



# Commercial Aircraft Finance Market Outlook 2023

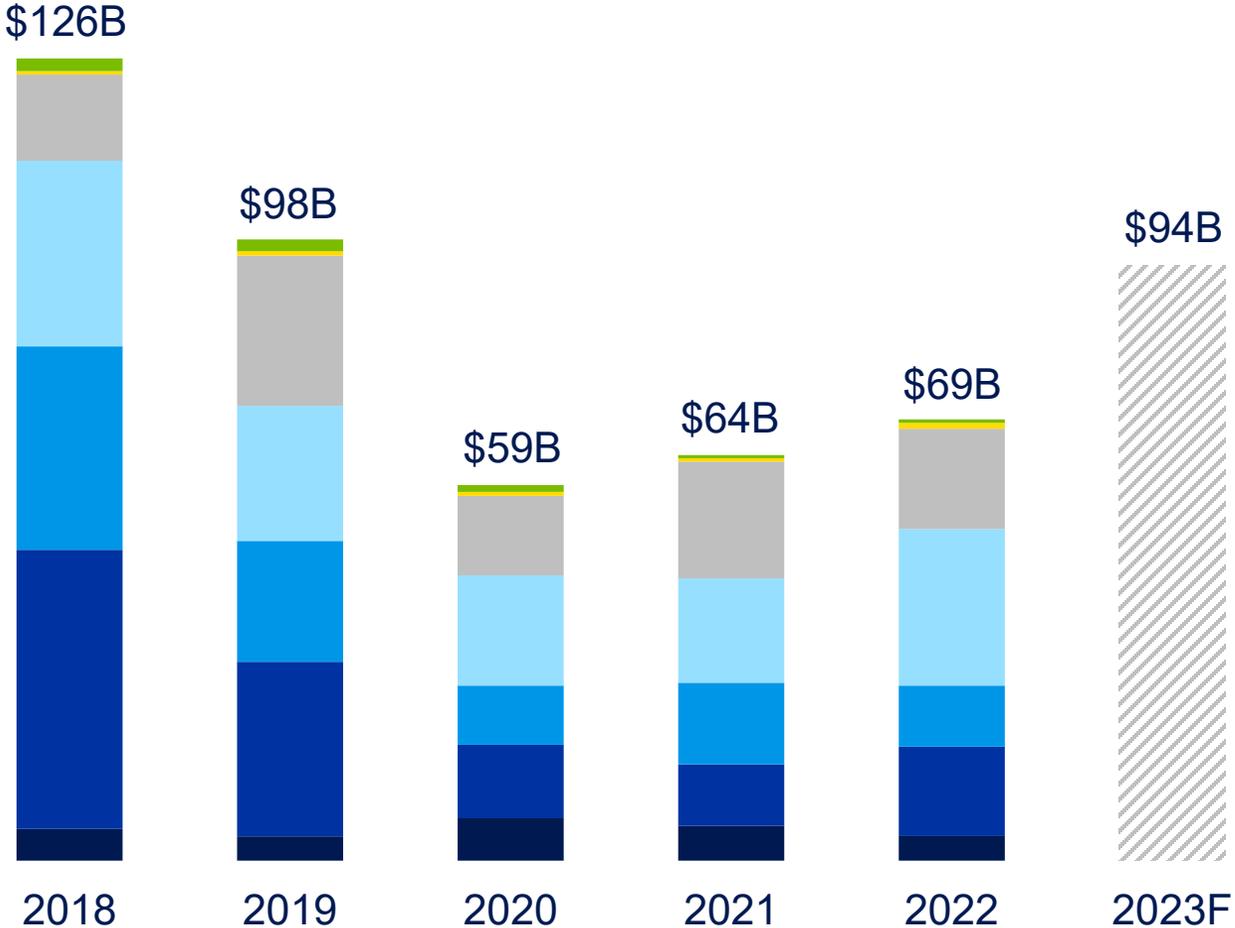
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Certain statements in this presentation may be “forward-looking” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “may,” “should,” “expects,” “intends,” “projects,” “plans,” “believes,” “estimates,” “targets,” “anticipates” and similar expressions generally identify these forward-looking statements. Examples of forward-looking statements include statements relating to our future plans, business prospects, financial condition and operating results, as well as any other statement that does not directly relate to any historical or current fact. Forward-looking statements are based on expectations and assumptions that we believe to be reasonable when made, but that may not prove to be accurate. These statements are not guarantees and are subject to risks, uncertainties and changes in circumstances that are difficult to predict.

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# Industry Delivery Funding

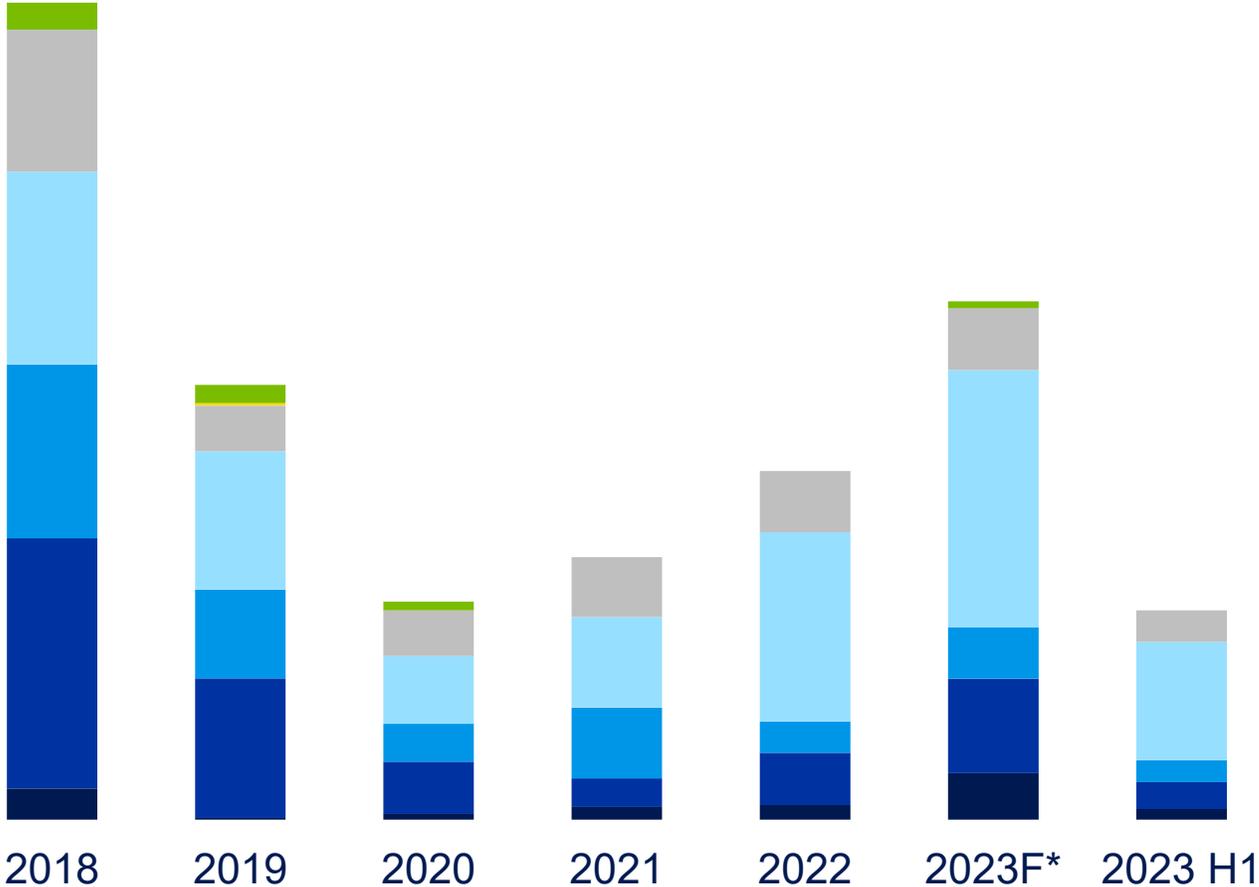
- Credit enhanced
- Manufacturer
- Sale leaseback
- Cash
- Capital markets
- Bank debt
- Export credit
- ▨ Forecast



Source: Boeing analysis as of February 2023. Includes Boeing, Airbus, Embraer, and ARJ, C919, MRJ, MC-21, Q400 and SSJ.

# Boeing Delivery Funding

- Credit enhanced
- Manufacturer
- Sale leaseback
- Cash
- Capital markets
- Bank debt
- Export credit



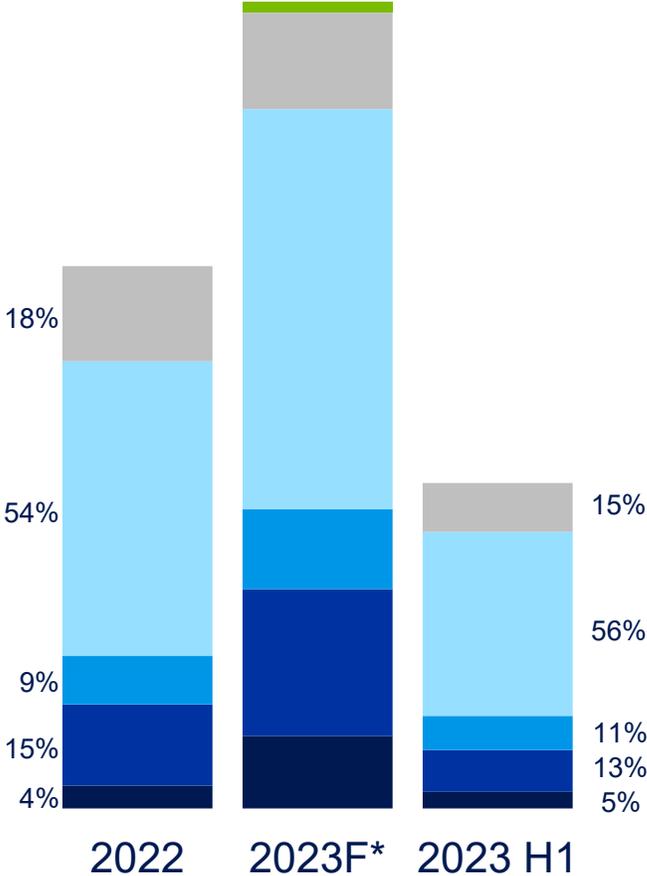
Source: Boeing analysis as of August 2023

