



Avolon announces successful closing of US\$636m Aircraft Securitisation

Dublin | 16th October, 2013: Avolon ("Avolon" or the "Group"), the international aircraft leasing group, today announces the closing of the US\$636 million Asset Backed Securitisation ("ABS") for Emerald Aviation Finance Limited ("Emerald"). On September 26, 2013 Avolon announced that Emerald, a newly established special purpose company, had priced a total of US\$636 million of Fixed Rate Asset Backed Notes (the "Issue"). The net proceeds of the Issue are being used to acquire 20 aircraft from Avolon.

Highlights

- ▶ Avolon's inaugural aircraft securitisation
- ▶ Proceeds will be used to refinance Avolon's existing debt and extend its debt maturity
- ▶ The success of the securitisation reflects the quality of Avolon's aircraft fleet and the strength of the Group's asset management capabilities
- ▶ ABS portfolio comprises 20 aircraft manufactured by Airbus, Boeing and Embraer
- ▶ Aircraft have an average age of 3.07 years and comprise a mix of single aisle and twin aisle jets
- ▶ 15 lessees in portfolio with an average remaining lease term of in excess of seven years - 40% of lessees domiciled in the emerging markets of Asia Pacific, Eastern Europe and Latin America
- ▶ Avolon has raised US\$1.7 billion of debt capital in 2013

Emerald Aviation Finance Limited | US\$636 million ABS

The closing of the successfully priced Issue by Emerald represents Avolon's initial transaction in the public debt markets. The Issue comprises US\$546,000,000 of 4.65% Class A-1 Fixed Rate Asset Backed Notes and US\$90,210,000 of 6.35% Class B-1 Fixed Rate Asset Backed Notes (collectively, the "Notes"). Avolon will acquire the junior Class E Note issued by Emerald and will act as Servicer to Emerald.

Strong Capital Structure

Since launching in 2010, Avolon has raised total capital of US\$6.5 billion, comprising US\$1.4 billion of equity and US\$5.1 billion of debt. The successful closing of the ABS is a further significant step in the continued diversification of Avolon's capital structure.

Mr Andy Cronin, Chief Financial Officer, Avolon, commented:

"Avolon's inaugural ABS transaction is a key milestone in the diversification of our sources of capital and marks our entry into the public debt markets. Avolon continues to demonstrate strong access to capital, having raised US\$1.7 billion of debt capital in 2013 year to date, across public and private markets".

The Notes were offered to qualified institutional buyers under Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act") and to persons outside the United States under Regulation S. The Notes will not be registered, and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from the Securities Act, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Forward Looking Statements

Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not necessarily limited to, statements relating to future operations. Words such as "expect(s)" and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of factors that could lead to actual results materially different from those described in the forward-looking statements. Avolon can give no assurance that its expectations will be attained. There are important factors that could cause actual results, level of activity, performance or achievements to differ from the results, level of activity, performance or achievements expressed or implied in the forward-looking statements. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this press release may 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. Such forward-looking statements speak only as of the date of this press release. Avolon expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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About Avolon

Headquartered in Ireland, with offices in Stamford CT, Hong Kong, Shanghai, Singapore and Dubai, Avolon provides aircraft leasing and lease management services. Avolon's investors include three of the world's leading private equity firms Cinven, CVC Capital Partners and Oak Hill Capital Partners and one of the world's leading sovereign wealth funds, Government of Singapore Investment Corporation (GIC). Avolon has a committed fleet of 179 aircraft serving 37 customers in 24 countries. See www.avolon.aero