

# AERCAP

Global Leader in Aviation

## Barclays Americas Select Conference

AerCap Holdings N.V.

May 14, 2019

Dublin | Shannon | Los Angeles | Singapore | Amsterdam | Shanghai | Abu Dhabi | Seattle | Toulouse

# Aircraft Leasing is a Growing Industry

## AIR TRAFFIC IS A GROWING MARKET

Since 1987, air traffic has doubled every 15 years and growth is forecast to continue

## MIDDLE CLASS IS GROWING AND FLYING

Middle class to grow from 3 billion to 5 billion in 20 years

## AIRLINES NEED OVER 42,700 NEW AIRCRAFT

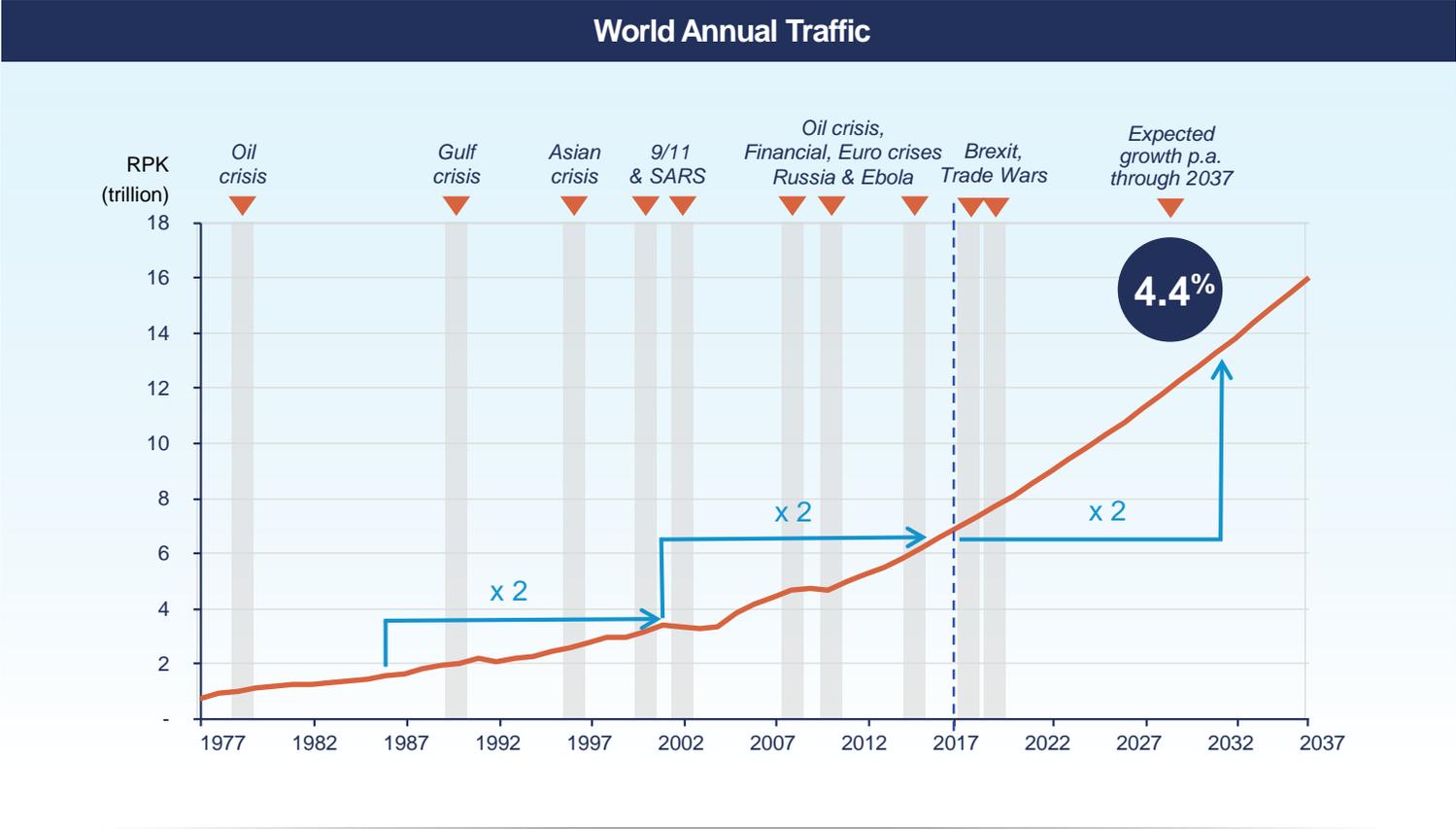
Boeing has increased its 20-year forecast by 1,700 aircraft; Airbus has increased its 20-year forecast by 2,500 aircraft

