



2024 Half Year Report

Heli Market Trends

Single Engine Edition

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HELI MARKET TRENDS

This report covers single engine preowned helicopter models in production and variants with recent preowned sales activity, all configurations (EMS, VIP, OGP,...)

RETAIL SALES

of preowned aircraft (units) sold to end-user, on & off market.
Does not include: sale of a new aircraft, lease, sale lease back, internal transaction, early buy-out, sale to government, sale for part-out...

SUPPLY FOR SALE

of preowned aircraft (units) available for sale on market

ABSORPTION RATE

Supply for sale divided by retail sales - time to exhaust the supply in a market if no further supply is added

$$\frac{\text{ABSORPTION RATE}}{\text{RATE}} = \frac{\text{\#AIRCRAFT FOR SALE}}{\text{\#AIRCRAFT SOLD}}$$

LIQUIDITY LINEUP

Ranking of preowned markets from most to least active in 2024 (YTD), based on absorption rate, YTD 2024 retail sales and active fleet size.

MODELS & VARIANTS

This report covers Airbus Helicopters AS350 B3/B3e/H125 and EC130 B4/H130, Bell 407/GX/P/I and Leonardo AW119K/Ke/Kx

PRICING USD

S1 2024 1st semester 2024 (Jan 1st - June 30th)

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Key Metrics and Findings



Preowned Single Engine Helicopter Market



TRANSACTION VOLUME STABILIZES, SUPPLY CONTINUES TO GROW

- Retail sales increased 4% S1 2024 vs same period 2023 (YOY) after three consecutive semesters drop.
- Supply for sale ended 23% higher year over year.
- Absorption rate increased to 13 months of supply at current trade levels.

RISING DEMAND FOR SINGLES IN EUROPE BUT MOST TRANSACTIONS REMAIN DRIVEN BY NORTH AMERICA

- North American buyers accounted for 2/3rd of all transactions S1 2024.
- Retail transactions to Europe resumed in 2024 following slump previous year.
- Europe & North America account for 60% of worldwide supply for sale.

PREOWNED PRICING REMAINS STRONG

- Average asking price increased 10% YOY.
- Average transaction price remained stable YOY.
- Average days on market increased 30% YOY.

LIQUIDITY LINEUP

- The most liquid preowned market during the 1st half of 2024 was the Airbus AS350 B3/B3e/H125 followed by the Bell 407/GX/P/I.
- The least liquid was the Airbus EC 130 B4 / H130, with an absorption rate of 1.6 years.



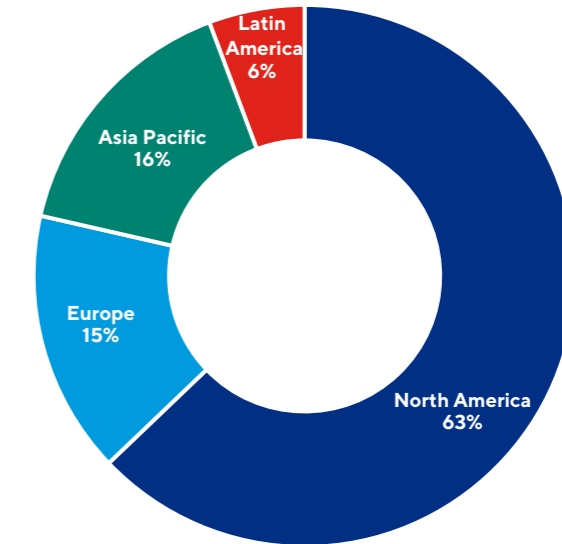
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Recap by Configuration

