



AVIATION MARKET AND FINANCING TRENDS

Survey results

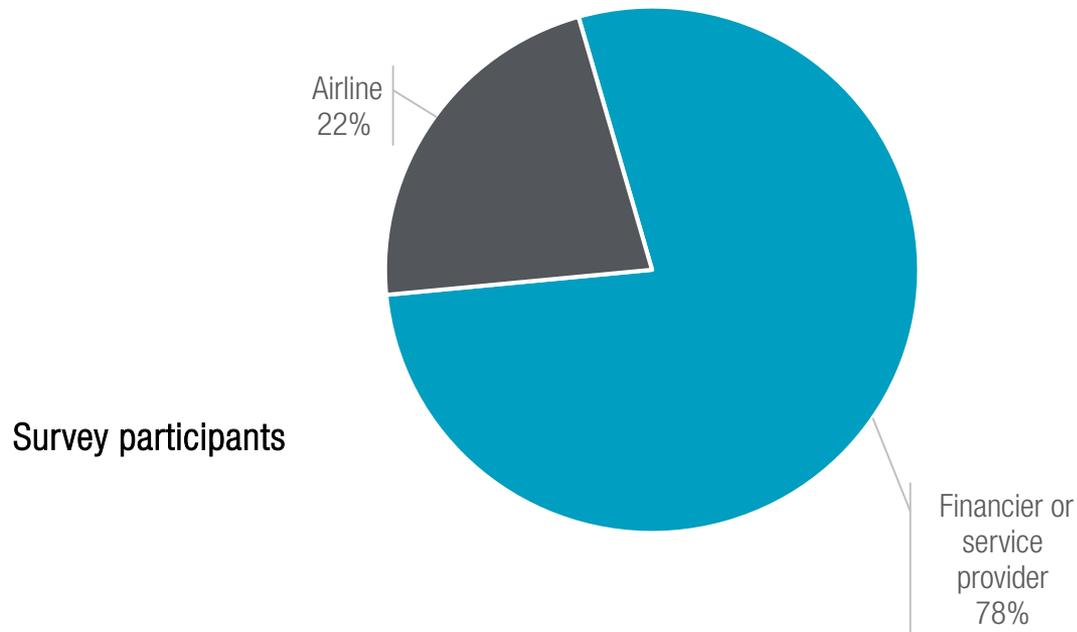
November 2019



01 SURVEY SCOPE

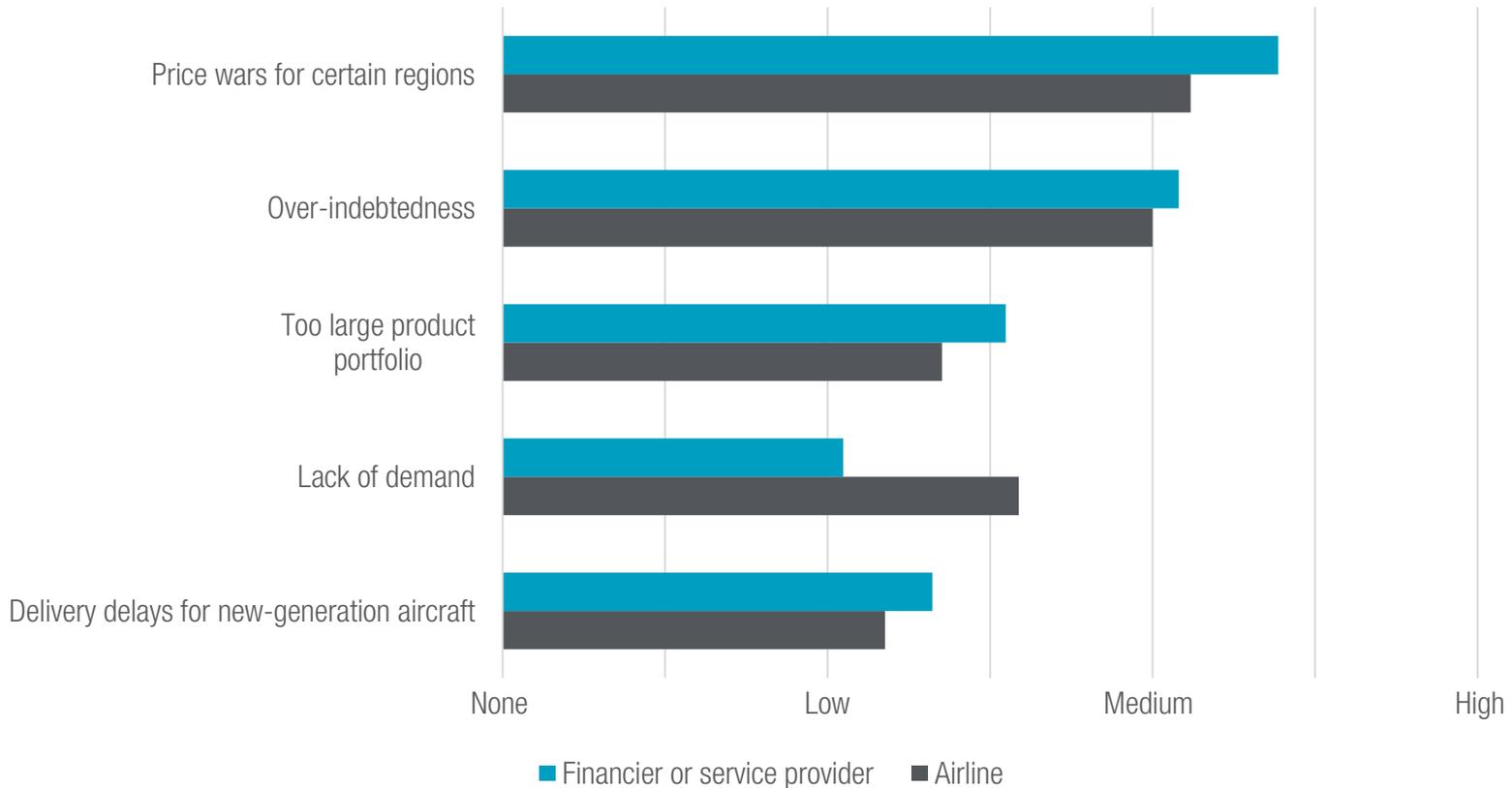
Twice a year, **ATOZ Aviation Finance** conducts a survey among aviation market participants.

In this context, **ATOZ Aviation Finance** has recently asked more than 400 fellows from airlines, aviation financiers and service providers worldwide a few questions on the aviation market and financing trends.