## INCREASING DEMAND FOR OPERATING LEASES

Over the past 20 years, the world fleet has doubled, with the leased fleet quadrupling

# Air Travel Growth

Resilient, growing air travel market expected to continue



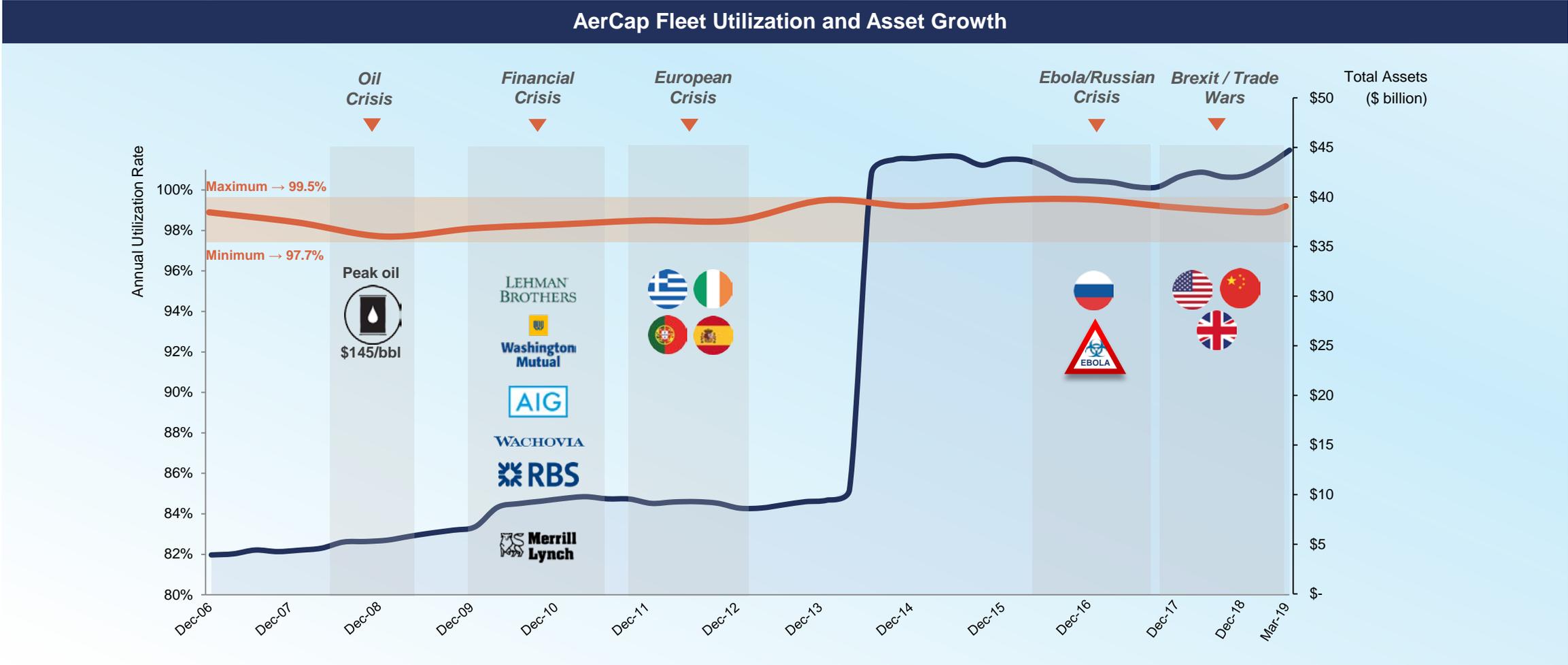
## Robust Global Traffic

- Air traffic doubles every 15 years
- 2018 world traffic grew by 6.6%
- 2019 total passengers are expected to be 4.6 billion, up from 4.3 billion in 2018

Airbus Global Market Forecast 2018-2037, RPK: Revenue-Passenger-Kilometers.

