

For Investors: Joseph McGinley
Head of Investor Relations
jmcginley@aercap.com; +353 1 418 0428

For Media: Gillian Culhane
Vice President, Corporate Communications
gculhane@aercap.com; +353 1 636 0945

AerCap Holdings N.V. Reports Financial Results for the Third Quarter 2022

- **Net income for the third quarter of 2022 was \$440 million, or \$1.82 per share.**
- **Adjusted net income for the third quarter of 2022 was \$537 million, or \$2.21 per share.**
- **Raising full year 2022 adjusted EPS estimate to range of \$8.00 - \$8.50.**

DUBLIN – November 3, 2022 – AerCap Holdings N.V. (NYSE: AER), the global leader in aviation leasing, today reported financial results for the third quarter of 2022 ended September 30, 2022.

"We are pleased to report another strong quarter of results for AerCap. We continued to see robust demand for air travel and growing demand for both new and used leased aircraft and engines. We generated strong net income and cash flow and achieved our target leverage ratio well ahead of our expectations. As a result, we are raising our guidance for full year 2022," said Aengus Kelly, Chief Executive Officer of AerCap.

Highlights:

- Net income for the third quarter of 2022 was \$440 million, or \$1.82 per share.
- Adjusted net income for the third quarter of 2022 was \$537 million, or \$2.21 per share.
- Significant deleveraging in the third quarter of 2022: adjusted debt/equity ratio of 2.69 to 1 at September 30, 2022.
- Raising full year 2022 adjusted EPS estimate to range of \$8.00 to \$8.50 from previous range of \$6.50 to \$7.00, given strong performance year to date and fourth quarter outlook.
- Executed 255 transactions in the third quarter of 2022, including 184 lease agreements, 34 purchases and 37 sales.
- 100% of new aircraft order book placed through 2023.
- 23% margin on gain on sale of assets sold in the third quarter of 2022.
- Agreement executed for up to 30 Airbus A321 passenger-to-freighter conversions.
- Ratings outlook revised to positive by Moody's.

Revenue and Net Spread

	Three months ended September 30,			Nine months ended September 30,		
	2022	2021	% increase/ (decrease)	2022	2021	% increase/ (decrease)
	(U.S. Dollars in millions)			(U.S. Dollars in millions)		
Lease revenue:						
Basic lease rents	\$1,473	\$848	74%	\$4,488	\$2,608	72%
Maintenance rents and other receipts	120	110	8%	408	424	(4%)
Total lease revenue	1,593	958	66%	4,897	3,032	61%
Net gain on sale of assets	69	38	84%	108	65	66%
Other income	62	459	(86%)	181	685	(74%)
Total Revenues and other income	\$1,724	\$1,454	19%	\$5,185	\$3,782	37%

Basic lease rents were \$1,473 million for the third quarter of 2022, compared with \$848 million for the same period in 2021. The increase was primarily due to the impact of the GECAS acquisition. Basic lease rents were impacted by strong cash collections as well as \$51 million of lease premium amortization.

Maintenance rents and other receipts were \$120 million for the third quarter of 2022, compared with \$110 million for the same period in 2021. Maintenance rents were reduced by \$30 million as a result of maintenance rights assets that were amortized to revenue.

Net gain on sale of assets for the third quarter of 2022 was \$69 million, relating to 30 assets sold for \$373 million, compared with \$38 million for the same period in 2021, relating to 11 aircraft sold for \$101 million. The increase was primarily due to the volume and composition of asset sales.

Other income for the third quarter of 2022 was \$62 million, compared with \$459 million for the same period in 2021. The decrease was primarily driven by the amount of proceeds from unsecured claims. Other income in the third quarter of 2022 included \$29 million of proceeds from unsecured claims, whereas other income in the third quarter of 2021 included \$442 million of proceeds from unsecured claims.

