

Helicopter Finance Americas 2013



Will the recent Super Puma problems have a long term effect?

Sharon Desfor, President, HeliValue\$, Inc.



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Super Pumas: The past year



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Heli-Expo 2013



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Eurocopter EC225 interim fix approved



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AS332L2 Ditching off Shetland: 23rd August 2013



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North Sea Crash:
Alternatives to Super Pumas Sought

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FINANCIAL TIMES

Thursday August 29 2013

AEROSPACE & DEFENCE

North Sea workers' helicopters fears

There is an urgent need to address the issue of worker confidence in the grounded aircraft to prevent long-term operational issues

Eurocopter stands by safety tests

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Retail & Consumer Tech Telecon

s news and analysis. Register month.

August 28, 2013 11:01 pm

North Sea workers fear flying in Super Puma helicopters

By Guy Chazan

Super Puma helicopters had a poor reputation when they crashed into the sea on Friday, killing three men and one woman and triggering a suspension of all UK flights by the aircraft....



Five year crisis re

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Home > Categories > Business and Industry > Calling on the Operator, Employers and Industrys bodies to address the workforces concerns over helicopters

Calling on the Operator, Employers and Industrys bodies to address the workforces concerns over helicopters


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The Petition

We the undersigned ask all Employers ,Scottish parliament,Helicopter operators ,Mps,Msp and all concerned with helicopter safety to listen to the workforce and concerned members of the public on the back of yet another ditching 24/8/13 . We all understand that pumas play a valuable part it the moving of personel from the beach but as room is limited we ask that a more safer model of helicopter replace this ageing model and give the workforce what they need to feel safe when traveling to work . Please engage us as we need to be made to feel more confident when it comes to helicopter travel.

[Sign petition](#)

12,173

Goal: 23,000 signatures

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Destroy The Super Pumas



Destroy the Super Puma's

38,031 likes · 8,834 talking about this



Community

LET'S GET THE SUPER PUMAS OUT OF THE SKIES FOR GOOD!!!

About – Suggest an Edit



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No. 2617-S-00

SAFETY INFORMATION NOTICE

SUBJECT: GENERAL

Latest Information dated August 29th concerning the AS332L2 accident which occurred on August 23rd, 2013 in the North Sea

For the attention of



AIRCRAFT CONCERNED	Version(s)	
	Civil	Military
EC225	LP	
EC725		AP
AS332	C, C1, L, L1, L2	B, B1, F1, M, M1
AS532		A2, U2, AC, AL, SC, UE, UL

Dear customer,

Please find the latest information available to EC today August 29th:

HSSG Press release:

“Suspension of North Sea Helicopters Lifted”

The Change in Safety's Helicopter Safety Steering Group (HSSG), comprising duty holders and operators, trade unions and regulators, resumed a meeting today in Aberdeen to review its decision to recommend the temporary suspension of AS332 L1, AS332 L2 and EC225 commercial passenger

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Helicopter Incident List - North Sea 1973-2006

Aircraft Type	Date	Location	Fatalities	Details
Eurocopter SA365N (Dauphin)	2006	Morecambe Bay, UK	7/7	Under investigation
Sikorsky S76A (Modified)	2002	Leman Field, UK	11/11	Main rotor failure and crash
Eurocopter AS332 (Super Puma)	1997	Near Norne FPU, Norway	12/12	Engine failure and loss of control
Eurocopter AS332 (Super Puma)	1992	Near Cormorant 'A', UK	11/17	Stall and crash
Bell 212	1991	Ekofisk	3/3	Main rotor struck flare
Sikorsky S61	1990	Brent Spar Helideck	6/13	Collision and crash
Boeing BV234 (Chinook)	1986	Near Sumburgh, UK	45/47	Main rotor/gearbox failure and crash
Bell 212	1984	Dan Field, Denmark	3/3	Tail rotor/gearbox failure and crash
Bell 214 ST	1984	Humber, UK	2/2	Cause of crash unknown
Eurocopter AS332 (Super Puma)	1982	Aberdeen Airport, UK	2/2	Engine failure and crash
Sikorsky S76	1981	Near Peterhead, UK	4/4	Rotor failure and aircraft break-up
Bell 212	1981	Near Dunlin, UK	1/14	Pilot disorientation and crash
Westland Wessex Mk 60	1981	Off Bacton, UK	13/13	Main rotor gearbox power loss and crash
Sikorsky S61	1978	Near Bergen, Norway	18/18	Main rotor gearbox failure and crash
Sikorsky S61	1977	Near Stavanger, Norway	12/12	Main rotor gearbox failure and crash
Sikorsky S58	1976	Forties Field	1/10	Tail rotor/gearbox failure and crash
Sikorsky S61	1974	North Sea, Netherlands	6/6	Main rotor failure and crash
Sikorsky S61	1973	Near Stavanger, Norway	4/13	Tail rotor failure and ditch

