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INSIGHT

STATE OF THE MARKET

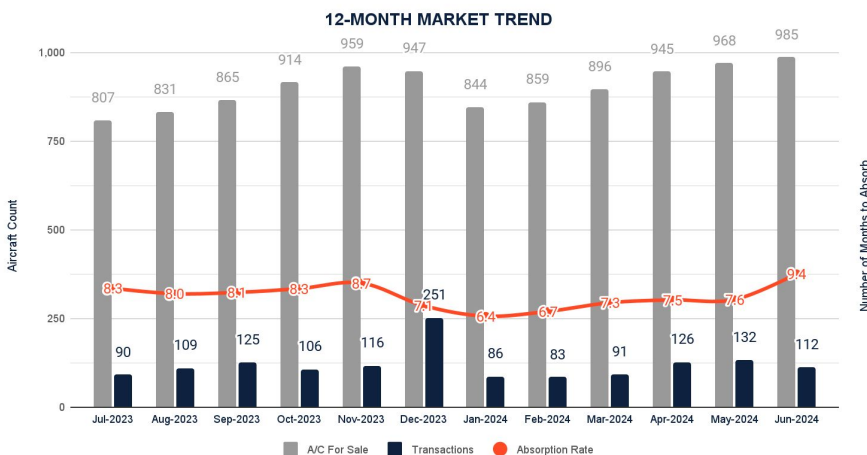
QUARTER 2 2024

Top 60 Pre-owned Business Jet Markets

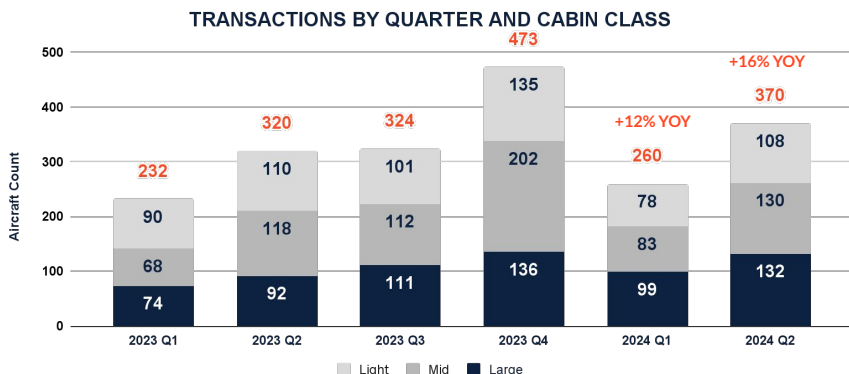
MARKET HIGHLIGHTS

After a blip of decreasing inventory in Q1, modern pre-owned jet inventory has increased again in Q2, now at 6.9% of the Active Fleet for sale, or a 0.7 percentage point gain compared to last quarter, which is the highest available inventory since 2020 Q4, when it was at 8.0% of the active fleet for sale.

Retail transaction volume continued to be relatively strong in Q2, with 370 aircraft sold or a 16% increase year-over-year, which is the second quarter in a row with a quarterly year-over-year increase. The general consensus among industry experts thus far is that the pre-owned market is in a balanced buyer vs seller dynamic and is expected to remain healthy with strong sales volumes through the remainder of the year, so long as the economy holds strong.



YTD	Inventory	Transactions	Absorption Rate
2023	802	552	8.7
2024	985 23% ↑	630 14% ↑	9.4 8% ↑



Market Overview

Active Fleet	14,244
For Sale/Lease	985
% for Sale	6.9% ↑
Sold Year-to-Date	630 ↑
Sold Prior Year	1,349
Absorption Rate	9.4 ↑

Seller Market Rankings

1 Mustang	31 Lear 75
2 G550	32 H900XP
3 H800XP	33 G650ER
4 GL 6000	34 XLS+
5 Legacy 600	35 CJ1
6 CL 650	36 Premier IA
7 Phenom 100	37 H850XP
8 CL 300	38 900LX
9 XLS	39 Lear 60
10 Phenom 300	40 CJ4
11 M2	41 Legacy 500
12 Encore+	42 Excel
13 CJ2+	43 2000LX
14 Latitude	44 G150
15 CJ3+	45 G450
16 Sovereign	46 Lear 45XR
17 G650	47 CL 605
18 CJ1+	48 2000XEASy
19 Encore	49 900XEASy
20 CJ3	50 GL 5000
21 CL 350	51 900EX
22 7X	52 Legacy 450
23 GV	53 Premier I
24 Citation X	54 GIVSP
25 G280	55 2000EX
26 CL 604	56 GL EXP
27 Lear 45	57 CJ2
28 Legacy 650	58 G200
29 Falcon 2000	59 Sovereign+
30 GL XRS	60 Lear 60XR

Competitive Market Rank is a measure of each model's market performance in key metrics relative to the average of the top 60 modern business jet markets, and is based on current month market and the last six months of transaction data.

