



2021 THIRD QUARTER RESULTS

Avolon's cost of capital reduced to 3.6% following \$4 billion of capital markets activity in Q3

Dublin | 21 October, 2021: Avolon, the international aircraft leasing company, announces results for the third quarter ('Q3') of 2021.

2021 THIRD QUARTER | FINANCIAL HIGHLIGHTS

INCOME STATEMENT (\$ MILLION)	Q3 2021	Q3 2020	CHANGE
Lease Revenue	518	519	(1)
Net Income / (Loss)	6	(4)	10

BALANCE SHEET (\$ MILLION)	Q3 2021	FY 2020	CHANGE
Total Available Liquidity	6,633	6,867	(234)
Total Assets	30,358	30,838	(480)
Secured Debt / Total Assets	20%	25%	(5%)
Net Debt to Equity	2.4x	2.3x	0.1x

- Net Income for the three months to 30 September was \$5.9m;
- Delivered \$518m of lease revenue and generated \$237m of net cash from operating activities in the quarter;
- Upsized unsecured revolving facility by \$1.1bn to \$4.3bn, and extended the maturity date from 2024 to 2026;
- Total available liquidity of \$6.6bn at end of Q3, including \$706m of unrestricted cash and \$5.9bn of undrawn debt facilities;
- Extended \$2.0bn of unsecured note maturities to 2027 and reduced the weighted average coupon from 5.31% to 2.53%;
- Repaid approximately \$650m of secured debt during the quarter with a weighted average interest cost of 3.93%;
- Repriced \$672m Term Loan B, reducing cost by 50bps; and
- Ended the quarter with a secured debt to total assets ratio of 20%, and \$17bn of unencumbered assets.



2021 THIRD QUARTER | STRATEGIC HIGHLIGHTS

- Partnered with IAI, the world's leading independent freighter conversion company as launch customer for the IAI A330-300 P2F cargo conversion programme. Avolon has committed to 30 conversion slots between 2025 and 2028; and
- Avolon-e announced that GOL and Grupo Comporte have committed to purchase or lease up to 250 eVTOL aircraft and post quarter end Japan Airlines has committed to purchase or lease up to 100.

2021 THIRD QUARTER | OPERATING HIGHLIGHTS

- Owned and managed fleet of 585 aircraft at end of Q3, with total orders and commitments for 245 fuel-efficient, new technology aircraft;
- Average owned fleet age of 5.7 years with an average remaining lease term of 6.7 years;
- Executed a total of 54 lease transactions in the quarter comprising new aircraft leases, follow-on leases and lease extensions;
- Sold 2 aircraft in the quarter and executed sales agreements for a further 10 aircraft;
- Delivered a total of 8 new aircraft to 6 customers and transitioned 9 aircraft to follow-on lessees; and
- Total of 150 airline customers operating in 61 countries.

Dómhnaí Slattery, Avolon CEO, commented: "Over the past three months we have met with airline CEOs on every continent. The clear message is that our customers are positioning themselves for a robust recovery. Avolon is well placed to support our airline partners in this recovery with an attractive skyline of available aircraft in the 2023-2025 timeframe.

In Q3 we announced a strategic partnership with IAI for 30 A330-300 passenger-to-freighter conversion slots, securing near-term availability and capitalizing on growth in the e-commerce sector. The agreement with IAI, global leaders in freighter conversion, signals our intent to become a key player in the increasingly vibrant air cargo market. Following on from the Q2 announcement that Avolon would be a launch customer for Vertical's VA-X4 zero emissions aircraft, we have now placed over half of our initial order of 500 VA-X4 aircraft, confirming agreements with Brazil's GOL and Japan Airlines for 250 and 100 aircraft respectively."



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 third largest aircraft leasing business with an owned, managed and committed fleet, as of 30 September 2021 of 830 aircraft.

Website: www.avolon.aero

Twitter: [@avolon_aero](https://twitter.com/avolon_aero)

Ross O'Connor
Head of Capital Markets
roconnor@avolon.aero
T: +353 1 231 5818

Emmet Moloney
Head of Communication
emoloney@avolon.aero
T: +353 1 556 4429

Jonathan Neilan
FTI Consulting
avolon@fticonsulting.com
M: +353 86 231 4135