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Pivotal offshore helicopter incidents...with opposite effects



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Pivotal offshore helicopter incidents...with opposite effects



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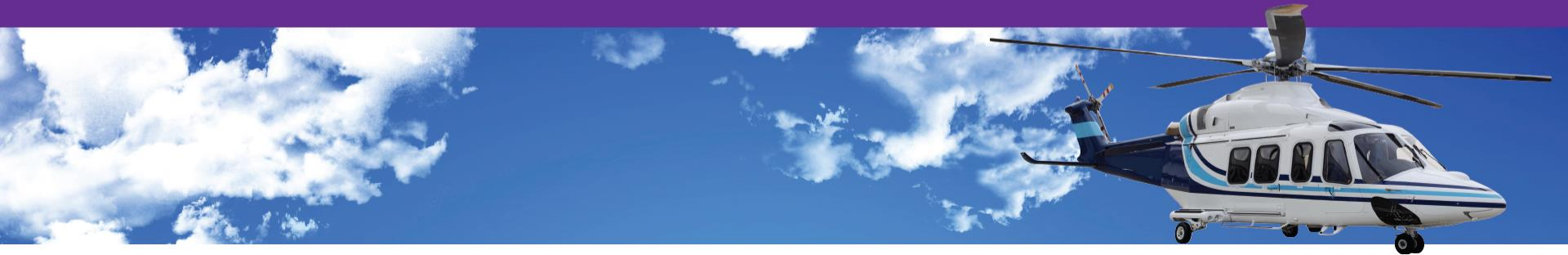
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Will the Super Puma problems have a long term effect?

- No way to tell with any certainty yet, but we can look at what the indicators might be: acceptance by offshore operators, particularly North Sea operators; acceptance by the oil companies; acceptance by the unions; acceptance by finance companies
- Acceptance by the operators is going to vary globally depending on the workers and unions at each local base.
- I personally believe that the oil companies are going to work to get these ships back in service because they need the capacity – and I also believe that it's the oil workers and their unions who will drag out the issue.

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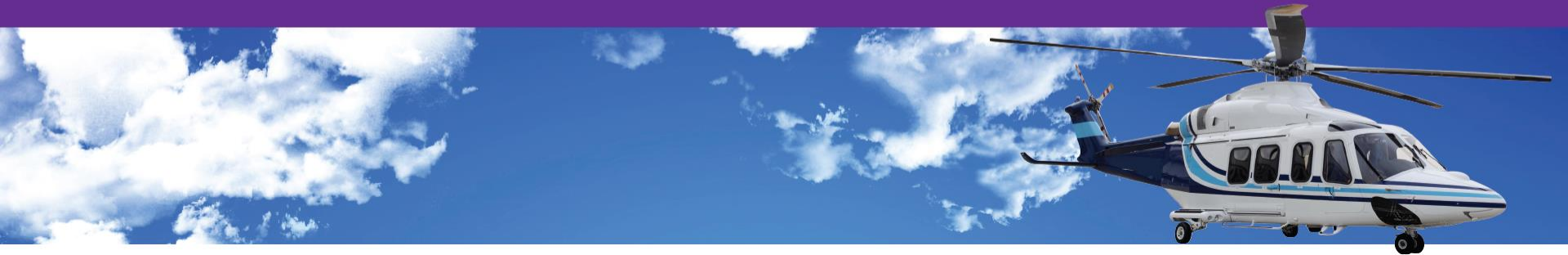
Thanks for listening!

