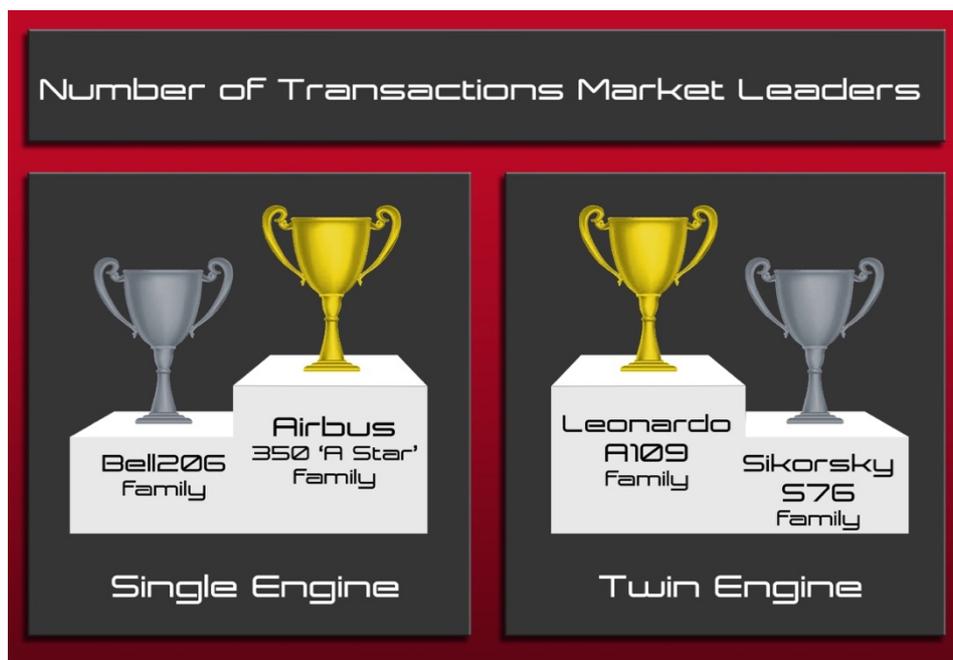
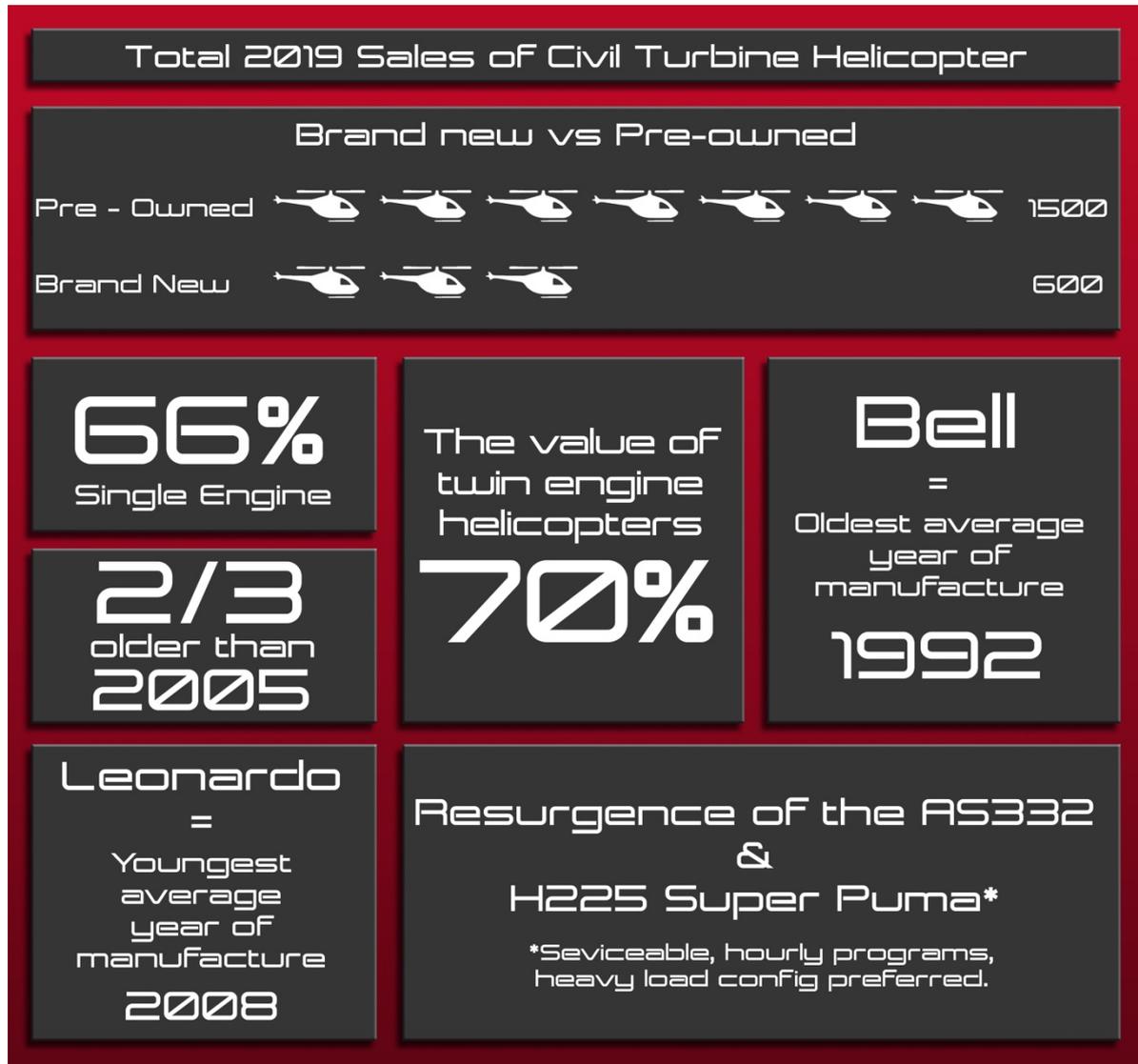




