AIRCASTLE

First Quarter 2011 Earnings Call

May 4, 2011

Forward-Looking Statements / Property of Aircastle

Certain items in this presentation and other information we provide from time to time, 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 our ability to acquire, sell, lease or finance aircraft, raise capital, pay dividends, and increase revenues, earnings, EBITDA, Adjusted Net Income and Adjusted Net Income plus Depreciation and Amortization and the global aviation industry and aircraft leasing sector. Words such as “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “may,” “will,” “would,” “could,” “should,” “seeks,” “estimates” and variations on these words 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; Aircastle Limited can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this presentation. Factors that could have a material adverse effect on our operations and future prospects or that could cause actual results to differ materially from Aircastle Limited’s expectations include, but are not limited to, significant capital markets disruption and volatility, which may adversely affect our continued ability to obtain additional capital to finance our working capital needs, volatility in the value of our aircraft or in appraisals thereof, which may, among other things, result in increased principal payments under our term financings and reduce our cash flow available for investment or dividends; general economic conditions and business conditions affecting demand for aircraft and lease rates; our continued ability to obtain favorable tax treatment in Bermuda, Ireland and other jurisdictions; our ability to pay dividends; high or volatile fuel prices, lack of access to capital, reduced load factors and/or reduced yields, operational disruptions or unavailability of capital caused by political unrest in North Africa, the Middle East or elsewhere, and other factors affecting the creditworthiness of our airline customers and their ability to continue to perform their obligations under our leases; termination payments on our interest rate hedges; and other risks detailed from time to time in Aircastle Limited’s filings with the SEC, including “Risk Factors” as previously disclosed in Aircastle’s 2010 Annual Report on Form 10-K, and in our other filings with the SEC, press releases and other communications. In addition, new risks and uncertainties emerge from time to time, and it is not possible for Aircastle to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this presentation. Aircastle Limited expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

Business Priorities

Opportunity	Action Plan
• Aircraft demand recovering and we believe that current technology aircraft values are in the early to middle stages of recovery	• Pursue value-add investments with a focus on achieving superior risk-adjusted returns • Expect to invest $500 million to $1 billion in addition to 2010 investments and $700 million in 2011/12 “built-in” A330 program growth
• Bond market rally is continuing which, combined with low interest rates, provides attractive source of capital	• Maintain stable leverage at ~67% debt to total capital • Funding for growth from a combination of cash on hand and bond market financing
• Capitalize on the cyclic market recovery through asset sales	• Capture value-add premium through asset sales • Initial emphasis on newer aircraft where buyer financing is more readily available
• Focus on driving improvements in financial performance metrics	• Increase ROE and EPS in 2011 via: – Deploying cash in new investment opportunities – Profitable asset sales – Share repurchase

Q1 2011 Highlights

- Took delivery of two new A330s leased to South African Airways
- Year to date, purchased or have commitments or letters of intent to acquire five aircraft
  - Three 747-400 aircraft for passenger to freighter conversion
  - Two A320-200 aircraft on lease to a major Chinese airline
- Repurchased 2.9 million shares at an average cost of $12.13 per share [1]
- Sold four 737-400SF aircraft and recognized a gain of $9.7 million
- 99% Fleet utilization and 14.0% portfolio yield for the first quarter 2011

[1] As of April 29, 2011

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Q1:11 Revenue Summary

- Lease rental revenue of $141.1 million was higher by $11.0 million versus Q1:10 due primarily to the impact of aircraft acquisitions net of disposals
  - $18.0 million in revenues from new acquisitions
  - Foregone revenue of $3.1 million from dispositions
- Maintenance revenue in Q1:11 was $11.6 million higher versus Q1:10 due to lease expirations, including the early lease terminations for five aircraft
- Other revenue of $3.1 million includes $2.7 million from early lease terminations

Revenue Summary		
$ millions	**Q1:10**	**Q1:11**
Lease Rental Revenue	$130.1	$141.1
Maintenance Revenue	5.3	16.8
Amortization of Net Lease Discounts and Lease Incentives	(4.8)	(3.1)
Total Lease Rentals	130.5	154.9
Interest Income and Other Revenue	—	3.1
Total Revenues	**$130.6**	**$157.9**

Revenue Trends

- Lease rental revenue is a consistent performance driver of the operating and financial results
- Maintenance and other revenue in any reporting period depends on several factors such as the timing of lease expirations, early lease expirations, maintenance events and aircraft utilization
- Impact of unscheduled lease terminations in Q1:11
  - $13.0 million end of lease maintenance revenue
  - $2.7 million other revenue, primarily from retained security deposits and termination fees