Questions?

Sharon Desfor, President, HeliValue\$, Inc.



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Current Market Values

from **The Official Helicopter Blue Book®** September 5, 2013



July 2013

<i>Make</i>	<i>Model</i>	<i>Mid-Time Value</i>	<i>Low-Time Value</i>	<i>Current Base Price</i>
Agusta	109A Widebody/Plus	\$452,500	\$772,500	
Agusta	109C	\$953,000	\$1,324,000	
Agusta	109E Power	\$1,760,000	\$3,650,000	
Agusta	109S	\$3,250,000	\$4,325,000	
Agusta	119	\$1,800,000	\$2,700,000	
Agusta	139	\$7,000,000	\$10,250,000	
Bell	204B	\$775,000	\$1,050,000	
Bell	205 A-1	\$1,965,000	\$2,650,000	
Bell	206B	\$175,000	\$305,000	
Bell	206BIII	\$330,000	\$1,250,000	
Bell	206L-1	\$525,000	\$635,000	
Bell	206L-3	\$690,000	\$1,000,000	
Bell	206L-4	\$950,000	\$1,900,000	\$2,350,000
Bell	212	\$1,750,000	\$3,500,000	
Bell	214ST	\$2,320,000	\$3,950,000	
Bell	222B	\$625,000	\$835,000	
Bell	222U	\$655,000	\$900,000	
Bell	230	\$700,000	\$1,030,000	
Bell	407	\$1,480,000	\$2,585,000	\$2,950,000
Bell	412	\$1,910,000	\$3,080,000	
Bell	412SP	\$2,010,000	\$3,230,000	
Bell	412HP	\$2,590,000	\$4,080,000	
Bell	412EP	\$4,470,000	\$8,250,000	
Bell	427	\$1,075,000	\$1,600,000	
Bell	430	\$1,580,000	\$2,840,000	
Bell	47G-2	\$110,000	\$155,000	
Enstrom	F-28C/C-2	\$90,000	\$135,000	
Enstrom	F-28F	\$106,000	\$205,000	
Enstrom	280C	\$80,000	\$120,000	
Enstrom	280F/FX	\$115,000	\$315,000	
Enstrom	480	\$290,000	\$465,000	
Enstrom	480B	\$470,000	\$670,000	

July 2013

Make	Model	Mid-Time Value	Low-Time Value	Current Base Price
Erickson	S64E	\$19,570,000	\$24,150,000	
Erickson	S64F	\$22,610,000	\$26,950,000	
Eurocopter	117A4	\$650,000	\$880,000	
Eurocopter	117B-1	\$1,190,000	\$1,825,000	
Eurocopter	117B-2	\$1,470,000	\$2,280,000	
Eurocopter	117C-1	\$1,390,000	\$2,840,000	
Eurocopter	EC120B	\$655,000	\$1,130,000	
Eurocopter	EC130B4	\$1,425,000	\$2,000,000	
Eurocopter	EC135P1	\$1,350,000	\$1,950,000	
Eurocopter	EC135P2	\$2,400,000	\$3,950,000	\$5,104,235
Eurocopter	EC135T1	\$1,350,000	\$1,950,000	
Eurocopter	EC135T2	\$2,400,000	\$3,950,000	\$5,104,235
Eurocopter	EC145/BK117C-2	\$4,060,000	\$5,625,000	\$6,563,856
Eurocopter	EC155B	\$2,725,000	\$3,200,000	
Eurocopter	EC155B1	\$5,890,000	\$7,800,000	\$11,497,938
Eurocopter	330J	\$2,730,000	\$4,200,000	
Eurocopter	332L	\$6,500,000	\$8,500,000	
Eurocopter	332L-1	\$9,150,000	\$11,675,000	
Eurocopter	332L-2	\$13,150,000	\$15,240,000	
Eurocopter	350B	\$395,000	\$645,000	
Eurocopter	350BA	\$595,000	\$845,000	
Eurocopter	350B2	\$1,046,000	\$1,691,000	\$2,063,667
Eurocopter	350B3	\$1,260,000	\$2,250,000	\$2,605,051
Eurocopter	350D	\$400,000	\$650,000	
Eurocopter	355F1	\$445,000	\$620,000	
Eurocopter	355F2	\$680,000	\$1,065,000	
Eurocopter	355N/NP	\$1,055,000	\$2,080,000	\$3,603,959

