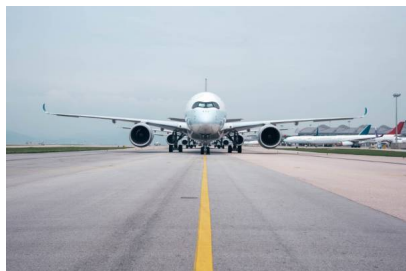


THE GLOBAL AIRCRAFT FLEET WILL REACH 36,400 UNITS BY 2034



The global aircraft fleet is projected to grow by 28% over the next ten years, from 28,400 aircraft today to 36,400 in 2034, according to estimates by the latest edition of the annual report 'Global Fleet & MRO Market Forecast 2024-2034.'

Despite the Covid-19 pandemic challenges, the aviation industry is showing resilience. The report highlights that 2024 will mark the first year of real growth since the peak reached just before the pandemic. **The fleet's compound annual growth rate (CAGR), as referred to in the study, is projected to be 2.5%, compared to the 2.9% forecast in last year's report for 2023-2033.** Although tempered by modest global economic growth, this rate demonstrates the industry's ability to adapt and grow.

As a result of the slower expansion of the aircraft fleet, demand in the maintenance, repair, and overhaul sector is expected to grow by 1.8% per year on average through 2034, with revenues reaching \$124 billion. This slower growth rate may present challenges for the sector, such as increased competition and the need for innovation to meet evolving maintenance needs. According to Oliver Wyman's forecasts for 2023-2033, the sector was expected to grow by 2.9% annually. In 2024, the sector's revenues are projected to increase by almost 3% to \$104 billion, up from \$101 billion last year.

The report underscores the importance of strategic investments in production facilities to meet the increased demand. Airbus and Boeing aim to maximize their production capacity in the coming years and achieve new monthly production records. However, they will likely only meet their targets if they make significant investments in their production facilities and those of their major suppliers. Experts highlight this urgent need for modernization and streamlining production across the entire supply chain.

Asia is again expected to become the aviation industry's primary driving force. However, India is predicted to surpass China in leading this expansion in the next decade. This projection is based on several factors, including India's growing middle class, increasing urbanization, and government initiatives to promote air travel. With a current aircraft fleet of around 600 units, it is estimated that the Indian fleet will grow by almost 13% in the first five years and by nearly 10% in the following ten years. This means that by 2034, the Indian aircraft fleet will be 2.5 times larger than it is today.

With more than 1,800 aircraft on order, India will have a fleet over three times its current size. Another noteworthy point is that despite its population of 1.4 billion, only 3% of its inhabitants fly regularly.

The report indicates that China is experiencing slow economic growth due to decreasing property values, an aging population, and unemployment among younger workers. Despite this, it is projected that by 2034, China will have the second-largest fleet, surpassing Western Europe, which will drop to third place. Over the next decade, **the Chinese fleet is expected to grow by 56%.**

The North American fleet is forecasted to remain the largest, increasing from 8,200 vessels to 9,850.

The Western European aircraft fleet, currently at just over 5,300 aircraft, is expected to grow to almost 5,900 by 2034. The potential impact of China's economic situation on its fleet growth includes delays in fleet expansion due to financial constraints and increased competition from other regions.

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