	2009				2010				2011
($ millions)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenues									
Lease rental revenue	$ 126.0	$ 129.4	$ 128.3	$ 127.8	$ 130.1	$ 128.1	$ 133.5	$ 139.3	$ 141.1
Amortization of net lease discounts & lease incentives	(1.1)	(2.8)	(4.0)	(3.3)	(4.8)	(4.9)	(4.2)	(6.1)	(3.1)
Maintenance revenue	6.6	9.6	31.4	11.1	5.3	6.8	2.5	1.1	16.8
Interest income	0.6	0.6	0.6	0.1	-	-	-	-	-
Other revenue	-	0.1	9.5	0.1	-	0.1	0.4	0.4	3.1
Total Revenues	**132.1**	**136.9**	**165.7**	**135.8**	**103.6**	**130.2**	**132.2**	**134.7**	**157.9**

Q1:11 Earnings Summary

- Adjusted net income plus depreciation and amortization for the quarter was $95.6 million, up $16.0 million quarter over quarter, due primarily to:
  - Higher lease rental revenue of $11.0 million and higher maintenance and other revenue totaling $14.6 million, partially offset by:
  - Higher adjusted interest expense of $6.4 million and higher SG&A and maintenance and other costs of $2.2 million
- Adjusted net income was $32.9 million, up $12.3 million quarter over quarter, and reflects:
  - Higher total revenues of $27.4 million, partially offset by:
  - Higher depreciation of $5.4 million, higher adjusted interest expense of $6.4 million and higher SG&A and maintenance and other costs of $2.2 million

Earnings Summary		
$ millions, except per share amounts	**Q1:10**	**Q1:11**
EBITDA	$121.2	$157.9
Net Income	$18.9	$42.7
Adjusted Net Income	$20.6	$32.9
per diluted common share	$0.26	$0.41
Adjusted Net Income + Depreciation & Amortization	**$79.6**	**$95.6**
per diluted common share	**$1.00**	**$1.20**

Liquidity and Long Term Debt

- Ended Q1:11 with $240.3 million of unrestricted cash and $191.4 million of restricted cash
  - Plus undrawn $50 million unsecured credit facility
- Q1:11 Annualized lease rental exit run rate of $567 million including $93 million from unencumbered aircraft

Long-Term Debt Summary as of March 31, 2011

$ millions, except # of aircraft	Maturity	# Aircraft	Interest Rate[1]	Outstanding
Securitization No. 1[2]	Jun – 31	33	5.78%	$ 409.7
Securitization No. 2[2]	Jun – 37	50	5.53%	943.5
Term Financing No. 1[2]	May – 15	27	5.79%	631.3
ECA Supported Financings	May-21 – Aug-22	6	2.65% - 4.48%	408.2
A330 PDP financing		-	2.77%	59.9
2010-1 Notes	Aug-18	-	9.75%	296.3
Unencumbered Aircraft	-	18	-	-
Total		**134**		**$2,748.9**

(1) Reflects current swap rate or index + spread, for all financings except the ECA financings which are fixed rate debt

(2) For Securitization No. 1 and No. 2 and Term Financing No. 1, all cash flows available after expenses and interest will be applied to debt amortization if the debt is not refinanced by June 2011, June 2012 and May 2013, respectively

Lease Placement & Aircraft Sales Activity

2011 Lease Placements

- Addressed seven of our nine scheduled expirations:
  - Five aircraft have executed or committed leases or lease renewals
  - Two aircraft are subject to sales agreements
- Five aircraft leases were early terminated in Q1:11
  - Four A320s (Egypt) and one A319 (Jordan)
  - Secured lease commitments for two of the A320s and the A319, which we expect return to revenue service during Q3:11

2012 Lease Placements

- Good level of engagement for 2012 placements

Sales

- Sale of four 737-400SF freighters resulted in pre-tax income of $9.7 million during Q1:11
- Two additional contracted sales in 2011
  - One 737- 500 in Q2:11
  - One 757- 200 in Q4:11
- Currently pursuing portfolio sales opportunities actively

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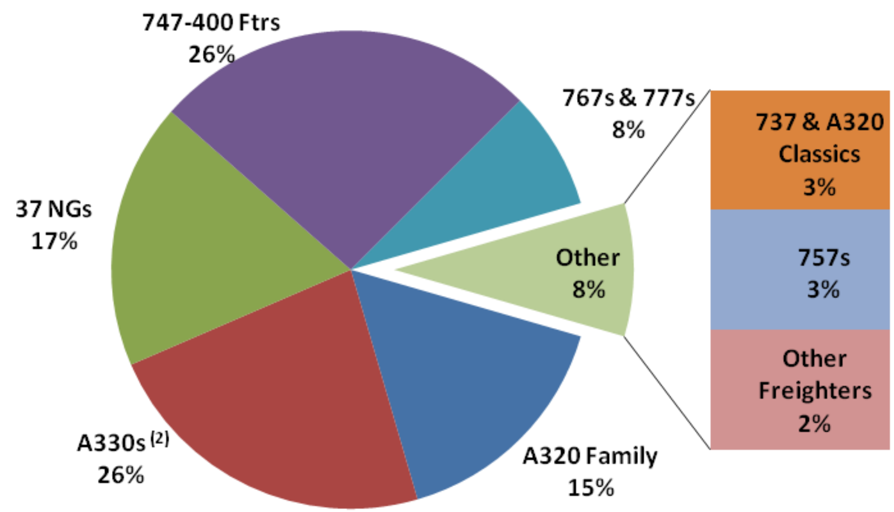
Modern Portfolio with Strong Revenue Stream

