

## PRESS RELEASE

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For Immediate Release

### JETNET Releases December 2013 and the Year 2013 Pre-Owned Business Jet, Business Turboprop, Helicopter, and Commercial Airliner Market Information

UTICA, NY – JETNET LLC, the leading provider of corporate aviation information, has released December 2013 and 2013 year-ending results for the pre-owned business jet, business turboprop, helicopter and commercial airliner markets.

#### Market Summary

Highlighted in **Table A** are key worldwide trends across all pre-owned aircraft market sectors, comparing December 2013 to December 2012, as well as 2013 year-end, and comparisons to 2012. Across all market sectors, JETNET is reporting over 8,300 full retail sale transactions for 2013. Except for turbine helicopters, which showed a slight increase, the fleet “For Sale” percentages for all market sectors were down in the December comparisons, with the largest drop in business jets, to 12.5% from 13.4% in December 2012.

Table A

Worldwide Trends							
December	Business Aircraft		Helicopters		Commercial Airliners		Total
	Jet	T/P	Turbine	Piston	Jet	T/P	ALL
In-Operation Fleet	19,478	14,113	19,809	9,556	24,986	9,573	
For Sale	2,435	1,080	1,276	577	554	410	6,332
% of Fleet For Sale 2013	12.5%	7.7%	6.4%	6.0%	2.2%	4.3%	
% of Fleet For Sale 2012	13.4%	8.3%	6.1%	6.1%	n/a	n/a	
Change - % For Sale	<b>(-0.9) pt</b>	<b>(-0.6) pt</b>	0.3 pt	<b>(-0.1) pt</b>			
January to December 2013							
Full Sale Transactions	2,303	1,283	1,224	897	1,964	656	8,327
Average Days on Market	391	332	414	329	373	377	
Avg. Asking Prices -\$USD mil	\$5.073	\$1.391	\$1.355	\$0.220			
2013 vs 2012							
% Change - Sale Transactions	0.6%	<b>-8.8%</b>	<b>-11.8%</b>	<b>-13.5%</b>			
Change - Avg. Days on Market	20	<b>-16</b>	<b>-18</b>	<b>-23</b>			
% Change - Avg. Asking Prices	10.7%	5.9%	<b>-2.5%</b>	<b>-1.3%</b>			

Source: JETNET; Analysis by Chase & Associates

#### Key Metrics (December 2013 vs. December 2012, and 2013 vs. 2012 Year-End Comparisons)

For Sale inventories continue to decline:

- Business jets for sale were at 12.5% (down 0.9 from 13.4%)
- Business turboprops for sale were at 7.7% (down .6 from 8.3%)
- Turbine helicopters for sale were at 6.4% (up 0.3 from 6.1%)
- Piston helicopters for sale were at 6.0% (down 0.1 from 6.1%)

Full Sale Transactions had mixed results, with only business jets showing growth:

- Business jets were up (0.6%)
- Business turboprops were down (-8.8%)
- Both turbine (-11.8%) and piston (-13.5%) helicopters were down by double-digits

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Average Days on Market are all at very high levels:

- All market sectors showed decreases in Average Days on Market at year-end, except business jets which took 20 more days

Average Asking Prices had mixed results:

- Business jets (+10.7%), and business turboprops (+5.9%) increased
- Turbine helicopters (-2.5%) and piston helicopters (-1.3%) decreased

### Pre-owned Business Jet Market “For Sale”

Several significant events have occurred since 2005 in the Business Jet “For Sale” inventory.

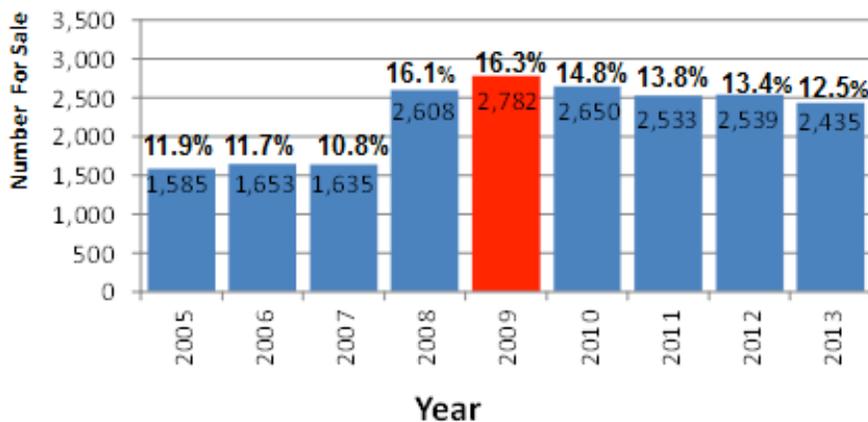
First, in the past 9 years the market has remained in a “Buyer’s Market”, based on 10% or greater fleet percentage of the in-operation business jets For Sale.

