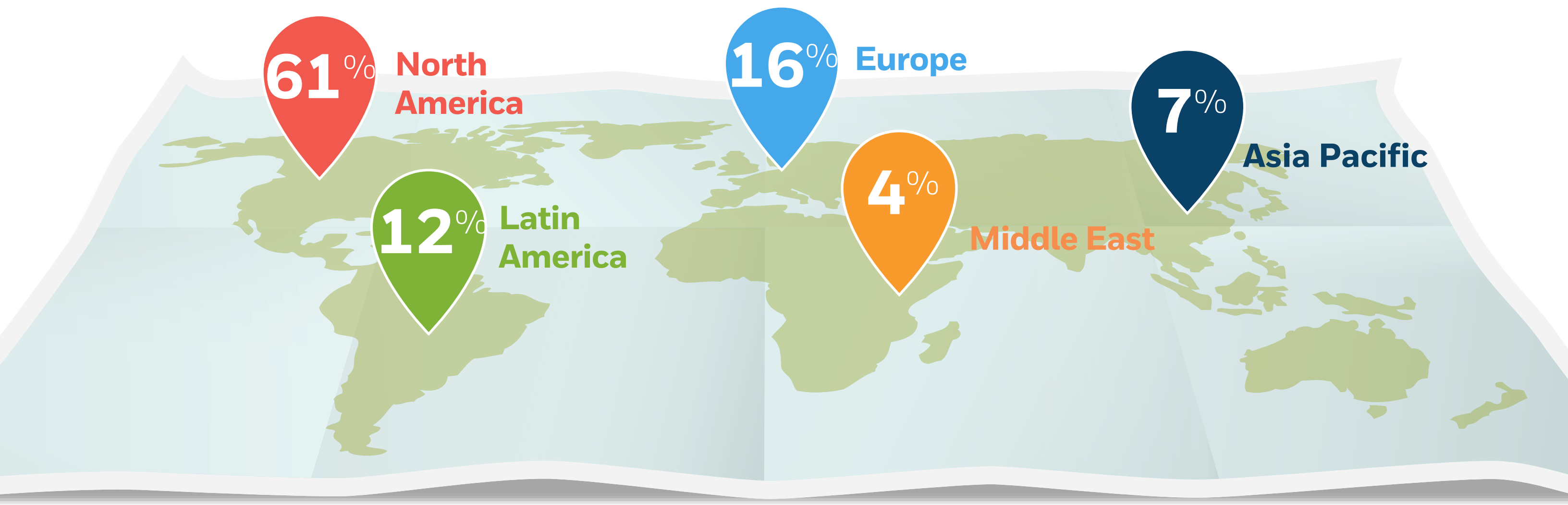
Honeywell

THE POWER OF **CONNECTED**

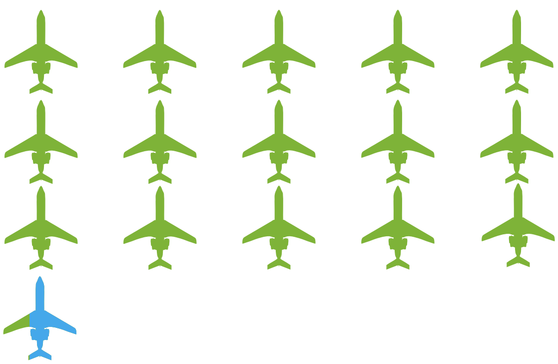
AVIATION OUTLOOK

Global purchase plans are higher; larger jets still command largest share of demand.

REGIONAL OUTLOOK



AIRCRAFT DELIVERIES

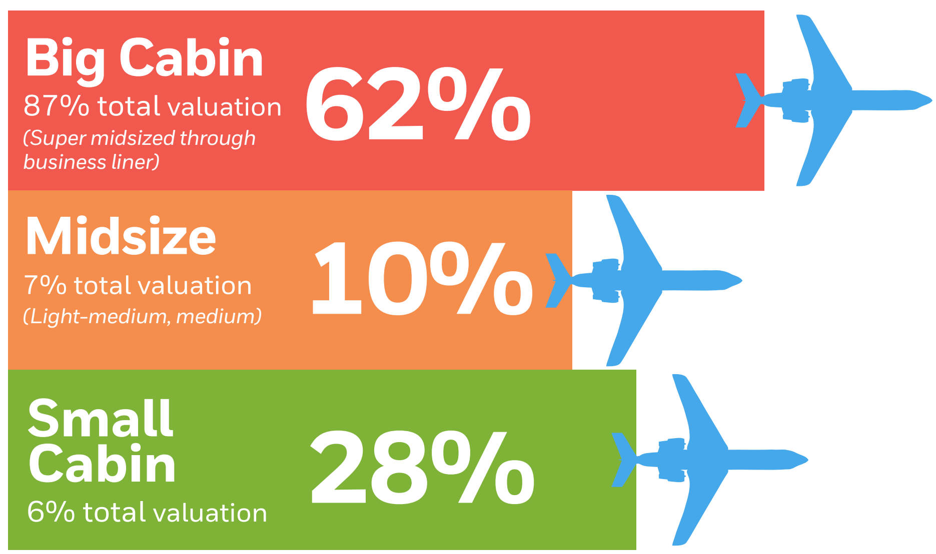


7,700 aircraft projected through 2028

Worth $251 billion valuation

630–640 projected 2018 deliveries

PURCHASE PLANS BY AIRCRAFT CLASS



> **"We expect 8% to 10% higher delivery level in 2019 as the industry transitions to new models in a better used aircraft market environment."**
>
> Bill Kircos, Vice President, Global Marketing at Honeywell Aerospace

SURVEY HIGHLIGHTS

62%	20%	1%	14%	61%
of new purchase plans will be large cabin jets	of survey fleet replaced or added to new jets within the next 5 years	increase from 2017 in value of forecasted deliveries	of planned purchases to be completed by close of 2018-2019.	of worldwide sales originate in North America

REGIONAL SPOTLIGHT

EUROPE:

Significant increase in European purchase plans, but only 10% for the short term impacted by Brexit negotiations and slow economic growth in EU.

10% of new purchases planned by end of 2019

33% of fleets planned for replacement with new jet in next 5 years

ASIA:

Lowest purchase plans in 5 years impacted by exchange rates and geopolitics.

15% of new purchases planned by end of 2019

12% of fleets planned for replacement with new jet in next 5 years

INDUSTRY

BRAND EXPERIENCE IS THE MOST IMPORTANT FACTOR IN THE NEXT PURCHASE.

Operator needs

Continuing focus on large cabin jets with:

Modern high tech avionics

Faster cruise Mach .85

Extended range in every class

Young pre-owned inventory in-line with pre-financial crisis

Average asking price for all jets stable year over year

Operator concerns

Lower fuel burn

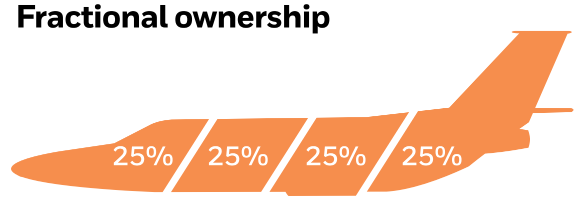
Cabin Amenities

Comfort, productivity

Maintenance Costs

Aircraft support, reliability, maintainability

Fractional ownership



Expected to represent 8-10% of total unit deliveries over the next 5 years

Find out more about Honeywell Business Aviation at aerospace.honeywell.com

N59-0930-000-001 | 10/18