



➤➤ KNOW MORE.

JETNET iQ Snap! Report Q4 2017 Summary Report

➤ BUSINESS AVIATION MARKET INTELLIGENCE ➤ REPORTS ➤ SUMMITS ➤ CONSULTING

Prepared for:
JETNET iQ Global Business Aviation Survey Respondents

December 31, 2017

JETNET iQ Snap!: 4th Quarter 2017 - Private & Confidential

Thank You, Merci, Obrigado, Muchas Gracias, תַּדַּאֲנָק, 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
 - Values
 - JETNET Global
 - AvData Reports
- 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

The screenshot shows the JETNET website homepage. At the top left is the JETNET logo. To its right is a navigation menu with links for HOME, ABOUT US, SOLUTIONS, PRODUCTS, FLEETS, NEWS, CONTACT, and LOGIN. Below the navigation is a dark banner area. On the left side of the banner is a vertical scale with altitude markings from 29,200' to 30,000'. The text 'The World Leader in Aviation Market Intelligence' is positioned above the scale. In the center of the banner is a large white call-to-action button that says '>> KNOW MORE.'. To the right of the banner is a vertical menu with the following items: MARKETPLACE, Values, AERODEX, MARKETPLACE Manager, JETNET iQ, JETNET iQ Summit, YachtSpot, and JETNET Global. At the bottom center of the banner is a white downward-pointing chevron icon.

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 VOICE OF GLOBAL BUSINESS & GENERAL AVIATION - Q4 2017 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.

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 *(provided by Jetnet):*

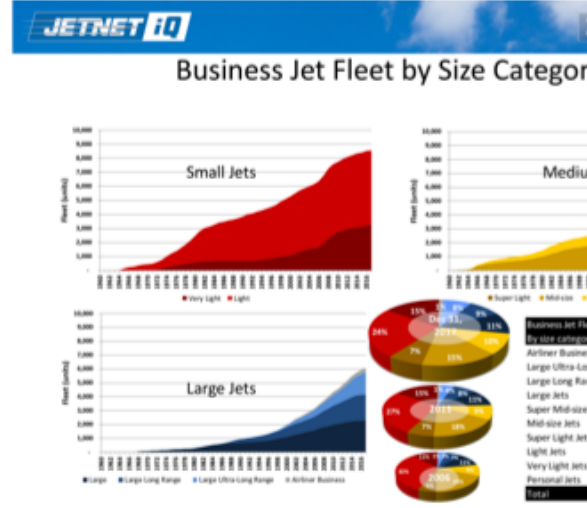
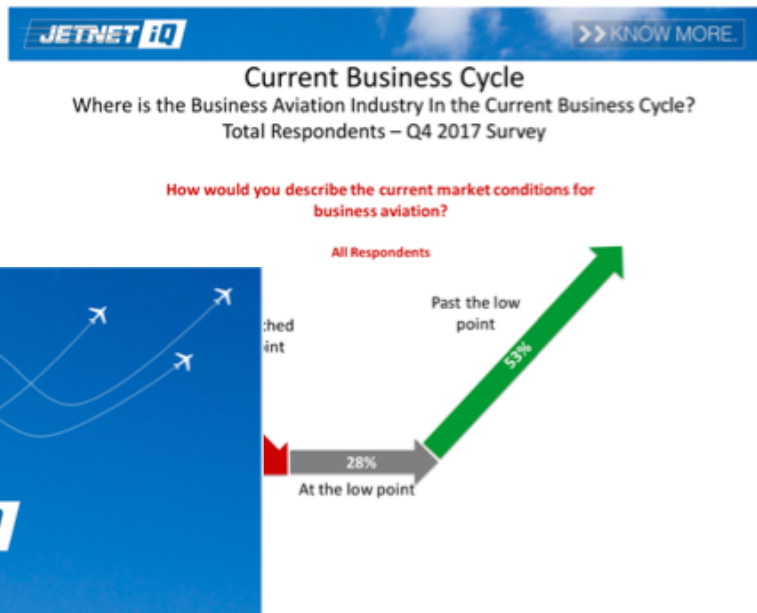
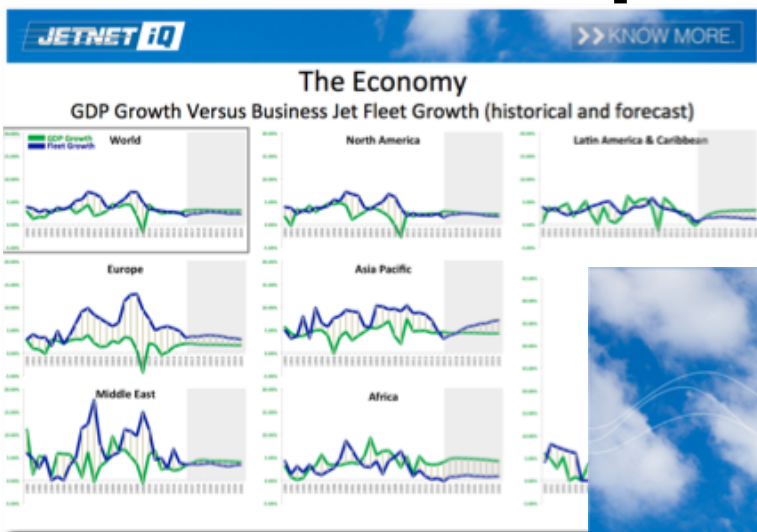
For questions about this survey, please contact:



JETNET iQ Voice of
Global Business & General Aviation

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

JETNET iQ Reports



JETNET iQ
 >> KNOW MORE.

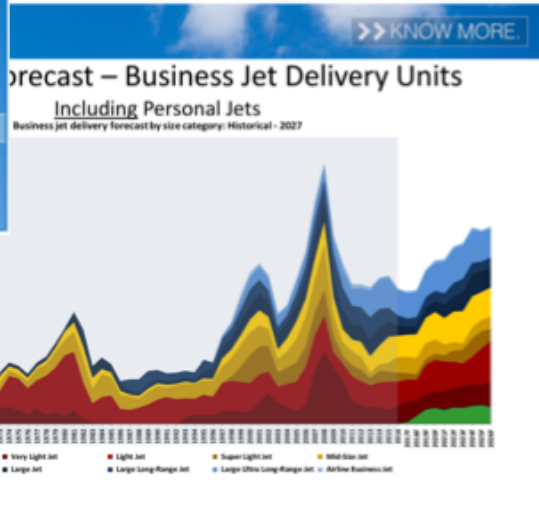
JETNET iQ Snap! Report

Q4 2017 Summary Report

> BUSINESS AVIATION MARKET INTELLIGENCE > REPORTS > SUMMITS > CONSULTING

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December 31, 2017 *JETNET iQ Snap! - 4th Quarter 2017 - Private & Confidential*



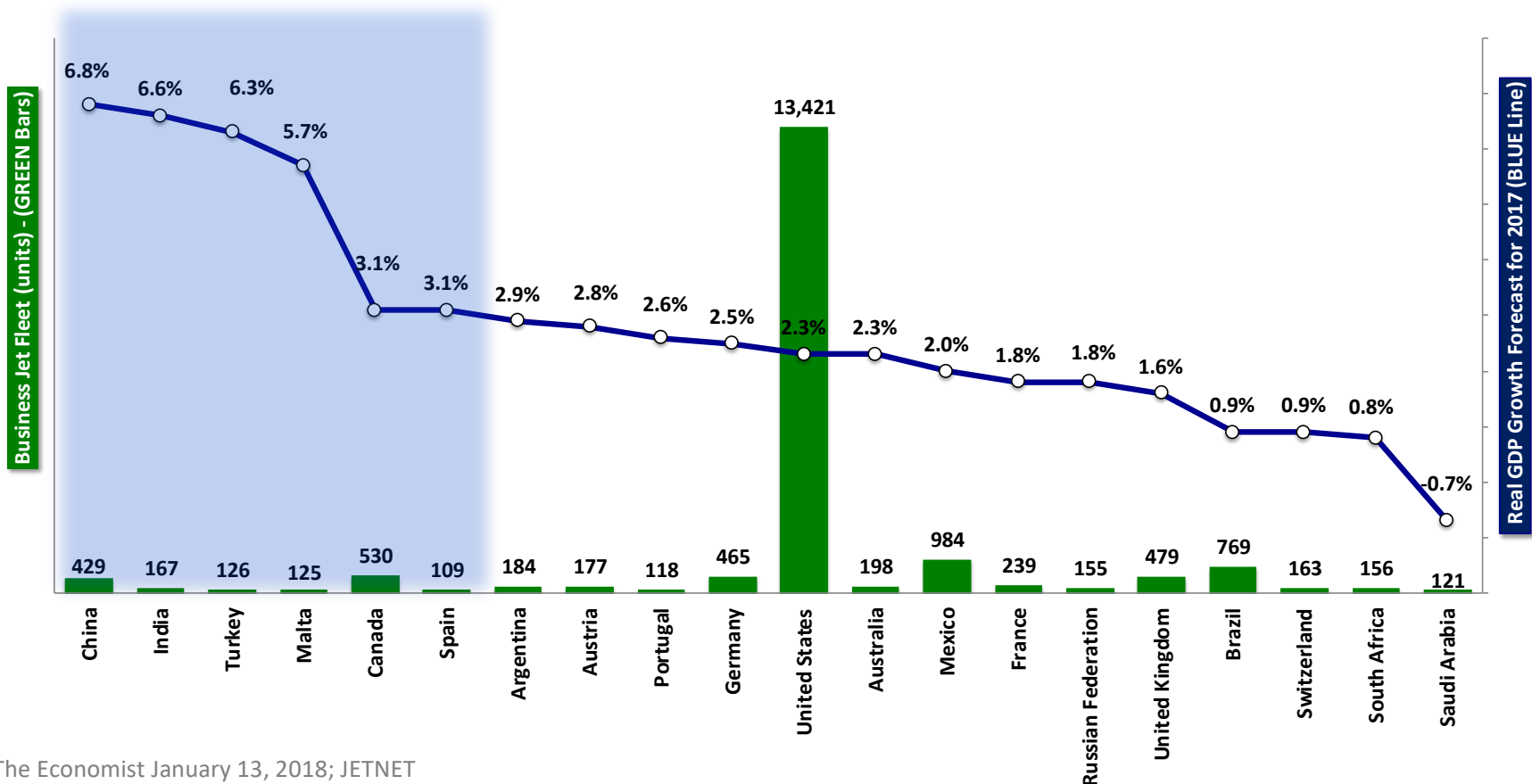
Business Jet Fleet as of Dec 31, 2017

By size category	Fleet Count
Airline Business	303
Large Ultra-Long Range	1,638
Large Long Range	1,874
Large Jets	2,280
Super Mid-size Jets	2,368
Mid-size Jets	3,297
Super Light Jets	1,538
Light Jets	5,282
Very Light Jets	3,278
Personal Jets	53
Total	21,648

The Economy and Aircraft Fleets

Key markets with 3%+ forecasted 2017 GDP growth represent just 7% of the world business jet fleet

2017 GDP Forecasts and "Top 20" Business Jet Fleets



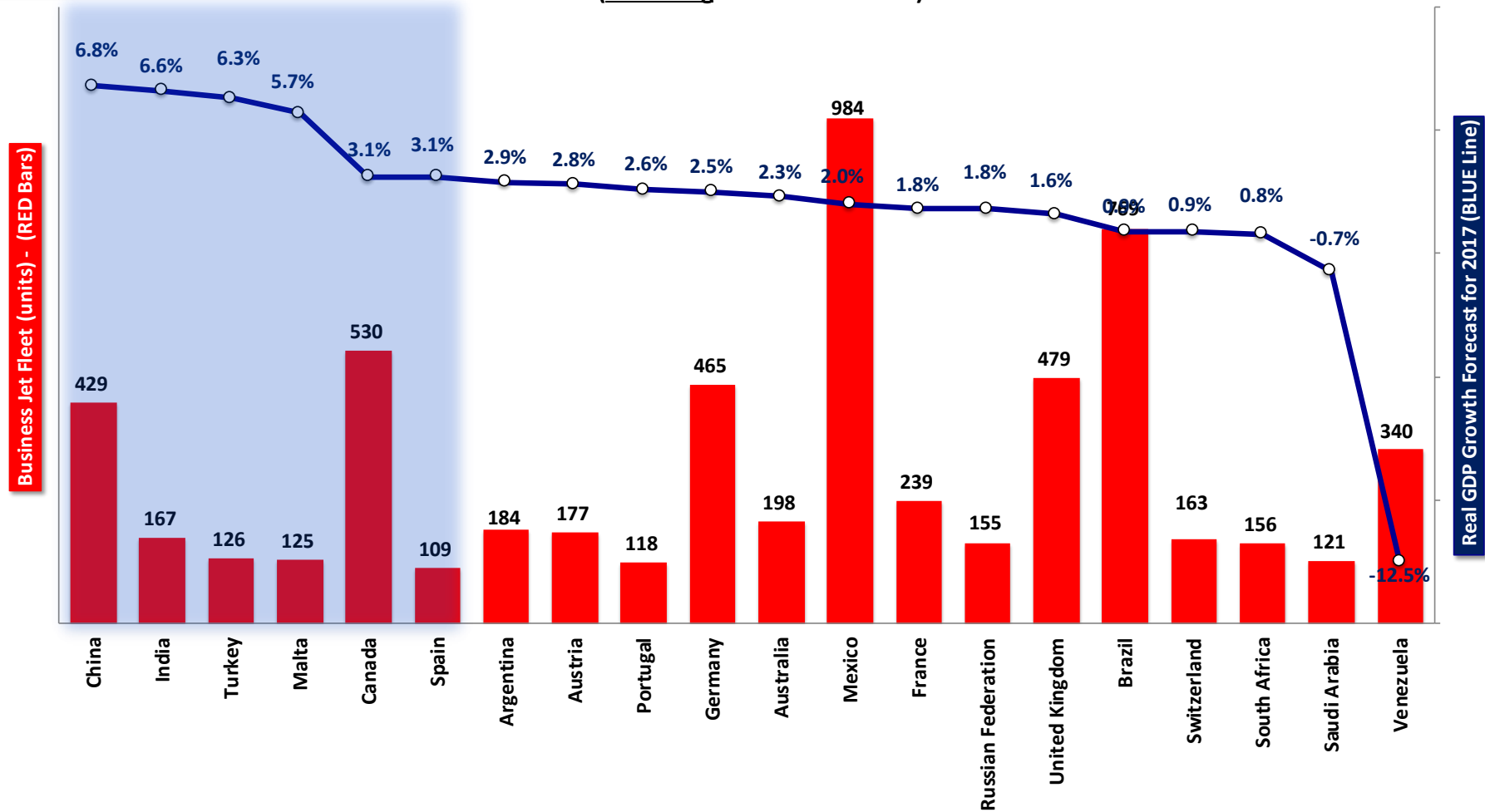
Sources: The Economist January 13, 2018; JETNET

The U.S. economy is expected to grow by 2.2% in 2017

The Economy and Aircraft Fleets

Key markets with 3%+ forecasted 2017 GDP growth (excluding the U.S.) represent just 7% of the world business jet fleet

2017 GDP Forecasts and "Top 20" Business Jet Fleets (excluding the United States)



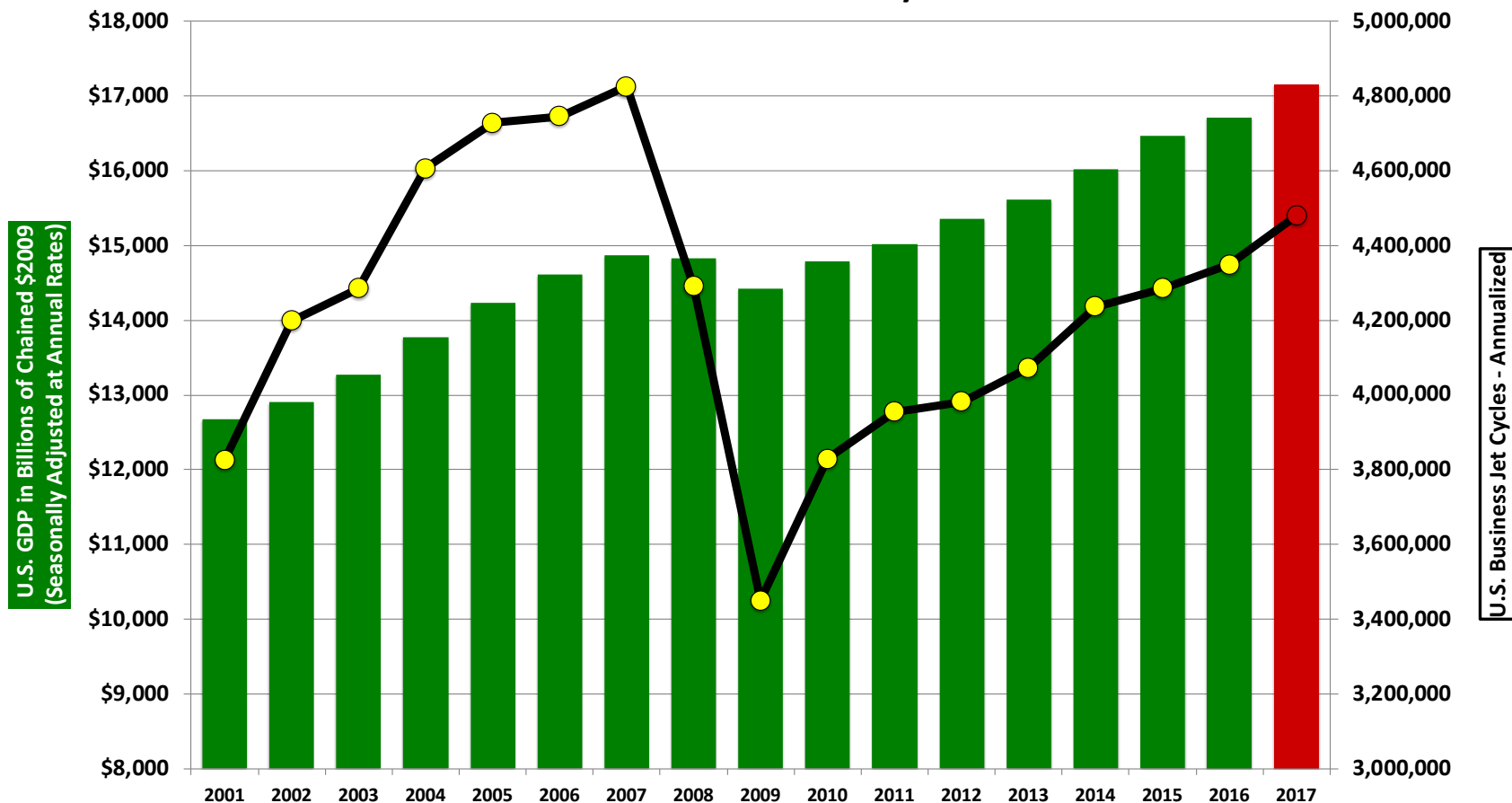
Sources: The Economist – January 13, 2018; JETNET

December 31, 2017

JETNET iQ Snap!: 4th Quarter 2017 - Private & Confidential

The Economy and Aircraft Utilization

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

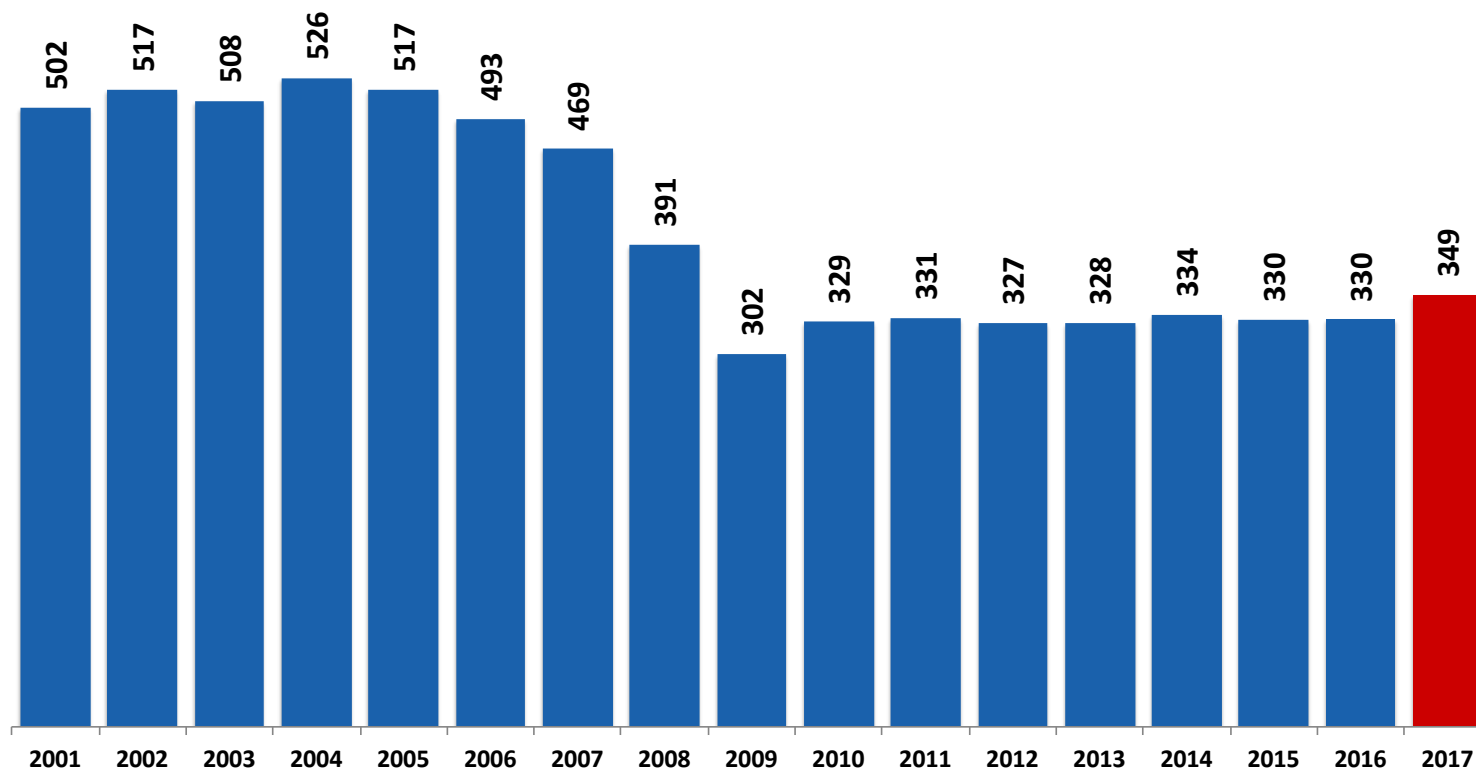


Sources: U.S. BEA, FAA; 2017 is YTD and annualized through November 2017

U.S. business jet cycles have steadily increased but remain well below pre-2008 levels