HAI 2020 - Rotortrade's take on the Pre-Owned Helicopter Market. Drivers and Tips for Buyers and Sellers.

As brand-new civil turbine helicopter sales are expected to remain under even greater pressure in the coming years, the pre-owned market is set to take center stage. Brand new civil turbine sales have gone down to approximately 600 deliveries per year while pre-owned sales have reached 1,500 units yearly. **The pre-owned market is now more than 2.5 times bigger than brand new.** It's no surprise OEMs are starting to pay attention as trade-in requests are becoming more and more standard.

Rotortrade takes a closer look at the Civil Pre-Owned Turbine helicopter market today:



Main Pre-Owned Market Drivers:

1. **Type:** Ultimately a function of brand-new sales popularity.
2. **Price:** In a buyer's market, price remains the primary factor.
3. **Maintainability:** While a helicopter life is theoretically unlimited, spares, experienced personnel and cost-effective MRO options may be limiting factors.
4. **Customization:** Ability to easily retrofit and reconfigure across operators and missions.
5. **Airworthiness Authority:** FAA or EASA registered helicopters with only FAA/EASA STC'd modifications are more easily exported and operated around the world.
6. **Age:** Age restrictions apply in certain countries and operational contracts, while maintenance and aircraft history may also be an issue.
7. **Life Cycle cost:** Projected maintenance costs and resale values.

Rotortrade recommendations for the Pre-Owned Market:

1. **Professionalization:** The pre-owned market has to professionalize and standardize to a higher quality and service standard.
2. **The market is king:** Only the market and its combination of buyers and sellers set expectations. Listening to the market is not optional.
3. **Mind your own business:** Whether you want to buy or sell, if this is not your primary business, contract a professional you can trust whose only business it is.
4. **Set expectations:** Pre-owned market fundamentals are similar to any market and you should define your priorities: sell quick or sell at a maximum (market) price, go public or stay private, continue to operate or focus only on selling, consider holding costs, cost of money, investing to support marketability... Likewise on the buy side: define your prerogatives (present & future) and consider the entire life cycle cost and adequacy of the helicopter to well defined needs.
5. **OEM support:** OEMs have to provide more (affordable) support options and a wider range of optional equipment and certified retrofits. More mid-life used parts rather than brand new parts to lower DMC.

About Rotortrade

Founded in 2012 in Singapore, Rotortrade is an independent helicopter dealer and sole global distributor of Leonardo's pre-owned helicopters. Its extensive network throughout the spectrum of the industry enables it to carry a broad fleet of aircraft from all major manufacturers. The company's comprehensive range of end-to-end services includes pre-purchase inspections & evaluations, maintenance & retrofit management and OEM Certified Pre-Owned warranty on selected airframes and engines. Led and privately owned by several industry veterans Rotortrade currently has offices in Kuala Lumpur, Los Angeles, Mexico City, Marseilles, Montreal, Paris, Singapore and Melbourne as well as partnerships with regional market leaders around the world.