under the Israeli Companies Law and TAT s articles of association, TAT s Board of Directors shall convene a special meeting pursuant to its resolution and on the requisition of any of the following: (i) two directors or 1/4 of the members of the Board of Directors; or (ii) one or more shareholders holding at least 5% of the TAT s issued share capital and 1% of TAT s voting rights; or (iii) one or more shareholders holding at least 5% of the voting rights in the company.
QUORUM REQUIREMENTS		The presence in person or by proxy of the holders of a majority of the shares then outstanding and entitled to vote at a meeting of Limco stockholders constitutes a quorum for the transaction		Under TAT s articles of association, A quorum with respect to a general meeting of TAT s shareholders shall be constituted in the presence, in person or by proxy, of two or more shareholders holding at least a third (1/3) of the voting rights, within half an

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
		of business.		hour of the time fixed for the meeting s commencement. If a quorum is not present at the general meeting within half an hour of the time fixed for the meeting s commencement, the meeting shall be adjourned for one week, to the same day, time and place, without it being necessary to notify the shareholders thereof, or any time or hour as the Directors shall designate and state in a notice to the shareholders, and if a quorum is not present, as aforesaid, at the adjourned meeting within half an hour of the time fixed for the commencement thereof, two shareholders present in person or by proxy shall constitute a quorum.
ACTION OF STOCKHOLDERS BY WRITTEN CONSENT		Any action required to be taken at any annual or special meeting of Limco s stockholders, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing or by electronic transmission setting forth the action so taken shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, and shall be delivered to Limco by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of Limco having custody of the book in which proceedings of meetings of stockholders are recorded.		Israeli law does not provide for public companies to have shareholder resolutions adopted by means of a written consent in lieu of a shareholder meeting.
AMENDMENT OF ARTICLES OF ASSOCIATION; BYLAWS		Under the DGCL, Limco s charter may be amended by resolution of the Board of Directors and the affirmative vote of the holders of a majority of the outstanding shares of voting stock then entitled to vote. Both Limco s stockholders and its Board of Directors have the power to adopt, amend or repeal any bylaw. Any adoption, amendment or repeal of Limco s bylaws by Limco stockholders shall require the affirmative vote of the holders of at least a majority of the then outstanding shares of common stock if the Board of Directors recommends the approval of such amendment or, if the Board of Directors does not recommend		TAT s articles of association may be amended by the affirmative vote of an ordinary majority of the voting rights in TAT represented at a shareholders general meeting. TAT may, in a resolution passed at the general meeting by an ordinary majority, modify the rights attached to a particular class of shares, provided that the written agreement of all the holders of the shares of such class is received or that the resolution is approved in a general meeting of the holders of the shares of such class by an ordinary majority or, where the issue terms of a particular class of TAT s shares

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
		such approval, by the affirmative vote of the holders of at least 75% of the then outstanding shares of common stock. Any adoption, amendment or repeal of Limco s bylaws by Limco s Board of Directors shall require the approval of a majority of the authorized number of directors.		otherwise provide, as provided in such issue terms. All provisions in TAT s articles of association regarding general meetings apply mutatis mutandis to any class meeting.
EXCULPATION OF DIRECTORS		Pursuant to Limco s certificate of incorporation and in accordance with the DGCL, Limco directors do not have personal liability to Limco and its stockholders for monetary damages for a breach of fiduciary duty as a director, except in the following scenarios: (a) any breach of the director s duty of loyalty to the corporation or its stockholders; (b) acts or omissions in bad faith or which involve intentional misconduct or a knowing violation of law; (c) intentional or negligent payments of unlawful dividends or unlawful stock purchases or redemption; or (d) any transaction in which the director derives an improper personal benefit.		The Israeli Companies Law provides that a company cannot exculpate an officeholder (which is defined under the Israeli Companies Law to include a director, general manager, managing director, chief executive officer, executive vice president, vice president, other managers directly subordinate to the general manager and any other person fulfilling or assuming any of the foregoing positions or responsibilities without regard to such person s title) from liability with respect to a breach of his or her duty of loyalty. However, the Israeli Companies Law allows companies to exculpate in advance an officeholder from his or her liability to the company, in whole or in part, with respect to a breach of his or her duty of care, except for a breach by a director of his or her duty of care with respect to dividends or other distributions to shareholders. TAT s articles of association provide that TAT may in advance exempt officeholders of from all or any of his liability for damage in consequence of a breach of the duty of care vis-à-vis TAT.

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES		Limco is permitted to indemnify any person who was or is a party or is threatened to be made a party to: (a) any action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of Limco, against expenses, including attorneys fees, judgments, fines and reasonable settlement amounts if such person acted in good faith and reasonably believed that his or her actions were in or not opposed to the best interests of Limco and, with respect to any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful; (b) any derivative action or suit on behalf of Limco against expenses, including attorneys fees, actually and reasonably incurred in connection with the defense or settlement of such action or suit, if such person acted in good faith and reasonably believed that his or her actions were in or not opposed to the best interest of Limco. In the event that a person is adjudged to be liable to Limco in a derivative suit, the DGCL prohibits indemnification unless either the Delaware Court of Chancery or the court in which such derivative suit was brought determines that such person is entitled to indemnification for those expenses which such court deems proper. To the extent that a present or former director or officer of Limco has been successful on the merits or otherwise in the defense of a third party or derivative action, such person shall be indemnified against expenses actually and reasonably incurred by such person.		TAT s articles of association provide TAT with the power to undertake to indemnify its officeholders to the fullest extent allowed by the Israeli Companies Law, whether in advance or retroactively, for an obligation or expense incurred by such officeholders, as detailed below, in consequences of an act or omission to act in his capacity as an officer of TAT. Such applicable obligations or expenses for which an officer may be indemnified by TAT are as follows: (i) A monetary liability imposed on an officer in favour of another person by a judgment, including a compromise judgment or an arbitration decision that was approved by a Court; (ii) Reasonable legal expenses, including attorney fees, which the officer incurred or with which he was charged by the Court, in a proceeding brought against him by the company, in its name or by another person, or in a criminal prosecution in which he was found innocent, or in a criminal prosecution in which he was convicted of an offense that does not require proof of criminal intent; (iii) Any other liability or expense which the Company may indemnify its officers under the Israeli Companies Law; Such undertaking to indemnify an officeholder in advance for the obligations or expenses identified in (i)-(iii) above are conditioned on the fact that such obligations or expenses regard events which, in the opinion of TAT s Board of Directors, are foreseeable in view of TAT s activity at the time of such undertaking, and to maximum amounts which the Board of Directors has determined to be reasonable in the circumstances of the case. TAT may also, beforehand or retroactively, undertake to indemnify an officer of TAT who holds or held office on TAT s behalf at its request as a director in another company in which TAT holds shares, directly

				or indirectly, for an obligation or expense as specified above (regarding indemnification

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		LIMCO STOCKHOLDERS RIGHTS		TAT SHAREHOLDER RIGHTS
				of TAT officers), for an act done in his capacity as a director in the other company.
INSURANCE OF DIRECTORS, OFFICERS AND EMPLOYEES		According to the Limco bylaws, to the fullest extent permitted by the DGCL or any other applicable law and upon approval by the Limco Board of Directors, Limco may purchase insurance on behalf of its directors, officers, employees and other agents. Limco shall promptly notify its directors and officers of any change, lapse or cancellation of such insurance coverage.		Under the Israeli Companies Law, a company may purchase insurance to cover the liability of any officeholder, if the articles of association permit such insurance as a result of any of the following acts or omissions performed by the officer in his or her capacity as an officer of the company: (a) breach of a duty of care vis-à-vis the company or vis-à-vis another person; (b) breach of a duty or loyalty vis-à-vis the company, provided that the officer acted in good faith and had reasonable grounds to believe that the action in question would not adversely affect the company; or (c) financial liability which shall be imposed upon said officer in favor of another person as a result of any action which was performed by said officeholder. TAT s articles of association provide that it may insure its officers as aforesaid, as well as in any other circumstances with respect to which the company is permitted to insure the officer.

