



GLOBAL LEADER IN AVIATION



Third Quarter 2017 Financial Results

AerCap Holdings N.V.

November 2, 2017

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Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.



AerCap is the global leader in aircraft leasing

-  **Resilient** industry fundamentals
-  **Global** platform with **unmatched breadth and reach**
-  **Strong earnings** and **cash flow generation**
-  **Disciplined** portfolio management
-  **Strong liquidity** and **access to capital**
-  **Prudent hedging strategies** to mitigate risk
-  **Highly experienced management team** with deep industry expertise

Financial Results

Net Income

(\$ million)	3Q 2017	3Q YTD 2017
Net Income	265.8	809.9

Diluted Earnings Per Share

(\$)	3Q 2017	3Q YTD 2017
Diluted EPS	1.62	4.77

Highlights

- **89 aircraft transactions**, including **36 widebody transactions**
- **99.3% fleet utilization**
- **7.1 years average age of owned fleet** and **6.6 years average remaining lease term**
- **100% of new aircraft deliveries** through 2018 and **91%** through 2019 **leased**
- **\$8.9 billion** of available **liquidity**
- **2.7 to 1** adjusted **debt/equity** ratio
- **\$55.06 book value** per share, an **increase of 17%** since September 30, 2016
- **Repurchased 5.4 million shares** in 3Q 2017 for **\$266 million** and 19.2 million shares year to date through October 27, 2017 for \$888 million
- New **\$200 million share repurchase program** authorized, which will run through March 31, 2018

	3Q 2017	3Q 2016	3Q YTD 2017	3Q YTD 2016
Net Income (\$ million)	265.8	225.6	809.9	682.0
Diluted Earnings Per Share (\$)	1.62	1.22	4.77	3.55

Key Highlights

- For 3Q 2017, net income increased 18% year over year, primarily driven by:
 - Increase in net gain on sale of assets
 - In 3Q 2016, we recognized charges related to the downsizing of AeroTurbine. These charges were partially offset by income related to insurance proceeds
- For 3Q 2017, diluted earnings per share increased 33% year over year, driven by the same factors as net income as well as the repurchase of 30.4 million shares from July 2016 through September 2017

(millions except per share data)	Sept. 30, 2017	Dec. 31, 2016	Sept. 30, 2016
Total Shareholders' Equity	\$8,546	\$8,524	\$8,370
Ordinary Shares Outstanding	158.0	176.2	181.7
Unvested Restricted Stock	(2.8)	(3.4)	(3.3)
Ordinary Shares Outstanding (excl. Unvested Restricted Stock)	155.2	172.8	178.4
Book Value Per Share¹	\$55.06	\$49.33	\$46.91

- Book value per share has increased 17% since September 30, 2016
- Since June 2015, we have repurchased ~28% of AerCap's outstanding shares for ~\$2.5 billion

(1) Based on ordinary shares outstanding excluding unvested restricted stock. Unvested restricted stock represents ordinary share units issued under our share incentive schemes that vest only upon the satisfaction of certain conditions.

(\$ million)	3Q 2017	3Q 2016
Basic Lease Rents	1,038.4	1,088.0
Maintenance Rents and Other Receipts	163.0	91.9
Net Gain on Sale of Assets	63.7	22.4
Other Income	8.8	23.8
Total Revenues and Other Income	1,273.9	1,226.1

- Basic lease rents decreased primarily due to the sale of mid-life and older aircraft during 2016 and 2017
- Maintenance rents and other receipts increased primarily as a result of lease terminations during the quarter
- Net gain on sale of assets increased primarily due to the timing and composition of asset sales
- Other income in 3Q 2016 included insurance proceeds, partially offset by charges related to the downsizing of AeroTurbine

Net Interest Margin (\$ million)

3Q 2017	3Q 2016
760.2	815.7

Net Interest Margin is calculated as basic lease rents less interest expense, excluding the non-cash charges related to the mark-to-market of interest rate caps and swaps

Average Lease Assets (\$ million)