Aircraft Utilization

Average Number of Business Jet Cycles per Aircraft Per Year - USA



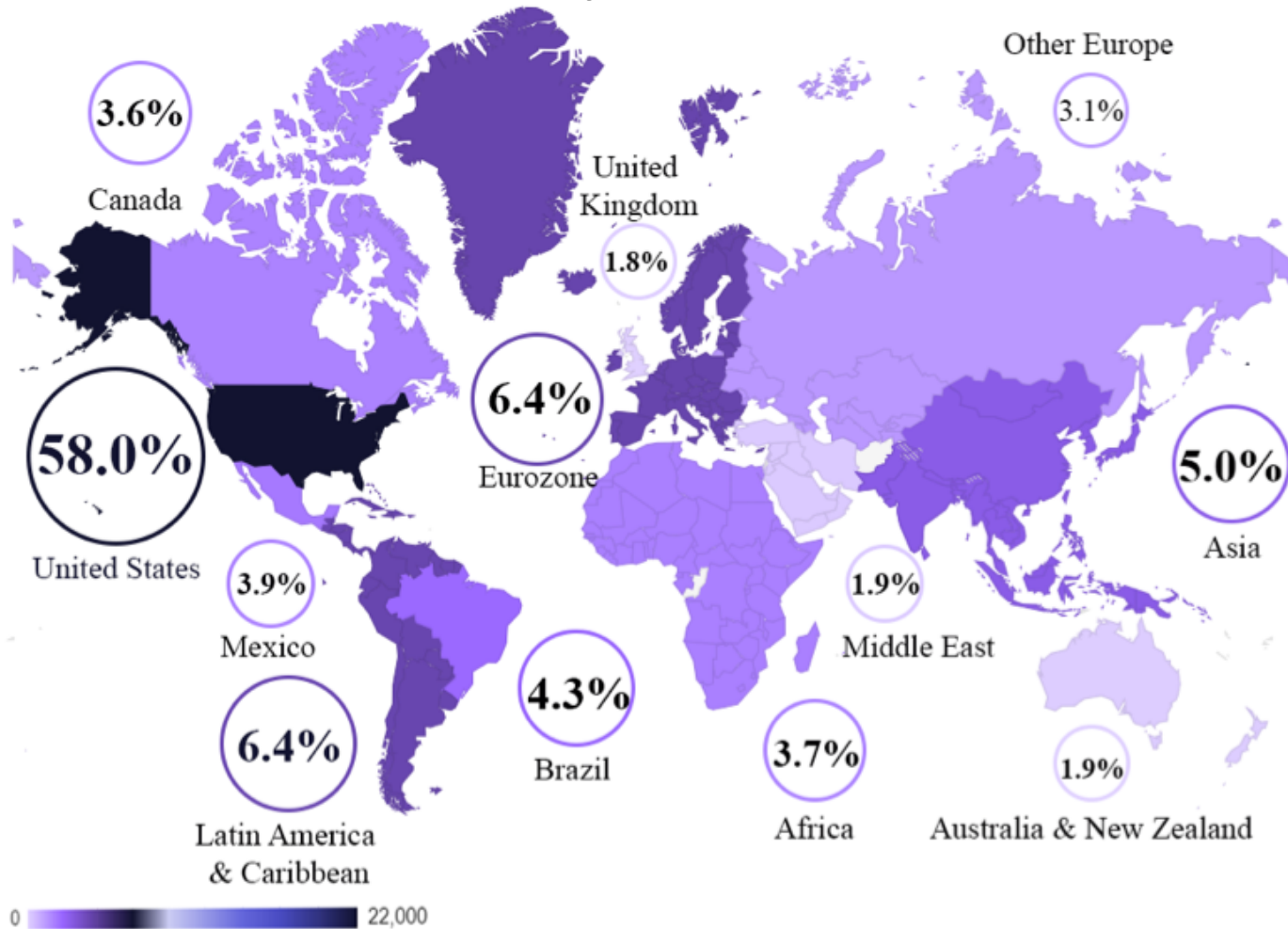
Sources: FAA; JETNET; 2017 is YTD and annualized through November 2017

Cycles per U.S.-based business jet remain well below pre-financial crisis levels

Business Aircraft Fleet by Region

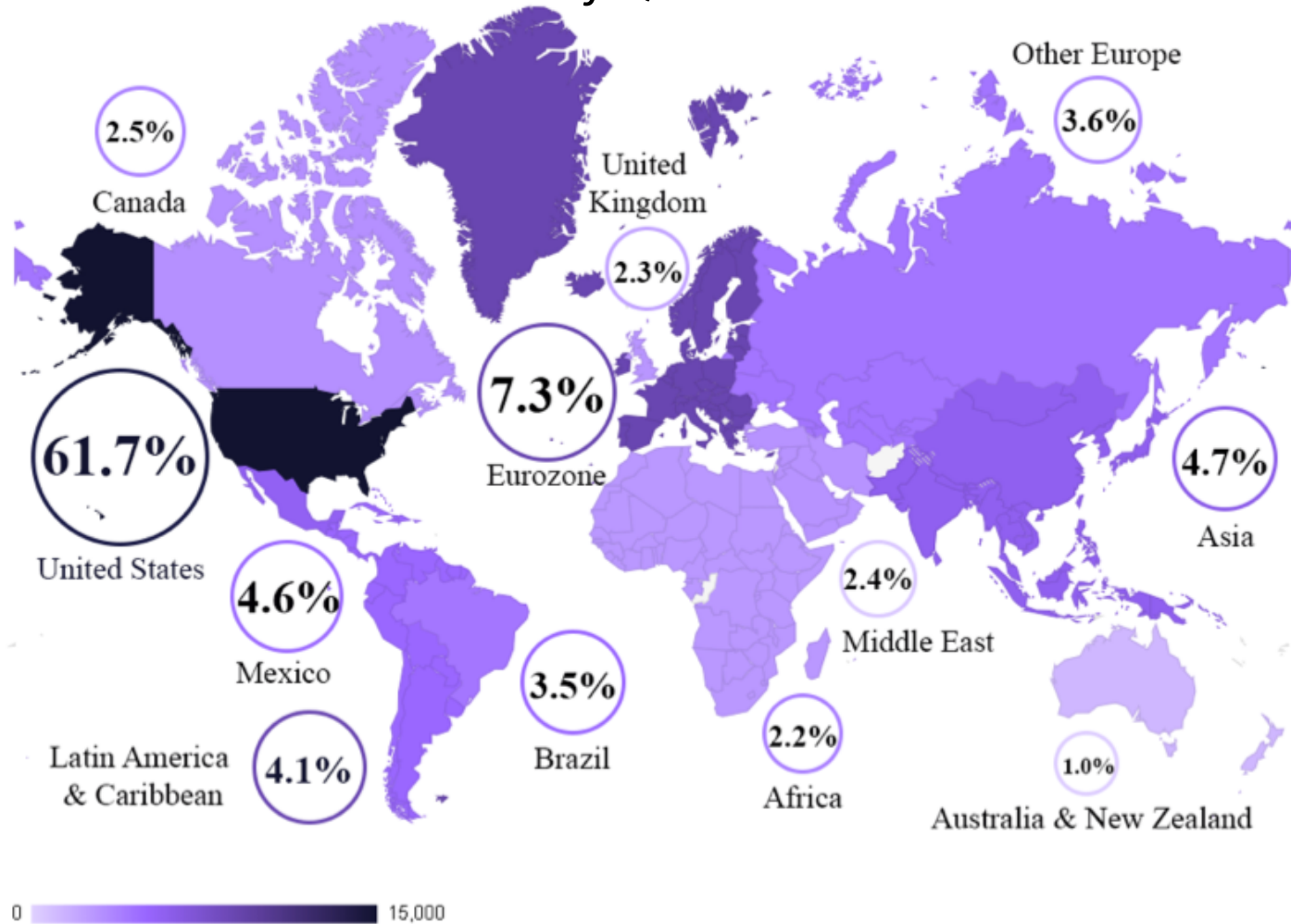
Share of Business Aircraft Fleet by Region

As of Q3 2017



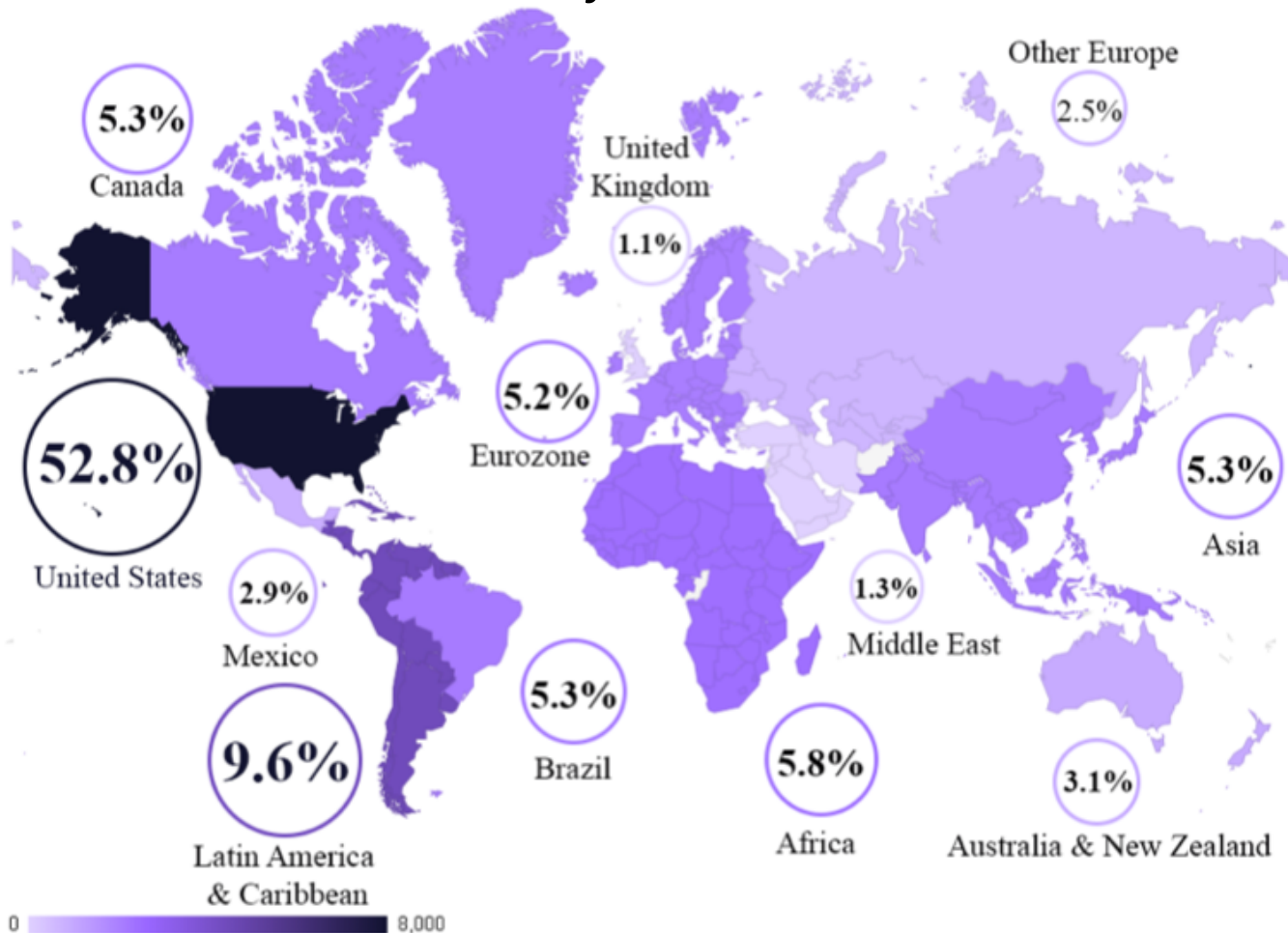
Business Jet Fleet by Region

Share of Business Jet Fleet by Region
 As of Q3 2017



Turboprop Fleet by Region

Share of Turboprop Fleet by Region
 As of Q3 2017



Business Jet Fleet by Manufacturer

NORTH AMERICA	Fleet as of
OEM	Dec 31, 2017
Beechcraft	246
Bombardier	3,106
Cessna Citation	4,984
Dassault Falcon	1,417
Embraer	592
Gulfstream	1,900
Hawker	1,294
Other	430
Total	13,969

EUROPE	Fleet as of
OEM	Dec 31, 2017
Beechcraft	22
Bombardier	618
Cessna Citation	858
Dassault Falcon	446
Embraer	188
Gulfstream	216
Hawker	166
Other	78
Total	2,592

FORMER SOVIET UNION	Fleet as of
OEM	Dec 31, 2017
Beechcraft	-
Bombardier	68
Cessna Citation	16
Dassault Falcon	25
Embraer	26
Gulfstream	34
Hawker	35
Other	21
Total	225

MIDDLE EAST	Fleet as of
OEM	Dec 31, 2017
Beechcraft	3
Bombardier	113
Cessna Citation	49
Dassault Falcon	62
Embraer	49
Gulfstream	105
Hawker	59
Other	74
Total	514

LATIN AMERICA & CARIBBEAN	Fleet as of
OEM	Dec 31, 2017
Beechcraft	61
Bombardier	678
Cessna Citation	837
Dassault Falcon	136
Embraer	228
Gulfstream	214
Hawker	323
Other	158
Total	2,635

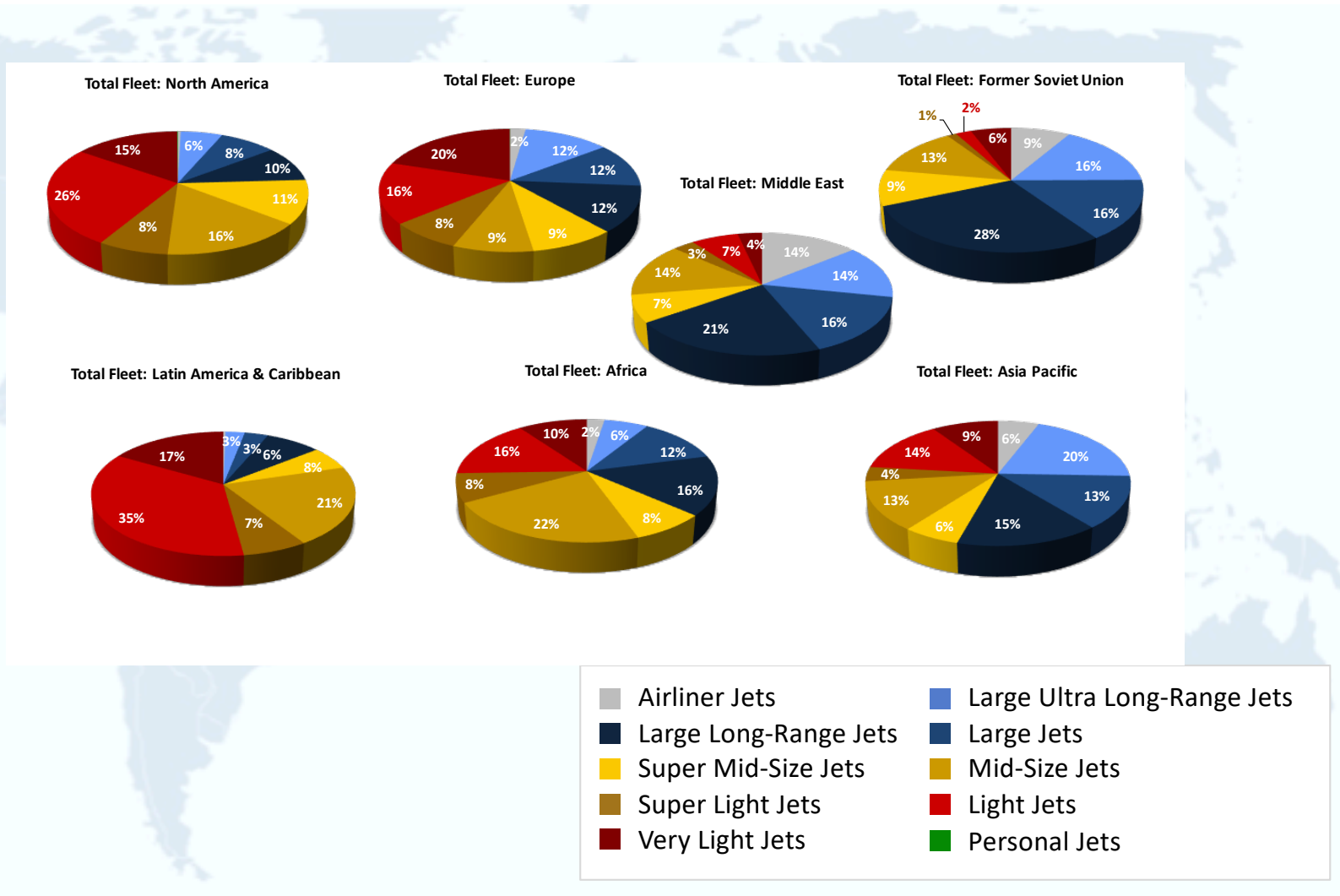
AFRICA	Fleet as of
OEM	Dec 31, 2017
Beechcraft	2
Bombardier	98
Cessna Citation	103
Dassault Falcon	68
Embraer	22
Gulfstream	64
Hawker	101
Other	16
Total	474

ASIA PACIFIC	Fleet as of
OEM	Dec 31, 2017
Beechcraft	9
Bombardier	299
Cessna Citation	235
Dassault Falcon	108
Embraer	85
Gulfstream	304
Hawker	126
Other	74
Total	1,240

World business jet fleet was 21,649 jets on December 31, 2017

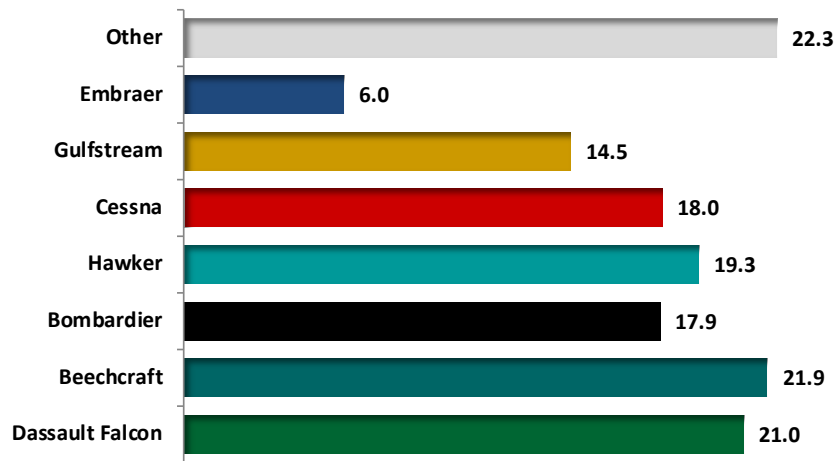
Business Jet Fleet by Size Category

As of December 31, 2017

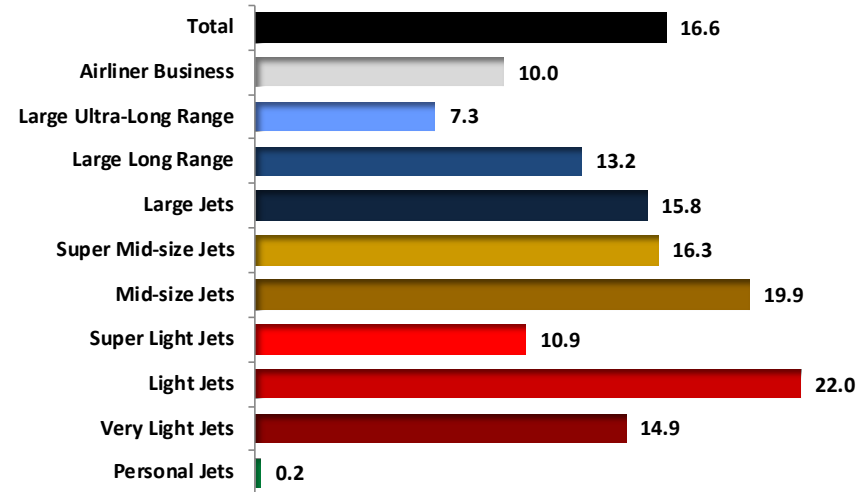


Business Jet Fleet Age (Years)

Business aircraft average fleet age as of December 31, 2017

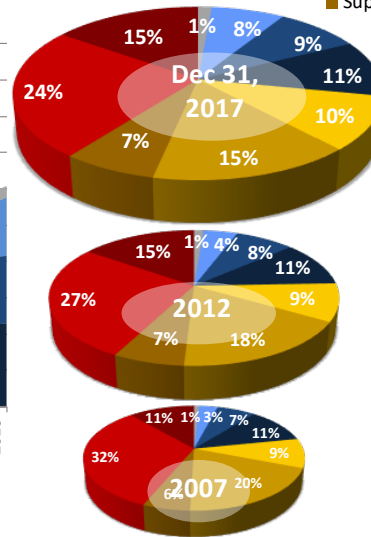
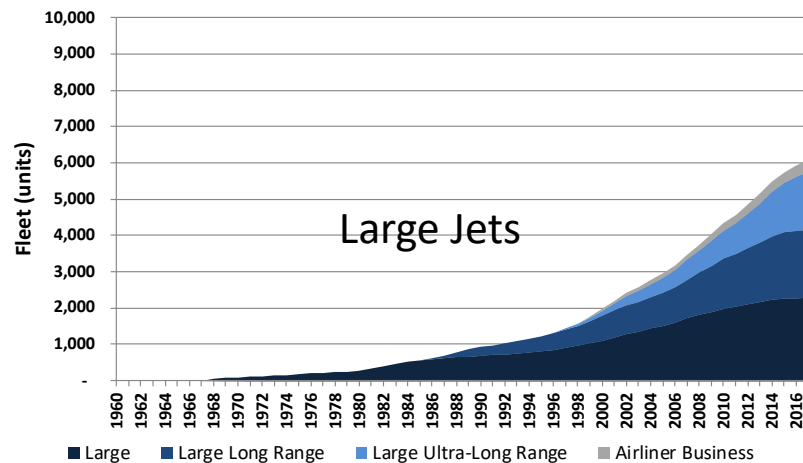
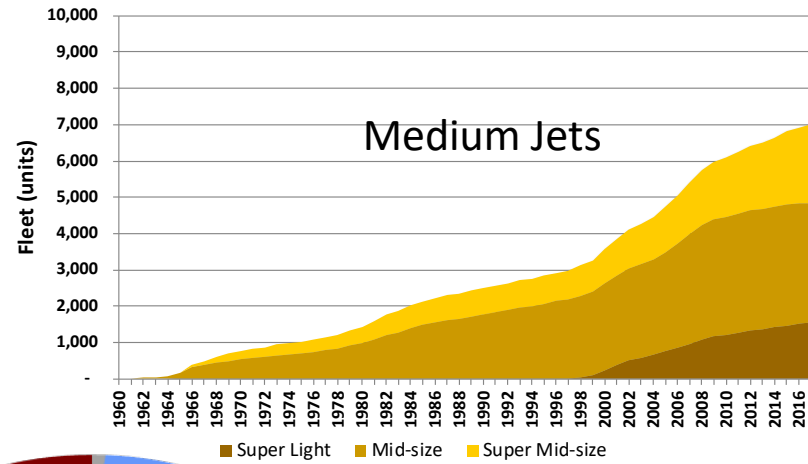
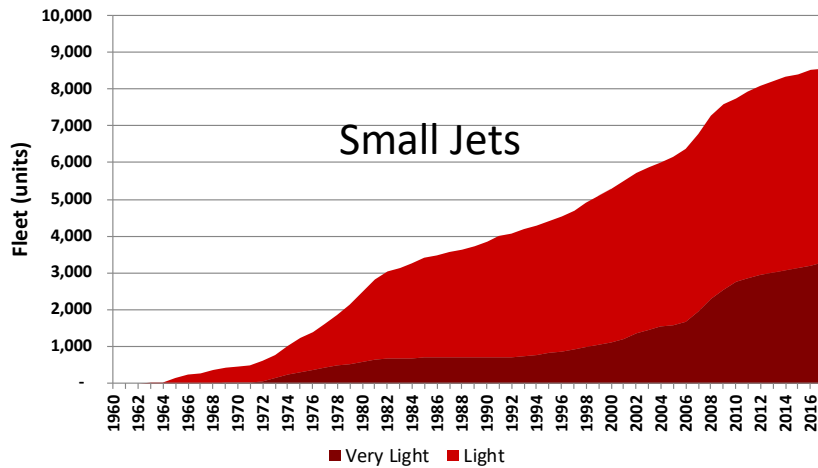