July 2013

Make	Model	Mid-Time Value	Low-Time Value	Current Base Price
Eurocopter	SA365C			
Eurocopter	365N	\$700,000	\$1,140,000	
Eurocopter	365N1	\$1,040,000	\$1,640,000	
Eurocopter	365N2	\$2,000,000	\$2,950,000	
Eurocopter	365N3	\$3,160,000	\$4,970,000	\$10,401,090
Kaman	KMAX	\$4,200,000	\$5,400,000	
MD Helicopters	500C	\$210,000	\$370,000	
MD Helicopters	500D	\$415,000	\$685,000	
MD Helicopters	500E	\$495,000	\$1,090,000	\$1,800,000
MD Helicopters	530FF	\$650,000	\$1,440,000	\$2,300,000
MD Helicopters	520N	\$565,000	\$885,000	\$2,200,000
MD Helicopters	600N	\$750,000	\$1,150,000	\$2,500,000
MD Helicopters	MD 900/902	\$1,325,000	\$2,925,000	\$6,400,000
Robinson	R22 Beta	\$74,000	\$132,000	
Robinson	R22 Beta 2	\$90,000	\$185,000	\$270,000
Robinson	R22 Mariner	\$99,000	\$179,000	
Robinson	R22 Mariner 2	\$125,000	\$195,000	
Robinson	R44	\$125,000	\$220,000	
Robinson	R44 Clipper/Clipper 2	\$160,000	\$350,000	\$465,000
Robinson	R44 Raven 1	\$175,000	\$360,000	\$363,000
Robinson	R44 Raven 2	\$190,000	\$440,000	\$442,000

July 2013

<i>Make</i>	<i>Model</i>	<i>Mid-Time Value</i>	<i>Low-Time Value</i>	<i>Current Base Price</i>
Sikorsky	269A/A1	\$55,000	\$77,500	
Sikorsky	269B	\$65,000	\$90,000	
Sikorsky	300C-1969-1984	\$105,000	\$145,000	
Sikorsky	300C	\$110,000	\$275,000	
Sikorsky	300CB	\$105,000	\$215,000	
Sikorsky	300Cbi	\$160,000	\$250,000	
Sikorsky	330SP	\$260,000	\$480,000	
Sikorsky	333	\$340,000	\$630,000	
Sikorsky	S-61N	\$3,572,500	\$4,387,500	
Sikorsky	S-76A MK II	\$575,000	\$725,000	
Sikorsky	S-76B	\$805,000	\$1,230,000	
Sikorsky	S-76C+	\$2,300,000	\$5,650,000	
Sikorsky	S-76C++	\$7,850,000	\$9,900,000	
Sikorsky	S-92A	\$14,980,000	\$23,410,000	\$27,000,000

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How do replacement models hit the existing fleet?

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How do replacement models hit the existing fleet?

