

Type : *B777*
Model : *B777-300ER*
Family : *Wide-body*

Airframe Manufacturer : *Boeing*
Model Launch: *2004*

No of Engines : *2*
Engine Type – Model : *GE90-115B*

Seat Capacity :
392 in 2 Class Configuration

Weight and Payload :
351,550 Kgs Max Take Off Weight (MTOW),

Range Capacity : *7085 nm / 13,120 km*

Appraiser's Opinion

B777-300ER



Ameya Gore
Sr. ISTAT Appraiser

Appraiser's Opinion

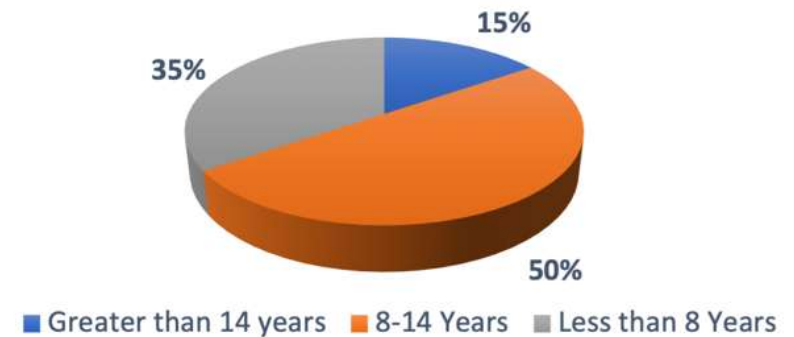
The B777-300ER has been the most popular asset type in the B777 legacy program with 819 units out of total 1276 delivered across the entire family. More than 60% of the B777-200 variants (B777-200/200LR/200ER) and the B777-300 have already been retired. However, the majority of the B777-300ER fleet continues to be in active service with just over 10% of the fleet having been retired so far. This continued demand can be attributed to the aircraft's: route flexibility; long range capability; mature engine program; long-haul suitable passenger cabin, and significant belly cargo capacity.

However, with the introduction of B777X as well as long term confirmed demand for B787 family aircraft, Boeing has phased out the B777-300ER from production. There are 353 unfilled orders for the B777X and 460 unfilled orders for the B787-8/-9 assets compared with only 6 unfilled orders for B777-300ER. This is indicative of the B777-300ER being phased out to make way for the B777X by end of the current decade.

In the appraiser's opinion, the B777-300ER has a relatively positive current market demand with Tier 1 operators. The global fleet composition needs careful analysis in this regard to understand and predict the potential future demand for this aircraft. As the statistics on the right depict, only 15% of the global fleet is currently over 14 years old; prime candidates for retirement are relatively low in number. With more than 60% of the global fleet being owned, transitions of assets from Tier 1 to Tier 2 operators would be relatively low in number.

This also means that secondary demand for this aircraft type would be soft and hence negatively impact the market value of the asset as compared with the base value.

