

# AerCap Global Aviation Trust

Unaudited Interim Report

For the period ended 30 June 2024

## **AerCap Global Aviation Trust**

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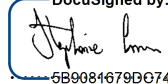
## AerCap Global Aviation Trust

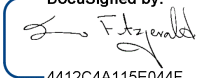
### Management responsibility statement

We confirm to the best of our knowledge:

- The unaudited interim report for the period ended 30 June 2024, has been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and income statement of AerCap Global Aviation Trust.
- The interim management report includes a fair review of the information required by Regulations 8 (2) of the Transparency Regulations, being an indication of important events that occurred during the period ended 30 June 2024 and their impact on unaudited interim financial information and a description of the principal risks and uncertainties for the remaining six months of 2024.

Approved and authorised by Management on 24 September 2024 and signed on its behalf by:

DocuSigned by:  
  
5B9084679D074DB:.....  
S. Crean  
Chief Financial Officer

DocuSigned by:  
  
.....4412CAA115E044F:.....  
S. Fitzgerald  
Chief Executive Officer

## **AerCap Global Aviation Trust**

### **Interim management report for the period ended 30 June 2024**

Management present their report and the unaudited financial statements for the financial period from 1 January 2024 to 30 June 2024.

#### **Background**

The principal activity of AerCap Global Aviation Trust (the "Trust") continues to be the leasing of commercial jet aircraft. While the Trust continues to borrow funds externally and lends these onwards to group entities, this is not its principal activity and therefore the Officers of the Trust have concluded that it is not a financial institution. The Trust did not earn net interest margin in the current period from lending to subsidiaries and is not exposed to any additional significant risk in this respect that is not already disclosed in the interim report.

The Trust is an indirect wholly-owned subsidiary of AerCap Holdings N.V. ("AerCap"), a global leader in aircraft leasing. AerCap and its subsidiaries ("AerCap Group") is the global leader in aviation leasing with 2,063 aircraft owned, managed or on order, over 1,000 engines (including engines owned and managed by Shannon Engine Support Ltd ("SES")), over 300 owned helicopters, together with an order book of 351 of the most in demand new technology aircraft in the world as of 30 June 2024. AerCap serves approximately 300 customers around the world with comprehensive fleet solutions.

The Trust operates its business on a global basis, leasing aircraft to customers in every major geographical region.

AerCap is incorporated in the Netherlands and is listed on the New York Stock Exchange under the ticker symbol AER. The Group has its headquarters in Dublin with offices in Shannon, Miami, Singapore, Memphis, Amsterdam, Shanghai, Dubai and other locations. AerCap also have representative offices at the world's largest aircraft manufacturers, The Boeing company ("Boeing") in Seattle and Airbus S.A.S. ("Airbus") in Toulouse.

AerCap Holdings N.V. and AerCap Ireland Designated Activity Company ("AICDC") entered into an agreement with American International Group Inc. ("AIG") for the purchase of 100% of International Lease Finance Corporation ("ILFC"), AIG's aircraft leasing business in late 2013.

The Trust, a statutory Trust in the State of Delaware, United States, was formed on 5 February 2014, with its principal office in Ireland. AICDC is the principal beneficiary of AerCap Global Aviation Trust. On the Closing Date, immediately after completing the ILFC Transaction, substantially all of ILFC's assets were transferred as an entirety to, and substantially all of ILFC's liabilities were assumed by, the Trust (the "Reorganisation").

In connection with the Reorganisation, the Trust agreed to assume ILFC's obligations under its debt agreements and AerCap and certain of its subsidiaries agreed to guarantee such obligations. Accordingly, the Trust became the successor obligor in respect of the notes issued under ILFC's various indentures ("ILFC Legacy Notes"). These ILFC Legacy Notes were listed on the Main Securities Market of the Irish Stock Exchange and repaid in June 2022. In addition, the Trust has \$1.0bln ECAPS subordinated notes listed on the Main Securities Market of the Irish Stock Exchange. Since the closing of the ILFC transaction, AICDC and the Trust have co-issued a series of notes which are jointly and severally, and fully unconditionally guaranteed by AerCap Holdings N.V.