Business aircraft average fleet age as of Dec 31, 2017



Business Jet Fleet by Size Category

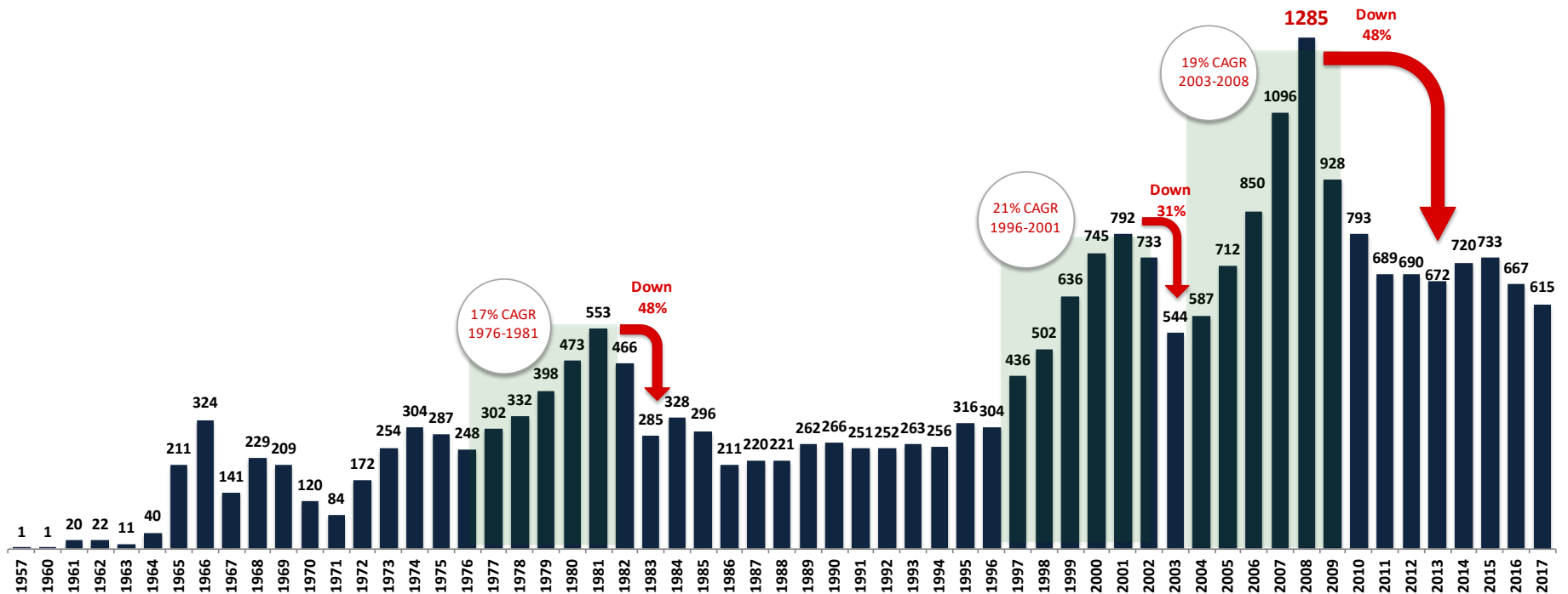
Fleet in Years From 1960 – December 31, 2017



TOTAL Size Category	Total Fleet as of Dec 31, 2017
Airliner Business	301
Large Ultra-Long Range	1,618
Large Long Range	1,874
Large Jets	2,280
Super Mid-size Jets	2,168
Mid-size Jets	3,297
Super Light Jets	1,538
Light Jets	5,282
Very Light Jets	3,278
Personal Jet	13
Total	21,649

Business Jet Deliveries (Units)

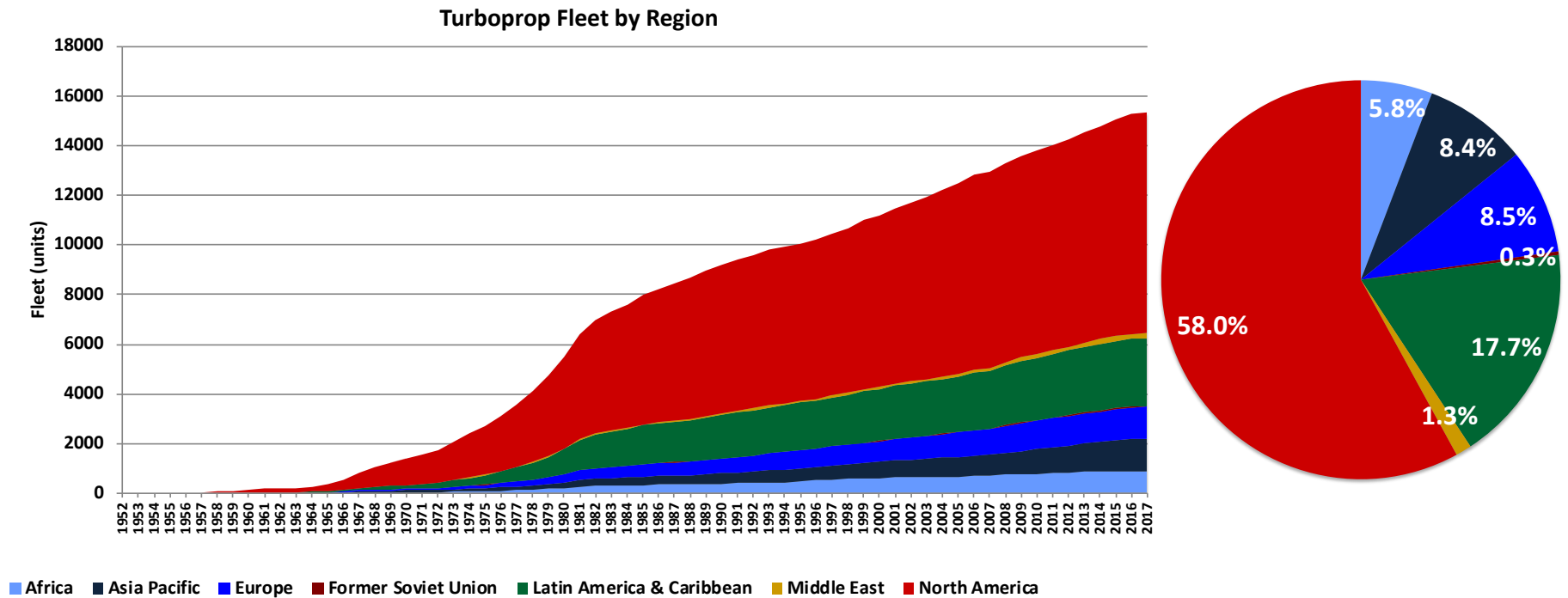
Business Jet Deliveries



Source: JETNET; includes Personal Jets; 2017 data are still being finalized and are likely to increase

New business jet delivery units have remained relatively flat for 6 years

Business Turboprop Fleet by Region



Business Turboprop Fleet by Manufacturer

NORTH AMERICA	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	1,335
Daher Socata	639
Beechcraft	3,758
Pilatus	1,063
Piper	1,025
Turbo Commander	299
Other	765
Total	8,884

EUROPE	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	161
Daher Socata	115
Beechcraft	396
Pilatus	182
Piper	236
Turbo Commander	26
Other	190
Total	1,306

FORMER SOVIET UNION	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	10
Daher Socata	-
Beechcraft	11
Pilatus	6
Piper	8
Turbo Commander	-
Other	9
Total	44

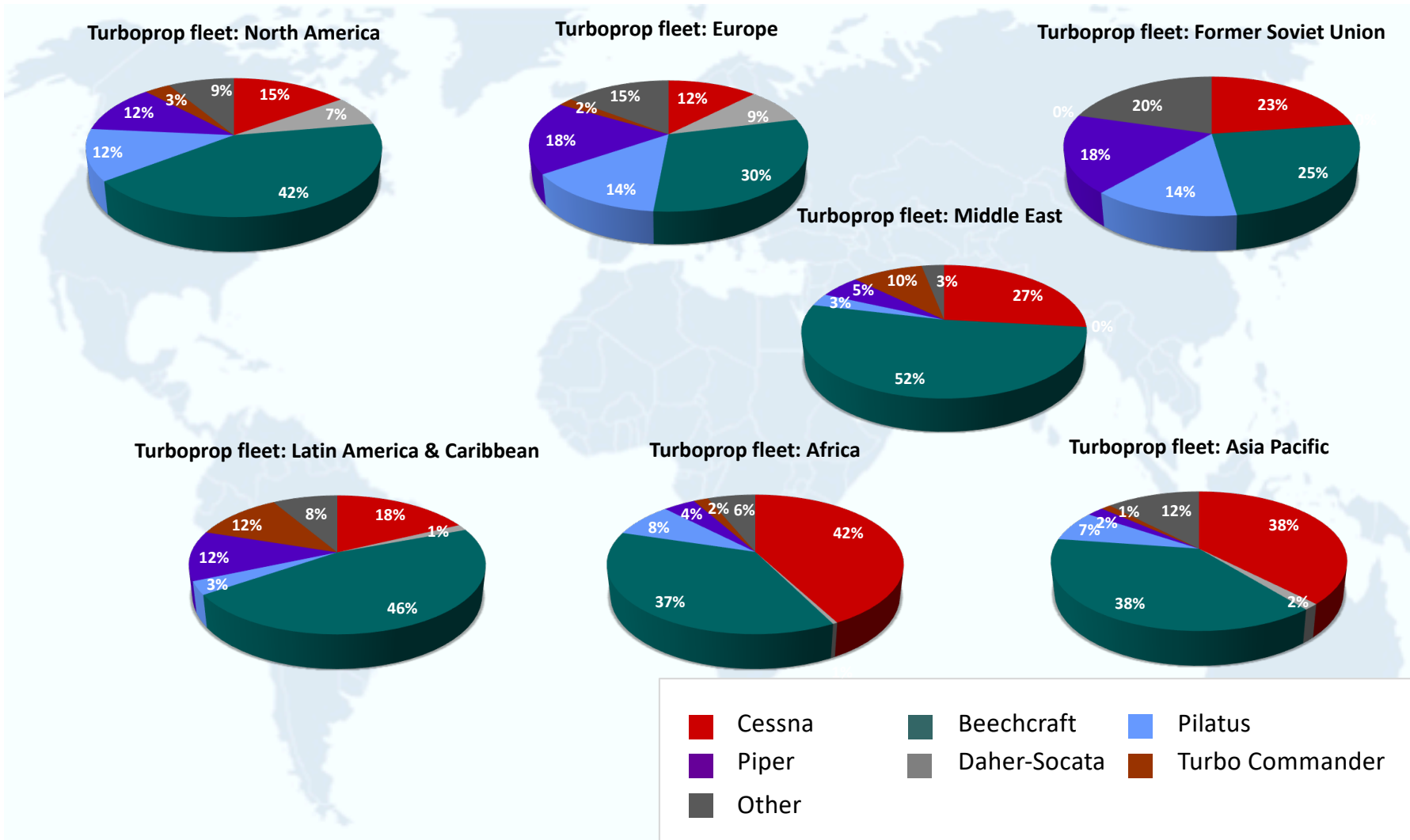
MIDDLE EAST	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	53
Daher Socata	0
Beechcraft	103
Pilatus	6
Piper	11
Turbo Commander	19
Other	6
Total	198

LATIN AMERICA & CARIBBEAN	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	484
Daher Socata	38
Beechcraft	1,255
Pilatus	84
Piper	316
Turbo Commander	312
Other	229
Total	2,718

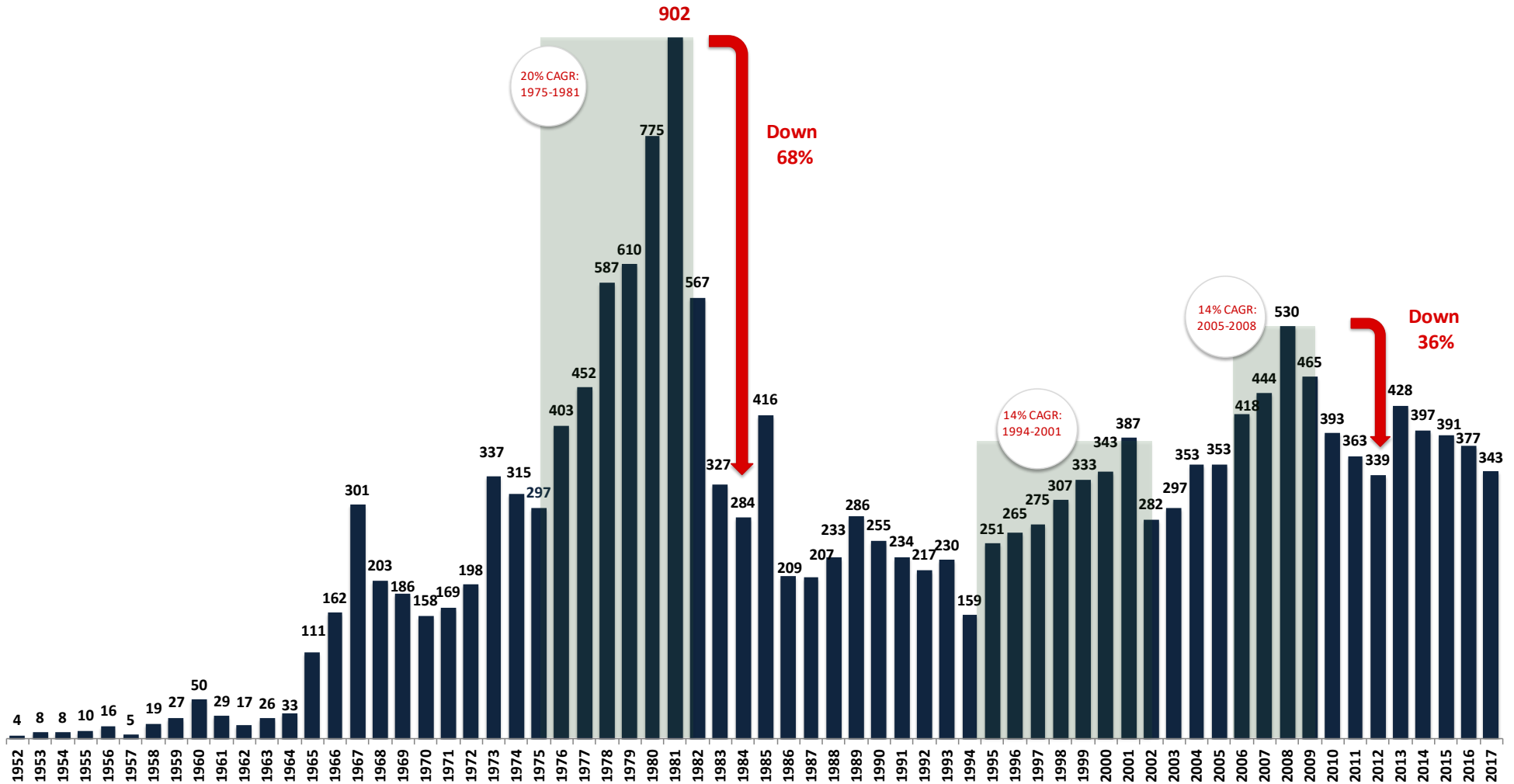
AFRICA	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	375
Daher Socata	4
Beechcraft	330
Pilatus	71
Piper	37
Turbo Commander	17
Other	55
Total	889

ASIA PACIFIC	
Turboprop Fleet Dec 31, 2017	Fleet
Cessna	485
Daher Socata	19
Beechcraft	492
Pilatus	91
Piper	28
Turbo Commander	16
Other	157
Total	1,288

Business Turboprop Fleet by Manufacturer



Business Turboprop Deliveries (Units)

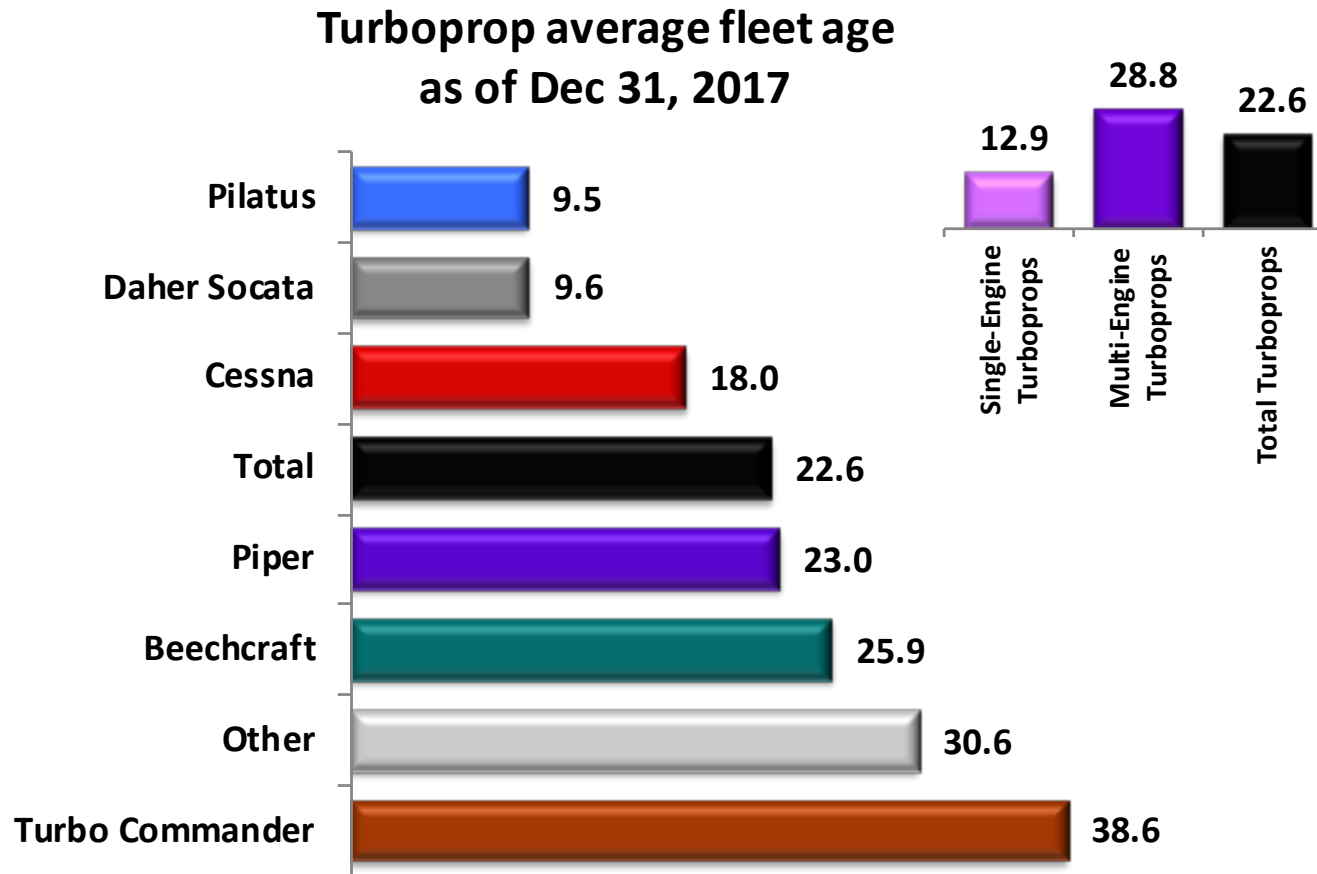


Source: JETNET; 2017 data are still being finalized and are likely to increase

December 31, 2017

JETNET iQ Snap!: 4th Quarter 2017 - Private & Confidential

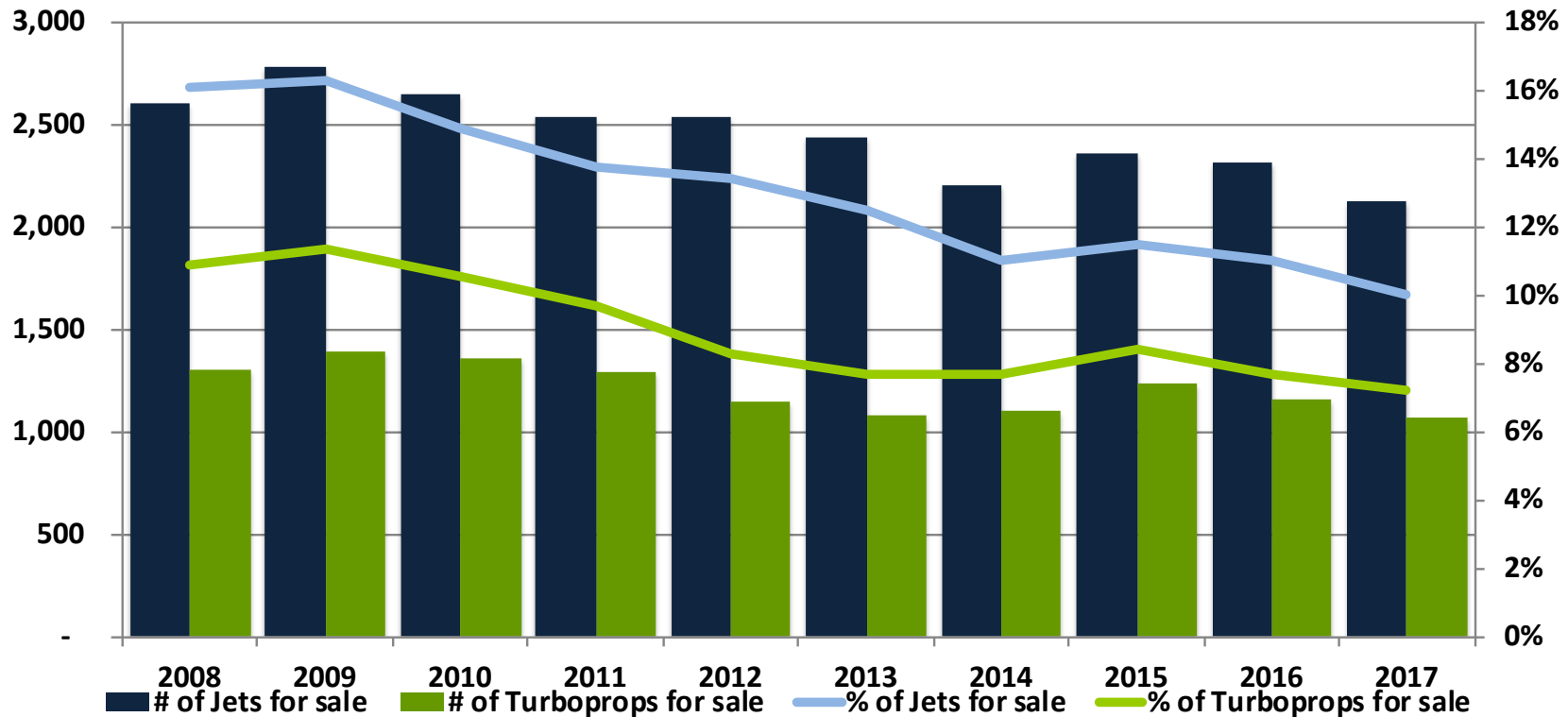
Business Turboprop Fleet Age (Years)



