

AERCAP

Global Leader in Aviation

First Quarter 2019 Financial Results

AerCap Holdings N.V.

May 1, 2019

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

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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 Over the Past 5 Years



>\$15 billion

OPERATING
CASH FLOW



~\$30

AGGREGATE EARNINGS
PER SHARE



>2,000 Aircraft

PURCHASED,
LEASED OR SOLD



>\$5 billion

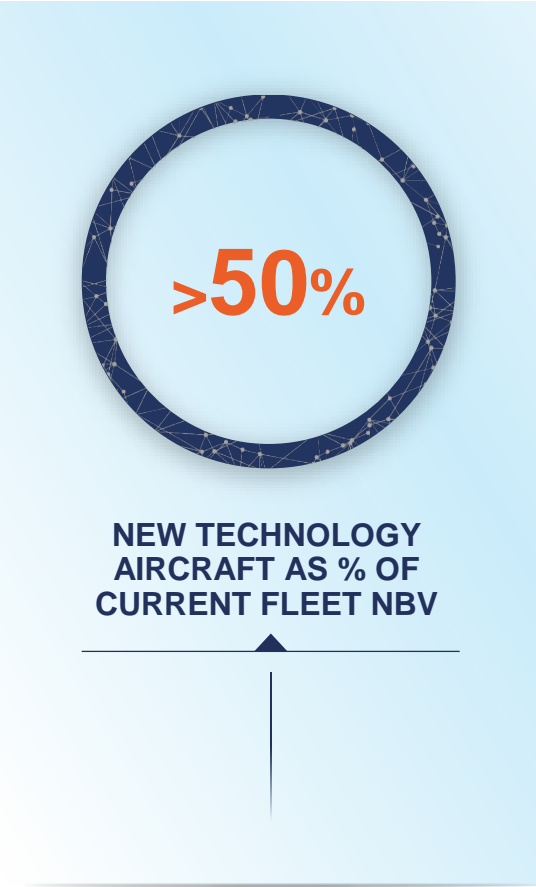
NET INCOME



~200%

GROWTH IN BOOK
VALUE PER SHARE

AerCap Moving Forward



1Q 2019 Financial Results and Highlights

Financial Results

NET INCOME

(\$ million)	1Q 2019	1Q 2018
Net Income	234.2	265.4

DILUTED EARNINGS PER SHARE

(\$)	1Q 2019	1Q 2018
Diluted EPS	1.68	1.72

Highlights

- **81 aircraft transactions**, including **16 widebody transactions**
- **~95% of lease rents** through 2021 already **contracted**
- **6.2 years** average **age of owned fleet** (**1.9 years** for new technology aircraft, **10.8 years** for current technology aircraft)
- **7.4 years** average **remaining lease term**
- **99.2% fleet utilization** in 1Q 2019
- **Aircraft purchases of \$1.2 billion** in 1Q 2019
- **\$11.1 billion** of available **liquidity** and **2.8 to 1** adjusted **debt/equity** ratio
- **Repurchased 3.1 million shares** in 1Q 2019 for **\$137 million**

See Supplemental Information – Capital Structure.

Revenues and Other Income

(\$ million)	1Q 2019	1Q 2018
Basic Lease Rents	1,075.3	1,032.9
Maintenance Rents and Other Receipts	86.8	87.4
Net Gain on Sale of Assets	21.5	89.3
Other Income	21.4	9.5
Total Revenues and Other Income	1,205.0	1,219.1

- Basic lease rents increased in 1Q 2019, primarily due to the delivery of new technology aircraft from January 2018 through March 2019, resulting in a \$2.3 billion increase in average lease assets
- Net gain on sale of assets decreased in 1Q 2019, primarily due to the lower volume and composition of asset sales
- Other income increased in 1Q 2019, primarily as a result of income from net insurance proceeds and higher interest income