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\*Not to scale

# Boeing Delivery Funding Forecast

- Credit enhanced
- Manufacturer
- Sale leaseback
- Cash
- Capital markets
- Bank debt
- Export credit



## 2023 Forecast:

Cash will play significant part in delivery financing

Bank debt and export credit growth correlated to international and widebody deliveries

Capital markets expected uplift on prior year

Lessor-supported deliveries to remain stable

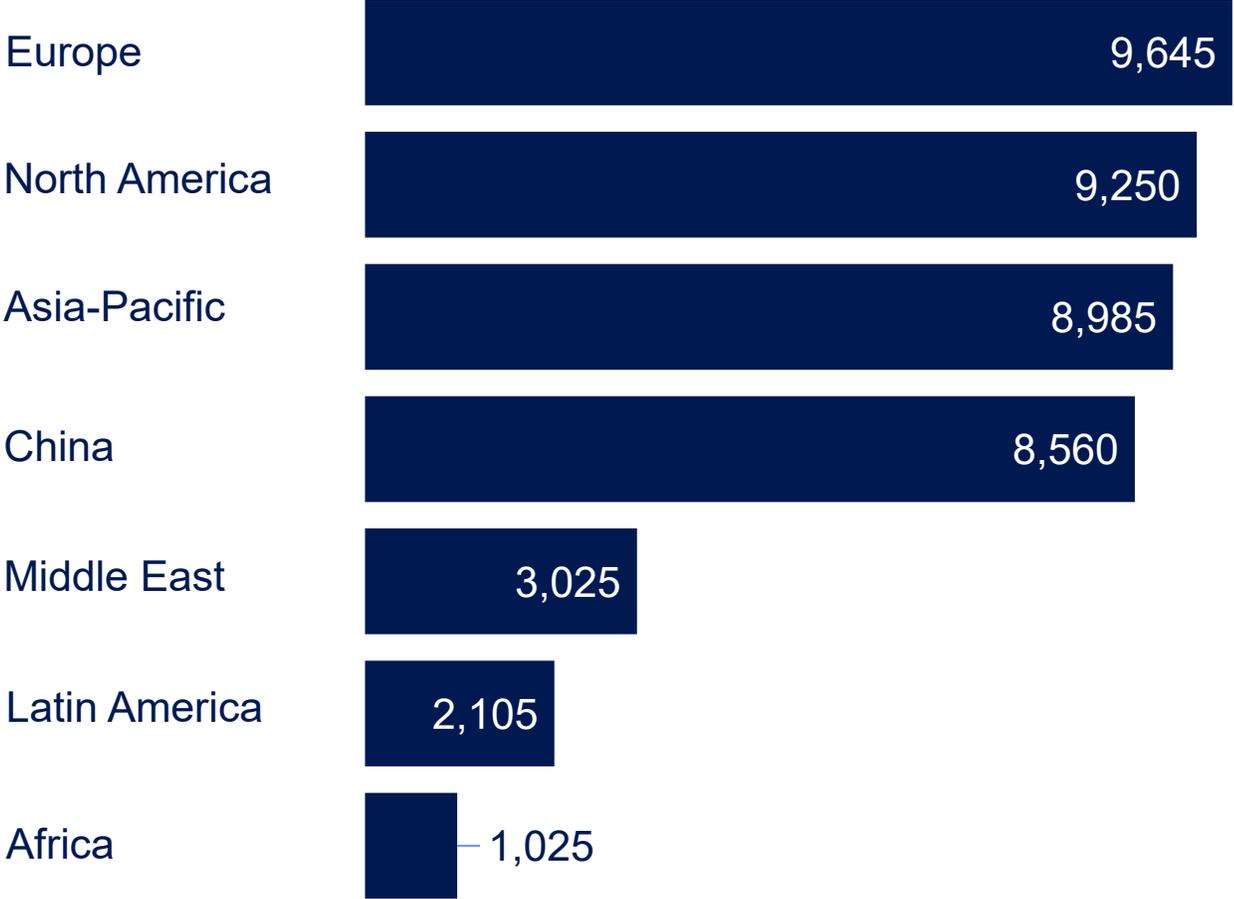
Source: Boeing analysis as of August 2023

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\*Not to scale

# Boeing Future Funding Horizon 2042

Deliveries of All  
Aircraft Types  
Incl. Regional  
and Freighters



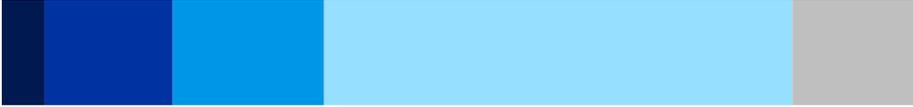
Source: Boeing analysis  
as of August 2023

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# Boeing Delivery Funding Distribution 2023 H1



North America



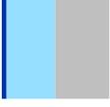
Europe



Asia-Pacific



Middle East



China



Latin America



Africa

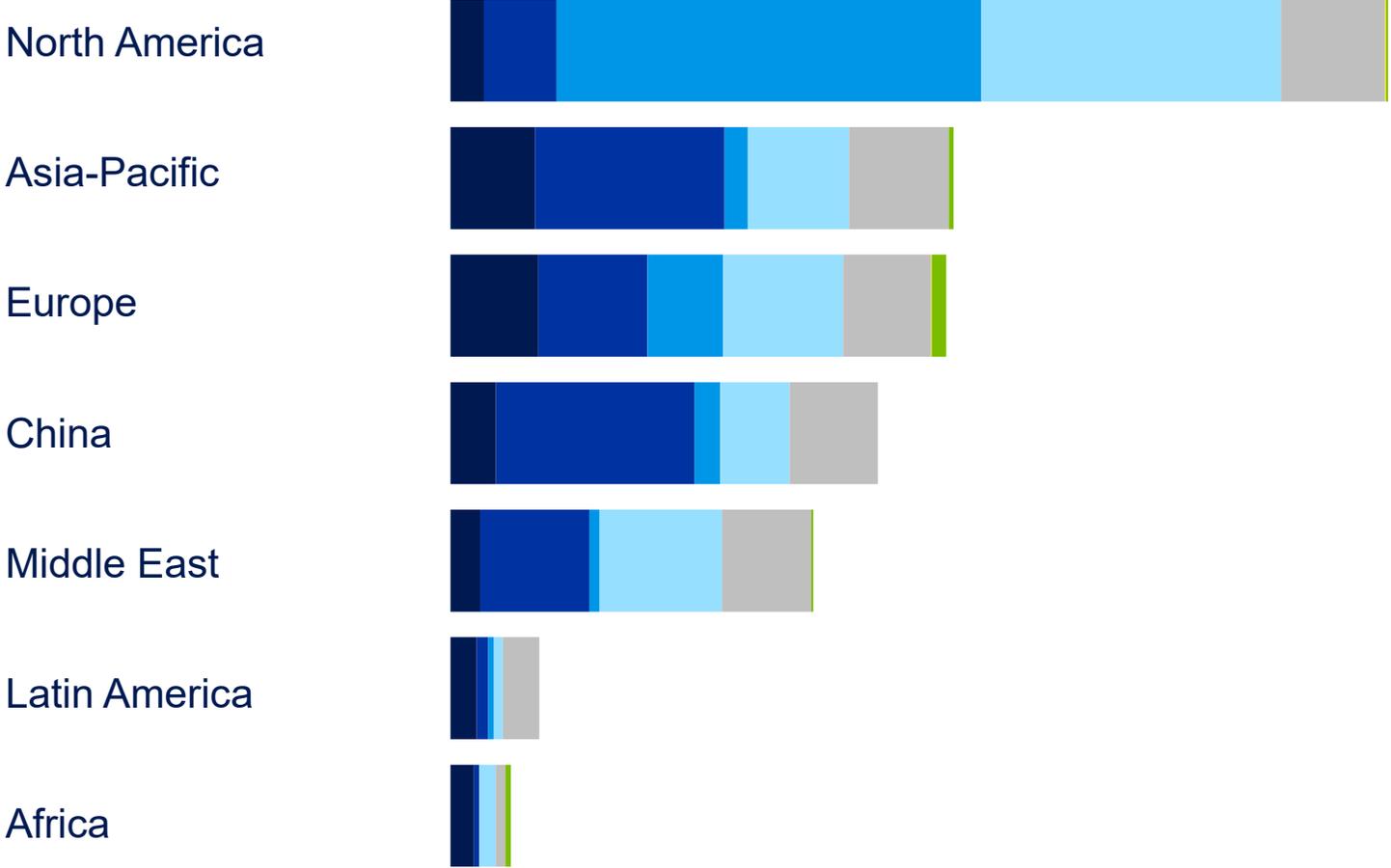


Source: Boeing analysis  
as of August 2023

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# Boeing Delivery Funding Distribution 2009-2022

- Credit enhanced
- Manufacturer
- Sale leaseback
- Cash
- Capital markets
- Bank debt
- Export credit



