Appraiser's Opinion
A330-900

Type : *Airbus A330neo*
Model : *A330-900*
Family : *A330*

Airframe Manufacturer : *Airbus Industries*
Model Launch : *14 JULY 2014*

No of Engines : *02*
Engine Type - Model : *Rolls-Royce Trent 7000*

Seat Capacity :
Typical three class layout: 260 to 300 seats
All economy class layout: 460 seats

Weight and Payload :
251,000 Kgs Max Design Take Off Weight (MDTOW)
45,800 Kgs Max Payload Weight (MPW) for a 4,000km range

Range Capacity :
7,200 nm / 13,334 km

Other Important Features :
Sharklet, ADS-B, ETOPs, SATCOM, CLS, ACT, EFB, A-A-A-A Exit Config, FCRC, LDCMR, and IFE

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Appraiser’s Opinion

The Airbus A330neo ("neo" for "New Engine Option") is a wide-body airliner developed from the original Airbus A330 (now A330ceo – "Current Engine Option"). In March 2014, Delta Air Lines expressed interest in the A330neo as a replacement for its aging Boeing 767-300ER jets. As a result, Airbus launched the A330neo on 14 July 2014 at the Farnborough Airshow. The type consists of two models, the A330-800 and the A330-900, and is powered exclusively by the Rolls-Royce Trent 7000 engine.

The A330neo features new winglets, similar to those on the A350 XWB, and new engine pylons that enhance aerodynamics, and have provided fuel savings of 4% compared with the A330ceo. The A330-900 model reduces fuel consumption and CO2 emissions by 25% compared with previous generation aircraft, providing significant cost advantages per seat.

The A330-900 made its maiden flight on 19 October 2017, received its EASA type certificate on 26 September 2018, and was delivered to TAP Air Portugal, the launch customer for the aircraft, on 26 November 2018, entering service on 15 December 2018.

The A330-900 offers operational flexibility due to its commonality with other Airbus aircraft. The standard seating capacity is between 260 and 300 seats in a typical three-class layout, with the option to reconfigure the cabin to seat up to 460 passengers in an all-economy layout. This configuration exceeds the existing 440-seat maximum exit limit allowed by the type certificate and requires a modification of the Type-A exit doors to meet emergency exit requirements.

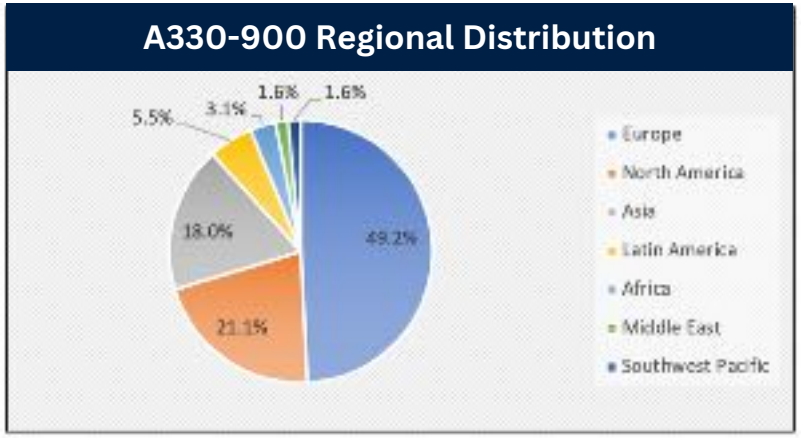
The A330-900, the largest member of the A330neo family, retains the fuselage length of the A330-300 and is designed with commonality across types, allowing pilots to easily switch between models like the A350 and A330 due to a common type rating. The A330neo has 95% airframe spares commonality and up to 85% tooling commonality with the A330ceo, leading to reduced maintenance costs and easier provision of spares for those operators already operating A330ceo aircraft.

The Airbus A330neo offers a slight advantage in passenger capacity and cabin space over its primary competitor, Boeing's 787-9. While the 787-9 has more cargo capacity and longer-range capabilities, Airbus claims the A330neo has 1% lower cash operating costs and 7% lower total costs compared with the 787-9.