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	LIMCO STOCKHOLDERS RIGHTS	TAT SHAREHOLDER RIGHTS
GENERAL PROVISIONS WITH RESPECT TO INSURANCE, INDEMNITY AND EXCULPATION	If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a Limco director shall be further eliminated or limited to the maximum extent allowable under the amended DGCL.	Pursuant to the Israeli Companies Law, indemnification of, exculpation of and procurement of insurance coverage for, officeholders in a public company must be approved by the audit committee, the Board of Directors and, if the officeholder is a director, by the company s shareholders. The Israeli Companies Law provides that a company may not exculpate or indemnify an officeholder, nor enter into an insurance contract which would provide coverage for any monetary liability incurred as a result of any of the following: (a) a breach by the officeholder of his or her duty of loyalty unless, with respect to insurance and indemnification, the officeholder acted in good faith and had a reasonable basis to believe that the act would not cause the company harm; (b) a breach by the officeholder of his or her duty of care if such breach was done intentionally or in disregard of the circumstances of the breach or its consequences, except if such breach is done only with negligence; (c) any act or omission done with the intent to derive an illegal personal gain; or (d) a fine or monetary settlement imposed upon the officeholder.
CONFLICT OF INTEREST FIDUCIARY DUTY	The DGCL provides that no contract or transaction between a corporation and one or more of its directors or officers, or between a corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers, are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee of the Board of Directors which authorizes the contract or transaction, or solely because any such director s or officer s votes are counted for such purpose, if: (a) the material facts as to the director s or officer s relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or a committee of the Board of Directors, and the Board of Directors or committee of the Board of Directors in good faith authorizes the contract or transaction by	The Israeli Companies Law codifies the fiduciary duties that officeholders, including directors and executive officers, owe to a company. An officeholder s fiduciary duties consist of a duty of care and a duty of loyalty. The duty of loyalty includes avoiding any conflict of interest between the officeholder s position in the company and his personal affairs or other position, avoiding any competition with the company s business, avoiding exploiting any business opportunity of the company in order to receive personal advantage for himself, herself or others, and revealing to the company any information or documents relating to the company s affairs which the officeholder has received due to his position as an officeholder. Under the Israeli Companies Law, compensation of officeholders who are not directors generally requires approval of the Board of Directors, if the articles of association of TAT do not require a different form of

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	LIMCO STOCKHOLDERS RIGHTS	TAT SHAREHOLDER RIGHTS
	the affirmative votes of a majority of the disinterested directors, even though the disinterested directors may be less than a quorum; (b) the material facts as to the director s or officer s relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee of the Board of Directors or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.	approval. Compensation of directors requires the approval of the audit committee, the Board of Directors and the shareholders. The Israeli Companies Law requires that an officeholder promptly disclose any personal interest that he or she may have and all related material information known to him or her, in connection with any existing or proposed transaction by the company. In the case of a transaction with an officeholder or with another person in which an officeholder has a personal interest which is not an extraordinary transaction, subject to the officeholder s disclosure of his or her interest, Board of Directors approval is generally sufficient for the approval of the transaction, if the articles of association of TAT do not require a different form of approval. If the transaction is an extraordinary transaction, then, in addition to any approval required by the articles of association, it must also be approved by the Board of Directors and the audit committee. An extraordinary transaction is defined as a transaction not in the ordinary course of the company s business, not on market terms, or that is likely to have a material impact on the company s profitability, property or obligations. In some circumstances, for example when the officeholder is a director, shareholder approval is also required. The transaction must not be adverse to the company s interest. Generally, a director who has a personal interest in a matter that is considered at a meeting of the Board of Directors or the audit committee may not be present at the meeting or vote thereon. Under the Israeli Companies Law, a shareholder has a duty to act in good faith towards the company and the other shareholders and refrain from abusing his, her or its power in the company, including, among other things, when voting in the general meeting of shareholders on the following matters: (a) any amendment to the articles of association; (b) an increase of the company s authorized share capital; (c) a merger; or (d) approval of certain acts and transactions, including interested party transactions that require shareholder approval, as specified in the Israeli

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	LIMCO STOCKHOLDERS RIGHTS	TAT SHAREHOLDER RIGHTS
		Companies Law.
BUSINESS COMBINATIONS; ANTI-TAKEOVER EFFECTS	Under Section 203 of the DGCL, a Delaware corporation is prohibited from engaging in mergers or dispositions of 10% or more of its assets, certain issuances of stock and other transactions (business combinations) with a person or group that owns 15% or more of the voting stock of the corporation (an interested stockholder) for a period of three years after the interested stockholder crosses the 15% threshold. These restrictions on transactions involving an interested stockholder do not apply if (a) before the interested stockholder owned 15% or more of the voting stock, the Board of Directors approved the business combination or the transaction that resulted in the person or group becoming an interested stockholder, (b) in the transaction that resulted in the person or group becoming an interested stockholder, the person or group acquired at least 85% of the voting stock other than stock owned by directors who are also officers and certain employee stock plans, or (c) after the person or group became an interested stockholder, the business combination was approved by the Board of Directors and authorized at a meeting of stockholders by at least two-thirds of the voting stock (other than stock owned by the interested stockholder).	Under the Companies Law, a merger is generally required to be approved by the shareholders and Board of Directors of each of the merging companies. If the share capital of the company that will not be the surviving company is divided into different classes of shares, the approval of each class is also required, unless determined otherwise by the court. A merger will not be approved if it is objected to by shareholders holding a majority of the voting rights participating and voting at the meeting, after excluding the shares held by the other party to the merger, by any person who holds 25% or more of the other party to the merger and by the relatives of and corporations controlled by these persons. Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations of any of the parties of the merger. Also, a merger can be completed only after all approvals have been submitted to the Israeli Registrar of Companies and 30 days have passed from the time that shareholder resolutions were adopted in each of the merging companies and 50 days have passed from the time that a merger proposal was filed with the Israeli Registrar of Companies.
	Section 203 does not apply to a corporation that does not have a class of voting stock that is listed on a national securities exchange or held by more than 2,000 stockholders.	Under the Israeli Companies Law, subject to certain exceptions, the acquisition of shares in a public company such as TAT whereby a person would obtain a controlling interest (an interest of 25% or more) is not permitted if the company does not already have a shareholder that has a controlling interest, and an acquisition whereby the acquiring shareholder would thereafter hold more than 45% of the voting rights in the company is not permitted if there is no other shareholder that holds more than 45% of the voting rights in the company, except by way of a tender offer in accordance with the provisions of the applicable sections of the Israeli Companies Law (a special tender offer). These tender offer requirements do not apply to

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	companies whose shares are only listed for trading outside of Israel if, under local law or the rules of the stock exchange on which their shares are traded, there is a limitation on the percentage of control which may be acquired or the purchaser is required to make a tender offer to the public.
	Under the Israeli Companies Law, a person may not acquire shares in a public company if, after the acquisition, he will hold more than 90% of the shares or more than 90% of any class of shares of that company, unless a tender offer is made to purchase all of the shares or all of the shares of the particular class.
	The Israeli Companies Law also provides (subject to certain exceptions with respect to shareholders who held more than 90% of a company s shares or of a class of its shares as of February 1, 2000) that as long as a shareholder in a public company holds more than 90% of the company s shares or of a class of shares, that shareholder shall be precluded from purchasing any additional shares. If a tender offer is accepted and less than 5% of the shares of the company are not tendered, all of the shares will transfer to the ownership of the purchaser. If 5% or more of the shares of the company are not tendered, the purchaser may not purchase shares in a manner which will grant him more than 90% of the shares of the company. The Israeli Companies Law provides that an extraordinary transaction of a public company with a controlling shareholder thereof (which generally includes a person holding 25% or more of the outstanding shares) or of a public company with another entity in which a controlling shareholder has a personal interest, including a private placement in which a controlling member has a personal interest, requires approval of such company s audit committee, Board of Directors and a majority of the shareholders voting on the matter, where at least one-third of the shareholders voting to approve the transaction do not have a personal interest in the matter, or where the total number of shareholders who do not have a personal interest in the matter voting against the transaction does not exceed 1%

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	LIMCO STOCKHOLDERS RIGHTS	TAT SHAREHOLDER RIGHTS
		of the voting rights in the company. In addition, a private placement in either of the following situations requires the approval of the Board of Directors and shareholders: (i) if 20% or more of the voting rights (as existing prior to the issuance) in a company shall be issued and for which any part of the consideration is not given in cash or registered securities or which is not on market terms and as a result thereof a substantial shareholder s (holding 5% or more) holdings shall increase or a person shall become a substantial shareholder; or (ii) if, as a result of a private placement, a person shall become a controlling shareholder of the company. In addition, the requirement under Israeli Companies Law to have at least two external directors, who cannot readily be removed from office, may serve as an anti-takeover mechanism.
APPRAISAL RIGHT	Under the DGCL, a stockholder of a constituent corporation in a merger may, under certain circumstances and upon meeting certain requirements, dissent from the merger by demanding payment in cash for his or her share equal to the fair value (excluding any appreciation or depreciation as a consequence or in expectation of the transaction) of such shares, as determined by agreement with the corporation or by an independent appraiser appointed by a court in an action brought in a timely fashion by the corporation or the dissenters. Delaware law grants dissenters appraisal rights only in the case of certain mergers. Delaware law does not grant appraisal rights in a merger to holders of shares listed on a national securities exchange or held of record by more than 2,000 stockholders unless the plan of merger converts such shares into anything other than stock of the surviving corporation or stock of another corporation which is listed on a national securities exchange or held of record by more than 2,000 stockholders (or cash in lieu of fractional shares or some combination of the above).	The Israeli Companies Law does not provide for shareholders appraisal rights except for the appraisal by a court under limited circumstances in connection with an acquisition by means of a tender offer to increase a shareholder s holdings to over 90% of the shares of a publicly traded company.