B777-300ER - Leased Aircraft by Age



B777-300ER - Ownership Status



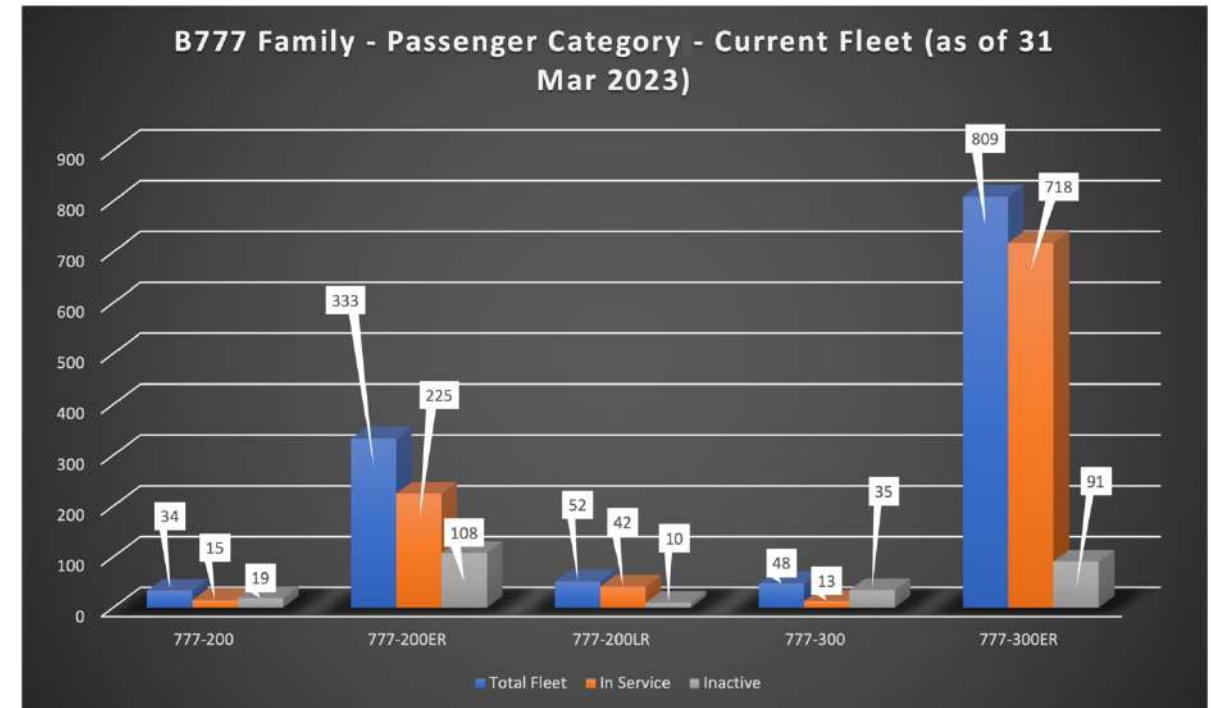
Source: CAPA

Appraiser's Opinion (contd..)

In addition, the increasing popularity of the B787-9 and A350-900 is expected to have an impact on the future demand for used B777-300ER amongst emerging Tier 2 operators in the long-haul market. The cost of cabin refurbishment and aircraft rebranding is significantly high and is less likely to be viable for Tier 1 as well as Tier 2 airlines. This may lead to a possibility of a flux in demand at the end of the current decade when B777X, B787-9, A350-900 and A350-1000 reach critical mass in the global operations. These aircraft programs are also technologically more advanced and predicted to offer significant operational and commercial advantages. At end of the decade, it would prove difficult to place the majority of the mid-age B777-300ER fleet (8-14 years old) on secondary leases, increasing the likelihood of retirement and a decline in market value. These factors are important considerations for future value projections and must be closely watched. Overall, whilst the aircraft has proved to be a worthy workhorse for the long-haul market, the future of the long-haul market appears to hinge on the success of the newer aircraft types. The phase out of the B777-300ER seems inevitable and might only get extended through increased demand from the Freighter market, from which signs continue to emerge.

Disclaimer

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Source: Boeing website
As of 31 Dec 2022

Source: fin-S Online Valuation on SPARTA

\$76.727 m

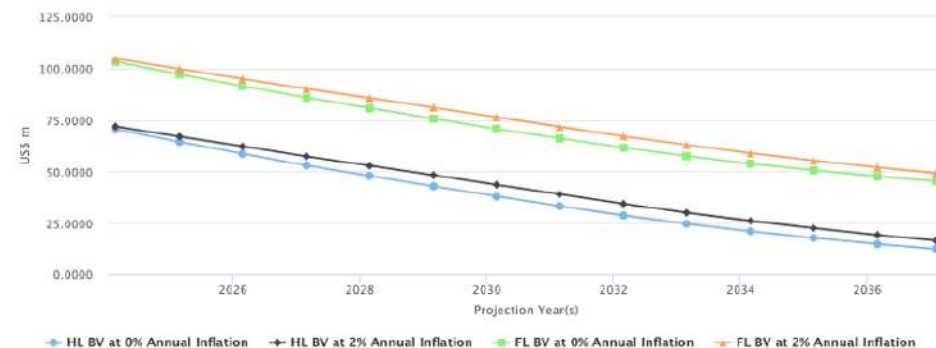
Val

\$58.313 m

2023

Half Life

Current Market Value



Date	Half Life		Full Life	
	@ 0% Inflation	@ 2% Inflation	@ 0% Inflation	@ 2% Inflation
Mar 2024	US\$70.406 m	US\$71.814 m	US\$103.258 m	US\$104.666 m
Mar 2025	US\$64.364 m	US\$66.964 m	US\$97.216 m	US\$99.816 m
Mar 2026	US\$58.549 m	US\$62.132 m	US\$91.401 m	US\$94.984 m
Mar 2027	US\$52.980 m	US\$57.347 m	US\$85.832 m	US\$90.199 m
Mar 2028	US\$47.842 m	US\$52.821 m	US\$80.694 m	US\$85.673 m
Mar 2029	US\$42.802 m	US\$48.202 m	US\$75.654 m	US\$81.054 m
Mar 2030	US\$37.892 m	US\$43.526 m	US\$70.744 m	US\$76.378 m
Mar 2031	US\$33.189 m	US\$38.886 m	US\$66.041 m	US\$71.738 m
Mar 2032	US\$28.644 m	US\$34.232 m	US\$61.496 m	US\$67.084 m
Mar 2033	US\$24.587 m	US\$29.971 m	US\$57.439 m	US\$62.823 m

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