	Three months ended September 30,			Nine months ended September 30,		
	2022	2021	increase/ (decrease)	2022	2021	increase/ (decrease)
	(U.S. Dollars in millions)			(U.S. Dollars in millions)		
Basic lease rents	\$1,473	\$848	74%	\$4,488	\$2,608	72%
Adjusted for:						
Amortization of lease premium/deficiency	51	1	NA	159	3	NA
Basic lease rents excluding amortization of lease premium/deficiency	\$1,524	\$849	80%	\$4,647	\$2,611	78%
Interest expense	391	287	36%	1,172	861	36%
Adjusted for:						
Mark-to-market of interest rate caps and swaps	28	1	NA	67	11	NA
Interest expense excluding mark-to-market of interest rate caps and swaps	419	288	45%	1,239	872	42%
Net interest margin (*)	\$1,105	\$561	97%	\$3,408	\$1,739	96%
Depreciation and amortization	(581)	(393)	48%	(1,796)	(1,182)	52%
Net interest margin, less depreciation and amortization	\$524	\$168	212%	\$1,612	\$557	189%
Average lease assets (*)	\$58,771	\$36,095	63%	\$59,991	\$36,158	66%
Annualized net spread (*)	7.5%	6.2%		7.6%	6.4%	
Annualized net spread less depreciation and amortization (*)	3.6%	1.9%		3.6%	2.1%	

(*) Refer to "Notes Regarding Financial Information Presented in This Press Release" for details relating to these non-GAAP measures

AerCap Holdings N.V. Reports Financial Results for the Third Quarter 2022

Page 3 of 10

Interest expense excluding mark-to-market of interest rate caps and swaps was \$419 million for the third quarter of 2022, compared with \$288 million for the same period in 2021. The increase was primarily driven by interest on debt incurred to finance the GECAS acquisition. AerCap's average cost of debt was 3.2% for the third quarter of 2022 and 3.8% for the same period in 2021, excluding debt issuance costs, upfront fees and other impacts.

Selling, General and Administrative Expenses

	Three months ended September 30,			Nine months ended September 30,		
	2022	2021	% increase/ (decrease)	2022	2021	% increase/ (decrease)
	(U.S. Dollars in millions)			(U.S. Dollars in millions)		
Selling, general and administrative expenses	\$80	\$46	75%	\$229	\$135	69%
Share-based compensation expenses	25	22	13%	79	64	24%
Total selling, general and administrative expenses	\$105	\$68	55%	\$308	\$199	55%

Selling, general and administrative expenses increased to \$105 million for the third quarter of 2022, compared with \$68 million for the same period in 2021. The increase was primarily driven by higher expenses as a result of the GECAS acquisition.

Other Expenses

Asset impairment charges were \$29 million for the third quarter of 2022, compared to \$49 million for the same period in 2021. Asset impairment charges recorded in the third quarter of 2022 related to lease terminations, sales transactions and leasing transactions and were partially offset by related maintenance revenue. Leasing expenses were \$161 million for the third quarter of 2022, compared with \$54 million for the same period in 2021. The increase was primarily due to higher transition costs, lessor maintenance contributions and other leasing expenses and an increase in maintenance rights expense as a result of the GECAS acquisition.

Effective Tax Rate

AerCap's effective tax rate for the full year 2022 is expected to be 14% excluding net charges related to the Ukraine Conflict, compared to an effective tax rate of 14.2% for the full year 2021. The effective tax rate is impacted by the source and amount of earnings among our different tax jurisdictions as well as the amount of permanent tax differences relative to pre-tax income or loss, and certain other discrete items.

AerCap's effective tax rate was 13.9% for the third quarter of 2022, compared to 12.4% for the third quarter of 2021.

Book Value Per Share

	September 30, 2022	September 30, 2021
	(U.S. Dollars in millions, except share and per share data)	
Total AerCap Holdings N.V. shareholders' equity	\$15,568	\$9,855
Ordinary shares outstanding	245,879,536	133,379,789
Unvested restricted stock	(4,837,932)	(5,244,285)
Ordinary shares outstanding (excl. unvested restricted stock)	241,041,604	128,135,504
Book value per ordinary share outstanding (excl. unvested restricted stock)	\$64.59	\$76.91

Financial Position

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>% increase/ (decrease) over December 31, 2021</u>
	(U.S. Dollars in millions)		
Total cash, cash equivalents and restricted cash	\$1,257	\$1,915	(34%)
Total assets	69,811	74,570	(6%)
Debt	47,350	50,205	(6%)
Total liabilities	54,167	57,922	(6%)
Total AerCap Holdings N.V. shareholders' equity	15,568	16,571	(6%)
Total equity	15,645	16,647	(6%)

Flight Equipment Portfolio

As of September 30, 2022, AerCap's portfolio consisted of 3,571 aircraft, engines and helicopters that were owned, on order or managed. The average age of the company's owned aircraft fleet as of September 30, 2022 was 7.2 years (4.0 years for new technology aircraft, 13.3 years for current technology aircraft) and the average remaining contracted lease term was 7.2 years.

