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**FOR IMMEDIATE RELEASE**

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**Aircastle Announces Third Quarter 2022 Results, Strong Gains on Sales**

**Highlights for the Three Months Ended November 30, 2022**

- Total revenues of \$258 million
- Adjusted EBITDA<sup>(1)</sup> of \$240 million
- Net income of \$50 million
- Acquired seven narrow-body aircraft for \$298 million, six of which were new technology aircraft
- Sold eight aircraft and other flight equipment, including two 747 Freighters and one 777, for proceeds of \$163 million and a gain on sale of \$53 million
- \$24 million of Russia-related letters of credit received
- 27% increase in year-to-date cash flows from operations

**Liquidity**

- Entered into a new \$450 million secured aircraft financing facility.
- Total liquidity as of January 6, 2023 of \$2.3 billion includes \$1.7 billion of undrawn facilities, \$0.4 billion of projected adjusted operating cash flows through January 1, 2024, \$0.1 billion of contracted asset sales, and \$0.1 billion of unrestricted cash
- 209 unencumbered aircraft with a net book value of \$5.5 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, “Sustained demand for travel has been progressing into 2023 with a generally profitable outlook as airlines deftly manage through economic disruptions. In the third quarter, Aircastle continued our trading momentum with seven narrow-body acquisitions, six of which further grow our fleet of in-demand, new technology aircraft. On the financing front, we bolstered our conservative debt profile with a \$450 million secured aircraft financing facility.”

Mr. Inglese concluded, “Our strategic new acquisitions and profitable sales this quarter are strong indications that aircraft leasing remains resilient and robust. While funding challenges are felt across the sector, we remain optimistic because of our favorable credit rating, along with the opportunities afforded by our unique ownership arrangement with the Marubeni Corporation and Mizuho Leasing. With Aircastle's deep team of solutions-focused aviation experts, we look forward to disciplined future growth.”

## Aviation Assets

As of November 30, 2022, Aircastle owned 241 aircraft and other flight equipment having a net book value of \$6.6 billion. We also manage nine aircraft with a net book value of \$289 million on behalf of our joint venture with Mizuho Leasing.

|  | As of<br>November 30,<br>2022 <sup>(1)</sup> | As of<br>November 30,<br>2021 |
|--|--|-------------------------------|
| <b><u>Owned Aircraft</u></b>   |  |                               |
| Net Book Value of Flight Equipment (\$ mils.)                                | \$ 6,571                                     | \$ 6,734                      |
| Net Book Value of Unencumbered Flight Equipment (\$ mils.)                   | \$ 5,480                                     | \$ 5,619                      |
| Number of Aircraft <sup>(1)</sup>  | 241  | 255                           |
| Number of Unencumbered Aircraft  | 209  | 223                           |
| Number of Lessees  | 76   | 79                            |
| Number of Countries  | 46   | 43                            |
| Weighted Average Fleet Age (Years) <sup>(2)</sup>                            | 10.0   | 10.6                          |
| Weighted Average Remaining Lease Term (Years) <sup>(2)</sup>                 | 5.1  | 4.8                           |
| Weighted Average Fleet Utilization for the three months ended <sup>(3)</sup> | 94.4 %                                       | 94.0 %                        |
| Weighted Average Fleet Utilization for the nine months ended <sup>(3)</sup>  | 94.6 %                                       | 93.7 %                        |
| <b><u>Managed Aircraft on behalf of Joint Ventures</u></b>                   |  |                               |
| Net Book Value of Flight Equipment (\$ mils.)                                | \$ 289                                       | \$ 302                        |
| Number of Aircraft   | 9  | 9                             |

(1) Excludes nine aircraft that remain in Russia with zero net book value – see Note 3 in the Notes to Unaudited Consolidated Financial Statements.

(2) Weighted by net book value (flight equipment held for lease and net investment in direct financing and sales-type leases, or "Net Book Value").

(3) 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 Thursday, January 12, 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 (877) 870-4263 (from within the U.S. and Canada) or (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 November 30, 2022, Aircastle owned and managed on behalf of its joint ventures 250 aircraft leased to 76 customers located in 46 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)