Pre-Owned Business Aircraft Inventory

Business Jets and Turboprops for sale

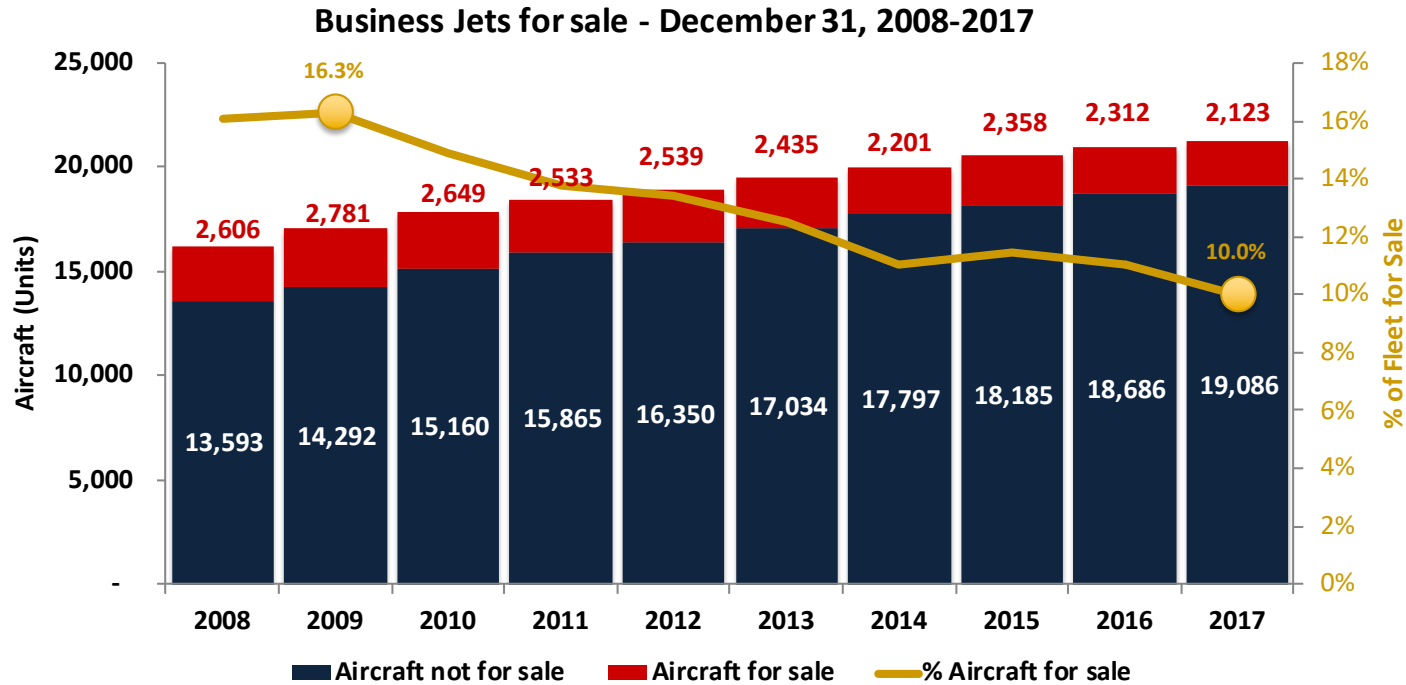
Dec 2008 - Dec 2017



Aircraft Available for Sale as % of World Fleet (as of September 30)										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business Jets	16.1%	16.3%	14.9%	13.8%	13.4%	12.5%	11.0%	11.5%	11.0%	10.0%
Turboprop	10.9%	11.3%	10.6%	9.6%	8.3%	7.7%	7.7%	8.4%	7.7%	7.2%

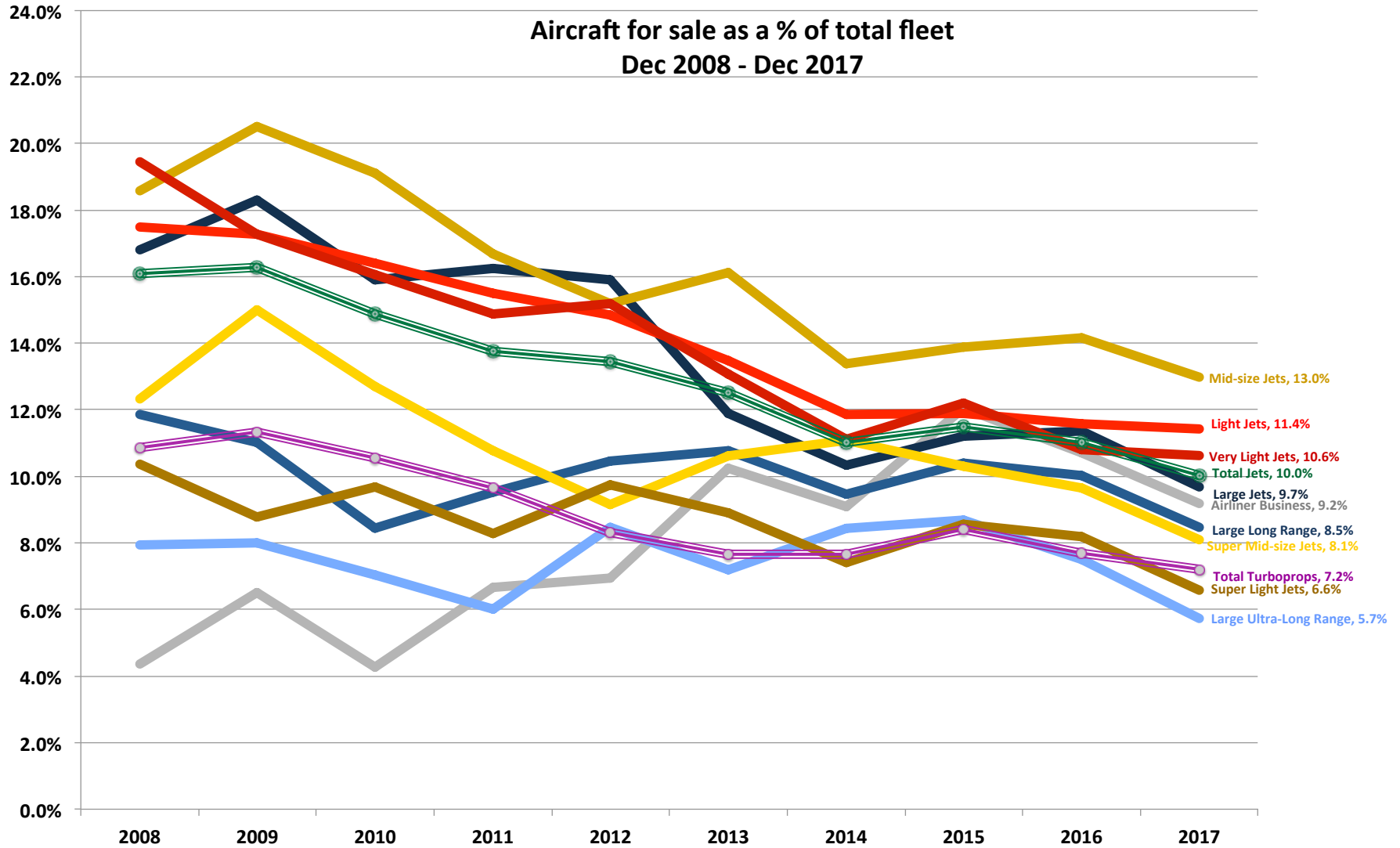
For-sale inventory of pre-owned business aircraft has steadily declined through 2017

Pre-Owned Business Jet Inventory



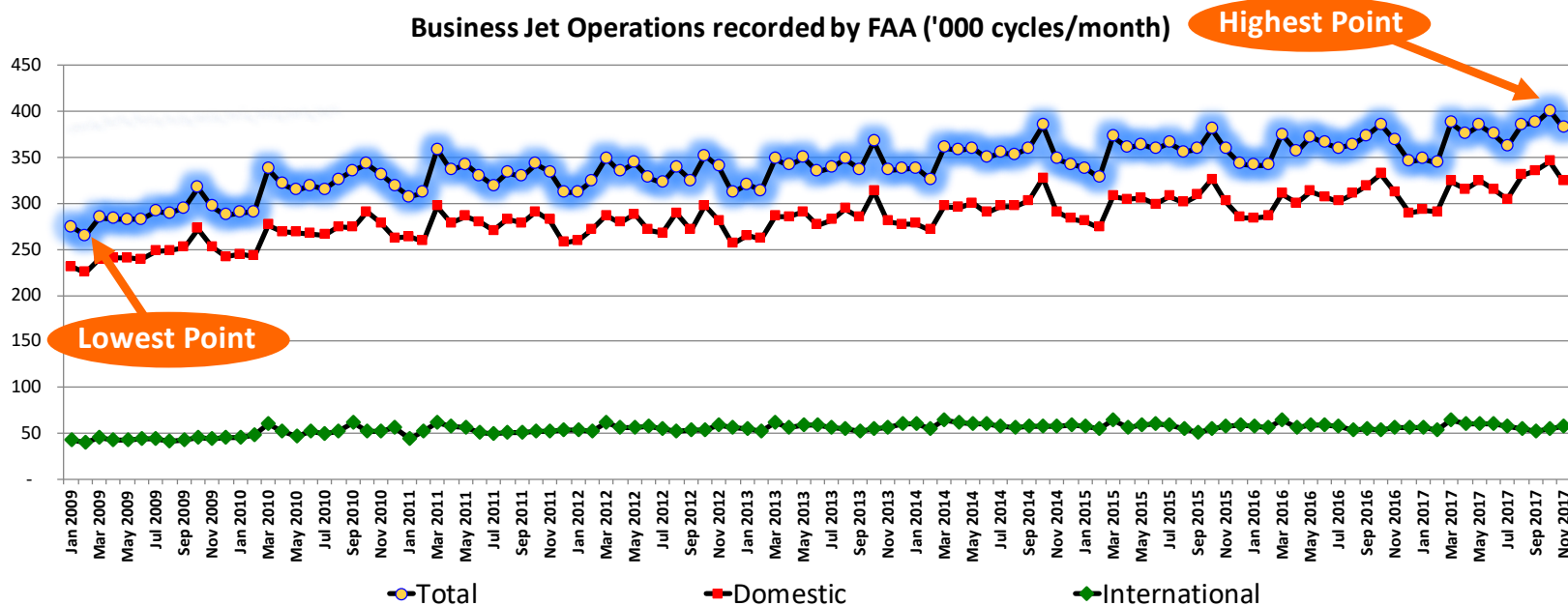
Jets Available for Sale as % of World Fleet (as of September 30)									
2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
16.1%	16.3%	14.9%	13.8%	13.4%	12.5%	11.0%	11.5%	11.0%	10.0%

Pre-Owned Business Jet Inventory



U.S. Business Jet Utilization

FAA BUSINESS JET OPERATIONS - NOV 2017		Trailing 12 Months
TOTAL CYCLES		
Total Cycles	381,890	4,479,502
Change vs. prior month	-4.7%	0.3%
Change vs. prior year	3.6%	3.1%
Change vs. 24 months ago	6.3%	4.5%
DOMESTIC CYCLES		
Total Domestic Cycles	323,994	3,790,592
Change vs. prior month	-6.3%	0.3%
Change vs. prior year	3.7%	3.5%
Change vs. 24 months ago	7.3%	5.3%
INTERNATIONAL CYCLES		
Total International Cycles	57,896	688,910
Change vs. prior month	5.5%	0.2%
Change vs. prior year	2.9%	0.7%
Change vs. 24 months ago	1.5%	0.3%



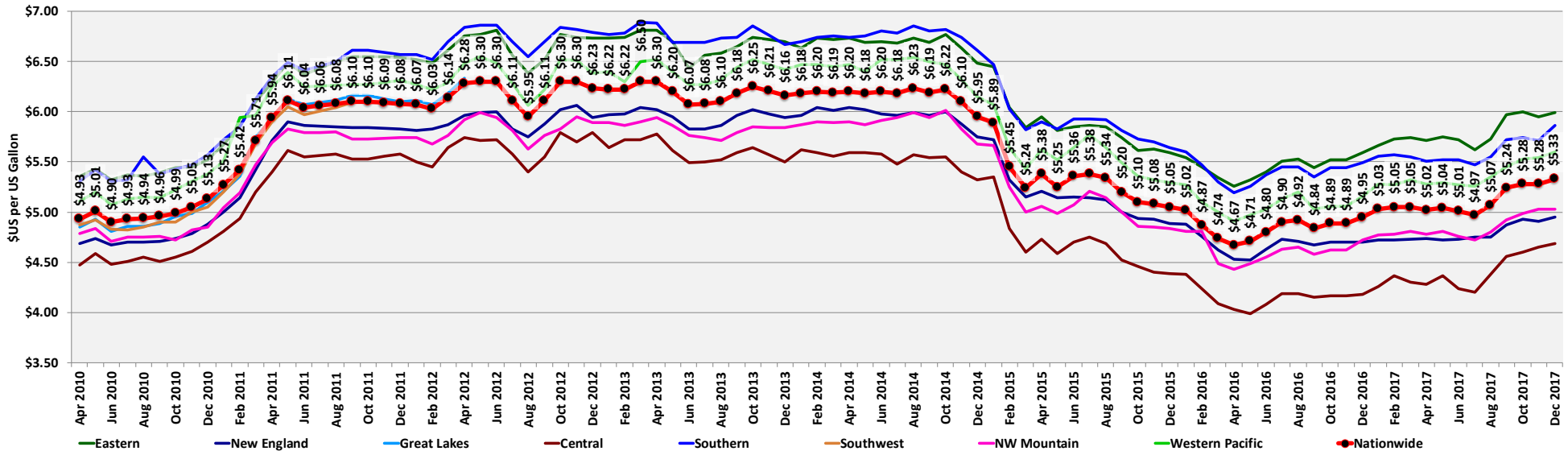
Source: U.S. FAA

December 31, 2017

JETNET iQ Snap!: 4th Quarter 2017 - Private & Confidential

Jet-A Fuel Prices at U.S. FBOs

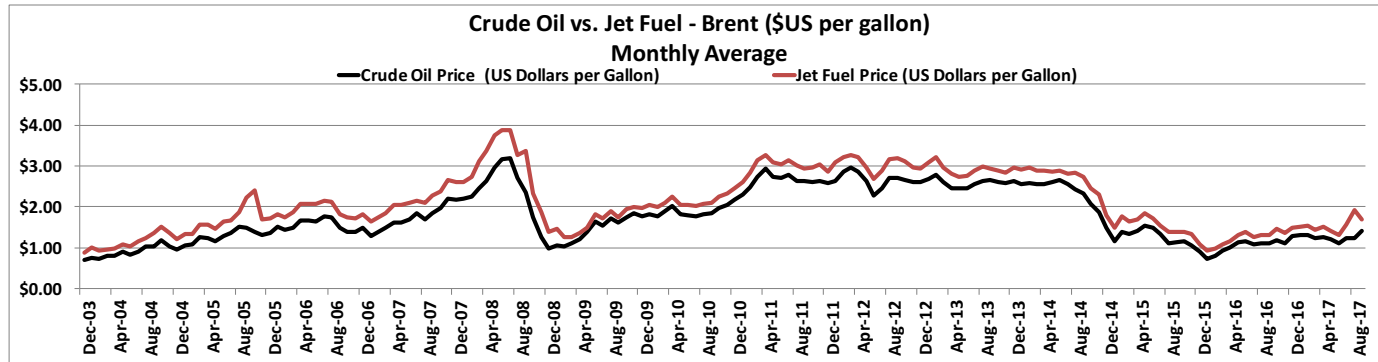
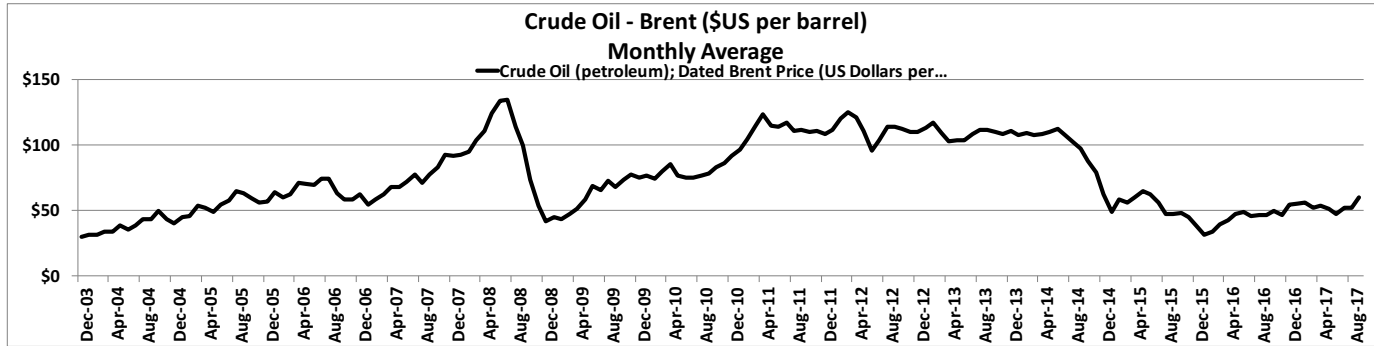
Average Jet-A Fuel Prices recorded by B&CA - Regional USA



Source: [Business & Commercial Aviation](#)

Jet-A fuel prices in December 2017 are averaging about \$5.33 at U.S. FBOs, up 7.7% from \$4.95 year-over-year

Crude Oil and Jet Fuel Prices



IATA Fuel Price Monitor	Share in	Index Value	vs. 1 week	vs. 1 month			
Jan 5 2018	World Index	2000=100	ago	ago			
	\$/US gallon	\$/barrel					
Jet Fuel Price	100%	\$ 1.951	\$ 81.90	224.00	0.8%	7.8%	24.1%
Asia & Oceania	22%	\$ 1.906	\$ 80.10	228.70	0.4%	8.5%	21.0%
Europe & CIS	28%	\$ 1.955	\$ 82.10	221.20	1.1%	7.6%	24.2%
Middle East & Africa	7%	\$ 1.880	\$ 79.00	235.80	0.5%	8.1%	23.7%
North America	39%	\$ 1.978	\$ 83.10	220.80	0.7%	7.5%	26.1%
Latin & Central America	4%	\$ 2.029	\$ 85.20	236.00	1.3%	8.4%	22.9%

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

Source: IndexMundi; IATA from PLATTS

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
 - Mood of the market



JETNET iQ VOICE OF GLOBAL BUSINESS & GENERAL AVIATION - Q4 2017 English

WELCOME

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Global Business & General Aviation Survey
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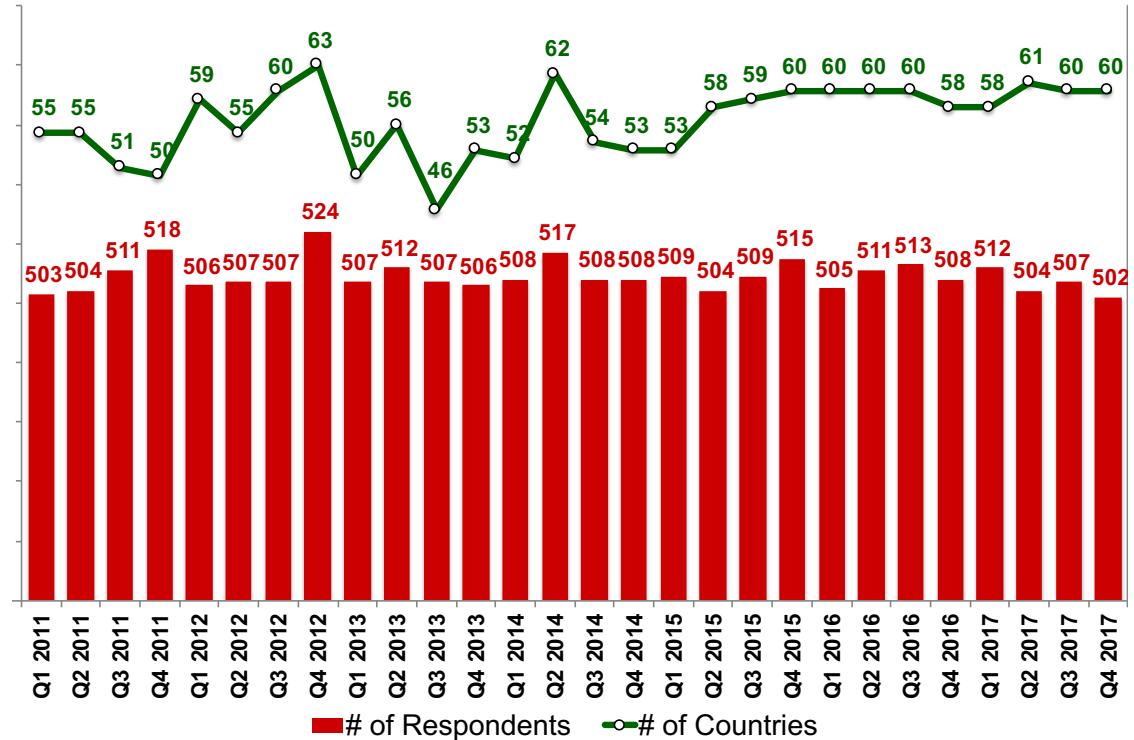
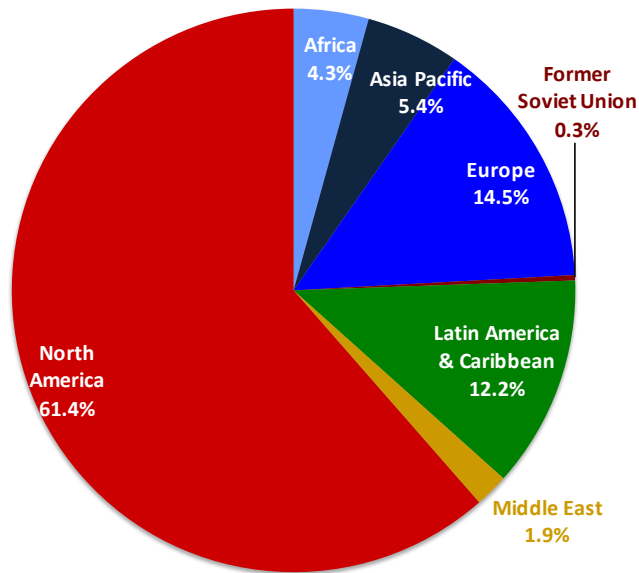
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ROLLAND VINCENT
JETNET iQ Creator / Director
Phone: 1-972-439-2069 (U.S. Central Time)
Email: rollie@jetnet.com