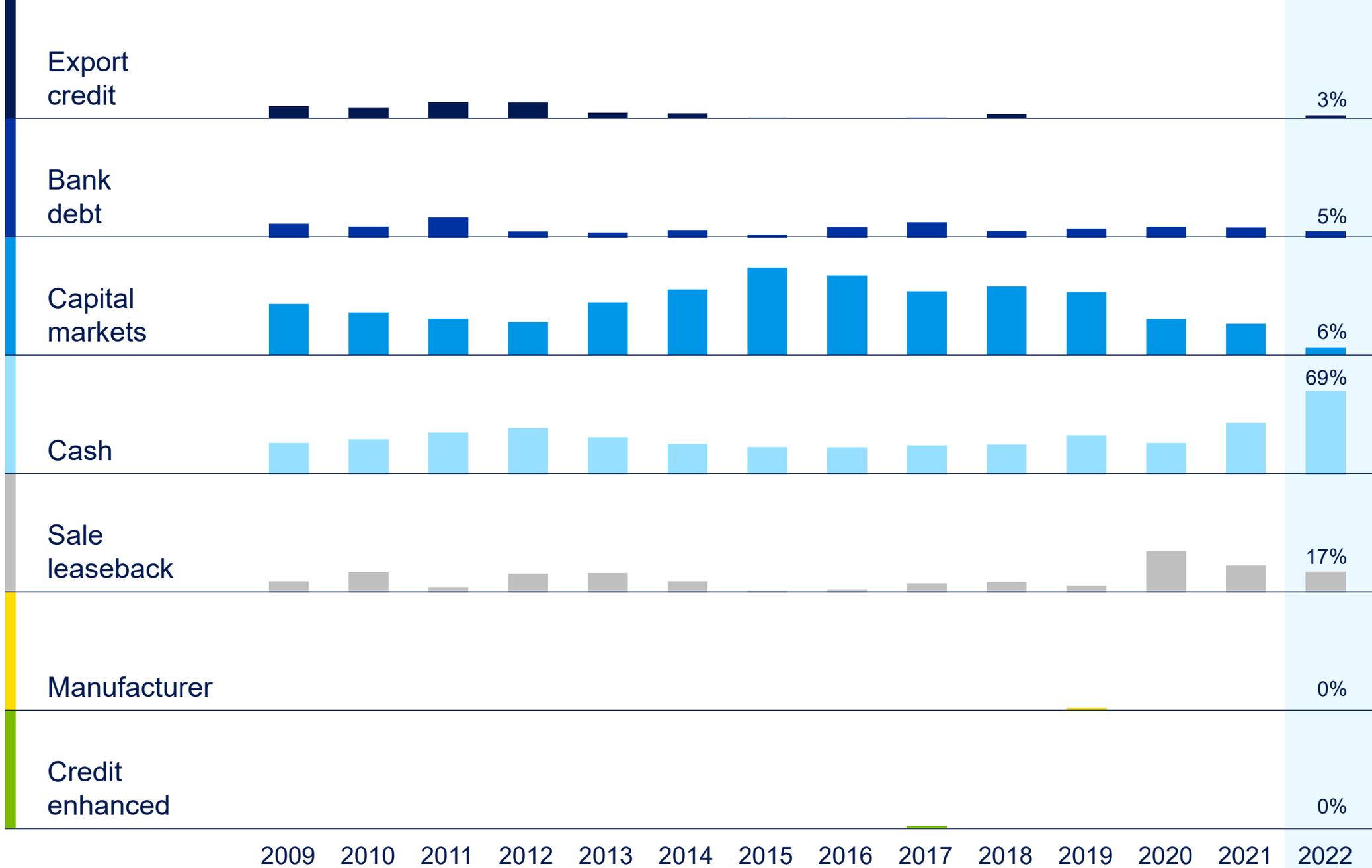
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# North America

Boeing delivery funding

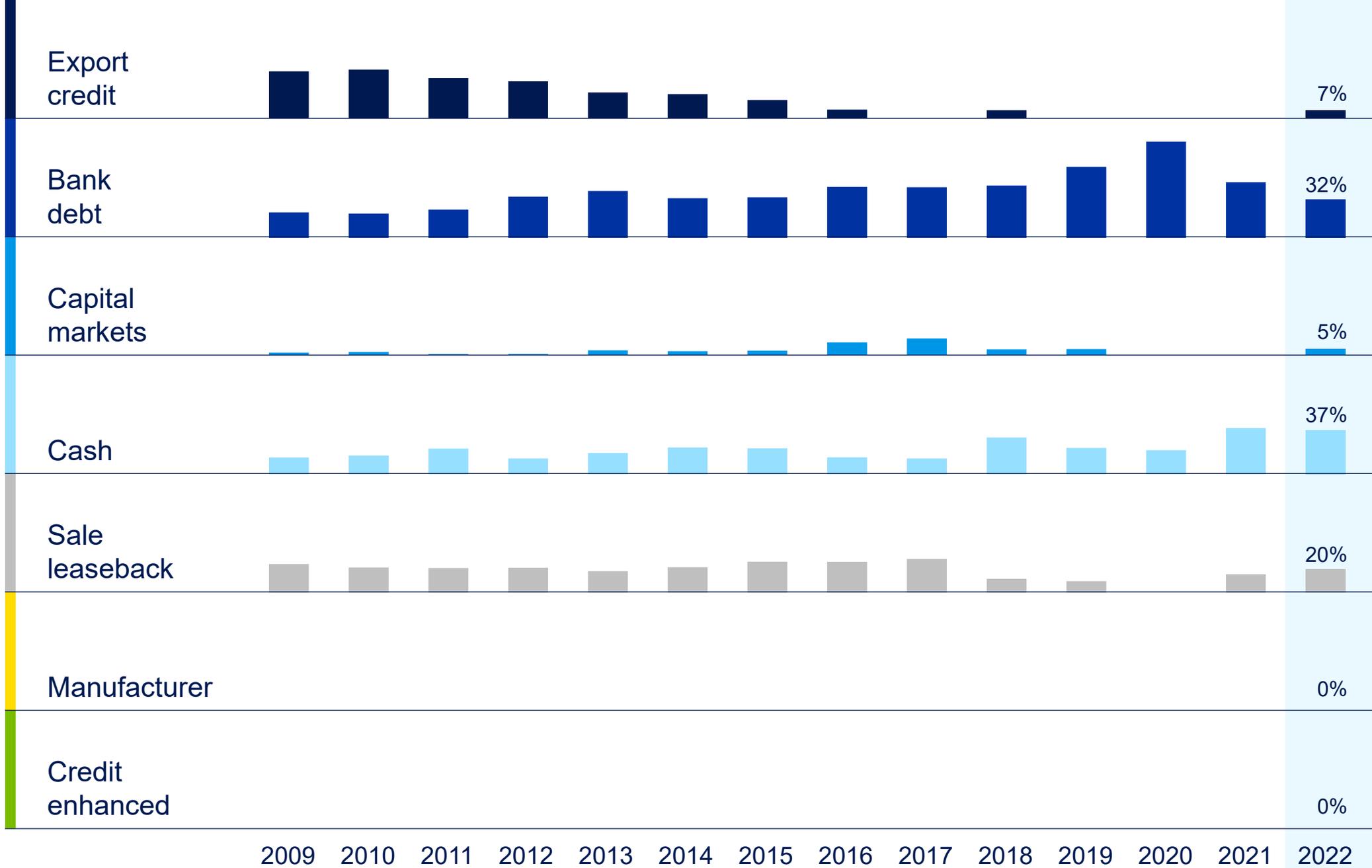


Source: Boeing analysis as of February 2023



# Asia Pacific

Boeing delivery funding



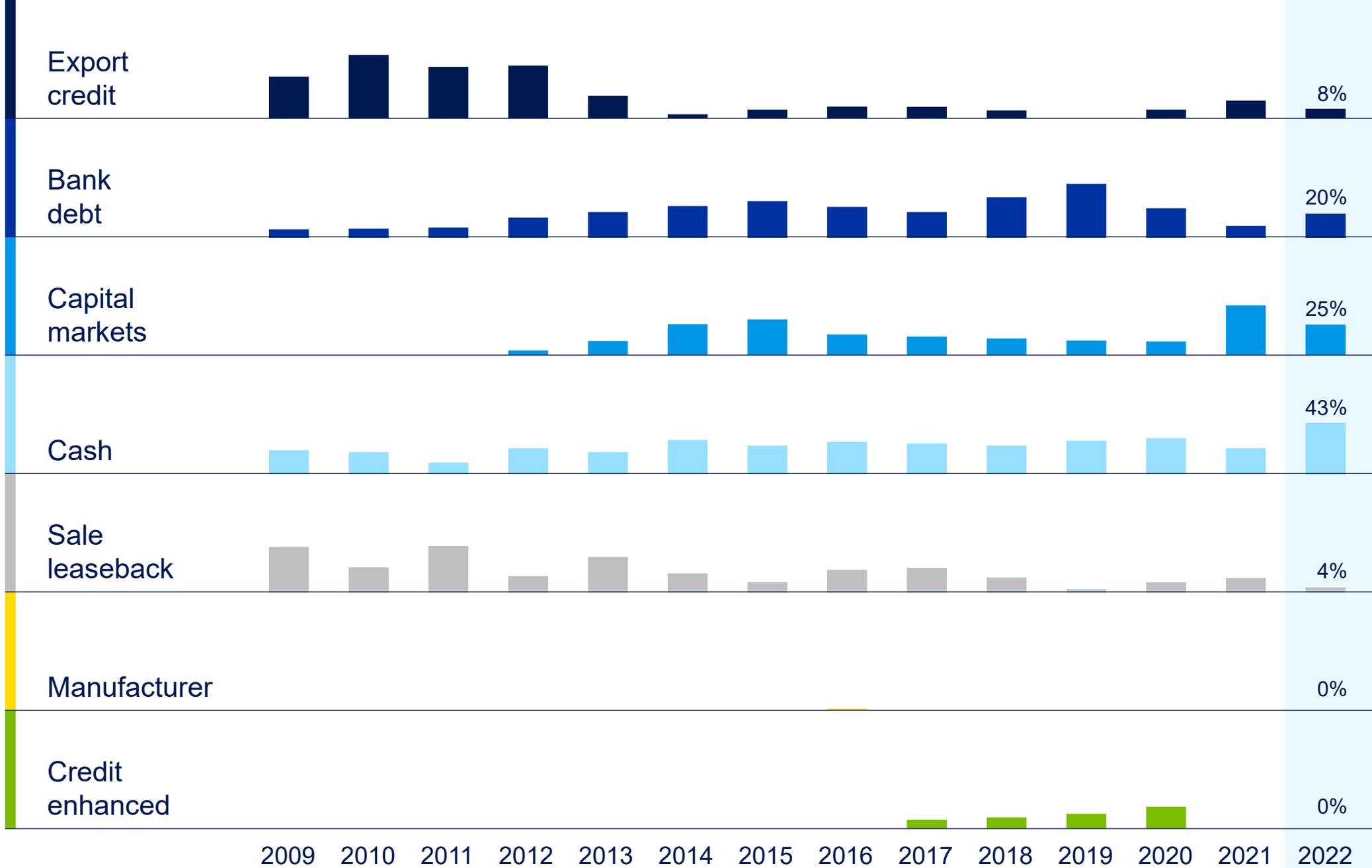
Source: Boeing analysis as of February 2023