|   | November 30,<br>2022 | February 28,<br>2022 |
|---|----------------------|----------------------|
|   | (Unaudited)          |                      |
| <b>ASSETS</b>   |                      |                      |
| Cash and cash equivalents   | \$ 208,208           | \$ 167,891           |
| Restricted cash and cash equivalents  | —                    | 2,791                |
| Accounts receivable   | 39,087               | 63,666               |
| Flight equipment held for lease, net  | 6,445,141            | 6,313,950            |
| Net investment in leases, net   | 125,504              | 150,325              |
| Unconsolidated equity method investment   | 40,097               | 38,317               |
| Other assets  | 328,978              | 356,326              |
| Total assets  | <u>\$ 7,187,015</u>  | <u>\$ 7,093,266</u>  |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>   |                      |                      |
| <b>LIABILITIES</b>  |                      |                      |
| Borrowings from secured financings, net   | \$ 656,032           | \$ 684,039           |
| Borrowings from unsecured financings, net   | 3,842,816            | 3,835,841            |
| Accounts payable, accrued expenses and other liabilities  | 208,273              | 177,424              |
| Lease rentals received in advance   | 52,688               | 37,361               |
| Security deposits   | 64,856               | 69,189               |
| Maintenance payments  | 494,058              | 459,713              |
| Total liabilities   | <u>5,318,723</u>     | <u>5,263,567</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 November 30, 2022 and February 28, 2022 | —                    | —                    |
| Common shares, \$0.01 par value, 250,000,000 shares authorized, 14,048 shares issued and outstanding at November 30, 2022 and February 28, 2022   | —                    | —                    |
| Additional paid-in capital  | 1,878,774            | 1,878,774            |
| Accumulated deficit   | (10,482)             | (49,075)             |
| Total shareholders' equity  | <u>1,868,292</u>     | <u>1,829,699</u>     |
| Total liabilities and shareholders' equity  | <u>\$ 7,187,015</u>  | <u>\$ 7,093,266</u>  |

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

|  | <u>Three Months Ended</u><br><u>November 30,</u> |                    | <u>Nine Months Ended</u><br><u>November 30,</u> |                    |
|--|--|--------------------|---|--------------------|
|  | <u>2022</u>                                      | <u>2021</u>        | <u>2022</u>                                     | <u>2021</u>        |
| <b>Revenues:</b>   |  |                    |   |                    |
| Lease rental revenue   | \$ 142,336                                       | \$ 156,088         | \$ 432,988                                      | \$ 425,802         |
| Direct financing and sales-type lease revenue  | 2,087  | 2,724              | 6,950   | 8,377              |
| Amortization of lease premiums, discounts and incentives   | (3,763)  | (8,867)            | (14,669)  | (20,026)           |
| Maintenance revenue  | 56,574   | 33,510             | 103,787   | 81,204             |
| Total lease revenue  | 197,234  | 183,455            | 529,056   | 495,357            |
| Gain on sale of flight equipment   | 53,473   | 7,420              | 67,209  | 17,944             |
| Other revenue  | 6,809  | 605                | 10,394  | 1,641              |
| Total revenues   | <u>257,516</u>                                   | <u>191,480</u>     | <u>606,659</u>                                  | <u>514,942</u>     |
| <b>Operating expenses:</b>   |  |                    |   |                    |
| Depreciation   | 82,872   | 84,526             | 246,296   | 250,308            |
| Interest, net  | 50,757   | 50,515             | 151,638   | 163,965            |
| Selling, general and administrative  | 17,999   | 17,141             | 55,358  | 48,714             |
| Provision for credit losses  | 854  | 958                | 1,543   | 970                |
| Impairment of flight equipment   | 29,880   | 69,111             | 67,979  | 110,926            |
| Maintenance and other costs  | 3,783  | 8,660              | 17,010  | 24,275             |
| Total operating expenses   | <u>186,145</u>                                   | <u>230,911</u>     | <u>539,824</u>                                  | <u>599,158</u>     |
| <b>Other income (expense):</b>   |  |                    |   |                    |
| Loss on extinguishment of debt   | —  | —                  | (463)   | (14,156)           |
| Other  | 1,201  | 63                 | 3,273   | 57,682             |
| Total other income   | <u>1,201</u>                                     | <u>63</u>          | <u>2,810</u>                                    | <u>43,526</u>      |
| Income (loss) from continuing operations before income taxes and earnings of unconsolidated equity method investment | 72,572   | (39,368)           | 69,645  | (40,690)           |
| Income tax provision   | 23,071   | 23,504             | 22,332  | 22,877             |
| Earnings of unconsolidated equity method investment, net of tax  | 603  | 465                | 1,780   | 1,210              |
| Net income (loss)  | <u>\$ 50,104</u>                                 | <u>\$ (62,407)</u> | <u>\$ 49,093</u>                                | <u>\$ (62,357)</u> |
| Preference share dividends   | —  | —                  | (10,500)  | (5,658)            |
| Net income (loss) available to common shareholders   | <u>\$ 50,104</u>                                 | <u>\$ (62,407)</u> | <u>\$ 38,593</u>                                | <u>\$ (68,015)</u> |
| Total comprehensive income (loss) available to common shareholders   | <u>\$ 50,104</u>                                 | <u>\$ (62,407)</u> | <u>\$ 38,593</u>                                | <u>\$ (68,015)</u> |