## AerCap Global Aviation Trust

### Interim management report for the period ended 30 June 2024 (continued)

#### Business review

The significant events that occurred during the period ended 30 June 2024 and their impact on the financial statements are described below:

The Trust realised a profit of \$705.0m during the period ended 30 June 2024 with a turnover of \$267.7m. During the period ended 30 June 2023, the Trust realised a profit of \$933.4m with a turnover of \$301.7m. We would like to draw your attention to the following movements:

- Turnover decreased by \$34.0m to \$267.7m for the period ended 30 June 2024 compared to the prior period. The decrease was primarily as a result of a reduction in the number of aircraft on lease from the comparable period.
- Other operating income increased by \$70.1m for the period ended 30 June 2024 to \$70.4m. The increase is primarily due to settlement amounts received and parts sold during the period.
- Profit on sale of tangible fixed assets for the period ended 30 June 2024 was \$104.8m. This compared with a profit of \$71.3m on sale of tangible fixed assets during the equivalent period in 2023. This was primarily due to the higher volume and composition of asset sales during the period ended 30 June 2024.
- The Trust had no gain/(loss) on investments in subsidiaries for the period ended 30 June 2024. This compares with an impairment on investment in subsidiaries of \$236.5m in the prior period which arose following dividend income receipts in the prior period as noted below.
- Interest receivable and similar income decreased by \$34.5m to \$1.1bln for the period ended 30 June 2024. This is primarily due to a reduction in interest rates and a change in the mix of loans to group undertakings.
- Interest payable and similar expenses increased by \$15.8m to \$654.4m for the period ended 30 June 2024. This primarily relates to an increase in external debt interest from the comparable period in 2023 of \$59.4m which was partially offset by a decrease in interest on loans from group undertakings of \$43.6m.
- Dividend income of \$9.4m was received from subsidiary entities during the period ending 30 June 2024. This compares with dividend income of \$521.1m received from subsidiary entities in the prior period.

The most significant movements in the statement of financial position between 30 June 2024 and 31 December 2023 were the changes in loans and borrowings and the net book value of tangible assets.

- The net book value of the tangible assets decreased by \$82.2m. This was driven by the sale of 20 aircraft with a net book value of \$633.0m and accumulated depreciation and impairment of \$123.9m, partially offset by new acquisitions of \$674.7m. Of the 20 aircraft sold during the period ended 30 June 2024, 14 were intercompany sales.
- In January 2024, the Trust and AICDC co-issued \$800m aggregate principal amount of 5.10% Senior Notes due 2029 and \$700m aggregate principal amount 5.30% Senior Notes due 2034.
- In April 2024, the Trust and AICDC completed an exchange offer whereby outstanding privately-placed 6.45% Senior Notes due 2027 that were issued in November 2023 were exchanged for a like principal amount of new 6.45% Senior Notes due 2027, pursuant to an SEC-registered public offering.

## **AerCap Global Aviation Trust**

### **Interim management report for the period ended 30 June 2024 (continued)**

#### *Impact from the risks related to the Ukraine Conflict*

On 24 February 2022, Russia launched a large-scale military invasion of Ukraine and has since been engaged in a broad military conflict with Ukraine (the “Ukraine Conflict”). In response to the Ukraine Conflict and ongoing related hostilities, the United States, the European Union, the United Kingdom and other countries have imposed broad, far-reaching sanctions against Russia, certain Russian persons and certain activities involving Russia or Russian persons (the “Sanctions”).

In compliance with all applicable Sanctions in March 2022, the AerCap Group terminated the leasing of all aircraft and engines with Russian airlines. These terminations have resulted in reduced revenues and operating cash flows in AerCap.

The AerCap Group are pursuing claims in the London Commercial Court with respect to assets that remain in Russia against the insurers under the contingent and possessed insurance policy (“C&P Policy”) and, with respect to assets that remain in Russia and were not the subject of insurance settlements with Russian airlines and their Russian insurers, against the insurers and reinsurers under the former Russian lessees’ insurance and reinsurance policies. AerCap are also pursuing claims in the London Commercial Court under the airlines’ insurance and reinsurance policies with respect to aircraft which were in Ukraine at the beginning of the Ukraine Conflict.

The AerCap Group intend to continue to vigorously pursue all such insurance claims. However, the collection, timing and amount of any potential recoveries under the C&P Policy and under the respective airlines’ insurance and reinsurance policies are uncertain and AerCap have not recognised any claim receivables as of 30 June 2024.

#### **Principal risks and uncertainties**

There have been no material changes in our risks and uncertainties from those disclosed in our Annual Report for the year ended 31 December 2023. Management expects the nature of the risks and uncertainties to which the Trust will be exposed in the remaining months of 2024 to be similar to those to which it was exposed during the first six months of 2024.

## AerCap Global Aviation Trust

### Interim management report for the period ended 30 June 2024 (continued)

#### Post balance sheet events

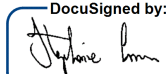
In July 2024, the Trust and AICDC co-issued \$750m aggregate principal amount of 6.950% fixed-rate reset junior subordinated notes due 2055. The Junior Subordinated Notes are fully and unconditionally guaranteed on a junior subordinated basis by the Trust and certain other subsidiaries of the Trust.

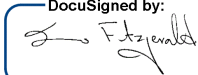
In July 2024, a subsidiary of the Trust entered into an agreement with Airbus to purchase 36 A320neo Family aircraft that were previously on order by Spirit Airlines Inc ("Spirit"). At the same time, the subsidiary entered into lease agreements with Spirit for these aircraft, which are scheduled to deliver in 2027 and 2028.