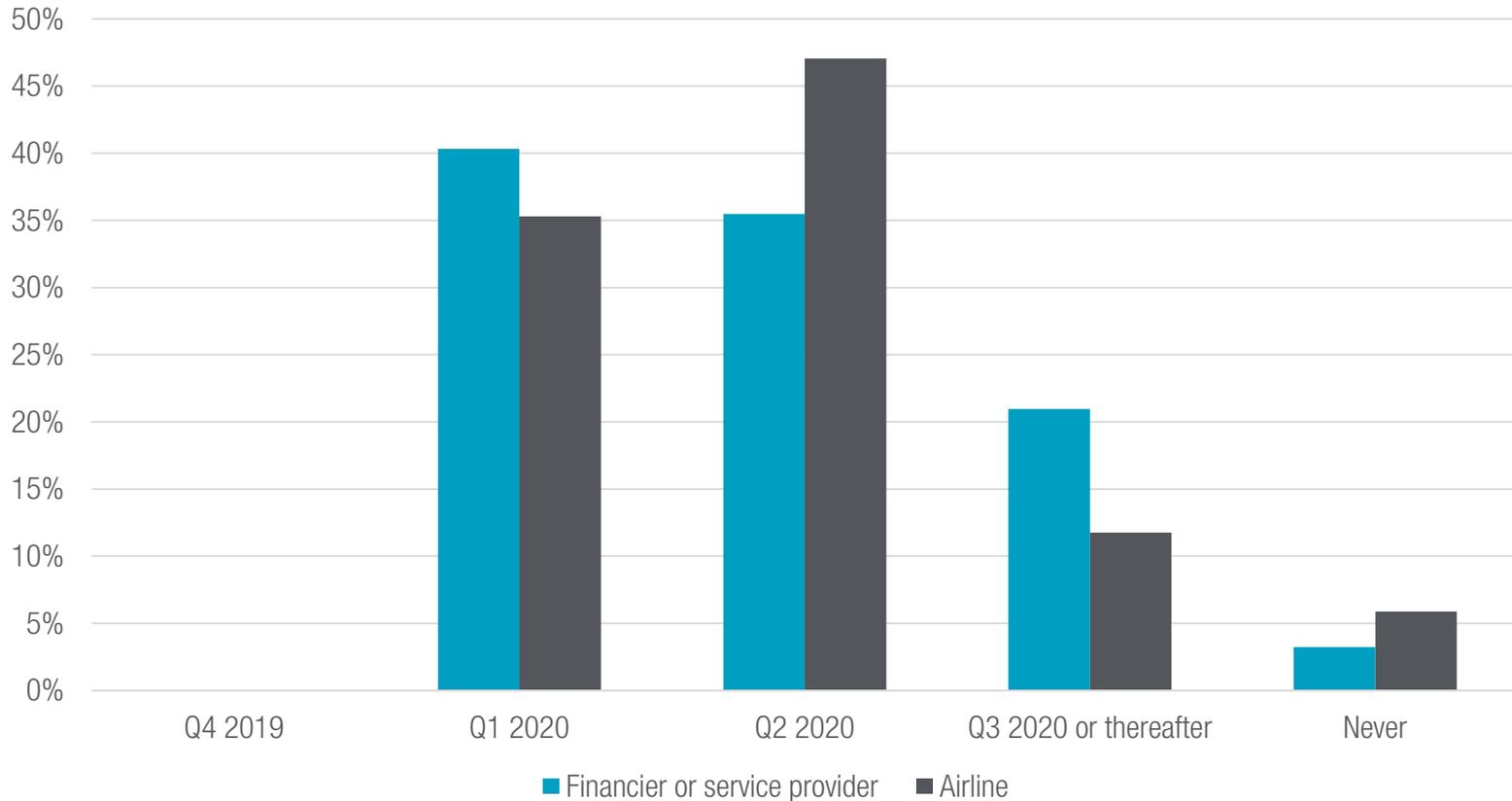
02 RECENT EVENTS

What has been the influence of the following drivers on the surge in airline failures during the past 18 months? (multiple answers possible)



