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**FOR IMMEDIATE RELEASE**

Contact:

Aircastle Advisor LLC

Jim Connelly, SVP ESG & Corporate Communications

Tel: +1-203-504-1871

[jconnelly@aircastle.com](mailto:jconnelly@aircastle.com)

**Aircastle Announces Second Quarter 2023 Results**

**Highlights for the Three Months Ended August 31, 2023**

- Total revenues of \$168 million and net income of \$6 million
- Adjusted EBITDA<sup>(1)</sup> of \$152 million
- Acquired 1 Embraer E2 aircraft; total number of new technology aircraft increased 61% compared to second quarter 2022
- Sold six aircraft with an average age of 18 years for a gain on sale of \$4 million.

**Liquidity**

- Received \$200 million of shareholder equity, the first tranche of a \$500 million commitment. The remaining \$300 million is expected in the first quarter of fiscal 2024
- Issued \$650 million 6.50% unsecured senior notes
- Expanded revolving credit facilities by \$130 million, resulting in total available capacity of \$1.9 billion
- Net debt-to-equity ratio was 2.3 times at August 31, 2023
- Total liquidity as of October 6, 2023 of \$2.8 billion includes \$1.8 billion of undrawn facilities, \$0.6 billion of projected adjusted operating cash flows and sales through October 6, 2024, \$0.3 billion of equity commitments and \$0.1 billion of unrestricted cash
- 201 unencumbered aircraft with a net book value of \$5.2 billion

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(1) Refer to the selected financial information accompanying this press release for a reconciliation of GAAP to Non-GAAP numbers.

Mike Inglese, Aircastle’s Chief Executive Officer, commented, “Across aviation, demand for narrow-body passenger aircraft exceeds capacity. In the second quarter, IATA reported global domestic passenger traffic exceeding 2019 levels. The extended OEM production delays and maintenance challenges associated with new technology engines has resulted in further demand for current technology aircraft. These overlapping conditions have us optimistic about the sustaining logic of our unique business model.”

Mr. Inglese concluded, “Having now received the first \$200 million tranche of our shareholders' \$500 million equity commitment, we're looking forward to expanding our fleet of the most sought-after narrow-body passenger aircraft available. This long-term shareholder commitment, our considerable liquidity position, along with our IG Rating, and Aircastle's experienced team of solutions-focused aviation experts, have us well-poised for the disciplined future growth.”

## Aviation Assets

As of August 31, 2023, Aircastle owned 239 aircraft and other flight equipment having a net book value of \$6.8 billion. We also manage 9 aircraft with a net book value of \$278 million on behalf of our joint venture with Mizuho Leasing.

<b><u>Owned Aircraft</u></b>	<b>As of August 31, 2023</b>	<b>As of August 31, 2022</b>
Net Book Value of Flight Equipment (\$ mils.)	\$ 6,751	\$ 6,493
Net Book Value of Unencumbered Flight Equipment (\$ mils.)	\$ 5,208	\$ 5,447
Number of Aircraft	239	243
Number of Unencumbered Aircraft	201	212
Number of Lessees	73	74
Number of Countries	43	45
Weighted Average Fleet Age (Years) <sup>(1)</sup>	9.7	10.3
Weighted Average Remaining Lease Term (Years) <sup>(1)</sup>	5.2	5.0
Weighted Average Fleet Utilization for the three months ended <sup>(2)</sup>	98.3 %	94.9 %
<b><u>Managed Aircraft on behalf of Joint Ventures</u></b>		
Net Book Value of Flight Equipment (\$ mils.)	\$ 278	\$ 292
Number of Aircraft	9	9

1. Weighted by Net Book Value.

2. Aircraft on-lease days as a percent of total days in period weighted by Net Book Value.

## Conference Call

In connection with this press release, management will host a conference call on Wednesday, October 11, 2023, at 9:00 A.M. Eastern Time. All interested parties are welcome to participate on the live call. The conference call can be accessed by dialing 1 (877) 870-4263 (from within the U.S. and Canada) or +1 (412) 317-0790 (outside the U.S. and Canada) ten minutes prior to the scheduled start. Please reference our company name “Aircastle” when prompted by the operator.

A simultaneous webcast of the conference call will be available to the public on a listen-only basis at [www.aircastle.com](http://www.aircastle.com). Please allow extra time prior to the call to visit the site and download the necessary software required to listen to the internet broadcast.

For those who are not available to listen to the live call, a replay will be available on Aircastle's website shortly after the live call.

### **About Aircastle Limited**

Aircastle Limited acquires, leases and sells commercial jet aircraft to airlines throughout the world. As of August 31, 2023, Aircastle owned and managed on behalf of its joint ventures 248 aircraft leased to 74 airline customers located in 43 countries.

