



**JET**   
**MATCH**

**4Q2024 MARKET**

**R E P O R T**



6TH EDITION, MAR 2025

## INDUSTRY REMARKS

The highlight of the fourth quarter was the increase in the number of aircraft for sale. This movement was seen in the general business jet market, but the story is slightly different in the Large&ULR segment. Nevertheless, the business aviation industry ended 2024 on a strong note - in both the new and used jet markets.

One indicator that caught our attention was the return of market confidence despite the rise in inventories. According to IADA, the mood in the fourth quarter was one of relief at the outcome of the US election and the belief that the new Trump administration will be "pro-business, pro-growth and pro-opportunity". The organization noticed that "Inventory levels continued to rise in Q4 2024, albeit slowly, as the availability of highly cherished young pre-owned aircraft remained tight."

Let's take a closer look at the numbers:

### **Business Jets - All Segments**

The increase in the number of jets for sale between the fourth quarter of 2023 and the fourth quarter of 2024 was 13.7%. Comparing the third and fourth quarters of 2024, we saw an advance of 4%. There was a 14% rise in the number of transactions compared to the previous quarter - an expected phenomenon, as the fourth quarter is traditionally the busiest of the year. However, compared to the fourth quarter of 2023, we saw a 12.6% drop in the number of deals closed.

One explanation for this decline could be a delay in closing deals: the entire system for selling an aircraft is overloaded (workshops, slots, parts, and labor are in high demand at the moment). This data will probably become visible in the first quarter of 2025 results.

Asking prices remained practically stable: an increase of 0.4% compared to the third quarter of 2024, but a decrease of 1.7% compared to the fourth quarter of 2023. The number of days on the market decreased by 1.9% compared to the fourth quarter of 2023 and by 2.5% compared to the third quarter of 2024.

## INDUSTRY REMARKS

### Large&ULR

The number of jets for sale in the segment registered a more modest increase of 1.5% compared to the third quarter and 4.4% compared to the fourth quarter of 2023. The number of transactions, on the other hand, shows the strength of the segment: an increase of 20% compared to the fourth quarter of 2023 and 33% compared to the third quarter of 2024. In other words, there is a subtle increase in inventories and strong growth in the number of transactions.

Asking prices increased 3.4% over the fourth quarter of 2023 and 5.8% over the third quarter of 2024. The number of days on the market jumped 39% over the fourth quarter of 2023 and 5.2% over the third quarter of 2024. Even longer transaction times and rising prices haven't dampened the appetite for pre-owned jets.

It's always worth remembering that the increase in the number of days on the market could be the result of a workshop system with a greater demand for Pre-Purchase Inspections (PPIs). We see a queue to get a slot at all the shops that do PPIs. Moreover the more business there is, the greater the demand for parts and labor. The result is longer lead times to close a deal.

### Confidence

One explanation may be related to confidence in the market. For the first time since the fourth quarter of 2022, the Business Jet Indicator has risen above the level that indicates stability. This improvement results from several themes, but it is worth highlighting the market's optimism with the different economic scenario presented by the new Trump administration in the US.

"The survey results and commentary highlighted election optimism, OEM book-to-bills and improvement in outlook for the increase in index", Bombardier commented.

According to Corporate Jet Investor, market players have already seen a "Trump bump": an increase in the number of deals registered both at the end of the fourth quarter of 2024 and in these early months of 2025. There is also an expectation that the Trump administration will reinstate tax benefits such as 100% bonus depreciation. "From a tax perspective it's good news," said David Hernandez, shareholder at law firm Vedder Price.

## INDUSTRY REMARKS

The remark by Steve Friedrich, Chief Commercial Officer of Embraer's Executive Aircraft Division, was particularly noteworthy: "We are in a Golden Age of executive aviation." There are multiple reasons: the fundamental strength of the global economy, corporate profits, wealth accumulation and transfer, and the retention of first-time buyers. "Everything is lined up, despite the fact that the backlog is growing," he adds. "Right now, the demand is rock solid."

### Concerns

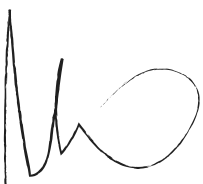
On the negative side, there are concerns about the trade war launched by Trump. The big example is Bombardier, which postponed the release of its 2025 guidance when it released its balance sheet last year. "I am very disappointed that we can't guide 2025 today," said Bombardier president and CEO Éric Martel. "In light of the current tariff threat, not providing guidance is the most responsible and transparent thing for us to do."