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# Europe

Boeing delivery  
funding



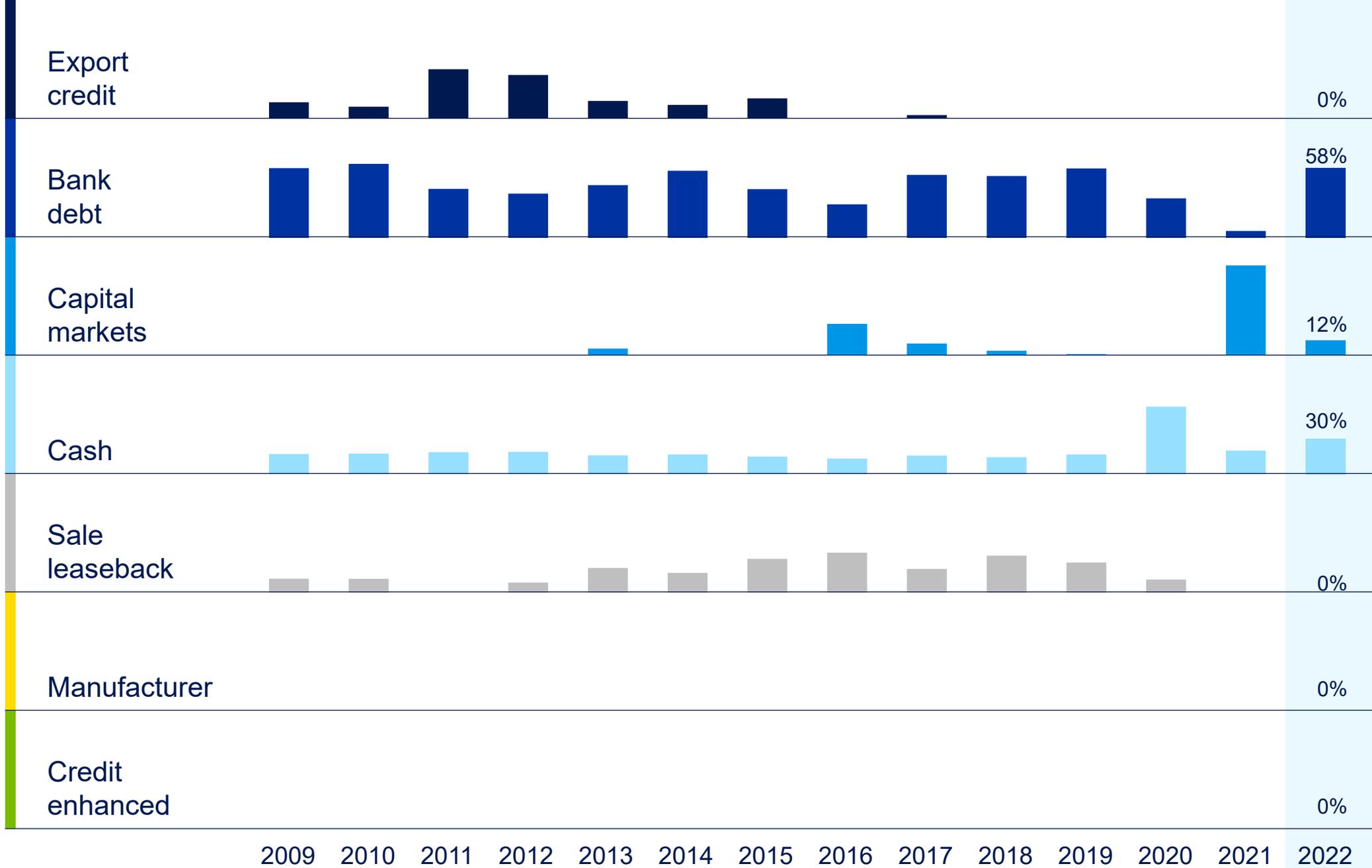
Source: Boeing analysis  
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# China

Boeing delivery  
funding



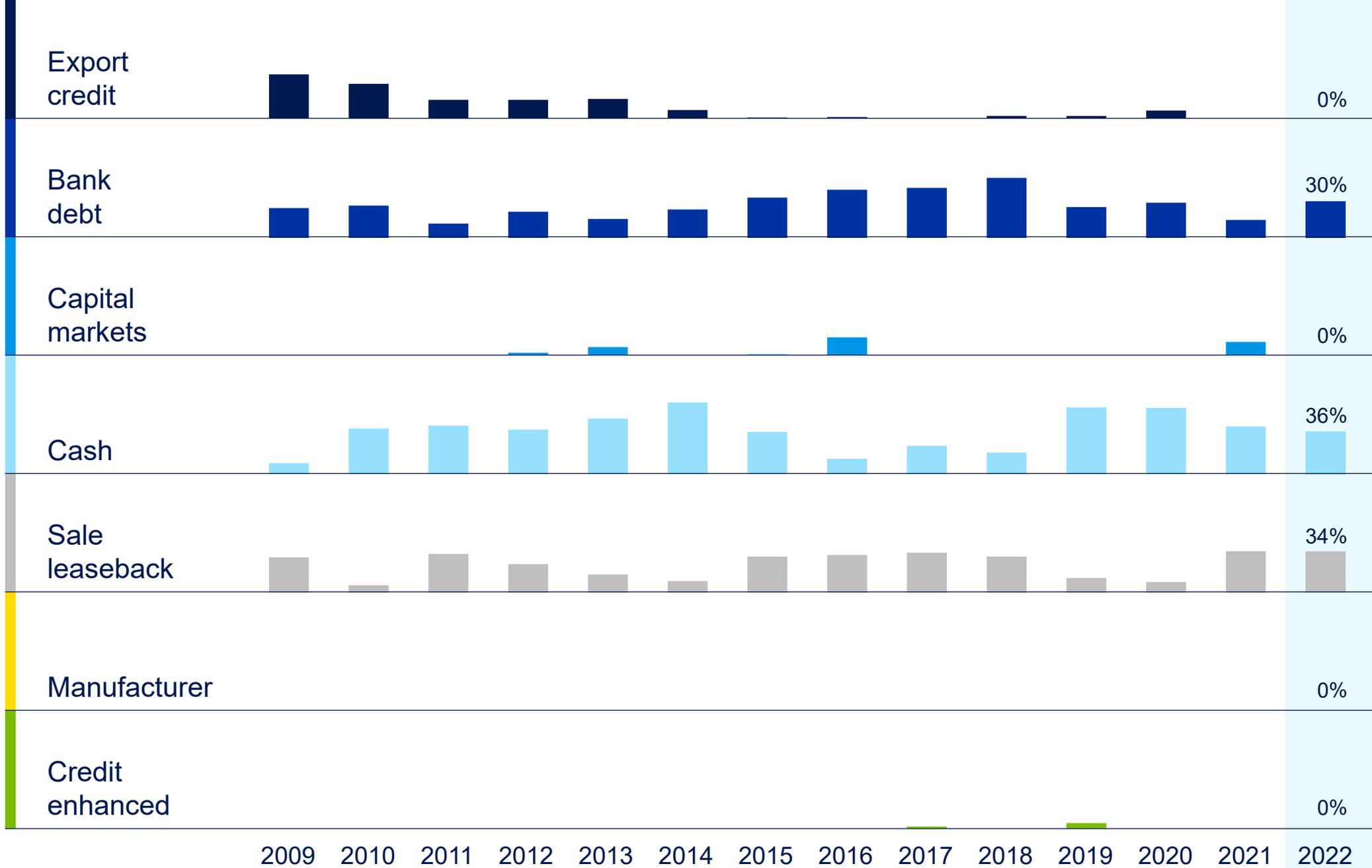
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# Middle East

Boeing delivery funding



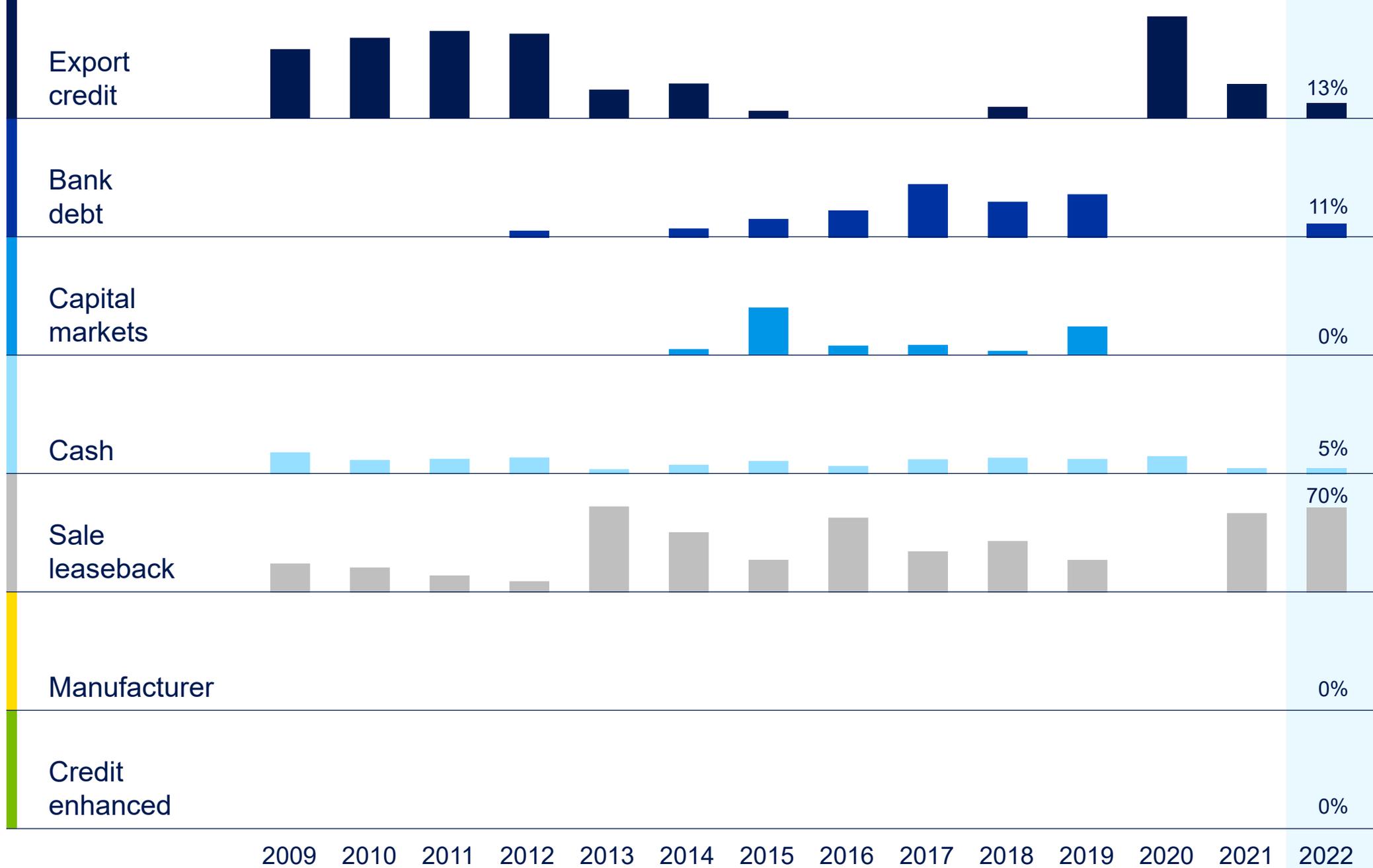
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# Latin America