The A330-900 has seen a steady increase in orders and deliveries, with Airbus reporting significant orders and deliveries in recent years. As of Airbus' May 2024 report, a total of 307 A330-900 aircraft had been ordered by more than 20 customers, of which 124 aircraft had been delivered.

With regards to the geographical spread of the A330-900, most of the fleet is concentrated in Europe (49.2%), followed by North America (21.1%), Asia (18.0%), Latin America (5.5%), Africa (3.1%), Middle East (1.6%) and Southwest Pacific (1.6%)

Appraiser’s Opinion (contd..)



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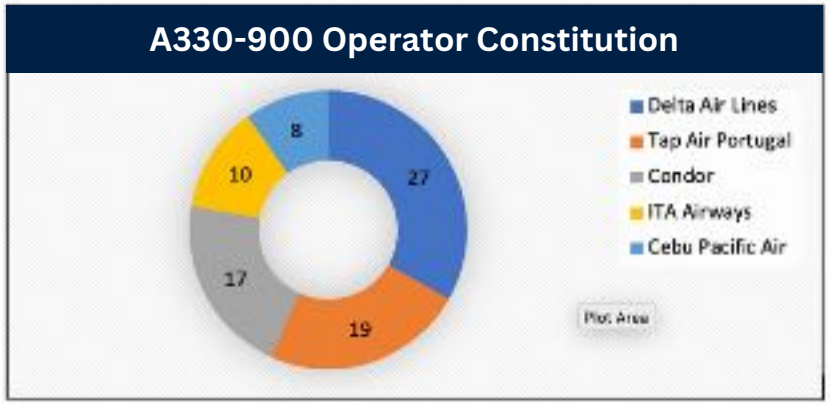
When comparing airline operations Delta Air Lines leads the pack with the most extensive A330-900 fleet, trailed closely by Tap Air Portugal and Condor. The accompanying graph provides a visual depiction of the top 5 operators of the A330-900 fleet.



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Market Outlook

As of 2024, the airline industry has largely recovered from the COVID-induced crisis. This rebound is remarkable, considering the initial shock that saw Revenue Passenger Kilometers (RPKs) drop by 93% in April 2020. Traffic numbers alone do not capture the full picture of airline industry activity; connectivity adds a crucial dimension to the analysis. Air transport plays a vital role in global economic development by providing connectivity between people, cities, and countries.

In 2023, international connectivity in Asia-Pacific markets rose by 62% as travel restrictions were lifted. Consequently, the areas experiencing the steepest growth in connectivity were within Asia-Pacific and between Asia-Pacific and Europe. Alongside continued strong and steady year-over-year growth in North American and European international connectivity of 18% and 17%, respectively, global air connectivity is set to reach record highs in 2024.

The Airbus A330neo is a versatile platform that delivers highly efficient performance for airlines, from short-haul segments to long-range routes up to 7,200 nautical miles. Unlike the A350 and Boeing 787, which are designed for 8,000 nautical miles, the A330neo is more economical on shorter routes, where the vast majority of long-haul markets are 4,000 nautical miles or less. Its design allows airlines to adapt to varying market demands, offering flexibility to manage seasonal changes and explore new routes. This versatility is especially valuable for airlines aiming to expand their market reach without the need for multiple aircraft types. According to the CAPA database as of June 2024, approximately 4.69% of A330-900 aircraft are in storage, compared with only 1.42% of B787-9 aircraft. The wide-body fleet grew by 4.5% YOY from 2011 to 2019. However, there was a slight reduction during the COVID-19 crisis. The stored fleet is expected to return to service soon.

Market Outlook (contd..)

Airlines globally are actively acquiring more fuel-efficient and quieter equipment, a market trend that has continued despite the challenges posed by the pandemic. Importantly, the aviation industry anticipates a surge in the adoption of Sustainable Aviation Fuel (SAF) and carbon credits as integral components of its commitment to reducing carbon footprints. The International Air Transport Association (IATA) projects a substantial increase in SAF production, potentially reaching 0.5% of airlines' total fuel consumption in 2024, adding USD 2.4 billion to this year's fuel bill. Additional costs will come from the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), a global market-based mechanism designed to stabilize international aviation emissions. CORSIA-related costs are estimated at USD 600 million in 2024. Airbus has claimed that the A330neo currently flies with up to 50% SAF and targets 100% by 2030.

