



>> KNOW MORE.

# *JETNET iQ Snap! Report Q1 2016 Summary Report*

> BUSINESS AVIATION MARKET INTELLIGENCE > REPORTS > SUMMITS > CONSULTING

**Prepared for:**  
**JETNET iQ Global Business Aviation Survey Respondents**

March 31, 2016

*JETNET iQ Snap!: 1st Quarter 2016 - Private & Confidential*

## **Thank You, Merci, Obrigado, Muchas Gracias, תודה, Danke, ありがとう, Grazie, شكرا, спасибо, 謝謝**

Thank you for participating in our quarterly JETNET iQ Global Business Aviation Surveys. Your opinions and inputs are vital to the many people in the industry tasked with designing and developing aircraft, providing aviation services on the ground and in the air, financing / selling / and buying aircraft, and creating the operational framework for safe and efficient flight.

JETNET has been a trusted source of aviation market intelligence since 1988. From humble beginnings in Utica, NY, we have built one of the finest research teams and business aviation databases in the industry. Our people are professional and dedicated, and our data products and services are unique and innovative. We are committed to continuous improvement as

we provide our clients with unprecedented global coverage, data connectability, and market insights wherever they are.

We continue to focus on new products and services to keep our customers better informed. “Know More” – JETNET’s familiar tagline – is what we hope you will agree is amongst the primary benefits that we bring to the aviation community. Thank you again for participating in our quarterly survey - we hope this JETNET iQ *Snap!* Report is useful to you.

## Navigating by JETNET iQ

JETNET iQ *Snap!* Reports are one of the ways we would like to say “thank you” for the time and opinions you provide us when participating in our quarterly JETNET iQ Global Business Aviation Surveys. With seemingly endless demands on your time, we appreciate your help and want to provide you useful information in return. In the attached pages you will find some of the latest market intelligence that we have collected and analyzed. Our goal is to be a resource to identify, analyze, and highlight issues that matter to the business aviation community. As an industry leader and aviation professional, you make a difference by participating in these surveys, providing us with objective and subjective perspectives into the state of the worldwide business aviation industry.

JETNET iQ *Snap!* Reports reflect the collaborative insights of you, our

respondents, and our JETNET iQ research team. Collectively, we have extensive experience in business aviation, from executive offices and boardrooms, to the cubicles, factory floors, design centers, situation rooms, cockpits, service hangars and flight lines of the industry. Much like a magnifying glass concentrates light and energy, JETNET iQ draws from a diverse set of intelligence sources to bring the power of this experience into sharp focus.

Since early 2011, our JETNET iQ research team has been reaching out to you – fixed-wing turbine aircraft owners and operators - with our quarterly JETNET iQ Global Business Aviation Surveys. As always, we hope that this latest issue of our JETNET iQ *Snap!* Report is insightful to you.

*Rolland Vincent*  
*JETNET iQ Creator / Director*  
*rollie@jetnet.com*

# JETNET

- Founded in 1988
- Privately-owned family business
- Headquarters in Utica, NY
- 70+ employees (45+ in research)
- Daily contact with aircraft owners and operators globally



**JETNET: Worldwide leader in aviation market intelligence**

# JETNET

- Solutions and services:
  - JETNET iQ
  - Evolution Marketplace
  - Evolution Aerodex
  - Marketplace Manager
  - Sales Price Index
  - Aviation Business Index
  - AvData Reports
  - Helidex
  - Rotodex
  - BigPlanes
- Data coverage:
  - 60,000 business aircraft (fixed and rotary wing)
  - 50,000 commercial aircraft



**JETNET: Tracking more than 110,000 business and commercial aircraft worldwide**



- Evolution Marketplace >
- Evolution Aerodex >
- BigPlanes >
- Marketplace Manager >
- Sales Price Index >
- JETNET Mobile >
- JETNET iQ >
- Aviation Business Index >
- AvData Reports >



Founding Member of



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# JETNET iQ

- *Intelligence....quarterly*
- Focus: Business aviation research & forecasting
- Main features
  - Surveys – of aircraft owners and operators
  - Reports – of current and forecast market conditions
  - Summits – of industry thought leaders

# JETNET iQ Surveys

- Turbine business aircraft owners and operators
- Quarterly
- Global
- On-line
- Multilingual
- Password-protected
- Password-linked

JETNET iQ GLOBAL BUSINESS AVIATION SURVEY - Q2 2015 English

WELCOME



\* Thank you for agreeing to participate in this survey sponsored by JETNET LLC, the world's leading provider of business aviation market intelligence. Your insights are critical to product and service development that will better meet your evolving needs.

Survey responses:

- 1) Will be strictly confidential
- 2) Will NOT be used in any way to directly market to you or your organization
- 3) Will take approximately 20-30 minutes to complete

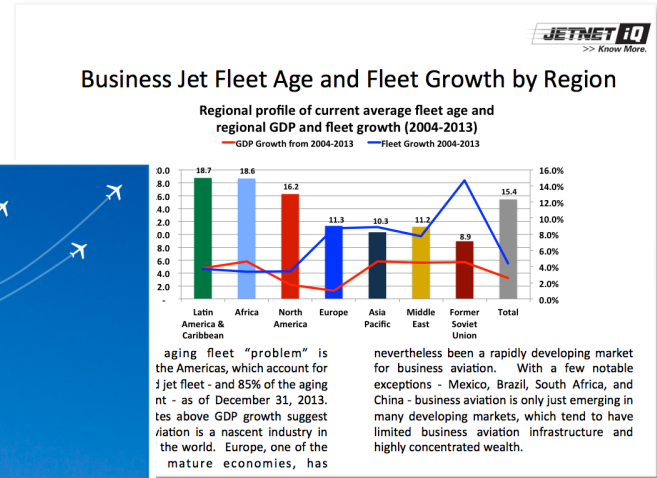
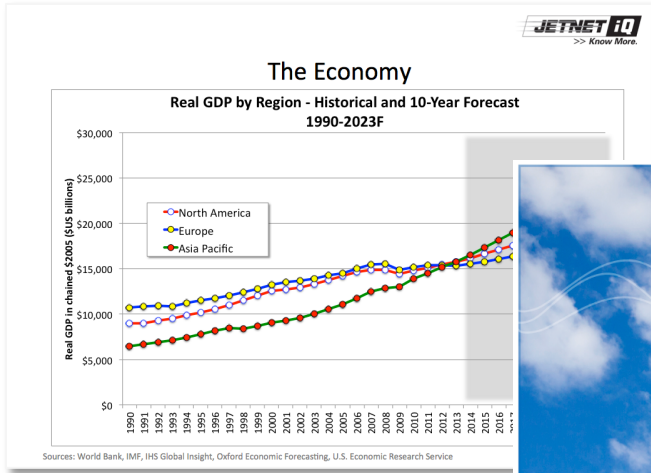
PASSWORD:

For questions about this survey, please contact:



**ROLLAND VINCENT**  
JETNET iQ Creator / Director  
Phone: 1-972-439-2069 (U.S. Central Time)  
Email: rollie@jetnet.com

# JETNET iQ Reports



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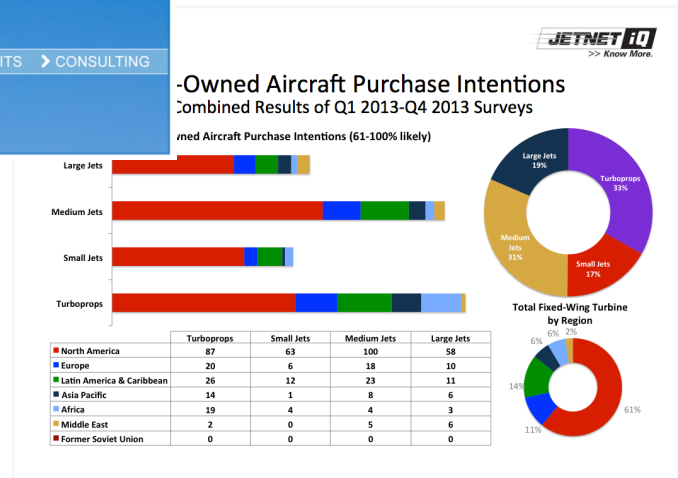
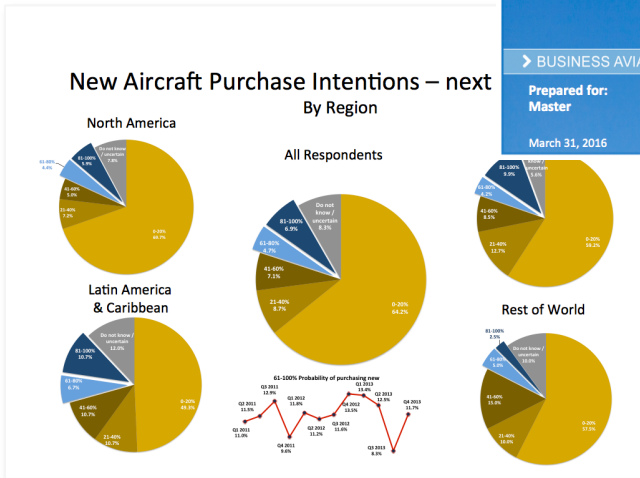
## Q1 2016 Report

[BUSINESS AVIATION MARKET INTELLIGENCE](#)
[REPORTS](#)
[SUMMITS](#)
[CONSULTING](#)

Prepared for:  
 Master

March 31, 2016

JETNET iQ REPORT: 1st Quarter 2016 - Private & Confidential



# JETNET iQ Summits

- Thought leadership and networking conferences
- 5<sup>th</sup> Global Business Aviation Summit:
  - June 23-24, 2015 - New York City
  - <http://www.jetnetiq.com/summit.shtml>
- The 6<sup>th</sup> Global Business Aviation Summit will be in New York City on September 13-14, 2016

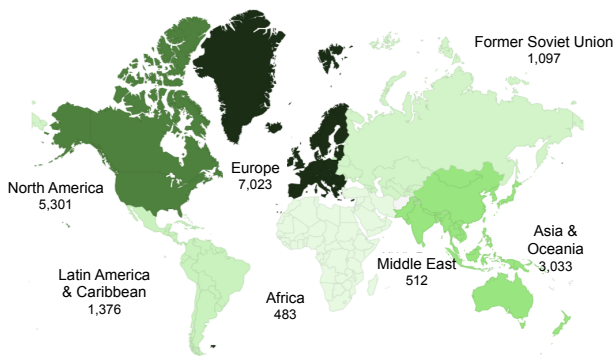


March 31, 2016

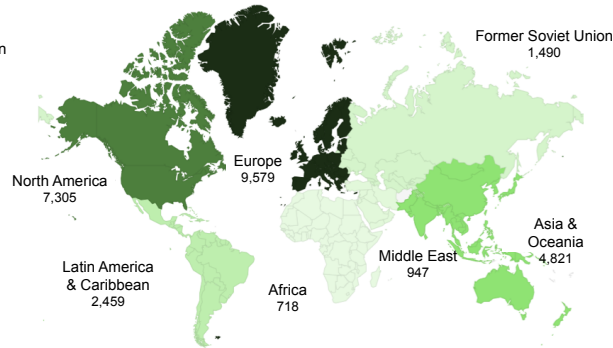
JETNET iQ Snap!: 1st Quarter 2016 - Private & Confidential

## The Global Economy

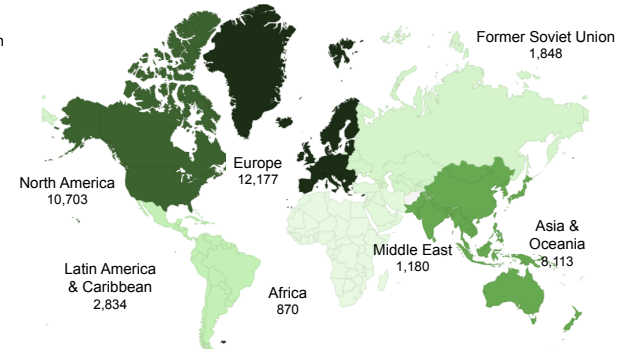
Regional GDP in 1970 (\$US 2010 Billion)



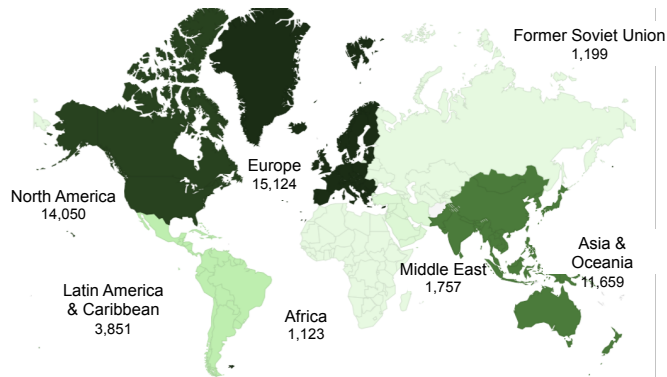
Regional GDP in 1980 (\$US 2010 Billion)



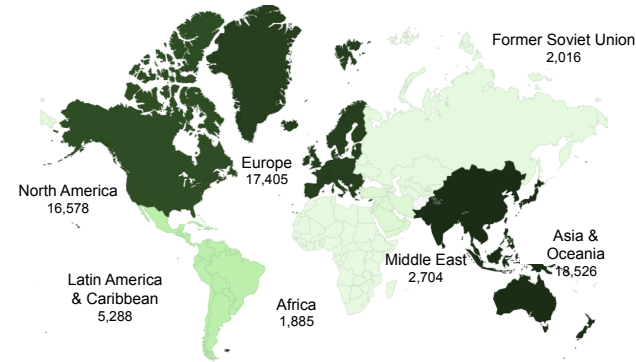
Regional GDP in 1990 (\$US 2010 Billion)



Regional GDP in 2000 (\$US 2010 Billion)



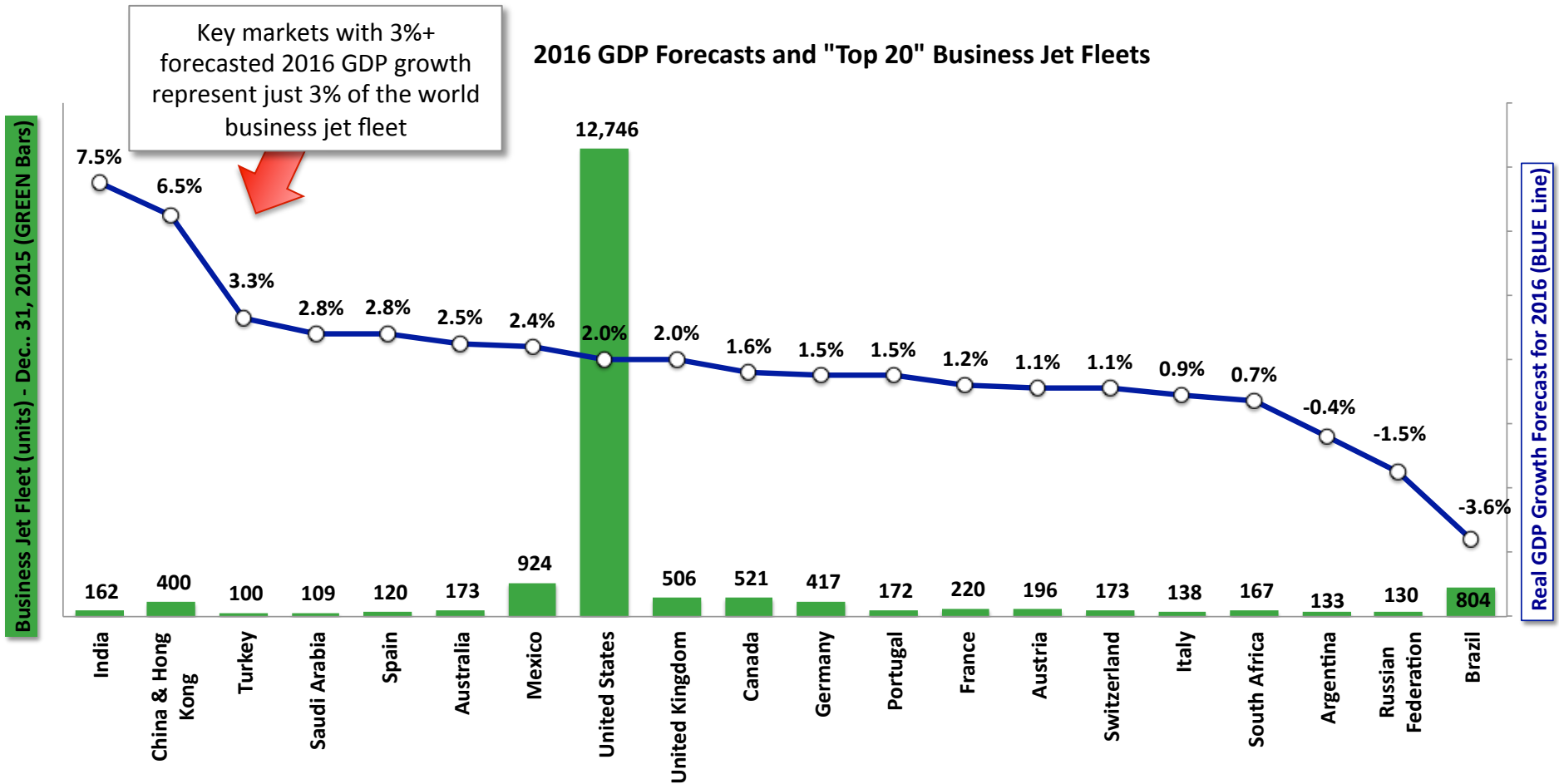
Regional GDP in 2010 (\$US 2010 Billion)