VALUE TRENDS

Fleetwide, quarter-over-quarter pre-owned modern jet values decreased by an average of 1.4% in Q2, the seventh consecutive quarter in which we have seen average values decline. This value reduction is slightly lower than the 2.5% and 2.2% declines seen in Q4 and Q1 respectively.

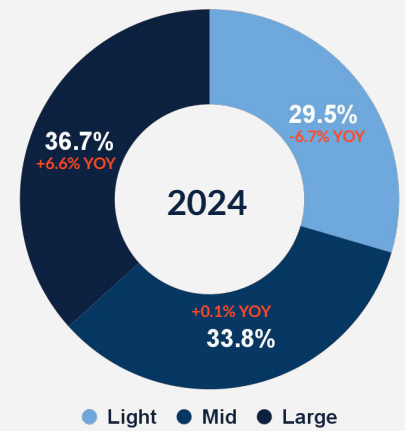
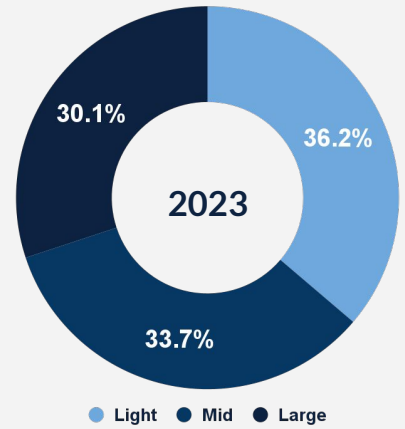
Individual fleet value performance remains varied, with 14 of the 26 fleets detailed recording a reduction in values compared with the prior quarter. Aircraft values remain up an average of 14.6% compared to Q4 2019 with five of these fleets below their pre-pandemic values.

The optimistic message from Broker/Dealers over the last 18 months has been that value losses will return to the normal ~6% per year instead of crashing back to pre-covid asset values, due to all of the increased private aviation demand which entered the system in the last four years. Though the by-fleet performance remains varied, the current YOY average loss of -5.6% would support that story.

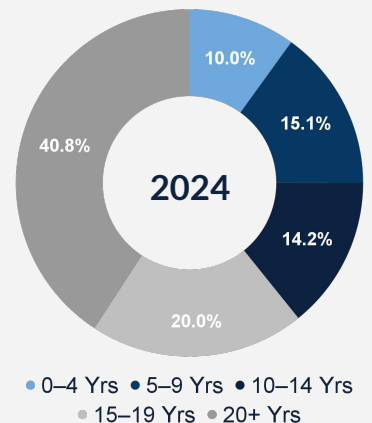
Value Changes By Market

Segment	Market	Change YOY	Change QOQ	Change since Q4 2019
Light	CJ3	-5.8%	3.0%	44.3%
Mid	H850XP	-7.1%	-8.5%	40.4%
Large	CL604	1.5%	5.0%	37.9%
Mid	XLS+	-5.7%	-0.4%	32.0%
Light	Phenom 300	1.3%	1.5%	31.2%
Mid	CL300	-8.4%	-7.0%	28.1%
Mid	G200	-6.6%	4.8%	27.6%
Mid	H900XP	-6.4%	-1.6%	27.3%
Mid	Latitude	5.8%	6.1%	26.7%
Mid	XLS	-17.5%	-12.6%	26.6%
Light	CJ3+	1.3%	2.7%	26.1%
Light	CJ4	-11.4%	-5.1%	25.6%
Mid	Sovereign	-7.6%	-2.1%	20.9%
Light	M2	-8.9%	5.2%	20.1%
Mid	CL350	-2.3%	-0.8%	18.5%
Large	CL605	-16.8%	-10.5%	14.8%
Mid	G280	-5.6%	-4.5%	11.4%
Large	900EX EASy	-9.1%	7.3%	9.0%
Large	CL650	-2.3%	-5.1%	5.3%
Large	2000LX	-6.8%	-2.8%	4.5%
Large	7X	0.3%	1.3%	3.9%
Large	Global 6000	1.3%	5.6%	-2.2%
Large	Global 5000	0.6%	-5.1%	-7.7%
Large	G650/ER	-0.2%	2.4%	-8.5%
Large	G450	-15.2%	-10.2%	-8.7%
Large	G550	-14.8%	-5.7%	-11.7%
Total		-5.6%	-1.4%	14.6%

Transactions By Cabin Class



Retail Sales By Aircraft Age



THE GLOBAL PRE-OWNED JET MARKET

The below table helps to provide a glimpse into where the pre-owned jet buyers are coming from, given the overall gains in transaction volume year-over-year for the first two quarters of 2024. The data represents the market share of regions of the buyer in Top 60 pre-owned market transactions through the first six months of each year. As we can see, South/Central America has gained significant market share since 2019 and has thus far surpassed Western Europe for second place behind North America.