The subsidiary also entered into a contingent purchase agreement with Airbus for up to 52 additional A320neo Family aircraft currently on order by Spirit and scheduled to deliver from 2029 to 2031. Under this agreement, the subsidiary will purchase these aircraft in the event that the purchase agreement between Airbus and Spirit is terminated, subject to certain conditions.

In September 2024, the Trust and AICDC priced an offering of senior notes consisting of \$1.3bln aggregate principal amount of 4.625% senior notes due 2029 and \$1.1bln aggregate principal amount of 4.950% senior notes due 2034. The notes will be fully and unconditionally guaranteed on a senior unsecured basis by the Trust and certain other subsidiaries of the Trust.

Approved and authorised by Management on 24 September 2024 and signed on its behalf by:

DocuSigned by:  
  
.....5B9081679DC74DB.....  
S. Crean  
Chief Financial Officer

DocuSigned by:  
  
.....4412C4A115E044F.....  
S. Fitzgerald  
Chief Executive Officer

## AerCap Global Aviation Trust

### Income statement for the period ended 30 June 2024

	Note	2024 \$ 000	2023 \$ 000
Turnover	4	267,748	301,692
Depreciation and impairment	10	<u>(123,900)</u>	<u>(130,447)</u>
<b>Gross profit</b>		143,848	171,245
Other operating income	5	70,403	332
Operating expenses	6	(41,242)	(62,014)
Profit on sale of tangible fixed assets		<u>104,812</u>	<u>71,344</u>
<b>Operating profit</b>		277,821	180,907
Impairment provision on investments	11	-	(236,524)
Interest receivable and similar income	7	1,072,111	1,106,577
Interest payable and similar expenses	8	(654,354)	(638,648)
Dividend income	9	<u>9,392</u>	<u>521,081</u>
<b>Profit before taxation</b>		704,970	933,393
Tax on profit		<u>-</u>	<u>-</u>
<b>Profit for the financial period</b>		<u><u>704,970</u></u>	<u><u>933,393</u></u>

The above results were derived from continuing operations.



## AerCap Global Aviation Trust

### Statement of comprehensive income for the period ended 30 June 2024

	Note	2024 \$ 000	2023 \$ 000
Profit for the period		704,970	933,393
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>704,970</u>	<u>933,393</u>

The notes on pages 10 to 23 form an integral part of these financial statements.

## AerCap Global Aviation Trust

### Statement of financial position as at 30 June 2024

	Note	30 June 2024 \$ 000	31 December 2023 \$ 000
<b>Fixed assets</b>			
Tangible assets	10	4,235,833	4,318,047
Investments	11	9,180,252	9,180,252
Prepayments on aircraft purchases		429,640	461,995
		<u>13,845,725</u>	<u>13,960,294</u>
<b>Current assets</b>			
Inventory		-	2
Debtors: (including \$174.9m due after more than one year (2023: \$173.6m))	12, 13	38,282,415	37,741,606
Cash and cash equivalents	15	68,955	22,974
		<u>38,351,370</u>	<u>37,764,582</u>
<b>Creditors:</b> Amounts falling due within one year	16	<u>(5,609,327)</u>	<u>(6,007,594)</u>
<b>Net current assets</b>		32,742,043	31,756,988
<b>Creditors:</b> Amounts falling due after more than one year	17	<u>(28,159,009)</u>	<u>(27,993,493)</u>
<b>Net assets</b>		<u>18,428,759</u>	<u>17,723,789</u>
<b>Capital and reserves</b>			
Share capital		-	-
Beneficial ownership interest	22	4,544,018	4,544,018
Other reserves		10,119,752	10,119,752
Retained earnings		3,764,989	3,060,019
<b>Total equity</b>		<u>18,428,759</u>	<u>17,723,789</u>

The notes on pages 10 to 23 form an integral part of these financial statements.

## AerCap Global Aviation Trust

### Statement of changes in equity for the period ended 30 June 2024

	<b>Beneficial ownership interest \$ 000</b>	<b>Other reserves \$ 000</b>	<b>Retained earnings \$ 000</b>	<b>Total \$ 000</b>
At 1 January 2024	4,544,018	10,119,752	3,060,019	17,723,789
Profit for the financial period	-	-	704,970	704,970
At 30 June 2024	<u>4,544,018</u>	<u>10,119,752</u>	<u>3,764,989</u>	<u>18,428,759</u>

	<b>Beneficial ownership interest \$ 000</b>	<b>Other reserves \$ 000</b>	<b>Retained earnings \$ 000</b>	<b>Total \$ 000</b>
At 1 January 2023	4,544,018	201,843	3,899,943	8,645,804
Profit for the financial year	-	-	4,212,785	4,212,785
Distributions	-	-	(5,052,709)	(5,052,709)
Capital contribution	-	9,917,909	-	9,917,909
At 31 December 2023	<u>4,544,018</u>	<u>10,119,752</u>	<u>3,060,019</u>	<u>17,723,789</u>

The notes on pages 10 to 23 form an integral part of these financial statements.

