



2022 THIRD QUARTER RESULTS

AVOLON REPORTS \$141 MILLION OF NET INCOME IN Q3

Dublin | 25 October 2022: Avolon, the international aircraft leasing company, announces results for the third quarter (Q3) of 2022.

2022 THIRD QUARTER | FINANCIAL & BUSINESS HIGHLIGHTS

INCOME & CASHFLOW (\$ MILLION)	Q3 2022	Q3 2021	9M 2022	9M 2021
Lease Revenue	546	518	1,743	1,598
Operating Cashflow	278	237	903	549
Net Income	141	6	(33)	(14)
Net Income (excluding Russia)	141	6	227	(14)

BALANCE SHEET (\$ MILLION)	Q3 2022	FY 2021	CHANGE
Total Available Liquidity (incl contracted sales)	6,781	6,387	394
Total Assets	30,020	30,984	(964)
Secured Debt / Total Assets	20%	20%	-
Net Debt to Equity	2.3x	2.4x	(0.1x)

- Net Income for the three months to 30 September was \$141 million and \$227 million for the nine months to 30 September (excluding the impact of Russia);
- Recognised \$546 million of lease revenue and generated \$278 million of net cash from operating activities in the quarter;
- Ended the quarter with total available liquidity and contracted sales of approximately \$6.8 billion, including \$5.7 billion of undrawn debt facilities;
- Ended the quarter with \$16 billion of unencumbered assets and net leverage of 2.3x;
- Agreed a landmark transaction with Malaysia Airlines for the financing of 20 A330-900neo aircraft valued at over \$2 billion;
- Upsized unsecured revolving credit facility by \$0.2 billion bringing the total facility size to \$4.6 billion and executed a \$0.7 billion term financing facility maturing 2029; and
- Post quarter end, Avolon announced the appointment of Ross O'Connor as Chief Financial Officer, Felipe Campos as Chief Operating Officer and Jim Morrison as Chief Risk Officer.



2022 THIRD QUARTER | FLEET HIGHLIGHTS

- Executed a total of 54 lease transactions in the quarter comprising new aircraft leases, follow-on leases and lease extensions;
- Sold 13 owned aircraft and 4 engines during the quarter and entered into Letters of Intent for the sale of 7 owned aircraft;
- Delivered a total of 4 aircraft to 3 customers and transitioned 7 aircraft to follow-on lessees;
- Owned and managed fleet of 568 aircraft at quarter end, with total orders and commitments for 265 fuel-efficient, new technology aircraft;
- Average owned fleet age of 6.4 years with an average remaining lease term of 6.8 years; and
- Ended the quarter with a total of 149 airline customers operating in 63 countries.

Andy Cronin, CEO, commented: *“The third quarter contained a number of key milestones for our business, including delivering our strongest and most profitable quarter post pandemic, a landmark aircraft financing transaction with Malaysia Airlines, and the successful completion of our leadership transition. We also raised close to \$1 billion of new capital and saw all of our key financial metrics strengthen during the quarter, further enhancing our balance sheet.*”

As the recovery in international and long-haul traffic gains momentum, we are seeing robust demand at attractive lease rates for our young, fuel-efficient aircraft. This market backdrop, our balance sheet strength and our strong cashflow profile positions Avolon to continue to drive an improving earnings performance in the period ahead.”

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 a global leader in aircraft leasing with an owned, managed and committed fleet, as of 30 September 2022 of 833 aircraft.

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