



AVIATION MARKET, FINANCING TRENDS & ESG

Survey results

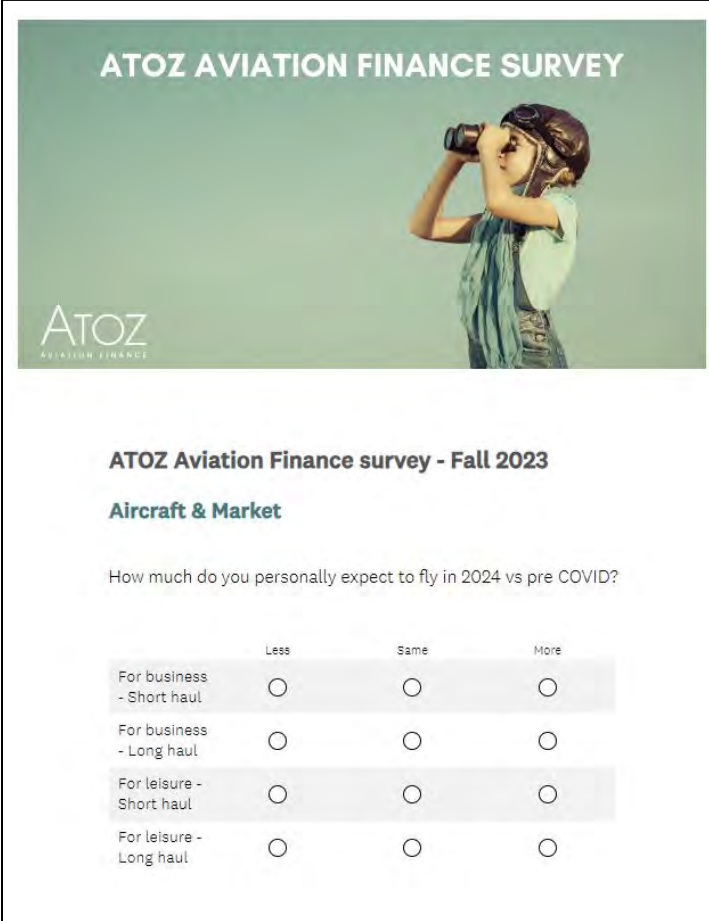
Fall 2023



01 SURVEY SCOPE

On a regular basis, **ATOZ Aviation Finance** conducts a survey among aviation market participants.

In this context, **ATOZ Aviation Finance** has recently asked more than 600 fellows from airlines, aviation financiers and service providers worldwide a few questions on the aviation market, the financing trends and ESG.



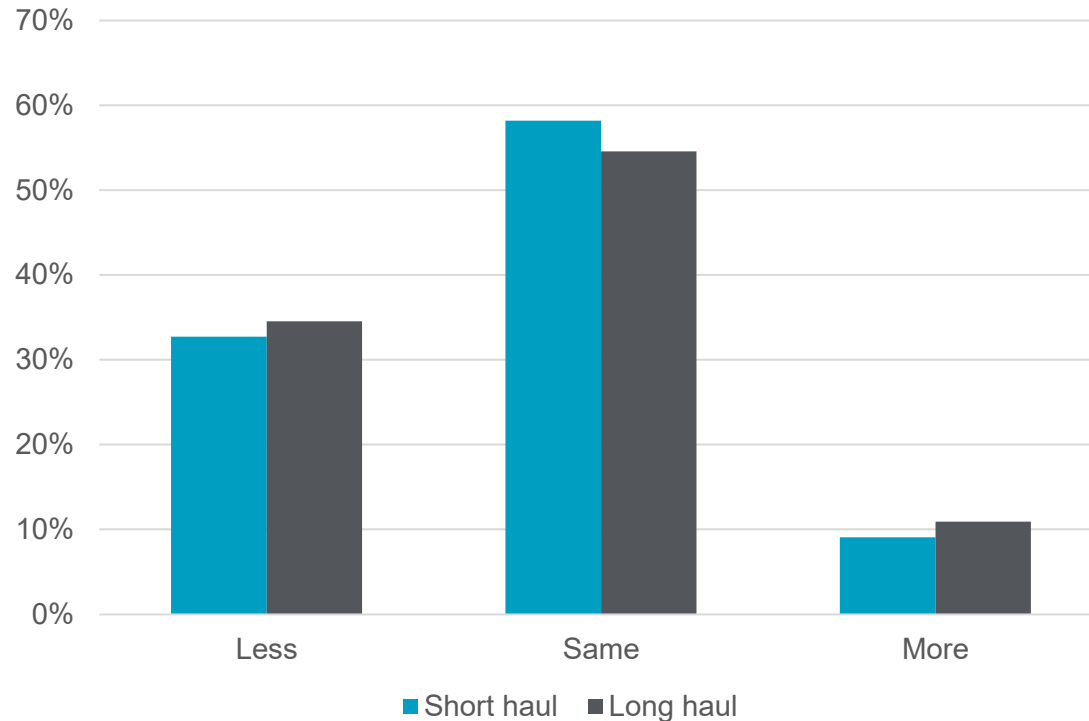
The image shows a survey form titled "ATOZ AVIATION FINANCE SURVEY" with a background image of a pilot. Below the title, it says "ATOZ AVIATION FINANCE". The survey is titled "ATOZ Aviation Finance survey - Fall 2023" and "Aircraft & Market". The question is "How much do you personally expect to fly in 2024 vs pre COVID?". The response options are "Less", "Same", and "More". The survey is divided into four rows: "For business - Short haul", "For business - Long haul", "For leisure - Short haul", and "For leisure - Long haul". Each row has three radio buttons corresponding to the response options.

	Less	Same	More
For business - Short haul	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
For business - Long haul	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
For leisure - Short haul	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
For leisure - Long haul	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

02 AIRCRAFT & MARKET

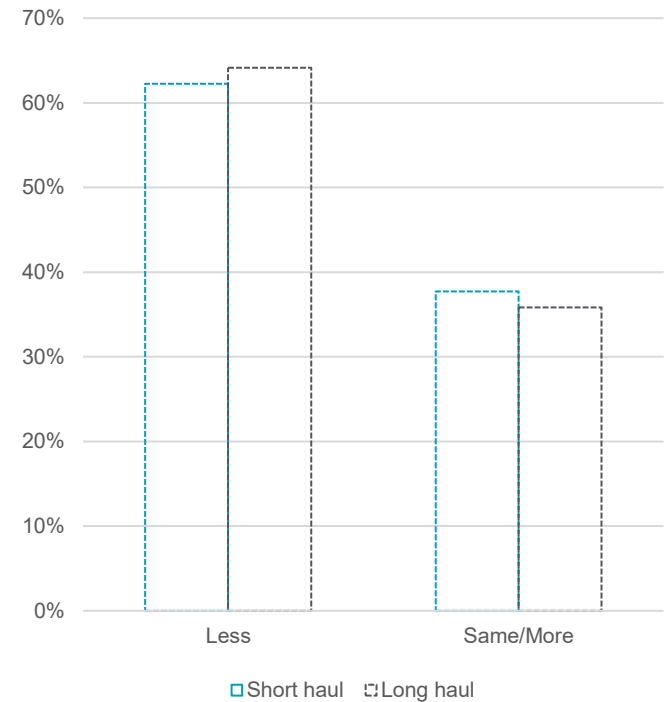
How much do you personally expect to fly in 2024 vs pre COVID?