Net Interest Margin and Net Spread

(\$ million)	1Q 2019	1Q 2018
Net Interest Margin	757.0	742.0
Average Lease Assets	37,266	34,934
Average Cost of Debt Including all fees (debt issuance costs, upfront fees, undrawn fees, commitment fees and original issuance discount fees)	4.2%	4.0%
Annualized Net Spread	8.1%	8.5%
Annualized Net Spread Less Depreciation and Amortization	3.3%	3.0%
Average Age of Owned Fleet (years) As of March 31, 2019 and 2018	6.2	6.8
Average Remaining Lease Term (years) As of March 31, 2019 and 2018	7.4	6.9

- Annualized net spread decreased primarily due to the lower average age of our fleet
- Annualized net spread less depreciation and amortization increased as a result of a lower depreciation rate due to the lower average age of our fleet, as well as due to lower maintenance rights expense

See Supplemental Information – Endnotes.

Aircraft Disposals and Purchases

Net Gain on Sale of Assets

(\$ million)

Net Gain on Sale of Assets

1Q 2019

21.5

1Q 2018

89.3

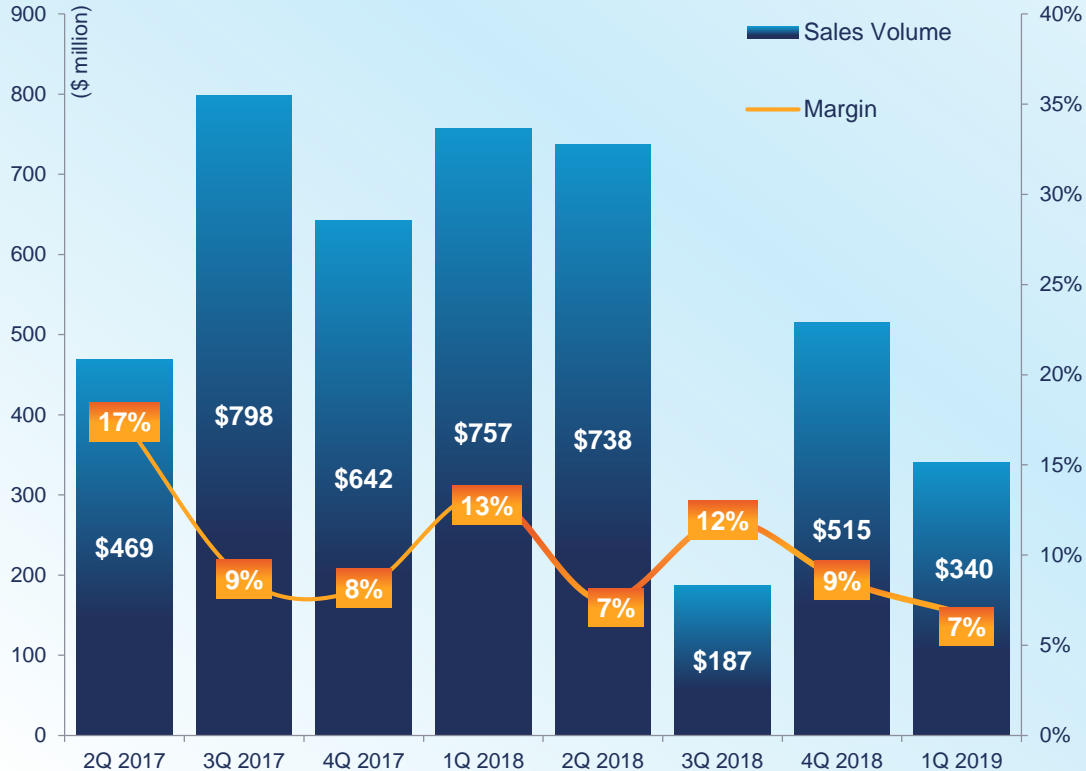
1Q 2019 Aircraft Disposal Activity for \$340 million