Boeing delivery funding



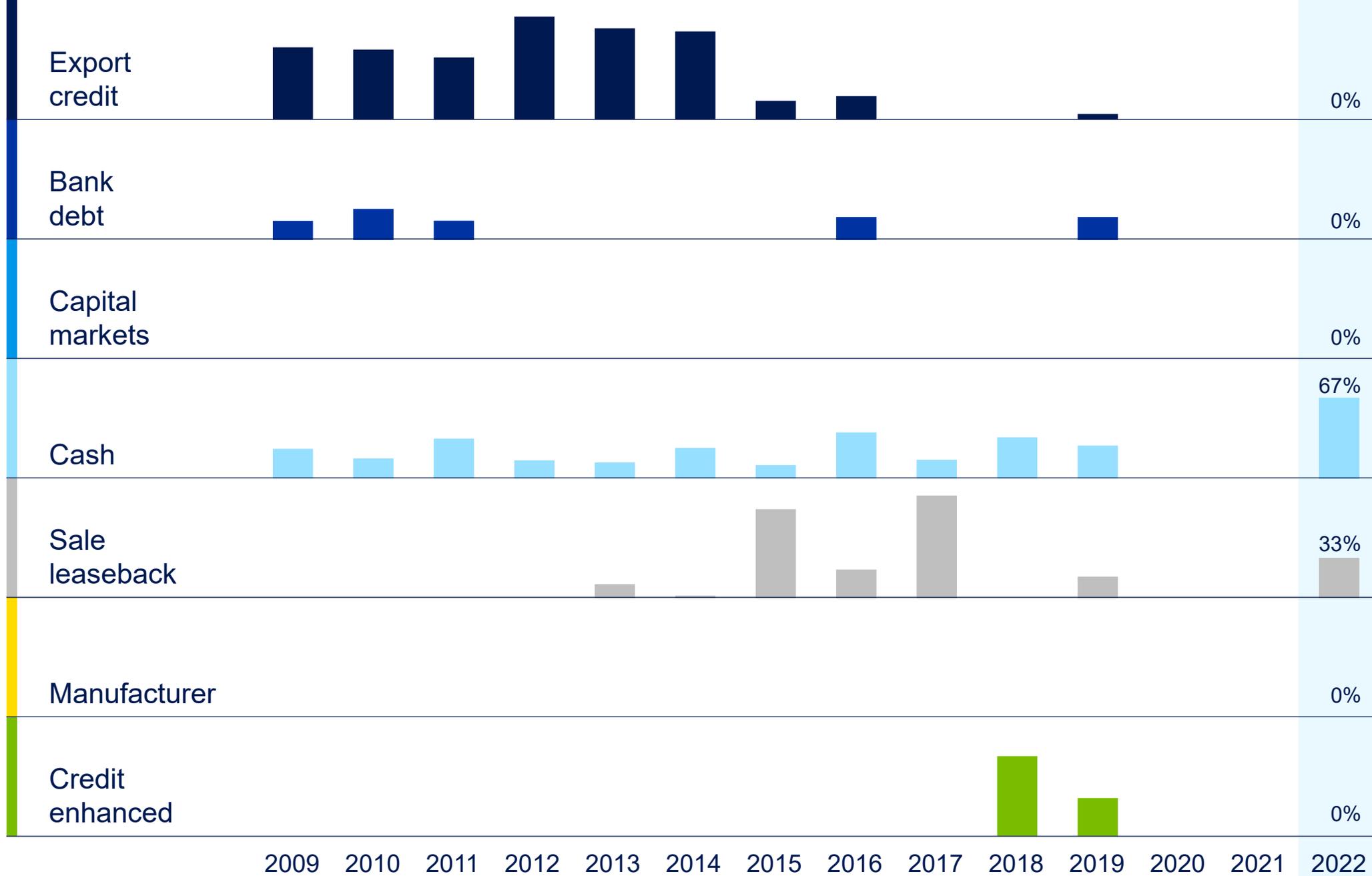
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# Africa

Boeing delivery funding

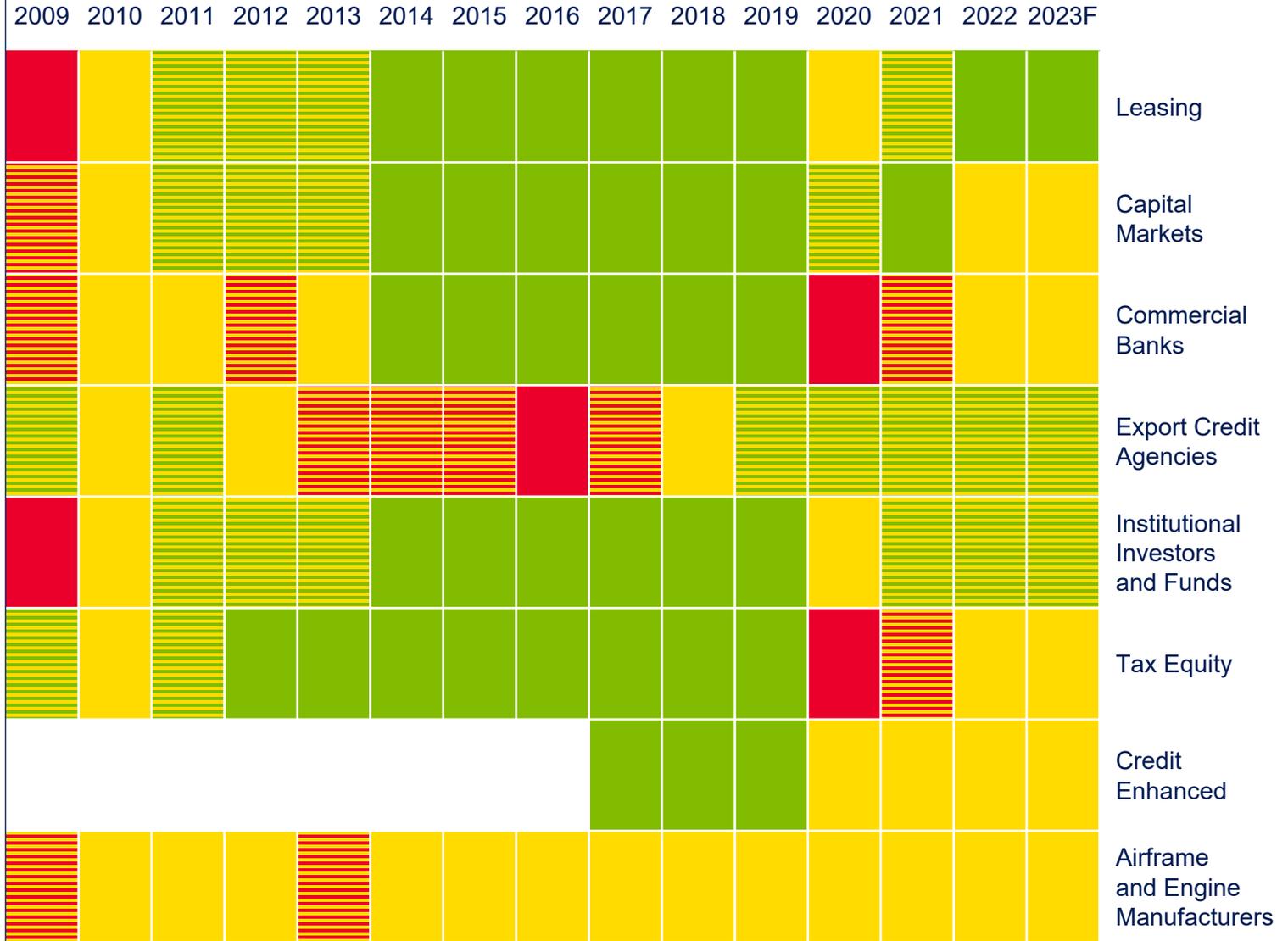


Source: Boeing analysis as of February 2023

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# Aircraft Financing Environment