### **Safe Harbor**

All statements in this press release, other than characterizations of historical fact, are forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include, but are not necessarily limited to, statements relating to our proposed public offering of notes and our ability to acquire, sell, lease or finance aircraft, raise capital, pay dividends, and increase revenues, earnings, EBITDA and Adjusted EBITDA and the global aviation industry and aircraft leasing sector. Words such as "anticipates," "expects," "intends," "plans," "projects," "believes," "may," "will," "would," "could," "should," "seeks," "estimates" and variations on these words and similar expressions are intended to identify such forward-looking statements. These statements are based on our historical performance and that of our subsidiaries and on our current plans, estimates and expectations and are subject to a number of factors that could lead to actual results materially different from those described in the forward-looking statements; Aircastle can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any such forward-looking statements which are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this press release. These risks or uncertainties include, but are not limited to, those described from time to time in Aircastle's filings with the SEC and previously disclosed under "Risk Factors" in Item 1A of Aircastle's most recent Form 10-K and any subsequent filings with the SEC. In addition, new risks and uncertainties emerge from time to time, and it is not possible for Aircastle to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. Aircastle expressly disclaims any obligation to revise or update publicly any forward-looking statement to reflect future events or circumstances.

**Aircastle Limited and Subsidiaries**  
**Consolidated Balance Sheets**  
(Dollars in thousands, except share data)

	August 31, 2023	February 28, 2023
	(Unaudited)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 726,428	\$ 231,861
Accounts receivable	11,729	12,855
Flight equipment held for lease, net	6,501,828	6,567,606
Net investment in leases, net	248,734	67,694
Unconsolidated equity method investment	41,367	40,505
Other assets	318,851	346,330
Total assets	<u>\$ 7,848,937</u>	<u>\$ 7,266,851</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
Borrowings from secured financings, net	\$ 913,864	\$ 752,298
Borrowings from unsecured financings, net	3,991,875	3,842,454
Accounts payable, accrued expenses and other liabilities	211,810	206,473
Lease rentals received in advance	53,486	66,816
Security deposits	62,067	61,734
Maintenance payments	526,589	465,618
Total liabilities	<u>5,759,691</u>	<u>5,395,393</u>
Commitments and Contingencies		
<b>SHAREHOLDERS' EQUITY</b>		
Preference shares, \$0.01 par value, 50,000,000 shares authorized, 400 (aggregate liquidation preference of \$400,000) shares issued and outstanding at August 31, 2023 and February 28, 2023	—	—
Common shares, \$0.01 par value, 250,000,000 shares authorized, 14,048 shares issued and outstanding at August 31, 2023 and February 28, 2023	—	—
Additional paid-in capital	2,078,774	1,878,774
Retained earnings (accumulated deficit)	10,472	(7,316)
Total shareholders' equity	<u>2,089,246</u>	<u>1,871,458</u>
Total liabilities and shareholders' equity	<u>\$ 7,848,937</u>	<u>\$ 7,266,851</u>

**Aircastle Limited and Subsidiaries**  
**Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)**  
(Dollars in thousands, except per share amounts)  
(Unaudited)

	Three Months Ended August 31,		Six Months Ended August 31,	
	2023	2022	2023	2022
<b>Revenues:</b>				
Lease rental revenue	\$ 150,351	\$ 146,508	\$ 297,086	\$ 290,652
Direct financing and sales-type lease revenue	5,085	2,265	6,158	4,863
Amortization of lease premiums, discounts and incentives	(7,124)	(5,518)	(14,331)	(10,906)
Maintenance revenue	15,046	20,114	49,566	47,213
Total lease revenue	163,358	163,369	338,479	331,822
Gain on sale of flight equipment	4,453	10,049	47,047	13,736
Other revenue	145	161	921	3,585
Total revenues	167,956	173,579	386,447	349,143
<b>Operating expenses:</b>				
Depreciation	86,328	82,106	175,117	163,424
Interest, net	57,035	50,587	113,926	100,881
Selling, general and administrative	18,882	17,393	39,717	37,309
Provision for credit losses	(834)	109	6,125	689
Impairment of flight equipment	1,100	33,671	2,197	38,099
Maintenance and other costs	8,854	5,212	17,387	13,277
Total operating expenses	171,365	189,078	354,469	353,679
<b>Other income (expense):</b>				
Loss on extinguishment of debt	—	—	—	(463)
Other	3,372	2,072	4,709	2,072
Total other income	3,372	2,072	4,709	1,609
Income (loss) from continuing operations before income taxes and earnings of unconsolidated equity method investment	(37)	(13,427)	36,687	(2,927)
Income tax provision (benefit)	(5,099)	(4,068)	9,261	(739)
Earnings of unconsolidated equity method investment, net of tax	456	666	862	1,177
Net income (loss)	\$ 5,518	\$ (8,693)	\$ 28,288	\$ (1,011)
Preference share dividends	(10,500)	(10,500)	(10,500)	(10,500)
Net income (loss) available to common shareholders	\$ (4,982)	\$ (19,193)	\$ 17,788	\$ (11,511)
Total comprehensive income (loss) available to common shareholders	\$ (4,982)	\$ (19,193)	\$ 17,788	\$ (11,511)