## **AerCap Global Aviation Trust**

### **Notes to the financial statements for the period ended 30 June 2024 (continued)**

#### **1 General information**

AerCap Global Aviation Trust ("the Trust") is a Delaware Statutory Trust, formed on 05 February 2014, with its principal offices in Ireland. The address of its registered office is Aviation House, Shannon, Co. Clare, Ireland.

AerCap Ireland Designated Activity Company owns 100% of AerCap Global Aviation Trust.

The Trust's ultimate parent and ultimate controlling party is AerCap Holdings N.V. AerCap Holdings N.V. prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which the Trust is a member. Copies of the AerCap Holdings N.V. group financial statements are publicly available from the Trade Register in the city of Amsterdam under the number 34251954.

#### **2 Accounting policies**

##### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

##### **Basis of preparation**

These financial statements have been prepared on the going concern basis in accordance with Generally Accepted Accounting Standards in the Republic of Ireland, including Financial Reporting Standards 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and present the Trust on an entity basis only. Were the Trust to prepare consolidated financial statements, the consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income would be materially different from that presented in these accounts.

These financial statements have been prepared using the historical cost convention and are stated in US Dollars, which is the principal operating currency of the Trust and of the aviation industry.

Consolidated financial statements have not been prepared as the Trust is a subsidiary of AerCap Holdings N.V. for which consolidated financial statements are prepared and publicly available. The results of the Trust are included in the consolidated financial statements of AerCap Holdings N.V. These financial statements are available upon request from the Trade Register in the city of Amsterdam under the number 34251954.

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 2 Accounting policies (continued)

##### Going concern

For the period ended 30 June 2024, the Trust recognised a net profit and as at 30 June 2024, it is in a net current asset position. The Management have a reasonable expectation that the Trust will continue in operational existence for the twelve months from the date of approval of the financial statements ("the period of assessment") and have prepared the financial statements on a going concern basis. In making the assessment the Management considered the potential impact on the Trust's results including:

- aviation industry market conditions, including general economic and political conditions;
- the Trust's funding and liquidity position;
- cashflow forecasts and potential impact of rent deferral agreements granted or other lease modifications granted;
- the Trust's capital commitments; and
- the ability and intent of the ultimate parent, AerCap Holdings N.V. to provide support to the Trust.

The principal activity of the Trust continues to be the procurement, sale and leasing of aircraft together with associated services. While the Trust continues to borrow funds externally and lends these onwards to group entities, this is not its principal activity and therefore the Officers have concluded that it is not a financial institution. The Trust did not earn net interest margin in the current year from lending to subsidiaries and is not exposed to any additional significant risk in this respect that is not already disclosed in the financial statements.

##### Summary of disclosure exemptions

The Trusts ultimate holding undertaking, AerCap Holdings N.V. includes the Trust in its consolidated financial statements. The consolidated financial statements of AerCap Holdings N.V. are prepared in accordance with US GAAP and are available to the public and may be obtained from the Trade Register in the city of Amsterdam under the number 34251954. In these financial statements, the Trust is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- The requirements of paragraph 4.12(a)(iv) to disclose a reconciliation of the number of shares outstanding at the beginning and at the end of the period;
- The requirements of section 7 and paragraph 3.17(d) to present a statement of cash flows;
- The requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), and 12.29A to disclose information about financial instruments;
- The requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23 to disclose certain information about share based payment arrangements; and
- The requirements of paragraph 33.7 to disclose the Trust's key management personnel compensation.

Our significant accounting policies are described in our financial statements as filed for the year ended 31 December 2023.

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 3 Critical accounting judgements and key sources of estimation uncertainty

The significant judgements made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the financial statements as filed for the year ended 31 December 2023.

#### 4 Turnover

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Operating lease income	223,460	243,173
Finance lease income	4,302	2,288
Supplemental rent	39,986	56,231
	<u>267,748</u>	<u>301,692</u>

Included in operating lease income is an amount of \$40.0m (2023: \$56.2m) for the period representing the release of maintenance reserves on lease terminations and redeliveries.

Management have overall responsibility for the Trust's activities and are therefore considered the chief operating decision maker. Management are of the opinion that the Trust is engaged in a single segment of business, being leasing of commercial jet aircraft. Management consider this appropriate due to the nature of the revenue earned for the business as a whole from its aircraft, being lease income from lessees.