For business



Previous ATOZ Aviation Finance survey (July 2022)

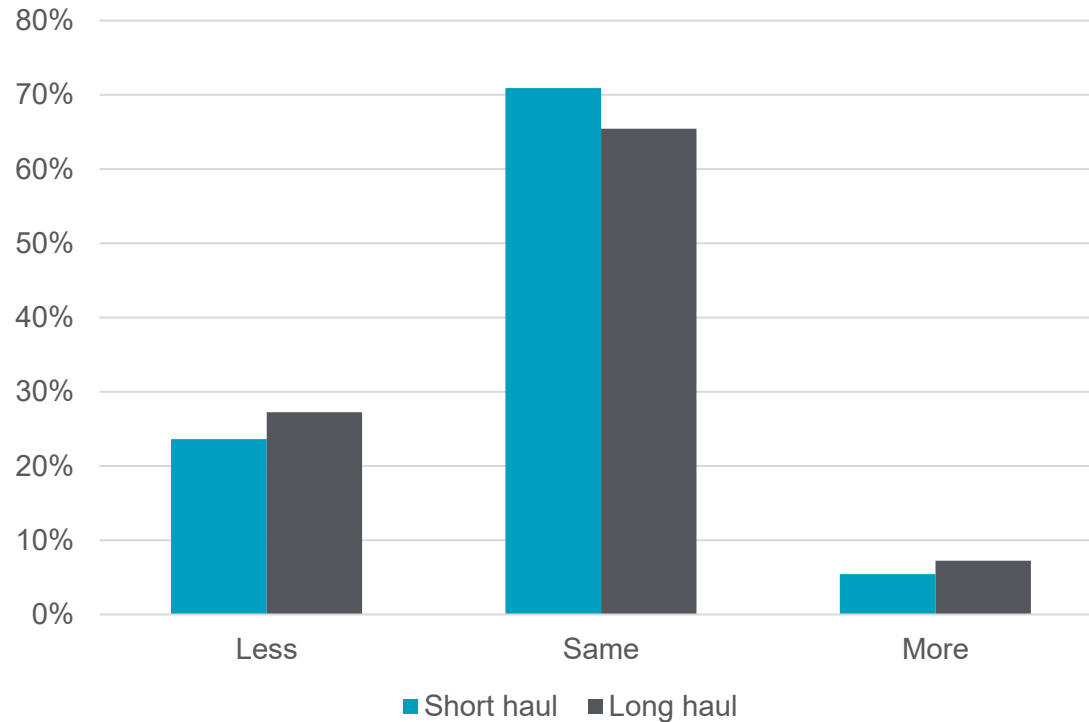
How much will you expect to fly for business in 2023 vs pre COVID?



02 AIRCRAFT & MARKET

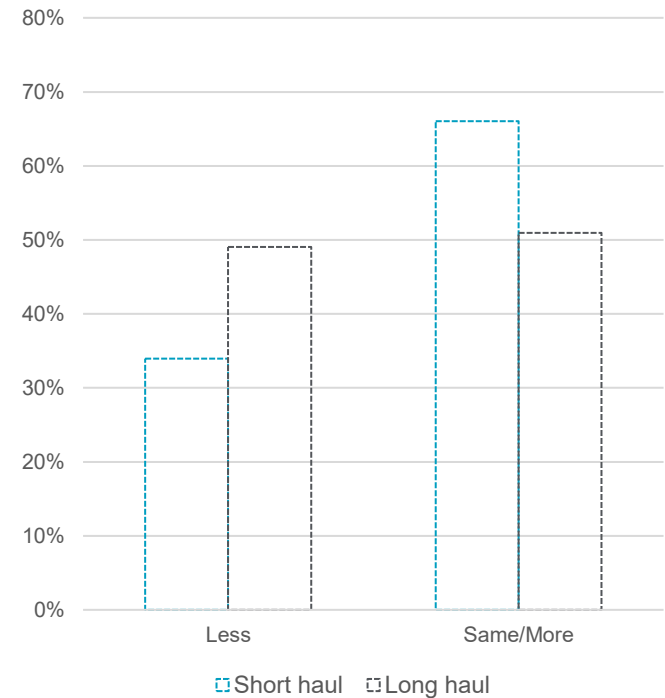
How much do you personally expect to fly in 2024 vs pre COVID?

For leisure



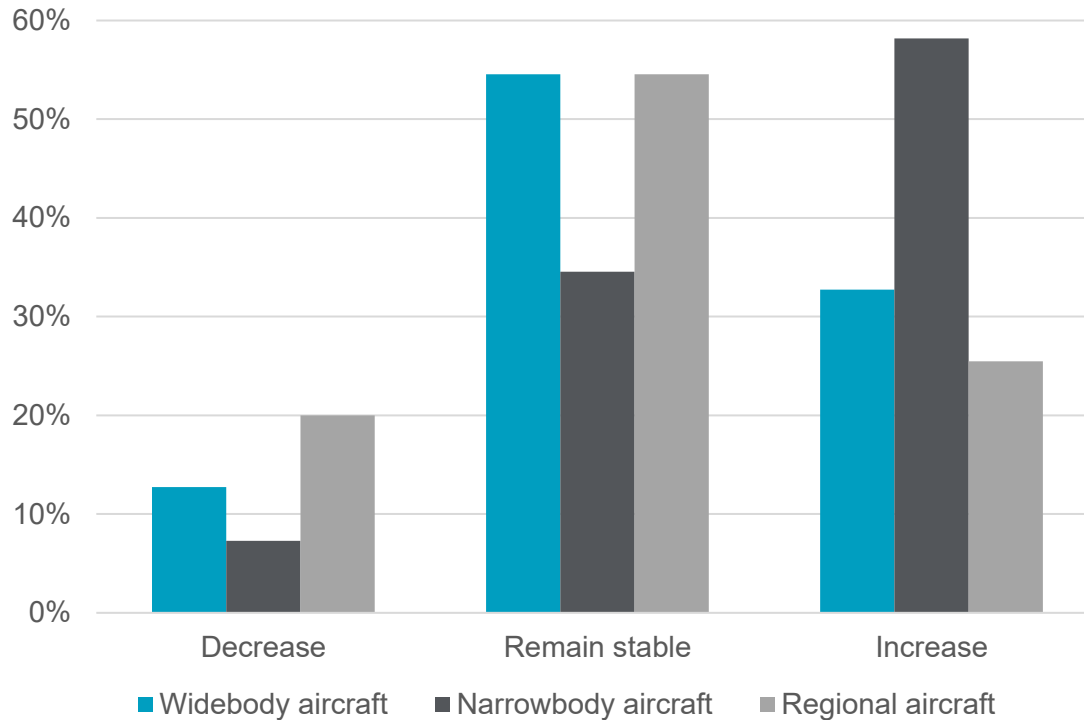
Previous ATOZ Aviation Finance survey (July 2022)

How much will you expect to fly for leisure in 2023 vs pre COVID?