# Consistent Fleet Utilization

AerCap has achieved high fleet utilization through all economic cycles



# AerCap – The Global Leader

AerCap purchases, leases or sells an aircraft on average every 24 hours



Aircraft Fleet



Customers in ~80 Countries



Aircraft on Order



Transactions in 2018



Annual Revenue



Operating Cash flow



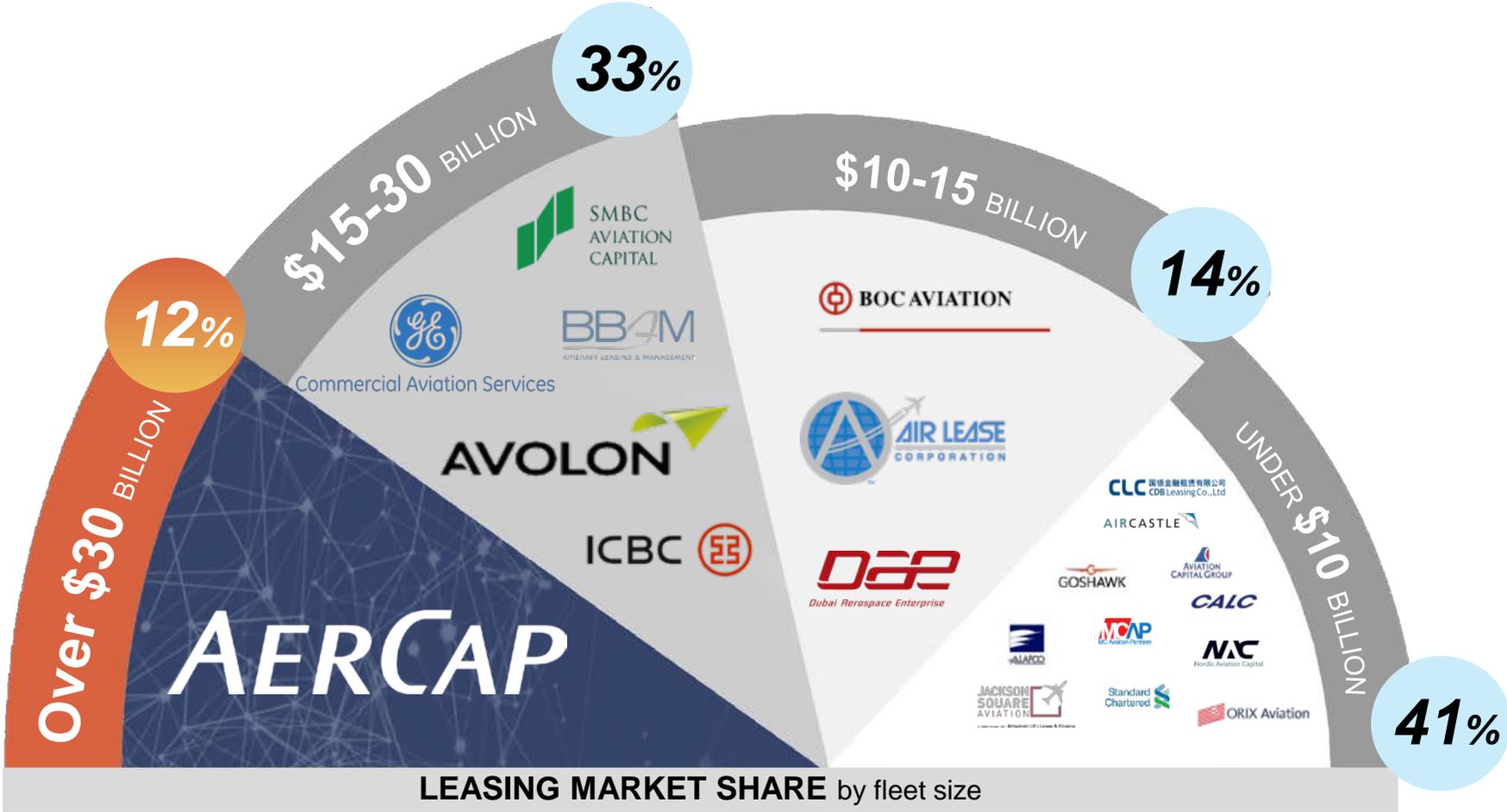
Annual Profit



Shareholders' Equity

# Aircraft Leasing Competitive Landscape

AerCap is the largest aircraft lessor with total lease assets of over \$37 bn



