

## **EXPLANATION TO THE AGENDA**

Explanation to the agenda for the annual general meeting of shareholders of AerCap Holdings N.V. (the "**Company**") to be held on Thursday, May 31, 2012 at 9:30 a.m. (Amsterdam time) at the offices of the Company at AerCap House, Stationsplein 965, 1117 CE Schiphol, The Netherlands.

### **Agenda item 3 (voting item):**

The Dutch Civil Code requires the preparation of the Company's annual accounts, consisting of a balance sheet and a profit and loss account with respect to the preceding financial year, together with the explanatory notes thereto. Under article 2:406 of the Dutch Civil Code, the annual accounts consist of the annual accounts of the Company on an unconsolidated basis and the consolidated accounts of the Company and all of its subsidiaries. Copies of the annual report and the annual accounts can be obtained free of charge by shareholders, others entitled to attend the meeting and their respective representatives until the close of the meeting at the offices of the Company at Stationsplein 965, 1117 CE Schiphol Airport, at the offices of Broadridge, the Company's transfer agent, at 51 Mercedes Way, Edgewood, NY, 11717, U.S.A. and are also available free of charge during the meeting. Copies of these documents will also be made available on the Company's website ([www.aercap.com](http://www.aercap.com)).

Due to the international nature of the Company's business, the annual accounts have been prepared in the English language. Article 2:362 of the Dutch Civil Code provides for this possibility if approved by the general meeting of shareholders. On November 10, 2006, the general meeting of shareholders approved having the annual accounts and reports of the Board of Directors prepared in the English language for the 2006 financial year and subsequent financial years.

### **Agenda item 4 (for discussion):**

No dividends have been declared or paid on ordinary shares of the capital of the Company. In recent years, the Board of Directors has elected to retain earnings to fund working capital and the growth of the Company. The Board of Directors continues to believe that it is in the best interests of the Company to retain all earnings, but this policy may be reconsidered in the future. Pursuant to the articles of association of the Company, it is at the discretion of the Board of Directors to declare a dividend.

### **Agenda item 5 (voting item):**

It is proposed to release the Directors from liability (*decharge verlenen aan*) for their management during the 2011 financial year. Such release only applies to

matters that are disclosed in the annual accounts or have otherwise been disclosed at the general meeting prior to the resolution to discharge.

**Agenda item 6 (voting item):**

A person designated in accordance with article 16, paragraph 8 of the Company's articles of association shall be temporarily responsible for the management of the Company in case all Directors are absent or prevented from acting.

It is proposed to designate Mr. Keith A. Helming as the designated person in article 16, paragraph 8 of the Company's articles of association.

Mr. Helming assumed the position of CFO of AerCap effective August 21, 2006. Prior to joining AerCap, he was a long standing executive at GE Capital Corporation, including serving recently for five years as CFO at aircraft lessor GE Commercial Aviation Services (GECAS). Mr. Helming was with General Electric Company for over 25 years, beginning with their financial management program in 1981. In addition to the GECAS role, Mr. Helming served as the CFO of GE Corporate Financial Services, GE Fleet Services and GE Consumer Finance in the United Kingdom, and also held a variety of other financial positions throughout his career at GECC. Mr. Helming holds a Bachelor of Science degree in Finance from Indiana University.

**Agenda item 7 (voting item):**

The registered accountant examines the annual accounts of the Company. Article 2:393 of the Dutch Civil Code stipulates that at the general meeting of shareholders, the shareholders designate the registered accountant.

It is proposed that PricewaterhouseCoopers Accountants N.V. be reappointed as the registered accountant of the Company.

**Agenda item 8 (voting item):**

During the 2011 year, the Company repurchased and acquired its own ordinary shares. As a consequence, the Company currently holds 9,332,982 of its ordinary shares (the "**Treasury Shares**"). It is proposed by the Board of Directors to reduce the Company's issued share capital through a cancellation of the Treasury Shares. The capital reduction will enable the Company to further optimize its equity structure and shall be conducted in accordance with Dutch law and the Company's articles of association applicable to the cancellation of repurchased shares.

Pursuant to article 7 of the Company's articles of association, the general meeting of shareholders may resolve to reduce the issued share capital of the Company by cancelling shares, provided that the amount of the issued share capital does not

fall below the minimum share capital as required by law. A cancellation of the Treasury Shares will not result in a breach of said provision.

A resolution of the general meeting of shareholders in this respect shall require a two-thirds majority vote if less than half of the issued share capital is present or represented at the general meeting.

**Agenda item 9 (voting item):**

Under article 6, paragraph 1 of the Company's articles of association, the Company may, subject to certain Dutch statutory provisions, repurchase up to one-tenth of the Company's issued share capital. Any such purchases are subject to the authorization of the general meeting of shareholders of the Company, which authorization shall be valid for no more than eighteen months. The general meeting of shareholders of the Company has most recently granted the abovementioned authorization at the 2011 annual general meeting of shareholders. In Dutch corporate practise, an annual extension is customary.