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INFORMATION ABOUT LIMCO

DESCRIPTION OF LIMCO S BUSINESS

GENERAL

Limco was incorporated in Delaware on February 28, 2007 as a successor to Limco-Airepair, Inc., which was incorporated as an Oklahoma corporation in 1995. Prior to the consolidation of Limco-Airepair, Inc. into Limco, it transferred all of its assets and liabilities associated with its Oklahoma operations to a wholly-owned subsidiary, Limco-Airepair Inc., a newly formed Delaware corporation. In July 2005, Limco acquired Piedmont Aviation Component Services, Inc. (Piedmont), a company certified by the FAA to perform maintenance, repair and overhaul services on APUs, propellers and landing gear. Limco s principal executive offices are located at 1031 East Mountain Street, Building 320, Kernersville, North Carolina 27824 and Limco s telephone number is (336) 776-6360. Limco s web address is www.limcopiedmont.com. The information contained on Limco s website is not a part of this proxy statement/prospectus.

Limco provides maintenance, repair and overhaul, or MRO, services and parts supply services to the aerospace industry. Limco s Federal Aviation Administration, or FAA, certified repair stations provide aircraft component MRO services for airlines, air cargo carriers, maintenance service centers and the military. Two of these repair stations are located in Tulsa, Oklahoma, and the other two are located in Kernersville and Winston-Salem, North Carolina. On February 9, 2009 Limco announced that it will relocate the Tulsa, Oklahoma operations to the location of its Piedmont operations in Kernersville, North Carolina. Limco anticipates closing the Tulsa operations during the third quarter of 2009. In conjunction with Limco s MRO services Limco is also an original equipment manufacturer, or OEM, of heat transfer equipment for airplane manufacturers and other selected related products. Limco s parts services division offers inventory management and parts services for commercial, regional and charter airlines and business aircraft owners.

Business Strategy

Limco s strategy is to:

- *Expand the scope of its MRO services.* Limco s goal is to use its technical expertise, engineering resources and facilities to provide MRO services for additional types of aircraft and additional aircraft systems, subsystems and components and intends to devote additional financial resources to develop the required technical expertise to provide these additional MRO services.

- *Increase Limco s international sales.* As part of Limco s efforts to achieve greater penetration in the international markets, its goal is to expand its marketing presence in Western Europe, which is Limco s second largest market, and Limco is searching for opportunities to increase its presence in China and other East Asian nations, where Limco has had limited sales to date.

- *Selectively pursue acquisition opportunities.* Limco believes that acquisition opportunities exist that will complement its MRO business. Limco will continue to pursue targeted complementary business acquisitions which will broaden the scope and depth of its MRO operations and increase its market share, although Limco has no present plans, proposals or arrangements with respect to any such acquisition.

- *Increase Limco s cross-selling efforts.* With the acquisition of Piedmont, Limco expanded its MRO services capabilities to include auxiliary power units or APUs, propellers and landing gear. The expansion of Limco s MRO service offerings allows it to offer a more complete MRO service solution to its existing customer base. Consequently, Limco s goal is to increase its cross-selling efforts and offer the full range of its services to the historical customers of Limco and the new customers Limco obtained with the acquisition of Piedmont.

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Business Overview

Limco provides MRO, services and parts supply services to the aerospace industry. Its FAA certified repair stations provide aircraft component MRO services for airlines, air cargo carriers, maintenance service centers and the military. Limco specializes in MRO services for components of aircraft, such as heat transfer components, APUs, propellers, landing gear and pneumatic ducting. In conjunction with its MRO services Limco is also an OEM, of heat transfer equipment for airplane manufacturers and other selected related products. Limco s parts services division offers inventory management and parts services for commercial, regional and charter airlines and business aircraft owners.

MRO Services

Limco provides services for the components segment of the MRO services market. Its MRO services segment includes the repair and overhaul of heat transfer components, APUs, propellers, landing gear and pneumatic ducting, among other components. Generally, manufacturer specifications, government regulations and military maintenance regimens require that aircraft components undergo MRO servicing at regular intervals or as necessary. Aircraft components typically require MRO services, including repairs and installation of replacement units, after three to five years of service or sooner if required. Aircraft manufacturers typically provide warranties on new aircraft and their components and subsystems, which may range from one to five years depending on the bargaining power of the purchaser. Warranty claims are generally the responsibility of the OEM during the warranty period. Limco s business opportunity usually begins upon the conclusion of the warranty period for these components and subsystems.

Limco is licensed by Hamilton Sundstrand, a leading provider of aerospace products, to provide MRO services for all of its air-to-air heat transfer products and by Honeywell, a leading manufacturer of aerospace products and an aerospace services provider, to provide MRO services for three of its APU models. Limco s repair stations are certified by the FAA and the European Aviation Safety Agency, or EASA. In conjunction with its MRO services, Limco also manufactures heat transfer equipment used in commercial, regional, business and military aircraft, complete environmental control systems and cooling systems for electronics. Limco is currently engaged in a contract dispute with one of its suppliers. Limco believes that the dispute will be resolved on a commercial basis. However, the inability to amicably resolve such dispute could result in litigation, which could have a material effect on Limco s business and financial condition.

Parts Services

Limco s parts services division provides a number of services for commercial, regional, and charter airlines and business aircraft owners, including inventory management and parts services. Limco presently assists several of these customers with their parts procurement needs by using its knowledge of the aircraft component industry to quickly acquire necessary aircraft components in a cost-effective manner. Limco has a knowledgeable and experienced staff of 10 customer service representatives and offers its customers 24 hour service and same day shipping. Limco currently supplies parts to approximately 600 commercial, regional and charter airlines and business aircraft owners.

Demand for MRO Services

The demand for MRO services is driven by size and age of the aircraft fleet, aircraft utilization and regulations by the FAA and other government authorities.

Due to the increased maintenance costs of their aging fleets many carriers are seeking ways to reduce costs, minimize down-time, increase aircraft reliability and extend time between overhauls. One of the ways they are accomplishing these goals is through the outsourcing of more of their maintenance and support functions to reliable third parties. Based upon Limco s experience in the industry, Limco also believes that commercial carriers who have made the decision to outsource their MRO requirements are searching for MRO service providers with a wide-range of service capabilities. These MRO service providers allow the carriers to concentrate their outsourcing of MRO services to a select group of third party providers.

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The global military aircraft fleet also presents similar opportunities for MRO service providers. Recent military operations around the world has significantly increased usage of the global military aircraft fleet and, in correlation, resulted in a higher rate of maintenance activity. Limco believes that an aging military fleet and the increased use of upgrade programs aimed at extending the useful life of an aircraft will provide continued MRO growth opportunities.

Parts Aftermarket

The aftermarket for aerospace parts primarily relates to those parts needed for the scheduled and unscheduled maintenance, repair and modification of aircraft already in service. Aircraft operators generally keep an inventory of those parts needed for the scheduled and unscheduled maintenance, repair and modification of aircraft already in service. Limco believes that as part of its cost cutting measures, air carriers are attempting to reduce their inventory of spare parts, consolidate their purchasing activity and reduce the number of suppliers with whom they do business.

Limco s Competitive Strengths

Limco believes its key competitive advantages and strengths are:

- *Limco has long-standing relationships with its customers.* Limco has developed long-standing relationships with major airlines, air cargo carriers, maintenance service centers, the U.S. military and aircraft manufacturers. Its MRO customers include Bell Helicopter, Fokker, Hamilton Sundstrand, KLM Royal Dutch Airlines NV, Lufthansa Technik AG, PACE Airlines, Piedmont Airlines and the U.S. Government. Limco is also an OEM supplier to major aerospace companies such as Bell Helicopter, Boeing McDonnell Douglas Aerospace, or Boeing, and Bombardier Inc.

- *Limco has a broad range of MRO capabilities and repair licenses from OEMs within its specialties.* Limco believes that its ability to provide a broad range of MRO services for multiple components is attractive to customers who are seeking to outsource their MRO requirements and concentrate their work among a small number of MRO providers. Limco also believes that its various OEM licenses to provide MRO services from such companies as Hamilton Sundstrand and Honeywell also provide it with a competitive advantage. Limco is a Hamilton Sundstrand licensed MRO service provider in North America for air-to-air heat transfer components and a licensed MRO service providers in the United States for three Honeywell APU models. Limco s repair stations are AS 9001 certified, which means that they comply with the standard for quality management systems maintained by the International Standards Organization for manufacturing.