JETNET iQ Surveys: Quarterly, multilingual, worldwide

JETNET iQ Survey Respondents

Respondent Location Q1 2011 - Q4 2017



	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	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Total
# of Respondents	503	504	511	518	506	507	507	524	507	512	507	506	508	517	508	509	504	509	515	508	513	508	512	504	502	502	502	14,247	
# of Countries	55	55	51	50	59	55	60	63	50	56	46	53	57	62	59	60	60	60	60	60	58	58	61	60	60	60	60	129	

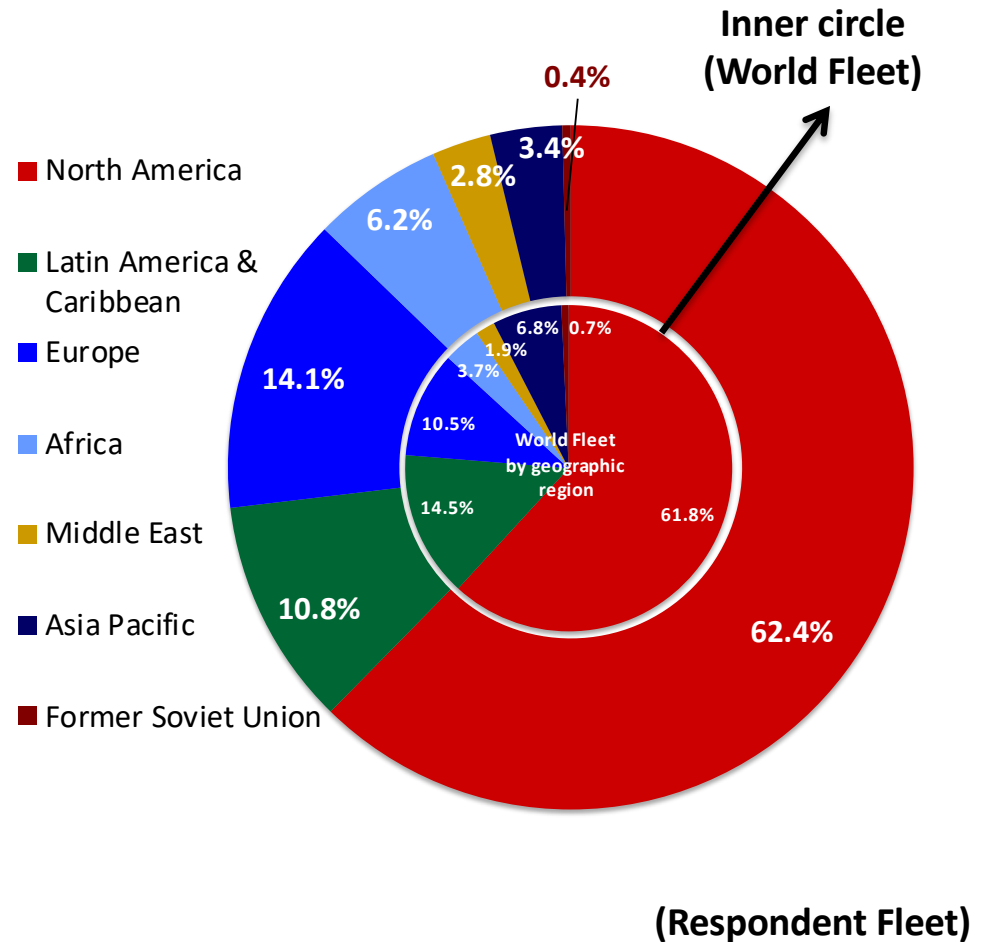
JETNET iQ Surveys: Since Q1 2011, >14,200 respondents from 129 countries

Survey Respondents' Location

By Aircraft Base Location

Q4 2017 Survey

RESPONDENT COUNTRIES FROM Q4 2017 SURVEY			
COUNTRIES/TERRITORIES	# of respondents		
ARGENTINA	3	NAMIBIA	1
AUSTRALIA	8	NETHERLANDS	2
AUSTRIA	6	NIGERIA	1
BARBADOS	1	PAPUA NEW GUINEA	1
BELGIUM	2	PERU	1
BELIZE	1	POLAND	1
BOTSWANA	2	PORTUGAL	1
BRAZIL	19	ROMANIA	1
CANADA	18	RUSSIAN FEDERATION	2
CAYMAN ISLANDS	1	SAUDI ARABIA	1
CHILE	1	SOUTH AFRICA	18
CHINA	1	SPAIN	5
COLOMBIA	3	SRI LANKA	1
CZECH REPUBLIC	3	SWEDEN	2
DENMARK	2	SWITZERLAND	13
ECUADOR	2	TANZANIA	1
EGYPT	1	THAILAND	1
ETHIOPIA	2	TURKEY	5
FRANCE	4	UNITED ARAB EMIRATES	6
GERMANY	9	UNITED KINGDOM	6
GREENLAND	1	UNITED STATES	295
GUATEMALA	1	VENEZUELA	3
HUNGARY	1	ZAMBIA	1
ICELAND	1	ZIMBABWE	3
INDIA	2		
IRELAND	2	Total # of respondents	502
ITALY	3	Total # of countries	60
JAPAN	1		
JORDAN	1	Africa	31
LEBANON	1	Asia Pacific	17
LIECHTENSTEIN	1	Europe	71
LUXEMBOURG	1	Former Soviet Union	2
MACAU	2	Latin America & Caribbean	54
MALTA	3	Middle East	14
MEXICO	19	North America	313
MOROCCO	1	Total	502



Survey Respondents' Roles

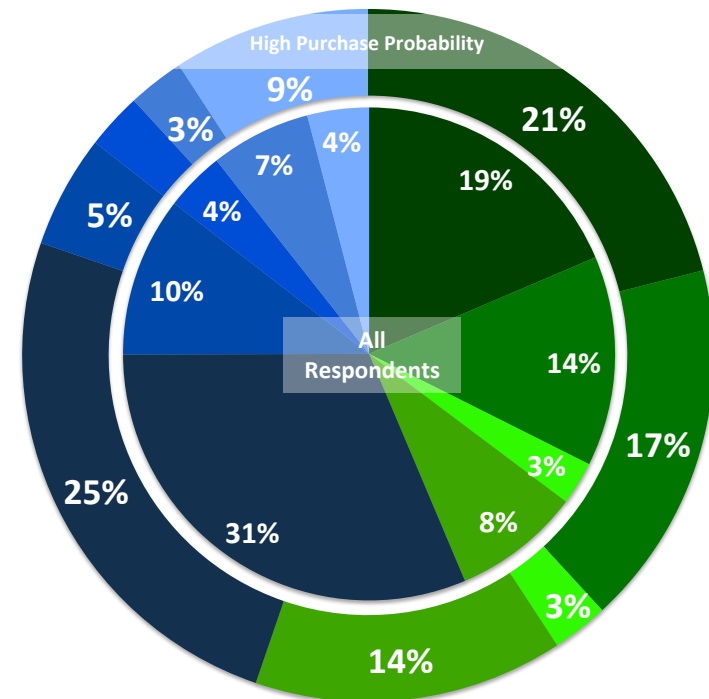
By Job Title

Q4 2017 Survey

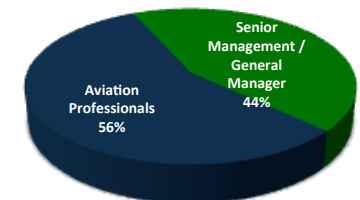
Title of respondent	Completed
Business owner / shareholder / partner	124
C-Level / President / Managing Director	92
Vice President / Senior Management	19
General Manager / Director	56
Chief Pilot / head of flight operations	209
Dispatcher / Scheduler / Flight Coordinator	70
Head of maintenance	26
Pilot	44
Vice President / Director of Aviation	27
Total	667

Note: Respondent was able to chose whichever applied

Aviation Professionals	376	56%
Senior Management / General Manager	291	44%



- 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

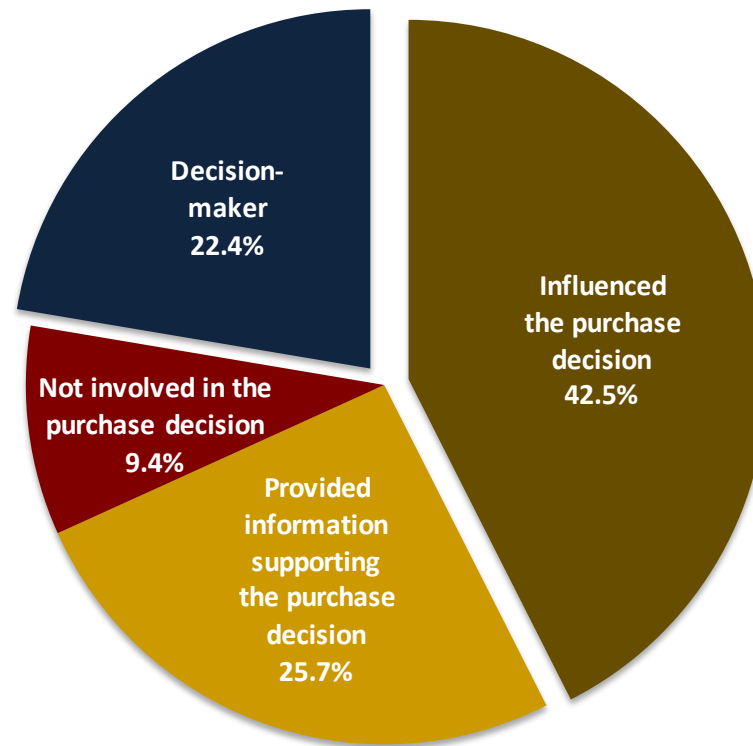


Note: Respondents may have multiple job titles and organizational roles

Survey Respondents' Roles

By Involvement in Last Fixed-Wing Turbine Aircraft Purchase

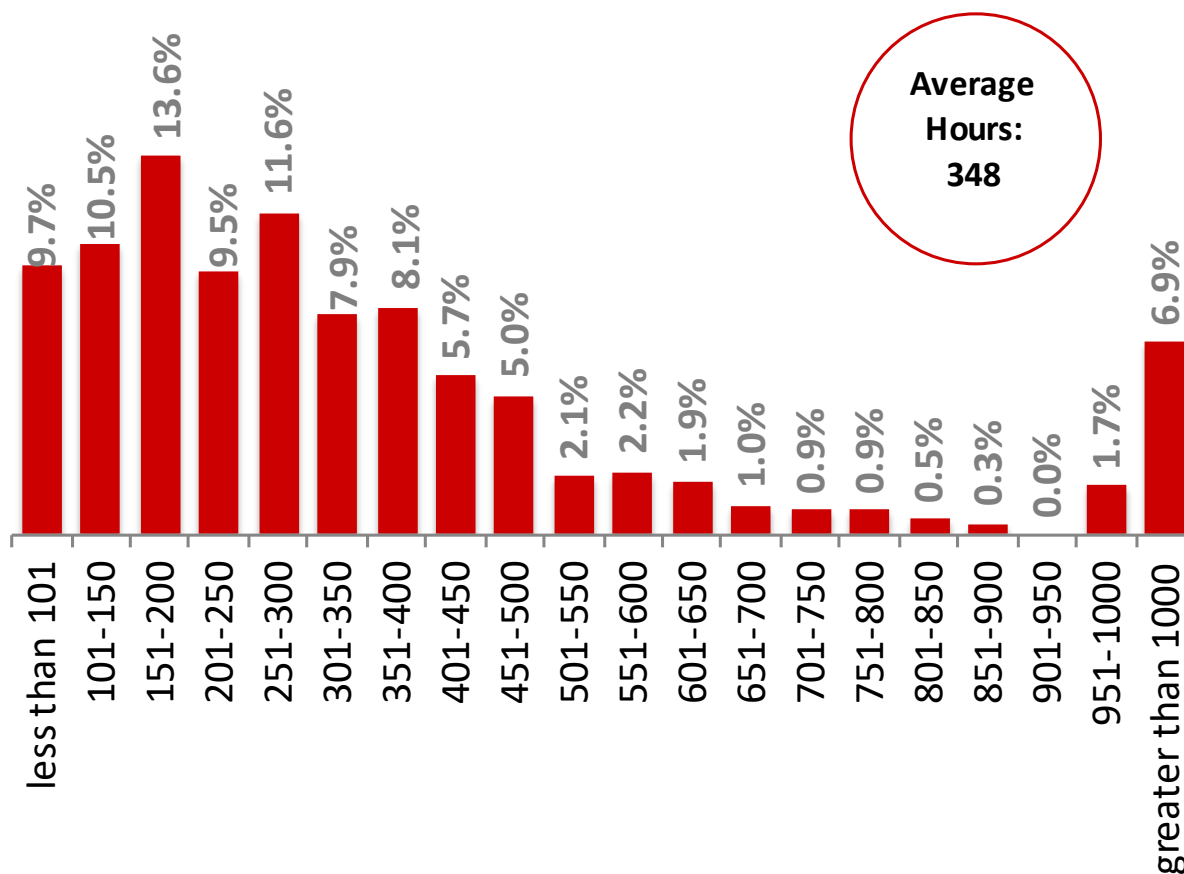
Q4 2017 Survey



Survey Respondents' Flight Operations

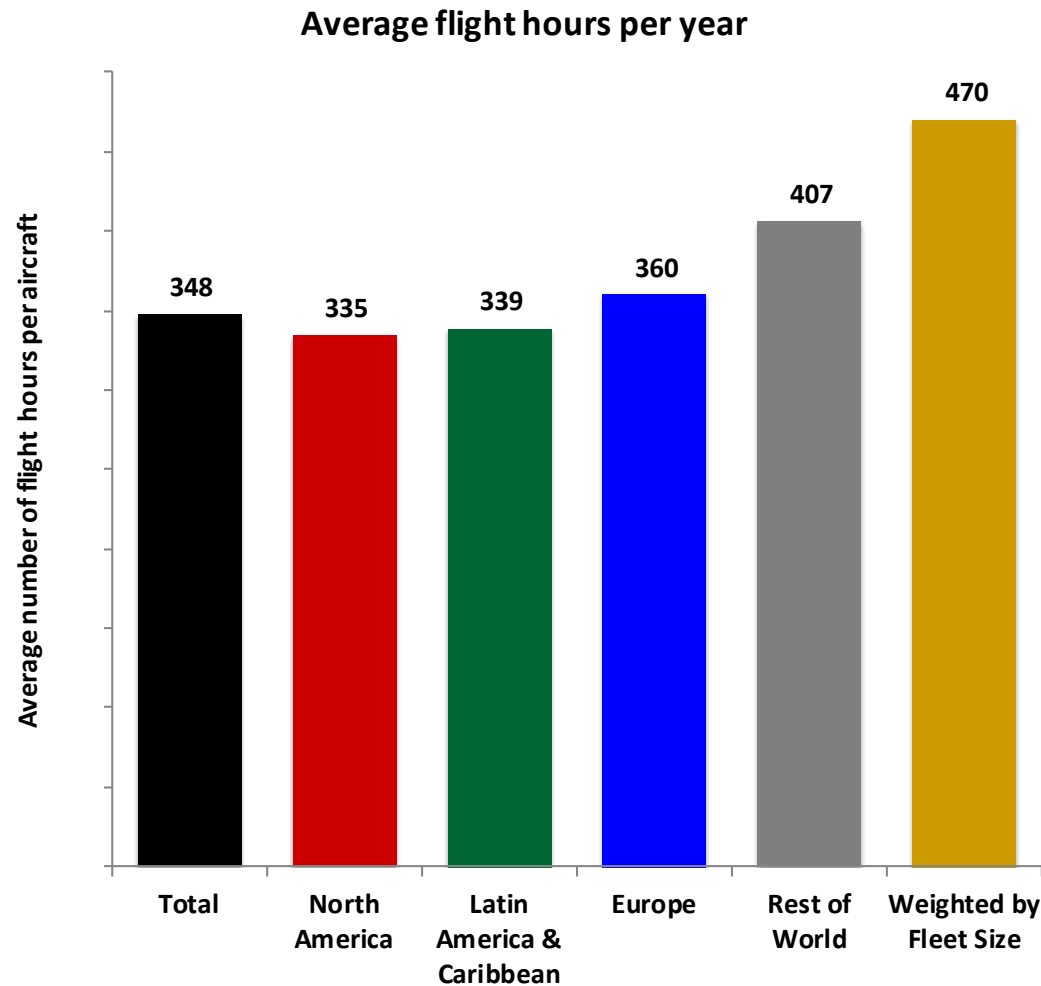
Last 12 Months – Worldwide (Fixed-Wing Business Jets and Turboprops Only)
Annual Flight Hours Per Aircraft

Q4 2017 Survey



Survey Respondents' Flight Operations

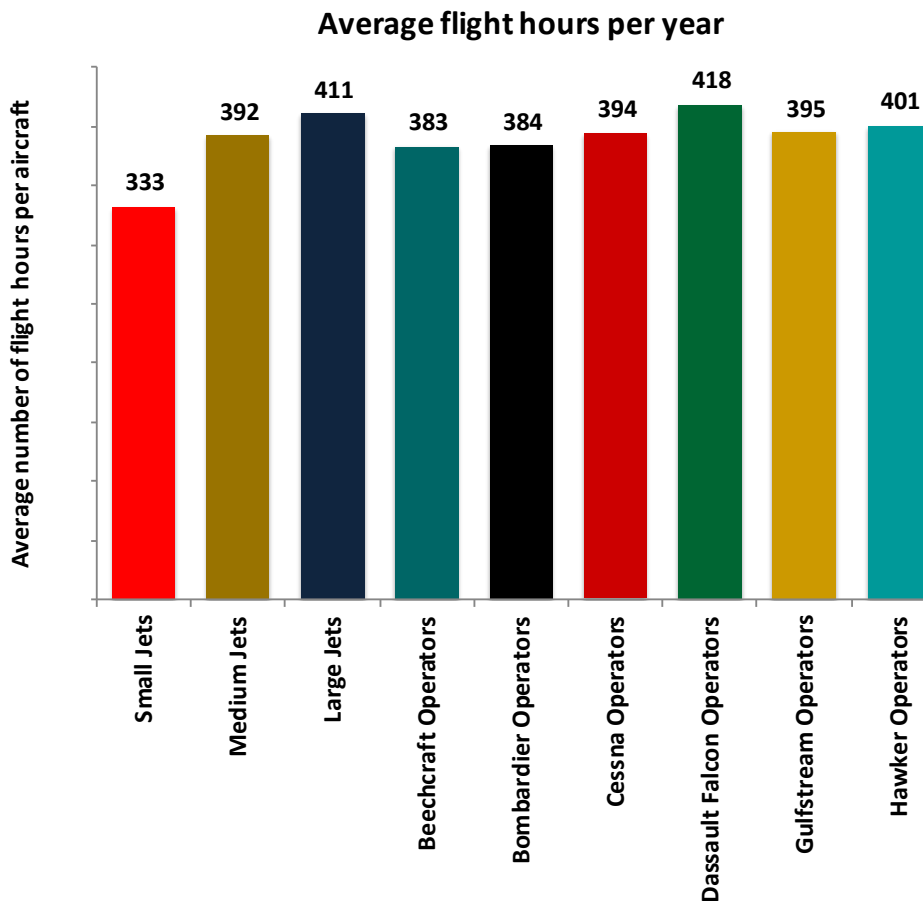
Regional Average Utilization per Aircraft in Prior 12 Months



Survey Respondents' Flight Operations

Operator Size and Brand Utilization per Aircraft in Prior 12 Months

Q4 2017 Survey

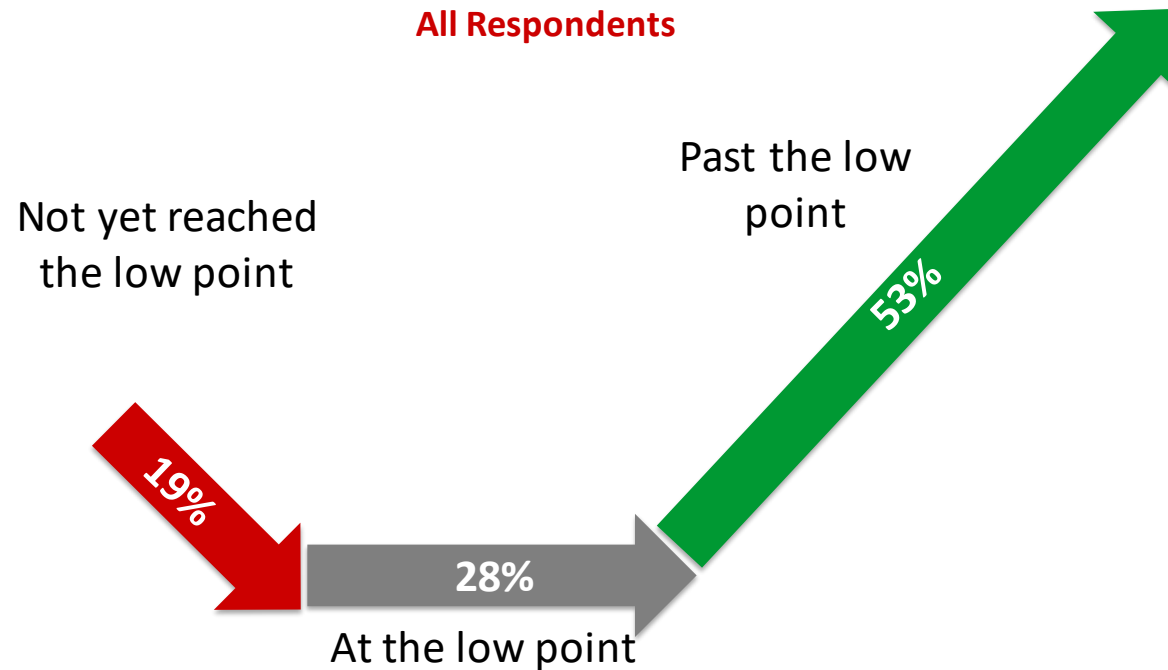


Survey Respondents' Sentiment

Current Market Sentiment

Q4 2017 Survey

How would you describe the current market conditions for business aviation?