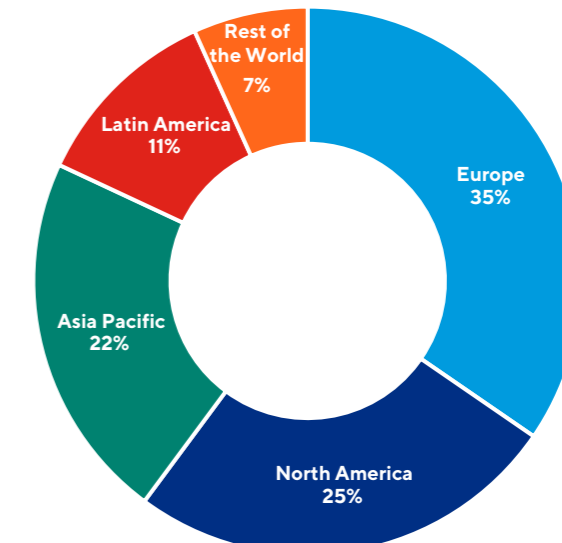
			VIP		UTILITY		EMS		OVERALL	
Retail Sales S1 2024	Units Sold on + off market	vs S1 2023	36	-16%	29	+26%	5	+150%	70	+3%
	estimated \$		\$88m		\$53m		\$9m		\$150m (+4%)	
Absorption Rate S1 2024		vs S1 2023	17 mths	+9 mths	11 mths	+1 mth	3 mths	NO CHANGE	13 mths	+5 mths
Supply Q2 2024	Units For Sale on market	vs Q2 2023	88	+28%	41	+24%	4	-33%	133	+23%
	estimated \$		\$233m		\$98m		\$9m		\$340m (+36%)	

Recap by Region

S1 2024 TRANSACTIONS BY REGION (BUYER LOCATION)



Q2 2024 SUPPLY LOCATION



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TO ASSESS THE FAIR MARKET VALUE OF AN AIRCRAFT OR REQUEST A COMPLEMENTARY MARKET REPORT CONTACT:
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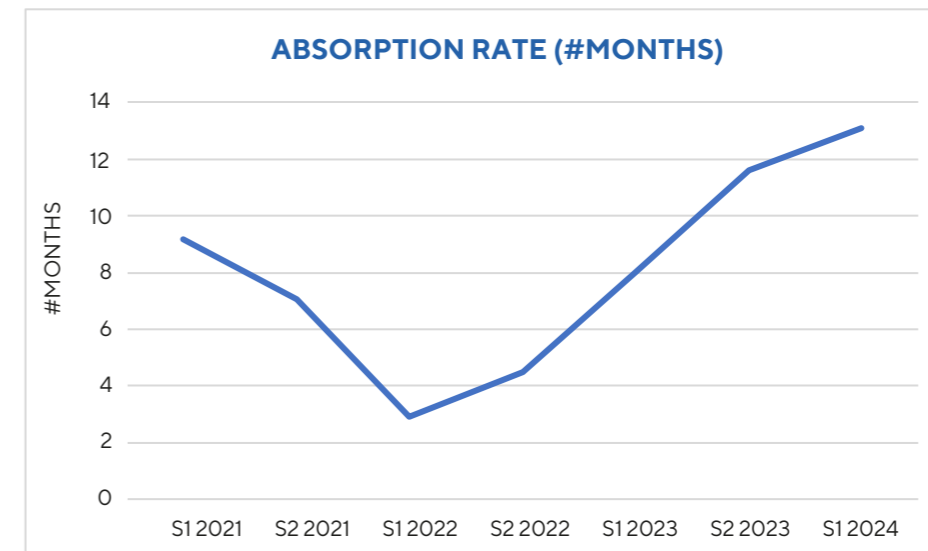
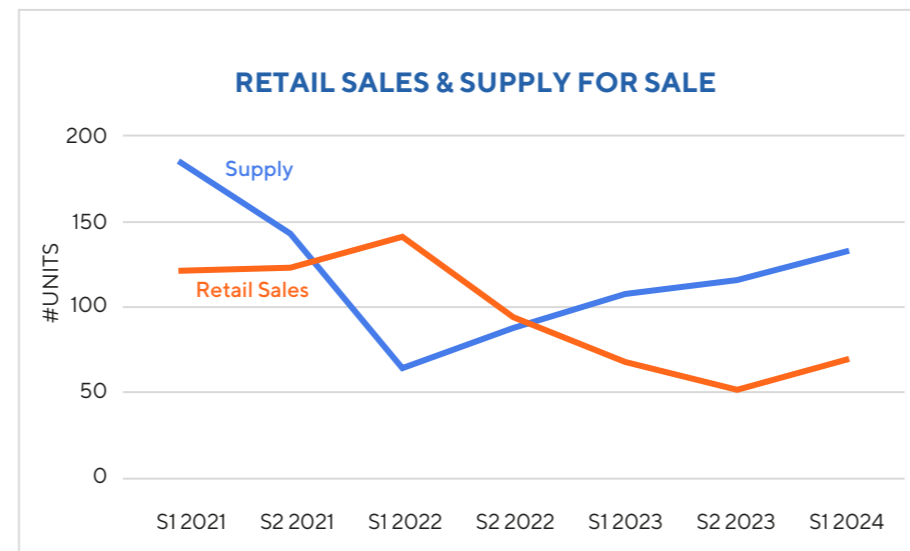
Liquidity Lineup