Income arising from the leasing of flight equipment under operating leases and finance leases is derived from the following countries where the customers are based:

	<b>Six months ended 30 June</b>			
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>\$ 000</b>	<b>%</b>	<b>\$ 000</b>	<b>%</b>
United States of America	25,442	11.00%	31,408	13.00%
China	24,871	11.00%	35,993	15.00%
France	21,859	10.00%	28,060	11.00%
Netherlands	19,213	8.00%	21,741	9.00%
Israel	18,094	8.00%	18,081	7.00%
Canada	16,914	7.00%	14,765	6.00%
Spain	14,941	7.00%	8,041	3.00%
Ethiopia	14,049	6.00%	2,344	1.00%
Mexico	8,079	4.00%	8,074	3.00%
Other	64,300	28.00%	76,954	32.00%
	<u>227,762</u>	<u>100.00%</u>	<u>245,461</u>	<u>100.00%</u>

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 4 Turnover (continued)

##### Minimum operating lease rentals receivable under non-cancellable leases:

	Six months ended 30 June	
	2024	2023
	\$ 000	\$ 000
Less than one year	395,445	468,542
One to two years	424,678	407,502
Two to three years	378,177	347,235
Three to four years	330,680	307,408
Four to five years	294,445	263,631
More than five years	1,020,318	826,383
	<u>2,843,743</u>	<u>2,620,701</u>

#### 5 Other operating income

The analysis of the Trust's other operating income for the period is as follows:

	Six months ended 30 June	
	2024	2023
	\$ 000	\$ 000
Other income (i)	70,403	332
	<u>70,403</u>	<u>332</u>

(i) Other income primarily relates to settlement amounts received and the sale of parts during the period.

#### 6 Operating expenses

The analysis of the Trust's operating expenses for the period are as follows:

	Six months ended 30 June	
	2024	2023
	\$ 000	\$ 000
Maintenance expense	-	9,094
Repairs maintenance and technical costs	9,792	23,207
Group recharges	17,212	19,709
Other operating expenses	4,535	1,225
Loss from changes in provisions (i)	9,703	8,779
	<u>41,242</u>	<u>62,014</u>

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 6 Operating expenses (continued)

(i) Included in the loss from changes in provisions is a debtors provision of \$9.7m (2023: debtors provision of \$9.7m offset by a gain in finance lease provision \$0.9m).

#### 7 Interest receivable and similar income

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Interest on amounts due from group companies	1,065,961	1,100,386
Other finance income	6,150	6,191
	<u>1,072,111</u>	<u>1,106,577</u>

#### 8 Interest payable and similar expenses

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Interest payable to group undertakings (i)	25,044	68,601
External debt interest (ii)	629,226	569,891
Other finance costs	84	156
	<u>654,354</u>	<u>638,648</u>

(i) Interest is payable in respect of loans from group undertakings and are repayable on demand.

(ii) External debt interest is shown net of capitalised interest of \$7.8m (2023: \$7.9m).

#### 9 Dividend income

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Dividend income	<u>9,392</u>	<u>521,081</u>

Dividend income amounting to \$9.4m (2023: \$521.1m) was received from subsidiary entities during the period.



## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 10 Tangible assets

	<b>30 June 2024 Flight equipment \$ 000</b>	<b>31 December 2023 Flight equipment \$ 000</b>
<b>Cost</b>		
Opening balance at 1 January	6,466,817	6,886,124
Additions	674,686	2,130,356
Disposals	(890,453)	(2,576,572)
Recoveries related to Ukraine Conflict	-	26,909
At end of the period	<u>6,251,050</u>	<u>6,466,817</u>
<b>Depreciation and impairment</b>		
Opening balance at 1 January	2,148,770	2,417,235
Depreciation charge for the period	109,375	250,790
Disposals	(257,453)	(524,777)
Impairment	14,525	5,522
At end of the period	<u>2,015,217</u>	<u>2,148,770</u>
<b>Carrying amount</b>		
At end of the period	<u>4,235,833</u>	<u>4,318,047</u>
At beginning of the period	<u>4,318,047</u>	<u>4,468,889</u>

Flight equipment may be analysed as follows based on the remaining term outstanding on the associated operating leases for a further period of:

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
Flight equipment not on lease	29,009	50,016
Less than one year	284,498	233,491
From one to two years	315,070	403,268
From two to five years	724,589	998,160
After five years	<u>2,882,667</u>	<u>2,633,112</u>
	<u>4,235,833</u>	<u>4,318,047</u>

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 10 Tangible assets (continued)

In accordance with the Trust's stated accounting policy, an impairment review was performed. The impairment provision was calculated by comparing the net carrying value of the aircraft to the higher of their net realisable value and value in use, based on anticipated future cash flows, discounted at 7.5% (2023: 7.5%). As a result of this review, an impairment provision of \$14.5m was recognised during the period ended 30 June 2024 (six months ended 30 June 2023: \$nil). The Trust also recognised write offs and impairment of flight equipment of \$nil (2023: \$22.8m recovery) related to the Ukraine Conflict.

