

AVOLON CONTINUES EXPANSION OF ITS FLEET AND CUSTOMER BASE IN 2021

- S&P, Moody's and Fitch reaffirmed Avolon's investment grade rating with Stable outlook;
- Raised \$3.7bn of debt capital at a cost of 2.5% and increased total revolving debt capacity from \$4.8 to \$5.9 billion;
- Delivered, transitioned and sold a total of 91 aircraft; executed 229 lease transactions during 2021;
- Owned and managed fleet increased by 4% to 592 aircraft during 2021;
- Announced the world's largest zero emissions eVTOL aircraft order with Vertical Aerospace, underscoring Avolon's commitment to combat climate change;
- Placed 70% of the VX4 order book with GOL and JAL;
- Launch customer for the IAI A330-300 P2F cargo conversion programme to capitalise on the global growth in e-commerce.

Dublin | 10 January 2022: Avolon, the international aircraft leasing company, issues an update for the fourth quarter ('Q4') and 2021 full year ('FY').

Reviewing 2021, Dómhnaí Slattery, CEO Avolon, commented: "As we predicted at the start of the year, 2021 was shaped by the rapid distribution and take-up of vaccines, which resulted in the progressive easing of government travel restrictions and a strong rebound in global air travel. The scale of pent up demand for travel, and airlines moving to meet that demand, resulted in our fourth quarter being the most active period for leasing activity in our history. It is clear that the aviation industry will continue to face challenges in 2022 given new variants, but that market backdrop creates opportunities for us, and the fundamentals of the sector remain strong. As we look ahead, we are optimistic that both our platform and our people will continue to meet the challenges we face and seize the opportunities to thrive in the year ahead.

2021 saw Avolon make its landmark investment in zero-emissions aircraft. Both our investment in, and our orderbook with, Vertical Aerospace – which successfully listed on the New York Stock Exchange in December – will prove to be a game-changer. eVTOLs are the first step towards a revolution in air travel and the strong demand for our VX4 orderbook from the world's leading airlines shows that our airline partners share this view. We look forward to continuing to work with our customers to decarbonise air travel and work towards a net zero carbon economy."

Q4 FLEET METRICS & BUSINESS HIGHLIGHTS

- Executed a total of 95 lease transactions in the quarter comprising of new aircraft leases, follow-on leases and lease extensions;
- Delivered a total of 25 new aircraft to 8 customers and transitioned 6 aircraft to follow-on lessees;
- Entered into Letters of Intent for the sale and leaseback of 40 aircraft;
- Sold 12 aircraft; and
- Fangda Group's investment into the HNA group of airlines for an ownership stake of c. 25% recapitalises and strengthens these airlines which account for 11% of our portfolio.

2021 FULL YEAR HIGHLIGHTS

FY FLEET HIGHLIGHTS

- Delivered a total of 49 new aircraft and transitioned 23 aircraft to a total of 30 customers;
- Executed a total of 229 lease transactions comprising new aircraft leases, follow-on leases, lease extensions, and sale agreements for 16 aircraft;
- Owned and managed fleet of 592 aircraft at year end, with total orders and commitments for 232 fuel-efficient, new technology aircraft;
- Entered into sale and leaseback Letters of Intent commitments for 45 aircraft;
- Sold 24 aircraft in 2021, 5 of which were managed;
- Added 14 new customers during 2021, for a total of 150 airline customers operating in 62 countries;
- Partnered with IAI to become the launch customer for the IAI A330-300 P2F cargo conversion programme, with a commitment for 30 conversion slots between 2025 and 2028;
- Ground-breaking \$2 billion order for up to 500 VX4 eVTOL zero emissions aircraft; and
- Placed 70% (or 350 units) of this VX4 eVTOL order, with GOL and Japan Airlines.

FY FINANCIAL HIGHLIGHTS

- Maintained strong credit metrics resulting in S&P, Moody's and Fitch reaffirming Avolon's Investment Grade credit rating with Stable outlook;
- Upsized unsecured revolving facility by \$1.1 billion to \$4.3 billion, bringing total revolving debt capacity to \$5.9 billion at year end;
- Extended the maturity date of unsecured revolving facility from 2024 to 2026;
- Successfully raised \$3.7 billion of new debt, at a historically low average cost of 2.5%; and
- Extended \$2 billion of unsecured note maturities to 2027 and reduced the weighted average interest rate from 5.31% to 2.53%.

ENDS

About Avolon

Headquartered in Ireland, with offices in the United States, Dubai, Singapore, Hong Kong and Shanghai, Avolon provides aircraft leasing and lease management services. Avolon is 70% owned by an indirect subsidiary of Bohai Leasing Co., Ltd., a public company listed on the Shenzhen Stock Exchange (SLE: 000415) and 30% owned by ORIX Aviation Systems, a subsidiary of ORIX Corporation which is listed on the Tokyo and New York Stock Exchanges (TSE: 8591; NYSE: IX). Avolon is the world's second largest aircraft leasing business with an owned, managed and committed fleet, as of 31 December 2021 of 824 aircraft.

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Note Regarding Forward-Looking Statements

This document includes forward-looking statements, beliefs or opinions, including statements with respect to Avolon's business, financial condition, results of operations and plans. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond our control and all of which are based on our management's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe," "expects," "may," "will," "could," "should," "shall," "risk," "intends," "estimates," "aims," "plans," "predicts," "continues," "assumes," "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. No assurance can be given that such future results will be achieved.