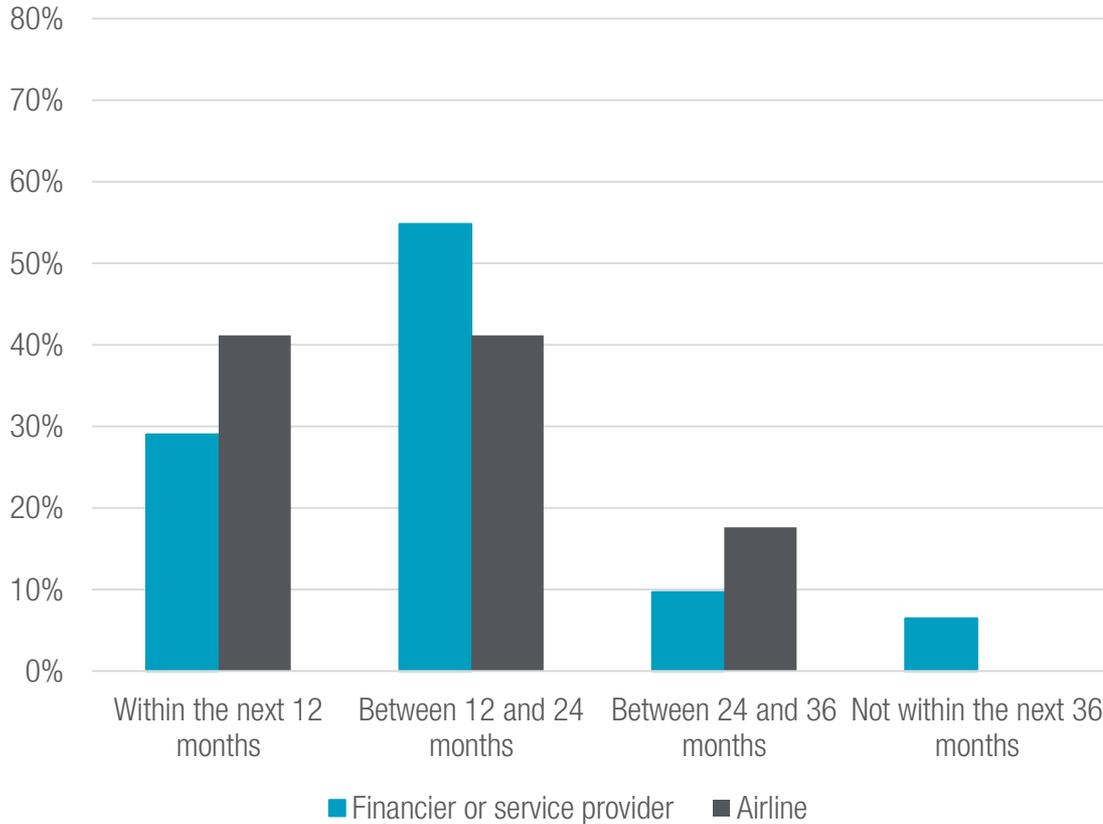
02 RECENT EVENTS

When do you expect the Boeing 737 MAX series to be back into commercial service?

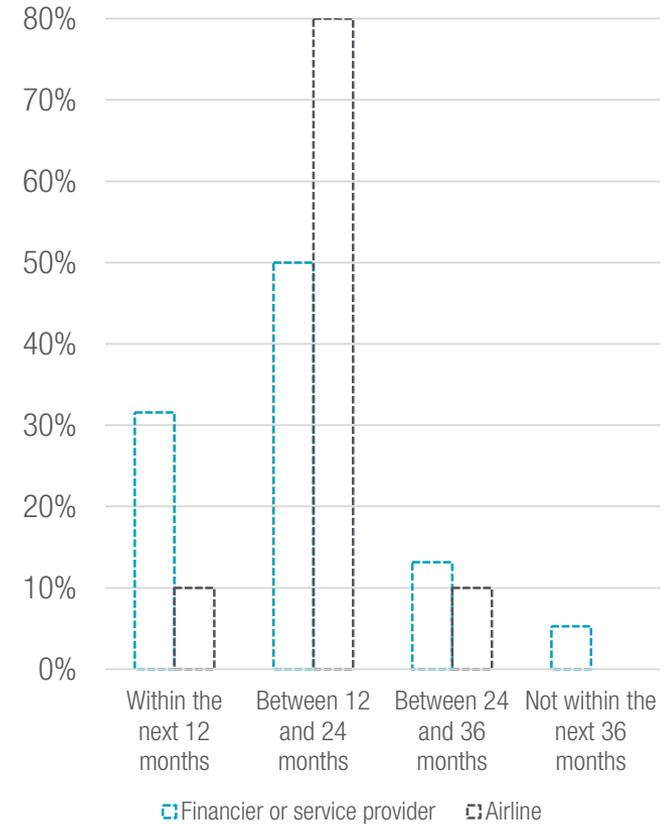


03 MARKET RISKS

When do you think a significant market downturn will come?