- Satisfactory
- Cautionary
- Major concern



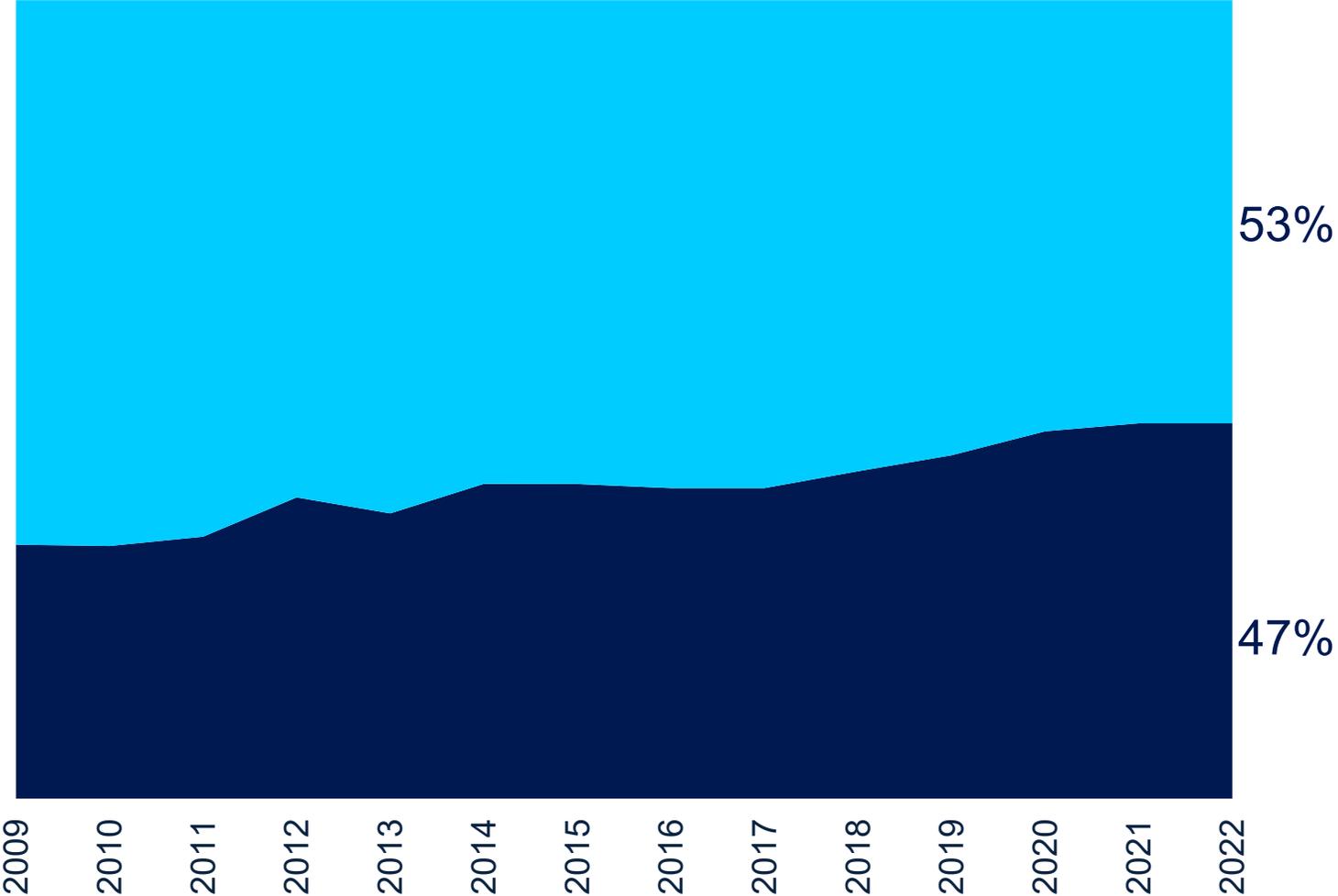
Source: Boeing analysis as of August 2023

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# Leasing

Industrywide Fleet  
(In-Service  
and Parked)

- Owned
- Leased

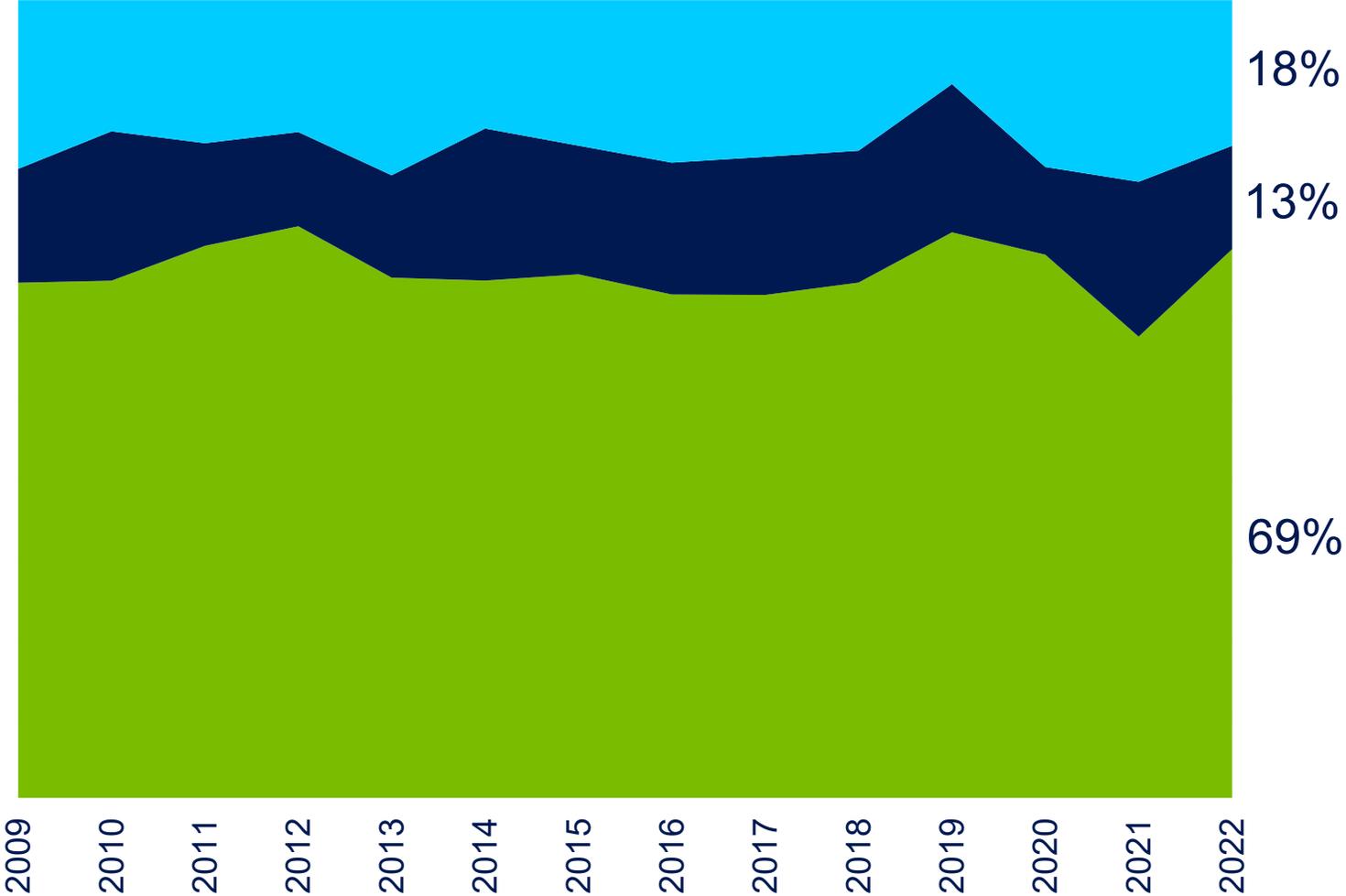


Source: Cirium, Boeing analysis as of February 2023. Includes parked and in-service regional, single-aisle, widebody, and cargo aircraft

# Leasing

Sale leaseback vs.  
Lessor direct purchase  
vs Airline purchase  
for Boeing Deliveries

- Sale leaseback
- Lessor direct buy
- Airline



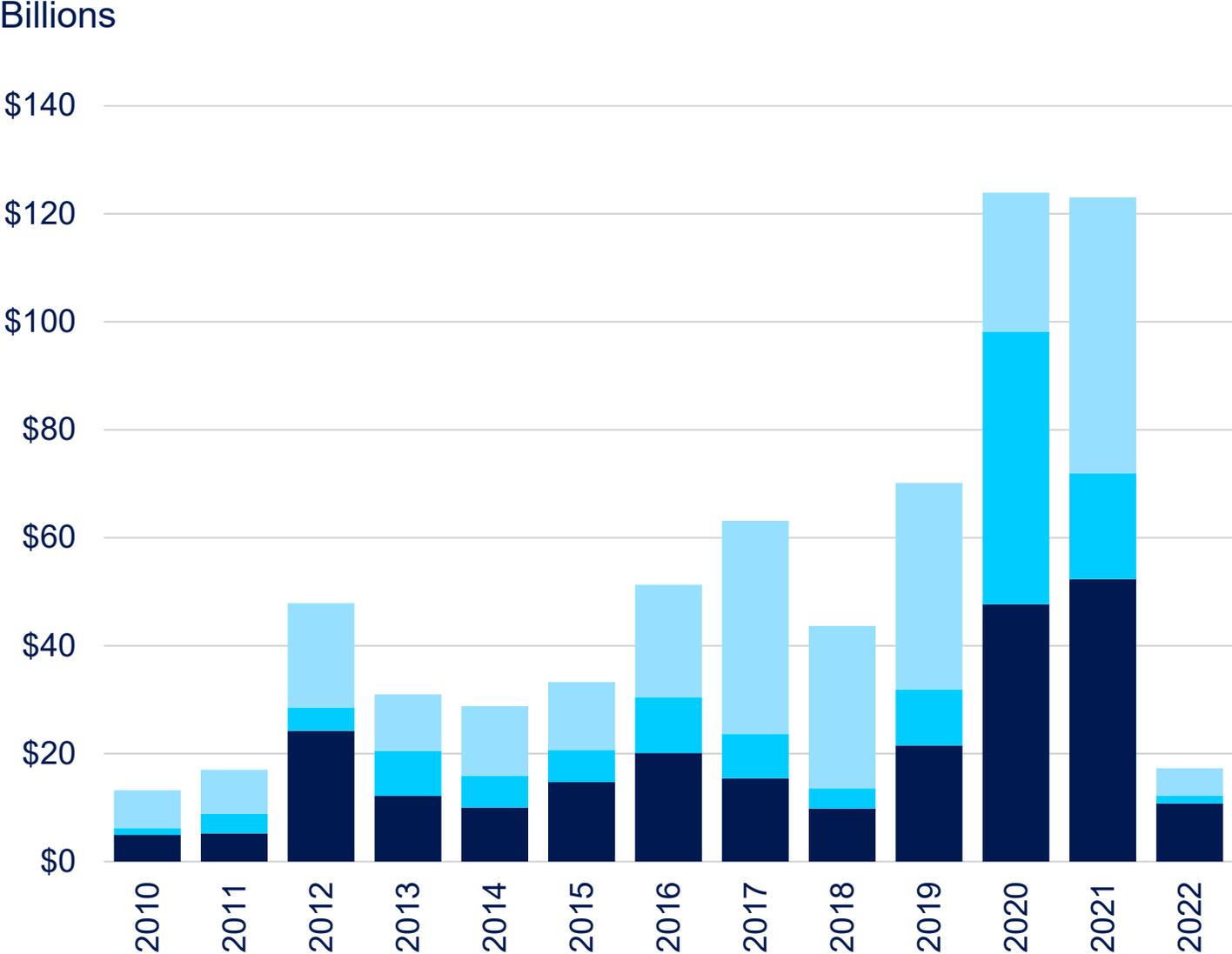
Source: Boeing analysis  
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# Capital Markets