3Q 2017	3Q 2016
34,035	34,577

Includes flight equipment held for operating leases, flight equipment held for sale, net investment in finance and sales-type leases and maintenance rights intangible asset

	3Q 2017	3Q 2016
Annualized Net Spread	8.9%	9.4%
Average Cost of Debt¹ <i>Including all fees</i>	4.0%	3.8%
Average Age of Owned Fleet (years) <i>As of September 30, 2017 and 2016</i>	7.1	7.6
Average Remaining Lease Term (years) <i>As of September 30, 2017 and 2016</i>	6.6	6.1

- Net spread decreased primarily as a result of the lower age of our owned fleet and the higher average cost of debt
- Average cost of debt increased primarily due to the issuance of new longer-term bonds to replace shorter-term ILFC notes, which had lower reported interest expense as a result of ILFC acquisition purchase accounting

(1) Interest expense, excluding mark-to-market on interest rate caps and swaps, divided by average debt balance.

(\$ million)	3Q 2017	3Q 2016
Net Gain on Sale of Assets	63.7	22.4

3Q 2017 Aircraft Disposal Activity:

- 27 aircraft, with an average age of 16 years, were sold from our owned portfolio:
 - 8 Airbus A320 Family aircraft, 6 Airbus A330s and 2 Airbus A340s
 - 1 Boeing 737 Classic, 8 Boeing 737NGs, 1 Boeing 767 and 1 Boeing 777-300ER
- 8 aircraft were placed on long-term leases and reclassified from flight equipment held for operating leases to net investment in finance and sales-type leases
 - 4 Airbus A330s and 4 Boeing 737NGs

3Q 2017 Aircraft Purchase Activity:

- 11 aircraft were purchased:
 - 2 Airbus A320neo Family aircraft and 1 Airbus A350
 - 8 Boeing 787s

(\$ million)	3Q 2017	3Q 2016
Maintenance Rights Expense	109.1	71.7
Other Leasing Costs	28.7	57.0
Selling, General & Administrative Expenses	83.9	80.8
Asset Impairment	45.6	15.1
Restructuring Related Expenses	–	29.0

- Maintenance rights expense increased in 3Q 2017 as a result of the amount of maintenance activity during the period
- Other leasing costs were higher in 3Q 2016 primarily due to a higher amount of end of lease payments
- Asset impairment in 3Q 2017 primarily related to lease terminations and was more than offset by maintenance revenue recognized as a result of these lease terminations
- Restructuring related expenses in 3Q 2016 related to the downsizing of AeroTurbine

Sources vs. Uses (Next 12 Months)

(\$ billion as of September 30, 2017)

Sources (for 12 months to September 30, 2018)

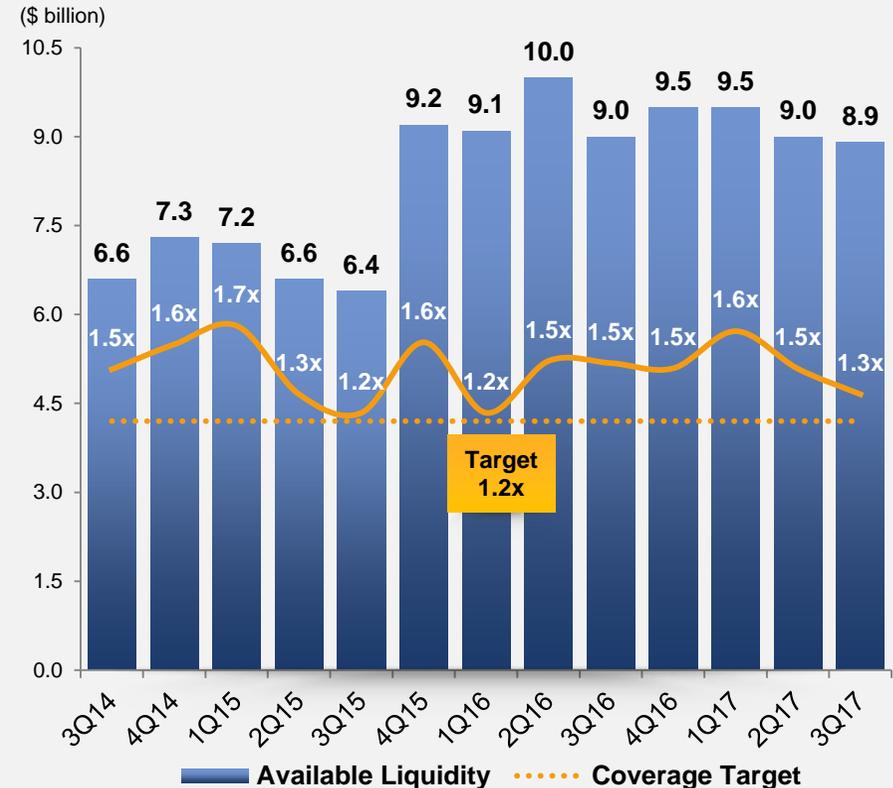
Unsecured Revolver	3.9
Other Facilities and Contracted Sales	3.5
Unrestricted Cash	1.5
Total Available Liquidity	8.9
Estimated Operating Cash Flow	3.2
Total Sources¹	12.1

