



Third Quarter 2012 Earnings Call
November 6, 2012

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 and Adjusted Net Income 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 and the significant contraction in the availability of bank financing, which may adversely affect our continued ability to obtain additional capital to finance new investments or our working capital needs, volatility in the value of our aircraft; 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 caused by political unrest in North Africa, the Middle East or elsewhere, uncertainties in the Eurozone arising from the sovereign debt crisis 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 Securities and Exchange Commission (“SEC”), including as previously disclosed in Aircastle’s 2011 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.

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Q3 2012 Highlights

- Operating and finance lease rental revenue of \$163.1⁽¹⁾ million versus \$145.9 million in Q3:11, a 12% increase
- Net loss of (\$45.8) million, or (\$0.65) per diluted share
 - Excluding Q3:12 impairment charges, net income of \$32.8 million, or \$0.47 per diluted share
- Adjusted net loss of (\$37.5) million, or (\$0.53) per diluted share
 - Excluding Q3:12 impairment charges, adjusted net income of \$41.2 million, or \$0.59 per diluted share
- 99% fleet utilization and ~14% rental yield
- Acquired four aircraft in Q3:12; ~\$610 million of aircraft investments in 2012 through Q3; additional ~\$170 million of acquisitions closed or expected to close in Q4:12
- Dividend increased 10% to \$0.165 per share; AYR's 26th consecutive quarterly dividend
- Repurchased 2.5 million shares for \$28.5 million; share repurchase program increased to \$50 million

(1) Q3:12 finance lease revenue totaled \$3.5 million and is included in the "Other Revenue" line of Aircastle's Q3:12 Consolidated Statement of Operations

Q3:12 Revenue Summary

- Lease rental revenue of \$159.5 million was higher by \$13.7 million, or 9%, versus Q3:11 due to:
 - Positive impact of new aircraft acquisitions of \$30.0 million, partially offset by sales of \$(5.9) million, and
 - Reductions from lease extensions, transitions and terminations which totaled \$(10.5) million
- Maintenance revenue increased by \$10.9 million, primarily due to an early lease termination agreement related to two A320 classic aircraft which we also impaired
- Other revenue includes income from our finance leases of \$3.5 million, interest from our debt investment of \$1.3 million and fees earned from an early lease termination of \$3.9 million
- Q4 annualized lease rental⁽¹⁾ exit run rate of ~\$631 million, including \$274 million from unencumbered aircraft

| Revenue Summary | | |
|--|-----------------|-----------------|
| \$ millions | Q3:11 | Q3:12 |
| Lease Rental Revenue | \$ 145.9 | \$ 159.5 |
| Amortization of Net Lease Discounts and Lease Incentives | (4.7) | (6.8) |
| Maintenance Revenue | - | 10.9 |
| Total Lease Rentals | 141.2 | 163.7 |
| Interest Income and Other Revenue | 0.3 | 9.2 |
| Total Revenues | \$ 141.5 | \$ 172.9 |

(1) Rents collected under our finance leases are included in the lease rental exit run rate, and represents ~\$22.9 million of the total lease rental exit run rate, and ~\$16.1 million of the lease rental exit run rate from unencumbered aircraft.

Q3:12 Earnings Summary

- Adjusted net loss of (\$37.5) million
 - Total revenues increased by \$31.4 million, partially offset by
 - Aircraft impairment charges which increased \$77.4 million
 - Depreciation expense which increased \$8.3 million
 - Gains from the sale of aircraft which declined \$9.0 million
- Excluding Q3:12 impairments, adjusted net income was ~\$41.2 million, or \$0.59 per diluted share
- Adjusted EBITDA was \$166.3 million, up \$25.7 million
 - Lease rental revenues increased by \$13.7 million
 - Maintenance and other revenues increased by \$19.8 million, partially offset by
 - Gains from the sale of aircraft which declined by \$9.0 million

| Earnings Summary | | |
|---------------------------------------|-----------------|------------------|
| \$ millions, except per share amounts | Q3:11 | Q3:12 |
| Net Income (loss) | \$ 22.7 | \$ (45.8) |
| per diluted common share | \$ 0.31 | \$ (0.65) |
| Adjusted Net Income (loss) | \$ 26.0 | \$ (37.5) |
| per diluted common share | \$ 0.35 | \$ (0.53) |
| EBITDA | \$ 137.6 | \$ 85.2 |
| Adjusted EBITDA | \$ 140.6 | \$ 166.3 |

NOTE: See appendix for GAAP to Non-GAAP reconciliation

Annual Fleet Review and Recoverability Assessment

- Completed a recoverability assessment for each aircraft during the quarter
 - Assessed cash flow implications from market weakness for certain assets
- Recorded impairment charges totaling ~\$78.7 million for 15 older technology aircraft with an average age of 21 years
 - Ten “classic” narrow-bodies; four 767-300ERs; one A310 freighter
 - Impairment charge approximates 1.7% of September 30, 2012 fleet NBV

| | Three Months Ended Sept. 30, 2012 | |
|---|-----------------------------------|-------------------|
| | \$ in thousands | Per Share |
| Net income, excluding non-cash impairment charges | \$ 32,829 | \$ 0.47 |
| Asset impairment charges | (78,676) | (1.12) |
| Net loss, as reported | <u>\$ (45,847)</u> | <u>\$ (0.65)</u> |

NOTE: See appendix for GAAP to Non-GAAP reconciliation; NBV figures as of September 30, 2012