Additionally, North America has lost a portion of its market share lead over the last two years. This is in part driven by an increase in the "Unknown Buyer" transactions bucket, which, in granular review, are likely still US-buyers using trusts, as the majority of aircraft remain N-registered.

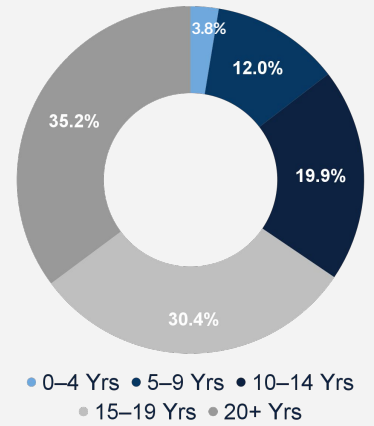
Buyer Region	2019	2020	2021	2022	2023	2024
N. America	74.1%	72.6%	71.8%	74.7%	63.9%	64.2%
S./C. America	4.9%	5.5%	6.4%	5.5%	6.4%	9.3%
W. Europe	11.1%	10.0%	9.7%	8.3%	11.8%	8.8%
E. Europe/W. Asia	2.2%	3.1%	3.7%	2.4%	2.5%	4.6%
Asia	2.2%	2.4%	3.1%	2.9%	2.9%	3.0%
Mid. East/Africa	2.4%	1.7%	2.2%	2.6%	5.4%	2.4%
Australia/Oceania	1.2%	1.4%	1.5%	1.8%	1.3%	0.9%
Unknown	1.8%	3.3%	1.7%	1.7%	5.8%	6.9%

By viewing this data down to the individual country level, we can see that the majority of major growth in South and Central America is coming from buyers out of Brazil, which has grown its purchasing transaction volume significantly, increasing by 75% year-over-year and more than tripling since 2019. This makes Brazil the second largest buyer of modern pre-owned jets behind the U.S.

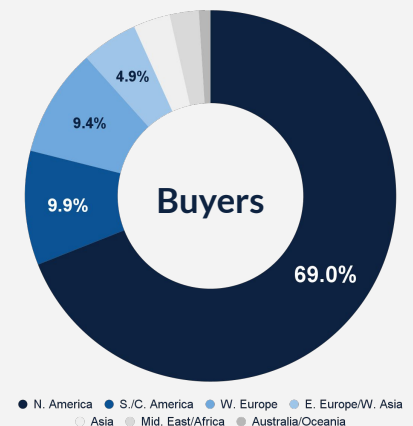
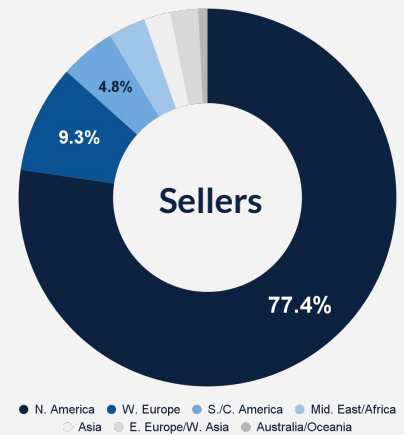
Outside of Brazil and the U.S, we can see that Mexico, San Marino, Turkey, Malta, and India are leading the way for countries that have seen the most pre-owned business jet buyer demand increase. The top 10 performing countries in this metric could be considered a surprise, given that many expect countries in Western Europe to rank higher. However, the regional economic environment and increased public scrutiny around sustainability seem to be putting pressure on the latter, erasing the gains in market share that the Western European market experienced in 2023.

Buyer Country	2019	2023	2024	vs '23	vs '23%	vs '19	vs '19%
U.S.A.	334	318	362	44	14%	28	8%
Brazil	15	28	49	21	75%	34	227%
Mexico	7	11	24	13	118%	17	243%
Canada	16	16	18	2	13%	2	13%
San Marino	4	8	14	6	75%	10	250%
Turkey	0	3	11	8	267%	11	N/A
Malta	3	4	9	5	125%	6	200%
Germany	10	14	8	-6	-43%	-2	-20%
India	1	5	8	3	60%	7	700%
Russia	4	4	5	1	25%	1	25%
Australia	6	7	4	-3	-43%	-2	-33%
England	3	5	4	-1	-20%	1	33%
U.A.E.	1	8	3	-5	-63%	2	200%
Austria	7	7	3	-4	-57%	-4	-57%
South Africa	4	6	3	-3	-50%	-1	-25%
Luxembourg	5	5	2	-3	-60%	-3	-60%
Isle of Man	5	3	2	-1	-33%	-3	-60%

Current Market By Aircraft Age



Transactions By Region (2024)





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\$900M

Total asset value for aircraft sold or purchased since 2021