Sources: U.S. Economic Research Service

## The Economy

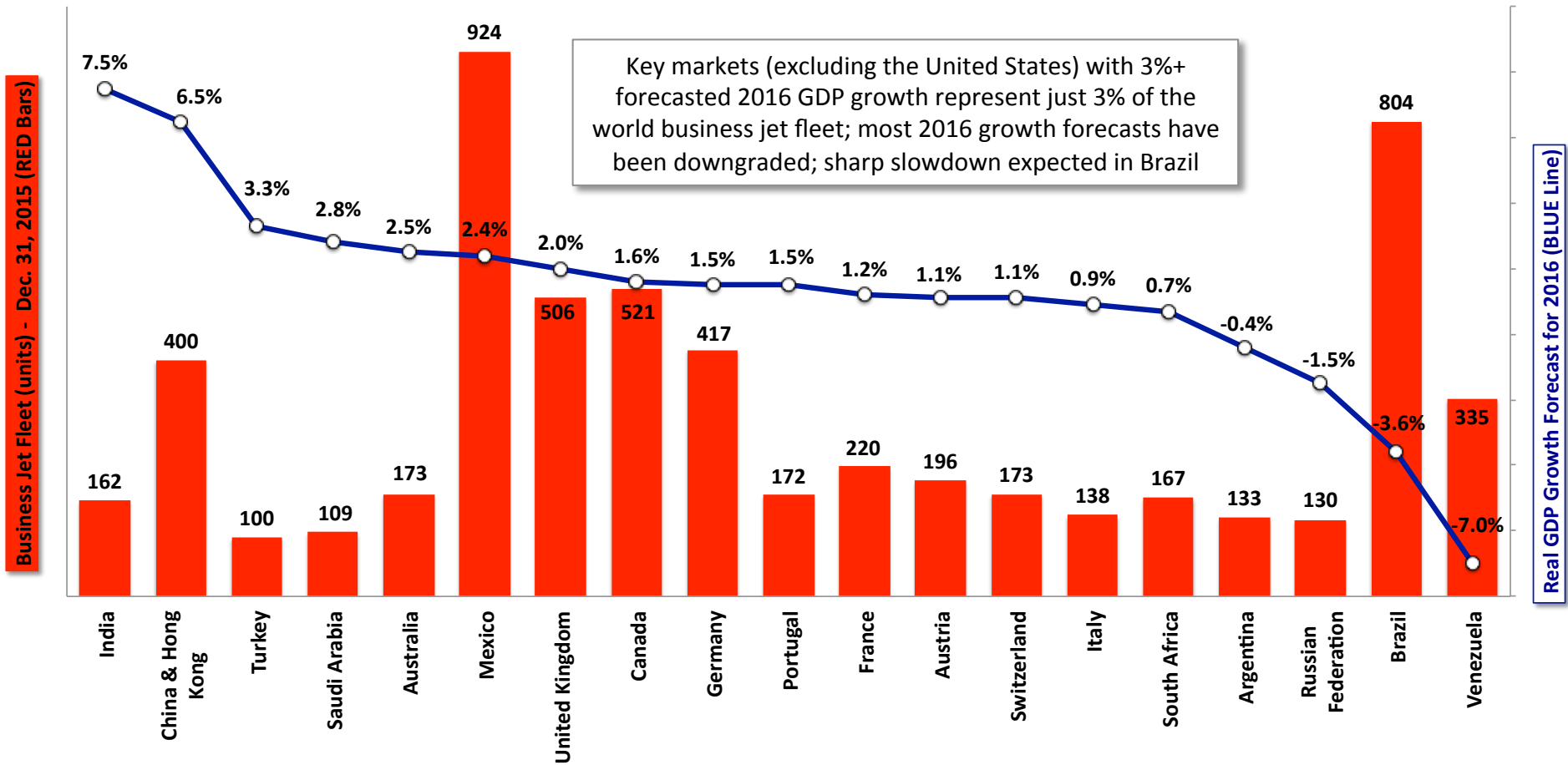
2016 GDP Forecasts and "Top 20" Business Jet Fleets