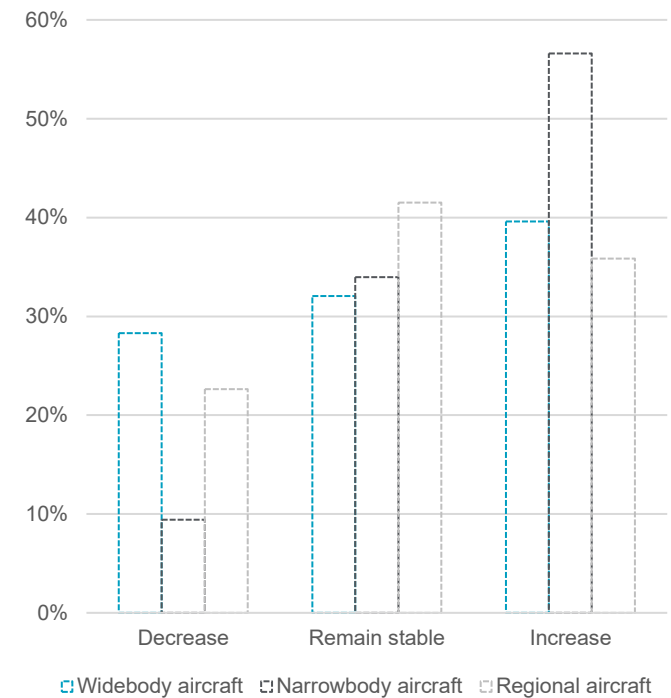
02 AIRCRAFT & MARKET

How will values for new or quasi-new aircraft develop over the next 12 months?



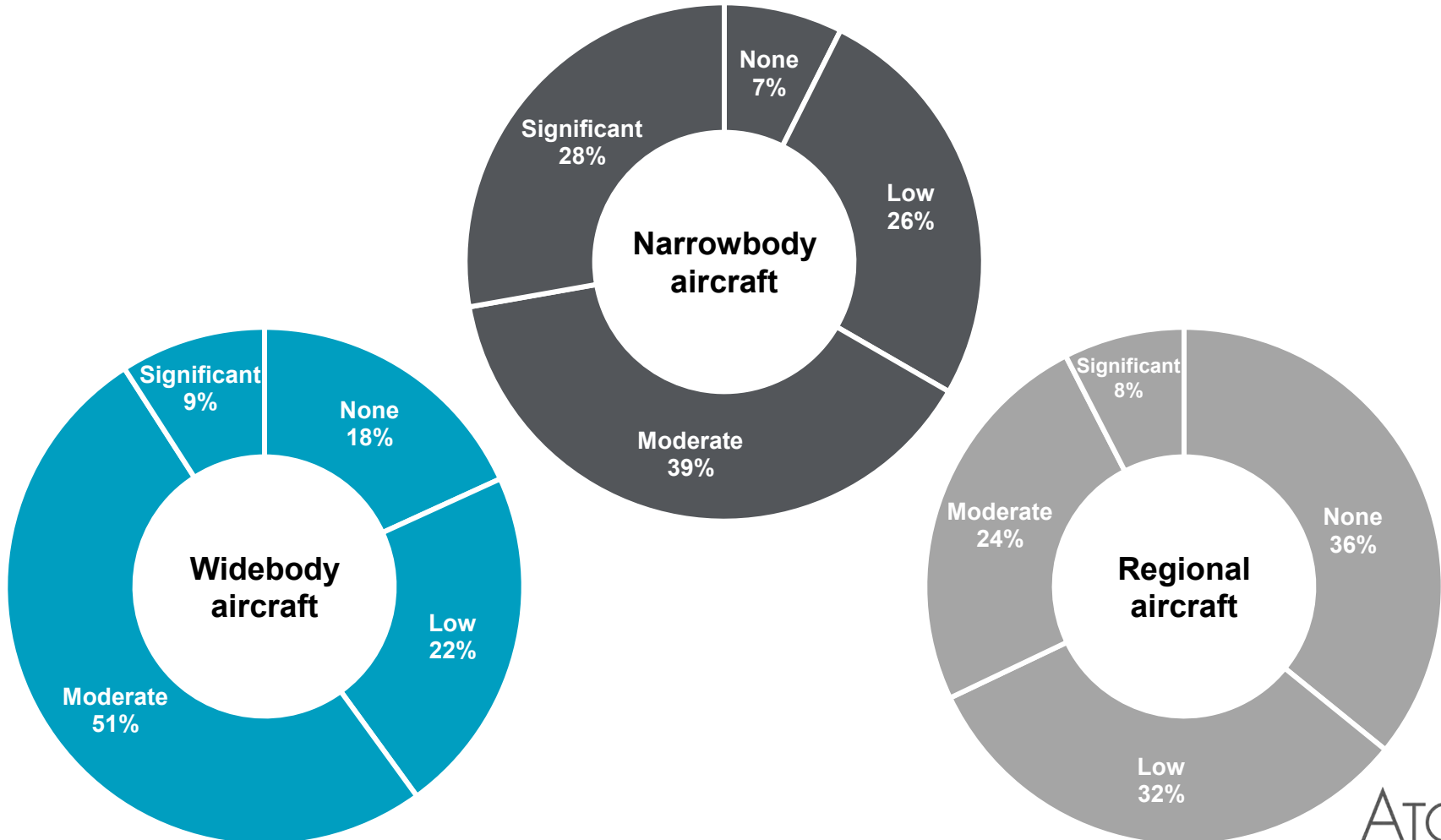
Previous ATOZ Aviation Finance survey (July 2022)

How will values for new or quasi-new aircraft develop over the next 18 months?



