HONEYWELL FORECASTS 4,100 NEW CIVIL HELICOPTER DELIVERIES OVER NEXT FIVE YEARS

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In its "Turbine-Powered Civil Helicopter Purchase Outlook," Honeywell forecasts 4,100 new civilian-use helicopters will be delivered from 2020 to 2024, marginally higher than the five-year forecast from 2019. While deliveries are expected to be higher than 2019, purchase plans are lower, but only by less than a percentage point.

"This year, we anticipate higher deliveries due to entry into service of new helicopter platforms," said Heath Patrick, president, Americas Aftermarket, Honeywell Aerospace. "Despite the slight dip in purchase plans, we see several bright spots, including higher utilization rates. This means operators plan to use their aircraft more frequently over the next 12 months. Honeywell is prepared for this upswing and is committed to providing seamless global customer support, while also maintaining our focus on bringing new, innovative products to the helicopter market."

Key survey findings this year include:

- Purchase plans are significantly stronger from the corporate/VIP segment in this year's

survey, but lower from law enforcement and oil and gas operators.
- A greater proportion of planned new helicopter purchases is for light twin-engine models in this year's survey compared with 2019. The proportion is lower for light single-engine models. Overall, 56% of planned purchases are for twin-engine models, 8 percentage points higher than last year.
- When choosing their make and model for a new rotorcraft, the top three factors operators consider are brand experience, aircraft performance and cabin size.
- In North America, average utilization was higher by about 12% in 2019 compared with 2018. About 19% of survey respondents said their helicopter fleet utilization is expected to increase over the next 12 months.

Regional Overview

North America: Purchase plans have declined by six percentage points over a year ago, with 12% of respondents saying they would either replace or expand their fleet with a new helicopter over the next five years. North America is home to more than 40% of the world's helicopter fleet.

- Nearly half of planned North American purchases were identified as light single-engine models, while roughly 32% of new planned purchases were for intermediate and medium-twin product classes.
- About 38% of planned purchases will be used for emergency medical services (EMS) purposes, followed by 20% for Law Enforcement and 17% for Corporate/VIP usage.

Europe: Compared with 2019 results, purchase plans are higher in this year's survey. More than 18% of respondents said they would either replace or expand their fleet with a new helicopter over the next five years. The figure was 15% a year ago.

- Intermediate and medium twin-engine classes captured roughly 41% of total purchase plans for new helicopters. Meanwhile, 37% of respondents indicated plans to purchase light single-engine helicopters, up 5 percentage points from last year.
- About 26% of planned purchases will be used for Utility/Aerial work, followed by 23% for Corporate/VIP and 16% for EMS/Search and Rescue (SAR) usage.

Latin America: Results for 2020 show significantly higher fleet replacement and growth expectations compared with 2019. Purchase plans are well above the global average of 14%, and the region's purchase plans increased by 20 percentage points from last year.

- Latin America had the highest rate of new aircraft purchase plans globally, with close to 29% of respondents saying they would either replace or expand their fleet with a new helicopter over the next five years.
- Purchase plans in Brazil increased to 26%, a jump of 21 percentage points over last year's survey results.
- Latin American respondents favored light single-engine models, which represent about 50% of their planned purchases. Light twin-engine models are second with 28% of all planned purchases, an increase of 23 percentage points compared with 2019 survey results.

Middle East and Africa: This region has the lowest new purchase rate globally, with only 5% of respondents' fleets expected to get a new helicopter replacement or addition. Purchase plans are 10 percentage points lower compared with 2019 survey results.

- Close to 62% of planned new helicopter purchases are for light twin-engine models.
- Medium twin-engine models are the second-highest mentioned product class in the survey at

23%, a decline of 46 percentage points compared with 2019 survey results.

Asia Pacific: Overall buying plans are down 6 percentage points compared with 2019. Close to 7% of respondents said they would either replace or expand their fleet with a new helicopter over the next five years.

- Intermediate/Medium twin-engine and light single-engine helicopters were the most popular classes, capturing 38 percent and 35 percent of all mentions for new helicopters, respectively.
- Despite limited inputs, new helicopter purchase plans are lower in China, showing that about 14% of the fleet would be replaced or expanded by a new helicopter over the next five years. Purchase plans are down by about 7 percentage points compared with 2019 results.

Methodology

The 2020 outlook presents a snapshot of the helicopter business at a given point in time and reflects the current business and political environment. This year's data comes from a survey of more than 1,000 chief pilots and flight department managers of companies operating 3,559 turbine and 282 piston helicopters worldwide. The survey excluded large fleet or "mega" operators, which were addressed separately. Input received from large oil and gas support and emergency medical service fleet operators is factored into the overall outlook in addition to the individual flight department responses. The survey detailed the types of aircraft operated and assessed specific plans to replace aircraft or add new helicopters to the fleet.

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