Volume by Issuer

- Lessor
- U.S Airlines
- Non-U.S. Airlines



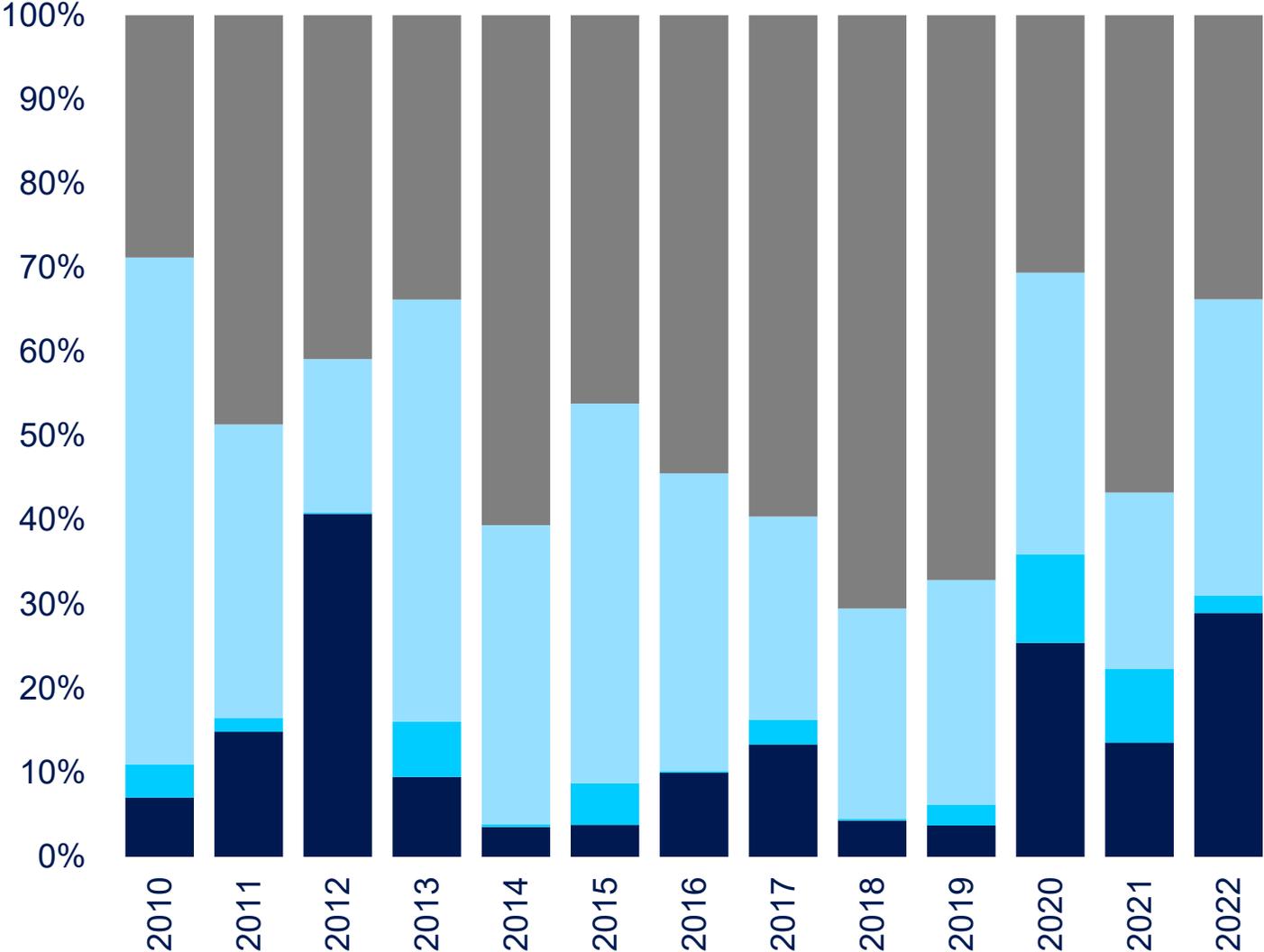
Source: Airfinance Journal, Boeing analysis as of February 2023

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# Capital Markets

Issuance Mix

- Unsecured debt
- Secured debt
- Convertible/  
equity linked
- Equity



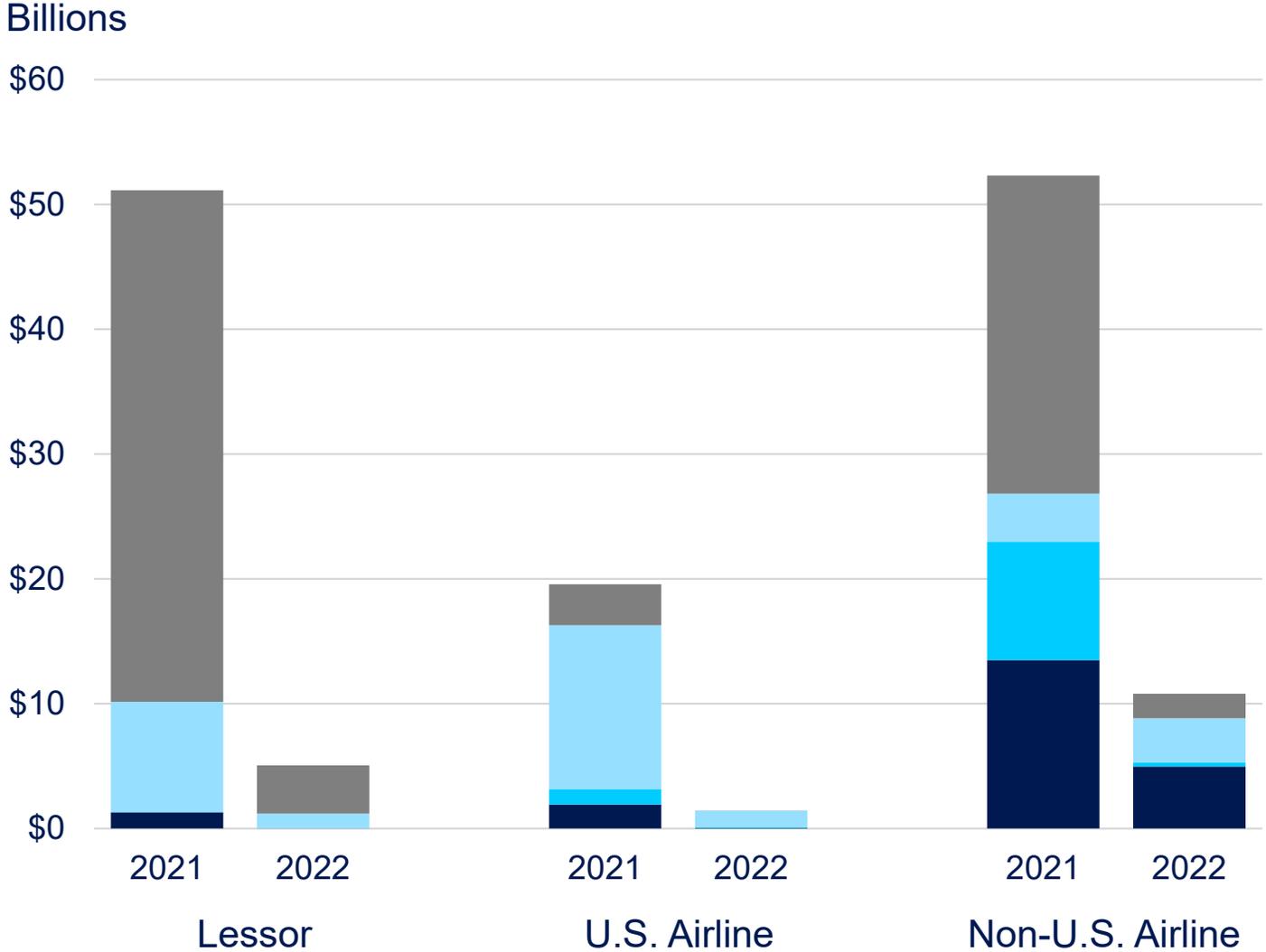
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# Capital Markets