The General Aviation Manufacturers Association's assessment is that "Given the global nature of the aviation manufacturing industry, these proposed tariffs, as well as potential reciprocating tariffs, could have an enormous impact with many unintended consequences on the industry."

### Manufacturers

In this special edition for the end of the fiscal year 2024, we bring you the highlights of the results of more manufacturers: Gulfstream, Bombardier, Dassault, Embraer, Textron, Airbus and Boeing. One big highlight is a comment made by market research firm Bernstein: "Aerospace backlogs have moved modestly downward in each of the last four quarters. Although management stressed that demand is strong, it appears that customers may be less willing to move into a queue for delivery beyond two years out." This is another factor that points to the strength of the pre-owned market.

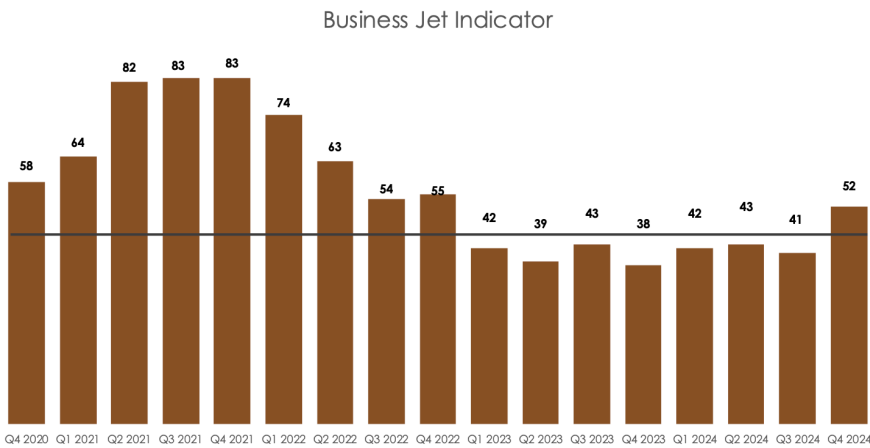
We keep an eye on the market. Count on us.



Luiz Sandler, founder

# INDICATORS

The Barclays Business Jet Indicator went above in the fourth quarter of 2024 the stability threshold of 50 points for the first time since 2022.



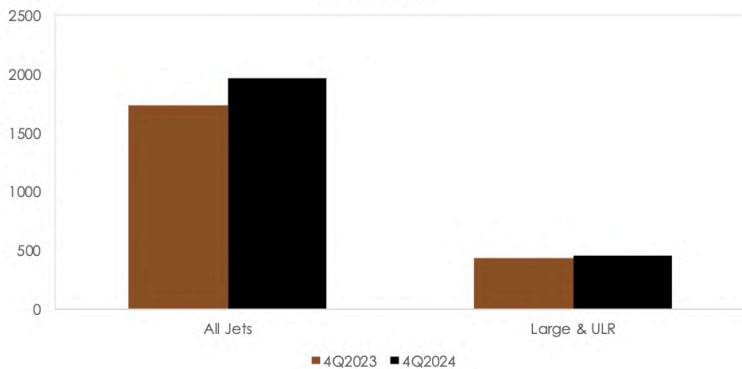
— Stability Threshold = 50

■ Index

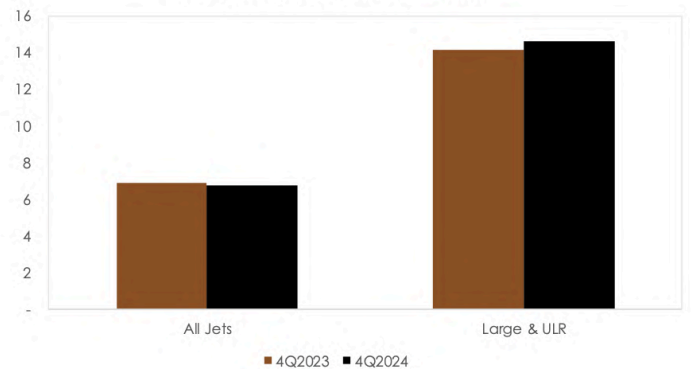
Source: Bombardier/Barclays \* The Business Jet Indicator is a measure of market confidence from industry professionals, gathered through regular surveys of brokers, dealers, manufacturers, fractional providers, financiers and others.