- *Limco has extensive engineering capabilities.* Limco believes that its multi-disciplinary engineering capabilities and technical expertise in heat transfer components provides it with the resources to provide quick and efficient responses to its customers. In addition, Limco s engineering team includes a Designated Engineer Representative, or DER, designated by the FAA to certify MRO services that differ from processes previously approved by the FAA. This allows Limco to shorten the long and complex FAA approval process, streamline the design and certification process and reduce costs. Limco believes that its OEM manufacturing capabilities benefit from the knowledge and experience Limco has gained from its MRO services.

MRO Services

Limco specializes in the repair and overhaul of heat transfer components, APUs, propellers, landing gear and pneumatic ducting. Heat transfer components are devices that efficiently transfer heat from one fluid to another or from hot air to colder air in various cooling systems and are essential components of an aircraft. These components include heat exchangers, oil coolers, pre-coolers, re-heaters, condensers, water separators and evaporators. APUs are relatively small, self-contained generators used to start jet engines, usually with compressed air, and to provide electricity, hydraulic pressure and air conditioning while an aircraft is on the ground. In many aircraft, an APU can also provide electrical power during in-flight emergency situations.

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Limco is continually increasing its MRO capabilities based upon market need or customer request. Limco s capabilities include, although are not limited to, components used in aircraft manufactured by the following aircraft manufacturers:

- Airbus
- ATR
- Boeing
- Bombardier
- British Aerospace
- Cessna
- Embraer
- Fairchild
- Fokker
- General Dynamics
- Gulfstream

- Lockheed Martin
- Raytheon
- SAAB
- Shorts

During 2008 Limco performed MRO services at its four repair stations in Oklahoma and North Carolina, all of which are AS9001 certified and licensed by the FAA and EASA to provide MRO services. Limco s Oklahoma facilities provided MRO services for heat transfer components and pneumatic air-handling ducting. On February 9, 2009 Limco announced that Limco will relocate its Oklahoma facilities to its North Carolina operations. Limco anticipates closing its Oklahoma facilities during the third quarter of 2009. Limco s North Carolina facilities, which were recently ISO 9001 certified, provide MRO services for APUs, propellers and landing gear.

Limco offers MRO services for heat transfer components to its customers on multiple levels. If the damage is significant, Limco will remanufacture the unit, which generally entails replacing the core matrix of the damaged or old heat transfer product in lieu of replacing the entire unit with a new one. Limco designs and develops these customized remanufactured units as a cost effective alternative to new part replacement. In the event of less severe damage, Limco will either overhaul or repair the unit as necessary. Re-manufactured units carry warranties identical to those provided to new units.

Limco specializes in providing fast and efficient quality repair and overhaul of pneumatic air-handling ducting that is used in airframes, air conditioning systems, anti-icing systems, APUs, engines and exhaust systems. Limco also specializes in providing MRO services for four APU models manufactured by Honeywell, in providing MRO services for propellers manufactured by Hartzell Propeller Inc. and McCauley Propeller Systems, including their fixed pitch aluminum and composite material blades, and propellers manufactured by Hamilton Sundstrand and Dowty Rotol, and in providing MRO services for landing gear for regional aircraft manufactured by Bombardier Canadair Regional Jet, ATR, British Aerospace Jet Stream and Bombardier Dash 8.

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In conjunction with its MRO services, Limco also acts as an OEM manufacturer of precision parts for the aircraft, electronics, industrial, government and commercial markets. Limco manufactures heat transfer components used in commercial, regional, business and military aircraft, air conditioning systems, complete environmental control systems and cooling systems for electronics. Limco currently offers approximately 80 OEM parts to the aerospace industry. These parts are manufactured in compliance with the stringent quality assurance standards that apply to the manufacture of aircraft parts. Limco s quality systems are ISO 9001 certified and Limco has both Boeing quality systems approval D6-82479 and FAR 21.303 (the FAA standard for Parts Manufacturer Approval).

Limco specializes in the design and manufacturing of highly efficient heat transfer components, which are designed to meet stringent constraints such as size, weight and applicable environmental conditions. These units include heat exchangers, oil coolers, pre-coolers, re-heaters, condensers, fuel heaters and evaporators.

OEM Authorizations and Licenses

Limco believes that establishing and maintaining relationships with OEMs is an important factor in achieving sustainable success as an independent MRO service provider. OEMs grant participants in the overhaul and repair services market authorizations or licenses to perform repair and overhaul services on the equipment they manufacture. OEMs generally maintain tight controls in order to maintain high quality of service to their customers, and in certain cases, grant very few authorizations or licenses. Obtaining OEM authorizations requires sophisticated technological capabilities, experience-based industry knowledge and substantial capital investment. Limco believes that service providers that have received OEM authorizations and licenses gain a competitive advantage because they typically receive discounts on parts, technical information, OEM warranty support and use of the OEM name in marketing. Limco is an independent MRO service provider that is licensed by Hamilton Sundstrand, the largest heat transfer equipment manufacturer, for its air-to-air heat transfer equipment in North America and is also licensed by Honeywell, the largest manufacturer of APUs, for three of its APU models. Limco is also the only licensed MRO service provider for heat transfer equipment manufactured by TAT, and is a licensed MRO service provider for propellers manufactured by Hartzell Propeller Inc. and McCauley Propeller Systems.

Each of the authorizations or licenses that Limco has with OEMs is in the form of a contractual arrangement. Some of these contracts require Limco to pay an authorization fee to the OEM and, in some cases, Limco is also required to pay annual authorization fees and royalties, or to fulfill other conditions set by the OEM. None of Limco s material authorizations or licenses expires prior to 2010 except that its OEM licenses from Hamilton Sundstrand will expire in May 2009 but may be extended through May 2013. Limco s OEM license from Honeywell will expire in June 2011.

Engineering Capabilities

Limco s engineering department supports its OEM activity and also enhances its ability to provide its customers with high-end top quality MRO services. Limco s engineering department employs seven certified mechanical and aerospace engineers, including a Designated Engineering Representative, or DER, certified by the FAA. Limco s multi-disciplinary team of engineers specializes in heat transfer components and supports all processes of thermal and structural analysis, mechanical and metallurgical research and development for manufacturing design. All of Limco s engineers have direct experience with aerospace component repair and have experience with the process of obtaining supplemental type certificates from the FAA and in obtaining FAA product manufacturing authorizations. Limco s onsite DER is certified by the FAA to approve the repair of engines, APUs, and mechanical systems and equipment, which enables Limco to respond quickly to its customers needs. Having a DER on staff allows Limco to enter the market for a particular type of service more quickly that those of its competitors who do not employ a

DER. Limco works directly with the FAA Aircraft Certification Office in obtaining approvals on projects that are outside its DER s authority.

Parts Services

Limco s parts services division provides a number of services for commercial, regional and charter airlines and business aircraft owners, including inventory management and parts services. Limco assists these customers with their parts procurement needs by using its knowledge of the aircraft component industry to quickly acquire

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necessary aircraft components in a cost-effective manner. Limco has a knowledgeable and experienced staff of 10 customer service representatives and offers its customers 24 hour service and same day shipping.

Limco currently supplies parts to approximately 600 commercial, regional and charter airlines and business aircraft owners. For these customers, Limco purchases parts against orders and resells at a margin. Limco also maintains a small inventory of commonly-replaced parts to improve its response time on orders. As its customers aircraft fleets go through their repair cycles, their parts requirements change from one year to the other.

Limco s parts services division specializes in Honeywell s 85 and 36 series APU models, Honeywell line replacement units, Hartzell propellers, McCauley propellers, APPH landing gear, and Embraer, Raytheon, Purolator-Facet, Messier Dowty, Boeing, PM Research and BP Oil parts.

Limco believes that the results of its parts services division is attributable to its access to the large inventory of component parts Limco maintains for its MRO services, its favorable pricing for parts purchased pursuant to licenses with OEMs and from its reputation for good and prompt service. Limco also benefits from the purchasing power Limco has gained as a result of the large number of parts Limco purchases for its MRO services. Limco is continuing its efforts to increase its recognition in the market by attendance at tradeshows, industry advertising and promoting its website.

Agreements with TAT

Manufacturing License Agreement

In January 2007, Limco entered into a manufacturing license agreement with TAT, pursuant to which Limco subcontracted with TAT and granted it a license to use Limco s designs and other technical information to manufacture and sell Limco heat exchangers, coolers and other components used in heat transfer systems to be manufactured or repaired by Limco for the United States government, OEMs, commercial airlines and maintenance and repair stations. The agreement was entered into as required under U.S. government regulations and pursuant to which the parties agreed to comply with all applicable sections of the U.S. Department of State s International Traffic in Arms Regulations including consent of the Directorate of Defense Trade Control to enter into the agreement. The agreement expires on August 31, 2016 and requires the prior written consent of the U.S. government to transfer the licensed article to any person or government outside of Israel or the United States.