Economic growth forecasts for 2016 have been curtailed; U.S. now at 2.0%

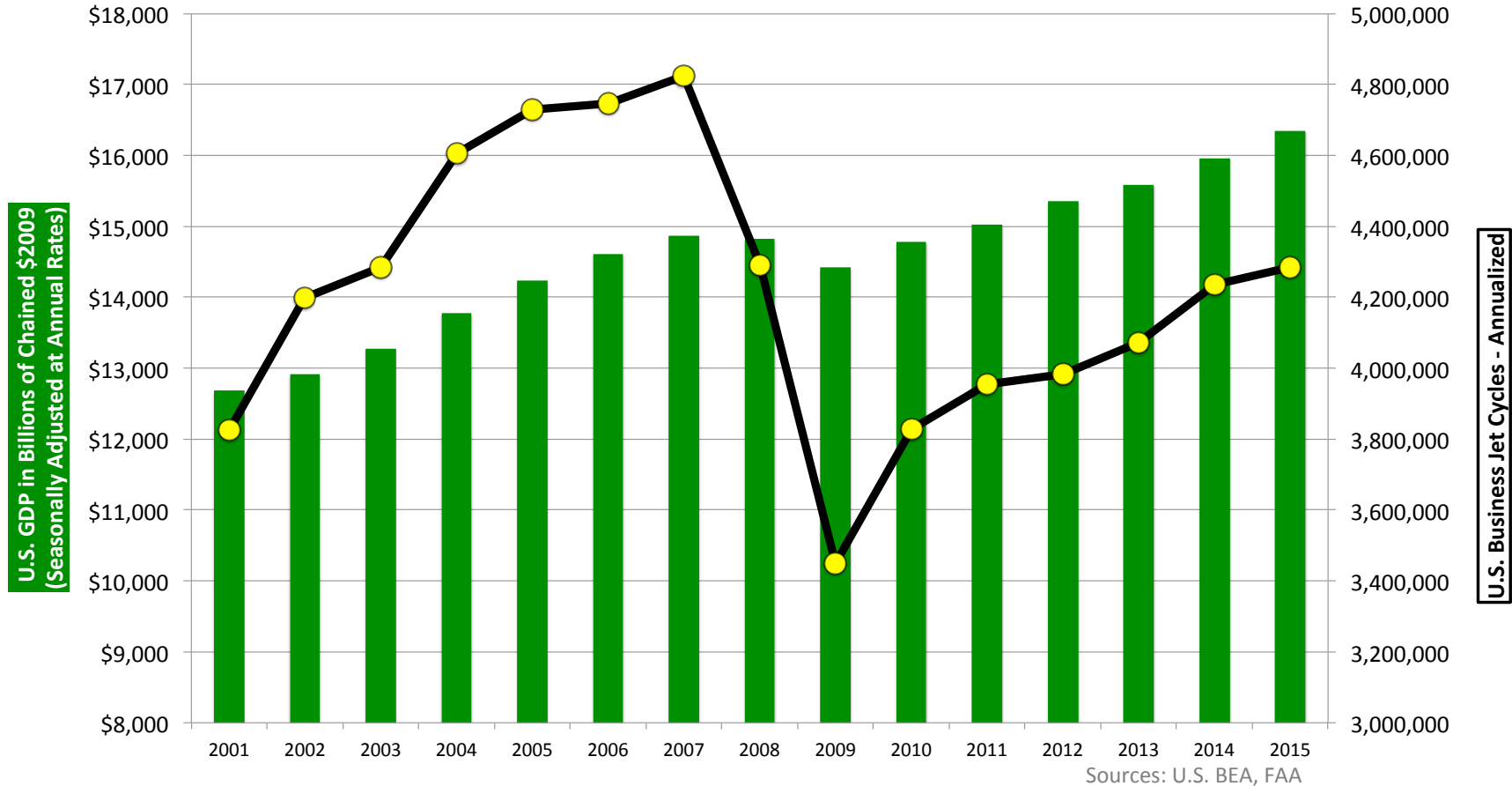
## The Economy

2016 GDP Forecasts and "Top 20" Business Jet Fleets  
(excluding the United States)



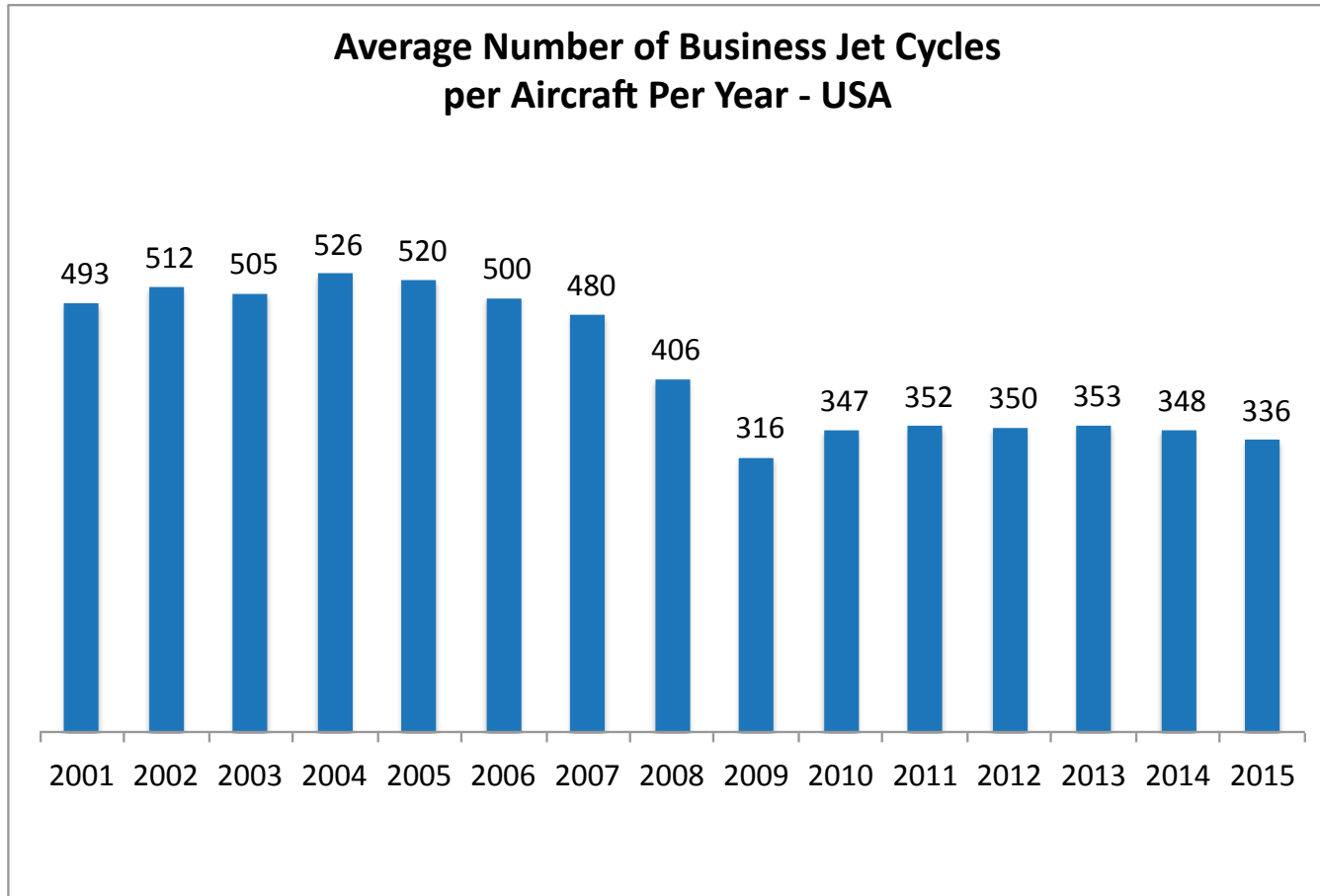
# The Economy

**U.S. GDP and U.S. Business Jet Cycles**



**U.S. business jet cycles have steadily increased but remain below 2003-2008 levels**

# The Economy



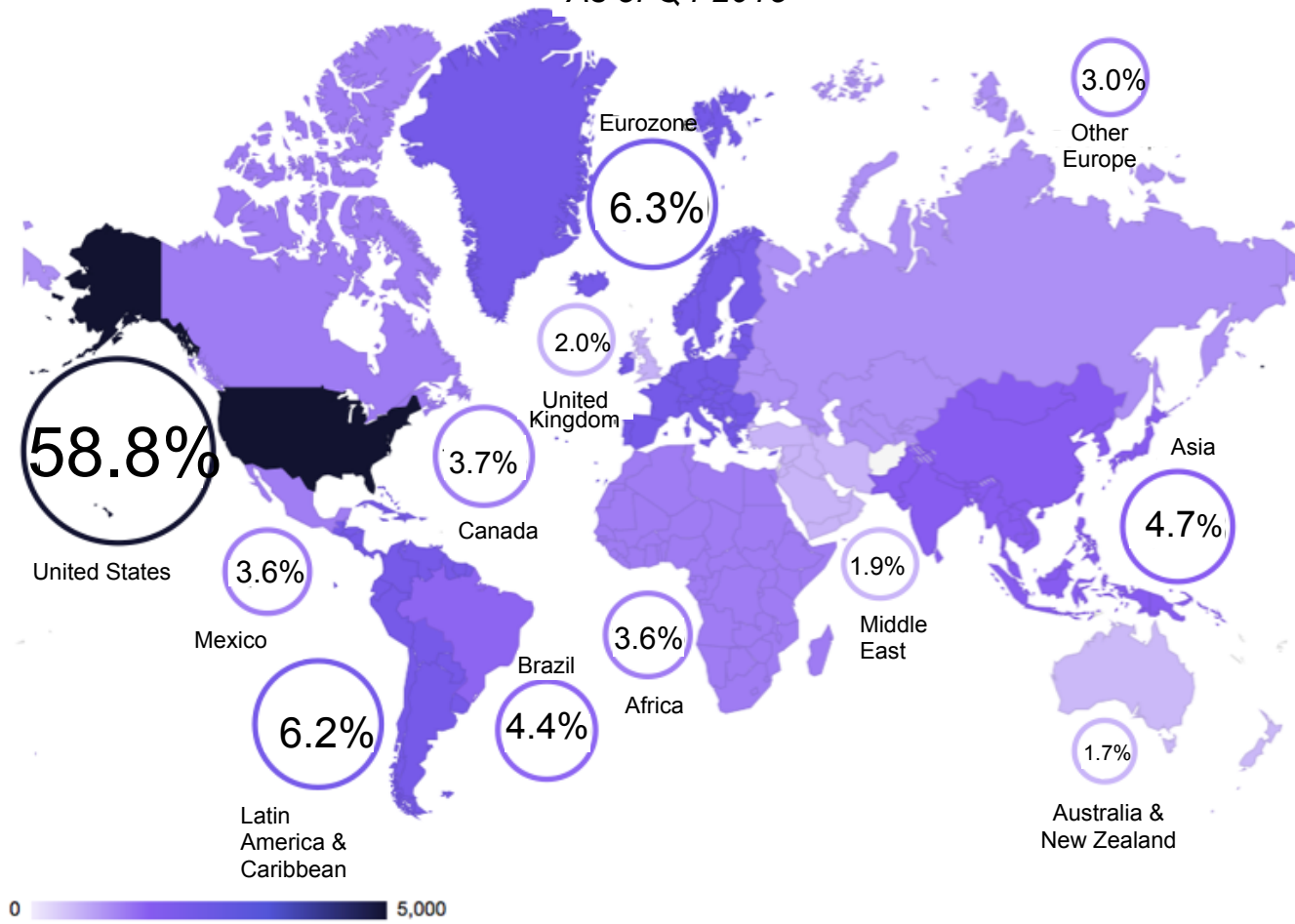
Sources: U.S. FAA, JETNET

**Cycles per U.S.-based business jet have not recovered to pre-crisis levels**

# Business Aircraft Fleet by Region

Share of Business Aircraft Fleet by Region

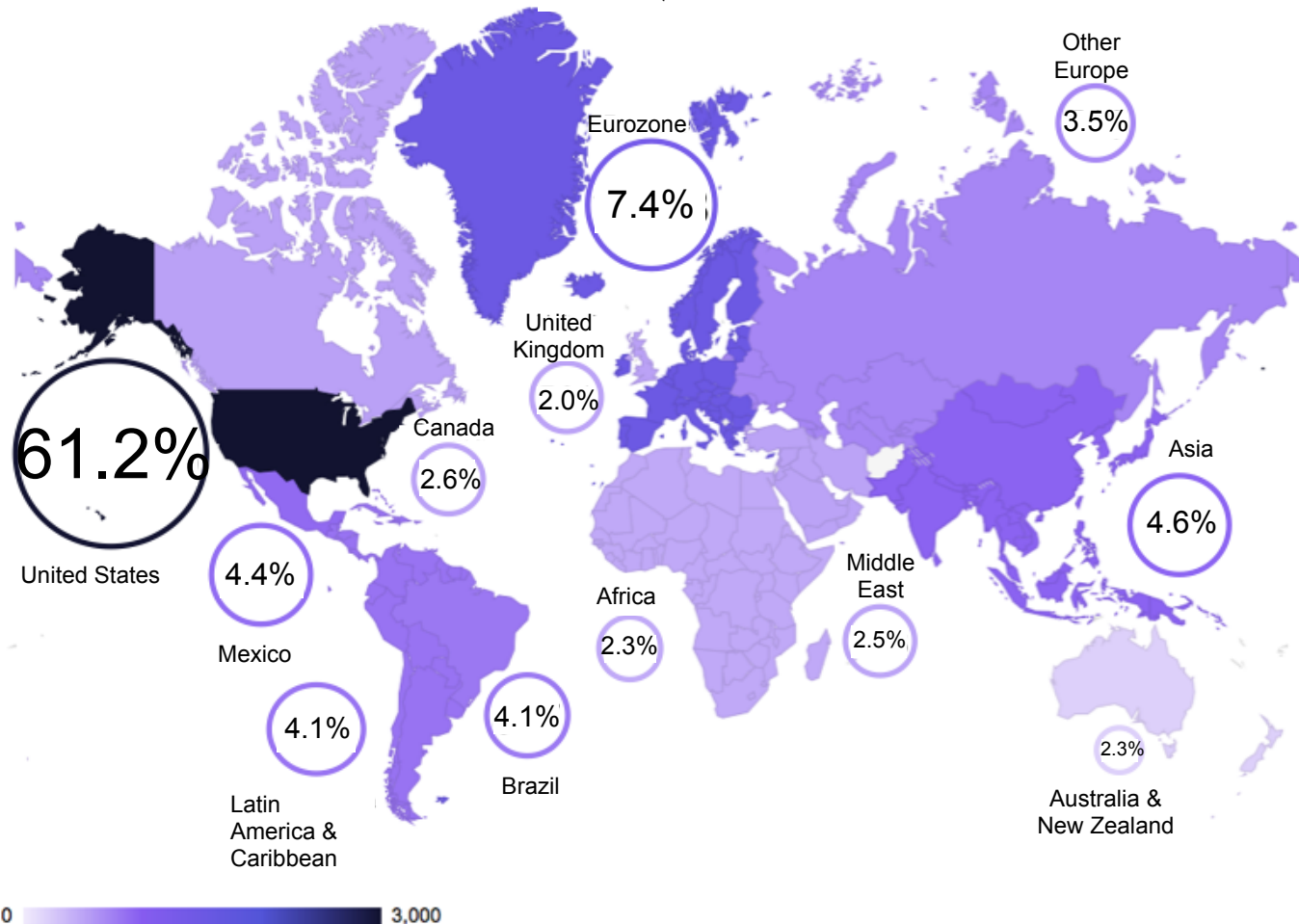
As of Q4 2015



# Business Jet Fleet by Region

Share of Business Jet Fleet by Region

As of Q4 2015



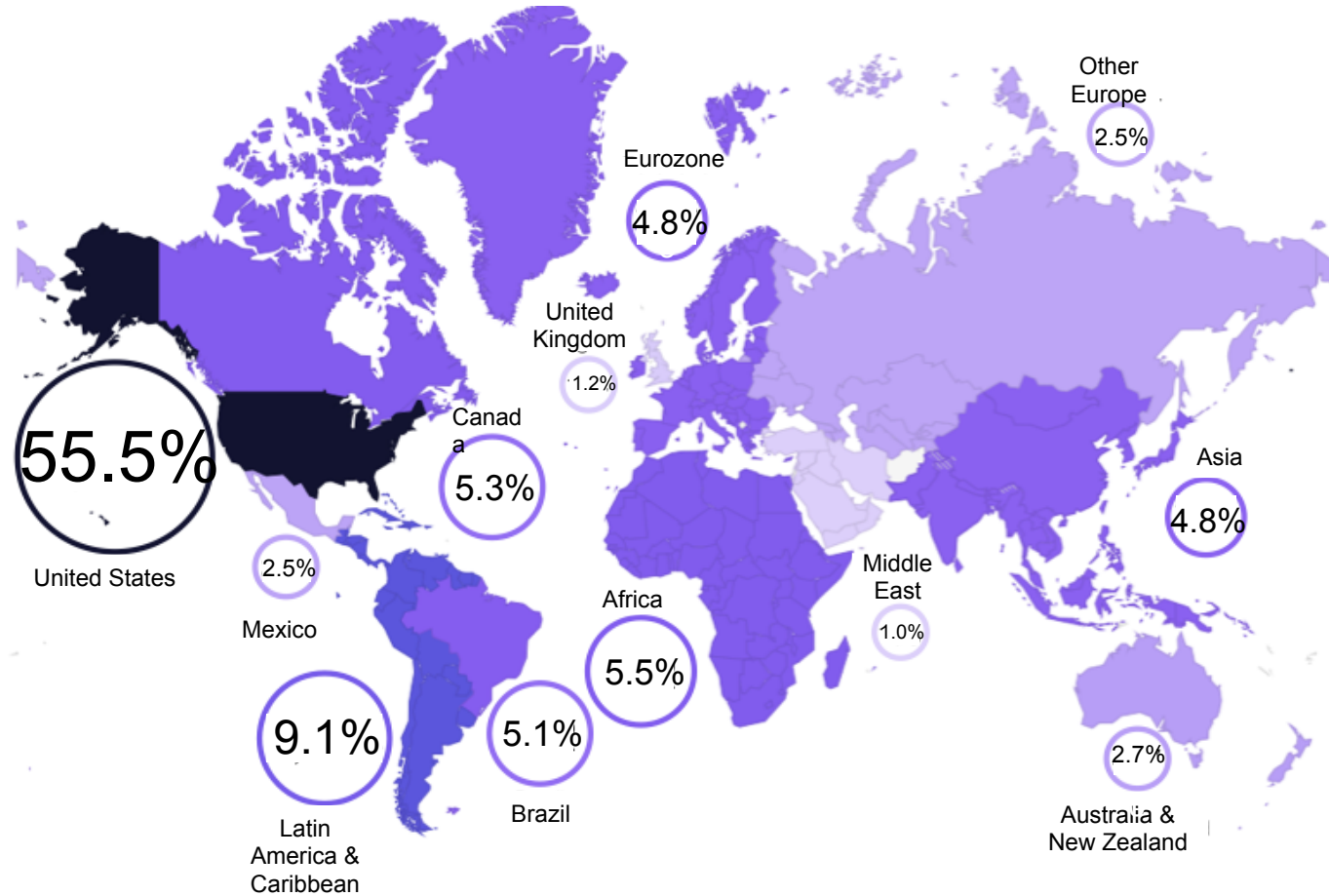
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# Business Turboprop Fleet by Region

Share of Business Turboprop Fleet by Region

As of Q4 2015



0 2,200

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# Business Jet Fleet by Manufacturer

| <b>NORTH AMERICA<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|------------------------------|-------------------------------------|
| Beechcraft                   | 249                                 |
| Bombardier                   | 2,885                               |
| Cessna Citation              | 4,678                               |
| Dassault Falcon              | 1,344                               |
| Embraer                      | 469                                 |
| Gulfstream                   | 1,774                               |
| Hawker                       | 1,243                               |
| Other                        | 625                                 |
| <b>Total</b>                 | <b>13,267</b>                       |

| <b>EUROPE<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|-----------------------|-------------------------------------|
| Beechcraft            | 20                                  |
| Bombardier            | 611                                 |
| Cessna Citation       | 835                                 |
| Dassault Falcon       | 449                                 |
| Embraer               | 143                                 |
| Gulfstream            | 204                                 |
| Hawker                | 179                                 |
| Other                 | 90                                  |
| <b>Total</b>          | <b>2,531</b>                        |

| <b>FORMER SOVIET UNION<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|------------------------------------|-------------------------------------|
| Beechcraft                         | -                                   |
| Bombardier                         | 72                                  |
| Cessna Citation                    | 25                                  |
| Dassault Falcon                    | 25                                  |
| Embraer                            | 24                                  |
| Gulfstream                         | 28                                  |
| Hawker                             | 35                                  |
| Other                              | 19                                  |
| <b>Total</b>                       | <b>228</b>                          |

| <b>MIDDLE EAST<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|----------------------------|-------------------------------------|
| Beechcraft                 | 4                                   |
| Bombardier                 | 115                                 |
| Cessna Citation            | 64                                  |
| Dassault Falcon            | 62                                  |
| Embraer                    | 40                                  |
| Gulfstream                 | 102                                 |
| Hawker                     | 64                                  |
| Other                      | 76                                  |
| <b>Total</b>               | <b>527</b>                          |

| <b>LATIN AMERICA &amp; CARIBBEAN<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|--|-------------------------------------|
| Beechcraft                                   | 65                                  |
| Bombardier                                   | 643                                 |
| Cessna Citation                              | 833                                 |
| Dassault Falcon                              | 142                                 |
| Embraer                                      | 208                                 |
| Gulfstream                                   | 200                                 |
| Hawker                                       | 309                                 |
| Other  | 165                                 |
| <b>Total</b>                                 | <b>2,565</b>                        |

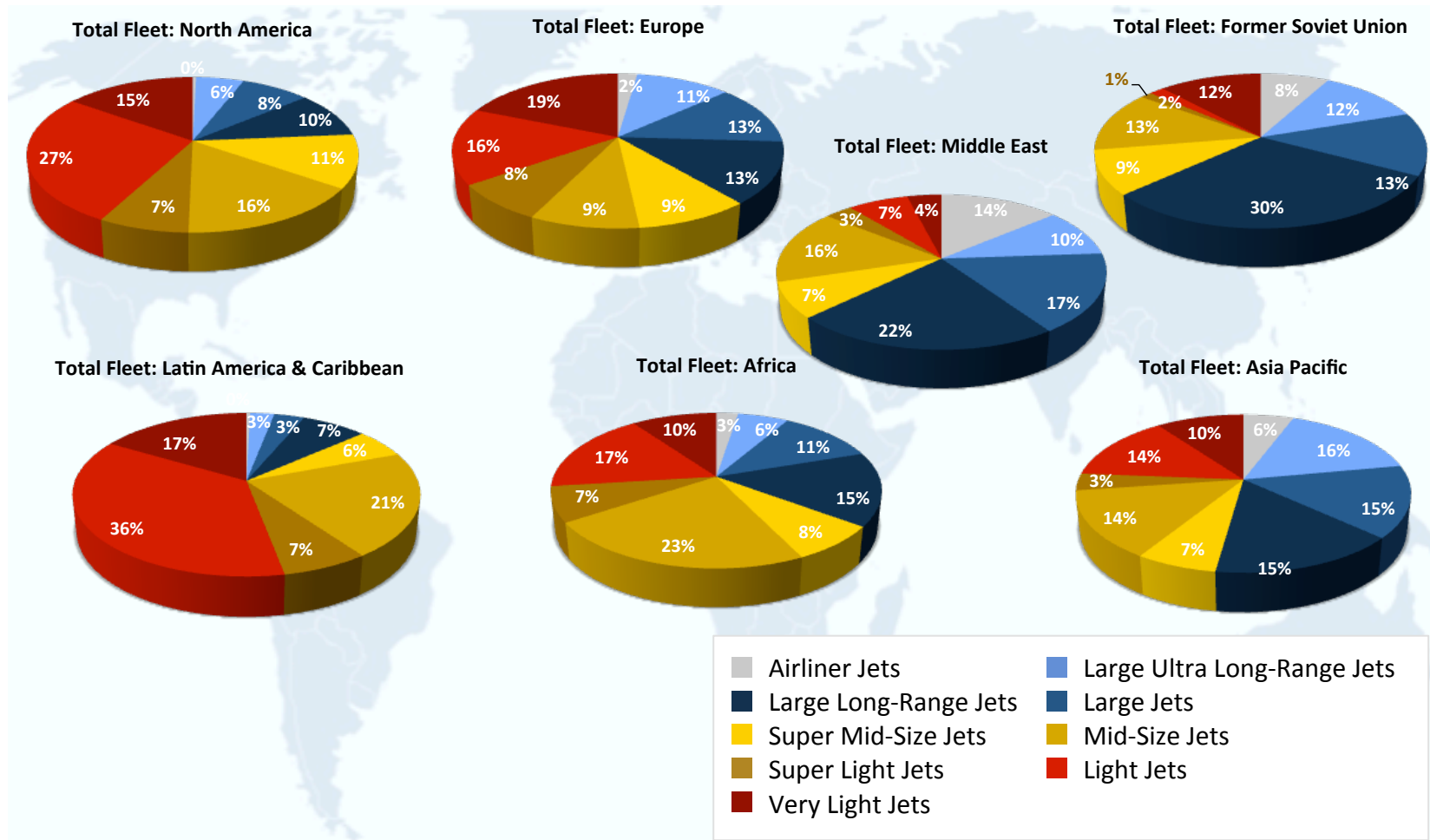
| <b>AFRICA<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|-----------------------|-------------------------------------|
| Beechcraft            | 5                                   |
| Bombardier            | 93                                  |
| Cessna Citation       | 103                                 |
| Dassault Falcon       | 66                                  |
| Embraer               | 21                                  |
| Gulfstream            | 61                                  |
| Hawker                | 105                                 |
| Other                 | 21                                  |
| <b>Total</b>          | <b>475</b>                          |

| <b>ASIA PACIFIC<br/>OEM</b> | <b>Fleet as of<br/>Mar 31, 2016</b> |
|-----------------------------|-------------------------------------|
| Beechcraft                  | 10                                  |
| Bombardier                  | 288                                 |
| Cessna Citation             | 223                                 |
| Dassault Falcon             | 97                                  |
| Embraer                     | 81                                  |
| Gulfstream                  | 271                                 |
| Hawker                      | 137                                 |
| Other                       | 76                                  |
| <b>Total</b>                | <b>1,183</b>                        |

**World business jet fleet was 20,776 jets on March 31, 2016**

# Business Jet Fleet by Size Category

March 31, 2016

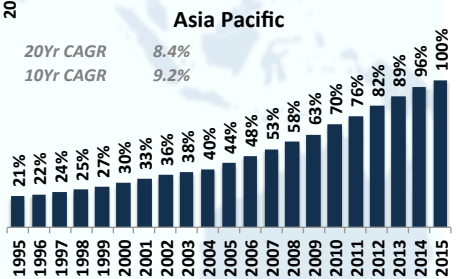
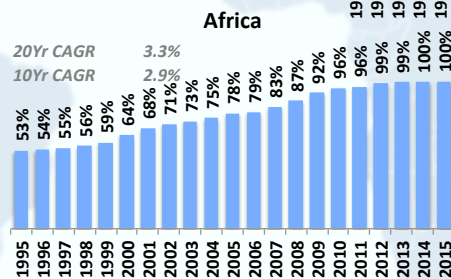
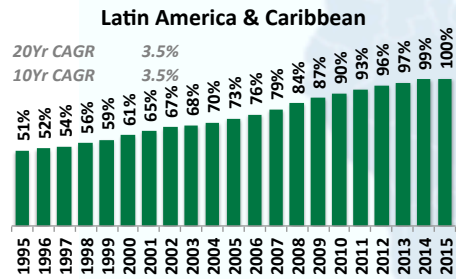
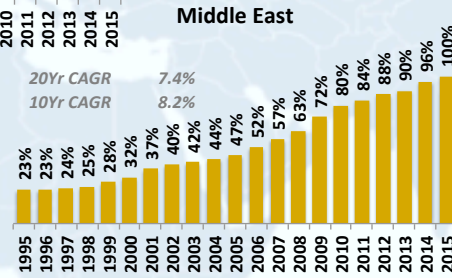
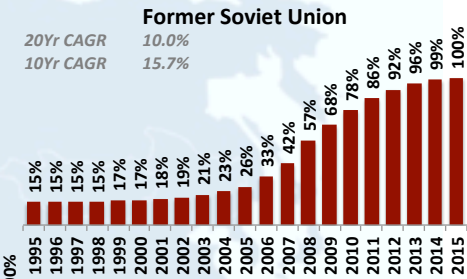
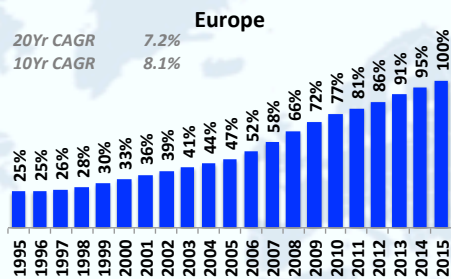
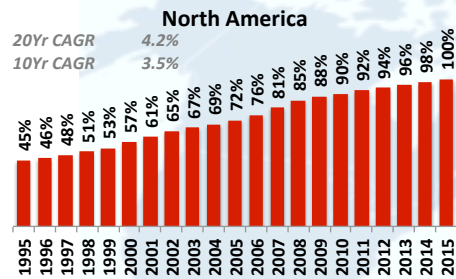


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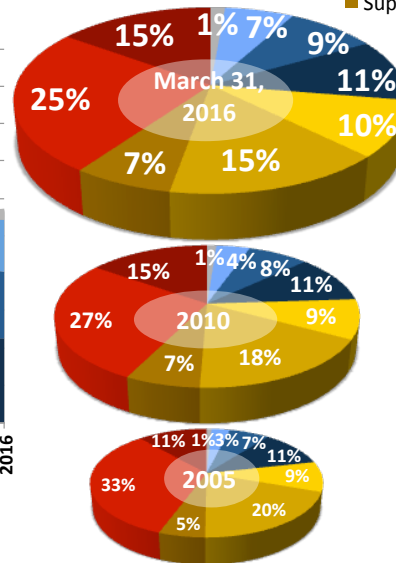
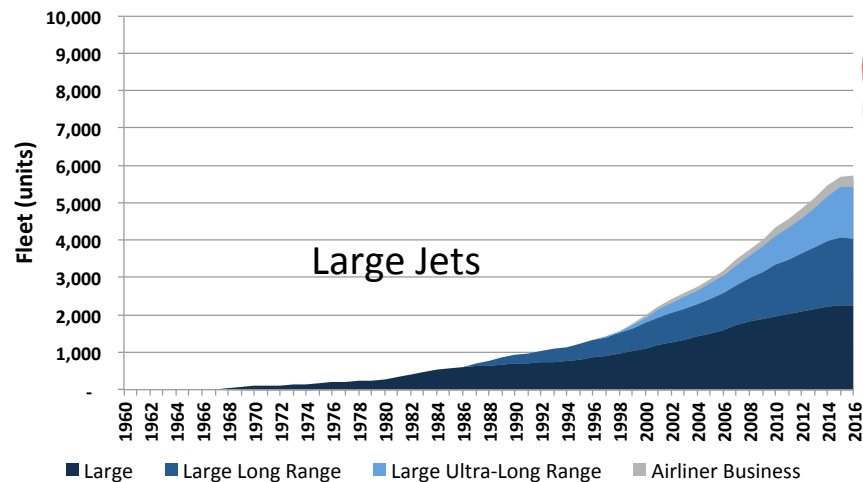
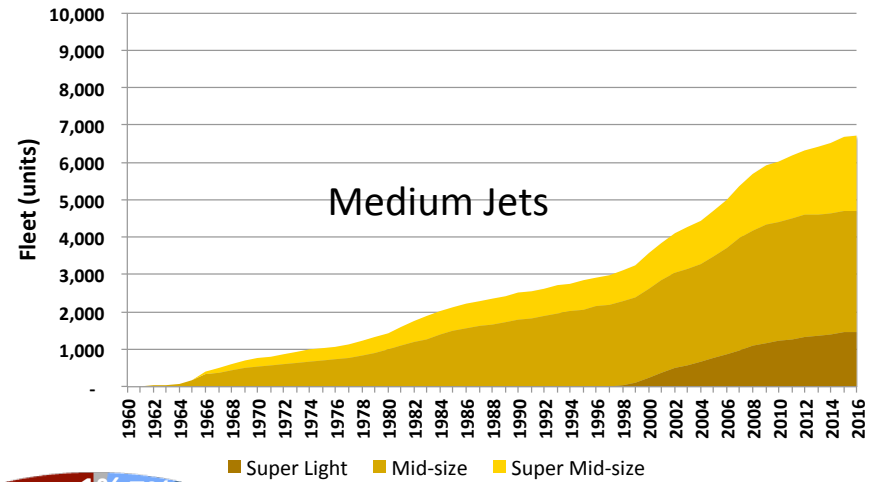
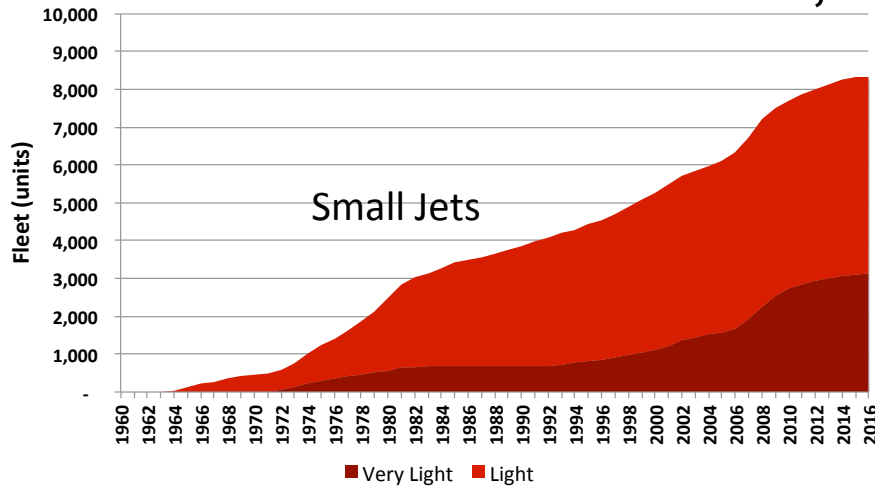
## Business Jet Fleet Growth: 1996-2015