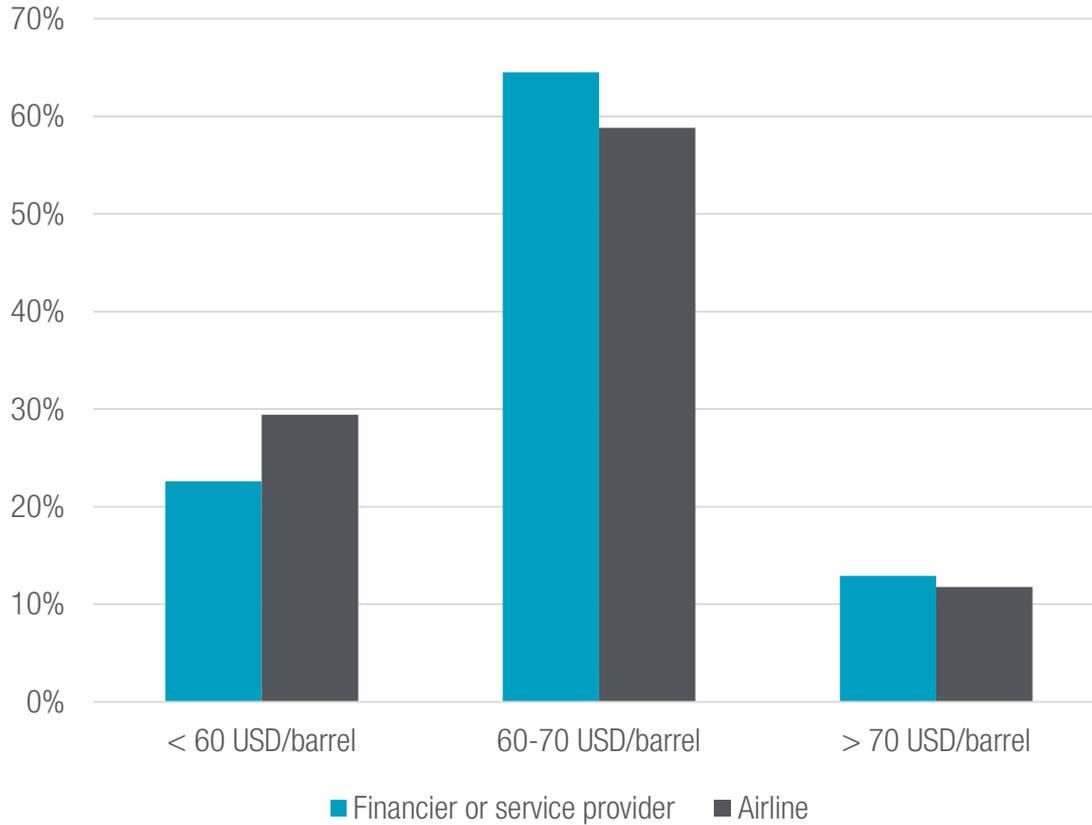


Previous ATOZ Aviation Finance survey (1H 2019)

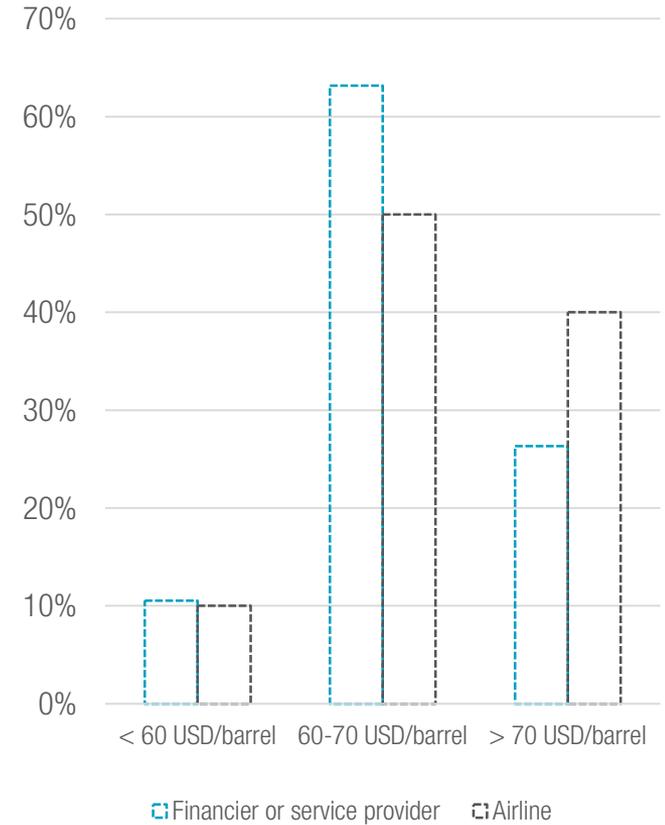


03 MARKET RISKS

Where do you see the oil price in 12 months?