Notes Regarding Financial Information Presented in This Press Release

The financial information presented in this press release is not audited.

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.

The following are definitions of non-GAAP measures used in this press release. We believe these measures may further assist investors in their understanding of our operational performance.

Adjusted net income / earnings per share

Adjusted net income is calculated as net loss excluding the after-tax impact of net charges related to the Ukraine Conflict, the amortization of maintenance rights and lease premium assets recognized under purchase accounting, and GECAS transaction and integration-related expenses. Adjusted earnings per share is calculated by dividing adjusted net income by the weighted average of our ordinary shares outstanding. Given the relative significance of these items during 2022, we have chosen to present this measure in order to assist investors in their understanding of the changes and trends related to our earnings.

	<u>Three months ended September 30, 2022</u>		<u>Nine months ended September 30, 2022</u>	
	<u>Net income</u>	<u>Earnings per share</u>	<u>Net (loss) income</u>	<u>(Loss) earnings per share</u>
	(U.S. Dollars in millions, except share and per share data)			
Net earnings (loss) / earnings (loss) per share	\$440	\$1.82	(\$1,221)	(\$5.08)
Adjusted for:				
Net (recoveries) charges related to Ukraine Conflict	(16)	(0.07)	2,713	11.23
Amortization of maintenance rights and lease premium assets recognized under purchase accounting	123	0.51	413	1.70
Transaction and integration-related expenses	4	0.01	30	0.12
Income tax effect of above adjustments	(14)	(0.06)	(394)	(1.63)
Adjusted net income / earnings per share*	\$537	\$2.21	\$1,540	\$6.35
* Denominator for adjusted earnings per share:				
Weighted average shares outstanding - diluted			240,291,737	
Potentially dilutive shares, whose effect would have been anti-dilutive			2,163,352	
Adjusted weighted average shares outstanding - diluted			<u>242,455,089</u>	
Adjusted earnings per share			<u><u>\$6.35</u></u>	

Adjusted debt/equity ratio

This measure is the ratio obtained by dividing adjusted debt by adjusted equity.

- Adjusted debt means consolidated total debt less cash and cash equivalents, and less a 50% equity credit with respect to certain long-term subordinated debt.
- Adjusted equity means total equity, plus the 50% equity credit relating to the long-term subordinated debt.

Adjusted debt and adjusted equity are adjusted by the 50% equity credit to reflect the equity nature of those financing arrangements and to provide information that is consistent with definitions under certain of our debt covenants. We believe this measure may further assist investors in their understanding of our capital structure and leverage.

	September 30, 2022	December 31, 2021
	(U.S. Dollars in millions, except debt/equity ratio)	
Debt	\$47,350	\$50,205
Adjusted for:		
Cash and cash equivalents.....	(1,099)	(1,729)
50% credit for long-term subordinated debt.....	(1,125)	(1,125)
Adjusted debt	\$45,126	\$47,351
Equity	\$15,645	\$16,647
Adjusted for:		
50% credit for long-term subordinated debt.....	1,125	1,125
Adjusted equity	\$16,770	\$17,772
Adjusted debt/equity ratio	2.69 to 1	2.66 to 1

Net interest margin, annualized net spread, annualized net spread less depreciation and amortization and average cost of debt

Net interest margin is calculated as the difference between basic lease rents, excluding the impact of the amortization of lease premium/deficiency recognized under purchase accounting, and interest expense, excluding the impact of the mark-to-market of interest rate caps and swaps. 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, expressed as a percentage of average lease assets. Average cost of debt is calculated as interest expense, excluding mark-to-market on interest rate caps and swaps, debt issuance costs, upfront fees and other impacts, divided by average debt balance. We believe these measures may further assist investors in their understanding of the changes and trends related to the earnings of our leasing activities. These measures reflect the impact from changes in the number of aircraft leased, lease rates and utilization rates, as well as the impact from changes in the amount of debt and interest rates.

Lease assets

Lease assets include flight equipment held for operating leases, flight equipment held for sale, net investment in finance leases and maintenance rights assets.

Conference Call

In connection with its report of third quarter 2022 results, management will host a conference call with members of the investment community today, Thursday, November 3, 2022, at 8:30 am Eastern Time. The call can be accessed live via webcast by AerCap's website at www.aercap.com under "Investors", or by dialing (U.S./Canada) + 1 929 477 0402 or (International) +353 1 246 5638 and referencing code 8377326 at least 5 minutes before start time.