Allocation of Activity Agreement

In March 2007, Limco entered into a 10-year agreement with TAT pursuant to which the parties allocate responsibility for all MRO services relating to heat exchangers and product manufacturing services relating to heat exchangers and air conditioners provided to new and existing customers of TAT or Limco.

Provided Limco purchases all the core matrices which it may need in order to provide MRO services with respect to such customers heat exchange components from TAT (except for those cores Limco is required to buy pursuant to its agreement with Hamilton Sundstrand), Limco will perform all MRO work, except under the following circumstances:

- the customer is an Israeli entity or authority;
- the customer of TAT demands that the work be performed by TAT;
- TAT is the OEM manufacturer of the heat exchanger or component which is the subject of the MRO services, except with respect to customers in North America for which Limco is appointed as the exclusive MRO licensee for the term of the allocation of activity agreement; or
- Limco is not qualified to perform the MRO services or its plants are not capable of performing such MRO services.

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TAT will perform original equipment manufacturing services for heat transfer components, except under the following circumstances:

- the customer requests that product manufacturing services be performed in the United States;
- United States federal or state regulations require that the product manufacturing services be performed within the United States;
- TAT determines that the product manufacturing services are not economically suitable; or
- TAT determines that due to political or other anticipated long-term relations with the customer, or for any other reason, it is preferable that the product manufacturing services be performed by Limco.

The agreement also provides that each party will grant the other a right of first refusal regarding subcontracting the production of core matrix-related components, subject to certain royalty payments and sales commission arrangements.

For the years ended December 31, 2007 and December 31, 2008, Limco purchased $5.0 million and $5.7 million of parts from TAT, respectively. Limco intends to continue to purchase parts from TAT.

Customers

MRO Customers. Limco currently services approximately 600 MRO customers, including major domestic and international airlines, air cargo carriers, maintenance service centers and the military. Limco s aerospace OEM customers include over 30 commercial and military aircraft manufacturers and defense contractors and the U.S. government. Limco s customers include, Boeing, Bell, Bombardier and Raytheon. Limco is not a party to any OEM manufacturing contracts, and acts solely upon orders received from Limco s customers.

Parts Services Customers. Limco currently provides parts for a large scale of overhaul program based on one signed contract. Other than such contract, Limco is not a party to any parts services contracts, and purchases parts against orders received from its customers.

Military Contracts

Many of its contracts are competitively bid and awarded on the basis of technical merit, personnel qualifications, experience and price. Limco also receives some contract awards involving special technical capabilities on a negotiated, noncompetitive basis due to its technical capabilities.

Limco provides products under U.S. government contracts that usually require performance over a period of several months to five years. Long-term contracts may be conditioned upon continued availability of congressional appropriations. Variances between anticipated budget and congressional appropriations may result in a delay, reduction or termination of these contracts. Contractors often experience revenue uncertainties with respect to available contract funding during the first quarter of the U.S. government s fiscal year beginning October 1, until differences between budget requests and appropriations are resolved.

The vast majority of Limco s federal government contracts are fixed-price contracts. Under these contracts Limco agrees to perform specific work for a fixed price and, accordingly, realizes the benefit or detriment to the extent that the actual cost of performing the work differs from the contract price. Limco s allowable federal government contract costs and fees are subject to audit by the Defense Contract Audit Agency. Audits may result in non-reimbursement of some contract costs and fees. While the government reserves the right to conduct further audits, audits conducted for periods through fiscal year 2008 have resulted in no material cost recovery disallowances for Limco.

Some of Limco s federal government contracts contain options that are exercisable at the discretion of the customer. An option may extend the period of performance for one or more years for additional consideration on terms and conditions similar to those contained in the original contract. An option may also increase the level of effort and assign new tasks to Limco.

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Limco s eligibility to perform under its federal government contracts requires Limco to maintain adequate security measures. Limco has implemented security procedures that Limco believes adequately satisfy the requirements of its federal government contracts.

Sales and Marketing

Limco markets its MRO services through its ten person marketing and customer service staff and a network of ten independent representatives who are compensated solely by commissions. Limco s representatives are strategically located near key customer sites in Europe, Asia, the Middle East and South America. Limco s marketing activities also include attending exhibitions, trade shows and professional conferences, organizing seminars, direct mailing of advertisements and technical brochures to current and potential customers, and advertising in technical publications which target heat transfer products and related markets. Limco is in regular contact with engineering and procurement personnel and program managers of existing and target customers to identify new programs and needs for its products, obtain requests for quotations and identify new product opportunities.

Limco s parts services division employs ten persons in its customer service staff. These individuals are responsible for handling orders and contacting target customers and are available to Limco s clients 24 hours a day, seven days a week.

Competitive Environment

MRO Services

The market for MRO services is highly competitive. Competition in this market is based on quality, price, and the ability to provide a broad range of services and to perform repairs and overhauls rapidly. Limco s primary MRO services competitors are the service divisions of OEMs, the in-house maintenance services of a number of commercial airlines and other independent service providers. For heat transfer component MRO services Limco s major competitors are the LORI Heat Transfer Center of Honeywell and SECAN-Honeywell (France). For APU, propeller and landing gear MRO services Limco s major competitors are Standard Aero Group Inc., Aerotech International Inc., Honeywell, Alameda Aerospace, JetSet Aerospace LLC, Messier-Dowty Aerospace (MD), AAR Corp., Hawker Pacific, APRO, Aircraft Propeller Service Inc., Pacific Propeller International LLC and H&H Propeller. For Limco s OEM heat transfer equipment, its major competitors are other OEMs who manufacture heat transfer equipment, including the Hughes-Treitler division of Ametek Inc., Lytron Inc., Hamilton Sundstrand and Honeywell.

A number of Limco s competitors have inherent competitive advantages. For example, Limco competes with the service divisions of large OEMs who in some cases have design authority with respect to their OEM products and are able to derive significant brand recognition from their OEM manufacturing activities. Limco also competes with the in-house service divisions of large commercial airlines and there is a strong incentive for an airline to fully utilize the services of its maintenance employees and facilities. Further, Limco s competitors may have additional competitive advantages, such as:

- the ability to adapt more quickly to changes in customer requirements and industry conditions or trends;
- greater access to capital;
- stronger relationships with customers and suppliers;
- better name recognition; and
- access to superior technology and marketing resources.

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Parts Services

The parts services industry is highly competitive and fragmented. Competition in this market is based on price, quality and service. Competitors in this segment include OEMs, the service divisions of large commercial airlines and other independent suppliers and distributors of parts.

Spare Parts and Raw Materials

Limco depends on a number of OEMs for spare parts for its MRO operations and its parts services business. Limco s authorizations from OEMs often require that Limco purchase component parts that are needed for its MRO services from them or their designated distributors. Limco has an agreement with Honeywell under which Honeywell has agreed to sell Limco certain parts at a discount for a period of five years, ending May 31, 2011. In addition Limco has entered into an agreement with TAT pursuant to which TAT has agreed to sell Limco its heat transfer equipment for a period of ten years, ending March 2017.

In the year ended December 31, 2008, Limco purchased $7.3 million of parts from Honeywell, $2.1 million of parts from Hamilton Sundstrand and $5.7 million of parts from TAT. The loss of any of these key suppliers or an unfavorable modification of any of Limco s agreements with such suppliers could have a material adverse effect on Limco s business. Limco has at times experienced contractual disputes with and delays in receiving parts from its key suppliers, and any significant future disputes or delays could have a material adverse effect on its business and results of operations. If Limco had to develop alternative sources of supply, its ability to supply parts to its customers when needed could be impaired, business could be lost and margins could be reduced in both Limco s MRO services and parts services segments.

Limco selects its suppliers primarily based on their ability to ensure that their parts are serviceable and traceable to OEM-approved sources, their delivery performance and their ability to help Limco reduce its total cost of procuring those parts. For quality control, cost and efficiency reasons, Limco generally purchases supplies only from vendors with whom Limco has ongoing relationships or who Limco s customers have previously approved. Limco has qualified second sources or has identified alternate sources for many of its parts services needs.

The raw materials used in Limco s manufacturing programs are generally readily available metals and alloys. Limco has not had any difficulty in obtaining such materials in the past.

Government Regulations

Aerospace and Safety Regulations

The commercial aerospace industry is highly regulated by the FAA in the United States, EASA in Europe, the Civil Aviation Authority in England and other governmental authorities elsewhere in the world, while the military aerospace industry is governed by military quality specifications established by the U.S. Department of Defense for the manufacturing and repair industries and ISO-9001. Limco is required to be certified by one or more of these entities and, in some cases, by individual OEMs. Limco must also satisfy the requirements of its customers, including OEMs and airlines that are subject to FAA regulations, and provide these customers with products that comply with the government regulations applicable to commercial flight operations. Limco believes it currently satisfies or exceeds these FAA maintenance standards in its repair and overhaul activities. Each of its repair stations is approved by the FAA.