The following table presents our aircraft portfolio by type of aircraft:

	<b>30 June 2024</b>	<b>30 June 2024</b>	<b>31 December 2023</b>	<b>31 December 2023</b>
	<b>Number of aircraft</b>	<b>% of total net book value</b>	<b>Number of aircraft</b>	<b>% of total net book value</b>
<b>Passenger aircraft</b>				
Airbus A320 family	36	11.53%	42	13.80%
Airbus A320neo family	19	21.88%	16	17.70%
Airbus A330	5	2.11%	6	2.67%
Airbus A350	2	3.94%	2	3.93%
Boeing 737NG	24	11.28%	26	12.19%
Boeing 767	1	0.07%	2	0.14%
Boeing 777-300 / 300ER	7	5.37%	8	7.07%
Boeing 787	19	40.76%	19	40.94%
Embraer E190 / E195 / E2	4	3.06%	2	1.49%
Other	-	0.00%	1	0.07%
	<u>117</u>	<u>100.00%</u>	<u>124</u>	<u>100.00%</u>

#### 11 Investments

	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Opening balance at the start of period	9,180,252	1,022,788
Additions during the period	-	9,923,515
Impairments	-	(1,766,051)
Closing balance at the end of period	<u>9,180,252</u>	<u>9,180,252</u>

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 12 Debtors: Amounts falling due after more than one year

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
Trade debtors (i)	7,055	5,709
Finance lease receivables (see note 14)	118,214	88,382
Lease incentives	49,620	79,492
	<u>174,889</u>	<u>173,583</u>

(i) Included in trade debtors, the Trust has a contractually deferred balance of \$7.1m (2023: \$5.7m).

#### 13 Debtors: Amounts falling due within one year

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
Trade debtors (i)	17,435	24,881
Provision for impairment of trade debtors	-	(123)
Net trade debtors	17,435	24,758
Amounts due from group companies (ii)	37,996,260	37,495,617
Other debtors and prepayments	67,429	32,137
Finance lease receivables (see note 14)	26,402	15,368
Lease incentives	-	143
	<u>38,107,526</u>	<u>37,568,023</u>

(i) Included in trade debtors, the Trust has a contractually deferred balance of \$17.4m (2023: \$21.6m).

(ii) Included within amounts due from group companies are amounts under sublease arrangements of \$nil (2023: \$nil). There is a provision of \$186.0m with respect of amounts due from group companies at the period ended 30 June 2024 (2023: \$176.2m). Interest on amounts due from group companies is charged at a composite rate of 5.9% (2023: 6.6%).

The Trust is managing the credit risk by monitoring the quality of assets of the group companies and initiating additional capital contribution to be provided by the ultimate parents company to the relevant group company as necessary. All amounts due from group companies are unsecured and are repayable on demand; therefore, there is no amount considered past due as of financial year end. Management of the Trust assess all outstanding balances as recoverable.

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 14 Finance lease receivables

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
<b>Present value of minimum lease payments</b>		
Not later than one year	26,402	15,368
Later than one year and not later than five years	80,502	79,009
Later than five years	37,712	9,373
	<u>144,616</u>	<u>103,750</u>

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
<b>Gross investment in finance lease</b>		
Not later than one year	34,742	21,039
Later than one year and not later than five years	97,479	88,005
Later than five years	47,596	10,895
	<u>179,817</u>	<u>119,939</u>

The total unearned finance lease income as at 30 June 2024 was \$35.2m (2023: \$16.2m). Unguaranteed residual value accruing to the benefit of the lessor amounted to \$63.6m (2023: \$53.6m). An allowance of \$nil (2023: \$nil) was recognised in the period.

#### 15 Cash and cash equivalents

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
Cash at bank	68,955	22,622
Restricted cash	-	352
	<u>68,955</u>	<u>22,974</u>

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 16 Creditors: Amounts falling due within one year

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
Creditors (i)	15,678	4,349
Accrued expenses	1,064	6,152
Amounts due to group companies	573,838	538,476
Loans and borrowings (see note 18)	4,639,587	5,139,733
Accrued interest	347,810	305,441
Deferred income	1,674	3,798
Security deposits	2,296	2,773
Maintenance reserves	17,728	6,872
Lessor contributions	9,652	-
	<u>5,609,327</u>	<u>6,007,594</u>

(i) Creditors include \$13.4m (2023: \$11.2m) of initial instalment payments received under CSA.