Fleet in Years 1996 to 2015 as a % of Year-End 2015 Fleet by Region



## Business Jet Fleet by Size Category

### Fleet in Years 1960 – March 31, 2016



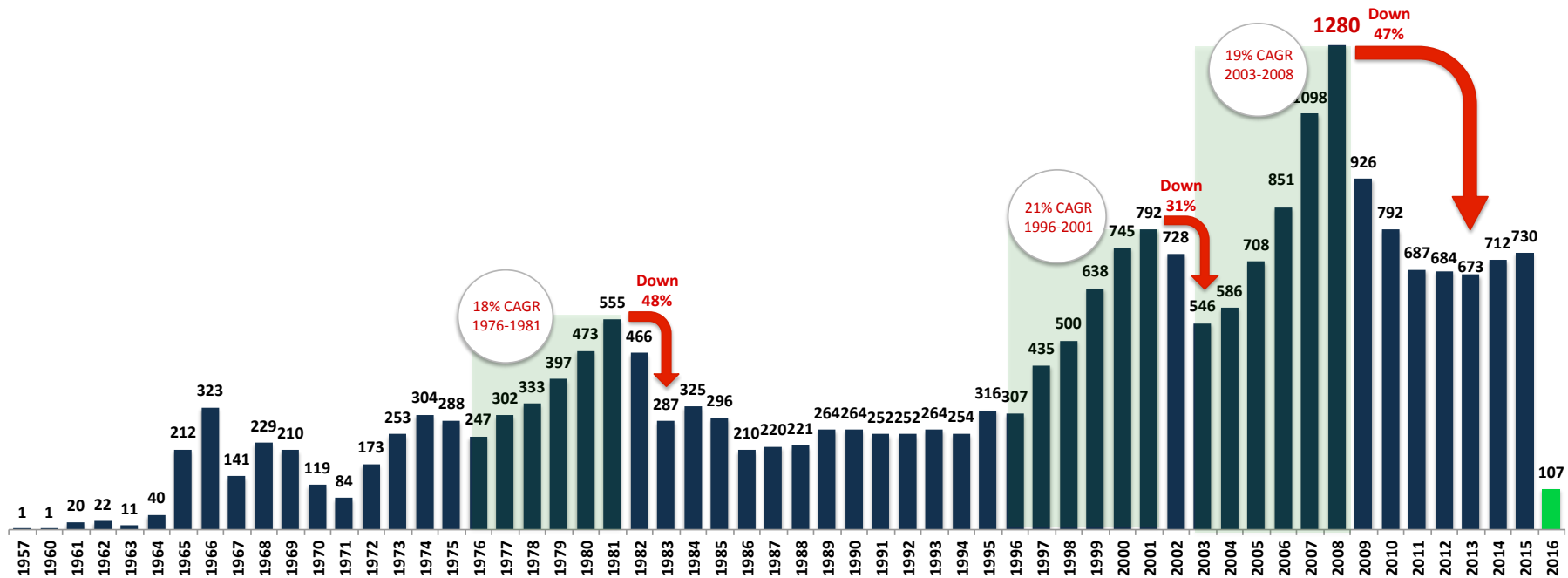
| Business Jet Fleet as of March 31, 2016 |               |
|---|---------------|
| By size category                        |               |
| Airliner Business                       | 291           |
| Large Ultra-Long Range                  | 1,383         |
| Large Long Range                        | 1,809         |
| Large Jets                              | 2,243         |
| Super Mid-size Jets                     | 2,026         |
| Mid-size Jets                           | 3,223         |
| Super Light Jets                        | 1,467         |
| Light Jets                              | 5,213         |
| Very Light Jets                         | 3,121         |
| <b>Total</b>                            | <b>20,776</b> |

March 31, 2016

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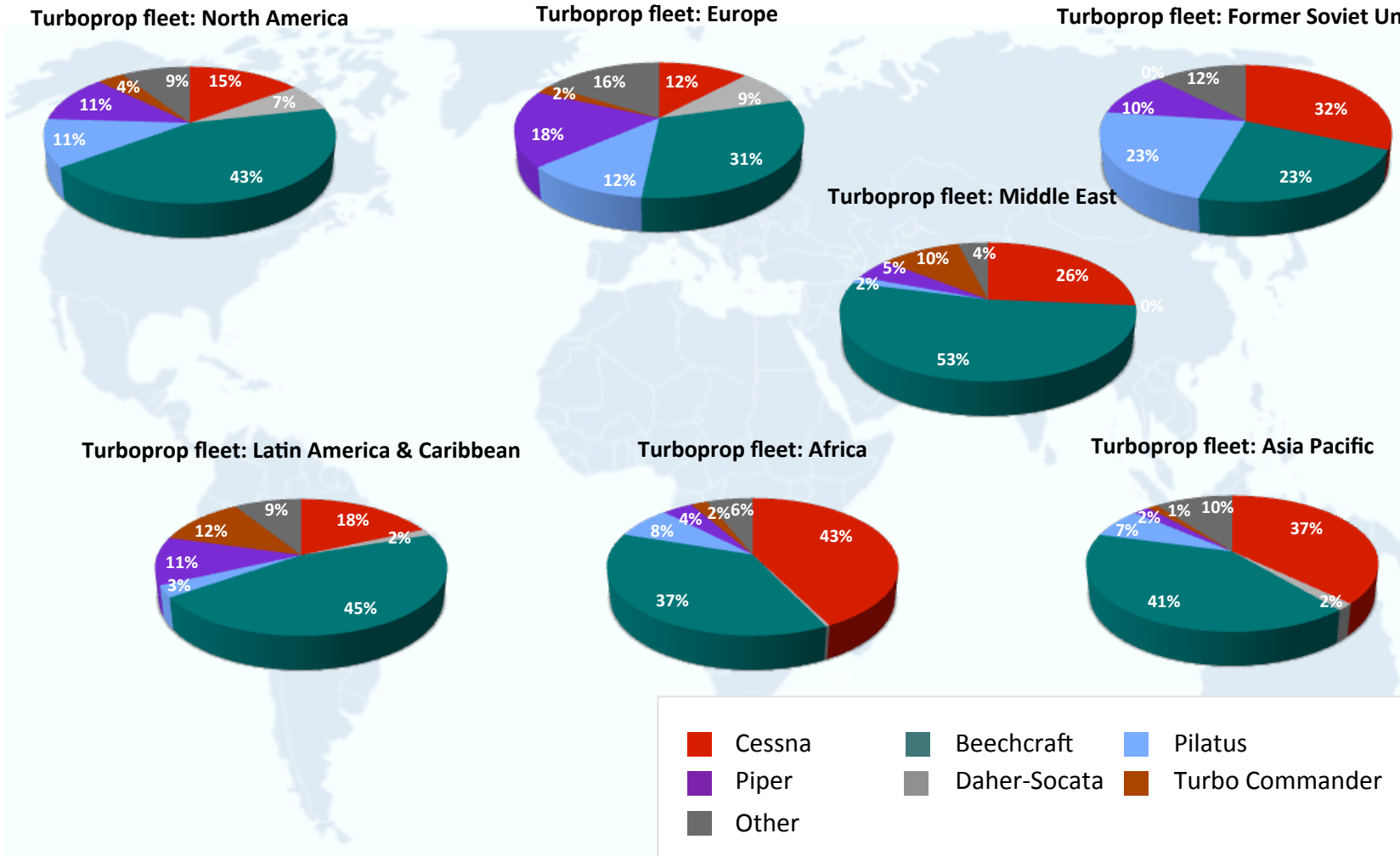
# Business Jet Deliveries (units)

Business Jet Deliveries

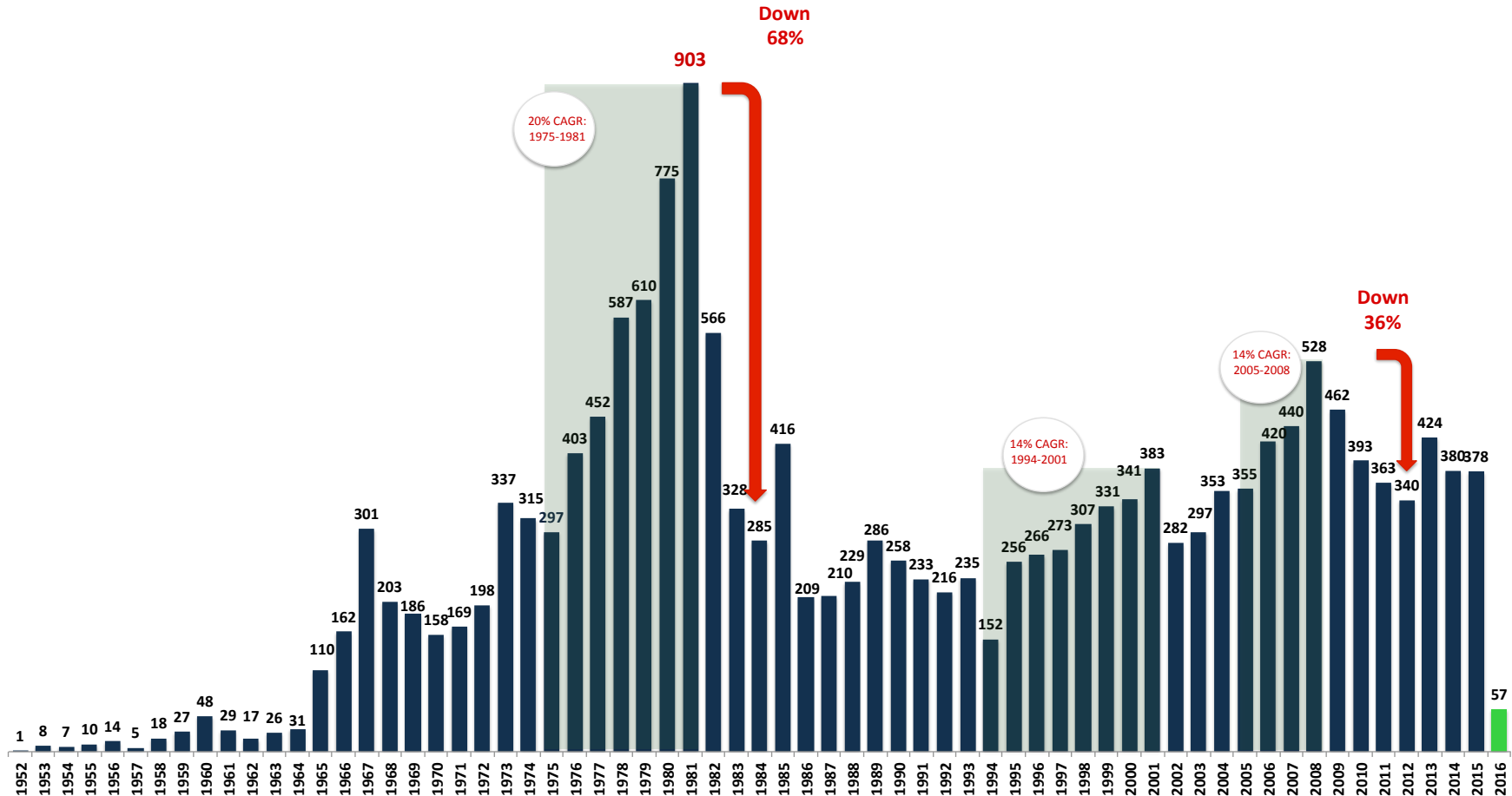


New business jet delivery units have remained relatively flat for 5 years;  
 New business jet delivery value in 2015 was about \$22B based on equipped list prices

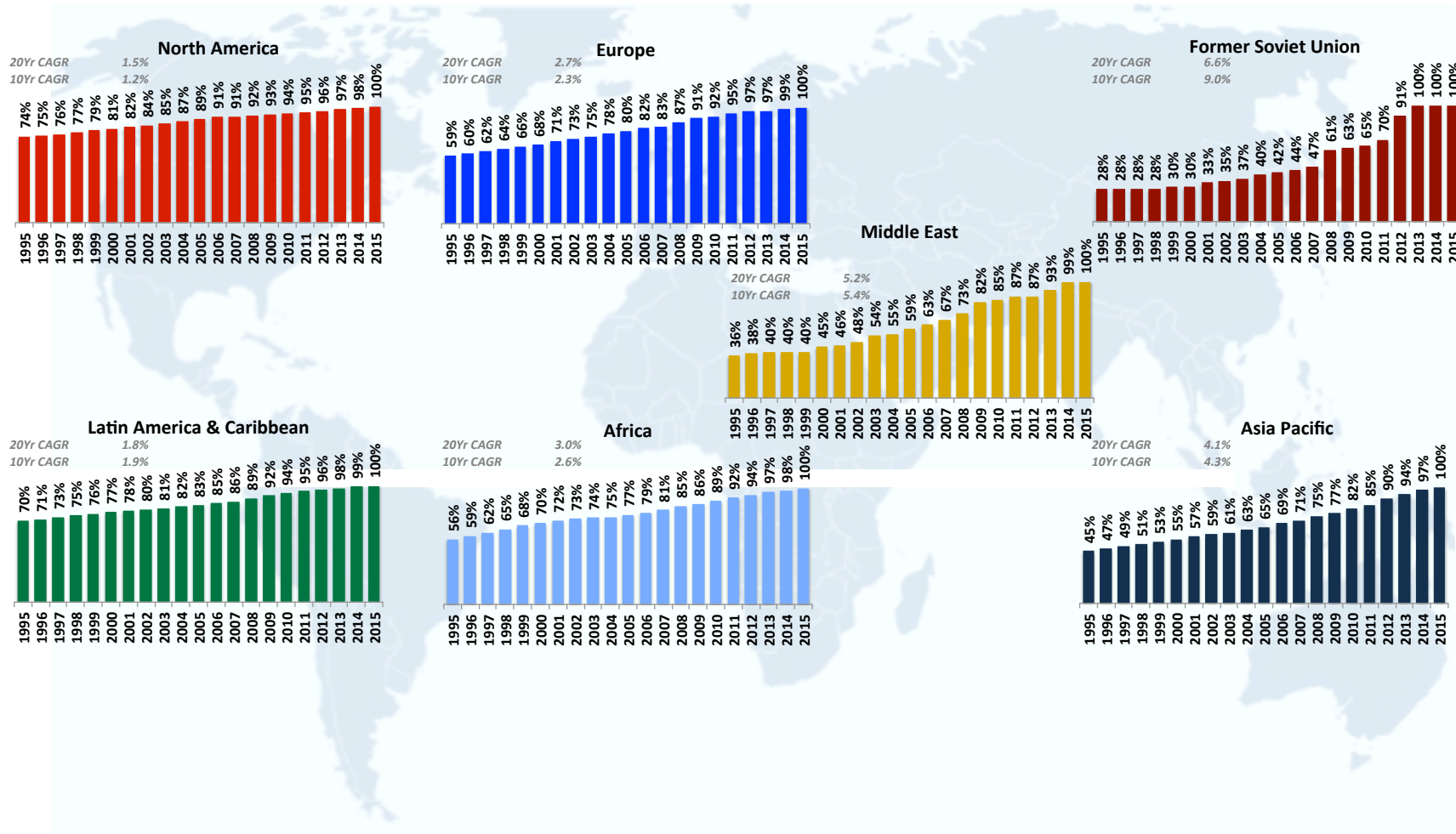
# Business Turboprop Fleet by Manufacturer



# Business Turboprop Deliveries (units)



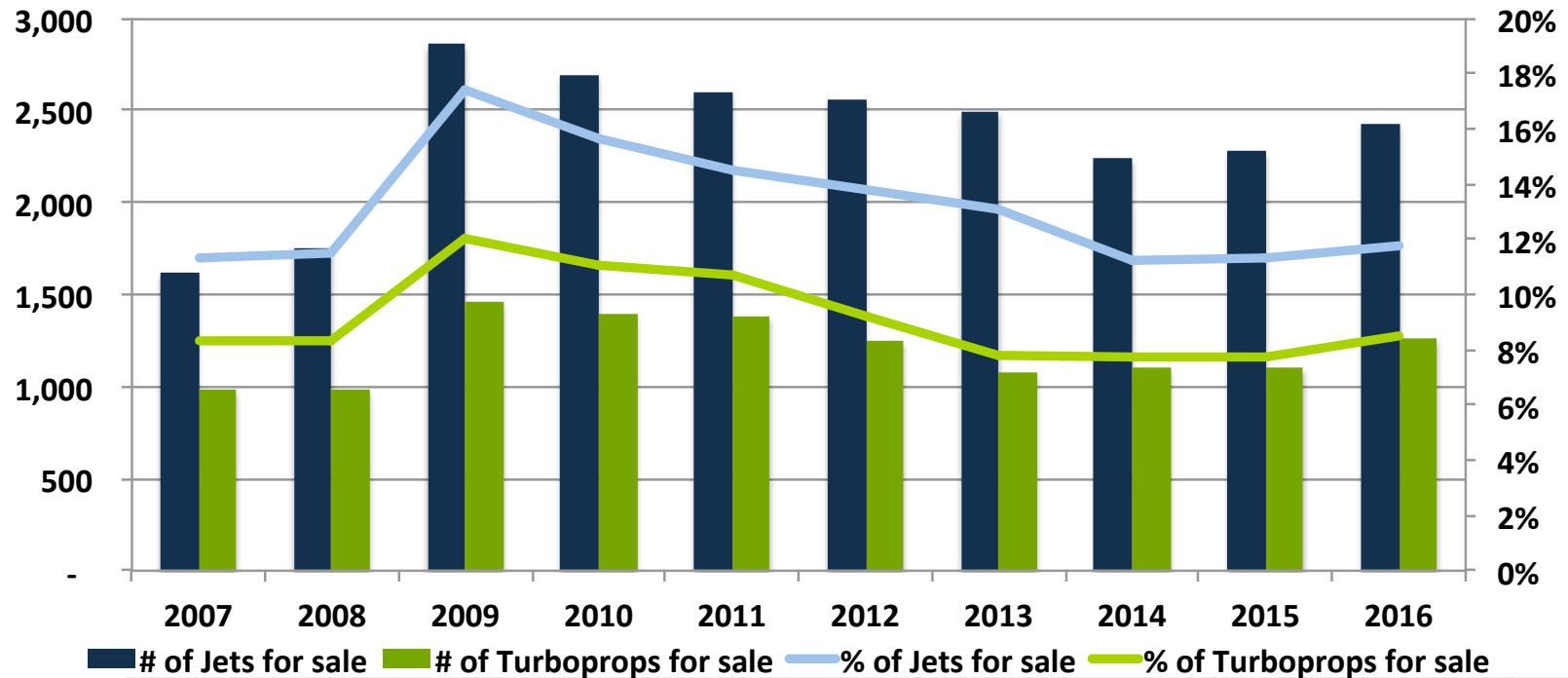
## Business Turboprop Fleet Growth: 1996-2015 Fleet in Years 1996 to 2015 as a % of Year-End 2015 Fleet by Region