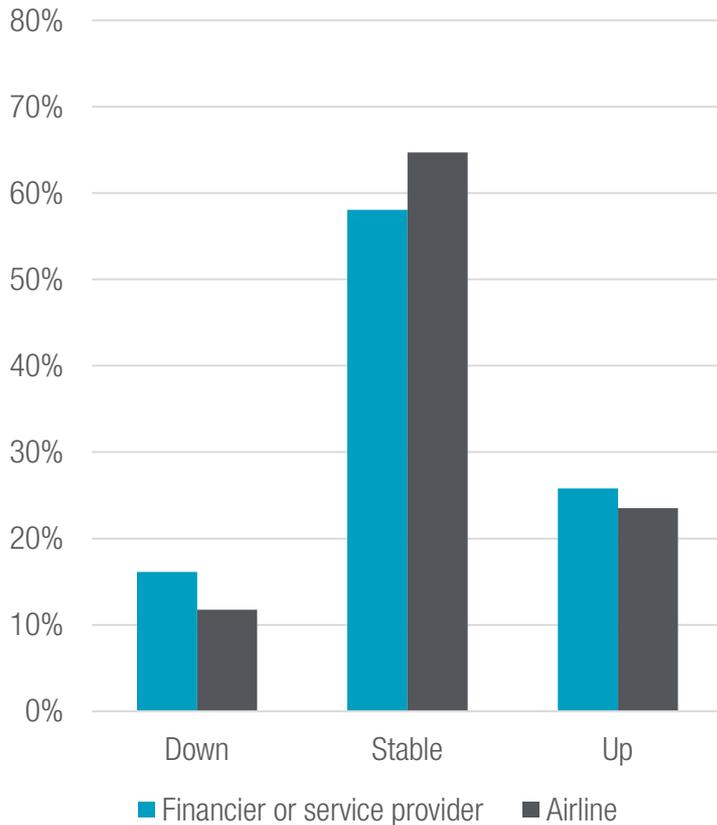
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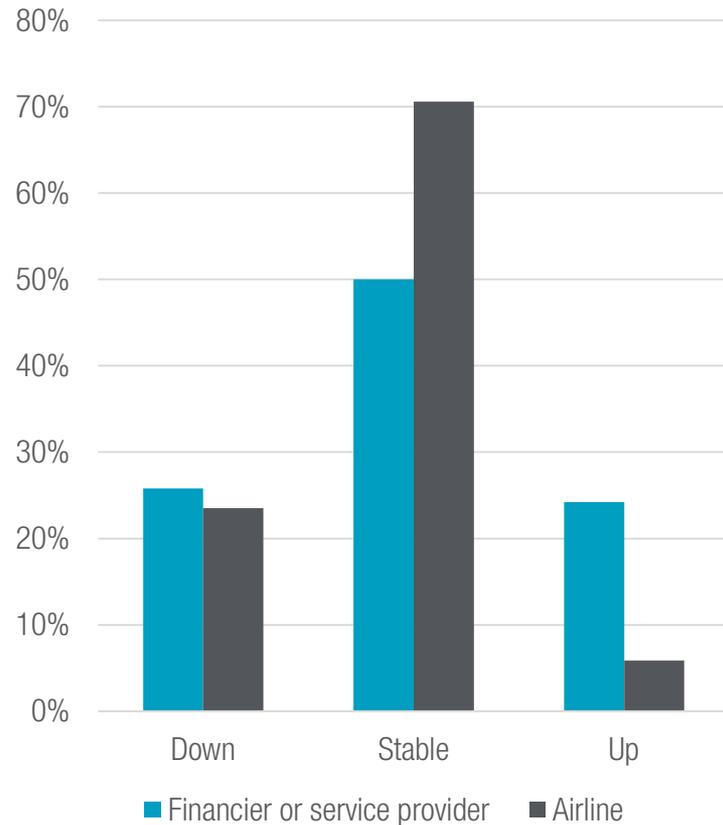
03 MARKET RISKS