- 19 aircraft, with an average age of 15 years, were sold from our owned portfolio:
 - 7 Airbus A320 Family aircraft, 2 Airbus A330s and 3 Airbus A340s
 - 6 Boeing 737NGs and 1 Boeing 767-300ER

1Q 2019 Aircraft Purchase Activity for \$1.2 billion

- 17 aircraft were purchased:
 - 12 Airbus A320neo Family aircraft and 1 Airbus A350
 - 3 Boeing 787-9s
 - 1 Embraer E190-E2

Sales Volume and Margin Over the Last 8 Quarters



Other Expenses

(\$ million)	1Q 2019	1Q 2018
Selling, General & Administrative Expenses	66.9	85.8
Maintenance Rights Expense	21.4	53.7
Other Leasing Costs	70.3	78.8
Asset Impairment	5.0	2.1

- Selling, general and administrative expenses decreased by 22% in 1Q 2019, primarily due to a decrease in share-based compensation and other compensation-related expenses
- Maintenance rights expense decreased primarily as a result of the lower maintenance rights asset balance
- Other leasing costs decreased primarily due to lower expenses recognized as a result of lease terminations
- Asset impairment in 1Q 2019 related to sales transactions and was more than offset by maintenance revenue

Liquidity Position

We continue to maintain strong liquidity, with \$11.1 billion available as of March 31, 2019

Sources vs. Uses (Next 12 Months) (\$ billion as of March 31, 2019)

Sources (for 12 months to March 31, 2020)

Unsecured Revolver	4.0
Other Facilities and Contracted Sales	4.8
Unrestricted Cash	2.3
Total Available Liquidity	11.1

Estimated Operating Cash Flow	3.2
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Total Sources	14.3
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Uses (for 12 months to March 31, 2020)

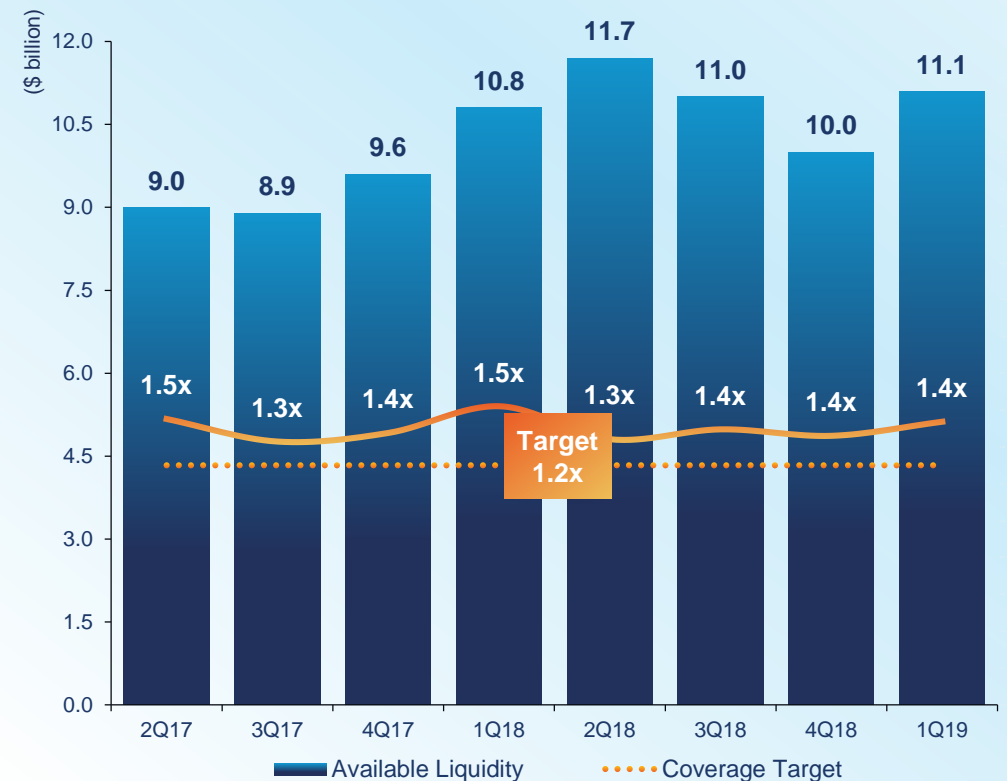
Debt Maturities	(4.3)
Capex (Cash payments for purchases)	(5.6)

Total Uses	(9.9)
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Excess Coverage (Sources less Uses)	4.3
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Ratio of Sources to Uses	1.4x
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Liquidity Levels Over the Last 8 Quarters



See Supplemental Information – Endnotes.