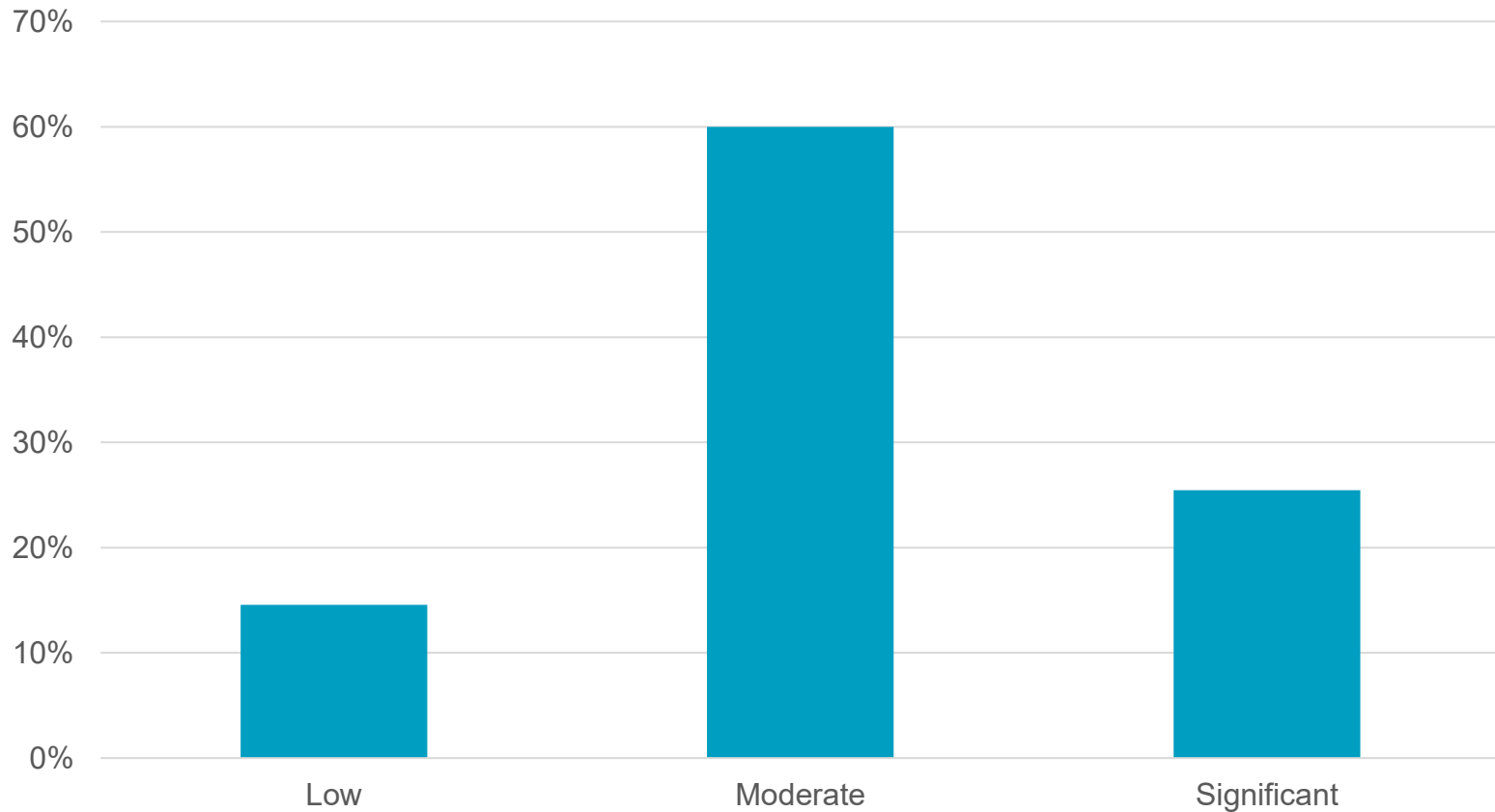
02 AIRCRAFT & MARKET

How much oversupply of freighter aircraft (incl. conversions) do you expect over the next 12 months?



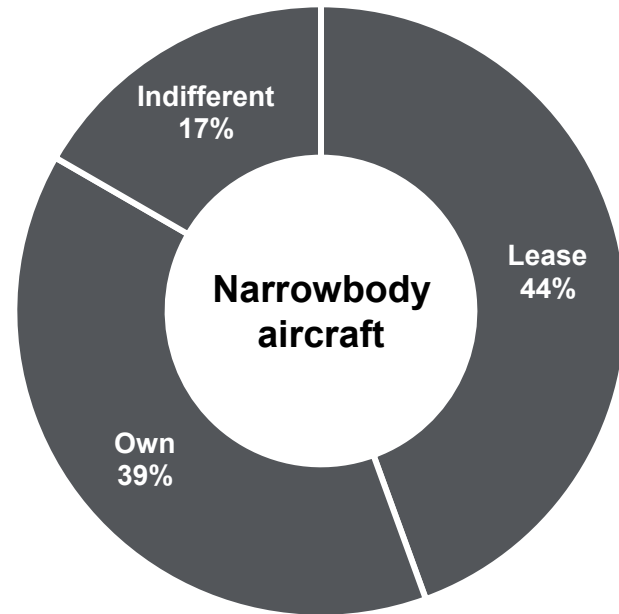
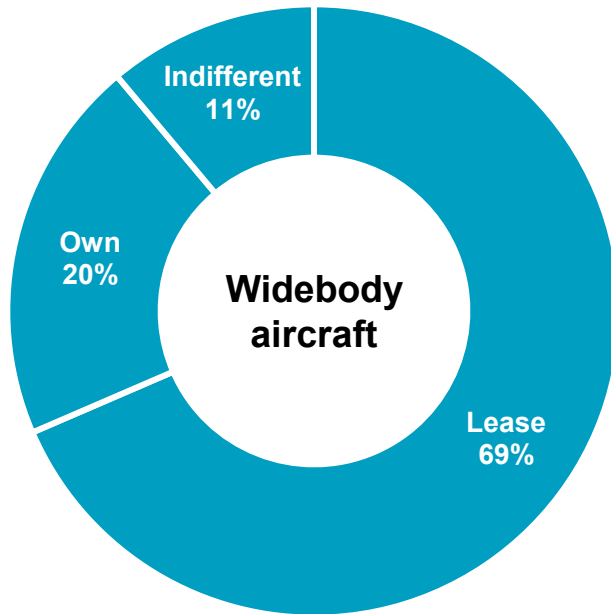
02 AIRCRAFT & MARKET

How do you estimate the impact of the widespread capacity limitations due to the shortage of staff to develop over the next 12 months?



