



GLOBAL LEADER IN AVIATION



# *AerCap Update*

AerCap Holdings N.V.

March 2019

*This presentation contains certain statements, estimates and forecasts with respect to future performance and events. These statements, estimates and forecasts are “forward-looking statements”. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “might,” “should,” “expect,” “plan,” “intend,” “estimate,” “anticipate,” “believe,” “predict,” “potential” or “continue” or the negatives thereof or variations thereon or similar terminology. All statements other than statements of historical fact included in this presentation are forward-looking statements and are based on various underlying assumptions and expectations and are subject to known and unknown risks, uncertainties and assumptions and may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied in the forward-looking statements. As a result, we cannot assure you that the forward-looking statements included in this presentation will prove to be accurate or correct. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this presentation might not occur. Accordingly, you should*

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*In addition to presenting financial results in conformity with U.S. generally accepted accounting principles (“GAAP”), this presentation includes certain non-GAAP financial measures. Reconciliations of such non-GAAP financial measures are set forth or referred to in the presentation where relevant. Non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in conformity with GAAP.*

*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.*



*Buy the right aircraft, place them on long-term contracts and generate consistent returns*



**WORLD'S LARGEST  
OWNER OF  
COMMERCIAL  
AIRCRAFT<sup>1</sup>**



**LEASED ON FIXED  
LONG-TERM  