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

Loan margins

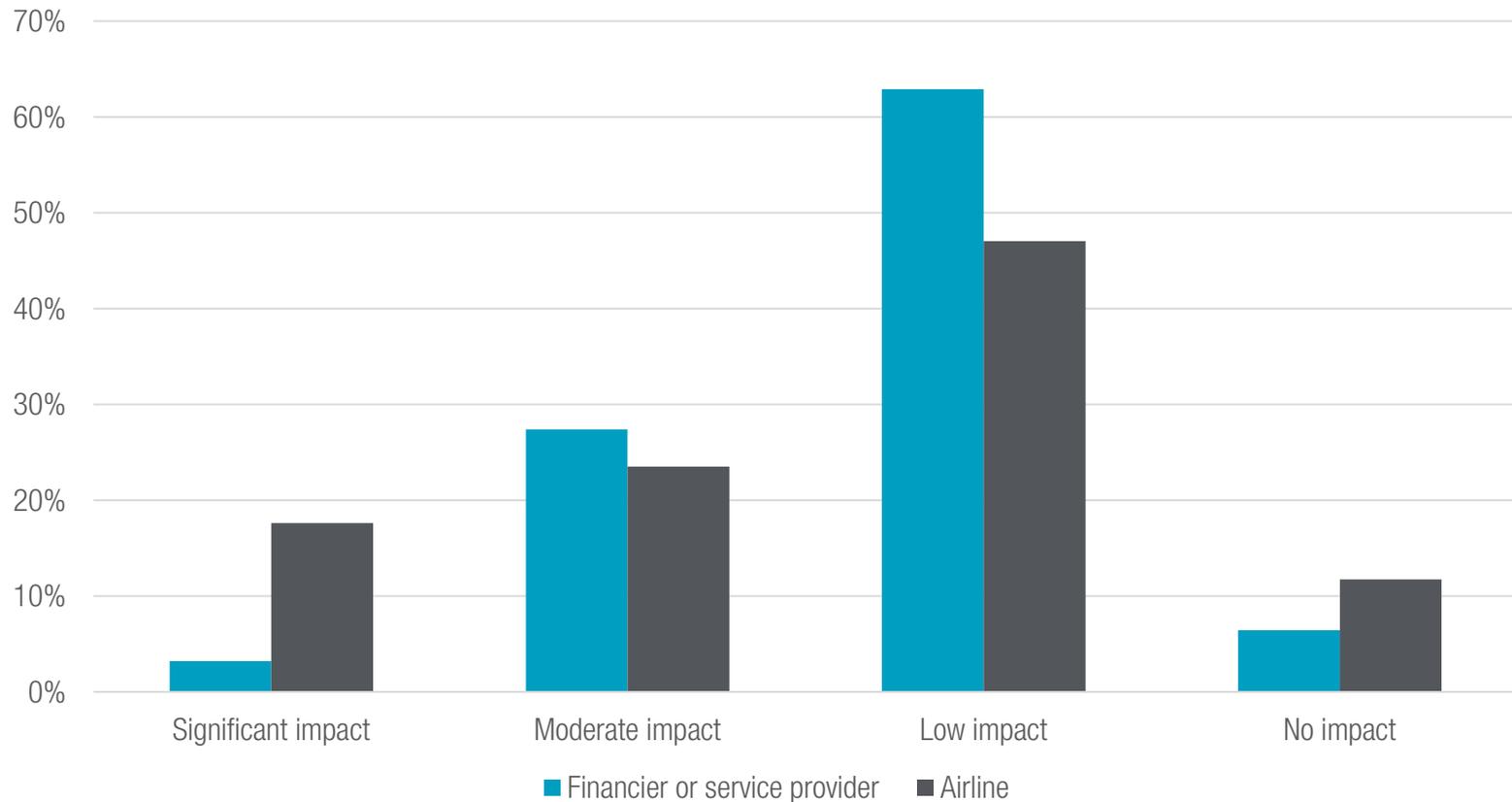


Rental factors



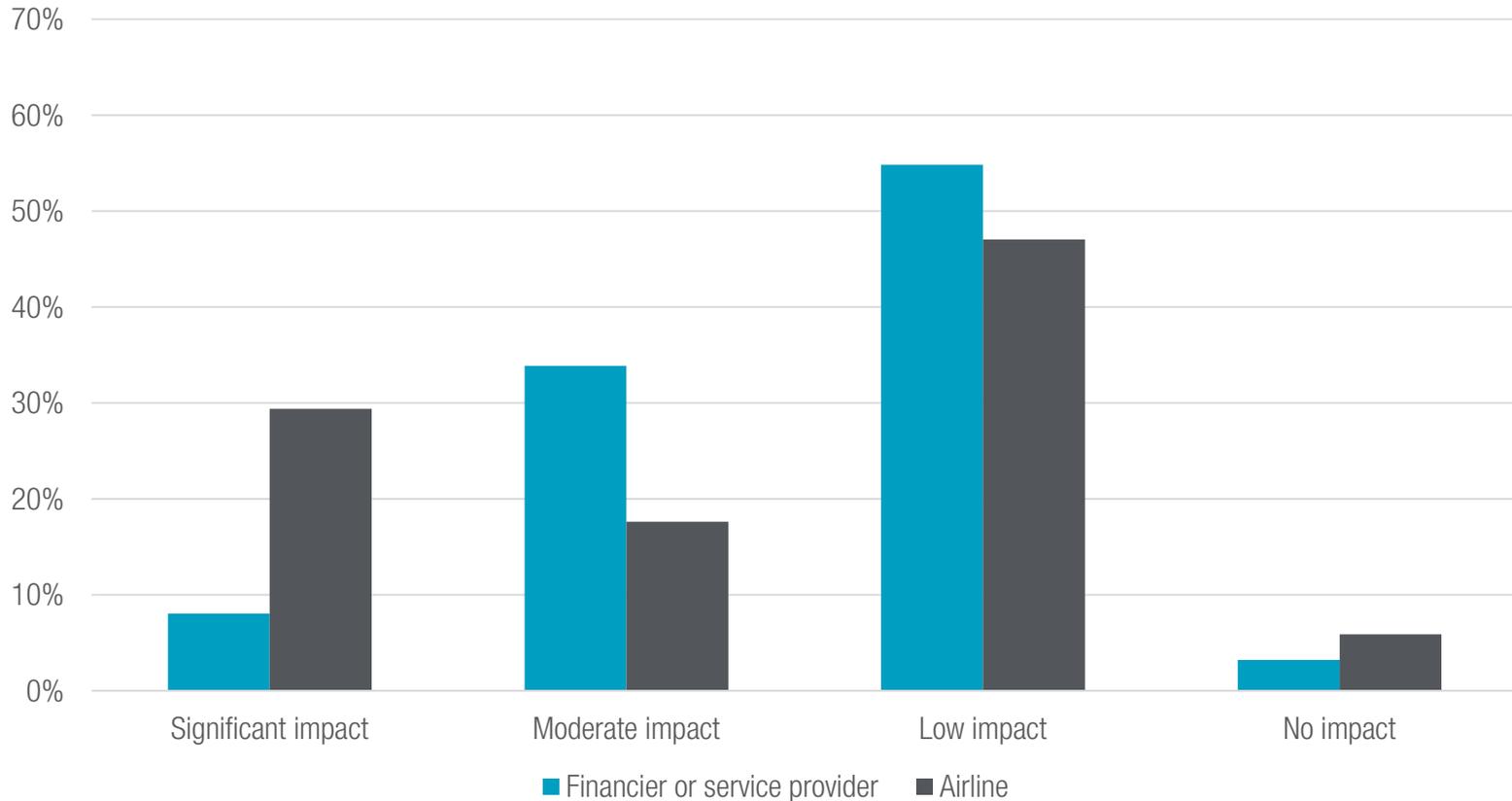
04 ENVIRONMENT

What impact will “flight shame” due to environmental reasons have on air travel growth?



04 ENVIRONMENT

What impact will environmental concerns have on the number of investors in the aviation industry?



05 OPEN QUESTION

What is, in your eyes, the main challenge the aviation industry will have to deal with in the years to come?

Overcapacity

Technical issues on new aircraft

Lack of demand

Environmental concerns

HR needs

Competition

Consolidation

Trade wars

Global economic downturn

Abundance of cheap capital

Geopolitics

Accelerated aircraft retirement



**ATOZ AVIATION
FINANCE**

ATOZ

01 WHAT WE DO

ATOZ Aviation Finance, based in Luxembourg, is specialized in all aviation finance related matters, including:

FINANCING SOLUTIONS

Structuring and sourcing of competitive funding, management of RFP processes and, as of 2020, new opportunities through own equity aircraft fund.

FLEET SOLUTIONS

Fleet planning, performance studies and contract negotiations for aircraft and engine purchases, sales and leasing.

STRATEGY SOLUTIONS

Mergers and acquisitions advisory, business-model reviews and profitability studies.

RISK MANAGEMENT SOLUTIONS

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

At **ATOZ Aviation Finance**, we put emphasis on gaining a deep understanding of our clients' needs and providing continuous guidance during the entire business process. From the ordering of aircraft until such aircraft leave the fleet, or for specific milestones within this cycle, our team understands how to make each project a success.

02 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



03 WHO WE ARE

- The **ATOZ Aviation Finance** team has seen and done it before, all through the aviation cycle. It has lived the airline world from the inside and knows what it takes to achieve long-lasting success. Clients can let themselves be guided by a proven team with professionals having held senior management positions at some of the world's major airlines, both commercial and business.
- Our experienced team, with a significant airline and aviation industry background, has a track record of successfully financing aviation assets of very large to smaller sizes through a wide variety of innovative and efficient structures for a diverse group of lender and investor profiles.
- The team knows how to prepare, place and manage large fleet orders. Clients will also benefit from the team's expertise when it comes to M&A activities and airline business modelling. Over the years, our team members have developed cash optimization tools and risk management strategies for fuel, currencies and interest rates in order to eliminate or significantly reduce financial risks within an airline.



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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 corporate implementation, corporate finance and transfer pricing services. In 2018, ATOZ has added the aviation finance business to its offer.

The ATOZ group has over 150 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.