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

|  | Nine Months Ended November |                   |
|--|----------------------------|-------------------|
|  | 2022                       | 2021              |
| <b>Cash flows from operating activities:</b>   |                            |                   |
| Net income (loss)  | \$ 49,093                  | \$ (62,357)       |
| Adjustments to reconcile net income (loss) to net cash and restricted cash provided by operating activities: |                            |                   |
| Depreciation   | 246,296                    | 250,308           |
| Amortization of deferred financing costs   | 10,612                     | 12,483            |
| Amortization of lease premiums, discounts and incentives   | 14,669                     | 20,026            |
| Deferred income taxes  | 13,227                     | 8,998             |
| Collections on net investment in leases  | 5,444                      | 11,727            |
| Security deposits and maintenance payments included in earnings  | (35,437)                   | (58,480)          |
| Gain on sale of flight equipment   | (67,209)                   | (17,944)          |
| Loss on extinguishment of debt   | 463                        | 14,156            |
| Impairment of flight equipment   | 67,979                     | 110,926           |
| Provision for credit losses  | 1,543                      | 970               |
| Other  | (1,778)                    | (1,210)           |
| Changes in certain assets and liabilities:   |                            |                   |
| Accounts receivable  | 11,368                     | 4,059             |
| Other assets   | 2,223                      | (23,305)          |
| Accounts payable, accrued expenses and other liabilities   | 8,947                      | 7,205             |
| Lease rentals received in advance  | 16,091                     | (6,127)           |
| Net cash and restricted cash provided by operating activities  | <u>343,531</u>             | <u>271,435</u>    |
| <b>Cash flows from investing activities:</b>   |                            |                   |
| Acquisition and improvement of flight equipment  | (688,722)                  | (533,741)         |
| Proceeds from sale of flight equipment   | 334,164                    | 127,584           |
| Aircraft purchase deposits and progress payments, net of returned deposits and aircraft sales deposits       | 7,765                      | (11,361)          |
| Other  | 1,500                      | (64)              |
| Net cash and restricted cash used in investing activities  | <u>(345,293)</u>           | <u>(417,582)</u>  |
| <b>Cash flows from financing activities:</b>   |                            |                   |
| Net proceeds from preference share issuance  | —                          | 393,347           |
| Proceeds from secured and unsecured debt financings  | 139,800                    | —                 |
| Repayments of secured and unsecured debt financings  | (163,543)                  | (566,885)         |
| Debt extinguishment costs  | (291)                      | (13,372)          |
| Deferred financing costs   | (8,674)                    | (5,170)           |
| Security deposits and maintenance payments received  | 110,675                    | 63,012            |
| Security deposits and maintenance payments returned  | (17,679)                   | (20,696)          |
| Dividends paid   | (21,000)                   | (5,658)           |
| Net cash and restricted cash provided by (used in) financing activities                                      | <u>39,288</u>              | <u>(155,422)</u>  |
| <b>Net increase in cash and restricted cash</b>  | <u>37,526</u>              | <u>(301,569)</u>  |
| Cash and restricted cash at beginning of period  | <u>170,682</u>             | <u>580,598</u>    |
| Cash and restricted cash at end of period  | <u>\$ 208,208</u>          | <u>\$ 279,029</u> |

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

|  | Three Months Ended<br>November 30, |             | Nine Months Ended<br>November 30, |             |
|--|------------------------------------|-------------|-----------------------------------|-------------|
|  | 2022                               | 2021        | 2022                              | 2021        |
| Net income (loss)  | \$ 50,104                          | \$ (62,407) | \$ 49,093                         | \$ (62,357) |
| Depreciation   | 82,872                             | 84,526      | 246,296                           | 250,308     |
| Amortization of lease premiums, discounts and incentives | 3,763                              | 8,867       | 14,669                            | 20,026      |
| Interest, net  | 50,757                             | 50,515      | 151,638                           | 163,965     |
| Income tax provision                                     | 23,071                             | 23,504      | 22,332                            | 22,877      |
| EBITDA   | 210,567                            | 105,005     | 484,028                           | 394,819     |
| Adjustments:   |                                    |             |                                   |             |
| Impairment of flight equipment                           | 29,880                             | 69,111      | 67,979                            | 110,926     |
| Loss on extinguishment of debt                           | —                                  | —           | 463                               | 14,156      |
| Adjusted EBITDA  | \$ 240,447                         | \$ 174,116  | \$ 552,470                        | \$ 519,901  |

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.