# Pre-Owned Business Aircraft Inventory

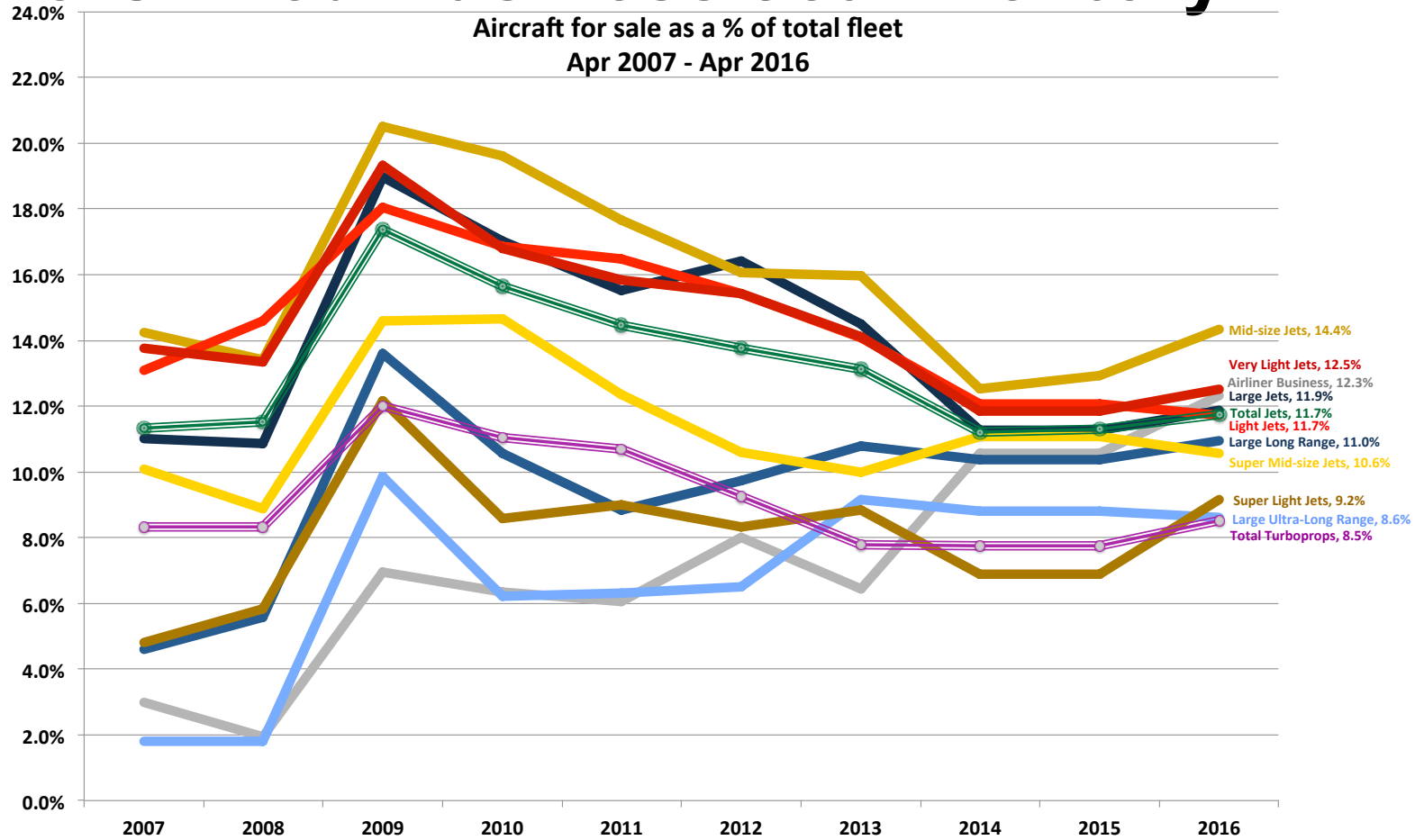
Business Jets and Turboprops for sale

Apr 2007 - Apr 2016



**For-sale inventory of pre-owned business aircraft has begun to increase once again**

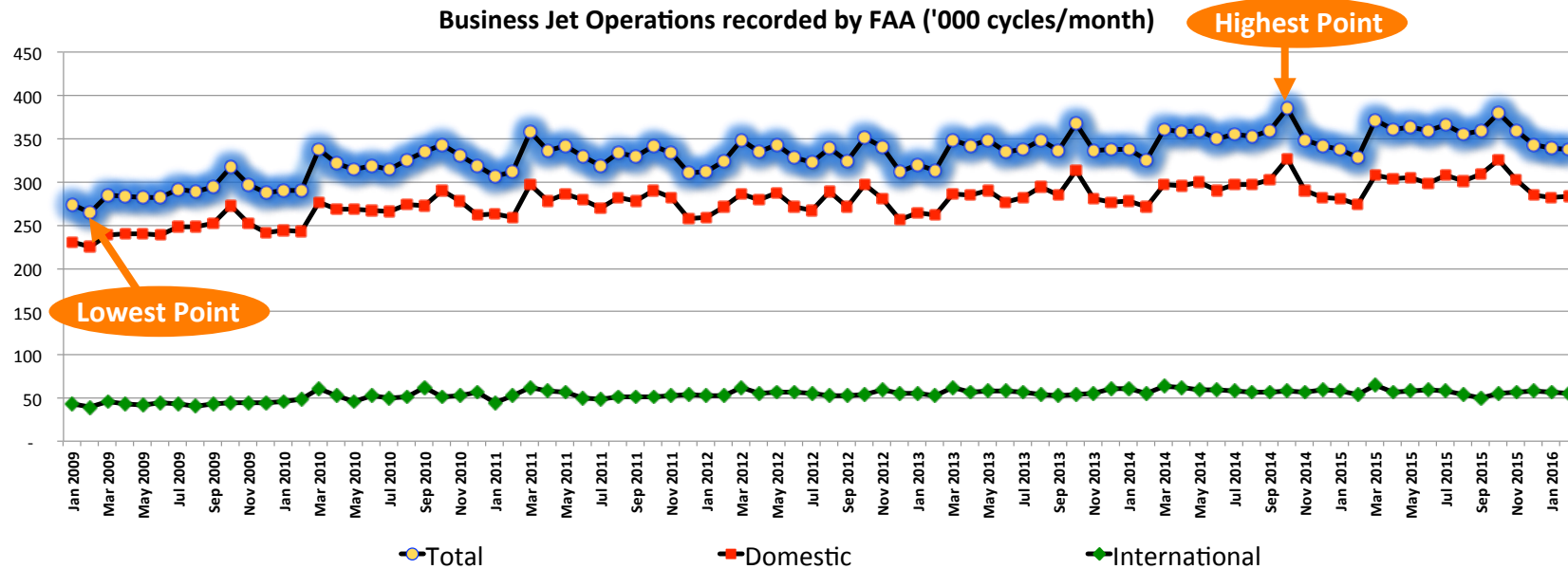
# Pre-Owned Business Jet Inventory



**Pre-owned jet inventory levels in each size category have begun to increase**

# U.S. Business Jet Utilization

| FAA BUSINESS JET OPERATIONS - FEB 2016 |         | Trailing 12 Months |
|--|---------|--------------------|
| TOTAL CYCLES                           |         |                    |
| Total Cycles                           | 338,280 | 4,296,578          |
| Change vs. prior month                 | -0.2%   | 0.2%               |
| Change vs. prior year                  | 3.1%    | 1.4%               |
| Change vs. 24 months ago               | 3.8%    | 4.7%               |
| DOMESTIC CYCLES                        |         |                    |
| Total Domestic Cycles                  | 282,956 | 3,610,756          |
| Change vs. prior month                 | 0.4%    | 0.3%               |
| Change vs. prior year                  | 3.4%    | 2.2%               |
| Change vs. 24 months ago               | 4.5%    | 5.7%               |
| INTERNATIONAL CYCLES                   |         |                    |
| Total International Cycles             | 55,324  | 685,822            |
| Change vs. prior month                 | -3.4%   | 0.1%               |
| Change vs. prior year                  | 1.6%    | -2.8%              |
| Change vs. 24 months ago               | 0.2%    | 0.0%               |



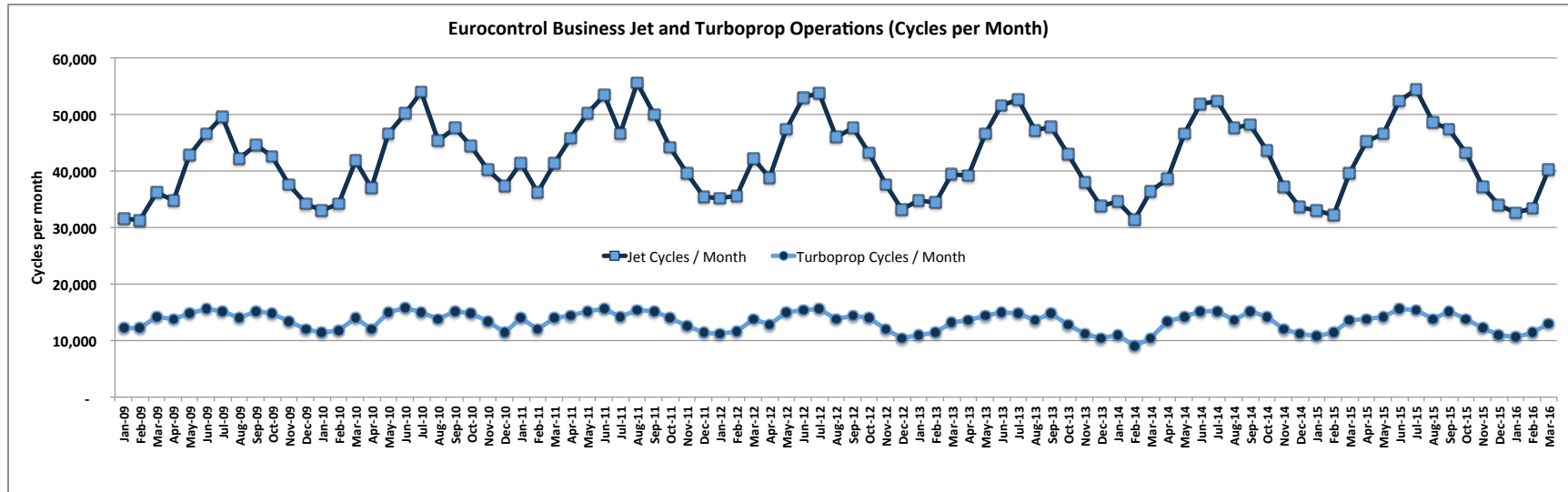
Source: U.S. FAA

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# European Business Aircraft Utilization

| EUROCONTROL<br>BUSINESS JET & TURBOPROP OPERATIONS - MAR 2016 |        | Trailing 12<br>Months |
|---|--------|-----------------------|
| <b>BUSINESS JETS (EXCLUDING AIRLINERS)</b>                    |        |                       |
| Total Cycles  | 40,109 | 515,163               |
| Change vs. prior month  | 20.2%  | 0.1%                  |
| Change vs. prior year   | 1.2%   | 2.1%                  |
| Change vs. 24 months ago                                      | 10.2%  | 2.6%                  |
| <b>TURBOPROPS</b>   |        |                       |
| Total Cycles  | 13,012 | 160,163               |
| Change vs. prior month  | 14.3%  | -0.4%                 |
| Change vs. prior year   | -4.8%  | 0.1%                  |
| Change vs. 24 months ago                                      | 24.1%  | 6.0%                  |

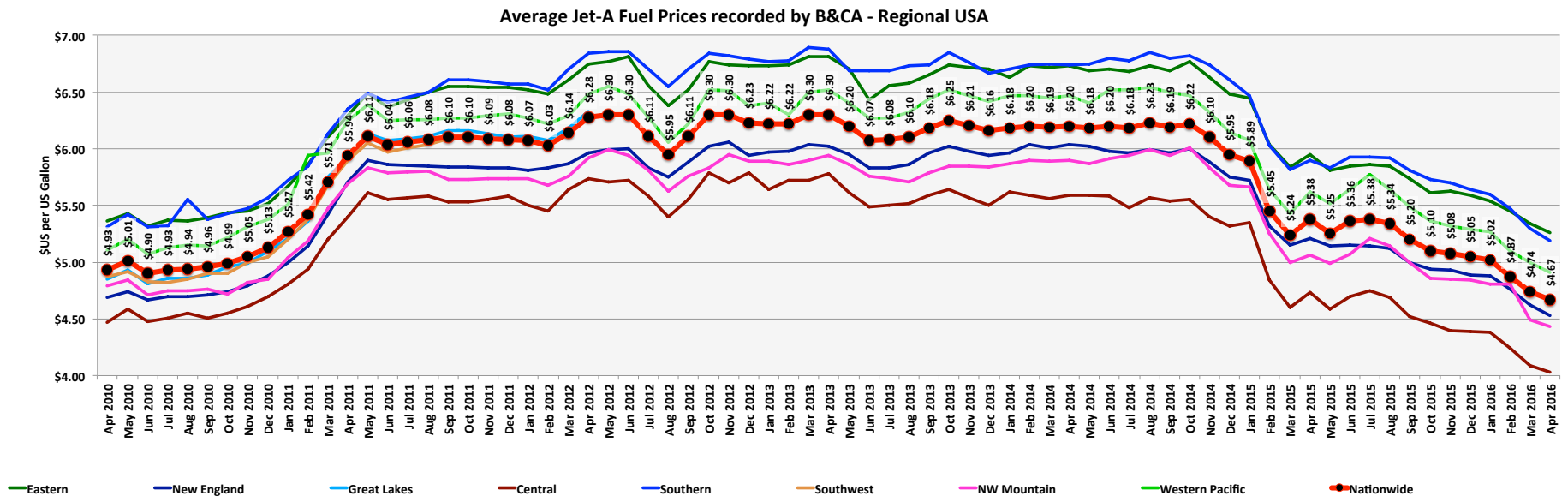


Source: Eurocontrol

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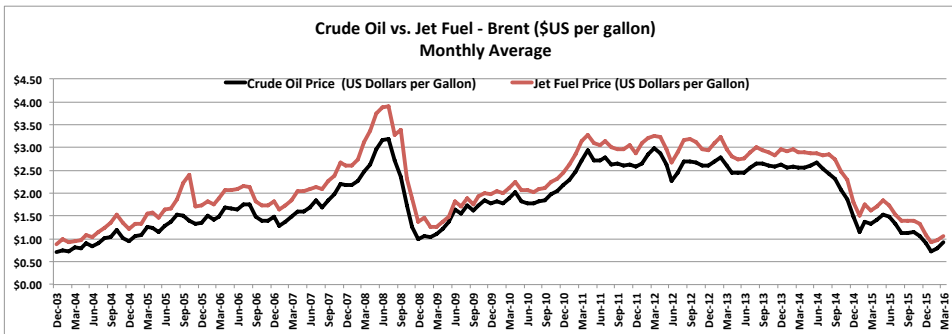
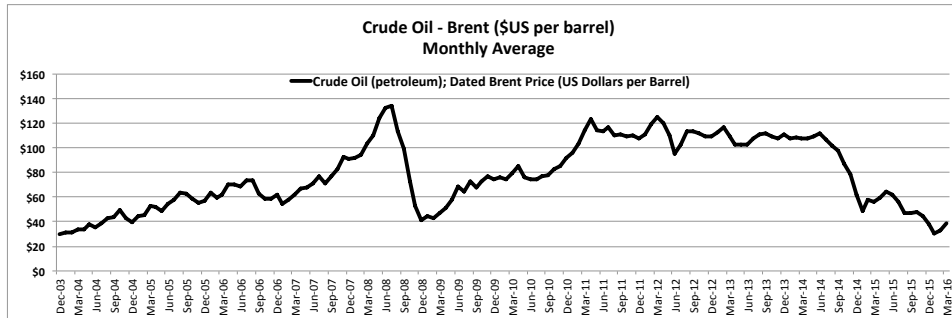
# Jet-A Fuel Prices at U.S. FBOs



Source: [Business & Commercial Aviation](#)

Jet-A fuel prices in March 2016 are averaging about \$4.67 at U.S. FBOs, down from \$5.24 year-over-year

# Crude Oil and Jet Fuel Prices



| IATA Fuel Price Monitor | Share in    | Index Value     |                 | vs. 1 week    | vs. 1 month  |             |               |
|-------------------------|-------------|-----------------|-----------------|---------------|--------------|-------------|---------------|
| Apr 1, 2016)            | World Index | \$/US gallon    | \$/barrel       | 2000= 100     | ago          | ago         | vs.1 yr ago   |
| <b>Jet Fuel Price</b>   | <b>100%</b> | <b>\$ 1.095</b> | <b>\$ 46.00</b> | <b>125.70</b> | <b>-4.3%</b> | <b>3.6%</b> | <b>-32.5%</b> |
| Asia & Oceania          | 22%         | \$ 1.149        | \$ 48.20        | 137.90        | -0.8%        | 7.5%        | -30.5%        |
| Europe & CIS            | 28%         | \$ 1.105        | \$ 46.40        | 125.10        | -4.1%        | 2.7%        | -32.9%        |
| Middle East & Africa    | 7%          | \$ 1.083        | \$ 45.50        | 135.90        | -2.5%        | 5.4%        | -31.4%        |
| North America           | 39%         | \$ 1.059        | \$ 44.50        | 118.20        | -6.7%        | 1.8%        | -33.6%        |
| Latin & Central America | 4%          | \$ 1.100        | \$ 46.20        | 127.90        | -5.8%        | 2.7%        | -33.1%        |

*Global average price paid at the refinery for aviation jet fuel - IATA*

Source: IndexMundi; IATA from PLATTS

March 31, 2016


JETNET iQ Snap!: 1st Quarter 2016 - Private & Confidential

## JETNET iQ Quarterly Surveys

- Multilingual owner / operator surveys
  - Utilization patterns and expectations
  - Brand perceptions
  - Purchase criteria / inhibitors
  - Purchase / selling intentions
  - New product preferences
  - Special topics of interest (examples)
    - New products
    - The environment
    - China, oil prices, Ukraine / Crimea, etc.

JETNET iQ GLOBAL BUSINESS AVIATION SURVEY - Q4 2014 English

WELCOME



WELCOME!