CONTRACTS**



**ACTIVE RISK  
MANAGEMENT AND  
CAPITAL ALLOCATION**



**CONSISTENT AND  
STABLE  
PROFITABILITY**

**1,421 AIRCRAFT  
OWNED, MANAGED  
AND ON ORDER**

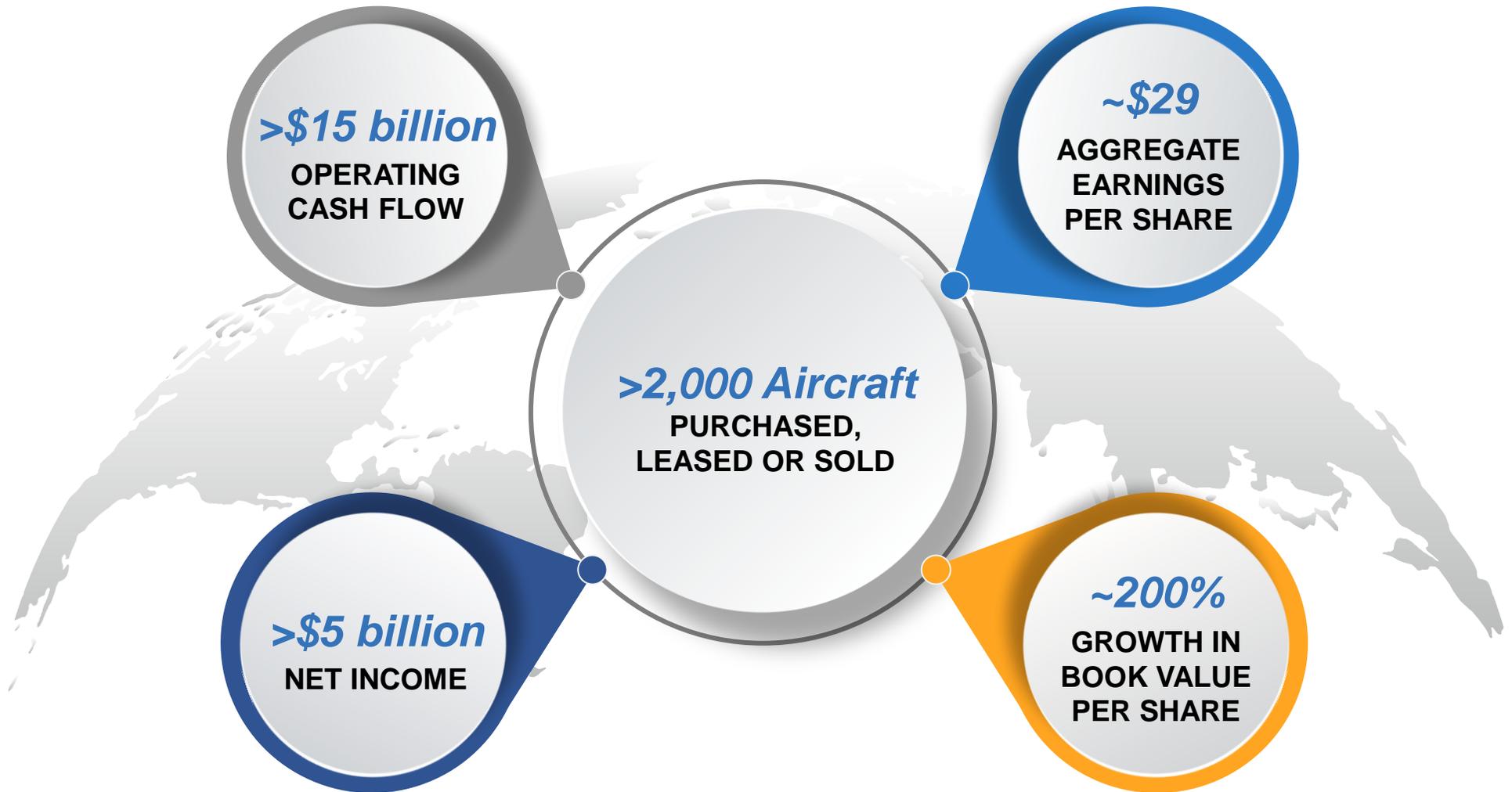
**AVERAGE REMAINING  
LEASE TERM OF 7.4  
YEARS PROVIDES  
CERTAINTY**

**AVERAGE CREDIT  
COSTS OF ~1% LEASE  
REVENUES**

**12 YEARS OF  
PROFITABILITY**

Refer to Appendix for endnotes.

# AerCap Over the Past 5 Years



For the five years ended December 31, 2018

*Our key business principles result in AerCap's consistent profitability*

## PORTFOLIO MANAGEMENT

- Focus on maintaining the most liquid aircraft types through aircraft acquisitions and disposals
- Assets owned in appropriate tax jurisdictions

## LEASING STRATEGY

- Proactive risk management
- Highly diversified customer base
- Security deposits and maintenance reserves

## CAPITAL STRUCTURE

- Focus on highly diversified, long-term funding and long-term assets
- Investment Grade ratings
- Relationships with over 100 banking institutions globally

## HEDGING PROGRAM

- Protection against interest rate volatility through a mix of interest rate caps, swaps and fixed-rate loans

**CONSISTENT  
PROFITABILITY**

**AERCAP**

## Portfolio Strategy

- The objective is to create and maintain a portfolio that will consume its remaining economic life and which contains acceptable credit risk. The full useful life of an aircraft is 25 years. This requires us to:
  - own in demand new technology aircraft types.
  - not to acquire young/new variants of existing technology aircraft as they will be retired prematurely at some point in the future due to obsolescence.
  - have a current technology fleet that is approximately 10 plus years of age as these aircraft types will be the back bone of the industry for the next 12 plus years.