# PRE-OWNED MARKET

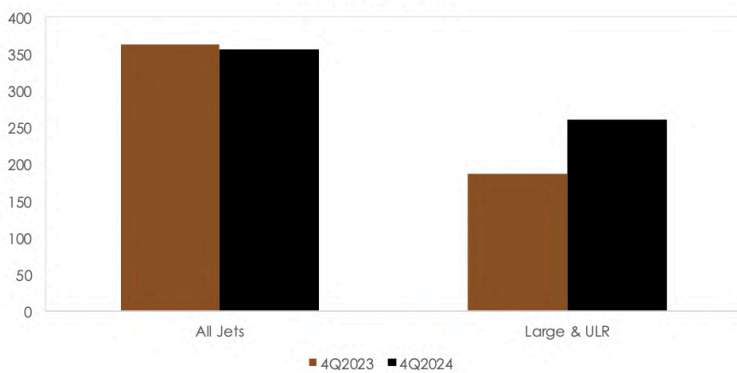
Jets For Sale



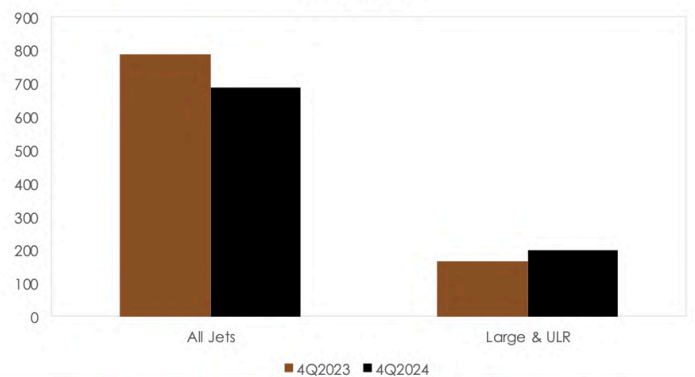
Average Asking Prices - US MM



Days on Market



Transactions



## 2024 MANUFACTURERS' RESULTS

# Gulfstream®

### General Dynamics (Gulfstream's Parent Company)

- Net earnings: \$3.8 billion in 2024, up 14.1% from 2023
- Revenue: \$47.7 billion in 2024, up 12.9% from 2023
- Diluted EPS (earnings per share): \$13.63 in 2024, up 13.4% from 2023
- Operating margin of 10.1% in 2024 (against 10% in 2023)
- Free cash flow: \$3.196 billion, or 84% of net earnings in 2024 (against \$3.8 billion in 2023)
- Company-wide book-to-bill: 1-to-1 for the year
- Company-wide backlog: \$90.6 billion in 2024
- Total estimated contract value reached record \$144 billion in 2024
- 2025 revenue guidance is ~\$50.3bn (+5.4% YoY) and for EPS \$14.75 - \$14.85

### Aerospace Division (includes Jet Aviation and Services)

- New orders: \$3.8 billion in 2024 (a 36.8% increase against 2023)
- Backlog: \$19.7 billion in 2024
- Revenues: \$11.249 billion in 2024, up 30.5% from 2023 (thanks to the launch of the G700)
- Operating margins: 13% in 2024 (against 13.7% in 2023)
- Book-to-bill ratio: 1-to-1 for the year

### Gulfstream

- Deliveries: 136 aircraft during the year, of which 118 were large-cabin aircraft. (up from 111 in 2023)
- Received G700 certification and delivered the first 30 jets. This is a lower level than expected: During 3Q, expectations were of 42 deliveries, and in 2Q, of 50-52 units
- Gulfstream is expected to deliver 150 aircraft in 2025 (vs. 136 in 2024) with G800 certification in H1
- Market research firm Bernstein believes that G700 deliveries should ramp through the year, while production of the G650 comes to an end. "Execution and supply chain will be a focus through 2025."