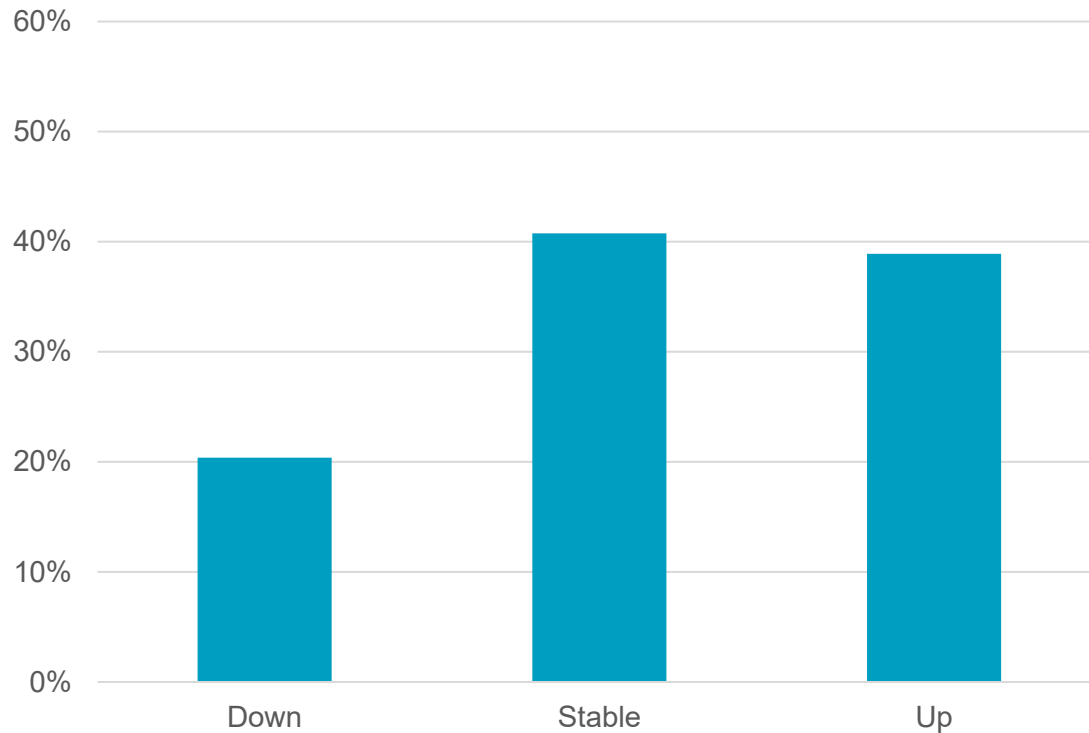
03 FINANCING

Considering the current market, should an airline rather lease or own aircraft?

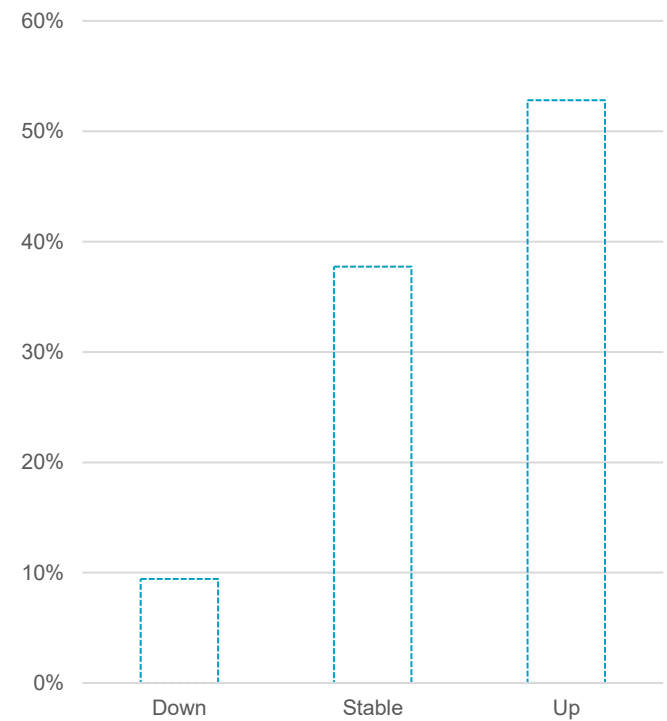


03 FINANCING

How does your institution see the development of loan margins over the next 12 months?

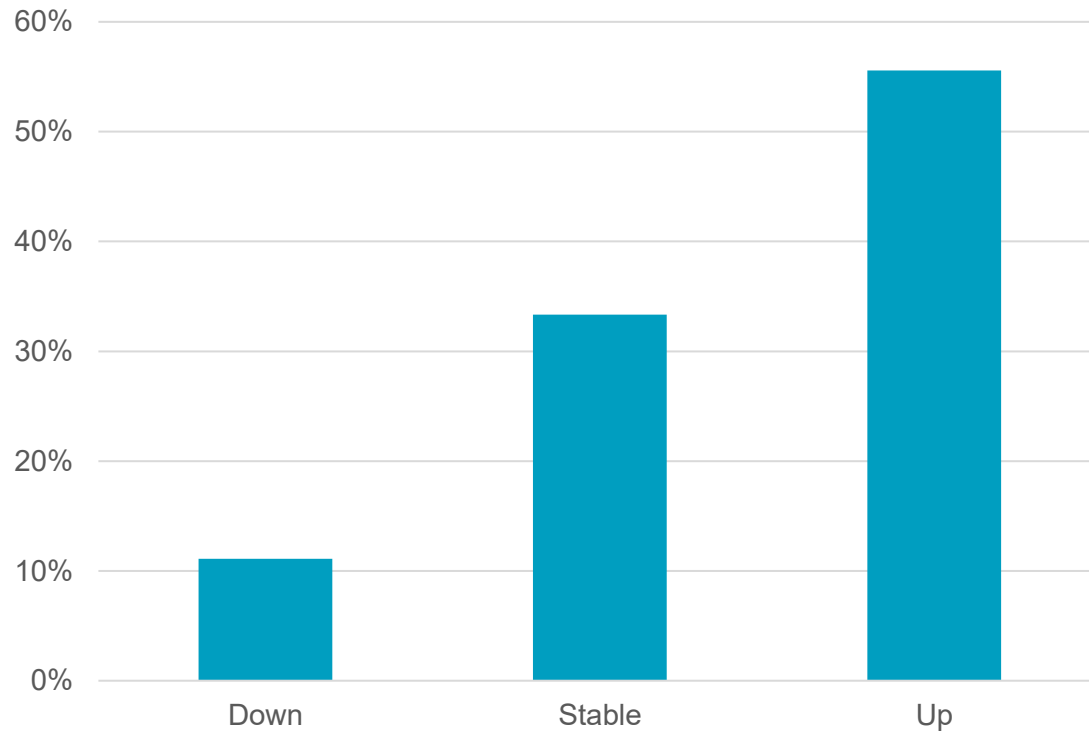


Previous ATOZ Aviation Finance survey (July 2022)

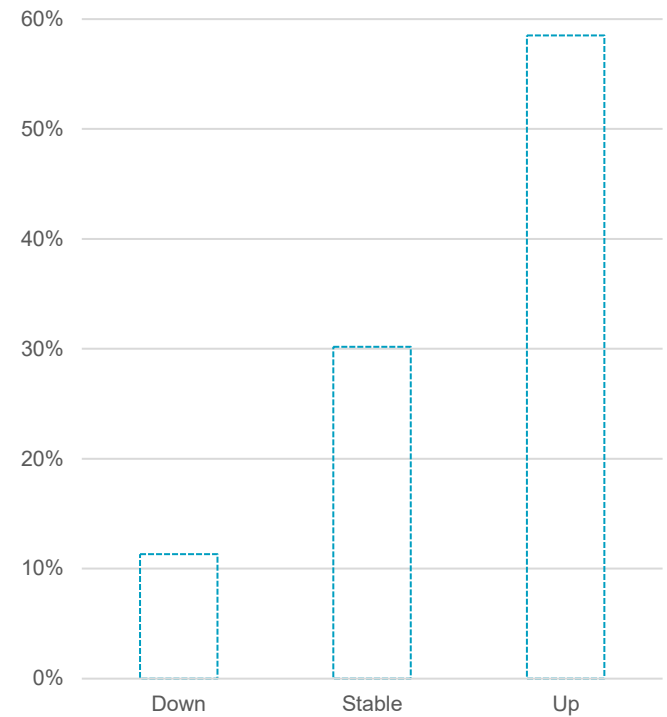


03 FINANCING

How does your institution see the development of rental factors over the next 12 months?