Volume by Issuance Type

- Unsecured debt
- Secured debt
- Convertible/  
equity linked
- Equity

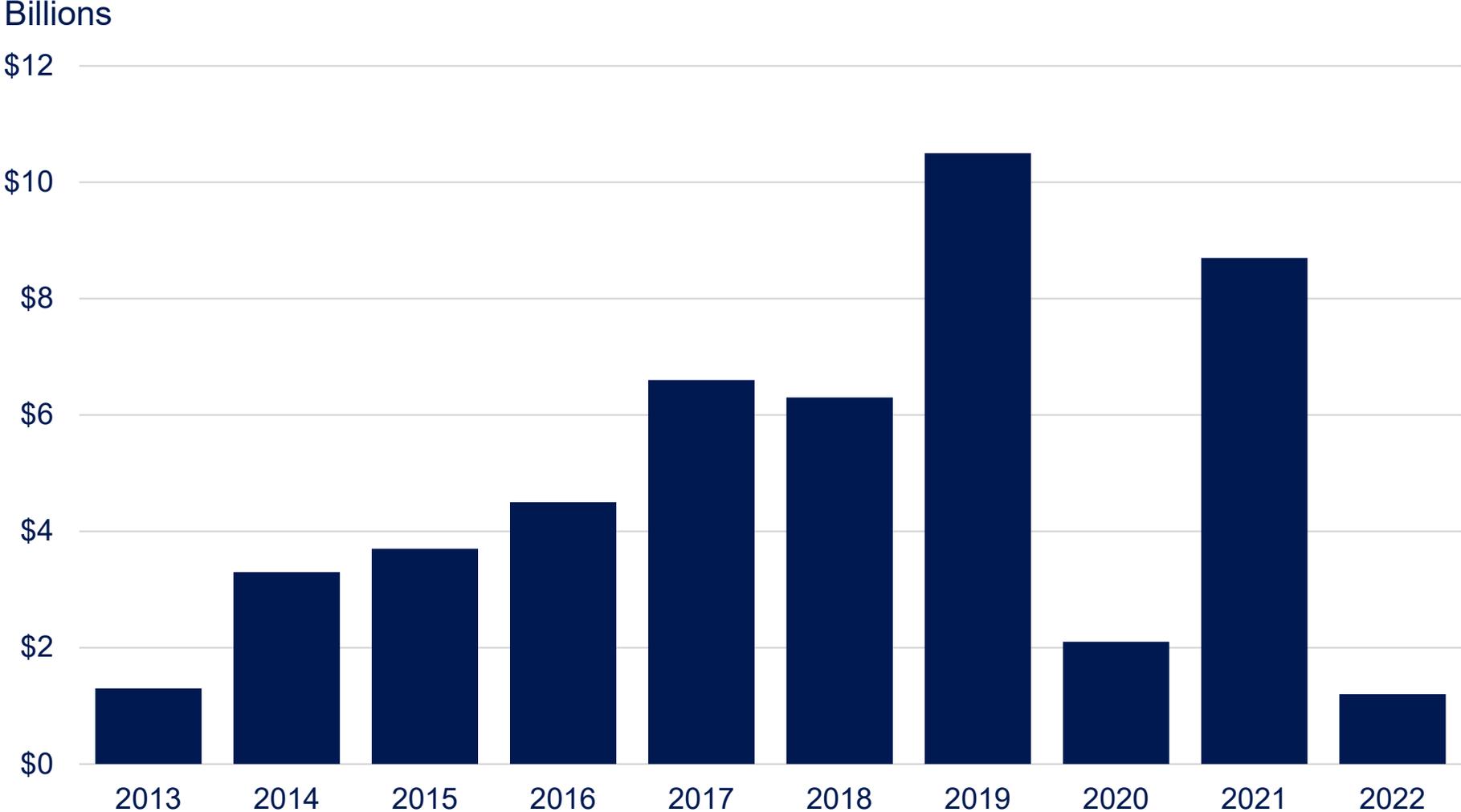


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# Capital Markets

ABS Volumes

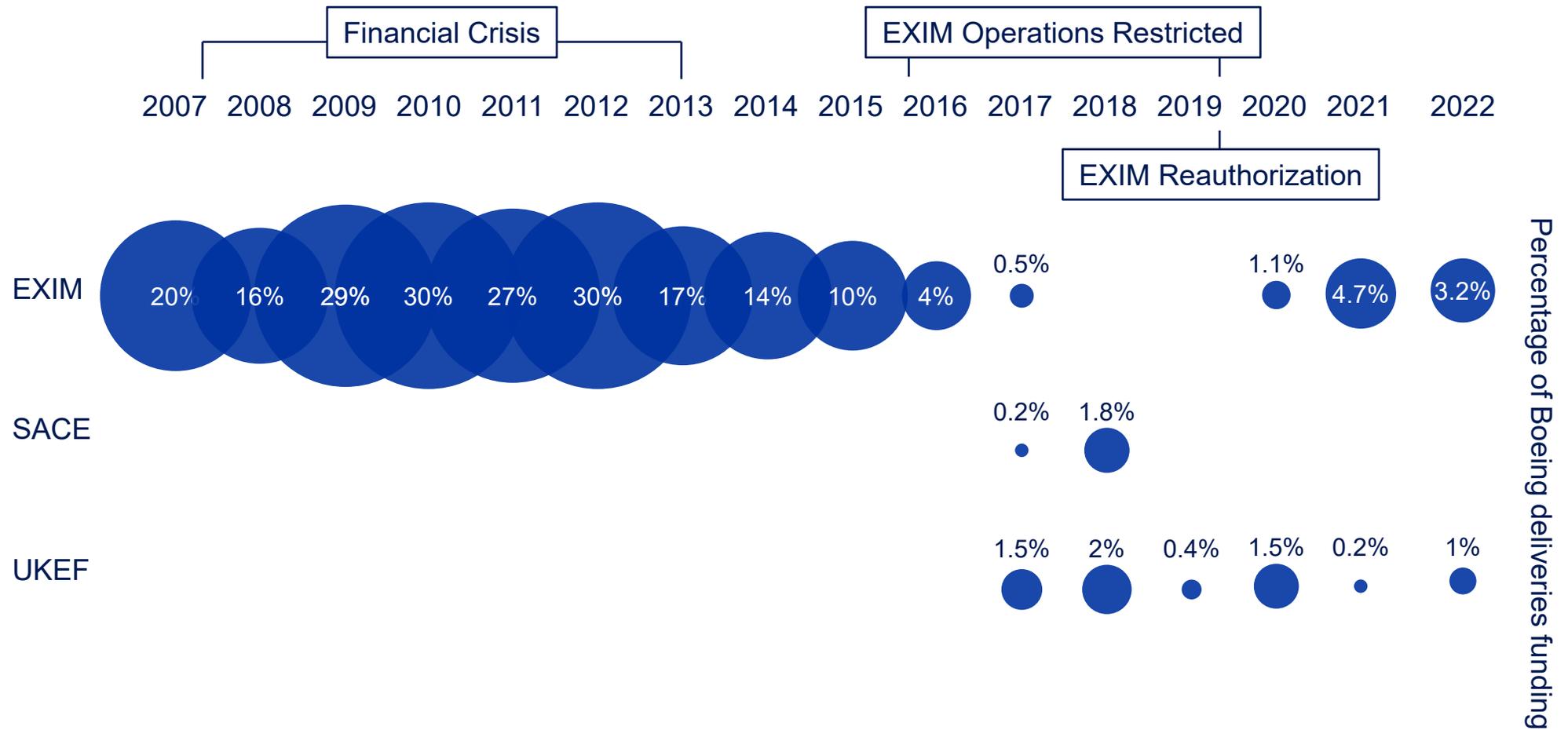


Source: Airfinance Journal, Boeing analysis as of February 2023

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# Export Credit Agencies

Boeing Deliveries



Source: Boeing analysis as of February 2023

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## Other Commercial Financing Solutions



### Tax Equity

Arrangers are seeing positive demand from their equity investor base, though the list of supported airlines is shorter than it was pre-pandemic. Forex volatility, COVID bankruptcies, and traffic recovery in certain regions are top watch items.



### Credit Enhanced

Credit enhanced support for new Boeing aircraft have been subdued in recent years. However, there is renewed activity in the product as international deliveries ramp up and lenders seek to mitigate capital exposure.



### Institutional Investors

The current landscape has caused some alternative aviation investors to reconsider the sector while others capitalized on opportunities. Investor appetite is driven by type of backer, structure, and return requirements.

# In the long run, aviation's fundamental investment thesis remains intact



Growing business  
with globally  
balanced demand

Stable product profile

Mature, diverse,  
and global aircraft  
finance market

## Definitions

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The Commercial Aircraft Finance Market Outlook considers permanent financing for new commercial airplanes at delivery. Refinancing activity more than twelve months post-delivery is generally not considered.

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Cash           Funded with cash reserves or operating cash flow; not expected to be refinanced or leveraged. Includes cash equity for other financing structures.

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Capital Markets   Secured by structured debt transaction, such as enhanced equipment trust certificates (EETC) or unsecured debt raised by an airline, lessor, or parent companies that may be used to directly or indirectly finance a delivery. May be issued in either the public or private markets.

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Bank Debt        Financed with aircraft-secured or unsecured commercial bank debt that may be used to directly or indirectly finance a delivery.

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Export Credit     Supported by a guarantee from an export credit agency, including both commercial bank loans and bond transactions funded in the capital markets. Direct export credit lending also included.

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Credit Enhanced   Financing backed by a nonpayment insurance policy, a guarantee or other commercial credit enhancement structure.

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## Sources of Industry Delivery Financing

Historical share of funding by capital provider

	2018	2019	2020	2021	2022
Credit Enhanced	2%	2%	2%	1%	1%
Manufacturer	0%	1%	1%	0%	1%
Sale Leaseback	11%	24%	21%	29%	23%
Cash	23%	22%	29%	26%	35%
Capital Markets	25%	19%	16%	20%	14%
Bank Debt	35%	28%	20%	15%	20%
Export Credit	4%	4%	11%	9%	6%
Total Revenue USD billions	\$126	\$98	\$59	\$64	\$69

Historical numbers  
subject to revision

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# Sources of Boeing Delivery Financing

Historical share of funding by capital provider

	2018	2019	2020	2021	2022
Credit Enhanced	3%	4%	4%	0%	0%
Manufacturer	0%	0.6%	0%	0%	0%
Sale Leaseback	17%	11%	21%	23%	18%
Cash	24%	32%	31%	35%	54%
Capital Markets	21%	20%	17%	27%	9%
Bank Debt	31%	32%	24%	11%	15%
Export Credit	4%	0.4%	3%	5%	4%

Historical numbers subject to revision

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[Boeing.com/cafmo](https://www.boeing.com/cafmo)



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