Limco s operations are also subject to a variety of worker and community safety laws including The Occupational Safety and Health Act of 1970, known as OSHA, which mandates general requirements for safe workplaces for all employees In addition, OSHA provides special procedures and measures for the handling of certain hazardous and toxic substances. Limco believes that its operations are in material compliance with OSHA s health and safety requirements.

Limco believes that it is in material compliance with the governmental regulations affecting the aerospace and defense industry.

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Environmental Matters

Limco s operations are subject to a number of federal, state and local environmental laws in the United States, and to regulation by government agencies, including the U.S. Environmental Protection Agency. Among other matters, these regulatory authorities impose requirements that regulate the emission, discharge, generation, management, transportation and disposal of pollutants and hazardous substances. These authorities may require Limco to initiate actions to remediate the effects of hazardous substances which may be or have been released into the environment, and require Limco to obtain and maintain permits in connection with Limco s operations. This extensive regulatory framework imposes significant compliance burdens and risks.

Although Limco seeks to maintain Limco s operations and facilities in compliance with applicable environmental laws, there can be no assurance that Limco has no violations, or that change in such laws, regulations or interpretations of such laws or in the nature of Limco s operations will not require Limco to make significant additional expenditures to ensure compliance in the future. Currently, Limco does not believe that Limco will have to make material capital expenditures for Limco s operations to comply with environmental laws or regulations, or to incur material costs for environmental remediation during the 2009 fiscal year.

Limco has received no material third party environmental claims relating to Limco s facilities, and Limco believes that it has all material licenses and certifications that are required in the jurisdictions in which Limco operates.

Employees

As of December 31, 2008, Limco had a total of 284 full-time employees, of which 221 were employed in MRO services and OEM manufacturing, 22 were employed in parts services and the remaining 41 were employed in administrative, sales and marketing positions. Limco has no collective bargaining agreements with its employees and believes that its relationship with its employees is good. It is currently anticipated that the relocation of Limco s Oklahoma operations to its North Carolina facilities, which is anticipated to occur by the end of the third quarter of 2009 will reduce Limco s workforce by approximately 12%.

Properties

Limco owns and operates a 55,000 square foot manufacturing plant in Tulsa, Oklahoma which has historically supported both its OEM business and its aftermarket heat transfer component repair station. This facility also has housed Limco s administration, engineering, quality control and support services. Limco also leases an additional 9,000 square foot repair station adjacent to its Tulsa manufacturing plant which has supported its heat transfer component and pneumatic ducting MRO services. These facilities are being closed in connection with the relocation of Limco s Oklahoma operations to North Carolina. Such closing is expected to occur in the third quarter of 2009.

Limco leases approximately 56,000 square feet space for its facility in Kernersville, North Carolina. In 2008, the annual rental expense for this property was $69,000. The lease, which expires on November 1, 2011, provides for two renewal options, each for a five year term. In addition, Limco also leases approximately 31,000 square feet space for its facility in Winston Salem, North Carolina. The lease, which provides for an annual rental expense of $48,000, expires on January 1, 2013.

Limco has also entered into a lease for a new facility in Kernersville, North Carolina of approximately 56,000 square feet, which will house Limco s operations being relocated from Oklahoma. The lease, which expires on November 1, 2011, provides for 2 renewal options, each for a five year term. The lease provides for an annual rental of $86,182.

Legal Proceedings

On April 8, 2009 a petition was filed in the District Court of Tulsa County, State of Oklahoma captioned Chris Gassen, individually and on behalf of all others similarly situated, Plaintiff v. Shmuel Fledel, Jacob Gesthalter, Michael Gorin, Giora Inbar, Avraham Ortal, Eran Goren, Limco-Piedmont, Inc., and LIMC Acquisition Company, Defendants. The action, which purports to be on behalf of a class comprised of the public stockholders

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of Limco, seeks relief against Limco and its Directors for alleged breaches of fiduciary duty and other violations of state law in connection with the merger. Plaintiff claims, among other things, that the defendants are attempting to sell Limco by means of an unfair process and for an unfair price and that defendants have failed to disclose all material information concerning the merger. Plaintiff is seeking to enjoin the consummation of the merger, monetary damages, and an award of costs, including attorneys fees. Limco believes that the action is without merit and intends to vigorously defend the claims.

Limco is currently engaged in a contract dispute with one of their suppliers. Limco believes that the dispute will be resolved as a commercial basis. However, the inability to amicably resolve such dispute could result in litigation, which could have a material effect on Limco s business and financial condition.

In addition, during the ordinary course of business, Limco is, from time to time, threatened with, or may become a party to, legal actions and other proceedings.

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of Limco s results of operations should be read together with its consolidated financial statements and the related notes included elsewhere in this proxy statement/prospectus. The following discussion contains forward-looking statements that reflect Limco s current plans, estimates and beliefs and involve risks and uncertainties. Limco s actual results may differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this proxy statement/prospectus.

Background

Prior to Limco s initial public offering on July 18, 2007, Limco operated as a wholly-owned subsidiary of TAT. Limco was incorporated in Delaware on February 28, 2007 as a successor to Limco-Airepair, Inc., which was incorporated as an Oklahoma corporation in 1995 upon the merger of three aerospace companies that had been acquired by TAT from 1992 through 1995.

Prior to Limco s acquisition of Piedmont in July 2005, Limco s business was focused on providing MRO services for heat transfer components. With the acquisition of Piedmont, Limco expanded the scope of Limco s MRO services to also include APUs, propellers and landing gear and added Limco s parts services business.

Limco s consolidated financial statements have been prepared on the historical cost basis and present Limco s financial position, results of operations and cash flows as derived from TAT historical financial statements. TAT had historically provided Limco with certain services including general and administrative services for employee benefit programs, insurance, legal, treasury and tax compliance. Currently, TAT provides only certain insurance coverages that are then reimbursed by Limco. The financial information included in Limco s financial statements does not necessarily reflect what Limco s financial position and results of operations would have been had Limco operated as a stand-alone entity during each of the periods covered, and may not be indicative of Limco s future operations or financial position.

Overview

Limco provides maintenance, repair and overhaul, or MRO, services and parts supply services to the aerospace industry. Limco s FAA certified repair stations provide aircraft component MRO services for airlines, air cargo carriers, maintenance service centers and the military. Limco specializes in MRO services for components of aircraft, such as heat transfer components, auxiliary power units, or APUs, propellers, landing gear and pneumatic ducting. In conjunction with Limco s MRO services Limco is also an original equipment manufacturer, or OEM, of heat transfer equipment for airplane manufacturers and other selected related products. Limco s parts services division offers inventory management and parts services for commercial, regional and charter airlines and business aircraft owners.

MRO Services

Limco provides services for the components segment of the MRO services market. Limco s MRO services segment includes the repair and overhaul of heat transfer components, APUs, propellers, landing gear and pneumatic

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ducting, among other components. Generally, manufacturer specifications, government regulations and military maintenance regimens require that aircraft components undergo MRO servicing at regular intervals or as necessary. Aircraft components typically require MRO services, including repairs and installation of replacement units, after three to five years of service or sooner if required. Aircraft manufacturers typically provide warranties on new aircraft and their components and subsystems, which may range from one to five years depending on the bargaining power of the purchaser. Warranty claims are generally the responsibility of the OEM during the warranty period. Limco s business opportunity usually begins upon the conclusion of the warranty period for these components and subsystems.

Limco is licensed by Hamilton Sundstrand, a leading provider of aerospace products, to provide MRO services for all of its air-to-air heat transfer products and by Honeywell, a leading manufacturer of aerospace products and an aerospace services provider, to provide MRO services for three of its APU models. Limco s repair stations are certified by the FAA and the European Aviation Safety Agency, or EASA. In conjunction with Limco s MRO services, Limco also manufactures heat transfer equipment used in commercial, regional, business and military aircraft, complete environmental control systems and cooling systems for electronics.

Parts Services

Limco s parts services division provides a number of services for commercial, regional and charter airlines and business aircraft owners, including inventory management and parts services. Limco presently assists several of these customers with their parts procurement needs by using Limco s knowledge of the aircraft component industry to quickly acquire necessary aircraft components in a cost-effective manner. Limco has a knowledgeable and experienced staff of customer service representatives and offers Limco customers 24 hour service and same day shipping. Limco currently supplies parts to approximately 600 commercial, regional and charter airlines and business aircraft owners.