The webcast replay will be archived in the "Investors" section of the company's website for one year.

For further information, contact Joseph McGinley: +353 1 418 0428 (jmcginley@aercap.com).

About AerCap

AerCap is the global leader in aviation leasing with one of the most attractive order books in the industry. AerCap serves approximately 300 customers around the world with comprehensive fleet solutions. AerCap is listed on the New York Stock Exchange (AER) and is based in Dublin with offices in Shannon, Miami, Singapore, Memphis, Amsterdam, Shanghai, Abu Dhabi, Seattle, Toulouse and other locations around the world.

Forward-Looking Statements

This press release 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," "will," "aim," "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 press release 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, including the impacts of, and associated responses to: the Ukraine Conflict; the Covid-19 pandemic; our ability to successfully integrate GECAS' operations and employees and realize anticipated synergies and cost savings; and the potential impact of the consummation of the GECAS transaction on relationships, including with employees, suppliers, customers and competitors, 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 press release 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 press release might not occur. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. Except as required by applicable law, we do not undertake any obligation to, and will not, update any forward-looking statements, whether as a result of new information, future events or otherwise.

For more information regarding AerCap and to be added to our email distribution list, please visit www.aercap.com and follow us on Twitter www.twitter.com/aercapnv.

AerCap Holdings N.V.
Unaudited Consolidated Balance Sheets

(U.S. Dollars in thousands, except share data)

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Assets		
Cash and cash equivalents	\$1,098,542	\$1,728,794
Restricted cash	158,174	185,959
Trade receivables	135,594	181,455
Flight equipment held for operating leases, net	54,611,068	57,825,056
Investment in finance leases, net	1,882,937	1,929,220
Flight equipment held for sale	10,224	304,362
Prepayments on flight equipment	4,715,608	4,586,848
Maintenance rights and lease premium, net	3,609,944	4,444,520
Other intangibles, net	190,731	208,879
Deferred tax assets	99,399	121,571
Associated companies	780,427	705,087
Other assets	2,518,506	2,348,017
Total Assets	<u>\$69,811,154</u>	<u>\$74,569,768</u>
Liabilities and Equity		
Accounts payable, accrued expenses and other liabilities	\$1,710,512	\$1,958,096
Accrued maintenance liability	2,405,995	2,900,651
Lessee deposit liability	774,357	773,753
Debt	47,350,115	50,204,678
Deferred tax liabilities	1,925,657	2,085,230
Total Liabilities	<u>54,166,636</u>	<u>57,922,408</u>
Ordinary share capital €0.01 par value, 450,000,000 ordinary shares authorized as of September 30, 2022 and December 31, 2021; 250,347,345 and 250,347,345 ordinary shares issued and 245,879,536 and 245,395,448 ordinary shares outstanding (including 4,837,932 and 5,822,811 shares of unvested restricted stock) as of September 30, 2022 and December 31, 2021, respectively	3,024	3,024
Additional paid-in capital	8,566,064	8,522,694
Treasury shares, at cost (4,467,809 and 4,951,897 ordinary shares as of September 30, 2022 and December 31, 2021, respectively)	(257,786)	(285,901)
Accumulated other comprehensive income (loss)	75,379	(79,335)
Accumulated retained earnings	7,181,003	8,410,261
Total AerCap Holdings N.V. shareholders' equity	<u>15,567,684</u>	<u>16,570,743</u>
Non-controlling interest	76,834	76,617
Total Equity	<u>15,644,518</u>	<u>16,647,360</u>
Total Liabilities and Equity	<u>\$69,811,154</u>	<u>\$74,569,768</u>

AerCap Holdings N.V. Reports Financial Results for the Third Quarter 2022

Page 9 of 10

AerCap Holdings N.V. Unaudited Consolidated Income Statements

(U.S. Dollars in thousands, except share and per share data)