LEASING MARKET SHARE by fleet size

# AerCap Over the Past 5 Years



**>\$15 billion**

OPERATING  
CASH FLOW



**~\$30**

AGGREGATE EARNINGS  
PER SHARE



**>2,000 Aircraft**

PURCHASED,  
LEASED OR SOLD



**>\$5 billion**

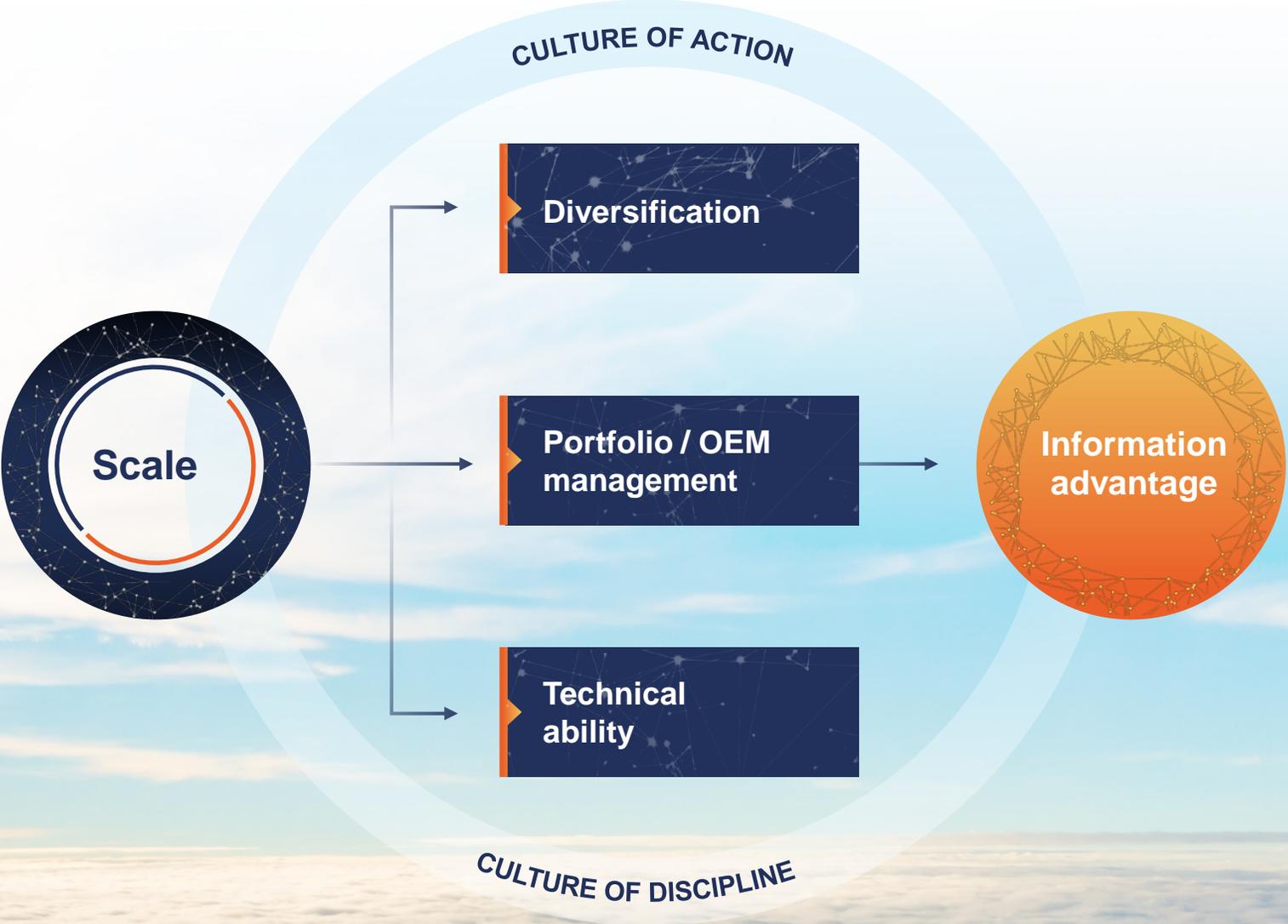
NET INCOME



**~200%**

GROWTH IN BOOK  
VALUE PER SHARE

# AerCap's Competitive Advantage



# AerCap's Strong, Reliable Balance Sheet

AerCap's prudent accounting policies and consistent gains on sale provide confidence around the book value of our fleet