- Offshore: At the moment they come in by number of seats vs. range. Today's rigs and platforms can go as far as 150 miles offshore – and it sounds like tomorrow's will go to 250. So today's hot market is heavy twins and super mediums with the range to travel to the farthest drilling rigs and production platforms. In the next ten years, newer technology like the AW609 tilt-rotor, Eurocopter's X-cube, and whatever civil model Sikorsky may choose to develop from its X2 project, will probably take over as leaders with 500-mile ranges but fewer seats.
- EMS favors cabin volume and flavor of the month. When the BK117-series started to become functionally obsolete, Eurocopter replaced it with the EC135 and -145. The 135 was more popular with its smaller space but more economical acquisition and operating costs. It became the new industry standard for EMS operations. Suddenly the economy imploded, and EMS operators began acquiring single-engine helicopters again, notably the EC130. I imagine this flip-flop will continue forever, given the economic forces and financial scrutiny surrounding hospital expenses and capital expenditures.



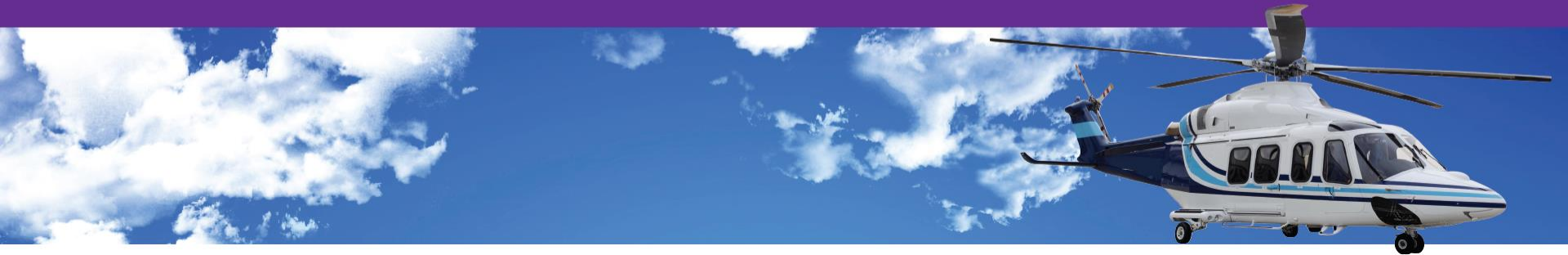
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How do replacement models hit the existing fleet?

- As far as the impact on values of predecessor models, there is a distinct wave.
 - When a new model is introduced, there is an immediate drop in new orders for the predecessor model, while buyers pause to consider the differences, improvements, and risks of investing in new technology. At this point sometimes the used market will falter as well, until more information and a timeline for production is released.
 - During the development cycle, buyers recommence new purchases of the older model, looking for a bargain, or for a more immediate acquisition. Most times the used market will remain, or become, active at “normal” prices, if there were such a thing as “normal.”
 - When the new model is certificated, both new and used buyers typically hesitate again, and production of the predecessor model slows to a trickle. Once the new model goes into production, media attention generates excitement and orders for new aircraft. Used values drop noticeably for a period of 6-12 months.
 - At this point, the market suddenly realizes what a good deal the predecessor model is relative to the capabilities and price point of the new model. Demand for the predecessor model backs up, both in volume and in value.



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What is the economic life of a helicopter?

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What is the economic life of a helicopter?

- In the June 2005 issue of Rotorbreeze, one manufacturer made it explicit. “Bell Helicopter designs and builds commercial aircraft airframes specifically with no need for a scheduled or finite retirement life, either in calendar time or in accumulated flight hours... by operating the aircraft in accordance with the Bell-approved maintenance and overhaul recommendations, complying with the applicable bulletins recommended by Bell, and using only parts and processes acceptable to Bell.” Put simply, as long an operator can get parts for his helicopter, and he maintains it according to the approved maintenance manual, he can continue to fly it indefinitely.



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What is the economic life of a helicopter?

- If you must pick a number to test for tax lease parameters, use 30 years. It's a nice round number, it's credible, and there is lots of evidence to support it as a minimum EUL. Just keep in mind that there are plenty of 40- to 50-year-old helicopters still flying and earning an income for their owners, and the ability to re-lease a helicopter repeatedly for decades is one of the draws of this segment of the aviation community.