	Three Months Ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Revenues and other income				
Lease revenue:				
Basic lease rents	\$1,473,084	\$847,650	\$4,488,256	\$2,607,974
Maintenance rents and other receipts	119,542	110,423	408,235	424,252
Total lease revenue	1,592,626	958,073	4,896,491	3,032,226
Net gain on sale of assets	69,218	37,633	107,703	64,881
Other income	62,181	458,700	180,559	684,717
Total Revenues and other income	1,724,025	1,454,406	5,184,753	3,781,824
Expenses				
Depreciation and amortization	580,934	393,366	1,796,092	1,182,086
Net (recoveries) charges related to Ukraine Conflict	(16,137)	—	2,712,581	—
Asset impairment	29,249	49,201	43,477	122,587
Interest expense	390,809	287,213	1,171,588	860,917
Loss on debt extinguishment	17	2,894	2,058	8,955
Leasing expenses	161,416	53,519	562,702	157,061
Selling, general and administrative expenses	105,319	68,197	307,666	198,619
Transaction and integration-related expenses	3,565	100,859	30,198	195,534
Total Expenses	1,255,172	955,249	6,626,362	2,725,759
(Loss) gain on investments at fair value	(7,791)	2,156	(20,142)	(307)
Income (loss) before income taxes and income of investments accounted for under the equity method	461,062	501,313	(1,461,751)	1,055,758
Income tax (expense) benefit	(64,307)	(62,132)	163,956	(142,527)
Equity in net earnings of investments accounted for under the equity method	44,593	1,848	79,024	5,703
Net income (loss)	\$441,348	\$441,029	(\$1,218,771)	\$918,934
Net income attributable to non-controlling interest	(1,392)	(7,108)	(2,277)	(7,237)
Net income (loss) attributable to AerCap Holdings N.V.	\$439,956	\$433,921	(\$1,221,048)	\$911,697
Basic earnings (loss) per share	\$1.83	\$3.39	(\$5.08)	\$7.12
Diluted earnings (loss) per share	\$1.82	\$3.35	(\$5.08)	\$7.04
Weighted average shares outstanding - basic	240,849,074	128,131,157	240,291,737	128,087,006
Weighted average shares outstanding - diluted	242,364,744	129,378,791	240,291,737	129,585,420

AerCap Holdings N.V. Reports Financial Results for the Third Quarter 2022

Page 10 of 10

	Nine months ended September 30,	
	2022	2021
AerCap Holdings N.V.		
Unaudited Consolidated Statements of Cash Flows		
(U.S. Dollars in thousands)		
Net (loss) income	(\$1,218,771)	\$918,934
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	1,796,092	1,182,086
Net charges related to Ukraine Conflict	2,922,350	—
Asset impairment	43,477	122,587
Amortization of debt issuance costs, debt discount, debt premium and lease premium	236,723	50,305
Amortization of fair value adjustments on debt	(4,831)	(12,452)
Maintenance rights write-off	252,189	48,480
Maintenance liability release to income	(151,003)	(206,085)
Net gain on sale of assets	(107,703)	(64,881)
Deferred tax (benefit) expense	(159,727)	143,222
Share-based compensation	79,228	63,956
Collections of finance leases	207,810	94,626
Loss on investments at fair value	20,142	307
Loss on debt extinguishment	2,058	8,955
Transaction and integration-related expenses	—	158,746
Other	(135,480)	22,780
Changes in operating assets and liabilities:		
Trade receivables	36,163	87,855
Other assets	85,371	(413,811)
Accounts payable, accrued expenses and other liabilities	(283,698)	(246,296)
Net cash provided by operating activities	3,620,390	1,959,314
Purchase of flight equipment	(2,296,808)	(738,090)
Proceeds from sale or disposal of assets	1,152,224	393,373
Prepayments on flight equipment	(630,047)	(75,930)
Other	67,757	—
Net cash used in investing activities	(1,706,874)	(420,647)
Issuance of debt	467,996	1,486,567
Repayment of debt	(3,392,836)	(2,678,134)
Debt issuance and extinguishment costs paid, net of debt premium received	(7,006)	(227,472)
Maintenance payments received	574,856	267,925
Maintenance payments returned	(220,602)	(172,035)
Security deposits received	256,904	155,794
Security deposits returned	(221,901)	(264,674)
Dividend paid to non-controlling interest holders and others	(2,060)	(251)
Repurchase of shares and tax withholdings on share-based compensation	(15,838)	(67,453)
Net cash used in financing activities	(2,560,487)	(1,499,733)
Net (decrease) increase in cash, cash equivalents and restricted cash	(646,971)	38,934
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(11,066)	281
Cash, cash equivalents and restricted cash at beginning of period	1,914,753	1,495,290
Cash, cash equivalents and restricted cash at end of period	\$1,256,716	\$1,534,505