Thank you for agreeing to participate in this survey sponsored by JETNET LLC, the world's leading provider of business aviation market intelligence. Your insights are critical to product and service development that will better meet your evolving needs.

Survey responses:

- 1) Will be strictly confidential
- 2) Will NOT be used in any way to directly market to you or your organization
- 3) Will take approximately 20-30 minutes to complete

PASSWORD:

For questions about this survey, please contact:

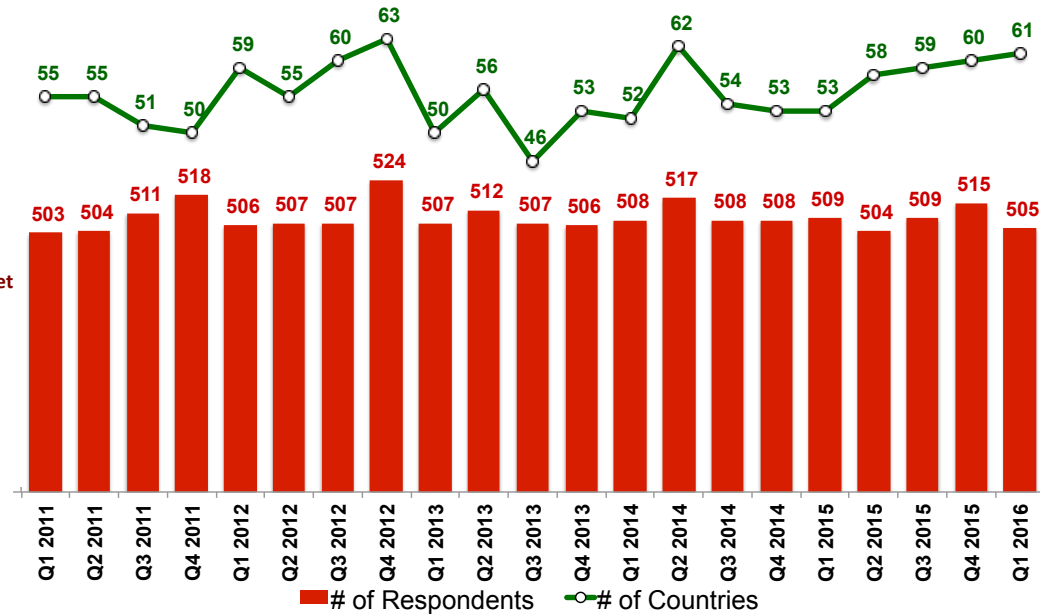
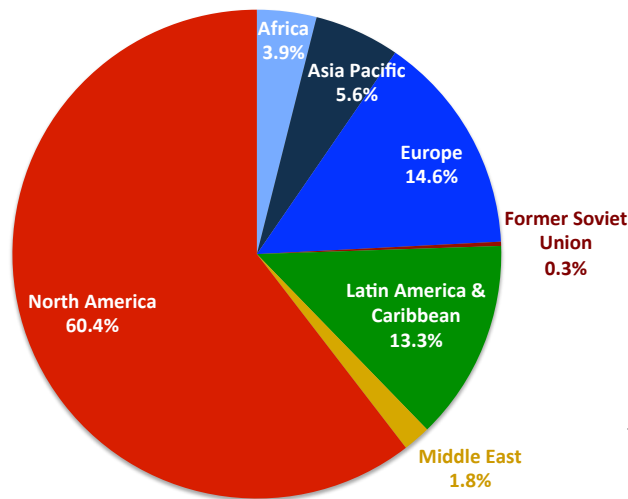


ROLAND VINCENT  
JETNET iQ Creator / Director  
Phone: 1-972-439-2069 (U.S. Central Time)  
Email: rollie@jetnet.com

JETNET iQ Surveys: Quarterly, multilingual, worldwide

## JETNET iQ Survey Respondents

Respondent Fleet Location Q1 2011 - Q1 2016



|                  | Q1 2011 | Q2 2011 | Q3 2011 | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 | Q1 2015 | Q2 2015 | Q3 2015 | Q4 2015 | Q1 2016 | Total  |
|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| # of Respondents | 503     | 504     | 511     | 518     | 506     | 507     | 507     | 524     | 507     | 512     | 507     | 506     | 508     | 517     | 508     | 508     | 509     | 504     | 509     | 515     | 505     | 10,695 |
| # of Countries   | 55      | 55      | 51      | 50      | 59      | 55      | 60      | 63      | 50      | 56      | 46      | 53      | 52      | 62      | 54      | 53      | 53      | 58      | 59      | 60      | 61      | 129    |

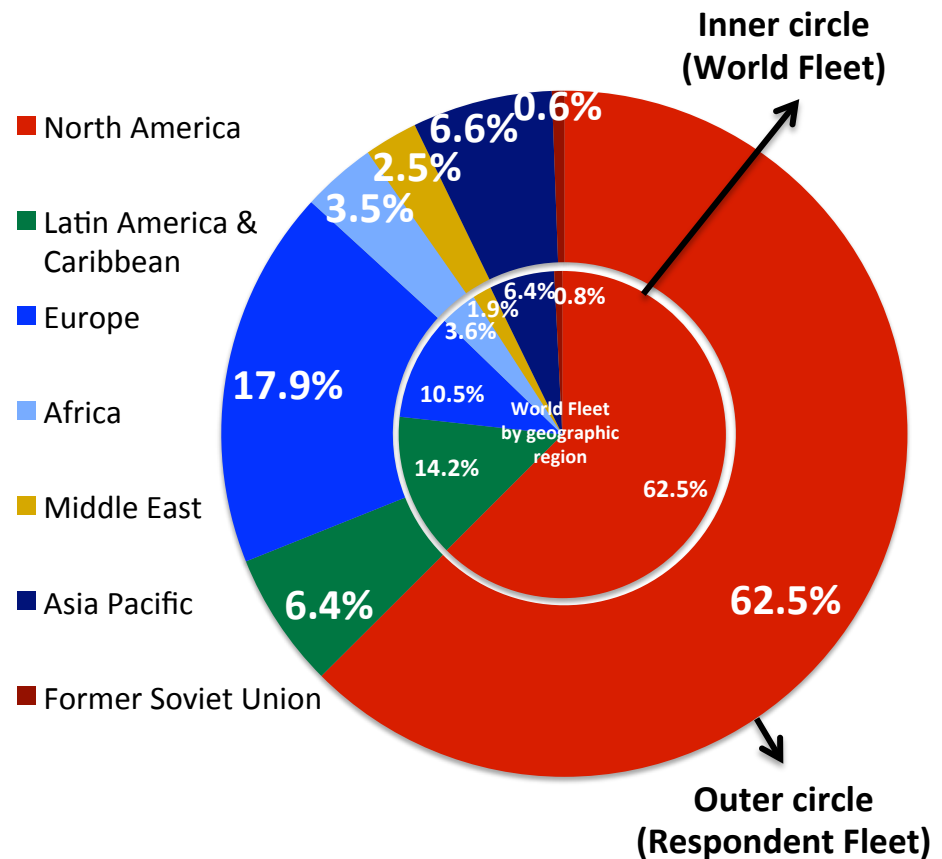
JETNET iQ Surveys: Since Q1 2011, >10,600 respondents from 129 countries

## Survey Respondents' Location

### By Aircraft Base Location

Q1 2016 Survey

| RESPONDENT COUNTRIES FROM Q1 2016 SURVEY |                  |                               |                  |
|--|------------------|-------------------------------|------------------|
| COUNTRIES/TERRITORIES                    | # of respondents |                               | # of respondents |
| ALBANIA                                  | 1                | NIGERIA                       | 2                |
| ARGENTINA                                | 5                | PAKISTAN                      | 1                |
| AUSTRALIA                                | 12               | POLAND                        | 2                |
| AUSTRIA                                  | 7                | PUERTO RICO                   | 0                |
| BARBADOS                                 | 1                | ROMANIA                       | 2                |
| BELGIUM                                  | 4                | RUSSIAN FEDERATION            | 2                |
| BRAZIL                                   | 16               | SAUDI ARABIA                  | 3                |
| BULGARIA                                 | 2                | SENEGAL                       | 1                |
| CANADA                                   | 19               | SINGAPORE                     | 3                |
| CHILE                                    | 3                | SOUTH AFRICA                  | 7                |
| COLOMBIA                                 | 1                | SOUTH KOREA                   | 1                |
| CYPRUS                                   | 2                | SPAIN                         | 2                |
| CZECH REPUBLIC                           | 4                | SRI LANKA                     | 1                |
| DENMARK                                  | 3                | SWEDEN                        | 1                |
| FINLAND                                  | 1                | SWITZERLAND                   | 9                |
| FRANCE                                   | 5                | TANZANIA                      | 1                |
| GERMANY                                  | 14               | THAILAND                      | 1                |
| GREECE                                   | 1                | TUNISIA                       | 1                |
| HONG KONG                                | 1                | TURKEY                        | 5                |
| HUNGARY                                  | 1                | UNITED ARAB EMIRATES          | 1                |
| ICELAND                                  | 1                | UNITED KINGDOM                | 7                |
| INDIA                                    | 3                | UNITED STATES                 | 312              |
| INDONESIA                                | 2                | URUGUAY                       | 1                |
| IRELAND                                  | 1                | VENEZUELA                     | 1                |
| ISRAEL                                   | 1                | ZAMBIA                        | 2                |
| ITALY                                    | 3                | <b>Total # of respondents</b> | <b>505</b>       |
| JAPAN                                    | 2                | <b>Total # of countries</b>   | <b>60</b>        |
| KAZAKHSTAN                               | 1                |                               |                  |
| LEBANON                                  | 2                | Africa                        | 16               |
| LITHUANIA                                | 1                | Asia Pacific                  | 30               |
| LUXEMBOURG                               | 1                | Europe                        | 76               |
| MALAYSIA                                 | 2                | Former Soviet Union           | 3                |
| MALTA                                    | 1                | Latin America & Caribbean     | 37               |
| MEXICO                                   | 9                | Middle East                   | 12               |
| NIGERIA                                  | 2                | North America                 | 331              |
| NEW ZEALAND                              | 1                | <b>Total</b>                  | <b>505</b>       |



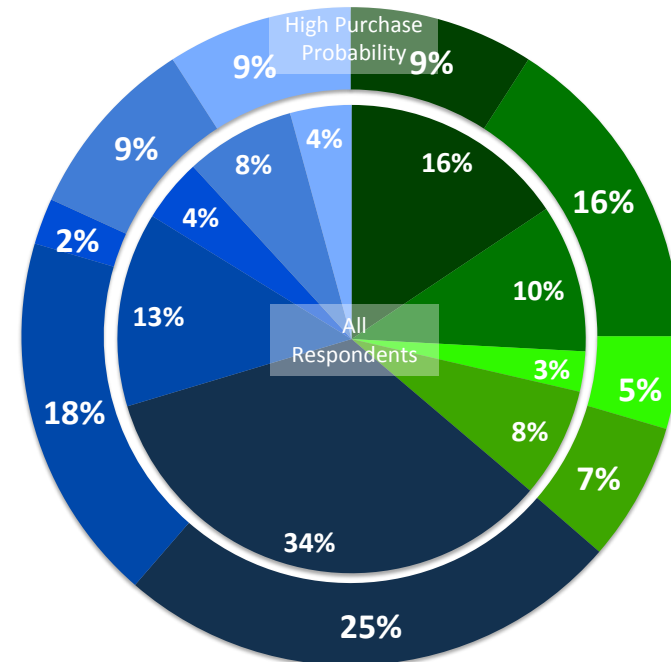
## Survey Respondents' Roles

By Job Title

Q1 2016 Survey

| Title of respondent                         | Completed  |
|---|------------|
| Business owner/shareholder/partner          | 107        |
| C-Level/President/Managing Director         | 70         |
| Vice President / Senior Management          | 19         |
| General Manager / Director                  | 52         |
| Chief Pilot / head of flight operations     | 234        |
| Dispatcher / Scheduler / Flight Coordinator | 92         |
| Head of maintenance                         | 30         |
| Pilot                                       | 52         |
| Vice President / Director of Aviation       | 29         |
| <b>Total</b>                                | <b>685</b> |

Note: Respondent was able to chose whichever applied



|  |            |            |
|--|------------|------------|
| <b>Aviation Professionals</b>              | <b>437</b> | <b>64%</b> |
| <b>Senior Management / General Manager</b> | <b>248</b> | <b>36%</b> |

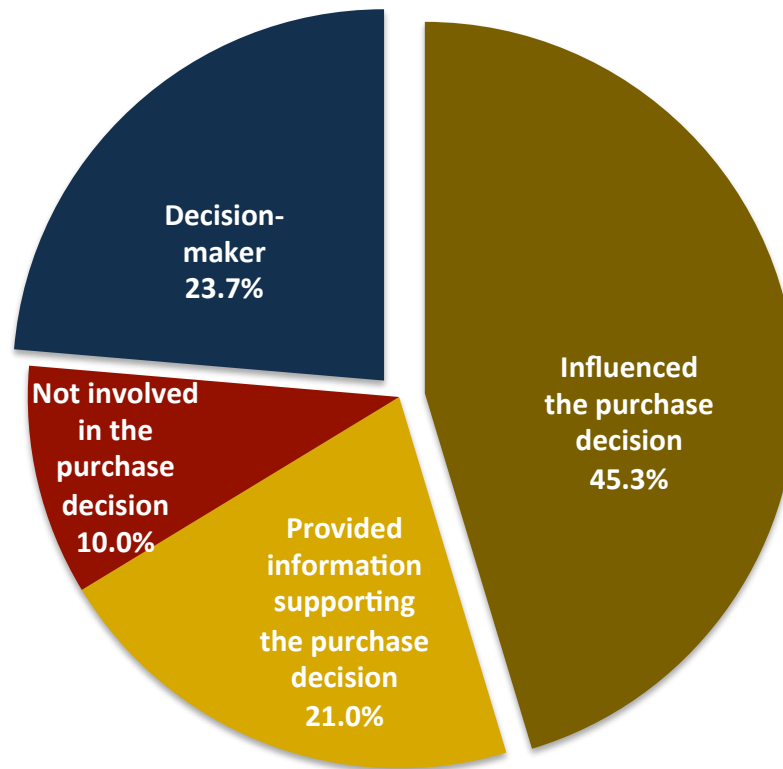
- Business owner/shareholder/partner
- C-Level/President/Managing Director
- Vice President/Senior Management
- General Manager/Director
- Chief Pilot/Head of flight operations
- Dispatcher/Scheduler/Flight Coordinator
- Head of maintenance
- Pilot
- Vice President/Director of Aviation



# Survey Respondents' Roles

By Involvement in Last Fixed-Wing Turbine Aircraft Purchase

Q1 2016 Survey

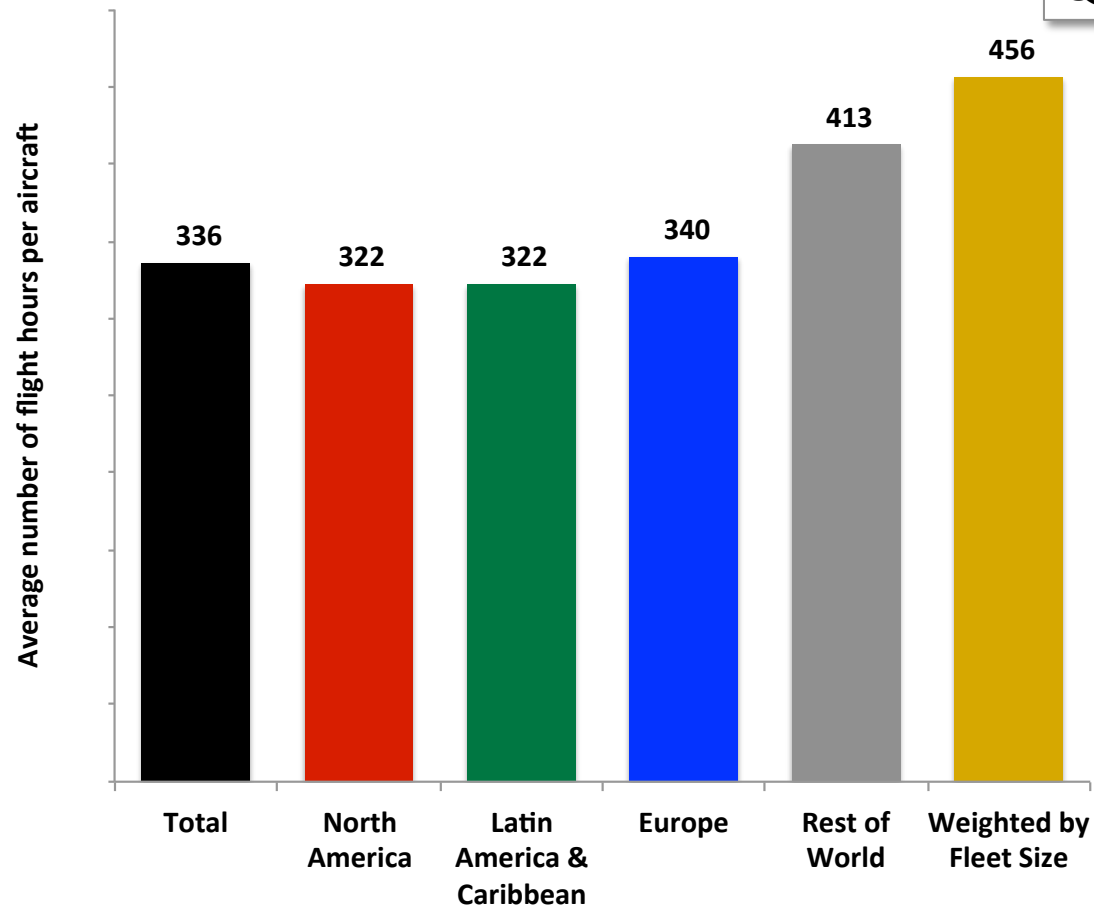


# Survey Respondents' Flight Operations

## Regional Average Utilization per Aircraft in Prior 12 Months

Average flight hours per year

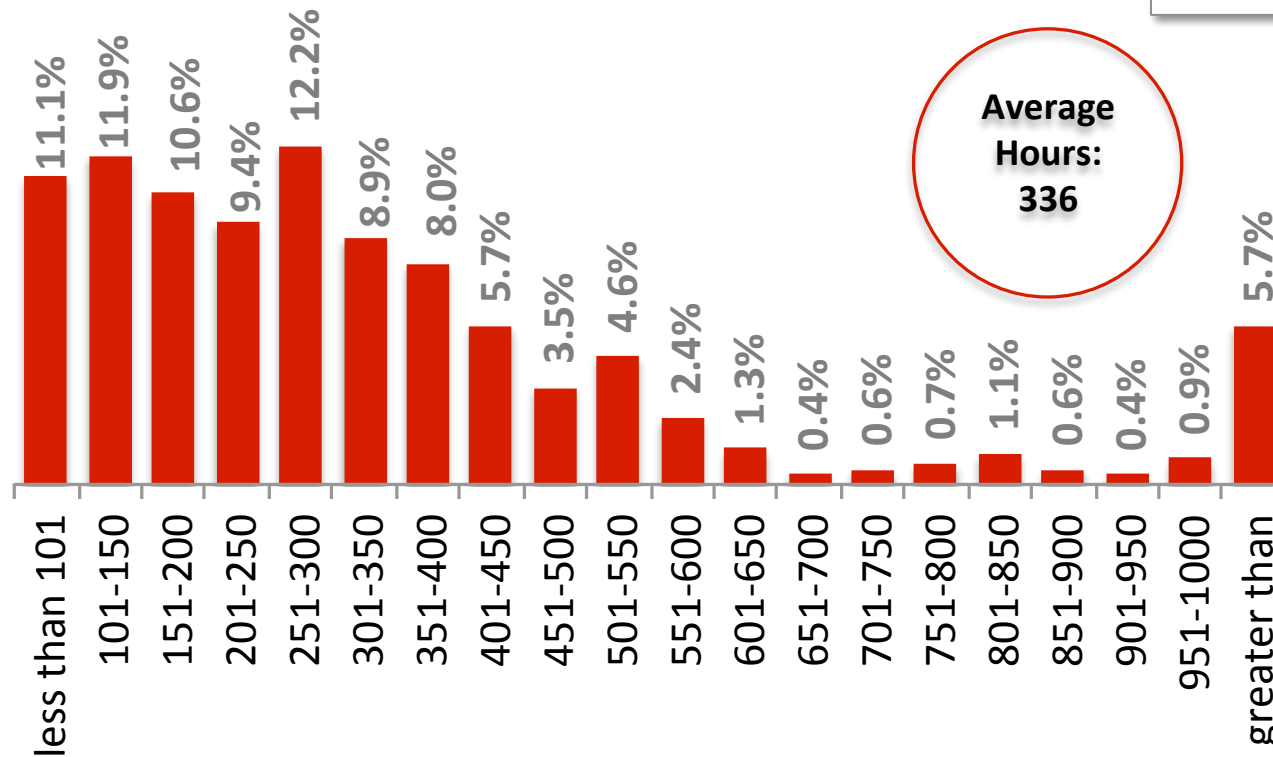
Q1 2016 Survey



# Survey Respondents' Flight Operations

Last 12 Months – Worldwide (Fixed-Wing Business Jets and Turboprops Only)  
 Annual Flight Hours Per Aircraft