Uses (for 12 months to September 30, 2018)

Debt Maturities	(3.1)
Capex (Cash payments for purchases) ²	(6.0)
Total Uses	(9.1)

Excess Coverage (Sources less Uses)	3.0
Ratio of Sources to Uses	1.3x

Liquidity Levels Since July 2014



We continue to maintain strong liquidity with \$8.9 billion as of September 30, 2017

- (1) Sources assume no additional financing for deliveries of new aircraft purchases.
- (2) Includes cash payments for next 12 months' aircraft deliveries and pre-delivery payments.



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Q&A



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Supplemental Information

Summary	Sept. 30, 2017	Dec. 31, 2016
Adjusted Debt / Equity Ratio	2.7 to 1	2.7 to 1
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Adjusted Debt/Equity Calculation (\$ million)	Sept. 30, 2017	Dec. 31, 2016
Debt (including fair value adjustments)	27,288	27,717
Adjusted for:		
• Unrestricted cash & cash equivalents	(1,454)	(2,035)
• 50% equity credit for long-term subordinated debt	(750)	(750)
Adjusted Debt	25,084	24,932
Equity	8,603	8,582
Adjusted for:		
• 50% equity credit for long-term subordinated debt	750	750
Adjusted Equity	9,353	9,332

Aircraft Type	Number of Owned Aircraft	% Net Book Value	Number of Managed & AerDragon Aircraft	Number of on Order Aircraft	Total Aircraft
Airbus A320 Family	382	23	50	–	432
Airbus A320neo Family	33	5	–	187	220
Airbus A330	84	11	10	–	94
Airbus A350	13	6	–	13	26
Boeing 737NG	282	23	42	–	324
Boeing 737MAX	–	–	–	104	104
Boeing 767	34	1	–	–	34
Boeing 777-200ER	25	3	3	–	28
Boeing 777-300 / 300ER	30	6	2	–	32
Boeing 787	57	21	–	59	116
Embraer E190 / 195-E2	–	–	–	50	50
Other	42	1	4	–	46
Total	982	100	111	413	1,506

- Average age of owned aircraft fleet is **7.1 years**
- Average remaining lease term is **6.6 years**

Forward Order and Purchase/Leasebacks as of September 30, 2017



Aircraft Type	Remaining 2017	2018	2019	2020	2021	Thereafter	Total
Airbus A320neo Family	11	57	46	43	30	–	187
Airbus A350	4	7	2	–	–	–	13
Boeing 737MAX	–	–	22	27	28	27	104
Boeing 787	6	13	6	2	2	–	29
Embraer E190 / 195-E2	–	1	14	14	14	7	50
Total Aircraft	21	78	90	86	74	34	383

- In addition, AerCap signed an agreement with Boeing in June 2017 for an order of 30 Boeing 787-9 aircraft, which are not included in the table. This order increases the AerCap forward order book to 413 aircraft



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