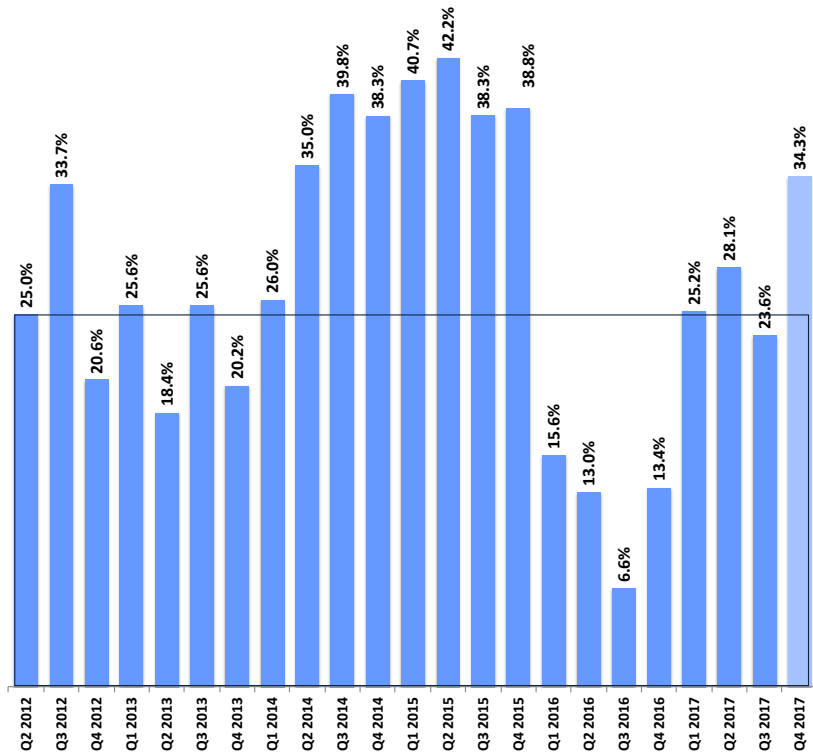


Survey Respondents' Sentiment

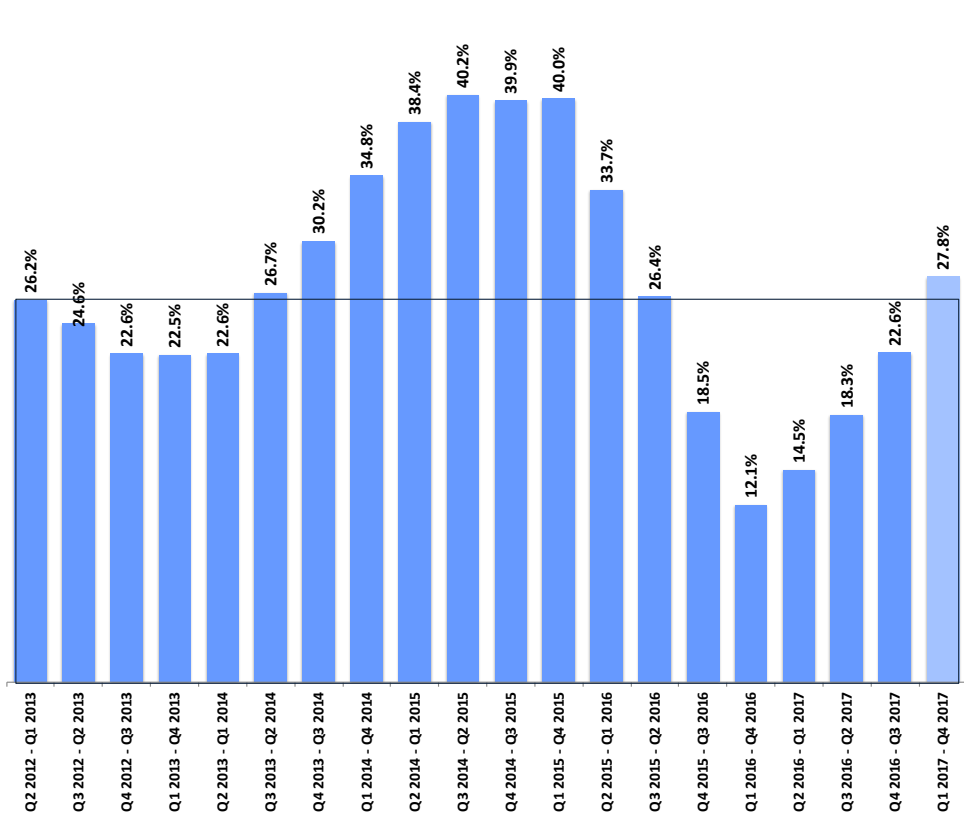
Current Market Sentiment

Q4 2017 Survey

Overall Worldwide Net Optimism by Quarter



Overall Worldwide Net Optimism 4-quarter Rolling Average

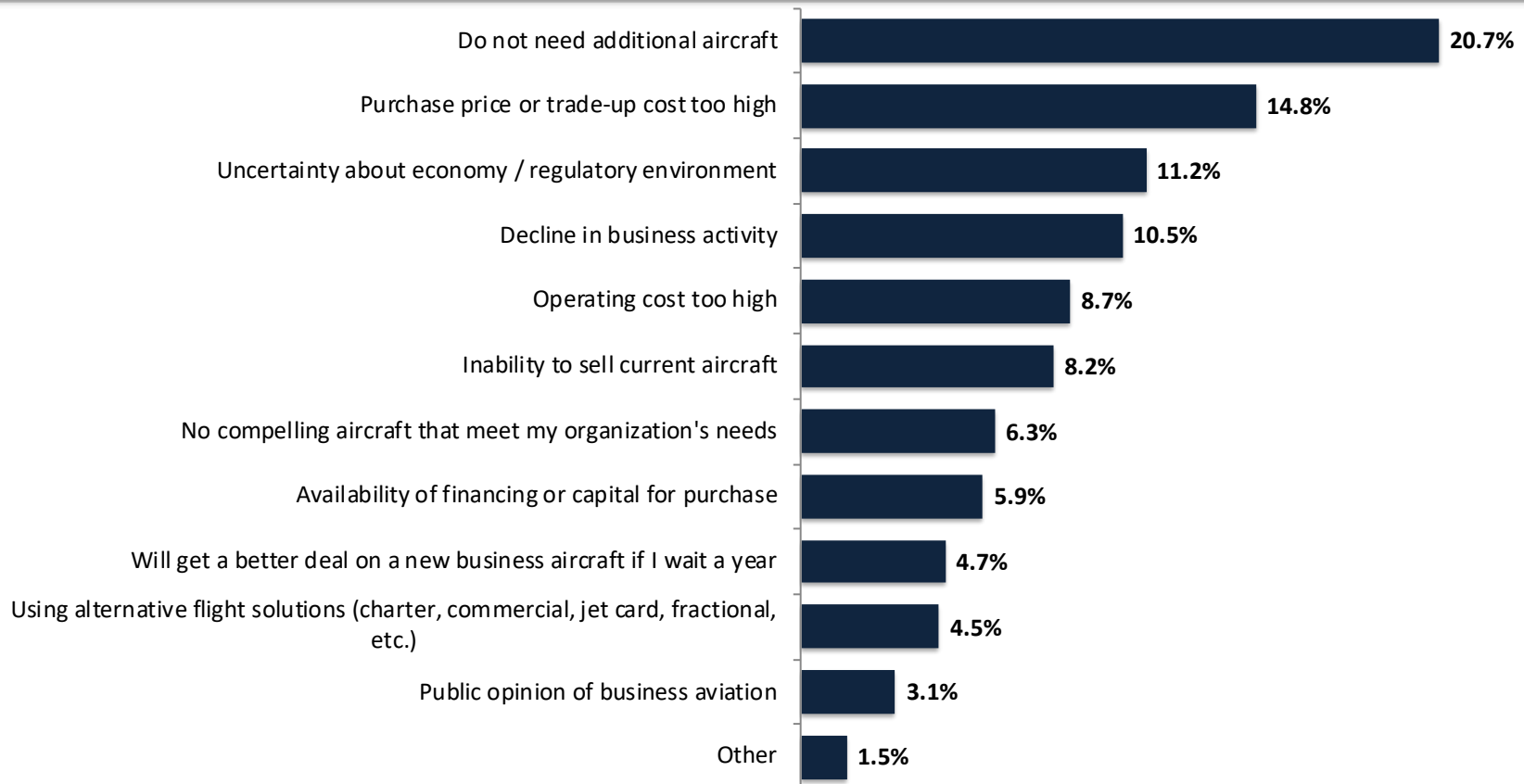


Aircraft Purchase Inhibitors

Top 5 Inhibitors – Weighted Average

Q4 2017 Survey

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



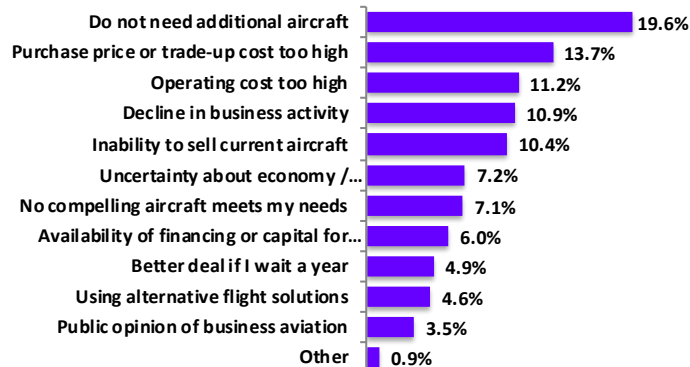
Aircraft Purchase Inhibitors

Top 5 Inhibitors – Weighted Average

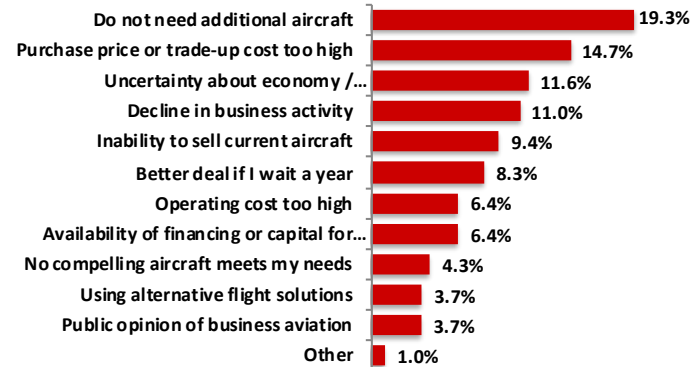
Q4 2017 Survey

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

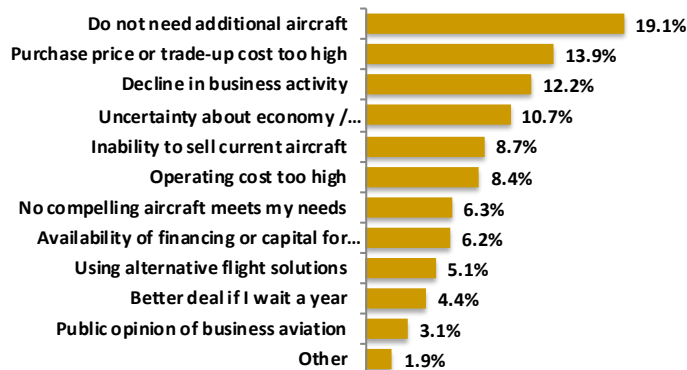
Turboprop Operators



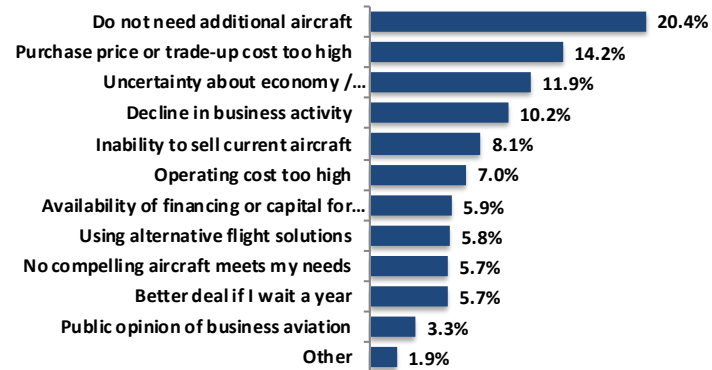
Small Jet Operators



Medium Jet Operators



Large Jet Operators

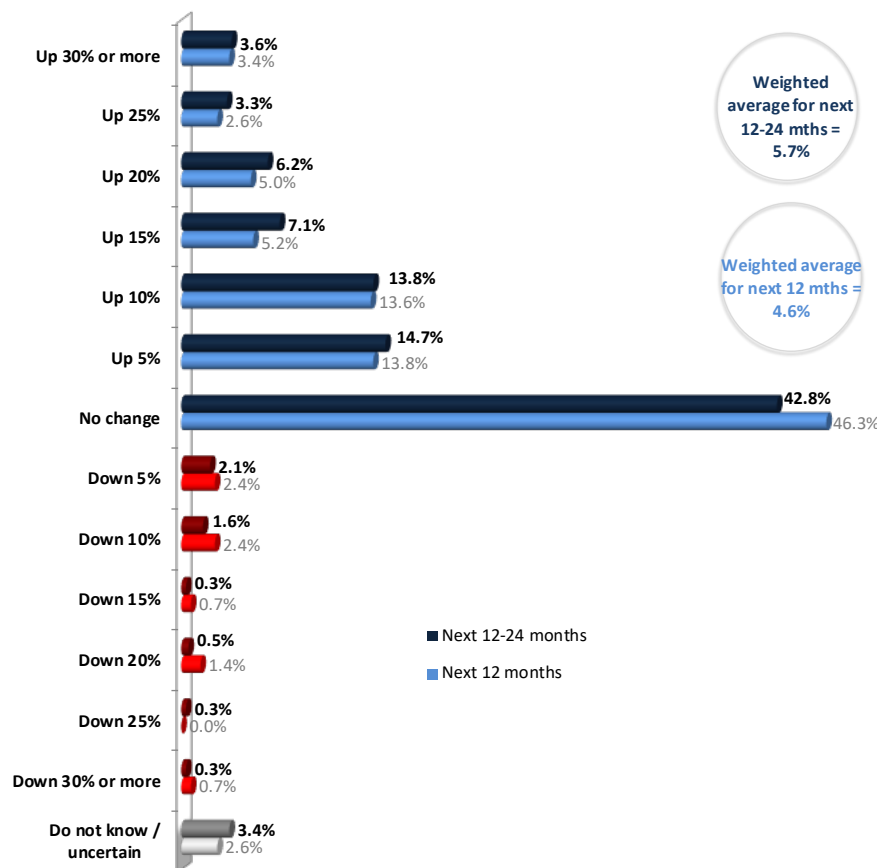


Aircraft Utilization

Next 12 and 12-24 Months versus Prior 12 Months

Q4 2017 Survey

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

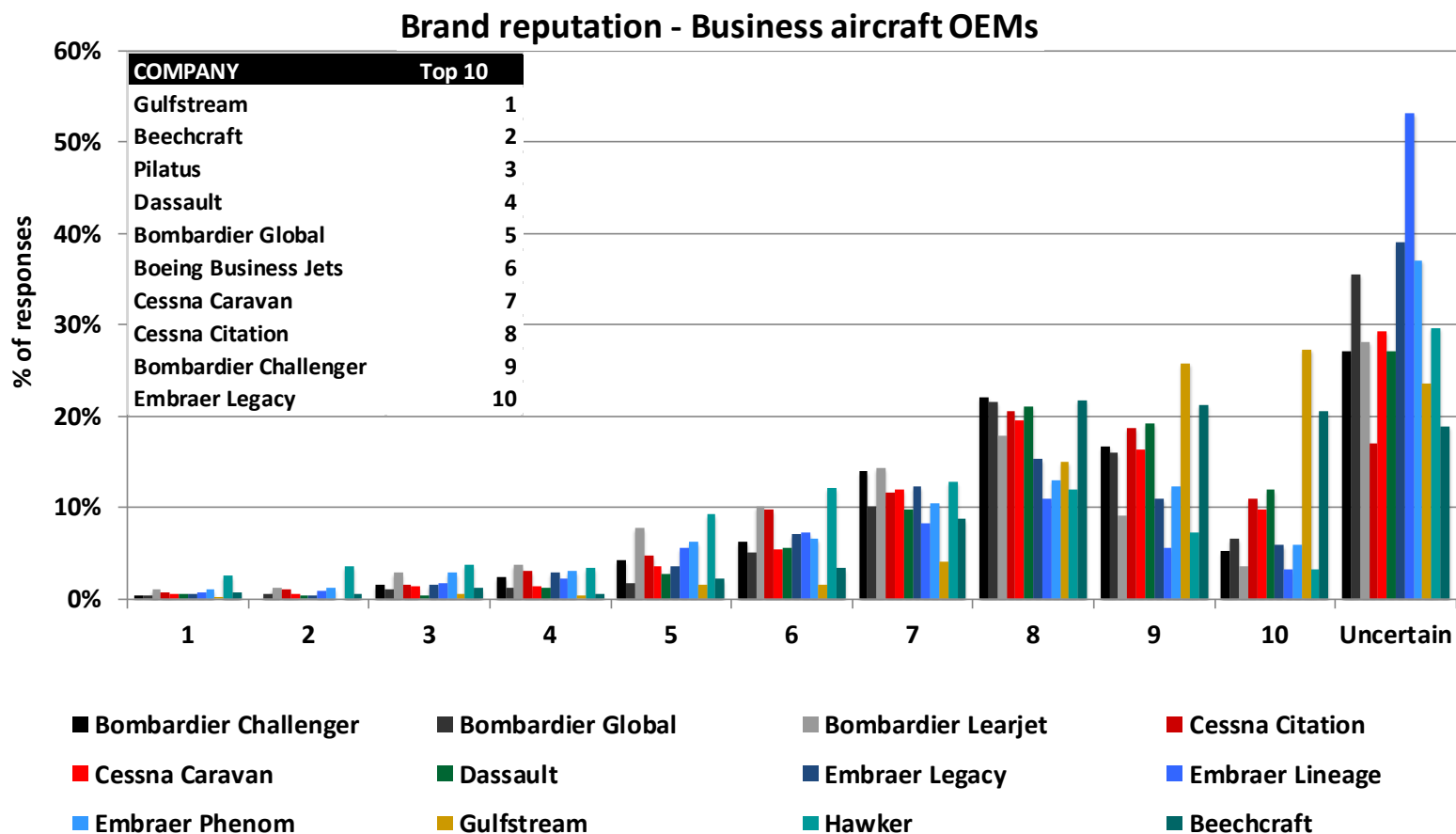


Respondents expect to fly 4.6% more hours in the next 12 months vs. prior 12 months and 5.7% in the next 24 months – about the same as last quarter’s expectations

Brand Reputations

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

Q4 2017 Survey

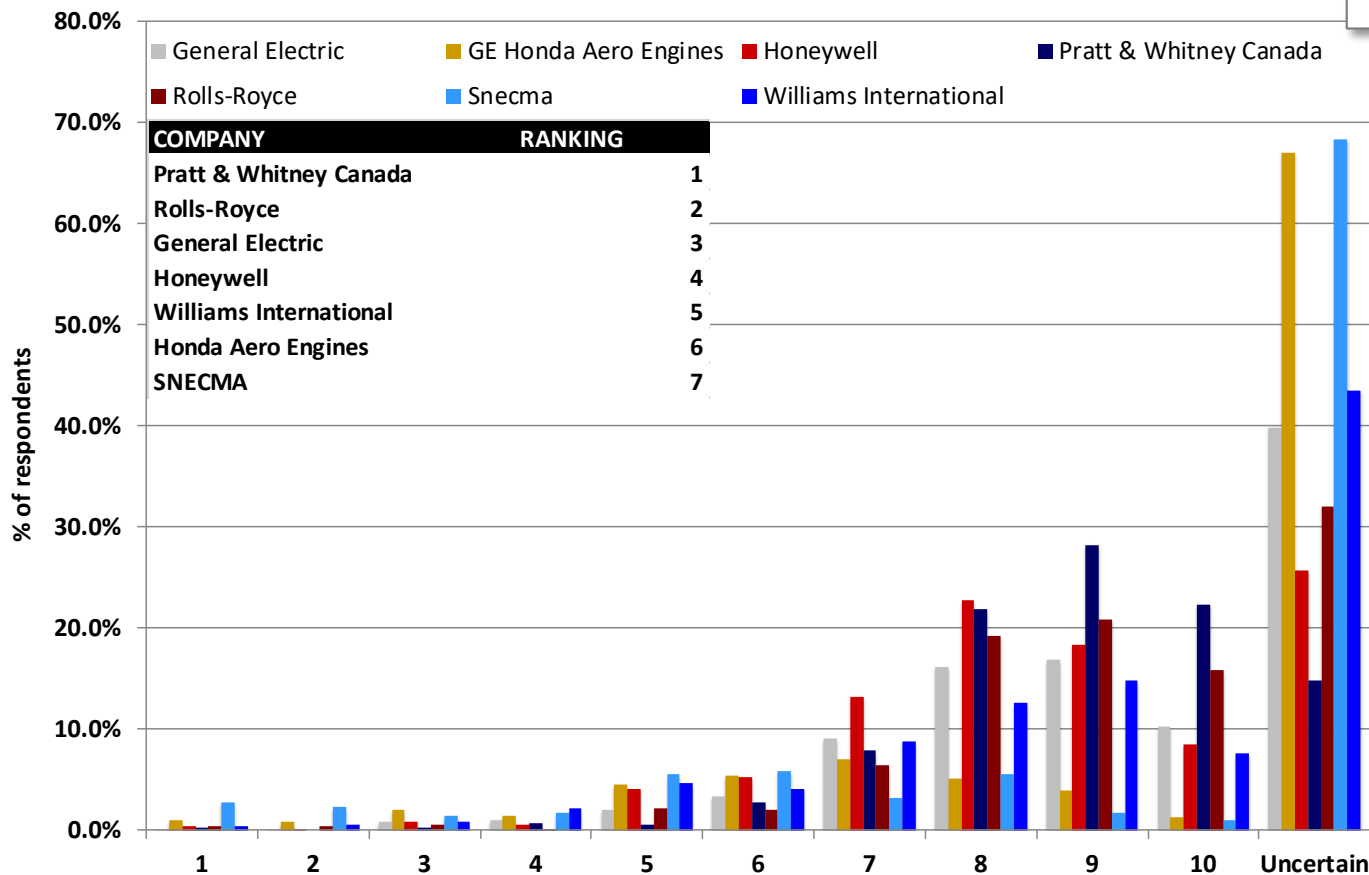


Gulfstream, Beechcraft, and Pilatus are the top rated business aircraft brands

Brand Reputations

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

Q3 2017 Survey

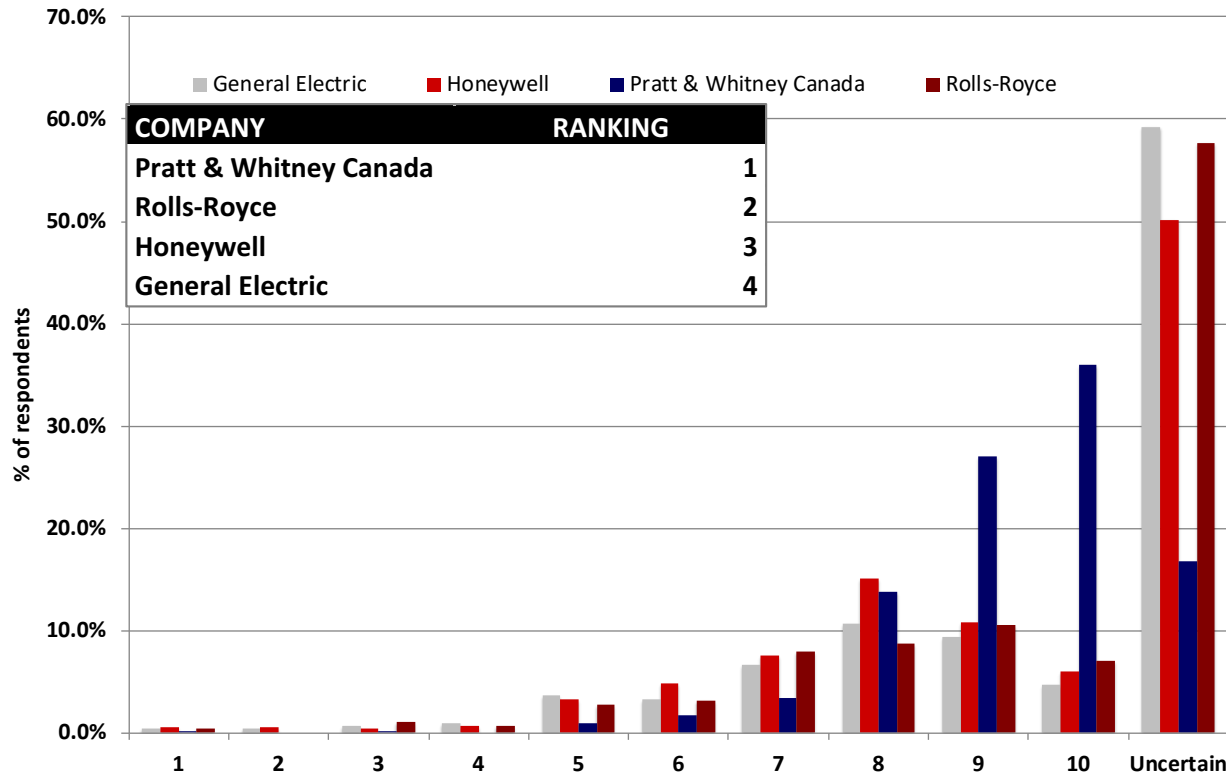


Pratt & Whitney Canada, Rolls-Royce, and General Electric are the top-rated jet engine manufacturer brands