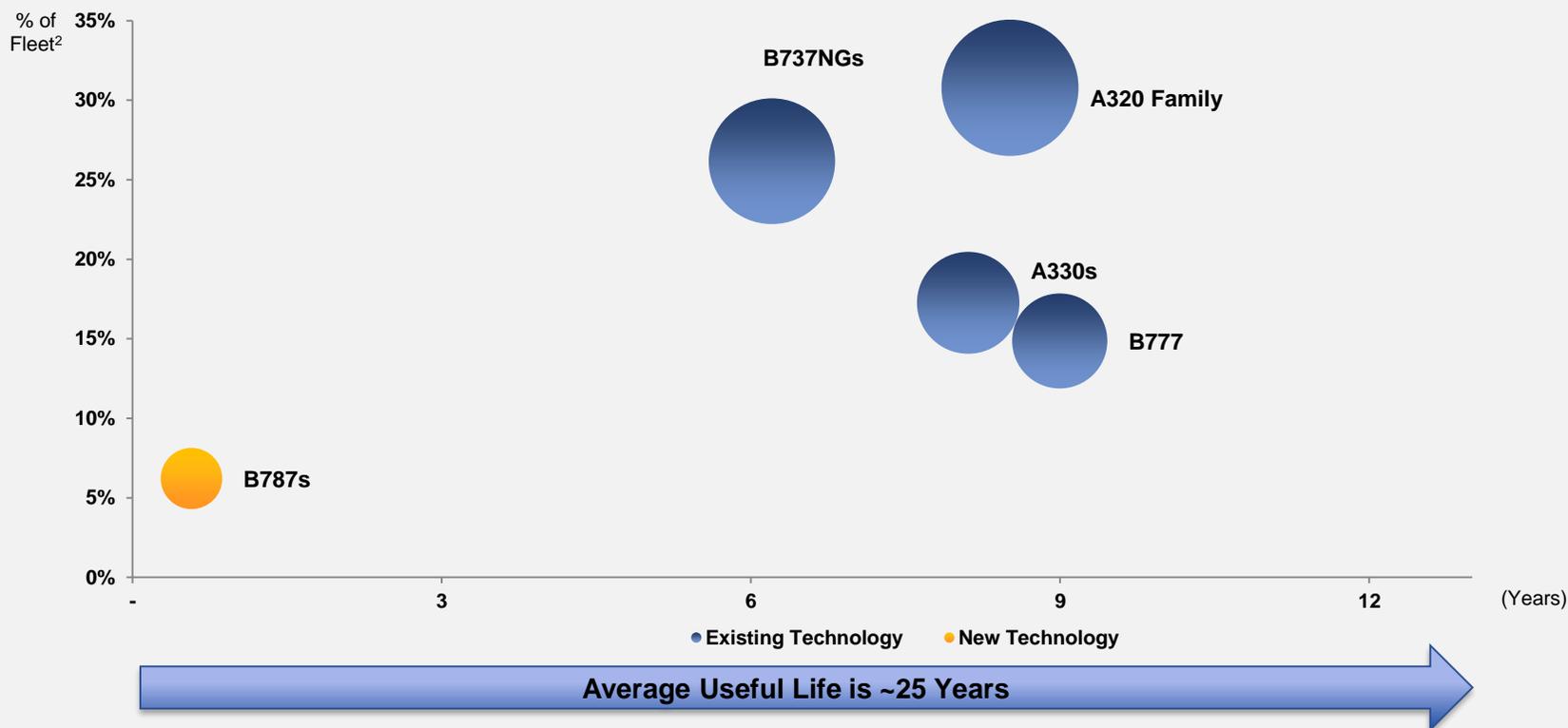
## Portfolio Transformation since 2014

- **404 aircraft** – including **124 widebody aircraft** – at a weighted average age of 12 years old were sold from our book since July 2014.<sup>1</sup>
- The next slides show how our portfolio has evolved over the same period and how our sales program has improved the quality and risk profile of the balance sheet.

(1) From July 31, 2014 – December 31, 2018

AerCap has an overall fleet average age of 7.7 years and lease term of 5.7 years<sup>1</sup>