- Modern commercial jet portfolio
  - 92% by net book value is latest generation of technology
- Investments oriented to early and middle part of an aircraft's production
  - Longer useful lives than "last off the line" units
- 31% of our portfolio by net book value in cargo aircraft
  - End market diversification
  - Excellent lessee performance throughout downturn
- Long remaining average lease term
- Provides strong cash flow performance

Diversification – Aircraft Type(1)



Portfolio Statistics(1)(3)

# Lessees / # Countries	63 / 34
Portfolio Remaining Lease Term	4.7
Freighter Remaining Lease Term	7.1
Weighted Average Age	10.7

(1) *Percentage of NBV. Figures as of 3/31/11*

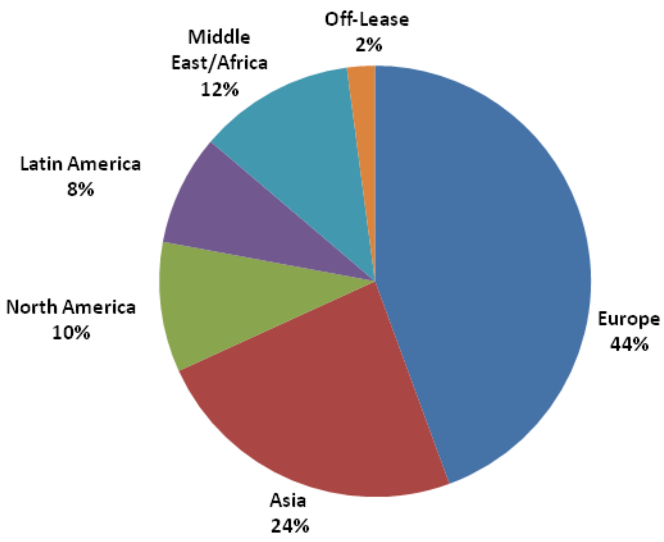
(2) *Includes two A330-200 Freighters*

(3) *Years weighted by NBV*

Diversified Customer Base

- Portfolio spread across a variety of carriers around the world
- Largest customer exposure is less than 7% of net book value
- Combined, the top 10 customers represent 49% of net book value

Geographical Diversity(*)



% of NVB	Customer	Country	# Aircraft
Greater than 6% per customer	Emirates	United Arab Emirates	2
	Martinair (1)	Netherlands	5
3% to 6% per customer	HNA Group (2)	China	8
	US Airways	USA	8
	SriLankan Airlines	Sri Lanka	5
	Airbridge Cargo (3)	Russia	2
	South African Airways	South Africa	2
	Avianca	Colombia	2
	China Eastern Airlines (4)	China	8
	Iberia Airlines	Spain	6

(*) Percentage of NBV. Figures as of 3/31/11.

(1) Martinair is a wholly owned subsidiary of KLM. Although KLM does not guarantee Martinair's obligations under the relevant lease, if we combined Martinair with our one aircraft on lease with KLM, the two, together with two other affiliated customers, represent 11% of flight equipment held for lease.
(2) Eight aircraft on lease to affiliates of the HNA Group, although the HNA Group does not guarantee the leases.
(3) Guaranteed by Volga-Dnepr.
(4) Includes the aircraft leased to Shanghai Airlines, which was recently acquired by China Eastern Airlines. China Eastern Airlines does not guarantee the obligations of the aircraft we lease to Shanghai Airlines.

As of 3/31/11.

Appendix

Supplemental Financial Information

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(In thousands, except per share amounts)	Three Months Ended March 31, 2010	Three Months Ended March 31, 2011
Revenues	$130,561	$157,914
EBITDA	$121,163	$154,258
Adjusted net income	$ 20,563	$ 32,899
Adjusted net income allocable to common shares	$ 20,243	$ 32,522
Per common share - Basic	$ 0.26	$ 0.41
Per common share - Diluted	$ 0.26	$ 0.41
Adjusted net income plus depreciation and amortization	$ 79,553	$ 95,592
Adjusted net income plus depreciation and amortization allocable to common shares	$ 78,317	$ 94,496
Per common share - Basic	$ 1.00	$ 1.20
Per common share - Diluted	$ 1.00	$ 1.20
Basic common shares outstanding	78,416	78,786
Diluted common shares outstanding	78,416	78,786