## Bombardier

### Bombardier

- Net Income: \$370 million in 2024 (-25% against 2023)
- Adjusted net income: \$547 million in 2024 (+31% against 2023)
- Revenue: \$8.7 billion in 2024 (+8%)
- Diluted EPS (Earnings Per Share): \$5.16 in 2024 (up from \$3.94 in 2023)
- FCF: \$232 million in 2024 (down from \$257 million in 2023)
- Backlog: up year-over-year to \$14.4 billion as at December 31, 2024
- Book-to-bill: 1-to-1 in 2024
- Deliveries: 146 aircraft in 2024, below the 150 to 155 unit guidance range for 2024 mainly due to supply chain issues. In 2023, the company delivered 138 units
- Bombardier delivered 73 Globals and 73 Challenger 3500s and 650s last year. This marks two fewer Globals from 2023 but a 10-aircraft jump in Challengers
- Guidance: "In light of the rapidly evolving landscape stemming from the February 1, 2025 executive orders signed by the President of the United States regarding new tariffs, Bombardier has elected to defer providing guidance and 2025 objectives."
- The company highlighted that it expects the Global 8000 aircraft, the evolution of the Global 7500, to enter service in 2025



## Dassault

- Adjusted Net Sales: €6.230 billion in 2024 (up from €4.801 billion in 2023)
- Adjusted Net Income: €1.056 billion in 2024 (up from €886 million in 2023)
- Adjusted net margin: 17.0% of net sales in 2024 (down from 18.5% of net sales)
- Earnings per share: €13.46 per share in 2024 (up from €10.95 per share in 2023)
- Backlog: €43.224 billion in 2024 (up from €38.508 billion in 2023)
- Book-to-bill ratio: 1-to-1.74 for 2024
- Guidance: The guidance for 2025 is an increase in net sales compared to 2024, in the range of €6.5 billion, including deliveries of 40 Falcon and 25 Rafale.
- The company said: "This guidance for 2025 excludes any impact from the potential implementation of new tariffs in the United States and possible European countermeasures"

## Falcon

- New orders: In 2024, 26 Falcon orders were recorded, compared with 23 in 2023. Order intake totaled €2.560 billion versus €1.729 billion in 2023. The increase is notably due to the number of aircraft ordered and a favorable product mix
- Falcon Consolidated adjusted net sales: €2.265 billion in 2024 (up from €1.821 billion in 2023)
- Deliveries: 31 Falcon were delivered in 2024, compared with guidance of 35, versus 26 deliveries in 2023.
- Falcon Backlog: €5.017 billion in 2024 (up from €4.646 billion in 2023)

## Highlights:

- CEO Éric Trappier: "In 2024, the international context was still marked by the war on Europe's doorstep and international tensions. Inflation in 2024 confirmed the decrease that began in 2023. In France, the domestic situation was impacted by political instability, with four different governments in 2024, which weighed on the country's economic actors; the increases in mandatory charges passed in early 2025 will impact companies' result. The arrival of the new President of the United States will impact Europe's economic and defense policy."





## Embraer

- Net income: US\$ 352.5 million in 2024 (up from US\$164 million in 2023)
- Earnings per ADS: US\$1.9194 in 2024 versus US\$0.8930 in 2023
- Revenues: US\$6.395 billion in 2024, highest level ever (+21% yearly and at the high end of guidance)
- Adjusted Free Cash Flow excluding EVE (FCF): US\$675.6 million in 2024
- Backlog: US\$26.3 billion in 4Q24 – the largest ever recorded by the company in its history, more than 40% higher yearly
- Guidance for 2025: Executive Aviation deliveries between 145 and 155 aircraft. Total company revenues in the US\$7.0 to US\$7.5 billion range, adjusted EBIT margin between 7.5% and 8.3%, and adjusted free cash flow of US\$200 million or higher for the year

## Executive Aviation

- Revenues: US\$626 million, 4% higher year on year
- Deliveries: 130 (75 light jets and 55 medium jets). This is a rise from the 115 units delivered in 2023, and was a result in line with the 125-135 guidance for 2024
- Backlog: US\$7.4 billion all-time high backlog supported by a marquee deal with Flexjet

## Highlights:

- According to BTG Pactual: "Executive is at an entirely new level: Following the recently announced Flexjet deal, Embraer has secured orders through 2028 and expects to sustain double-digit annual growth in this segment, supported by strong demand. The company sees room to reach 170+ annual deliveries by 2028. The Flexjet deal was closed under favorable conditions (we calculated an average price of ~US\$17mn per aircraft and margins close to division levels), with deliveries scheduled for 2026-2030, but skewed more toward the later years. With recent contracts, Embraer has secured volumes and profitability for this segment through the end of the decade."