#### 17 Creditors: Amounts falling due after more than one year

	<b>30 June 2024 \$ 000</b>	<b>31 December 2023 \$ 000</b>
Loans and borrowings (see note 18)	27,688,896	27,509,003
Security deposits	53,339	72,862
Maintenance reserves	292,947	277,949
Lessor contributions	89,454	99,106
Vendor credit allocations	34,373	34,573
	<u>28,159,009</u>	<u>27,993,493</u>

Included in security deposits are amounts of \$37.2m greater than 5 years (2023: \$54.1m). Included in maintenance reserves are amounts of \$100.6m greater than 5 years (2023: \$93.6m).

The increase in maintenance reserves during the period is primarily due to billings of \$30.4m, transfers of \$0.8m and top ups of \$5.0m. This increase is offset by releases of \$6.2m and claims of \$4.1m.

The lessees of the Trust's aircraft have provided letters of credit totalling \$24.5m (2023: \$61.7m) as security against their rental and maintenance obligations under the lease agreements.

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 18 Loans and borrowings

	30 June 2024 \$ 000 Nominal Value	30 June 2024 \$ 000 Book Value	31 December 2023 \$ 000 Nominal Value	31 December 2023 \$ 000 Book Value
<i>Unsecured Notes</i>				
The Trust & AICDC	12,523,719	12,478,324	12,823,719	12,808,066
GE notes	1,000,000	1,000,000	1,000,000	1,000,000
GE acquisition notes	17,391,630	17,301,767	17,391,630	17,291,659
<b>Total unsecured notes</b>	<b>30,915,349</b>	<b>30,780,091</b>	<b>31,215,349</b>	<b>31,099,725</b>
ECAPS subordinated debt	1,000,000	1,000,000	999,788	1,000,000
Junior subordinated debt	500,000	496,501	500,000	496,467
Other secured debt	51,890	51,891	47,801	52,544
<b>Closing Balance</b>	<b>32,467,239</b>	<b>32,328,483</b>	<b>32,762,938</b>	<b>32,648,736</b>

Analysis of the maturity of loans is given below:

	30 June 2024 \$ 000	31 December 2023 \$ 000
<i>Loan Maturity</i>		
Amounts falling due within one year	4,639,587	5,139,733
Amounts falling due within one to two years	4,333,649	4,133,904
Amounts falling due within two to five years	13,806,973	14,519,396
Amounts falling due after more than five years	9,548,274	8,855,703
	<b>32,328,483</b>	<b>32,648,736</b>

As of 30 June 2024, we had \$1.0bln (2023: \$1.0bln) of floating rate debt outstanding that used either one-month, three-month or six-month USD SOFR as the applicable reference rate to calculate interest on such debt.

## AerCap Global Aviation Trust

### Notes to the financial statements for the period ended 30 June 2024 (continued)

#### 18 Loans and borrowings (continued)

A reconciliation of the movement in class of debt for the period ended 30 June 2024 is set out below:

	<b>Opening Balance 2024 \$ 000</b>	<b>Issued 2024 \$ 000</b>	<b>Repaid 2024 \$ 000</b>	<b>Amortised 2024 \$ 000</b>	<b>30 June 2024 \$ 000</b>
The Trust & AICDC	12,808,066	1,500,000	(1,800,000)	(29,742)	12,478,324
GECAS notes	1,000,000	-	-	-	1,000,000
GECAS acquisition notes	17,291,659	-	-	10,108	17,301,767
	<u>31,099,725</u>	<u>1,500,000</u>	<u>(1,800,000)</u>	<u>(19,634)</u>	<u>30,780,091</u>
ECAPS subordinated debt	1,000,000	-	-	-	1,000,000
Junior subordinated debt	496,467	-	-	34	496,501
Other secured debt	52,544	-	(653)	-	51,891
	<u>32,648,736</u>	<u>1,500,000</u>	<u>(1,800,653)</u>	<u>(19,600)</u>	<u>32,328,483</u>

A reconciliation of the movement in class of debt for the year ended 31 December 2023 is set out below:

	<b>Opening Balance 2023 \$ 000</b>	<b>Issued 2023 \$ 000</b>	<b>Repaid 2023 \$ 000</b>	<b>Amortised 2023 \$ 000</b>	<b>Closing Balance 2023 \$ 000</b>
The Trust & AICDC	10,643,563	4,250,000	(2,126,281)	40,784	12,808,066
GECAS notes	1,000,000	-	-	-	1,000,000
GECAS acquisition notes	20,877,849	-	(3,608,370)	22,180	17,291,659
	<u>32,521,412</u>	<u>4,250,000</u>	<u>(5,734,651)</u>	<u>62,964</u>	<u>31,099,725</u>
ECAPS subordinated debt	999,788	-	-	212	1,000,000
Junior subordinated debt	496,387	-	-	80	496,467
Other secured debt	47,801	19,936	(15,193)	-	52,544
	<u>34,065,388</u>	<u>4,269,936</u>	<u>(5,749,844)</u>	<u>63,256</u>	<u>32,648,736</u>

Additional details of the principal terms of our Loans and borrowings can be found in our financial statements as filed for the year ended 31 December 2023.