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
Book Value Per Share	\$64.92	\$49.33	+32%

See Supplemental Information – Capital Structure and Endnotes.

Book Value Per Share

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

Book Value Per Share

(millions, except per share data)

Mar. 31, 2019

Total Shareholders' Equity \$8,906

Ordinary Shares Outstanding 139.6

Unvested Restricted Stock (2.4)

Ordinary Shares Outstanding
(excl. Unvested Restricted Stock) 137.2

Book Value Per Share \$64.92

Book Value Per Share Growth



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Q&A

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Supplemental Information

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Capital Structure

Summary	Mar. 31, 2019
Adjusted Debt / Equity Ratio	2.8 to 1

Adjusted Debt/Equity Calculation (\$ million)	Mar. 31, 2019
Debt (including fair value adjustments)	30,759
Adjusted for:	
• Unrestricted cash & cash equivalents	(2,348)
• 50% equity credit for long-term subordinated debt	(750)
Adjusted Debt	27,661
Equity	8,970
Adjusted for:	
• 50% equity credit for long-term subordinated debt	750
Adjusted Equity	9,720

High-Quality and Well-Diversified Portfolio

New technology aircraft comprise 51% of our owned fleet

Aircraft Type	Number of Owned Aircraft	% Net Book Value	Number of Managed Aircraft	Number of on Order Aircraft	Total Aircraft
Airbus A320 Family	311	16	39	–	350
Airbus A320neo Family	109	15	–	161	270
Airbus A330	71	8	11	–	82
Airbus A350	25	10	–	1	26
Boeing 737NG	255	18	36	–	291
Boeing 737 MAX	5	1	–	99	104
Boeing 767	30	–	–	–	30
Boeing 777-200ER	18	1	4	–	22
Boeing 777-300 / 300ER	26	5	2	–	28
Boeing 787	79	26	1	37	117
Embraer E190 / 195-E2	2	–	–	48	50
Other	29	–	1	–	30
Total	960	100	94	346	1,400

- Average age of owned aircraft fleet is **6.2 years**

- Average remaining lease term is **7.4 years**

As of March 31, 2019

Forward Order and Purchase/Leasebacks

Aircraft Type	2019	2020	2021	2022	2023	Total
Airbus A320neo Family	30	49	32	25	25	161
Airbus A350	1	–	–	–	–	1
Boeing 737 MAX	17	24	28	27	3	99
Boeing 787	12	4	6	6	9	37
Embraer E190 / 195-E2	9	13	14	12	–	48
Total Aircraft	69	90	80	70	37	346

As of March 31, 2019

Endnotes

SLIDE 7: Net Interest Margin

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.

Average lease assets includes flight equipment held for operating leases, flight equipment held for sale, net investment in finance and sales-type leases and maintenance rights asset.

Average cost of debt is calculated as interest expense, excluding mark-to-market on interest rate caps, divided by average debt balance.

Annualized net spread is net interest margin expressed as a percentage of average lease assets.

Annualized net spread less depreciation and amortization is net interest margin less depreciation and amortization, including maintenance rights expense, expressed as a percentage of average lease assets.

SLIDE 10: Liquidity Position

Total sources assume no additional financing for deliveries of new aircraft.

Capex includes cash payments for the next 12 months' aircraft deliveries and pre-delivery payments.

SLIDE 11 and 12: Book Value Per Share

Book value per share is 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.

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