



2022 SECOND QUARTER RESULTS

AVOLON REPORTS \$86 MILLION OF NET INCOME (EX-RUSSIA) IN H1-22

FOUNDING CEO DÓMHNAL SLATTERY TO STEP DOWN; ANDY CRONIN APPOINTED CEO DESIGNATE

Dublin | 26 July, 2022: Avolon, the international aircraft leasing company, announces results for the second quarter (Q2) of 2022.

2022 SECOND QUARTER | FINANCIAL & BUSINESS HIGHLIGHTS

INCOME & CASHFLOW (\$ MILLION)	Q2 2022	H1 2022	Q2 2021	H1 2021
Lease Revenue	539	1,197	610	1,080
Operating Cashflow	305	624	195	313
Net Income	8	(173)	64	(20)
Net Income (excluding Russia)	6	86	64	(20)

BALANCE SHEET (\$ MILLION)	Q2 2022	FY 2021	CHANGE
Total Available Liquidity (incl contracted sales)	6,693	6,387	306
Total Assets	30,593	30,984	(391)
Secured Debt / Total Assets	21%	20%	1%
Net Debt to Equity	2.4x	2.4x	-

- Ended the quarter with total available liquidity and contracted sales of approximately \$6.7 billion, including \$4.9 billion of undrawn debt facilities;
- Recognised \$539 million of lease revenue and generated \$305 million of net cash from operating activities in the quarter;
- Net Income (excluding Russia) for the three months to 30 June was \$6 million and \$86 million for the six months to 30 June;
- Ended the quarter with over \$16 billion of unencumbered assets and net leverage of 2.4x;
- Fitch re-affirmed Avolon's credit rating at BBB- with Stable outlook;
- Received inaugural ESG Rating from Sustainalytics with a score of 16.0 placing Avolon in the 'Low Risk' category and the top 5% of our industry grouping; and
- Extended the maturity date of Avolon's secured recourse revolving credit facility from 2024 to 2027. Following the effective date of 15 July, the total facility size will be \$745 million.



2022 SECOND QUARTER | FLEET HIGHLIGHTS

- Executed a total of 54 lease transactions in the quarter comprising new aircraft leases, follow-on leases and lease extensions;
- Entered into Letters of Intent for the sale and leaseback of 13 aircraft and the placement of 31 aircraft from Avolon's orderbook;
- Sold 2 owned aircraft and entered into binding sale agreements for the sale of 30 owned aircraft;
- Owned and managed fleet of 591 aircraft at quarter end, with total orders and commitments for 260 fuel-efficient, new technology aircraft;
- Average owned fleet age of 6.2 years with an average remaining lease term of 6.7 years; and
- Ended the quarter with a total of 146 airline customers operating in 62 countries.

LEADERSHIP TRANSITION

- As announced separately today, Avolon's founding CEO, Dómhnaíl Slattery, has informed the Board of his intention to step down from his executive role and from the Board later in 2022. Andy Cronin, Avolon's President & CFO, has been appointed to the role of CEO Designate.
- In addition, Paul Geaney, Avolon's Chief Commercial Officer (CCO) is appointed to the role of President & CCO with immediate effect.

Andy Cronin, CEO Designate, commented: *"Demand for air travel globally has continued to recover strongly and that recovery is evident in the improving financial health of airlines. The rebound in demand has been met with operational challenges within airlines and at airports but we are seeing broad-based demand for new and used aircraft as passengers want to return to the skies."*

"This market backdrop, together with our strong liquidity, attractive orderbook of new technology aircraft, global scale and multi-cycle experience underpins our confidence in the medium-term outlook for our business and the wider industry."

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 June 2022 of 851 aircraft.

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