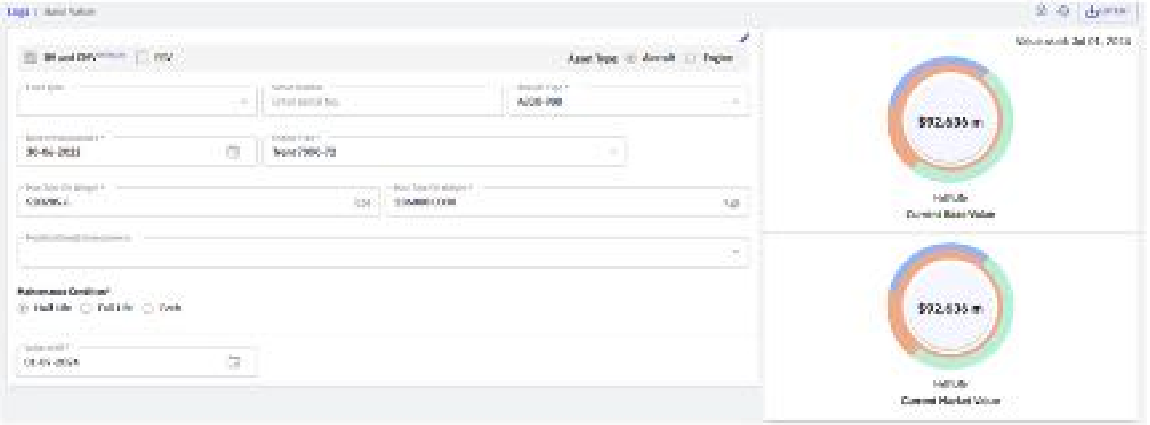
The demand for wide-body aircraft with greater fuel efficiency and lower operating costs is increasing, positioning the A330-900 well for future growth. The Airbus A330-900 is a strong contender in the wide-body market, offering a blend of efficiency, range, and passenger comfort that appeals to airlines aiming to optimize their long-haul operations. Airlines seeking fuel-efficient, long-haul aircraft to replace older models or expand their fleets are the target customers for the A330neo. The Airbus A330neo is preferred by airlines due to its fuel efficiency, operational cost savings, passenger comfort, versatility, environmental benefits, and strong support network. These factors combine to make it a highly competitive and attractive option for modern airline fleets.

Value Projection

Source : fin-S Online Valuation Application - SPARTA

A330-900 NEO- Aircraft Values as of 1st Jan 2024

Year of build	Current market value	Current base value	Future Base Values at 2% Inflation												
			2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
2017	76.569	76.566	76.599	71.458	65.839	60.383	55.385	51.394	47.264	43.325	39.130	35.315	31.657	28.385	24.755
2018	80.914	80.914	80.914	75.668	70.610	65.262	60.246	55.524	50.957	46.508	42.018	38.670	34.898	31.285	27.884
2019	85.622	85.622	85.622	80.148	74.904	69.846	64.637	59.668	54.998	53.499	46.263	42.230	38.385	34.564	30.995
2020	89.512	89.512	89.512	84.044	78.476	73.889	68.488	64.296	59.431	54.831	49.053	45.401	41.344	37.506	33.846
2021	91.311	91.311	91.311	85.649	80.188	75.250	71.098	65.492	60.532	55.879	51.588	47.292	43.323	39.529	35.868
2022	93.305	93.305	93.305	87.511	82.041	76.846	71.826	67.263	62.767	58.013	53.554	48.356	45.334	41.519	37.884
2023	97.951	97.951	97.951	91.897	85.190	80.903	75.887	70.841	66.248	61.819	57.137	52.746	48.612	44.840	40.889
2024	104.203	104.203	104.203	97.838	91.790	86.389	80.708	75.598	70.758	65.171	61.747	57.070	52.684	48.555	44.587



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