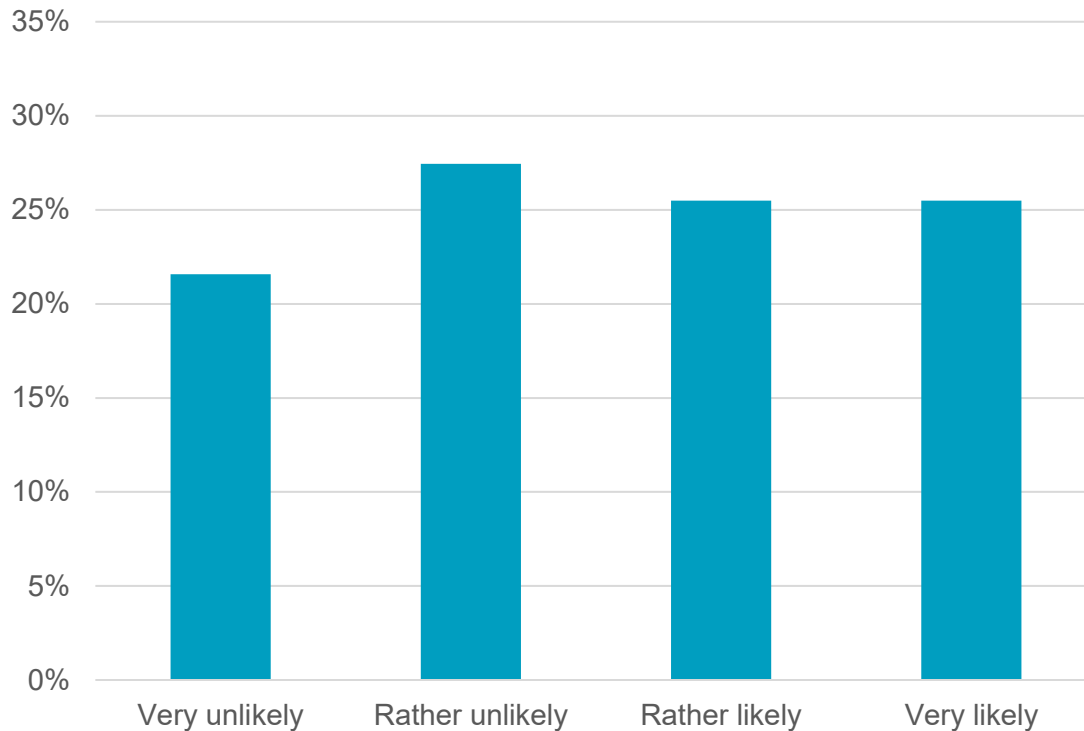


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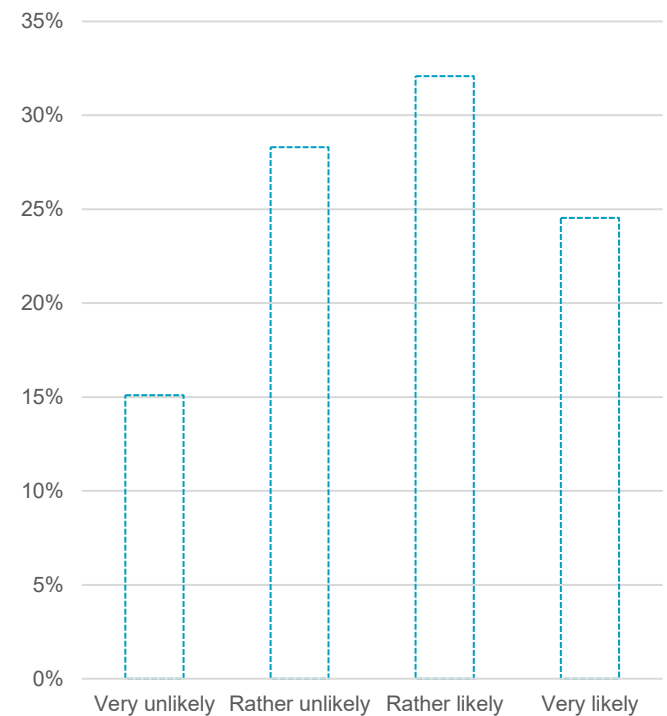


04 ESG

How likely will you work on a transaction involving green bonds or sustainability-linked instruments over the next 12 months?

