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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

Aircastle Announces Second Quarter 2024 Results

Highlights for the Three Months Ended August 31, 2024

- Total revenues of \$217 million and net income of \$29 million
- Adjusted EBITDA⁽¹⁾ of \$199 million
- Lease rental revenue and direct financing and sales-type lease revenue increased 8%
- Sold 10 aircraft and other flight equipment for proceeds of \$304 million and gains on sale of \$35 million; extended leases on 22 aircraft
- Acquired 4 aircraft for \$120 million
- Fleet utilization over 99%

Liquidity

- Issued \$500 million 5.75% unsecured senior notes due 2031
- Net debt-to-equity of 1.9 times at August 31, 2024
- Total liquidity as of October 1, 2024 of \$3.1 billion includes \$2.1 billion of undrawn facilities, \$0.5 billion of projected adjusted operating cash flows and sales through October 1, 2025, and \$0.5 billion of unrestricted cash
- 214 unencumbered aircraft and other flight equipment with a net book value of \$6.0 billion

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

Mike Inglese, Aircastle’s CEO, stated, "Global demand for passenger air travel is at an all-time high, with load factors close to operational limits. However, Boeing and Airbus forecast only minimal delivery improvements in the near term. These conditions have led to robust lease rates and steady demand for placements and extensions of the narrow-body aircraft that comprise most of our fleet. In the second fiscal quarter, we capitalized on this momentum by extending 22 leases, selling 10 aircraft, and achieving a net income of \$29 million."

Mr. Inglese concluded, “In the second half of our fiscal year, we look forward to expanding our fleet with a focus on new-technology aircraft. Despite the strong competition we're seeing among aircraft investors, we believe Aircastle has a competitive edge due to our outstanding team, ample liquidity, strong balance sheet as well as the outstanding support of our shareholders, Marubeni Corporation and Mizuho Leasing.”

Aviation Assets

As of August 31, 2024, Aircastle owned 244 aircraft and other flight equipment having a net book value of \$7.1 billion. We also manage 9 aircraft with a net book value of \$265 million on behalf of our joint venture with Mizuho Leasing.

<u>Owned Aircraft</u>	As of August 31, 2024	As of August 31, 2023
Net Book Value of Flight Equipment	\$ 7,077	\$ 6,751
Net Book Value of Unencumbered Flight Equipment	\$ 6,043	\$ 5,208
Number of Aircraft	244	239
Number of Unencumbered Aircraft	214	201
Number of Lessees	77	73
Number of Countries	46	43
Weighted Average Fleet Age (Years) ⁽¹⁾	9.7	9.7
Weighted Average Remaining Lease Term (Years) ⁽¹⁾	5.3	5.2
Weighted Average Fleet Utilization during the three months ended August 31, 2024 and 2023 ⁽²⁾	99.2 %	98.3 %
<u>Managed Aircraft on behalf of Joint Ventures</u>		
Net Book Value of Flight Equipment	\$ 265	\$ 278
Number of Aircraft	9	9

1. Weighted by Net Book Value.

2. Aircraft on-lease days as a percentage 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, October 10, 2024, 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 (800) 836-8184 (from within the U.S. and Canada) or +1 (646) 357-8785 (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. 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, 2024, Aircastle owned and managed on behalf of its joint ventures 253 aircraft leased to 78 airline 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)