Second, after several years of record sales and rising aircraft values, the bubble finally burst in 2008 amid a world economic collapse and banking crisis of historic proportion. From 2007, there was a large increase in business jets in the “For Sale” inventory: 973 (or 60%) more in 2008 and 1,147 (or 70%) more in 2009. This large increase peaked in 2009, as shown in Chart A.

Third, the decline, starting in 2010, of the year-end “For Sale” inventory which has remained relatively unchanged over the past four years. The percentage for sale has declined more as a result of the growth of the in-operation fleet numbers, increasing from 17,118 in 2009 to 19,478 in 2013. The year-ending 2013 “For Sale” inventory level is 2,435 or 12.5%.

Chart A

### Pre-owned Business Jets ‘FOR SALE’ 2005 to 2013 – Year End Inventory



% = For Sale/In-operation fleet

Source: JETNET Star Reports; Analysis and presentation by Chase & Associates



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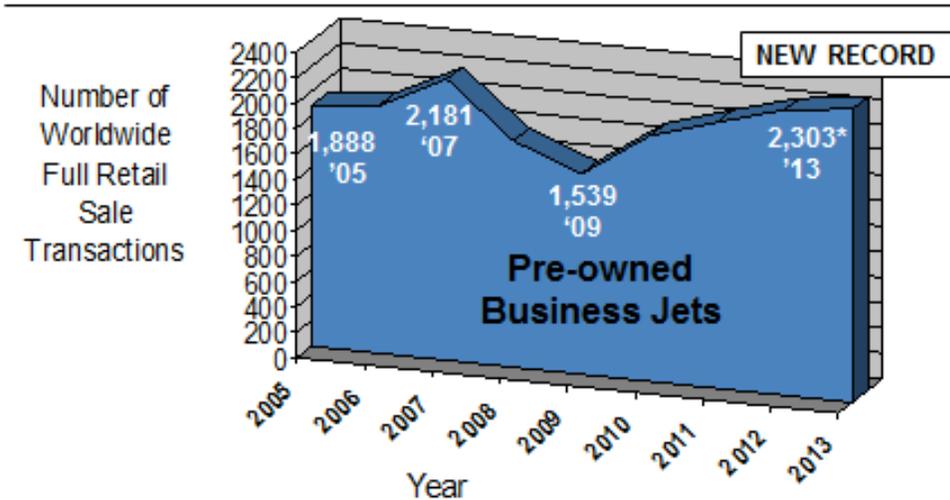
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### Pre-owned Business Jet Market Full Retail Sale Transactions

Good news! 2013 has set a new record for the number of Pre-owned Full Retail Sale Transactions. Chart B shows 2,303 transactions in 2013, beating the previous record peaks of 2,181 in 2007 and 2,289 last year. This record follows four years of increases from the low of 1,539 transactions recorded in 2009.

Chart B

### Pre-owned Business Jets Full Retail Sale Transactions 2005 to 2013



Source: JETNET – Pre-owned Whole & Lease Transactions  
Presentation and Analysis by Chase & Associates

However, other pre-owned market sectors are not showing similar results. They are showing decreasing sale transactions and have mixed average asking prices, with some greater and some less compared to the same 2012 period.

Significant are the double-digit decreases in both the turbine and piston helicopter full retail sale transactions, and the increased time on the market before selling.

### Pre-owned Business Jet Market By Weight Class

As shown in Table B, in a comparison of 2013 to 2012, the light weight class was the only weight class to show a decline—of 39 (or 4.2%) fewer business jet transactions. The other classes all showed increases in 2013 compared to 2012, led by the heavy class with 37 (or 5.7%) more, followed by the medium class with 14 (or 2.3%) more pre-owned business jet transactions.

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**Table B**

Weight Class *	# of Retail Sale Transactions				
	2013	2012	Diff.	%	
Heavy	689	652	37	5.7%	* <b>Heavy</b> 35,001 & Up lbs
Medium	619	605	14	2.3%	<b>Medium</b> 20,001 to 35,000 lbs
Light	883	922	-39	-4.2%	<b>Light</b> 10,001 to 20,000 lbs
VLJ	112	110	2	1.8%	<b>VLJ</b> 0 to 10,000 lbs
<b>Total</b>	<b>2303</b>	<b>2289</b>	<b>14</b>	<b>.6%</b>	

**U.S. Economy Gross Domestic Product, 4th quarter 2013 (third estimate)**

Real gross domestic product—the output of goods and services produced by labor and property located in the United States—increased at an annual rate of 3.2 percent in the fourth quarter of 2013 (that is, from the third quarter to the fourth quarter), according to the “advance” estimate released by the U.S. Bureau of Economic Analysis. In the third quarter, real GDP increased 4.1 percent.

The economic growth as measured by domestic GDP is very good news, and the level is above the 3.0 percentage growth that is needed for business aviation to do well.

**Summary**

The pre-owned market continues to be very active. Now that 2014 is here and there is renewed optimism, we hope this trend for the pre-owned market, along with improvements in the world economy, will continue to push more new aircraft purchases for the new year. As for now, it continues to be a buyer’s market, with pre-owned “For Sale” inventories running around 12.5%.

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 some 100,000 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.

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