# TEXTRON

## Textron

- Net income: US\$825 million in 2024 (down 11% from FY 2023)
- Revenues: \$13.7 billion in 2024 (flat on FY 2023)
- Full-year adjusted EPS of \$5.48 in 2024 , down from \$5.59 in 2023
- Guidance: 2025 revenues of approximately \$14.7 billion, up from \$13.7 billion in 2024

## Textron Aviation

- In 2024, the company delivered 151 jets, 70 Caravans, 13 SkyCouriers, 44 King Airs, 10 T-6 trainers, and 281 piston-engine aircraft. These figures reflected a decline from the 168 jets, 79 Caravans, 18 SkyCouriers, 56 King Airs, 13 T-6 trainers, and 297 piston-engine aircraft delivered in 2023
- Revenues: \$5.3 billion in 2024
- Full-year segment profit totaled \$556 million, compared to \$649 million the previous year
- Backlog: \$7.8 billion at year-end 2024, up \$676 million from year-end 2023

## Highlights:

- According to AIN: Textron Aviation experienced a challenging 2024, marked by a labor strike and subsequent production disruptions, but the company concluded the year with positive momentum and strong demand across its portfolio
- Textron Inc. chairman and CEO Scott Donnelly addressed the challenges and achievements of 2024 during the company's earnings call. "2024 results were impacted by work stoppage at Aviation and difficult end markets in our industrial segment," Donnelly said. "While the strike was unfortunate, we did take this opportunity to significantly improve our parts flow to the production line, which we expect will reduce our outstation work and improve efficiency going forward."
- Textron Aviation continued to advance its product offerings in 2024, highlighted by the launch of the Gen3 platform upgrades for the M2, CJ3, and CJ4 aircraft, which include Garmin Autoland and other enhancements

# AIRBUS

## Airbus

- Net income: €4.23 billion in 2024
- Revenues: €69.2 billion in 2024 (up 6% from €65.4 billion in FY 2023)
- Earnings per Share: €5.36 in 2024 (up 12% from 2023)
- Adjusted Free Cash Flow (FCF): €4.5 billion in 2024
- Backlog: €629 billion at the end of 2024 (up from year-end 2023: €554 billion).
- Guidance: Around 820 commercial aircraft deliveries; EBIT Adjusted of around €7.0 billion.

## Commercial Aviation

- Revenues: €2.26 billion in 2024 (+72% from FY 2023)
- Deliveries: 766 in 2024 (vs 735 in FY 2023)
- Backlog: 8,658 commercial aircraft at the end of December 2024

## Airbus Corporate Jets

- According to the Airbus Corporate Jets (ACJ) team, the unit had a record year with 11 jets ordered in 2024
- According to GAMA, the ACJ unit delivered 5 jets in 2024
- Growth was driven by the Middle East, and the division is optimistic with good momentum coming from Middle East and Asia
- It's worth mentioning that the fleet of Airbus Corporate Jets is about 210 units. Half of it belongs to governments, 25% to corporations, and 25% to ultra-high-net-worth individuals



## Boeing

- Adjusted net loss: \$11.8 billion in 2024 (up from -\$2.2 billion in 2023)
- Revenues: \$66.5 billion in 2024 (down from \$77.8 billion in 2023)
- Net income loss per ADS (American Depositary Share): \$18.3 in 2024 (up from -\$3.67 in 2023)
- Deliveries in 2024 : 348 commercial airplanes and recorded 279 net orders

## Commercial Planes

- Deliveries: 348 units in 2024 (down from 528 in 2023)
- Revenues: \$22.8 billion in 2024 (-33% from \$33.9 billion in 2023)
- Loss from operation: \$7.9 billion (up from -\$1.6 billion in 2023)

## Boeing Business Jets

- Deliveries: According to GAMA, BBJ delivered 2 jets in 2024

## Highlights:

- According to CNBC, Boeing's results were impacted by a nearly two-month machinist strike that idled work on most of its aircraft and lengthened delivery delays to customers, which pay for the bulk of their planes when they're received. The company last posted a profit in 2018
- "The company's annual loss totaled \$11.83 billion, its largest since 2020, when it was grappling with a grounding of its bestselling plane, the 737 Max, after two fatal crashes and the Covid-19 pandemic."