## AerCap's Transition to New Technology

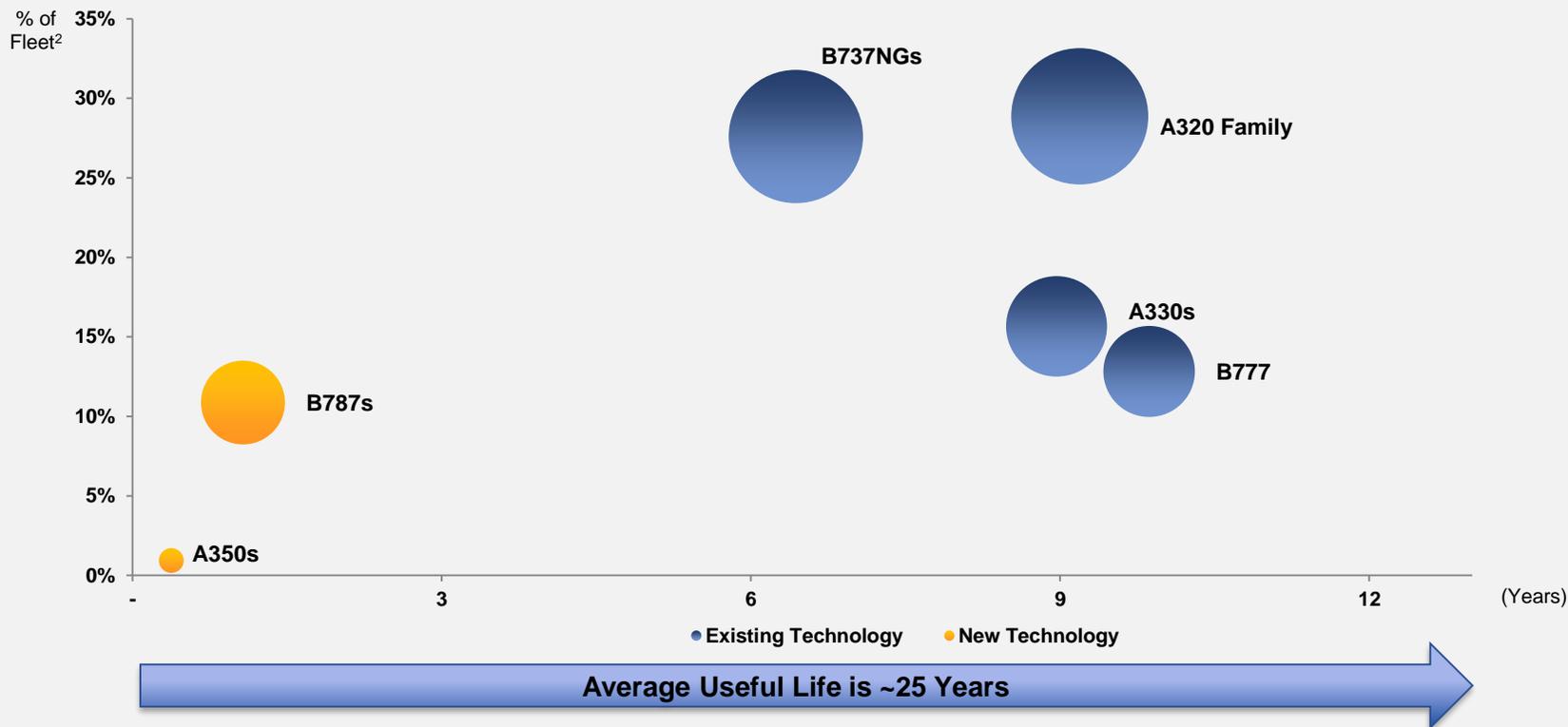


(1) As of December 31, 2014, weighted average age based on NBV of the owned fleet.

(2) NBV as a percentage of the overall fleet NBV as of December 31, 2014. Note: ~5% of NBV is ~15 years old, categorized as 'Other' and not shown.