Reconciliation of GAAP to Non-GAAP Measures

(In thousands)

	Three Months Ended March 31,	
	2010	2011
Net income	$ 18,879	$ 42,677
Depreciation	54,145	59,591
Amortization of net lease discounts and lease incentives	4,845	3,102
Interest, net	40,959	45,619
Income tax provision	2,335	3,269
EBITDA	$121,163	$154,258

We define EBITDA as income from continuing operations before income taxes, interest expense, and depreciation and amortization. We use EBITDA to assess our consolidated financial and operating performance, and we believe this non-GAAP measure is helpful in identifying trends in our performance. Using EBITDA assists us in comparing our operating performance on a consistent basis by removing the impact of our capital structure (primarily interest charges on our outstanding debt) and asset base (primarily depreciation and amortization) from our operating results.

Reconciliation of GAAP to Non-GAAP Measures

(In thousands)	Three Months Ended March 31, 2010	Three Months Ended March 31, 2011
Net income	$18,879	$42,677
Ineffective portion of cash flow hedges[1]	1,314	(475)
Mark to market of interest rate derivative contracts[2]	370	359
Gain on sale of flight equipment[2]	—	(9,662)
Adjusted net income	20,563	32,899
Depreciation	54,145	59,951
Amortization of net lease discounts and lease incentives	4,845	3,102
Adjusted net income plus depreciation and amortization	$79,553	$95,592

(1) Included in Interest, net

(2) Included in Other income (expense)

Management believes that Adjusted Net Income ("ANI") and Adjusted Net Income plus Depreciation and Amortization ("ANIDA"), when viewed in conjunction with the Company's results under GAAP and the above reconciliation, provide useful information about operating and period-over-period performance, and provide additional information that is useful for evaluating the underlying operating performance of our business without regard to periodic reporting elements related to interest rate derivative accounting as well as gains/(losses) related to flight equipment and debt investments. Additionally, management believes that ANIDA provides investors with an additional metric to enhance their understanding of the factors and trends affecting our ongoing cash earnings, from which capital investments are made, debt is serviced and dividends are paid. However, ANI and ANIDA are not measures of financial performance or liquidity under GAAP and, accordingly, should not be considered as alternatives to net income (loss) or cash flow from operating activities as indicators of operating performance or liquidity.

Supplemental Financial Information

(In thousands)	Three Months Ended March 31, 2011 Shares	Percent(2)
Weighted average shares		
Common shares outstanding – Basic	78,786	98.85 %
Unvested restricted common shares outstanding	913	1.15 %
Total weighted average shares outstanding	79,699	100.00 %
Common shares outstanding – Basic	78,786	100.00 %
Effect of dilutive shares(1)	—	—
Common shares outstanding - Diluted	78,786	100.00 %
Net income allocation		
Net income	$42,677	100.00 %
Distributed and undistributed earnings allocated to unvested restricted shares	(489)	(1.15)%
Earnings available to common shares	$42,188	98.85 %
Adjusted net income allocation		
Adjusted net income	$32,899	100.00 %
Amounts allocated to unvested restricted shares	(377)	(1.15)%
Amounts allocated to common shares	$32,522	98.85 %
Adjusted net income plus depreciation and amortization allocation		
Adjusted net income plus depreciation and amortization	$95,592	100.00 %
Amounts allocated to unvested restricted shares	(1,096)	(1.15)%
Amounts allocated to common shares	$94,496	98.85 %

(1) The Company had no dilutive common share equivalents for the periods presented.

(2) Percentages rounded to two decimal places.

Supplemental Financial Information

(In thousands)	Three Months Ended March 31, 2010	
	Shares	Percent[2]
Weighted average shares		
Common shares outstanding – Basic	78,416	98.45 %
Unvested restricted common shares outstanding	1,238	1.55 %
Total weighted average shares outstanding	79,654	100.00 %
Common shares outstanding – Basic	78,416	100.00 %
Effect of dilutive shares[1]	—	—
Common shares outstanding - Diluted	78,416	100.00 %
Net income allocation		
Net income	$18,879	100.00 %
Distributed and undistributed earnings allocated to unvested restricted shares	(293)	(1.55)%
Earnings available to common shares	$18,586	98.45 %
Adjusted net income allocation		
Adjusted net income	$20,563	100.00 %
Amounts allocated to unvested restricted shares	(320)	(1.55)%
Amounts allocated to common shares	$20,243	98.45 %
Adjusted net income plus depreciation and amortization allocation		
Adjusted net income plus depreciation and amortization	$79,553	100.00 %
Amounts allocated to unvested restricted shares	(1,236)	(1.55)%
Amounts allocated to common shares	$78,317	98.45 %

(1) The Company had no dilutive common share equivalents for the periods presented.

(2) Percentages rounded to two decimal places.