Q1 2016 Survey

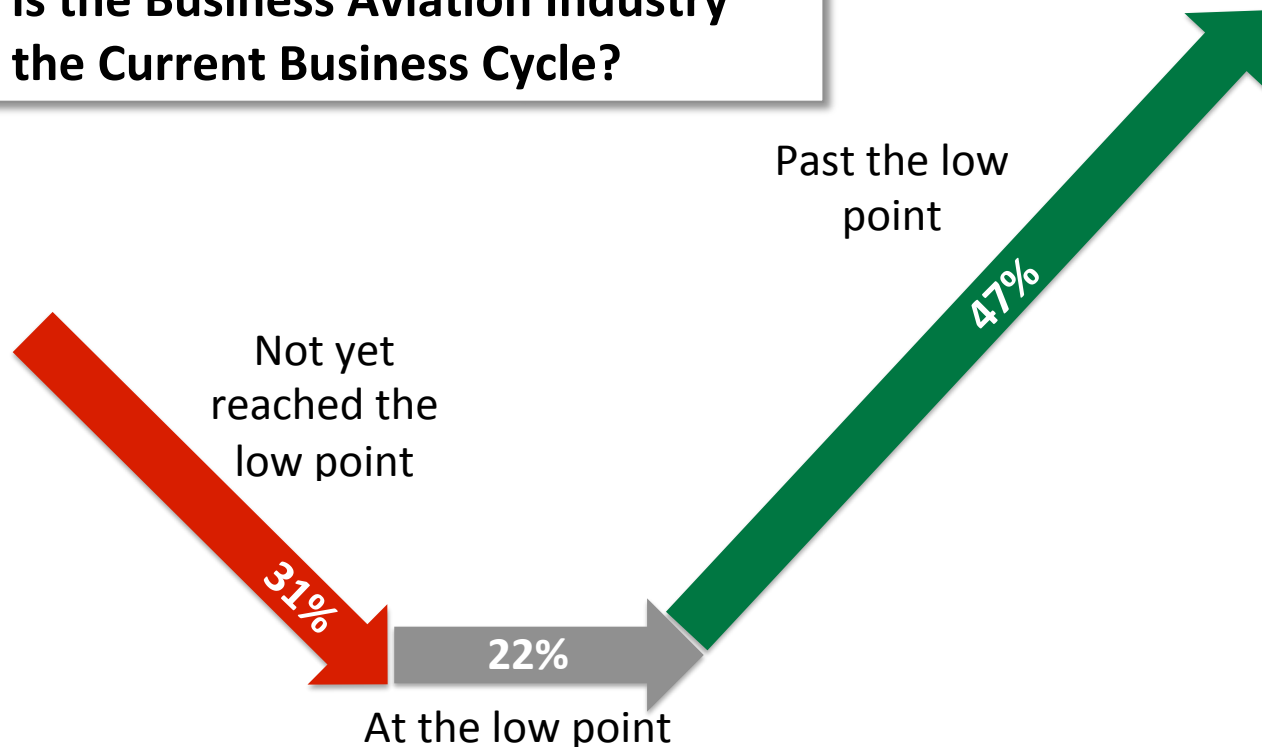


# Survey Respondents' Sentiment

Current Market Sentiment

Q1 2016 Survey

Where is the Business Aviation Industry  
In the Current Business Cycle?

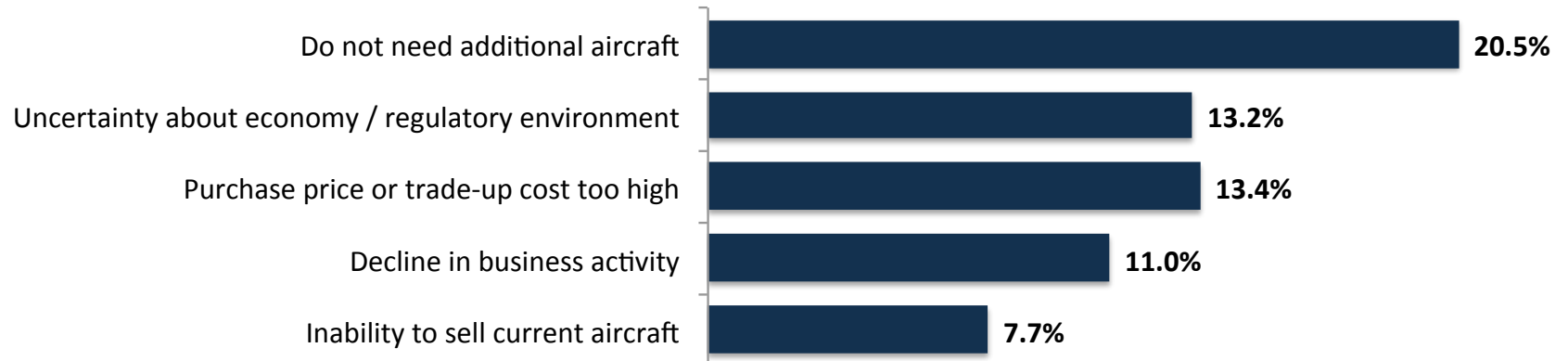


# Aircraft Purchase Inhibitors

## Top 5 Inhibitors – Weighted Average

Q1 2016 Survey

Purchase inhibitors



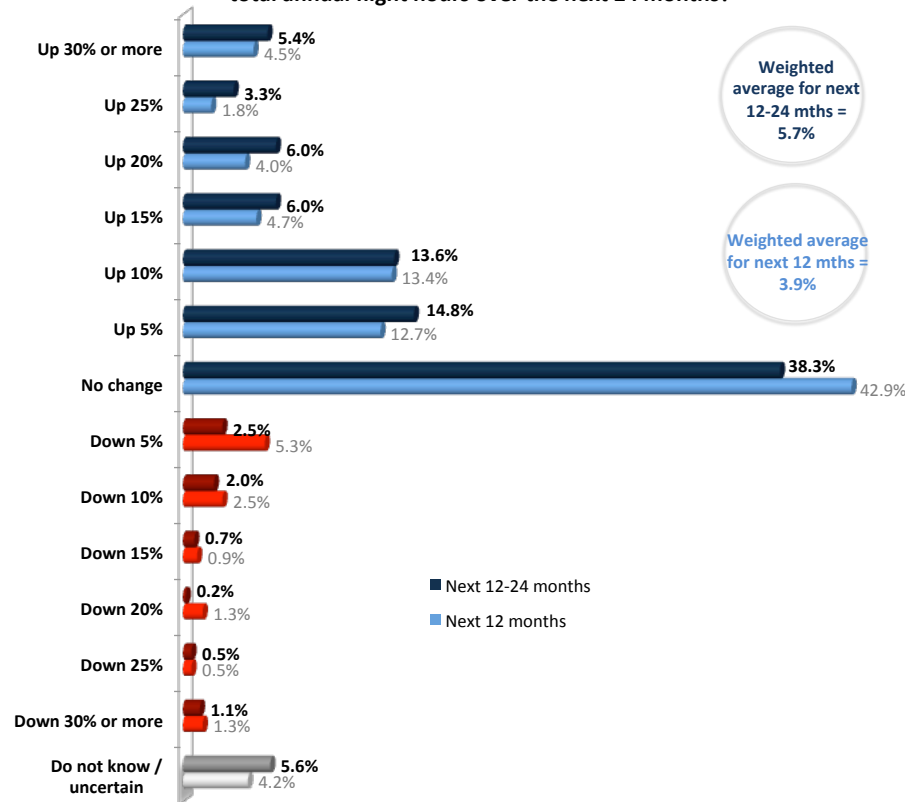
*“Which of the following factors are most likely to prevent or delay your organization from purchasing a business aircraft over the next 12 months?”*

# Aircraft Utilization

## Next 12 and 12-24 Months versus Prior 12 Months

Q1 2016 Survey

Compared with your past 12 months, what changes do you expect in your total annual flight hours over the next 24 months?

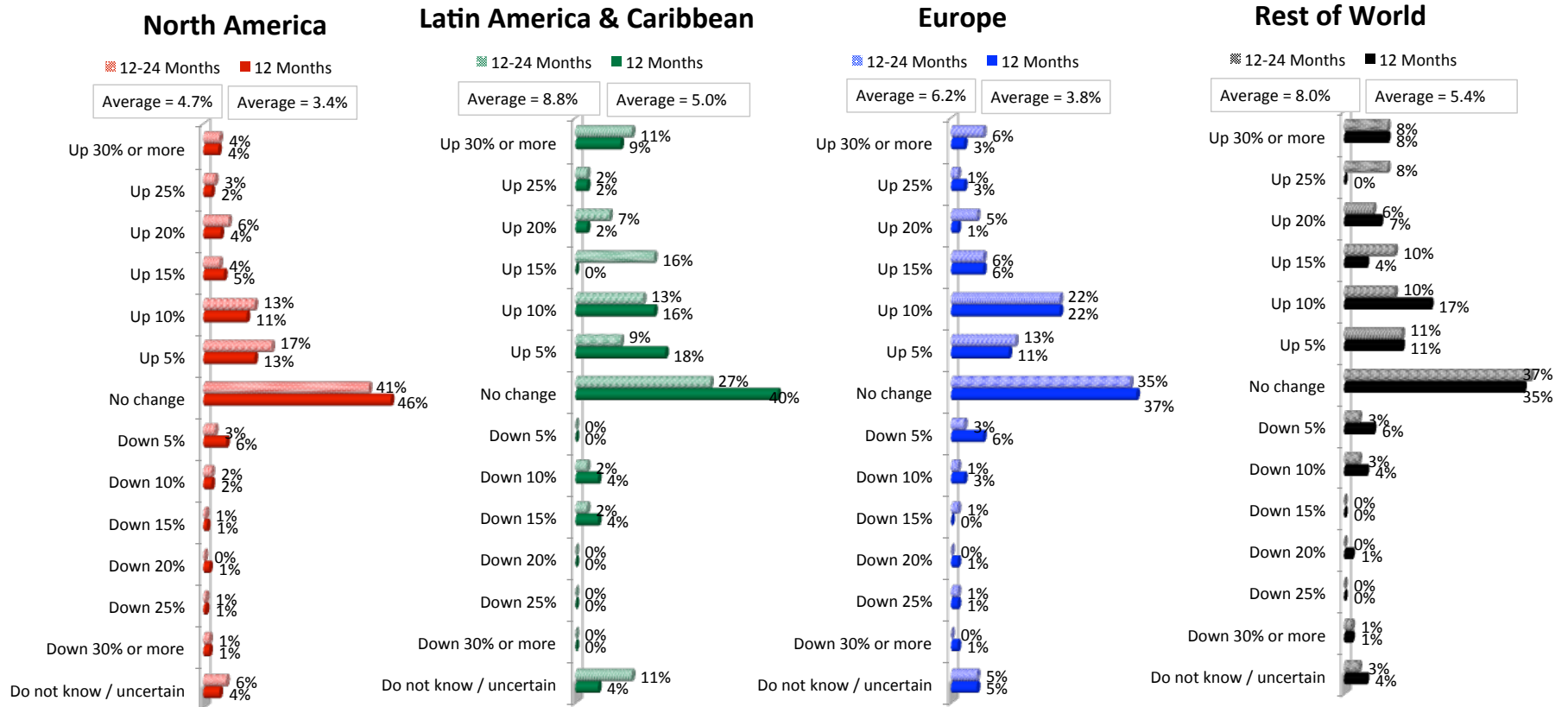


Respondents expect to fly 3.9% more hours in the next 12 months vs. prior 12 months

## Aircraft Utilization

### Next 12 and 12-24 Months versus Prior 12 Months

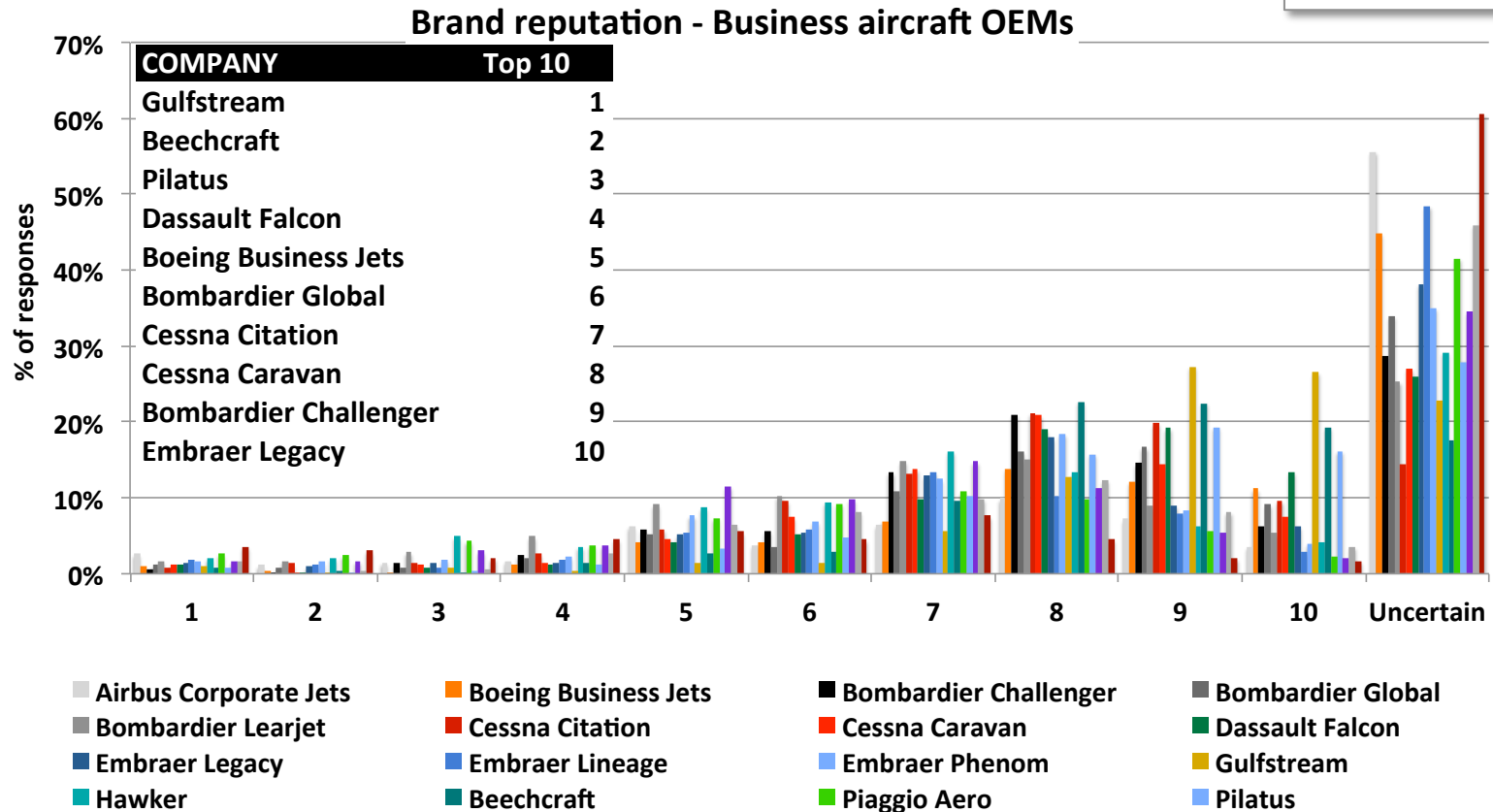
Q1 2016 Survey



Respondents expect to fly 3.9% more hours in the next 12 months vs. prior 12 months