*AerCap has an overall fleet average age of 7.7 years and lease term of 5.9 years<sup>1</sup>*

## AerCap's Transition to New Technology

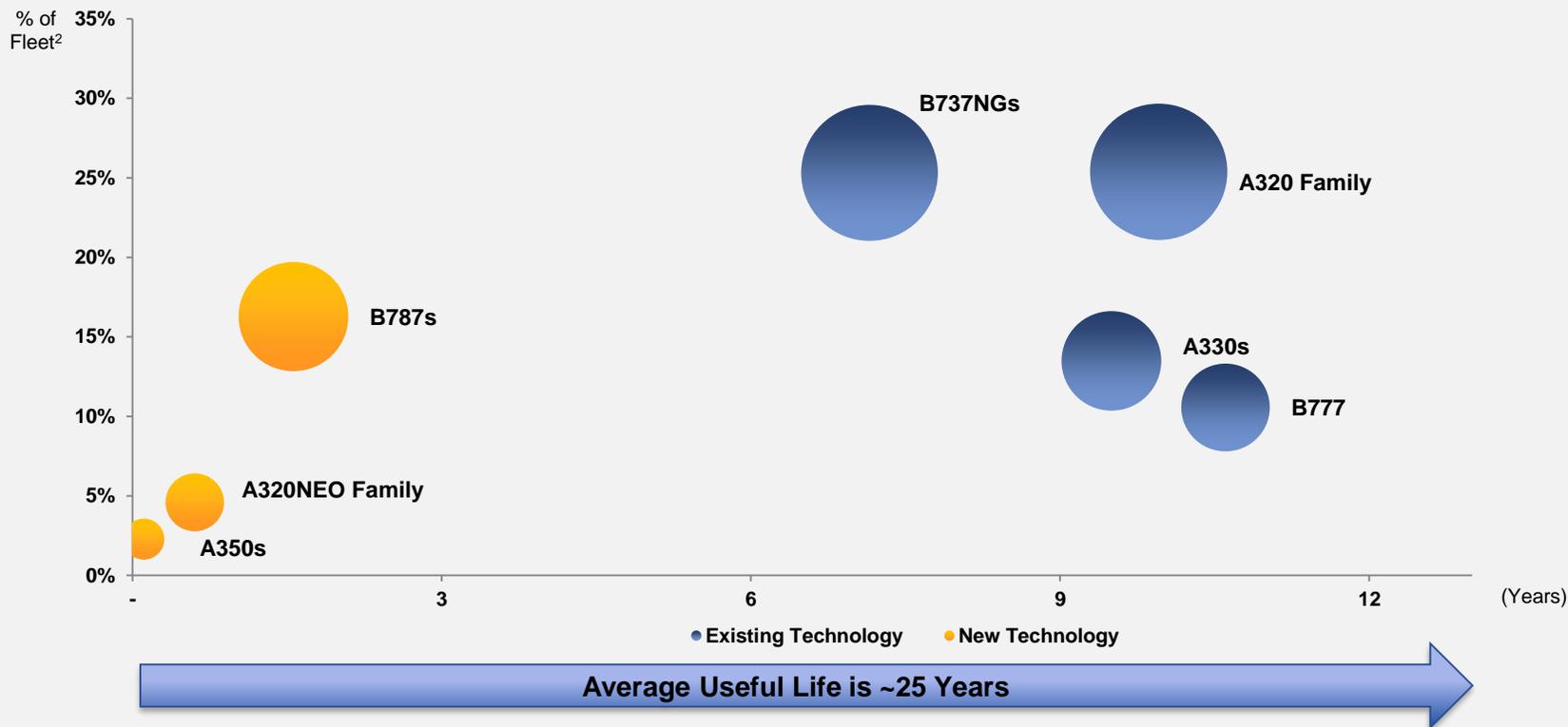


(1) As of December 31, 2015, weighted average age based on NBV of the owned fleet.

(2) NBV as a percentage of the overall fleet NBV as of December 31, 2015. Note: ~3% of NBV is greater than 15 years old, categorized as 'Other' and not shown.

