

Avolon in Strong Position Following a Transformative 2017

- Delivered 45 new aircraft and sold 44 owned & managed aircraft
- Completed US\$10.4 billion acquisition & integration of CIT aircraft leasing business
- Increased owned, managed and committed fleet by 109% to 908 aircraft
- Raised US\$14.9 billion of new capital
- Created the 3rd largest aircraft lessor globally

Dublin, 9 January, 2018 | Avolon, the international aircraft leasing company, issues an update for the 2017 fourth quarter ('Q4') and full year.

| | Q4 2016 | Q4 2017 | Change |
|---|---------|---------|--------|
| Owned, managed & committed fleet (aircraft) | 435 | 908 | +109% |
| Owned & managed fleet (aircraft) | 262 | 569 | +117% |
| Airline Customers | 85 | 153 | +80% |

Q4 Business Highlights & Fleet Metrics

- 7 aircraft delivered and 5 aircraft sold during Q4;
- Continued strong progress on placement of new order pipeline; 2018 orderbook deliveries fully placed and all twin aisle aircraft from orderbook placed out until Q4 2019;
- Sale of the remaining 3 aircraft from Avolon Capital Partners, the Company's joint venture ('JV') with Wells Fargo in which Avolon was a 25% JV partner, with returns realized ahead of expectations;
- Owned, managed and committed fleet increased by 109% year-on-year to 908 aircraft at the end of Q4;
- Average age of owned fleet of 5.3 years, and average remaining lease term of delivered fleet of 6.6 years; and,
- Total customer base increased to 153 airlines in 64 countries.

Q4 Financial Highlights

- Following the successful re-pricing of the US\$5.0 billion TLB-2 facility in Q3, Avolon re-priced its US\$500 million TLB-1 facility in Q4 and repaid US\$130 million of the TLB-1 facility during the re-pricing;
- Increased debt facilities by c. US\$907 million during Q4, of which US\$200 million was an upsize to a revolving warehouse facility; and,
- During the quarter, Avolon paid US\$226.5 million to acquire a minority interest in an existing aircraft portfolio investment agreement, thereby removing all remaining non-controlling interests.

2017 Full Year Highlights

- Completed the US\$10.4 billion acquisition and integration of CIT's aircraft leasing business creating the 3rd largest aircraft lessor globally with an owned, managed and committed fleet of 908 aircraft;
- Received corporate credit ratings from four rating agencies which, at 31 December 2017, were: Fitch Ratings (BB), Kroll Bond Rating Agency (BBB+), Moody's Investor Service (Ba2, upgraded from Ba3) and S&P Global Ratings (BB+), all with stable outlook;
- Successfully raised US\$14.9 billion of total capital in 2017 including equity and debt, of which US\$9.75 billion of debt was raised in the public capital markets:
 - US\$2.4 billion of incremental equity raised, US\$5.5 billion TLB issuance and US\$4.25 billion unsecured bond issuances;
 - Repriced US\$5.0 billion TLB-2 from LIBOR plus 2.75% with a LIBOR floor of 0.75% to LIBOR plus 2.25% with a LIBOR floor of 0.75%;
 - Repriced and partially repaid our TLB-1 from LIBOR plus 2.25% with a LIBOR floor of 0% to LIBOR plus 1.75% with a LIBOR floor of 0%; and,
 - Raised US\$2.8 billion of new commercial debt, export credit debt, and private placement debt from 28 lenders during the year, including the upsizing of warehouse facilities and other revolving credit facilities by a combined total of US\$1.1 billion.
- Total revolving debt facilities, at 31 December 2017, of US\$3.0 billion with availability periods out to a minimum of 2020;
- Delivered 45 new aircraft including delivery of the world's first Boeing 737 MAX 8;
- Sold a total of 44 aircraft, which comprised the sale of 29 owned aircraft and 15 managed aircraft, across the combined platform in 2017, bringing to over 120 the total number of aircraft sold since 2012;
- Announced a series of corporate transactions including:
 - Firm order for 75 Boeing 737 MAX aircraft including 55 MAX 8s and 20 MAX 10s with options for a further 20 MAX 8 aircraft; and,
 - Acquired all non-controlling interests in the consolidated Avolon group.
- Published a total of 4 Thought Leadership papers in 2017 including a world fleet forecast which projects 43,000 new aircraft to be delivered over the next 20 years.

Dómhnal Slattery, CEO Avolon, commented: *"We are delighted to announce another strong quarter of trading; completing what has been a transformational year for the company. The year was headlined by the acquisition and integration of the CIT aircraft leasing business, and our order for 75 Boeing 737 MAX aircraft.*

We believe that our strong cashflows, credit metrics and proven management team are a testament to the strength of our business. We are highly confident about the future for Avolon, as we continue to build towards becoming the global leader in aircraft leasing."

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Forward-Looking Statements

This press release includes forward-looking statements. Although Avolon believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors. Some of these factors include market conditions and closing conditions for the Offering. Avolon undertakes no obligation to update any information contained in this press release.

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 a wholly-owned, indirect subsidiary of Bohai Capital Holding Co., Ltd., a Chinese public company listed on the Shenzhen Stock Exchange (SLE: 000415). Avolon is the world's third largest aircraft leasing business with an owned, managed and committed fleet, as of 31 December, 2017 of 908 aircraft.

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