Brand Reputations

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

Q3 2017 Survey

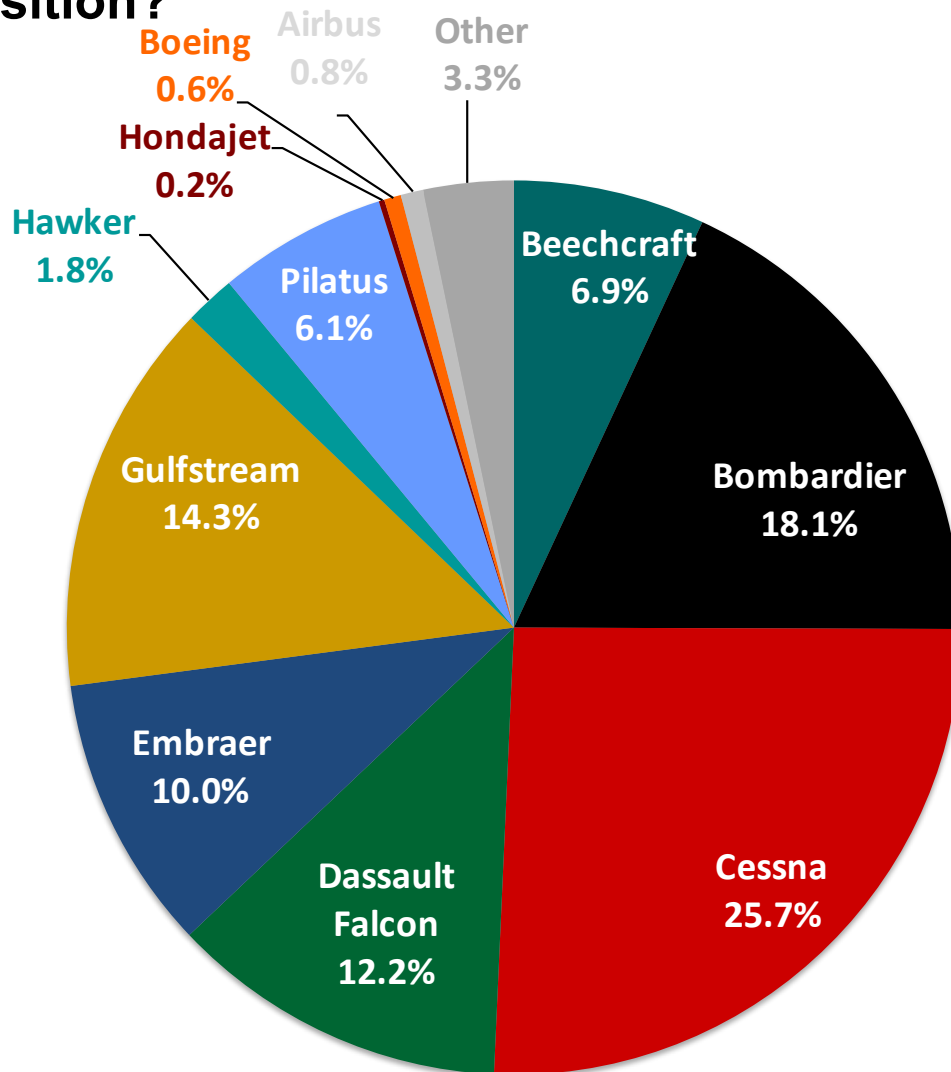


Pratt & Whitney Canada is the highest rated turboprop engine manufacturer brand, well ahead of Rolls-Royce, Honeywell, and General Electric

Aircraft Brands for Next Purchase

Which aircraft brand are you most interested in for your next business aircraft acquisition?

Q4 2017 Survey

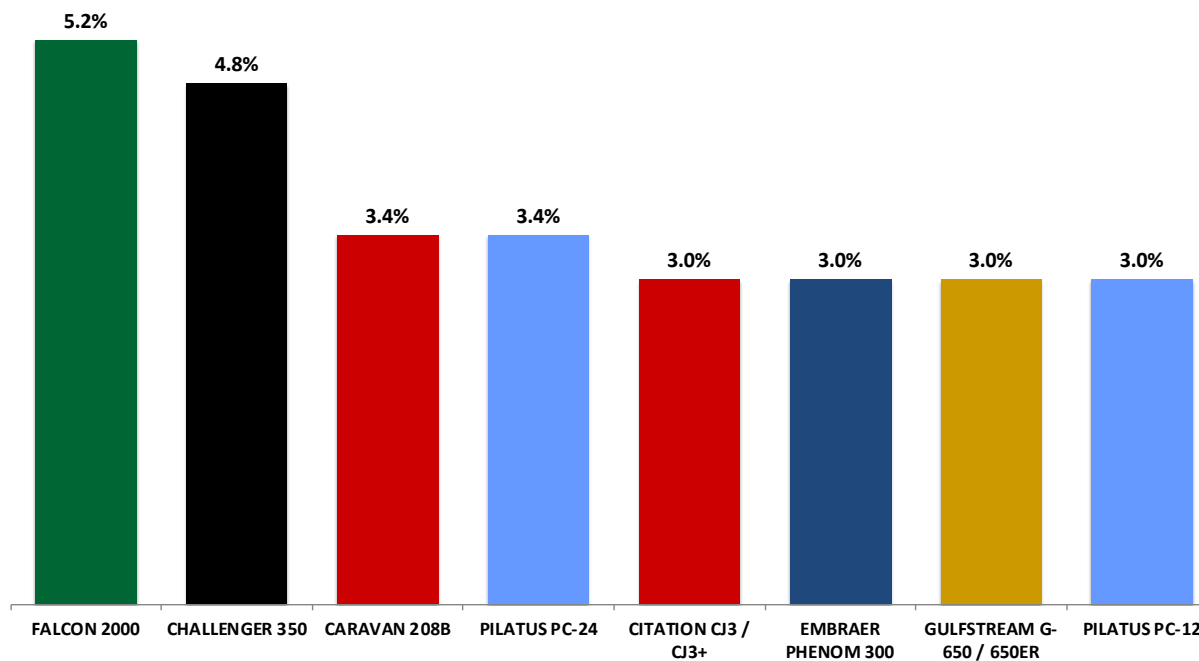


Aircraft Models for Next Purchase

Which aircraft brand are you most interested in for your next business aircraft acquisition?

Top 8 models - worldwide
Model most interested in for next purchase
Q4 2017

Q4 2017 Survey



Top models respondents most interested in for next purchase are Falcon 2000, Challenger 350, Caravan 208B and Pilatus PC-24

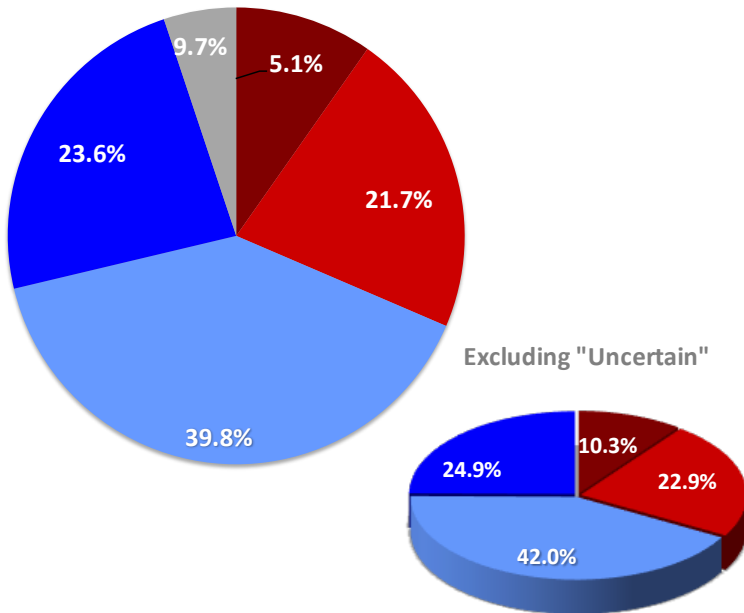
Aircraft Owner / Operator Opinions Q3 2017 Survey

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

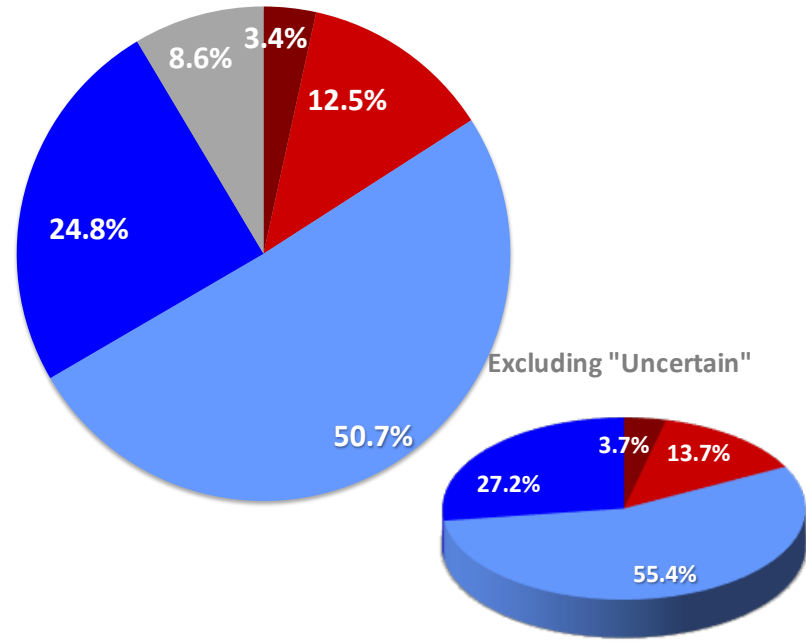
■ Strongly Disagree
 ■ Somewhat Disagree
 ■ Somewhat Agree
 ■ Strongly Agree
 ■ Uncertain

Despite discounting in the industry, we consider ourselves to be loyal to a single aircraft brand

We would reconsider our current aircraft brand loyalty if another brand could prove a better NPV (Net Present Value) with their aircraft



66.8 Somewhat / Strongly Agree



82.6% Somewhat / Strongly Agree

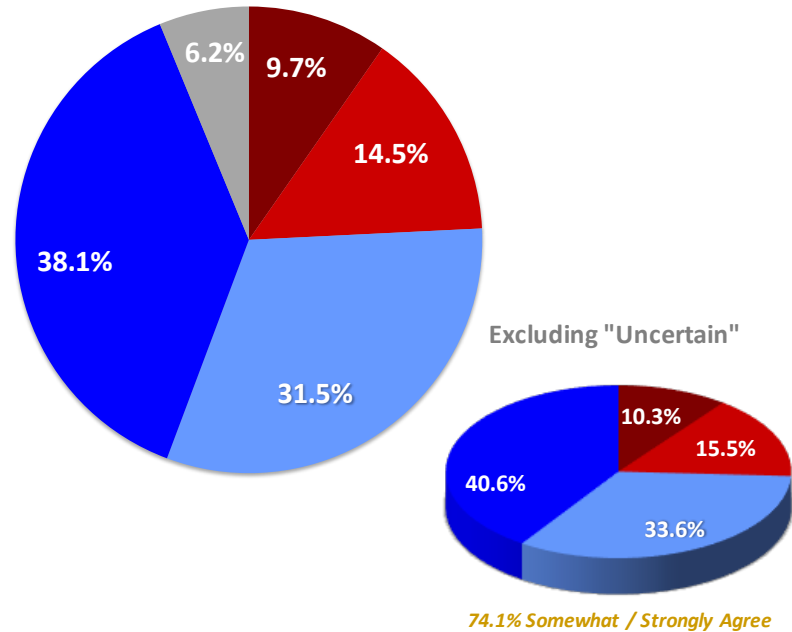
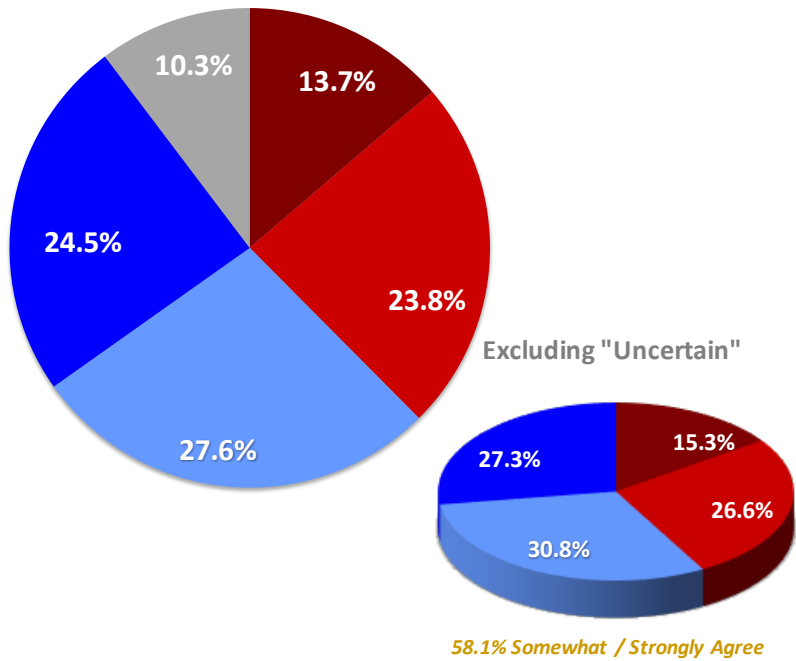
Aircraft Owner / Operator Opinions Q3 2017 Survey

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



We have had difficulty recruiting and retaining pilots with the desired credentials

We keep a low profile from the public regarding our use of business aviation



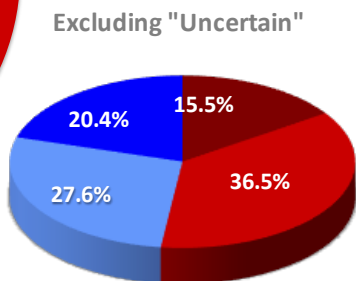
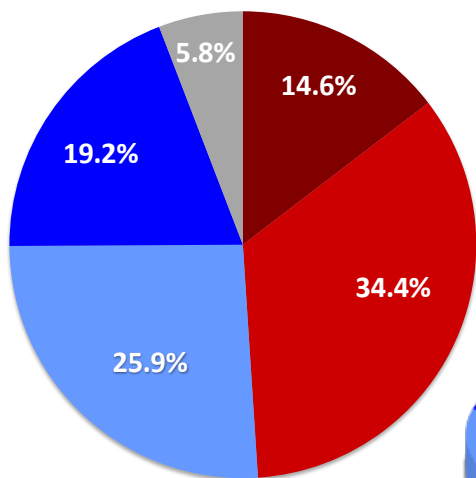
Aircraft Owner / Operator Opinions Q3 2017 Survey

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

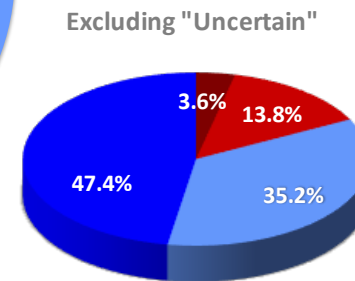
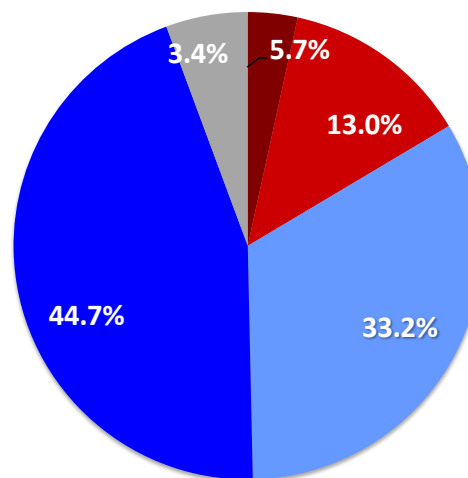
■ Strongly Disagree
 ■ Somewhat Disagree
 ■ Somewhat Agree
 ■ Strongly Agree
 ■ Uncertain

We prefer a personal call versus an e-mail for manufacturer communications regarding innovations and other brand highlights

We first seek information about an aircraft on the manufacturer's website before speaking to a sales person



48.0% Somewhat / Strongly Agree



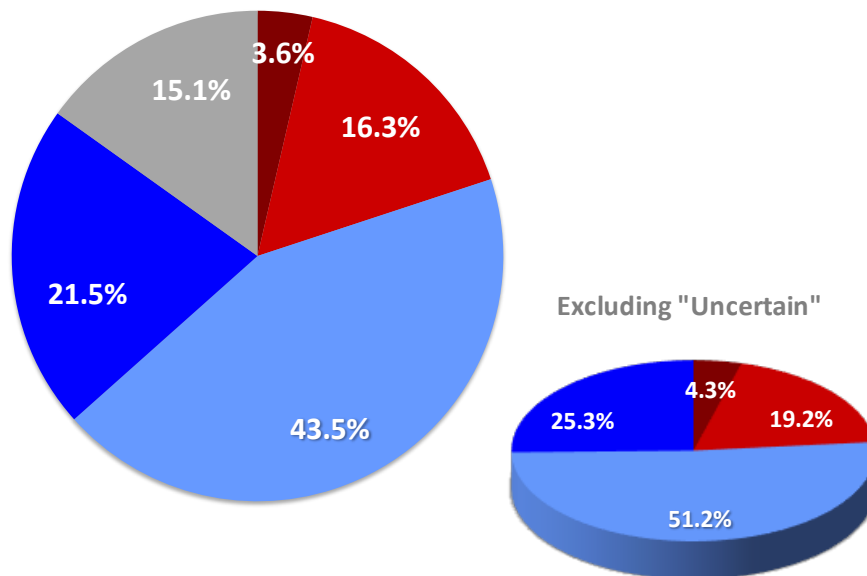
82.6% Somewhat / Strongly Agree

Aircraft Owner / Operator Opinions Q3 2017 Survey

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



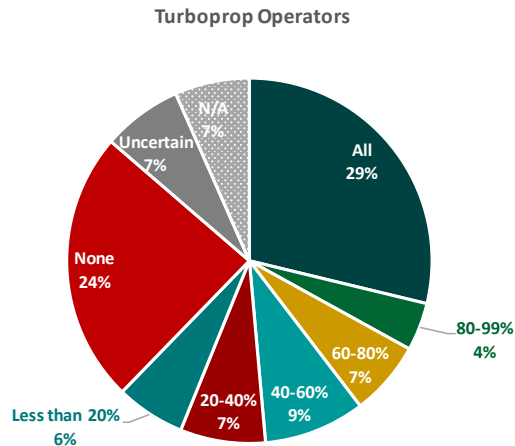
Assuming a 5-year-old airplane, the residual values will decline at a slower rate over the next 12 months



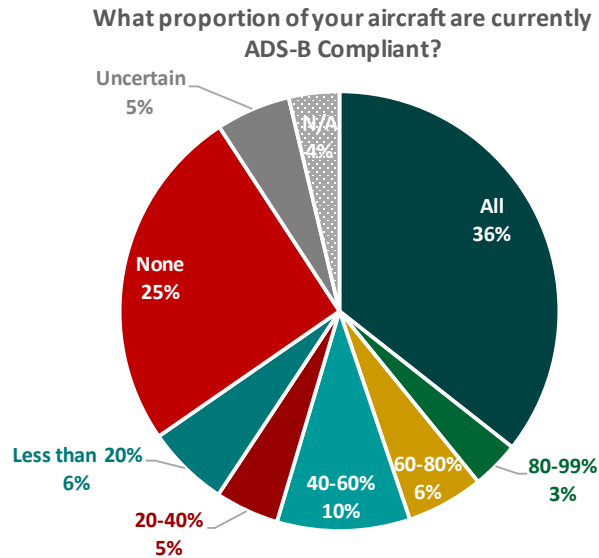
ADS-B Compliancy

What proportion of your aircraft are ADS-B compliant today?