AerCap has an overall fleet average age of 7.4 years and lease term of 6.4 years<sup>1</sup>

## AerCap's Transition to New Technology

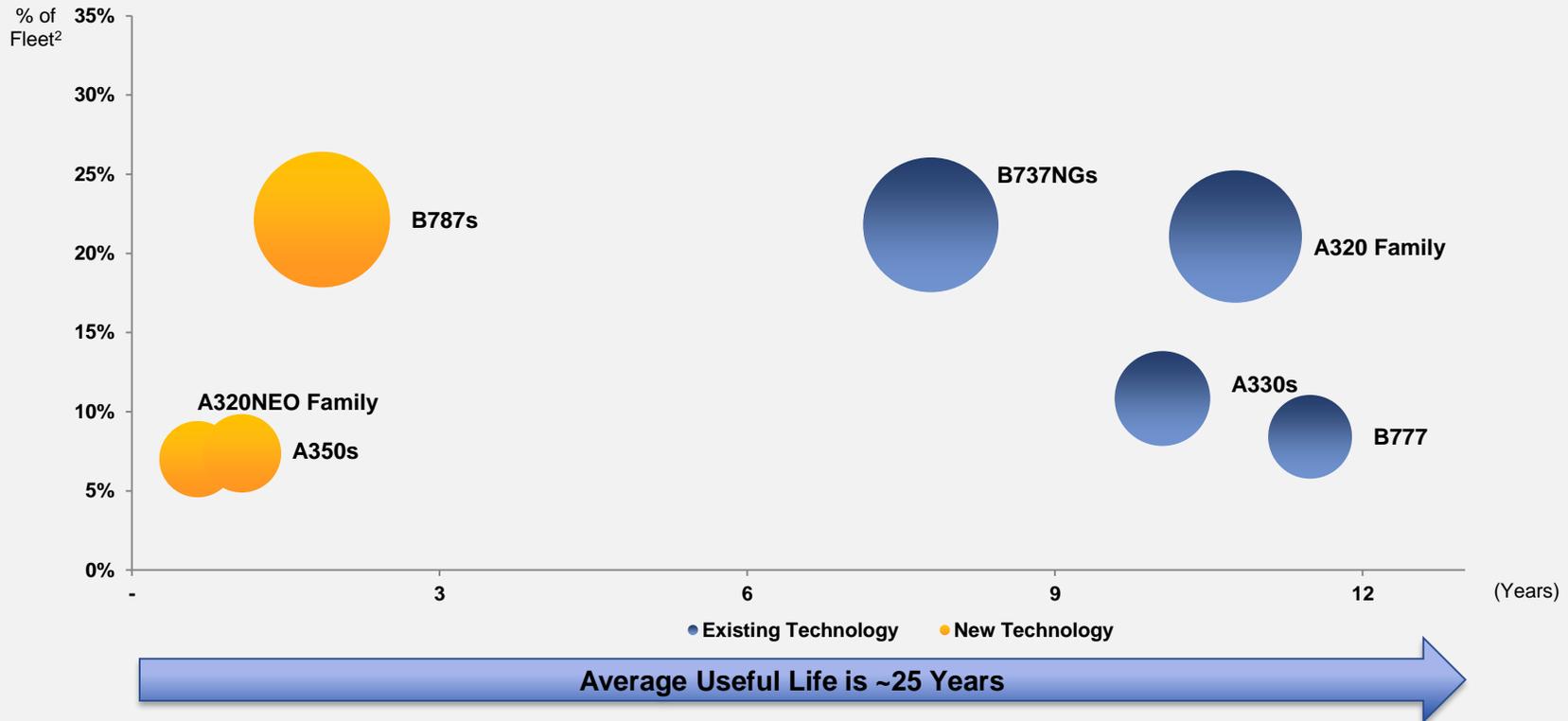


(1) As of December 31, 2016, weighted average age based on NBV of the owned fleet.

(2) NBV as a percentage of the overall fleet NBV as of December 31, 2016. Note: ~2% of NBV is greater than 15 years old, categorized as 'Other' and not shown.

