Development Bank of Japan builds a world-class aviation team by leveraging accurate and timely aviation intelligence
Development Bank of Japan (DBJ) has been relying on Cirium’s expertise since 2011 to achieve their objective of building a best in class aviation finance department. To achieve this objective DBJ needed insight on the following areas:

- Aviation asset values by MSN and portfolio
- Fleet information to show owner details, aircraft history and operator information by airline
- Asset risk ratings by aircraft type and year of build
- Market commentaries to show values and lease rate trends
- Schedules information by airline and aircraft type
- Passenger capacity figures by route and aircraft type

Cirium provided several workshops and advisory reports to help DBJ’s team of finance professionals fully grasp the complexities of aircraft value behaviour, the used aircraft marketplace, risk management, best practices in financing and leasing, and the competitive landscape.

The goal eight years later remains the same, to ensure their team of analysts and investment professionals have access to data and analytics that they can trust every day.

“The output from the Cirium study in 2011 is very valuable to us, so even now in 2019, we read it many times to remind ourselves of the importance of the aviation financing business. We call it the ‘bible’ of our business”

Rikan Miura, Deputy General Manager, Corporate Finance Department, Head of Global Aviation Team & Head of Americas and North Asia
The challenge

As a newcomer to the market in 2011, it was vital that DBJ partnered with a data and analytics organisation that would enable them to build a world class aviation finance team. A core component of achieving this goal was in helping them to understand the complexities of the market and build frameworks that would provide a longevity of analysis to support their requirements.

The prospect of transforming DBJ into a global powerhouse in aviation finance required a solution that was truly global. It needed to include values of aviation assets worldwide and appropriate commentaries and consultancy face to face time to fully understand the complexities of this market.

In addition, DBJ required a solution that would ensure they could conduct higher risk transactions with confidence.

To achieve their goal, DBJ needed access to industry news, schedules, asset values, fleet information and a professional advisory team to assist with any query.

“Values Analyzer and Fleet Analyzer are very useful in getting specific information at the timing we want, and it is easy to customize the output”

Kaori Oizumi, Analyst, Corporate Finance Department
The solution

The project began in 2011 with a consultancy study led by Cirium’s consultancy team, Ascend by Cirium, to help DBJ understand the reasons behind investing in the aviation sector. The results of this research, known internally by DBJ staff as the ‘bible of their business’ provide vital information on the life of an aircraft type. In addition, it has helped DBJ to develop a risk management system that acts as the foundation for their aviation investment team.

To ensure a constant flow of knowledge on the market remained, DBJ needed accurate real time information on developments across the global fleet. Cirium provides DBJ with a suite of solutions that have a friendly user interface and provide data and analytics by an aircraft MSN.

Cirium’s fleets, values and schedules data sets made it easy to manage large volumes of information with little resource. The aviation finance team can now quickly and via an in-depth source, view the size of a customer’s fleet, the midlife, full-life or monthly lease rate of an aviation asset by MSN. Once this process has been complete the team can additionally view the routes, ASKS and capacity statistics for the client’s routes and customers. Therefore, providing them with a thorough view of their customers and prospects activities to ensure their investment plans are focusing on the most relevant areas.

Here after, to ensure continual improvement DBJ began to investigate engines as an additional investment portfolio. The process of asset risk transactions of this nature required information on the technicalities of the asset that were different to airframe values. The Ascend by Cirium ISTAT appraisers helped DBJ to provide extra knowledge on the life of the engine and the operator history of the specific asset.

To help DBJ meet their goal of building a world class team, Cirium recognised the need for regular client support. If a member of the DBJ team is unsure on a market development or aircraft value, they can reach out to the Ascend by Cirium consultants and receive a reply in a consistently timely manner.

“The biggest benefit of working with Cirium is accessing information that we trust at the right time”
DBJ access a suite of Cirium’s data solutions to focus on the asset and provide them with competitive knowledge to gain confidence in the market.

**Fleets Analyzer**
- In depth view of an aviation assets life by MSN, operator, owner and manager

**Values Analyzer**
- Quick, accurate online valuations of aircraft assets

**Asset Risk Ratings**
- Asset base value depreciation and downside market volatility scores

**Asset Market Commentaries**
- Airframe and engine market outlooks

**FlightMaps Analytics**
- Analyse routes by specific airlines

**Dashboard**
- Real-time access to aviation insights for decision making

**Online portfolios**
- Current and future half-life and full life values by portfolio type

**CapStats**
- View capacity information by aircraft type, routes and airline

“**We use Value Analyzer on a daily basis to help us consider deals, and to monitor how values for popular aircraft move on a monthly basis**”

*Kaori Oizumi, Analyst, Corporate Finance Department*

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**About Cirium**

Cirium brings together powerful data and analytics to keep the world in motion. Delivering insight, built from decades of experience in the sector, enabling travel companies, aircraft manufacturers, airports, airlines and financial institutions, among others, to make logical and informed decisions which shape the future of travel, growing revenues and enhancing customer experiences. Cirium is part of RELX PLC, a global provider of information-based analytics and decision tools for professional and business customers. Find out more at cirium.com