**Agenda item 9a (voting item):**

It is proposed to authorize the Board of Directors for a period of eighteen months, taking effect from the date of this annual general meeting of shareholders, to acquire the Company's own ordinary shares up to 10% of the issued share capital at the date of the authorization (May 31, 2012), whether through purchases on the stock exchange or by other means, for a price that is between an amount equal to zero and an amount which is not higher than 10% above the opening price of the Company's shares quoted on the New York Stock Exchange on the day of acquisition, or, should such a quotation not exist, the last previous quotation on the New York Stock Exchange.

**Agenda item 9b (voting item):**

It is further proposed to authorize the Board of Directors for a period of eighteen months, taking effect from the date of this annual general meeting of shareholders, to acquire the Company's own ordinary shares up to an additional 10% of the issued share capital at the date of the authorization (May 31, 2012), whether through the stock exchange or by other means, for a price that is between an amount equal to zero and an amount which is not higher than 10% above the opening price of the Company's shares quoted on the New York Stock Exchange on the day of acquisition, or, should such a quotation not exist, the last previous quotation on the New York Stock Exchange. Conditions to this additional authorization are that:

- (i) all shares acquired by the Company following the authorization under agenda item 9a (and not held by the Company for the purpose of covering outstanding employee stock and stock option plans) have been cancelled, pursuant to the proposed agenda item 10; and

- (ii) the number of ordinary shares which the Company may at any time hold in its own capital will not exceed 10%.

The authorizations proposed under agenda items 9a and 9b will allow the Company, in combination with the proposal under agenda item 10, to (i) acquire a maximum of 10% of the issued share capital, (ii) subsequently cancel these shares, (iii) acquire, again, a maximum of 10% of the issued share capital and (iv) cancel these shares.

Provided that the general meeting of shareholders grants these authorizations, the Company may repurchase such ordinary shares at any time during the period of eighteen months, starting from May 31, 2012. Repurchased shares will be cancelled with regularity, provided that the general meeting of shareholders adopts the proposal under agenda item 10.

**Agenda item 10 (voting item):**

It is proposed by the Board of Directors to reduce the Company's issued share capital through cancellation of its ordinary shares, to be acquired pursuant to the authorizations to repurchase shares, as outlined under agenda item 9. The cancellation shall be undertaken in accordance with the provisions of article 7 of the Company's articles of association, as such provisions have also been described under agenda item 8.

As outlined under agenda item 9, the number of ordinary shares that the Company may at any time hold shall not exceed 10% of the Company's issued share capital at the date of the authorization (May 31, 2012). To enable the Company to repurchase more shares, the shares already acquired under the authorization granted pursuant to agenda item 9 must be cancelled first. The exact number of shares to be cancelled following this resolution will be determined by the Board of Directors, but shall not exceed 20% of the issued share capital of the Company on May 31, 2012. The cancellation may be executed in one or more tranches.

The capital reduction will enable the Company to further improve its equity structure and shall take place with due observance of the applicable provisions of Dutch law and the Company's articles of association.

A resolution of the general meeting of shareholders to cancel the ordinary shares described above shall require a two-thirds majority vote if less than half of the issued share capital is present or represented at the general meeting.

**Agenda item 11 (voting item):**

On June 6, 2011, the act amending book 2 of the Dutch Civil Code in connection with rules for management and supervision in limited liability companies and

private companies with limited liability (*Wet van 6 juni 2011 tot wijziging van boek 2 van het Burgerlijk Wetboek in verband met de aanpassing van regels over bestuur en toezicht in naamloze en besloten vennootschappen*) (the "**Management and Supervision Act**"), was adopted. Implementation of the Management and Supervisions Act is pending but expected on July 1, 2012.

The Management and Supervision Act provides for the creation of a statutory basis for a single-tier board structure. Although the Company has had such single-tier board in place for several years, the governance of the Board of Directors changes the statutory governance of the single-tier board. For this reason, it is proposed by the Board of Directors to amend the articles of association of the Company to comply with the new provisions of the Management and Supervision Act. This proposed amendment shall not be effected before the implementation of the Management and Supervision Act in the Dutch Civil Code.

For a further explanation on the proposed amendments to the Company's articles of association, reference is made to the draft text of the proposed amendments and the explanation included therein.

It is furthermore proposed to designate each of the Company's Directors and each lawyer at NautaDutilh N.V. to apply for the required ministerial declaration of no objection, to amend the abovementioned draft deed as may appear necessary to obtain such declaration of no objection, and to execute the notarial deed of amendment of the Company's articles of association.

The above proposed amendment to the articles of association and the designation shall be put to vote jointly.

The Board of Directors

April 3, 2012