AerCap has an overall fleet average age of 6.8 years and lease term of 6.9 years<sup>1</sup>

## AerCap's Transition to New Technology

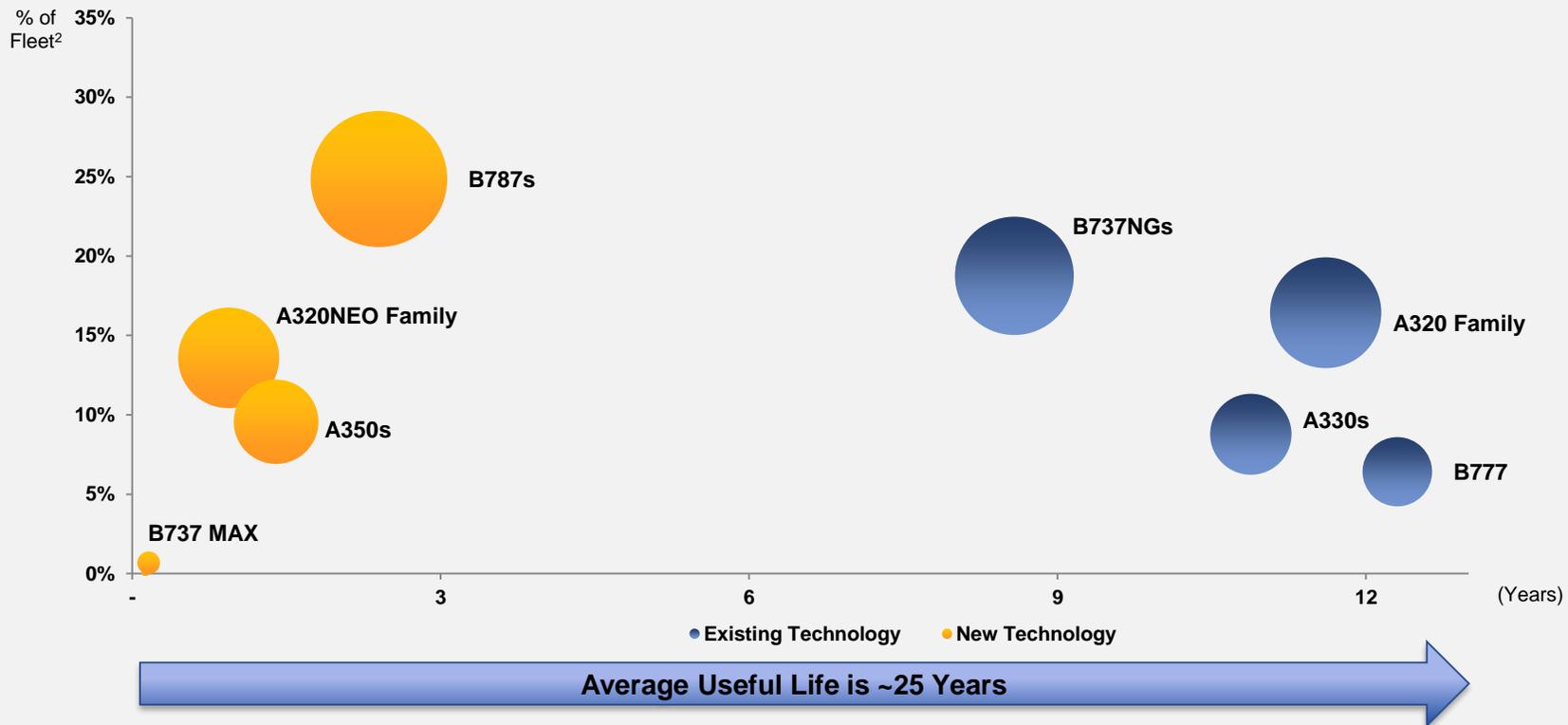


(1) As of December 31, 2017, weighted average age based on NBV of the owned fleet.

(2) NBV as a percentage of the overall fleet NBV as of December 31, 2017. Note: ~1% of NBV is greater than 15 years old, categorized as 'Other' and not shown.