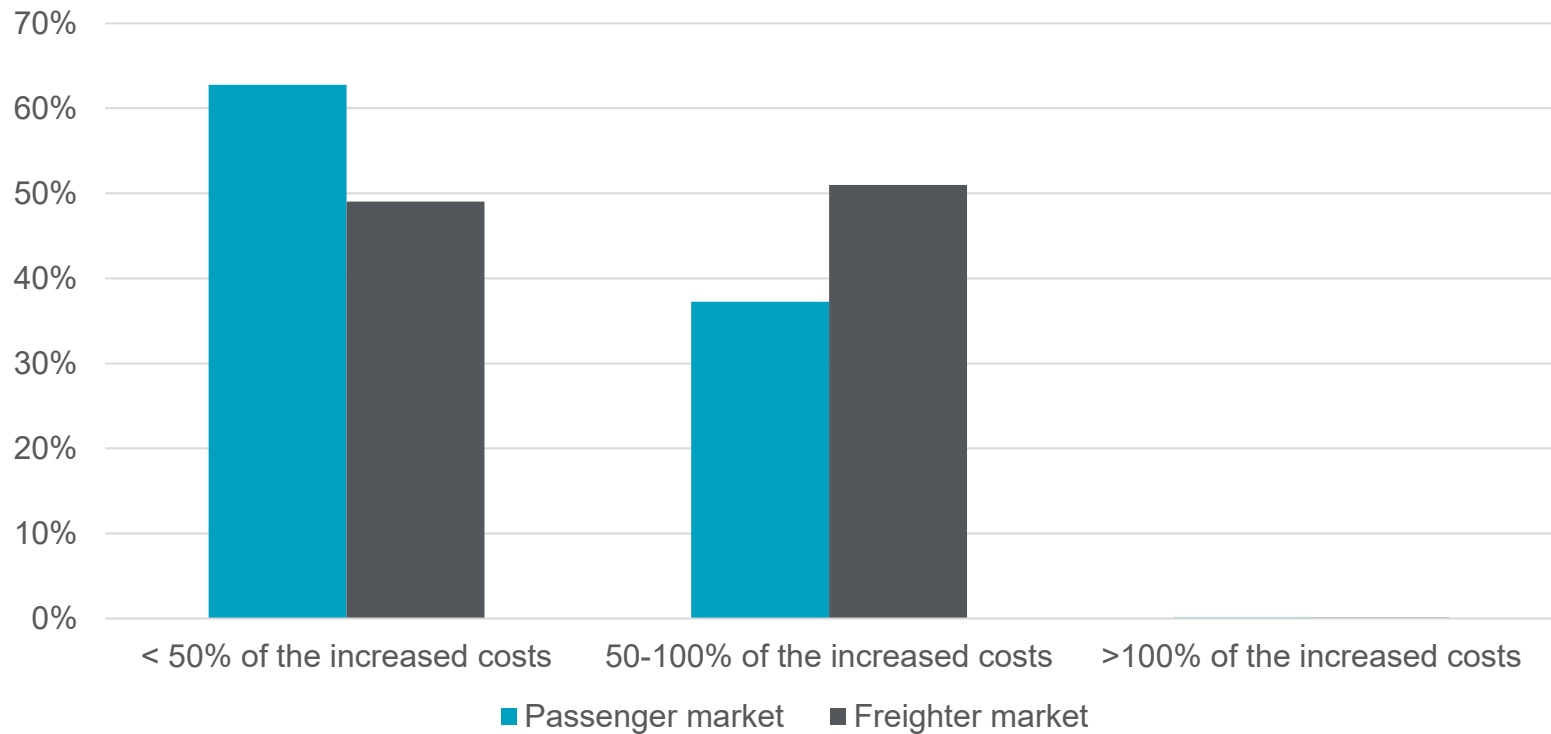


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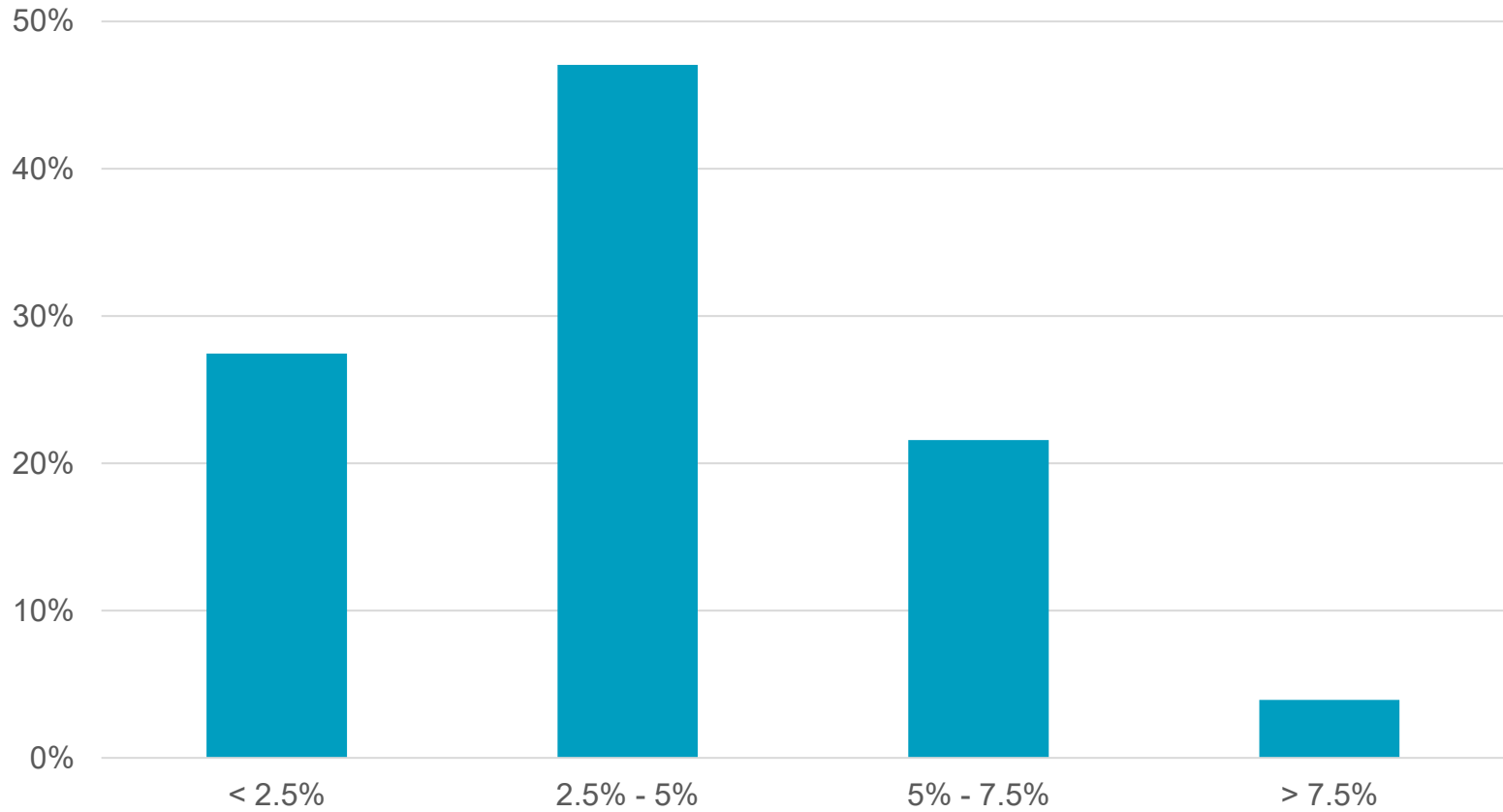
04 ESG

In relation to the increased costs linked to the use of SAF, what price markup do you expect airlines to be able to charge their customers?