**FLEET FAIR VALUED**

Over 75% of fleet fair valued in mid-2014



**DEPRECIATION**

Prudent depreciation rate well above industry standard curve



**ACCOUNTING POLICIES**

Conservative policies for maintenance accounting and other areas



**GAINS ON AIRCRAFT SALES**

Aircraft values validated by sales of 464 owned aircraft in the last 5 years at an average gain of ~8%

# Stronger Credit Profile

AerCap's credit metrics have significantly improved since our return to Investment Grade ratings

Metric	Mar. 31, 2019	Dec. 31, 2016	Difference
% New Technology Aircraft	51%	23%	+28%
\$ Purchase Obligations / Total Assets	39%	56%	(17%)
Adjusted Debt / Equity Target Ratio	2.8	2.7-3.0	(~0.2x)
Secured Debt / Total Assets %	25%	28%	(3%)
Average Age of Owned Fleet	6.2	7.4	(1.2 years)
Average Remaining Lease Term	7.4	6.4	+1 year

# Consistent Earnings and Cash Flows

AerCap's earnings and cash flows are consistent and predictable



# Book Value Per Share

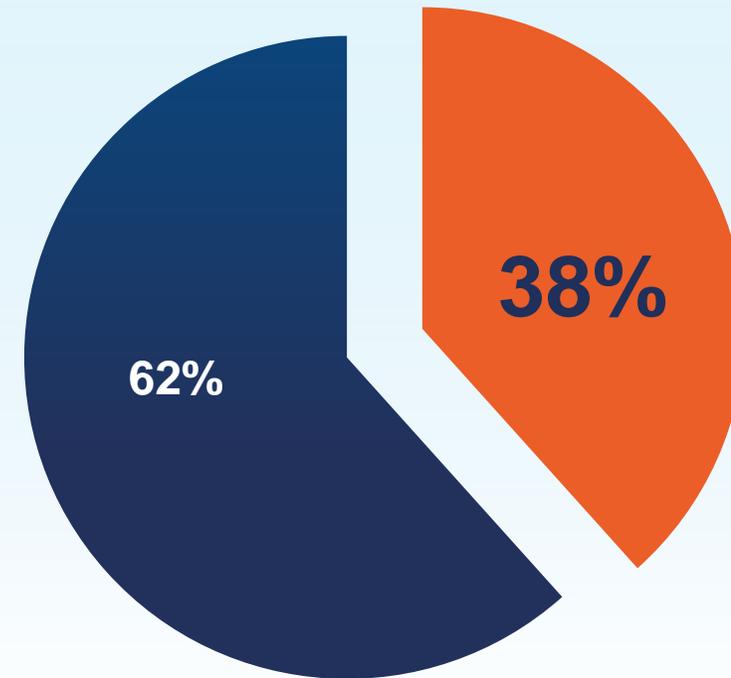
AerCap has grown book value per share by ~14% per year over the last 5 years



- Consistently **strong EPS** has led to **steady growth** in book value per share
- During this time period, AerCap has also **significantly de-levered** from **3.8x** in 2014 to **2.8x** in 1Q 2019
- In addition, AerCap has generated **further book value per share growth** by selling aircraft at a **premium** and repurchasing shares at a **discount**

# Creating Value through Share Repurchases

We have bought back over a third of the company at a discount to book value



■ Shares Repurchased since June 2015  
■ Remaining AerCap Shares

# AerCap Moving Forward



# AerCap's Investment Case

AerCap's business is built for long-term, sustainable success

**Market Leader**

**Consistent Earnings**

**Predictable Cash Flows**

**Disciplined Capital Allocation**

**Average Gain on Sale of ~8%**

**14% BVPS CAGR**

**Reliable, Proven Book Values**

**Attractive Entry Point**

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