AerCap has an overall fleet average age of 6.3 years and lease term of 7.4 years<sup>1</sup>

## AerCap's Transition to New Technology ~ 50% of fleet now in most popular New Technology



(1) As of December 31, 2018, weighted average age based on NBV of the owned fleet.

(2) NBV as a percentage of the overall fleet NBV as of December 31, 2018. Note: ~1% of NBV is greater than 15 years old, categorized as 'Other' and not shown.

## Steady decline in average age since July 2014



## Sources vs. Uses (Next 12 Months)

(\$ billion as of December 31, 2018)

### Sources (for 12 months to December 31, 2019)

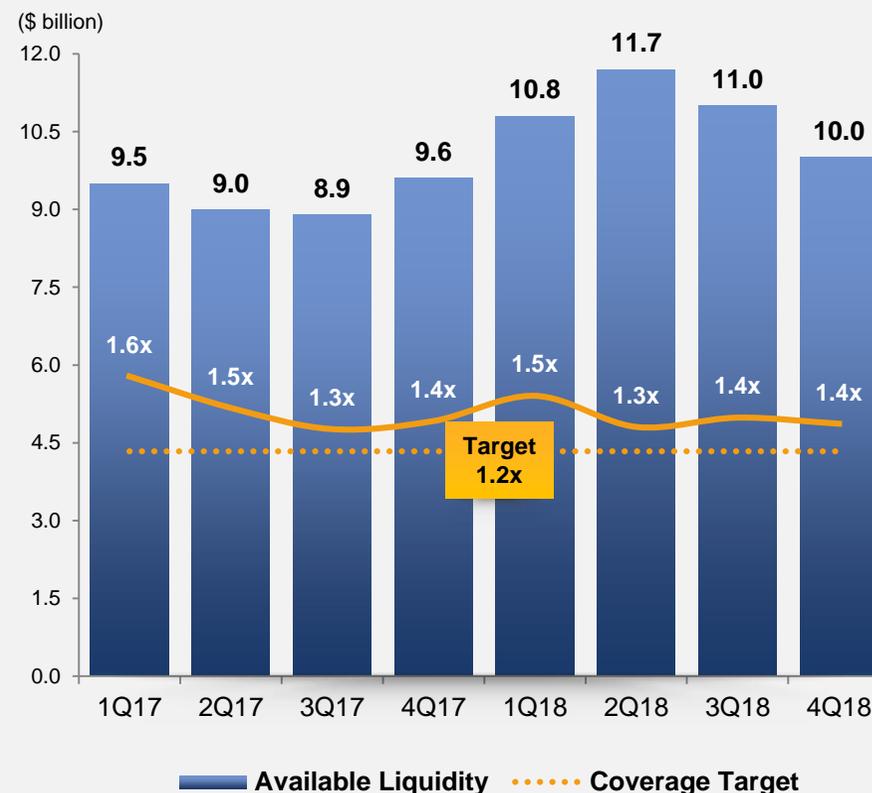
Unsecured Revolver	4.0
Other Facilities and Contracted Sales	4.8
Unrestricted Cash	1.2
<b>Total Available Liquidity</b>	<b>10.0</b>
Estimated Operating Cash Flow	3.2
<b>Total Sources<sup>1</sup></b>	<b>13.2</b>

### Uses (for 12 months to December 31, 2019)

Debt Maturities	(4.1)
Capex (Cash payments for purchases) <sup>2</sup>	(5.5)
<b>Total Uses</b>	<b>(9.6)</b>

<b>Excess Coverage (Sources less Uses)</b>	<b>3.6</b>
<b>Ratio of Sources to Uses</b>	<b>1.4x</b>

## Liquidity Levels Over the Last 8 Quarters



**We continue to maintain strong liquidity, with \$10 billion available as of December 31, 2018**



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AerCap Holdings N.V.  
AerCap House  
65 St. Stephen's Green  
Dublin 2, Ireland  
+353 1 819 2010  
contact@aercap.com

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