Preowned helicopter market ranking based on absorption rate, sales and active fleet size

All configurations (EMS, VIP, OGP, etc)

RANK	MODEL	S1 YOY retail sales trend	Q2 YOY supply trend	S1 2024 abs rate	YOY abs rate trend	average asking price	S1 YOY ask trend
1	AS350 B3/B3e/H125	+23%	+17%	357 days	+4mths	\$2.6m	+17%
2	Bell 407/GX/P/I	-35%	+29%	365 days	+7mths	\$3.1m	+4%
3	AW119K/Ke/Kx	-40%	+6%	388 days	-1mth	\$1.9m	+12%
4	EC130 B4/H130	-150%	+41%	566 days	+7mths	\$2.2m	+5%

Half Year Trends



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IF YOU HAVE QUESTIONS OR WANT TO DRILL DOWN ON MARKET PERFORMANCE, CONTACT:
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Conversation with Giacomo Zampetti



Giacomo Zampetti is currently Leonardo Helicopters' VP of Marketing. Giacomo brings experience from previous roles at Leonardo and AgustaWestland as well as Ernst & Young. He has 10+ years of experience in managing complex initiatives (M&A and joint-ventures) in the helicopter business and proven experience in developing and leading the implementation of strategic projects across large organizations. With his robust skill set that includes Aerospace, Manufacturing, Engineering, Defense, Business Intelligence and more, Giacomo contributes valuable insights to the aerospace industry.

What gets you up in the morning ?

Working with helicopters is fascinating, and with marketing, you can be 100% sure that every day a new challenge is waiting on your desk, different from what you have worked on or may have planned to do the day before. Getting up every morning knowing that you are going to face something different from your routine or from what you planned is definitely motivating. This does not mean that planning is not important; actually, it is paramount. Fortunately, these are very busy years for helicopters and vertical lift business in general. Loads are going on, and this is another reason to get up with a smile on your face, ready for a new exciting day!

What keeps you up at night?

Family and friends most of the time, I'd say, but sometimes it's also the work that you can't finish at the office. Days at the office are mostly busy with meeting with customers, preparing or running events and exhibitions, and reviewing with colleagues. There is never enough quality time to have a thorough think about more important and strategic matters. Working from home at night, in a relaxed environment, and maybe with a good glass of wine in front of you, can give you this opportunity.

What qualities do you most look for in colleagues?

Colleagues you are working with can really make a big difference if you want to work and enjoy yourself at the same time. When I can choose, I like working with people who share my passion for the helicopter industry. With them, I can work for many hours without feeling tired. This is a constant in my working life; even now that I am working in sales and marketing, what I really look for among colleagues is curiosity and the capability to think outside the box, challenge the usual way things are done, and sometimes challenge others' opinions and certainties—of course always with respect!

If you weren't in aviation where would you be?

This is really a difficult question because I spent the majority of my professional life working in the helicopter business. As I said before, routine can be scary. For this reason, if I had to think about a different sector other than aviation, I would certainly see myself working in the advisory business, where you spend most of the time working to resolve somebody else's issues and jumping from one business to another.

What is your current state of mind?

Every day is different, and my state of mind changes. And this is also driven by the ups and downs this job bring. Despite what happens day-to-day, there are a few feelings that remain solid:

- satisfaction and excitement for working in a technology-driven industry, international by definition, and continuously changing in consideration of the new trends
- motivation leading a team of 70+ professionals across the world from whom I never stop learning
- continuous research for work-life balance equilibrium; for sure, I have an engaging job, but at the same time, I am proud of my family, and trying to secure quality time with them is not always easy, but it is fundamental.

"THE HELICOPTER INDUSTRY IS UNDERGOING A REVOLUTION WHERE MORE AND MORE TRADITIONAL ARCHITECTURES WILL BE COMPLEMENTED BY NEW ARCHITECTURES."