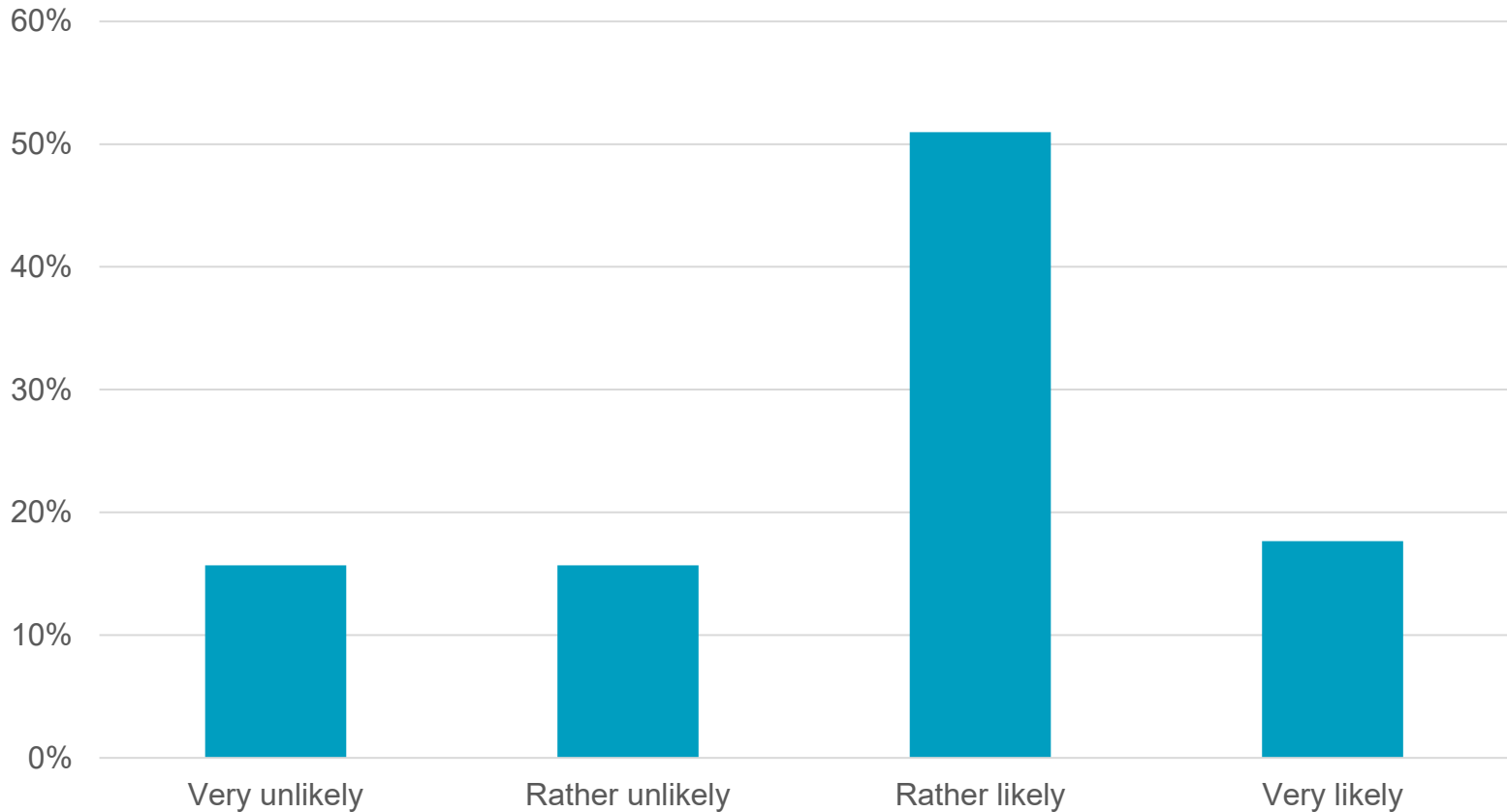
04 ESG

Out of total fuel requirement, how much SAF do you see in use by 2030?
(EU Target: 6% / World Economic Forum: 10%)



04 ESG

Would you consider participating in or supporting SAF production projects to develop its supply in the future?





ATOZ AVIATION FINANCE

ATOZ

WHAT WE DO

ATOZ Aviation Finance is part of the ATOZ group, a high-end Luxembourg-based advisory firm with over 200 employees, and is specialized in all aviation finance related matters, including:

FINANCING SOLUTIONS

STRUCTURING AND SOURCING OF COMPETITIVE FUNDING

- Dense network of partner financiers
- Wide range of financing structures
- Financing cost optimization and benchmarking

MANAGEMENT OF RFP PROCESSES

FOCUS ON GREEN FINANCING ALTERNATIVES

ADVISORY SOLUTIONS

FINANCING

- Leasing vs ownership studies
- Negotiation of lease agreements
- Assistance with financing documentation

STRATEGY

- Financial modelling and business planning
- Performance and profitability studies
- Mergers and acquisitions advisory

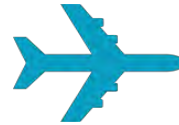
FLEET MANAGEMENT

- Fleet simulations
- Assistance in contract negotiations for aircraft and engine purchases, sales
- Aircraft residual values analyses

RISK MANAGEMENT

- Fuel price, interest-rate and currency risk mitigation planning and implementation

WHAT WE OFFER



Airline experience

**Specialized team
within a large entity**



Quick response time

**Pragmatic,
straight-to-the-point solutions**



**Close collaboration with
client's management team**

Results focused



WHO WE ARE



Yves Germeaux
Head of Corporate Finance
and Aviation Finance
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Since 1995, Yves has experience in corporate finance within multinational groups in both aviation and steel with particularly significant aviation finance experience over 20 years, having held Chief Financial Officer and Vice President Corporate Finance positions at Luxaviation and Cargolux, respectively.

In his current functions, Yves heads the Corporate Finance and Aviation Finance practices. In aviation, the team advises, among other, airlines, lessors and financial institutions worldwide on a large spectrum of aviation-related projects and transactions including complex financing structures.

Yves is a lecturer at the Faculty of Law, Economics and Finance of the University of Luxembourg. His academic background includes a MSc in Banking and Finance from HEC Lausanne, in partnership with the University of California Los Angeles, a Master's Degree in Law from Université Robert Schuman, Strasbourg as well as a Master of Science in Economic Sciences from HEC Lausanne.



Alessio Colombo
Director
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Alessio is active in advising aviation industry players on a large spectrum of corporate finance topics including structuring and restructuring of financing transactions, as well as equity and debt raising. Through his banking and aviation experience within multinational groups since 2012, he has acquired considerable expertise in business planning, financial modelling and financial control.

Alessio holds a Master in Management from ESCP Business School in Paris, a Laurea Magistrale in Business Administration from University of Torino as well as a MSc in Management from City University, London.

WHO WE ARE



Birgit Nischler

Director

birgit.nischler@atoz.lu

A professional in her field since 2005, Birgit has an extensive aviation experience within multinational groups.

At ATOZ Aviation Finance, Birgit is active in the structuring and restructuring of financing transactions as well as in debt and equity raising for airlines and lessors. She also has extensive experience in business planning, risk and cash management, consolidation and IFRS.

Birgit holds a degree in Business Administration from the Münster University of Applied Sciences.



Joe Schintgen

Senior Associate

joe.schintgen@atoz.lu

Joe started his career in aviation as a financial controller in 2016.

Having joined ATOZ Aviation Finance in 2023, he is active in building financial models, assisting in debt and equity raising and performing markets analysis. Throughout his career, Joe has acquired profound knowledge in business planning, financial and project controlling, as well as business intelligence.

Joe holds a degree in Business Administration from the University of Luxembourg.



Founded in 2004, ATOZ is a high-end independent advisory firm based in Luxembourg offering a comprehensive and integrated range of direct and indirect tax solutions as well as aviation finance, corporate finance, corporate implementation and transfer pricing services.

The ATOZ group has over 200 highly skilled professionals committed to providing the highest quality service to our clients. ATOZ advises global leaders in many industries on their most important issues.



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