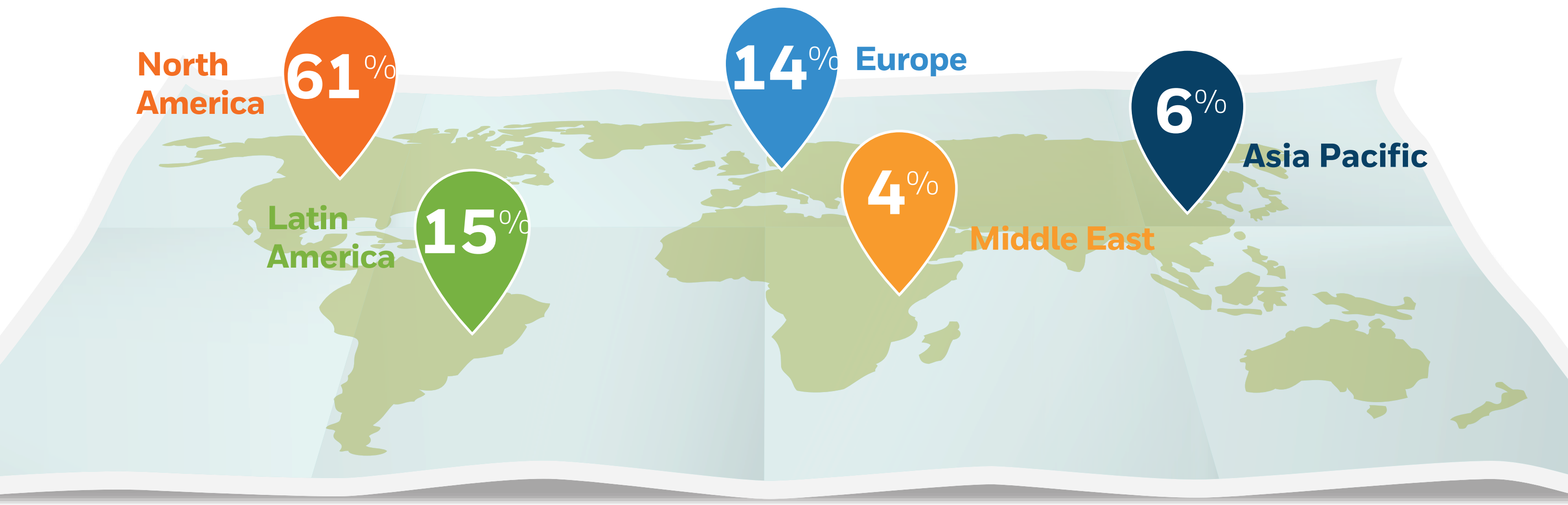
Honeywell

THE POWER OF **CONNECTED**

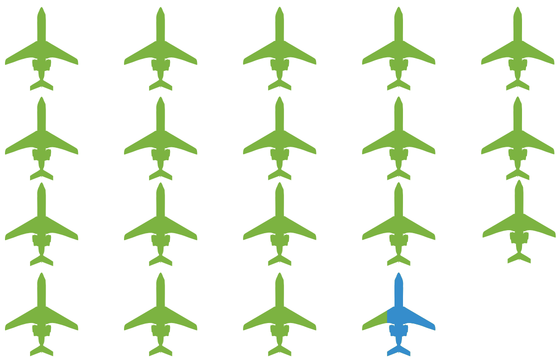
AVIATION OUTLOOK

Global purchase plans are lower; larger jets still command largest share of demand.

REGIONAL OUTLOOK



AIRCRAFT DELIVERIES



8,300 aircraft projected through 2027

Worth $249 billion valuation

620–640 projected 2017 deliveries

PURCHASE PLANS BY AIRCRAFT CLASS

Big Cabin — **57%**
85% total valuation
(Super midsized through business liner)

Midsize — **18%**
8% total valuation
(Light-medium, medium)

Small Cabin — **25%**
7% total valuation

> **"We expect roughly similar delivery levels in 2018 compared to 2017 as the industry transitions to new models, which will drive solid mid and long term growth."**
>
> Ben Driggs, President, Americas at Honeywell Aerospace

SURVEY HIGHLIGHTS

57%	19%	<2–3%>	19%	61%
of new purchase plans will be large cabin jets	of surveyed fleets replaced or added to new jets within the next 5 years	decrease from 2016 in value of forecasted deliveries	of planned purchases to be completed during 2017-2018.	of worldwide sales originate in North America

REGIONAL SPOTLIGHT

EUROPE:

Decline in European purchase plans impacted by Brexit and slow growth in EU.

12% of new purchases planned by end of 2018

19% of fleets planned for replacement with new jet in next 5 years

ASIA:

Significant decline in purchase plans this year back to 2014-2015 levels.

6% of new purchases planned by end of 2018

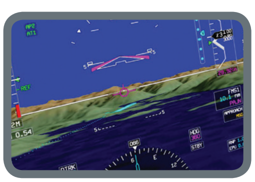
13% of fleets planned for replacement with new jet in next 5 years

INDUSTRY

BRAND EXPERIENCE IS THE MOST IMPORTANT FACTOR IN THE NEXT PURCHASE.

Operator needs

Continuing focus on large cabin jets with:



Modern high tech avionics

Faster cruise Mach .85

Extended range in every class

Pre-owned jet prices down

Average asking price for all jets is down by 16% year over year

Operator concerns

Lower fuel burn

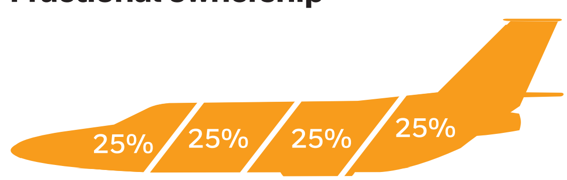
Cabin Amenities

Comfort, productivity

Maintenance Costs

Aircraft support, reliability, maintainability

Fractional ownership



Expected to represent 8-10% of total unit deliveries over the next 5 years

Find out more about Honeywell Business Aviation at aerospace.honeywell.com

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