Explain what you do?

I am the head of Marketing at Leonardo Helicopters. Marketing has a very crucial role within our organization. On the one hand, we strive to keep the value proposition of the solutions we can offer as competitive as possible. This means liaising with the sales network and with customers to better understand the evolution of market needs and transfer them into the products and services roadmapping process to make sure that any new development initiatives for our helicopters and services can really bring value to the final user. On the other hand, we are always busy deploying and promoting our solutions in the most efficient way. This is not limited to being present at exhibitions or organizing customer events; it relates more to selecting the right promotion content and deploying it on the right communication channel in order to sustain our business objectives.

What are your responsibilities?

As head of Marketing, my first responsibility is to make sure that resources and tools are available, tasks are assigned, and budget is allocated. This is to allow my team to successfully accomplish all the activities that our company and the market are expecting from Leonardo Helicopters Marketing. "Did I create all the conditions for my team to accomplish the tasks?" Believe it or not, this is not an easy change, as it implies the capability to continuously create trust with people and to be confident and supportive of their capability.

What challenges do you currently face?

Rather than challenges, I would instead call them uncertainties that need to be faced. The helicopter industry, as briefly mentioned, is undergoing a revolution where more and more traditional architectures will be complemented by new architectures. Since it is a revolution, forecasting how the market will react, accept, and finally adopt these new architectures is definitely a challenge. This is also driven by internationally-established targets involving sustainability and social relevance that can't be underestimated or dismissed and against which our organization (as all other organizations) will be measured. The issue is that we are in a technology-intensive industry where the entry into service of new technologies in the future (sometimes far away) is determined by decisions on investments that are taken today. Here is the challenge for marketing: anticipating market and customer needs in relation to technologies and products that may be far away from entering into service.

Where do you see growth potential?

After some difficult years, we are now experiencing an upturn in the helicopter market, and as a manufacturer, it is our duty to respond to this increasing industry demand. Our shared objective must be to ensure growth that is both efficient and sustainable. The market has shown significant strength with a rapid recovery in the commercial sector and stable performance on the military side. The vertical lift industry is undergoing a revolution, where more and more traditional architectures will be complemented by new architectures. Traditional helicopters will remain and will continue to play a pivotal role in the industry, and the first potential for growth is embedding more and more intelligence and autonomous capabilities in order to keep crews cognitive workload constant due to the increased level of information available.

Besides traditional helicopters, the second potential for growth...new architectures will complement the scene in the vertical lift arena. More and more fully autonomous platforms will further enhance the capabilities that traditional helicopters offer, and new fast rotorcraft architectures will break the typical limits of traditional helicopters, specifically in terms of range and speed.

What technological innovations for helicopters are you looking forward to?

When it comes to making a traditional helicopter more intelligent and smart, what we are thinking is to add more autonomous capabilities to help the crews decision-making, keeping their cognitive workload constant despite more and more data and information available to process. A typical decision-making process foresees the following phases: "see", "think" and "execute." Below are some examples of the initial two phases where new technologies can make a difference. For the "see" phase, the latest generation and smarter navigation and mission sensors like electro-optic cameras, radar or mobile phone detection, and location systems onboard are greatly enhancing the capabilities on board to detect and locate targets with more accuracy and at longer range. For the "think" phase, the use of mission systems to allow integration and sensor data fusion is key to providing processing power to merge information from all these different sources and sensors, enabling crews to overlay and visualize multiple sets of data to enhance their ability to "read" and understand a situation.

What other topics do you wish to cover?

More than a topic, it is an invitation to young people to look more favorably and interestedly at this industry when making the important decision of where to work. Until sometime ago, for aerospace engineers, the aviation business was the workplace to be. New emerging industries are coming to the scene and are starting to attract talents who would have chosen aerospace a few years ago. The beauty of aviation and aerospace remains, and despite short-term high salary promises from other industries, aviation and aerospace remain technology- and innovation-driven sectors where everyone, like me, has this passion and can find bright career opportunities, satisfaction, and fun. Interestingly, all of those new emerging sectors which are proving captivating (cyber security, digital technology, AI etc.) are based on technologies and capabilities which are being fully embedded into the aerospace world, one which is truly leading those tech areas to their maximum. At the end of the day, we remain the industry that makes people fly!



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