

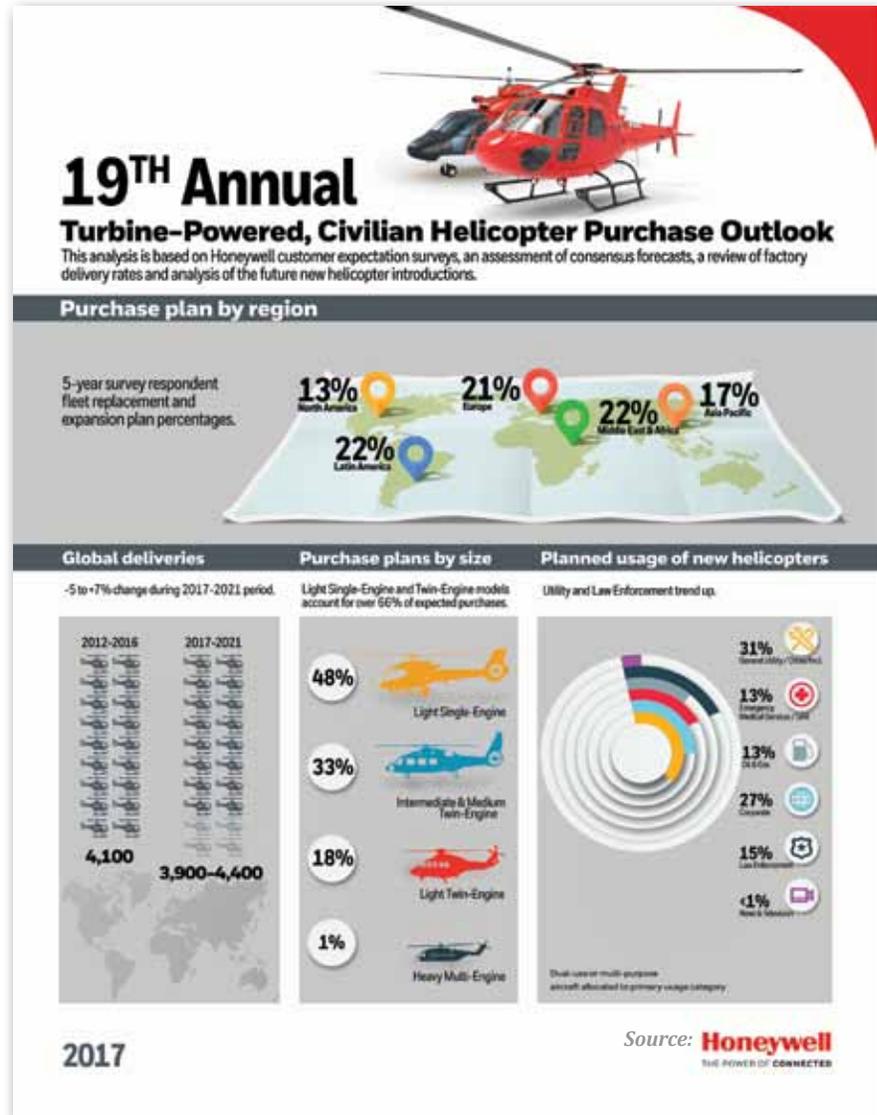
# Global helicopter 5 year forecasts

## A Cautious Outlook

Impacted by a slow global economic growth environment and volatility in oil and gas-related markets, the helicopter industry is reacting with a cautious outlook for near-term new purchases. In its 19th annual 'Turbine-Powered Civil Helicopter Purchase Outlook,' Honeywell forecasts 3,900 to 4,400 civilian-use helicopters will be delivered from 2017 to 2021, roughly 400 helicopters lower than the 2016 five-year forecast. "The current global economic situation is causing fleet managers to evaluate new helicopter purchases closely, and that is why we are seeing a more cautious five-year demand projection compared with previous years," stated Ben Driggs, President, Americas, Honeywell Aerospace. "Even in a slow growth environment, Honeywell is well-positioned to help operators keep current fleets lasting longer with aftermarket upgrades and repairs."

The survey showed new purchase-plan rates were lower for the next five years, for all regions, leading to a more cautious near-term outlook. When considering a new purchase, operators' results mirrored those from last year, with make and model choices for their new aircraft most strongly influenced by range, cabin size, performance, technology upgrades and brand experience. Helicopter fleet utilisation in the past 12 months generally increased compared with last year. Over the next 12 months, usage rates are expected to improve significantly in North America and Latin America, but at a reduced rate in Europe.

**Latin America:** The 2017 results show lower fleet replacement and growth expectations compared with 2016 results. Still above the world average, the purchase plans have declined more than 13 percent compared with the prior year. Latin America led all global regions in the rate of new aircraft purchase plans, but is down year over year and impacted by weak economic performance in Brazil and Venezuela. Latin American respondents currently favour light single-engine models, representing almost 60 percent of their planned acquisitions, followed by intermediate and medium twin-engine platforms.



**Middle East and Africa:** The region has the second-highest new purchase rate among the regions, with up to 22 percent of respondent fleets slated for turnover with a new helicopter replacement or addition. However, purchase plans are 8 percent lower compared with 2016 survey results. Close to 80 percent of planned new helicopter purchases are intermediate and medium twin-engine models. Light single-engine models are the second-highest-mentioned platform in the survey by operators.

**North America:** Purchase expectations fell by more than 2 percent in this year's survey. The purchase plans are down for a second year since 2015. More than 75 percent of planned North American purchases were identified as light single-engine models, while just under 13 percent of new purchases were slated as intermediate or medium twin-engine models. North American purchase plans are a significant component of the overall 2017 survey demand, as the region represents more than 40 percent of the current world fleet.