Limco s management believes that Limco s revenues and sources of revenues are among the key performance indicators for Limco s business. Limco s revenues from Limco s two principal lines of business for the two years ended December 31, 2008 were as follows:

	2008			2007		
		Revenues	% of Total Revenues		Revenues	% of Total Revenues
Revenues:						
MRO Services	$	54,276	75.8%	$	49,392	70.8%
Parts services		17,289	24.2%		20,384	29.2%
Total revenues	$	71,565	100.0%	$	69,776	100.0%

The following table reflects the geographic breakdown of Limco s revenues for two years ended December 31, 2008:

	2008			2007		
		Revenues	% of Total Revenues		Revenues	% of Total Revenues
North America	$	49,448	69.1%	$	48,632	69.7%
Europe		13,980	19.6%		14,895	21.3%
Asia		3,324	4.6%		3,805	5.5%

Other		4,813	6.7%		2,444	3.5%
	$	71,565	100.0%	$	69,776	100.0%

Limco s cost of revenues for MRO services consists of component and material costs, direct labor costs, shipping expenses, overhead related to manufacturing and depreciation of manufacturing equipment. Limco s cost of revenues for parts services consists primarily of the cost of the parts and shipping expenses. Limco s gross margin is affected by the proportion of Limco s revenues generated from MRO services (including the sale of OEM products) and parts services.

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Selling and marketing expenses consist primarily of commission payments, compensation and related expenses of Limco s sales teams, attendance at trade shows and advertising expenses and related costs.

General and administrative expenses consist of compensation and related expenses for executive, finance, legal, and administrative personnel, professional fees and other general corporate expenses and related costs for facilities and equipment.

Critical Accounting Policies

The preparation of the financial statements in accordance with generally accepted accounting principles in the United States, or GAAP, requires Limco to make estimates and assumptions that affect the reported amounts of assets, liabilities, sales, costs and expenses and related disclosures. Though Limco evaluates its estimates and assumptions on an ongoing basis, Limco s actual results may differ from these estimates.

Certain of Limco s accounting policies that Limco s management believes are the most important to the portrayal of Limco s financial condition and results of operations and that require management s subjective judgments are described below to facilitate better understanding of Limco s business activities. Limco s judgments are based on Limco s experience and assumptions that Limco believes are reasonable and applicable under the circumstances.

Revenue Recognition

Revenues from the sale of Limco s services and products are recognized when persuasive evidence of an arrangement exists, delivery of the product has occurred, provided the collection of the resulting receivable is probable, the price is fixed or determinable and Limco no longer has any significant obligation with respect to such sale. Limco does not grant a right of return.

Revenues from MRO services are recognized when customer-owned material is shipped back to the customer. Revenues from parts sales are recognized when the part is shipped to the customer and title passes to the customer.

Revenues from maintenance contracts are recognized over the contract period in proportion to the costs expected to be incurred in performing services under the contract. Limco estimates the costs that are expected to be incurred based on Limco s experience with the aggregate costs incurred and to be incurred on contracts of this nature. The costs incurred related to Limco s maintenance contracts are not incurred on a straight-line basis, as the timing to provide Limco s maintenance services is dependent on when parts under these contracts require maintenance.

Goodwill, Other Intangible Assets and Long-Lived Assets

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in business combinations. The $4.8 million of goodwill on Limco s balance sheet as of December 31, 2008 was a result of Limco s acquisition of Piedmont. The identifiable intangible assets relating to the Piedmont acquisition, other than goodwill, included in Limco s balance sheet are customer relationships and other intangible assets. The value Limco assigned to these intangible assets, using the income approach based on the present value of the cash flows attributable to each asset, was approximately $2.9 million. The amounts allocated to these intangible assets are being amortized on a straight-line basis over periods ranging from 3 to 10 years.

Limco reviews goodwill and other intangible assets for potential impairment annually and when events or changes in circumstances indicate the carrying value of the goodwill or the other intangible assets may be impaired, in which case Limco may obtain an appraisal from an independent valuation firm to determine the amount of impairment, if any. In addition to the possible use of an independent valuation firm, Limco performs internal valuation analyses and consider other publicly available market information. Limco determines fair value using widely accepted valuation techniques, including discounted cash flow and market multiple analyses. These types of analyses require Limco to make assumptions and estimates regarding industry economic factors and the profitability of future business strategies. It is Limco s policy to conduct impairment testing based on Limco s current business strategy in light of present industry and economic conditions, as well as future expectations. In the fourth quarter of

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fiscal 2008, Limco completed its annual impairment testing of goodwill using the methodology described in the notes to Limco s consolidated financial statements, and determined there was no impairment of Limco s goodwill. If actual results are not consistent with Limco s assumptions and estimates, Limco may be exposed to a goodwill impairment charge.

Income Taxes

Limco accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, Accounting for Income Taxes, (SFAS No. 109). Limco uses the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial statement and tax bases of assets and liabilities and net operating loss and credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are established when it is more likely than not that some portion of the deferred tax assets will not be realized. To the extent that Limco s decisions and assumptions and historical reporting are determined not to be compliant with applicable tax laws Limco may be subject to adjustments in Limco s reported income for tax purposes as well as interest and penalties.

Allowances for Doubtful Accounts

Limco performs ongoing credit evaluations of Limco customers financial condition and Limco requires collateral as deemed necessary. Limco maintains allowances for doubtful accounts for estimated losses resulting from the inability of Limco s customers to make payments. In judging the adequacy of the allowance for doubtful accounts, Limco considers multiple factors including the aging of Limco s receivables, historical bad debt experience and the general economic environment. Management applies considerable judgment in assessing the realization of receivables, including assessing the probability of collection and the current credit worthiness of each customer. If the financial condition of Limco s customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined by the average cost and first-in, first-out (FIFO) methods. Limco writes down obsolete or slow moving inventory in an amount equal to the difference between the cost of inventory and the estimated market value based upon assumptions about future demand, market conditions and sale forecasts. If actual market conditions are less favorable than Limco anticipates, additional inventory write-downs may be required.

Warranty Costs

Limco provides warranties for Limco s products and services ranging from one to five years, which vary with respect to each contract and in accordance with the nature of each specific product. Limco estimates the costs that may be incurred under Limco s warranty and records a liability in the amount of such costs at the time the product is shipped. Limco periodically assesses the adequacy of Limco s recorded warranty liabilities and adjusts the amounts as necessary. As of December 31, 2008 and 2007, the aggregate amount of Limco s warranty costs was not material.

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Results of Operations

The following table sets forth Limco s statements of operations as a percentage of revenues for the periods indicated:

	Year ended December 31, 2008	2007
Revenue:		
MRO services	75.8%	70.8%
Parts services	24.2%	29.2%
Total revenue	100.0%	100.0%
Costs and operating expenses:		
MRO services	61.0%	50.5%
Parts services	19.5%	23.8%
Selling and marketing	3.8%	3.7%
General and administrative	9.9%	10.0%
Amortization of intangibles	0.5%	0.7%
Operating income	5.3%	11.3%
Interest income	1.8%	1.3%
Loss on sale of investments	-.3%	0%
Other expense	-.2%	0%
Interest expense	0%	-1.0%
Income taxes	2.7%	4.1%
Net income	3.8%	7.4%

In addition to revenues and the sources of Limco s revenues, Limco s management team views Limco s gross profit margin and the level of inventory compared to revenues as the key performance indicators in assessing Limco s financial condition and results of operations. Limco s management team believes that the upward trend in Limco s MRO revenues is reflective of an industry-wide increase in demand for MRO services, and Limco currently expects that this trend will continue for the foreseeable future. While Limco s management team believes that demand for parts services will grow, this segment is subject to a high degree of volatility because of the potential impact of large one time parts sales.

Revenues	2008	2007
MRO services	$ 54,276	$ 49,392
Parts services	17,289	20,384
Total revenue	$ 71,565	$ 69,776

2008 vs. 2007

Revenues Total revenues increased by $1.8 million, to $71.6 million for the year ended December 31, 2008 from $69.8 million for the year ended December 31, 2007. The increase in revenues was primarily attributable to steady MRO growth and offset by a decline in parts sales for the year.

MRO Revenues Revenues from MRO services increased by $4.9 million, to $54.3 million for the year ended December 31, 2008 from $49.4 million for the year ended December 31, 2007. The organic growth in MRO services revenues is a result of increased sales to historical customers and, to a lesser degree, sales to new customers.

Parts Services Parts services revenues decreased by $3.1 million, to $17.3 million for the year ended December 31, 2008 from $20.4 million for the year ended December 31, 2007. This decrease in sales is attributable to the one-time parts sale during 2007 to Viva Mexico for $2.7 million and a general decline in parts sales.