## **AerCap Global Aviation Trust**

### **Notes to the financial statements for the period ended 30 June 2024 (continued)**

#### **19 Commitments**

##### *Prepayments of aircraft purchases*

As at 30 June 2024, the Trust had commitments to purchase 100 new aircraft scheduled for delivery through 2028. Our contractual commitments for the purchase of flight equipment amount to an estimated total of \$4.7bln (including adjustments for certain contractual escalation provisions). These commitments are based upon purchase agreements with Boeing, Airbus and Embraer.

These agreements establish the pricing formulae and various other terms with respect to the purchase of aircraft. Under certain circumstances the Trust have the right to alter the mix of aircraft types ultimately acquired. As at 30 June 2024, the Trust had made non-refundable deposits on these purchase commitments (exclusive of capitalised interest) of approximately \$389.9m.

The amounts of borrowing costs capitalised in the period ended 30 June 2024 was \$7.8m (2023: \$7.9m) at a capitalisation rate of 4.2% (2023: 3.6%).

Management anticipates that a portion of the aggregate purchase price for the acquisition of aircraft will be funded by incurring additional debt. The amount of indebtedness to be incurred will depend upon the final purchase price of the aircraft, which can vary due to a number of factors, including inflation.

##### *Legal proceedings*

In the ordinary course of business, the Trust are a party to various legal actions, which Management believe are incidental to the operations of our business. The Trust regularly reviews the possible outcome of such legal actions, and accrues for legal actions at the time a loss is probable and the amount of the loss can be estimated. In addition, the Trust also reviews the applicable indemnities and insurance coverage. Based on the information currently available, we believe the potential outcome of these cases, and our estimates of the reasonably possible losses exceeding amounts already recognised on an aggregated basis and is immaterial to the Trust's financial condition, results of operations or cash flows.

#### **20 Related party transactions**

Under FRS102, the Trust is exempt from the requirement to disclose related party transactions with other group companies on the grounds that it is a wholly owned indirect subsidiary of AerCap Holdings NV. which prepares consolidated financial statements that are available to the public.

#### **21 Ultimate parent undertaking**

The Trust's ultimate parent is AerCap Holdings N.V., incorporated in the Netherlands, into which the results of the AerCap Global Aviation Trust are consolidated. The consolidated accounts of AerCap Holdings N.V. are publicly available from the Trade Register in the city of Amsterdam under the number 34251954.



## **AerCap Global Aviation Trust**

### **Notes to the financial statements for the period ended 30 June 2024 (continued)**

#### **22 Beneficial ownership interest**

Prior to the closing date of the ILFC Transaction on 14 May 2014, AICDC, as beneficial owner of the Trust, made a contribution of \$4.5bln to the Trust to acquire all of ILFC's assets and substantially all of ILFC's liabilities in line with the reorganisation.

In return for this contribution, the Trust issued ownership interests ("Interests") in the Trust, the rights of which are set out in the Trust Deed. These Interests include (i) rights to profits, losses, allocations and distributions, (ii) rights to vote or grant or withhold consents with respect to the Trust and (iii) beneficial interest in the property of the Trust.

The Interests are a single class of beneficial ownership interest with no differences between the rights, preferences and restrictions of each interest.

#### **23 Post balance sheet events**

In July 2024, the Trust and AICDC co-issued \$750m aggregate principal amount of 6.950% fixed-rate reset junior subordinated notes due 2055. The Junior Subordinated Notes are fully and unconditionally guaranteed on a junior subordinated basis by the Trust and certain other subsidiaries of the Trust.

In July 2024, a subsidiary of the Trust entered into an agreement with Airbus to purchase 36 A320neo Family aircraft that were previously on order by Spirit Airlines Inc ("Spirit"). At the same time, the subsidiary entered into lease agreements with Spirit for these aircraft, which are scheduled to deliver in 2027 and 2028.

The subsidiary also entered into a contingent purchase agreement with Airbus for up to 52 additional A320neo Family aircraft currently on order by Spirit and scheduled to deliver from 2029 to 2031. Under this agreement, the subsidiary will purchase these aircraft in the event that the purchase agreement between Airbus and Spirit is terminated, subject to certain conditions.

In September 2024, the Trust and AICDC priced an offering of senior notes consisting of \$1.3bln aggregate principal amount of 4.625% senior notes due 2029 and \$1.1bln aggregate principal amount of 4.950% senior notes due 2034. The notes will be fully and unconditionally guaranteed on a senior unsecured basis by the Trust and certain other subsidiaries of the Trust.

#### **24 Approval of financial statements**

Management approved these financial statements for issue on 24 September 2024.