# Brand Reputations

Aircraft Manufacturers on a 1-10 Scale, where "10" = Highest Q1 2016 Survey

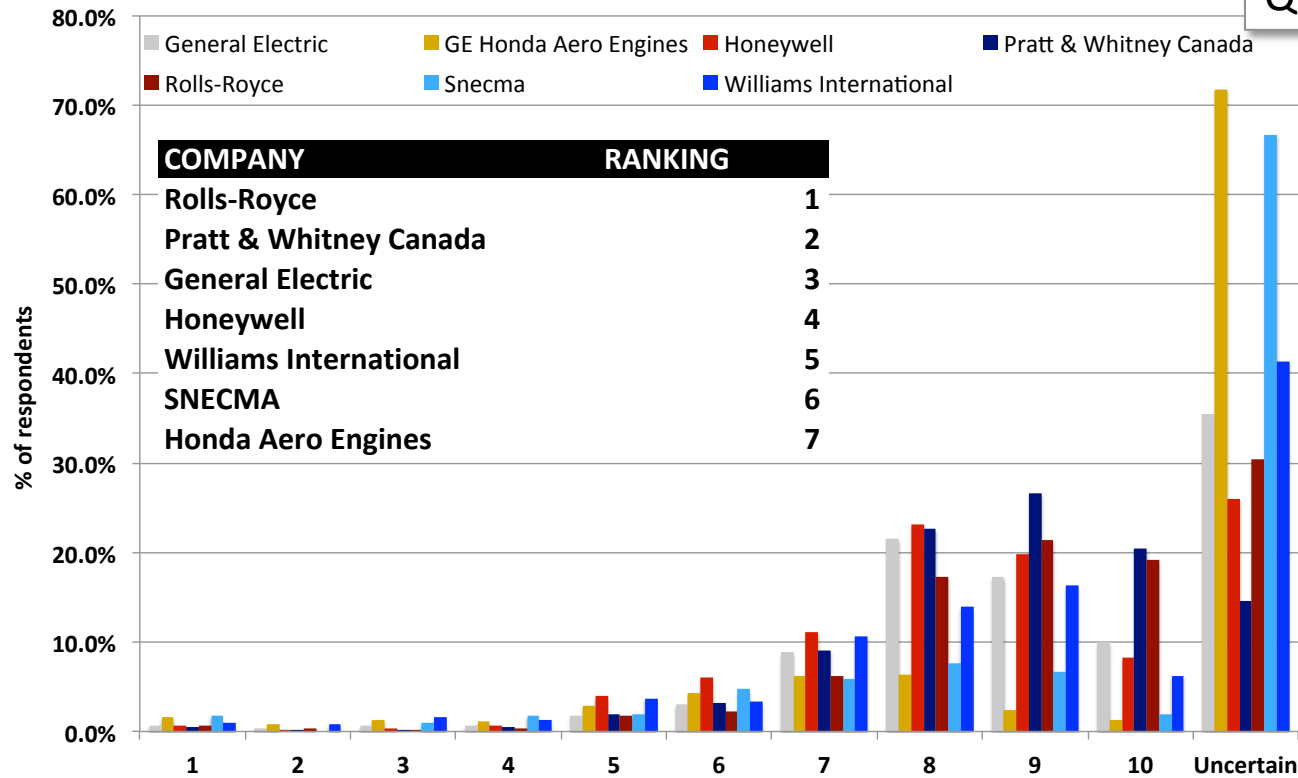


**Gulfstream, Beechcraft and Pilatus are the top rated business aircraft brands**

# Brand Reputations

Jet Engine Manufacturers on a 1-10 Scale, where “10” = Highest

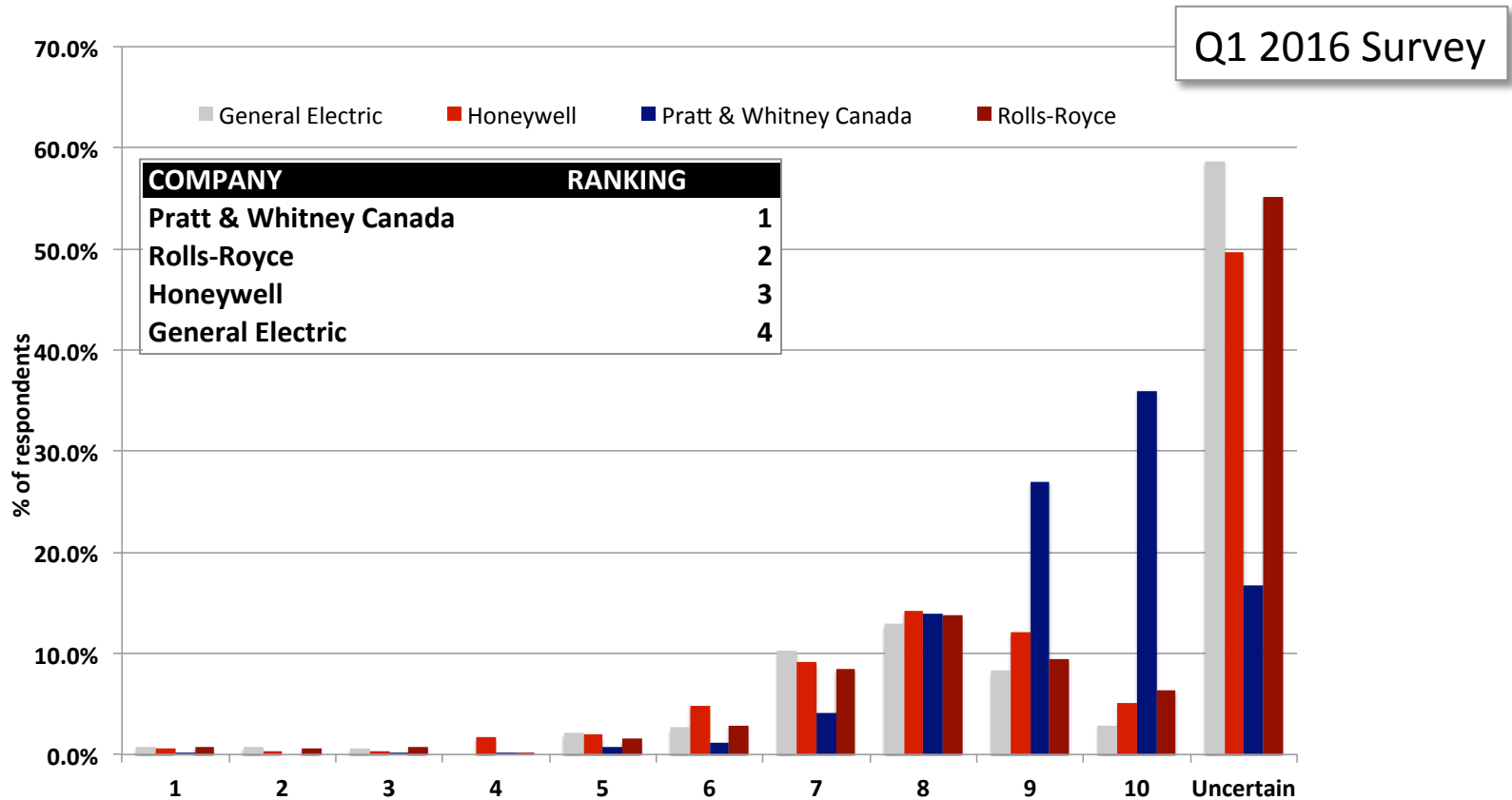
Q1 2016 Survey



**Rolls-Royce, Pratt & Whitney Canada, and General Electric are the top-rated jet engine manufacturer brands**

# Brand Reputations

Turboprop Engine Manufacturers on a 1-10 Scale, where “10” = Highest



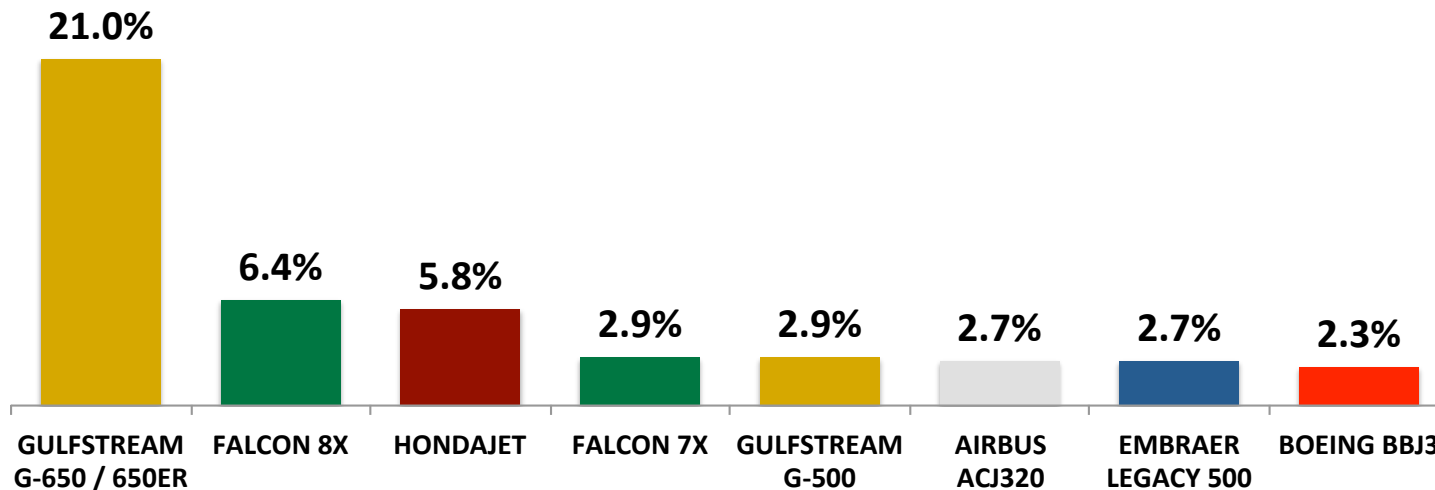
Pratt & Whitney Canada is the highest rated turboprop engine manufacturer brand, well ahead of Rolls-Royce and General Electric

# Aircraft Brands

Highest commitment to advancing aerospace technology

Top 8 models - worldwide  
Highest Commitment to Advancing Aerospace Technology  
Q1 2016

Q1 2016 Survey



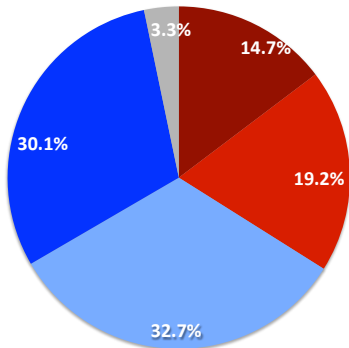
According to Q1 2016 survey, the top 4 models that show highest commitment to advancing aerospace technology are Gulfstream G-650, Falcon 8X, HondaJet and Falcon 7X

## Opinions

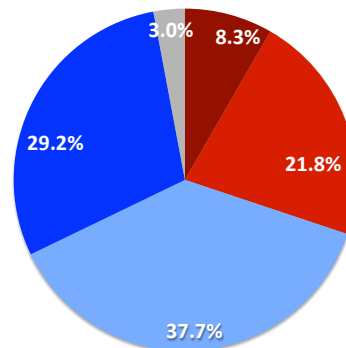
Please evaluate these statements and indicate the extent to which you agree or disagree:

■ Strongly Disagree    
 ■ Somewhat Disagree    
 ■ Somewhat Agree    
 ■ Strongly Agree    
 ■ Uncertain

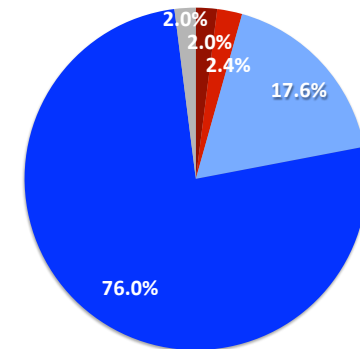
A Wi-Fi system is vital for our aircraft



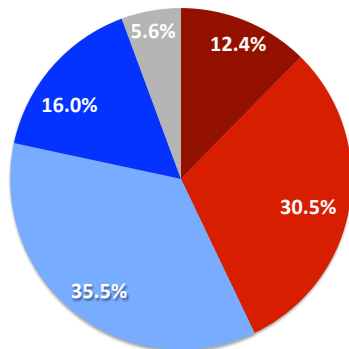
A guaranteed cost-per-hour program is vital for our aircraft



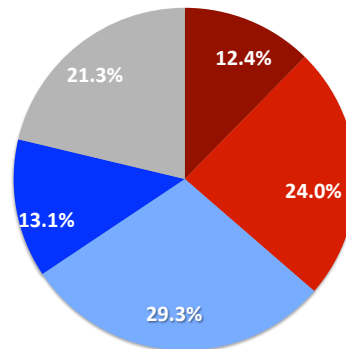
Hangaring our aircraft is vital to maintaining its residual value



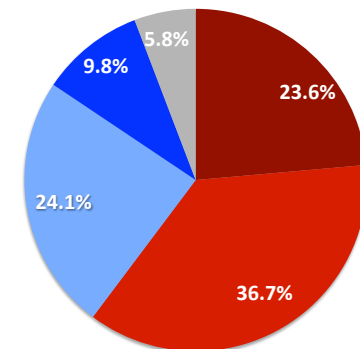
Lower fuel prices have led to increased usage of our aircraft over the past year



The business aviation market has a need for a supersonic jet within the next 10 years



Increased global security concerns have caused us to add additional security equipment to our aircraft over the past 2 years

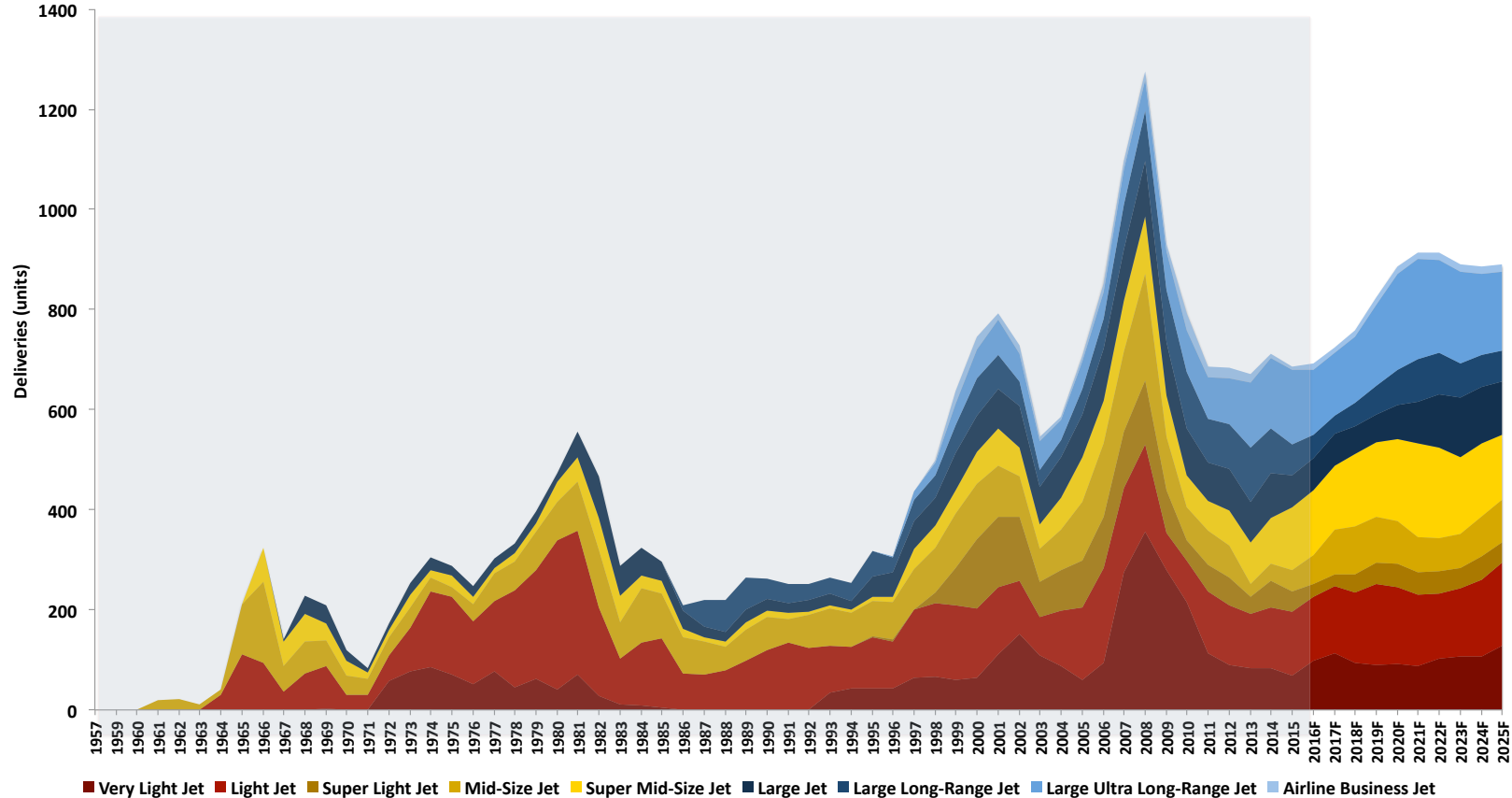


March 31, 2016

JETNET iQ Snap!: 1st Quarter 2016 - Private & Confidential

# Business Jet Delivery History & Forecast

Business jet delivery forecast by size category: Historical - 2025



**JETNET iQ 10-year forecast for 2016-2025 is for 8,378 new business jet deliveries valued at \$240 billion in \$2015**

## About JETNET iQ

Launched in January 2011, JETNET iQ is a forecasting and premium advisory service for the business aviation market, designed to help customers “Know More”. Available on an annual subscription basis, JETNET iQ has 3 main elements:

- 1) JETNET iQ REPORTS are the definitive analytical reference for the business aviation industry, incorporating state-of-the-industry analyses, proprietary aircraft owner/operator surveys, and detailed 10-year delivery and fleet forecasts, updated quarterly.
- 2) JETNET iQ SUMMITS provide fast-paced thought-provoking insights into the state of the industry, and unique networking opportunities.
- 3) JETNET iQ RESEARCH serves the needs of clients with customized research and analysis requirements on a project-by-project basis.

For more information on JETNET iQ, please log on to [www.jetnetiq.com](http://www.jetnetiq.com) or contact Rolland Vincent, JETNET iQ Creator / Director at 1-972-439-2069 or [rollie@jetnet.com](mailto:rollie@jetnet.com).

## About JETNET

Since 1988, JETNET has delivered the most comprehensive and reliable business aircraft research to its exclusive clientele of aviation professionals worldwide. JETNET is the ultimate source for information and intelligence on the worldwide business, commercial, and helicopter aircraft fleet and marketplace, comprised of more than 110,000 airframes. Headquartered in its state-of-the-art facility in Utica, NY, JETNET offers comprehensive user-friendly aircraft data via real-time internet access or regular updates.

For more information on JETNET LLC, please log on to [jetnet.com](http://jetnet.com) or contact Paul Cardarelli, JETNET Vice President of Sales, at 800-553-8638 (USA) or [paul@jetnet.com](mailto:paul@jetnet.com); for International inquiries, please contact Karim Derbala, JETNET Managing Director of Global Sales, at 41.0.43.243.7056 or [karim@jetnet.com](mailto:karim@jetnet.com).