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Costs of revenues and operating expenses		**2008**		**2007**
MRO services	$	43,664	$	35,205
Parts services		13,922		16,603
Total cost of revenues		57,586		51,808
Selling and marketing		2,755		2,613
General and Administrative		7,118		6,981
Amortization of intangibles		326		474
Total operating costs		10,199		10,068
Operating income		3,780		7,900

Cost of revenues Cost of revenues for MRO services increased by $8.5 million, to $43.7 million for the year ended December 31, 2008 from $35.2 million for the year ended December 31, 2007. Contributing to the increase in cost of revenues for MRO services was a $4.9 million increase in revenues, $1.4 million increase in raw material costs, $1.3 million increase in labor costs related to additional employees and general salary and wage increases and a $1.4 million increase in scrap expense. Materials costs are related to the general increase in raw material costs year over year. Scrap costs relate to new program start-up in the OEM division that Limco believes should be non-recurring. Cost of revenues for parts services decreased by $2.7 million to $13.9 million for the year ended December 31, 2008 from $16.6 million for the year ended December 31, 2007, principally as a result of lower volumes during the year ended December 31, 2008.

Selling and marketing expenses Selling and marketing expenses increased by $142,000 to $2.8 million for the year ended December 31, 2008 from $2.6 million for the year ended December 31, 2007. The increase in selling and marketing expenses is primarily attributable to higher commissions resulting from increased sales volumes on MRO as well as heightened sales and marketing efforts.

General and administrative expenses General and administrative expenses increased by $137,000 to $7.1 million for the year ended December 31, 2008 from $7.0 million for the year ended December 31, 2007. The increase in general and administrative expenses is primarily attributable to approximately $837,000 in one-time SOX and public company costs, $110,000 in severance pay, $60,000 in tax audit expenses, and acquisition expenses of $357,000. These expenses were offset by the lack of phantom stock expense of $325,000, IPO bonus expense of $400,000 and increased public company costs and administrative costs during the year ended December 31, 2007. Non-cash compensation expense was $175,000 and included in general and administrative expenses during the year ended December 31, of 2008 compared to $390,000 in the during the year ended December 31, 2007.

Operating income Limco s operating income decreased by $4.1 million, to $3.8 million for the year ended December 31, 2008 from $7.9 million for the year ended December 31, 2007. The decrease is attributable primarily to higher cost of sales and increased general and administrative costs for the year.

Other income and expense	**2008**	**2007**

Interest income	$ 1,259	$ 897
Loss on sale of investments	(236)	
Interest and other expense	(167)	(732)
Provision for income taxes	1,923	2,871
Net Income	$ 2,713	$ 5,194

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Interest income Interest income increased by $362,000 to $1.3 million for the year ended December 31, 2008 from $897,000 for the year ended December 31, 2007, principally as a result of an increase in the amount of funds held in interest bearing accounts and short-term investments following Limco s initial public offering.

Loss on sale of investments Loss on sale of investments was $236,000 for the year ended December 31, 2008. This compared to no loss for the year ended December 31, 2007. This loss relates to the sale of corporate and government bonds during the later part of 2008.

Income and other expense Interest and other expense was $167,000 for the year ended December 31, 2008 compared to $732,000 for the year ended December 31, 2007. The decrease in interest expense reflects Limco s repayment of Limco s outstanding indebtedness with a portion of the proceeds of Limco s initial public offering during 2007.

Income taxes Income taxes decreased by $948,000 to $1.9 million for the year ended December 31, 2008 from $2.9 million for the year ended December 31, 2007. The decrease in income tax expense is primarily attributable to decreased pretax income offset by additional tax owed for tax positions taken in previous years and recognized as tax expense in the current year in the amount of $189,000.

Liquidity and Capital Resources

As of December 31, 2008, Limco had cash and cash equivalents of $21.3 million, and short-term investments of $11.3 million, consisting primarily of government and corporate bonds and auction rate tax exempt securities. Limco s total working capital was approximately $55.3 million. Limco s liquidity position resulted from the July 23, 2007, sale of 4,205,000 shares of common stock in Limco s initial public offering from which Limco received net proceeds of approximately $42 million.

Cash Flows

The following table summarizes Limco s cash flows for the periods presented:

		2008		**2007**
Net cash provided by (used in) operating activities	$	953	$	(1,069)
Net cash provided by (used in) investing activities		15,344		(31,705)
Net cash provided by financing activities				33,504
Net increase in cash and cash equivalents		16,297		730

Cash and cash equivalents at beginning of year		5,039		4,309
Cash and cash equivalents at end of year	$	21,336	$	5,039

Net cash provided by operating activities was $0.95 million for the year ended December 31, 2008. This amount was primarily attributable to $2.7 million in net income, a $0.58 million increase in amounts payable to TAT for the purchase of heat transfer components a $.49 million increase in accounts payable and $1.2 million of depreciation and amortization expense offset by to a $2.6 million increase in inventories required to support the increase in MRO revenues and the ramp up for a new parts contract and a $2.4 million increase in accounts receivable.

Net cash provided by investing activities was $15.3 million for the year ended December 31, 2008. Limco sold $26.4 million in corporate and municipal bonds and Limco purchased approximately $9.3 million in corporate and municipal bonds and auction rate securities that were reinvested in money markets. Limco invested $1.7 for the purchase of property and equipment, including test facilities for Limco APU s.

Net cash provided by financing activities was zero for the year ended December 31, 2008.

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The following table summarizes Limco s minimum contractual obligations and commercial commitments as of December 31, 2008 and the effect Limco expect them to have on Limco liquidity and cash flow in future periods:

	Payments Due by Period									
	Total		Less than Year		1-3 Years (in thousands)		3-5 Years		More than 5 Years	
Operating lease obligations	$	613	$	186	$	344	$	83	$	
Deferred tax liability		835								835
Total	$	1,448	$	186	$	344	$	83	$	835

As of December 31, 2008, Limco s principal commitments consisted of obligations outstanding under operating leases and Limco s deferred tax liability. All of Limco s long-term debt was repaid during 2007 with a portion of the proceeds of Limco s initial public offering. Limco currently does not have significant capital spending or purchase commitments. In the last three years, Limco experienced substantial increases in Limco s expenditures as a result of the growth in Limco s operations and personnel.

Over the next 12 months, Limco expects cash flows from Limco s operating activities, along with Limco s existing cash and cash equivalents and marketable securities, to be sufficient to fund Limco s operations including Limco s relocation of its Limco-Airepair facility to North Carolina. Limco intends to assess the need for a long-term line of credit, but does not believe that the current lack of an external source of long-term liquidity will have a material adverse effect on Limco s business or results of operations.

Limco s future capital requirements will depend on many factors, including Limco s rate of revenue growth, the expansion of Limco s selling and marketing activities, costs associated with expansion into new markets, and the timing of the introduction of new products and services.

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Quarterly Results of Operations

The following table presents the consolidated statements of operations data for each of the eight fiscal quarters ended December 31, 2008, in dollars and as a percentage of revenues. In management s opinion, this unaudited information has been prepared on the same basis as Limco s audited consolidated financial statements and includes all adjustments, consisting only of normal recurring adjustments, necessary for fair presentation of the unaudited information for the quarters presented. The results of operations for any quarter are not necessarily indicative of results that Limco might achieve for any subsequent periods.

	Three Months Ended							
	2008				2007			
	Dec. 31	Sept. 30	June 30	Mar. 31	Dec. 31	Sept. 30	June 30	Mar. 31
	(in thousands)							
Revenues								
MRO services	$ 14,012	$ 14,054	$ 13,225	$ 12,985	$ 11,515	$ 12,831	$ 12,606	$ 12,440
Parts services	3,929	4,773	4,452	4,135	3,361	3,813	5,436	7,774
Total revenues	17,941	18,827	17,677	17,120	14,876	16,644	18,042	20,214
Cost and operating expenses								
MRO services	11,787	11,099	11,154	9,624	8,986	9,342	8,519	8,358
Parts services	3,352	3,676	3,588	3,306	2,705	3,083	3,790	7,025
Selling and marketing expenses	714	715	660	666	638	673	662	640
General and administration expenses	1,755	1,909	1,444	2,010	1,590	1,552	2,132	1,707
Amortization of intangibles	54	54	109	109	119	119	118	118
Operating income	279	1,374	722	1,405	838	1,875	2,821	2,366
Other Income (expense)								
Interest income	444	298	224	293	355	271	217	54
Loss on sale of investments	(236)							
Other expense	(167)							
Interest expense	158	(40)		(118)	(15)	(178)	(384)	(155)
Income before income taxes	478	1,632	946	1,580	1,178	1,968	2,654	2,265
Income taxes	333	675	338	577	389	538	1,089	855
Net income	$ 145	$ 957	$ 608	$ 1,003	$ 789	$ 1,430	$ 1,565	$ 1,410
Revenues								
MRO services	78.1%	74.6%	74.8%	75.8%	77.4%	77.1%	69.9%	61.5%
Parts services	21.9%	25.4%	25.2%	24.2%	22.6			