**Aircastle Limited and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**(Dollars in thousands)**  
**(Unaudited)**

	<b>Six Months Ended August 31.</b>	
	<b>2023</b>	<b>2022</b>
<b><u>Cash flows from operating activities:</u></b>		
Net income (loss)	\$ 28,288	\$ (1,011)
Adjustments to reconcile net income to net cash and restricted cash provided by operating activities:		
Depreciation	175,117	163,424
Amortization of deferred financing costs	8,321	7,095
Amortization of lease premiums, discounts and incentives	14,331	10,906
Deferred income taxes	6,179	6,588
Collections on net investment in leases	1,598	4,016
Security deposits and maintenance payments included in earnings	(9,895)	(2,133)
Gain on sale of flight equipment	(47,047)	(13,736)
Loss on extinguishment of debt	—	463
Impairment of flight equipment	2,197	38,099
Provision for credit losses	6,125	689
Other	(845)	(1,179)
Changes in certain assets and liabilities:		
Accounts receivable	1,437	5,808
Other assets	(9,723)	(8,223)
Accounts payable, accrued expenses and other liabilities	(3,833)	(2,284)
Lease rentals received in advance	14,165	7,094
Net cash and restricted cash provided by operating activities	186,415	215,616
<b><u>Cash flows from investing activities:</u></b>		
Acquisition and improvement of flight equipment	(379,349)	(372,474)
Proceeds from sale of flight equipment	126,011	171,065
Aircraft purchase deposits and progress payments, net of returned deposits and aircraft sales deposits	6,852	4,504
Other	(4,026)	1,500
Net cash and restricted cash used in investing activities	(250,512)	(195,405)
<b><u>Cash flows from financing activities:</u></b>		
Proceeds from issuance of common shares	200,000	—
Proceeds from secured and unsecured debt financings	1,273,709	75,000
Repayments of secured and unsecured debt financings	(963,507)	(58,355)
Debt extinguishment costs	—	(291)
Deferred financing costs	(7,536)	(1,903)
Security deposits and maintenance payments received	77,006	63,758
Security deposits and maintenance payments returned	(10,508)	(11,239)
Dividends paid	(10,500)	(10,500)
Net cash and restricted cash provided by (used in) financing activities	558,664	56,470
<b>Net increase in cash and restricted cash</b>	<b>494,567</b>	<b>76,681</b>
Cash and restricted cash at beginning of period	231,861	170,682
Cash and restricted cash at end of period	<u>\$ 726,428</u>	<u>\$ 247,363</u>

**Aircastle Limited and Subsidiaries**  
**Reconciliation of GAAP to Non-GAAP Measures**  
**EBITDA and Adjusted EBITDA Reconciliation**  
**(Dollars in thousands)**  
**(Unaudited)**

	Three Months Ended August 31,		Six Months Ended August 31,	
	2023	2022	2023	2022
Net income (loss)	\$ 5,518	\$ (8,693)	\$ 28,288	\$ (1,011)
Depreciation	86,328	82,106	175,117	163,424
Amortization of lease premiums, discounts and incentives	7,124	5,518	14,331	10,906
Interest, net	57,035	50,587	113,926	100,881
Income tax provision (benefit)	(5,099)	(4,068)	9,261	(739)
EBITDA	150,906	125,450	340,923	273,461
Adjustments:				
Impairment of flight equipment	1,100	33,671	2,197	38,099
Loss on extinguishment of debt	—	—	—	463
Adjusted EBITDA	<u>\$ 152,006</u>	<u>\$ 159,121</u>	<u>\$ 343,120</u>	<u>\$ 312,023</u>

We define EBITDA as income (loss) from continuing operations before income taxes, interest expense, and depreciation and amortization. We use EBITDA to assess our consolidated financial and operating performance, and we believe this non-U.S. GAAP measure is helpful in identifying trends in our performance.

This measure provides an assessment of controllable expenses and affords management the ability to make decisions which are expected to facilitate meeting current financial goals, as well as achieving optimal financial performance. It provides an indicator for management to determine if adjustments to current spending decisions are needed.

EBITDA provides us with a measure of operating performance because it assists us in comparing our operating performance on a consistent basis as it removes the impact of our capital structure (primarily interest charges on our outstanding debt) and asset base (primarily depreciation and amortization) from our operating results. Accordingly, this metric measures our financial performance based on operational factors that management can impact in the short-term, namely the cost structure, or expenses, of the organization. EBITDA is one of the metrics used by senior management and the Board of Directors to review the consolidated financial performance of our business.

We define Adjusted EBITDA as EBITDA (as defined above) further adjusted to give effect to adjustments required in calculating covenant ratios and compliance as that term is defined in the indenture governing our senior unsecured notes. Adjusted EBITDA is a material component of these covenants.