	August 31, 2024	February 29, 2024
	(Unaudited)	
ASSETS		
Cash and cash equivalents	\$ 432,564	\$ 129,977
Accounts receivable	12,778	12,518
Flight equipment held for lease, net	6,798,327	6,940,502
Net investment in leases, net	278,270	282,439
Unconsolidated equity method investment	43,709	42,710
Other assets	267,907	271,807
Total assets	<u>\$ 7,833,555</u>	<u>\$ 7,679,953</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Borrowings from secured financings, net	\$ 636,410	\$ 875,397
Borrowings from unsecured financings, net	3,823,665	3,823,099
Accounts payable, accrued expenses and other liabilities	212,315	219,588
Lease rentals received in advance	62,894	52,654
Security deposits	71,689	69,544
Maintenance payments	558,568	505,897
Total liabilities	<u>5,365,541</u>	<u>5,546,179</u>
Commitments and Contingencies		
SHAREHOLDERS' EQUITY		
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, 2024 and February 29, 2024	—	—
Common shares, \$0.01 par value, 250,000,000 shares authorized, 17,840 and 15,564 shares issued and outstanding at August 31, 2024 and February 29, 2024, respectively	—	—
Additional paid-in capital	2,378,774	2,078,774
Retained earnings	89,240	55,000
Total shareholders' equity	<u>2,468,014</u>	<u>2,133,774</u>
Total liabilities and shareholders' equity	<u>\$ 7,833,555</u>	<u>\$ 7,679,953</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,	
	2024	2023	2024	2023
Revenues:				
Lease rental revenue	\$ 162,379	\$ 150,351	\$ 324,949	\$ 297,086
Direct financing and sales-type lease revenue	5,426	5,085	10,883	6,158
Amortization of lease premiums, discounts and incentives	(6,068)	(7,124)	(12,717)	(14,331)
Maintenance revenue	19,378	15,046	61,527	49,566
Total lease revenue	181,115	163,358	384,642	338,479
Gain on sale or disposition of flight equipment	35,416	4,453	36,426	47,047
Other revenue	137	145	773	921
Total revenues	216,668	167,956	421,841	386,447
Operating expenses:				
Depreciation	87,675	86,328	177,033	175,117
Interest, net	62,424	57,035	127,237	113,926
Selling, general and administrative	20,090	18,882	42,145	39,717
Provision for credit losses	426	(834)	281	6,125
Impairment of flight equipment	5,761	1,100	10,972	2,197
Maintenance and other costs	4,096	8,854	8,539	17,387
Total operating expenses	180,472	171,365	366,207	354,469
Other income:				
Gain on extinguishment of debt	285	—	285	—
Other	726	3,372	422	4,709
Total other income	1,011	3,372	707	4,709
Income (loss) from continuing operations before income taxes and earnings of unconsolidated equity method investment	37,207	(37)	56,341	36,687
Income tax provision (benefit)	9,028	(5,099)	12,600	9,261
Earnings of unconsolidated equity method investment, net of tax	480	456	999	862
Net income	\$ 28,659	\$ 5,518	\$ 44,740	\$ 28,288
Preference share dividends	(10,500)	(10,500)	(10,500)	(10,500)
Net income (loss) available to common shareholders	\$ 18,159	\$ (4,982)	\$ 34,240	\$ 17,788
Total comprehensive income (loss) available to common shareholders	\$ 18,159	\$ (4,982)	\$ 34,240	\$ 17,788

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

	Six Months Ended August 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 44,740	\$ 28,288
Adjustments to reconcile net income to net cash and cash equivalents provided by operating activities:		
Depreciation	177,033	175,117
Amortization of deferred financing costs	8,590	8,321
Amortization of lease premiums, discounts and incentives	12,717	14,331
Deferred income taxes	9,438	6,179
Collections on net investment in leases	3,477	1,598
Security deposits and maintenance payments included in earnings	(9,914)	(9,895)
Gain on sale or disposition of flight equipment	(36,426)	(47,047)
Gain on extinguishment of debt	(285)	—
Impairment of flight equipment	10,972	2,197
Provision for credit losses	281	6,125
Other	(1,008)	(845)
Changes in certain assets and liabilities:		
Accounts receivable	(3,201)	1,437
Other assets	(4,690)	(9,723)
Accounts payable, accrued expenses and other liabilities	(19,235)	(3,833)
Lease rentals received in advance	12,414	14,165
Net cash and cash equivalents provided by operating activities	<u>204,903</u>	<u>186,415</u>
Cash flows from investing activities:		
Acquisition and improvement of flight equipment	(335,410)	(379,349)
Proceeds from sale or disposition of flight equipment	329,288	126,011
Aircraft purchase deposits and progress payments, net of returned deposits and aircraft sales deposits	(1,069)	6,852
Other	(293)	(4,026)
Net cash and cash equivalents used in investing activities	<u>(7,484)</u>	<u>(250,512)</u>
Cash flows from financing activities:		
Proceeds from issuance of common shares	300,000	200,000
Proceeds from secured and unsecured debt financings	1,048,200	1,273,709
Repayments of secured and unsecured debt financings	(1,289,386)	(963,507)
Debt extinguishment costs	285	—
Deferred financing costs	(4,961)	(7,536)
Security deposits and maintenance payments received	73,206	77,006
Security deposits and maintenance payments returned	(11,676)	(10,508)
Dividends paid	(10,500)	(10,500)
Net cash and cash equivalents provided by financing activities	<u>105,168</u>	<u>558,664</u>
Net increase in cash and cash equivalents	<u>302,587</u>	<u>494,567</u>
Cash and cash equivalents at beginning of period	129,977	231,861
Cash and cash equivalents at end of period	<u>\$ 432,564</u>	<u>\$ 726,428</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,	
	2024	2023	2024	2023
Net income	\$ 28,659	\$ 5,518	\$ 44,740	\$ 28,288
Depreciation	87,675	86,328	177,033	175,117
Amortization of lease premiums, discounts and incentives	6,068	7,124	12,717	14,331
Interest, net	62,424	57,035	127,237	113,926
Income tax provision (benefit)	9,028	(5,099)	12,600	9,261
EBITDA	\$ 193,854	\$ 150,906	\$ 374,327	\$ 340,923
Adjustments:				
Impairment of flight equipment	5,761	1,100	10,972	2,197
Gain on extinguishment of debt	(285)	—	(285)	—
Adjusted EBITDA	\$ 199,330	\$ 152,006	\$ 385,014	\$ 343,120

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.