



2023 FIRST QUARTER RESULTS

Avolon first quarter performance driven by strong aircraft demand and rising lease rates

Dublin | 27 April 2023: Avolon, the international aircraft leasing company, announces results for the first quarter (Q1) of 2023.

2023 FIRST QUARTER | FINANCIAL HIGHLIGHTS

INCOME STATEMENT (\$M)	Q1 2023	Q1 2022	CHANGE
Lease Revenue	599	658	(59)
Operating Cashflow	310	320	(10)
Reported Net Income	56	(182)	238
Adjusted Net Income*	56	80	(24)

BALANCE SHEET (\$M)	Q1 2023	FY 2022	CHANGE
Total Available Liquidity	5,527	5,567	(40)
Total Assets	30,224	30,796	(572)
Secured Debt / Total Assets	21%	22%	(1%)
Net Debt to Equity	2.3x	2.3x	-

**Adjusted Net Income (a non-GAAP measure) excludes the impact of impairment and write-off of lease associated balances in respect of Russia*

- Delivered \$599 million of lease revenue and net income of \$56 million for the quarter;
- Generated \$310 million of net cash from operating activities;
- Executed a \$810 million term financing facility maturing in 2030, with a syndicate of 10 banks;
- Ended the quarter with total available liquidity of \$5.5 billion, including \$403 million of unrestricted cash and \$5.1 billion of undrawn debt facilities; and
- Ended the quarter with net debt to equity of 2.3 times, a secured debt to total assets ratio of 21% and \$16 billion of unencumbered assets.

2023 FIRST QUARTER | FLEET HIGHLIGHTS

- Owned and managed fleet of 578 aircraft at quarter end, with total orders and commitments for 252 fuel-efficient, new technology aircraft;
- Average owned fleet age of 6.3 years with an average remaining lease term of 6.9 years;
- Executed 31 lease transactions in the quarter comprising new aircraft leases, follow-on leases and lease extensions;



- Delivered 9 new aircraft and transitioned 9 aircraft to a total of 13 customers;
- Agreed letters of intent for the sale and leaseback of 12 aircraft;
- Sold 2 aircraft and agreed letters of intent for the sale of a further 13 aircraft;
- Added 3 new customers during the quarter, for a total of 147 airline customers operating in 65 countries; and
- Orderbook is fully placed for 2023 and 82% placed to the end of 2024.

737 MAX AIRCRAFT ORDER

- Post quarter end, Avolon agreed terms for a commitment to order 40 Boeing 737 MAX aircraft;
- The aircraft are scheduled for delivery between 2027 and 2030 and are valued at over \$4 billion at current list prices; and,
- Once this order is finalised, Avolon's pro-forma owned, managed, and committed fleet will rise to 870 aircraft.

Andy Cronin, Avolon CEO, commented:

"Avolon benefitted from rising lease rates during the quarter as global passenger traffic continued to grow and the reopening of the Chinese market provided an important catalyst for increased travel in the region. Demand for aircraft remains strong, with high levels of leasing activity and a continued shortage of aircraft. This is supporting residual values and driving demand for lease extensions from airlines unable to access new deliveries. Our commitment with Boeing for 40 new 737 MAX aircraft reflects our confidence in the long-term outlook for the aviation sector. With our low leverage and high levels of liquidity, we are well positioned to take advantage of future opportunities."

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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 31 March 2023 of 830 aircraft. www.avolon.aero

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