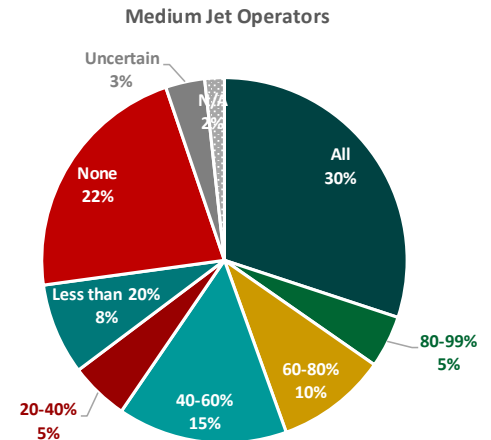
Turboprop Operators



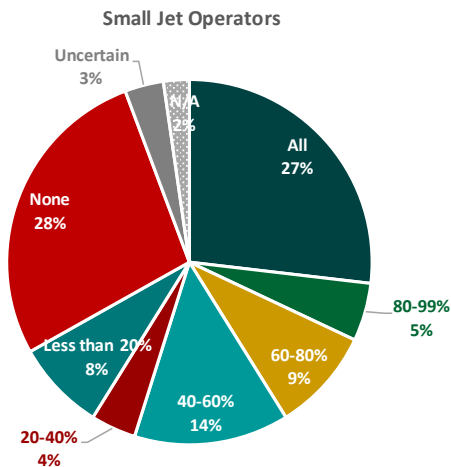
All Respondents



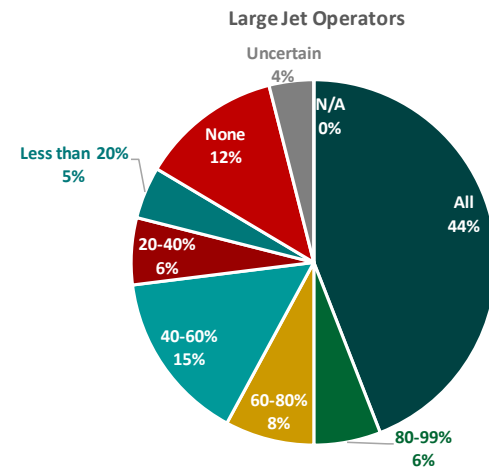
Medium Jet Operators



Small Jet Operators

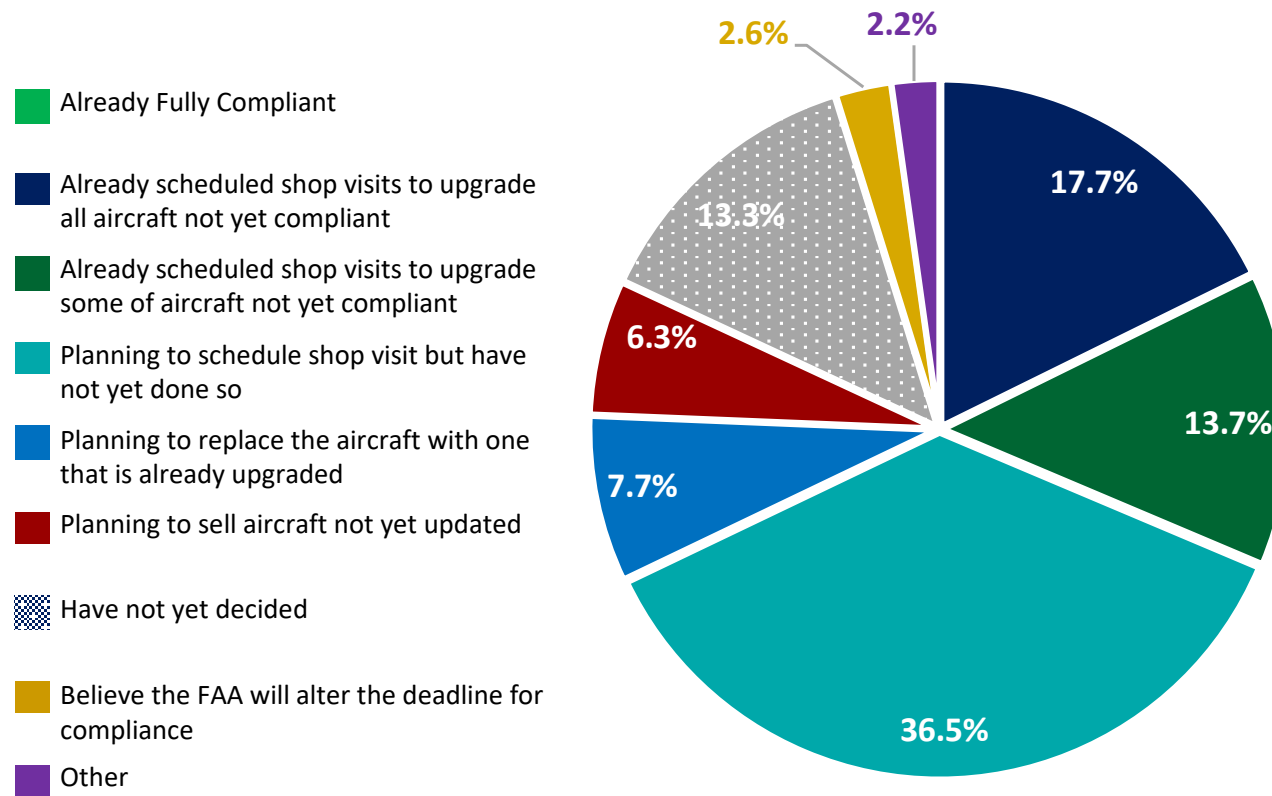


Large Jet Operators



ADS-B Compliancy

What are your (or your organization's) plans for any aircraft that are not currently converted?

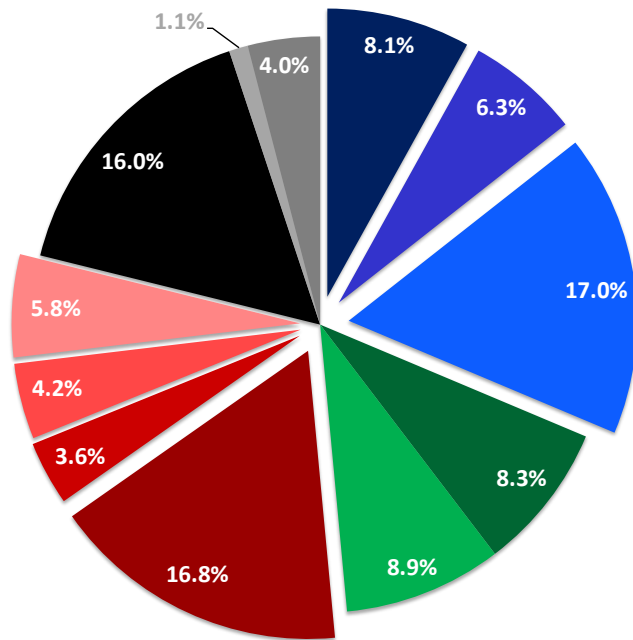


What is Causing an Increased Rate of Depreciation in Aircraft Values?

Responses from Q4 2017

n = 499

All Respondents

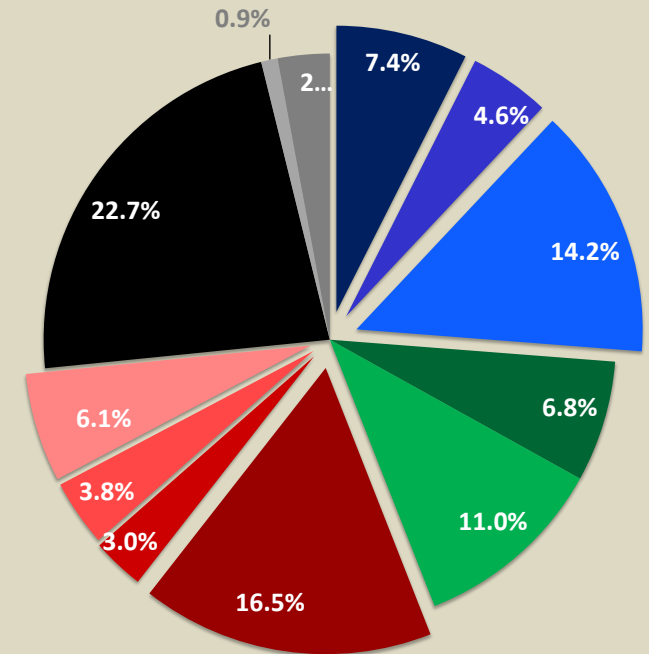


- Over-production of new aircraft
- Too many aircraft models
- Deep discounting of new aircraft
- Rapid technology change (obsolescence)
- Cost of regulatory up-grade requirements
- Number of late-model pre-owned aircraft for sale
- Highly-utilized fractional / charter aircraft for sale
- Drop in fractional and charter demand
- Discounting for quick sale (avoid capital gains, etc.)
- Economic / business slow-downs
- Other

Responses from Q4 2016

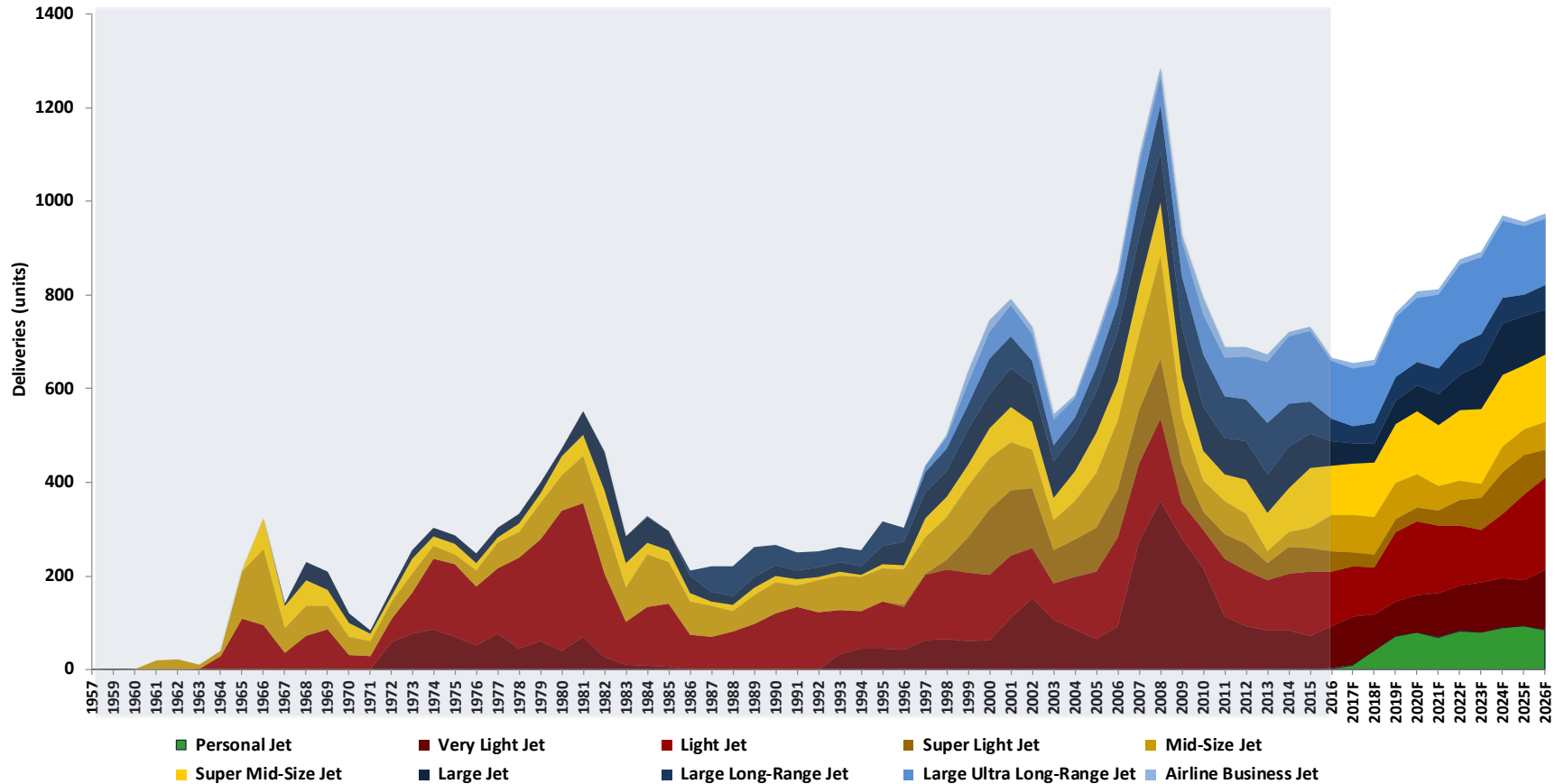
n = 506

All Respondents



Business Jet Delivery History & Forecast

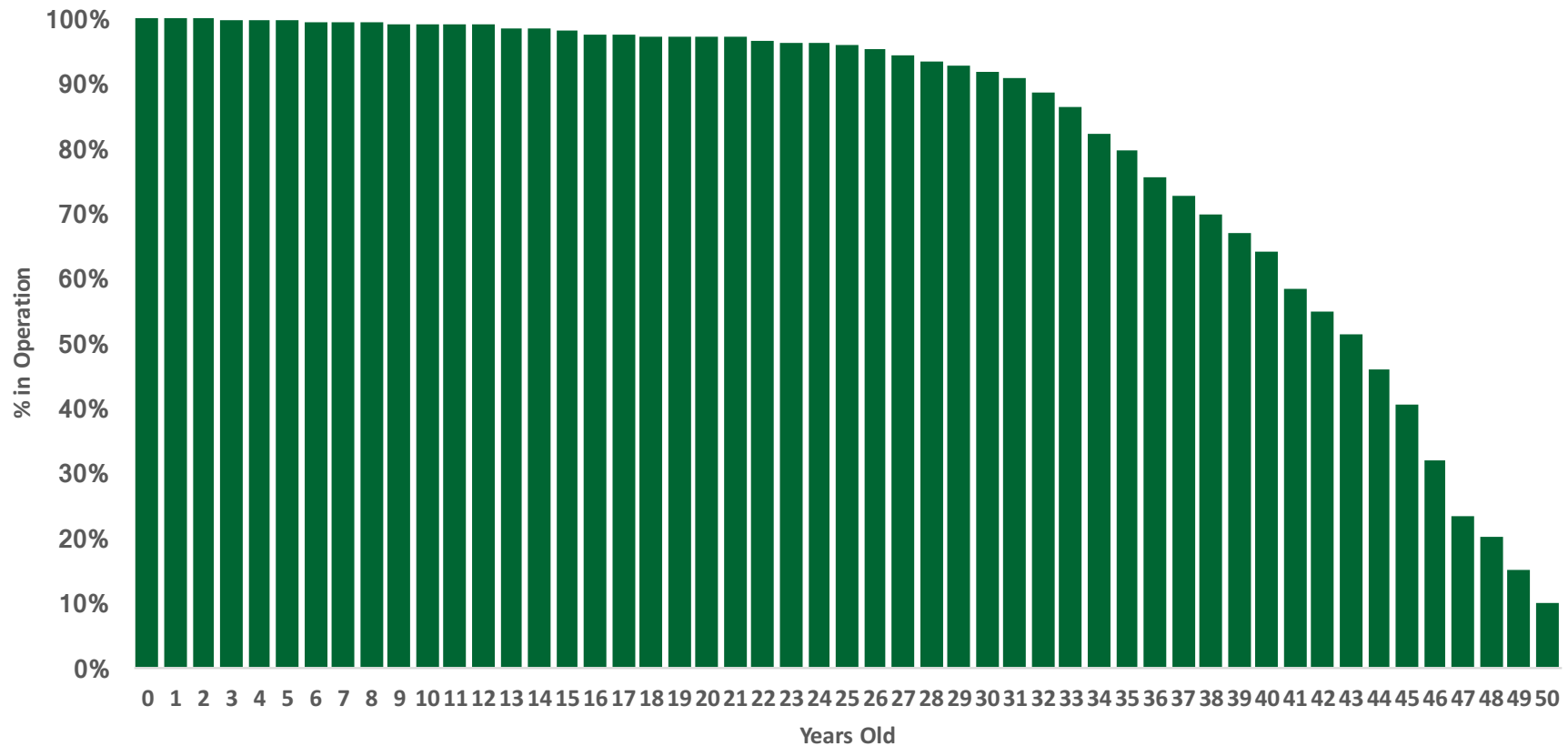
Business jet delivery forecast by size category: Historical - 2027



JETNET iQ 10-year forecast for 2018-2027 is for 8,368 new business jet deliveries (including Personal Jets) valued at \$220 billion in \$2017

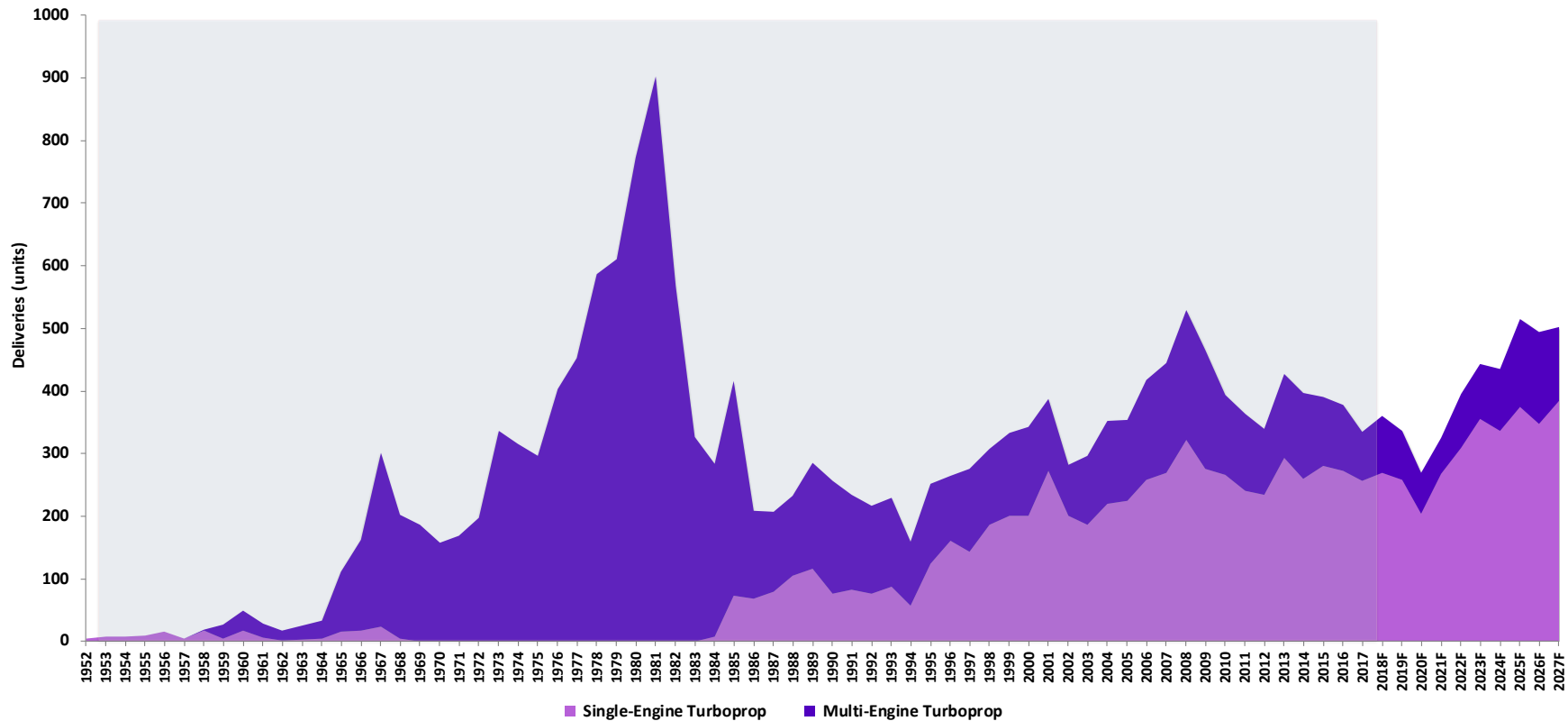
Business Jet Survivor Curve

Survivor Curve
Business Jets



Turboprop Delivery History & Forecast

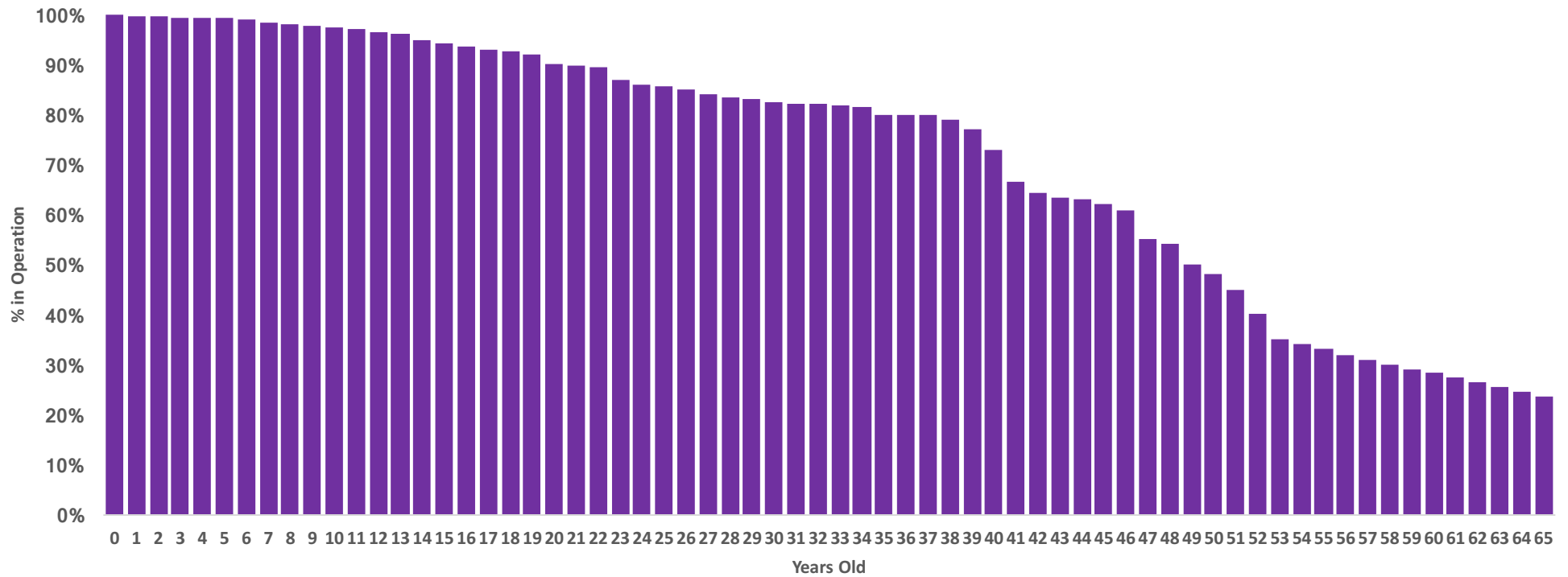
Turboprop delivery forecast by size category: Historical - 2027



JETNET iQ 10-year forecast for 2018-2027 is for 4,077 new turboprop deliveries valued at \$19.4 billion in \$2017

Turboprop Survivor Curve

Survivor Curve
Turboprops



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 CONSULTING 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 or contact Rolland Vincent, JETNET iQ Creator / Director at 1-972-439-2069 or 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 or contact Paul Cardarelli, JETNET Vice President of Sales, at 800-553-8638 (USA) or 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.