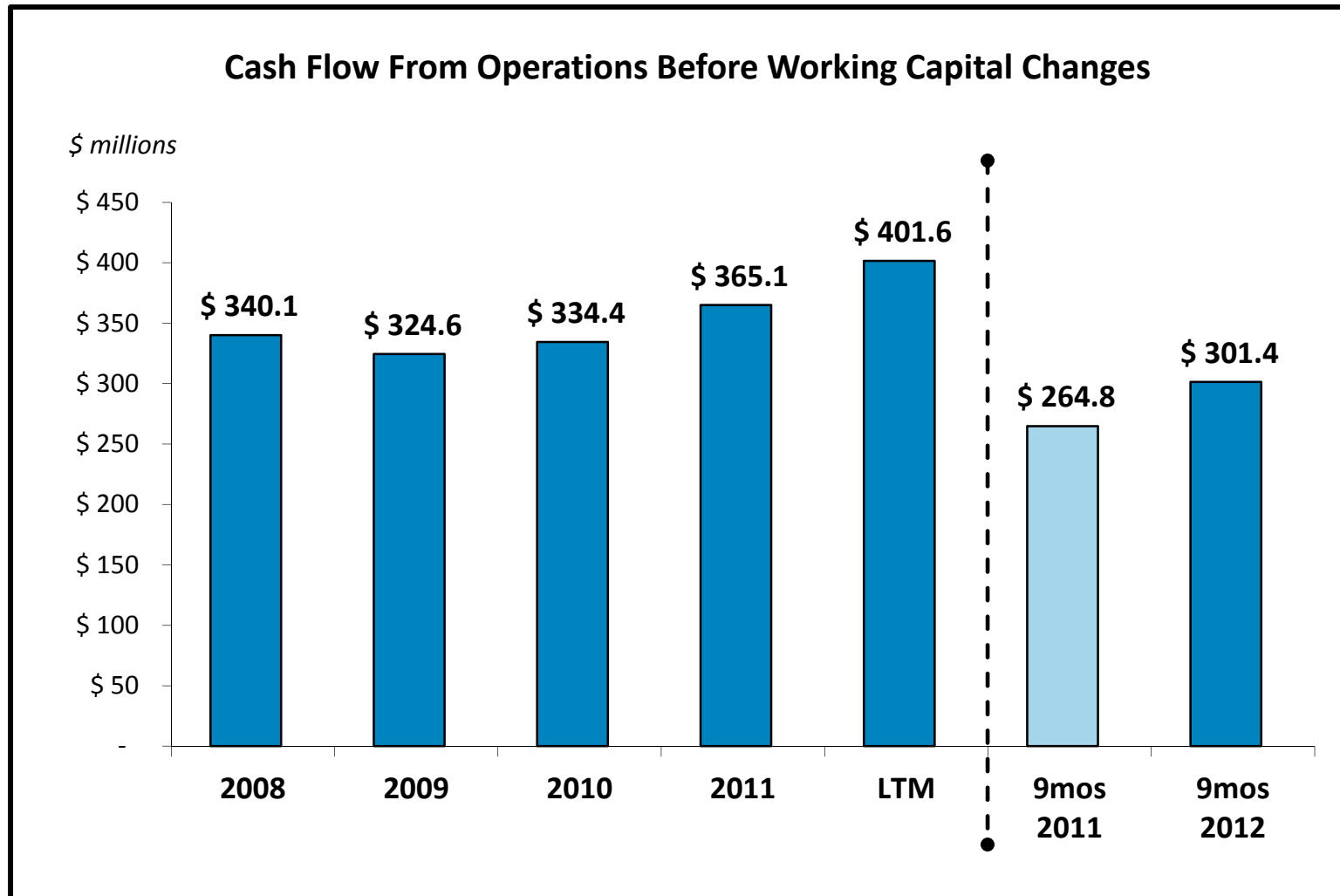
Capital Structure and Liquidity Summary: September 30, 2012

- Unrestricted cash of ~\$224 million; \$50 million undrawn revolving credit facility
- Unencumbered flight equipment of ~\$2.0bn
- Secured debt to total debt ratio is 59%; no remaining LTV tests
- Q3:12 net debt to equity ratio of 2.0x; net debt to total capitalization ratio of 64%; no maturities until 2017

| (\$ in millions) | As of December 31, | | As of September 30, | |
|--|--------------------|---------------------------|---------------------|---------------------------|
| | 2011 | | 2012 | |
| Unrestricted cash and cash equivalents | \$ 295.5 | | \$ 224.0 | |
| Debt | <u>O / S</u> | <u>Rate⁽¹⁾</u> | <u>O / S</u> | <u>Rate⁽¹⁾</u> |
| Securitization No. 1 | 387.1 | 5.78% | 323.3 | 5.78% |
| Securitization No. 2 | 891.5 | 5.56% | 807.7 | 1.58% |
| Term Financing No. 1 | 595.1 | 5.79% | - | - |
| ECA Term Financings | 536.1 | 3.31% | 581.8 | 3.42% |
| Bank Financings | 126.0 | 4.31% | 116.1 | 4.31% |
| Total Secured Debt | 2,535.8 | 5.11% | 1,828.9 | 3.07% |
| Senior Notes due 2018 | 450.7 | 9.75% | 450.7 | 9.75% |
| Senior Notes due 2017 | - | | 500.00 | 6.75% |
| Senior Notes due 2020 | - | | 300.00 | 7.63% |
| Total Unsecured Debt | 450.7 | 9.75% | 1,250.7 | 8.04% |
| Total Debt and Weighted Avg. Rate | 2,986.5 | 5.82% | 3,079.6 | 5.10% |
| Shareholders' equity | 1,404.6 | | 1,394.1 | |
| Total capitalization | \$ 4,391.1 | | \$ 4,473.6 | |
| Total debt to equity | 2.1 x | | 2.2 x | |
| Net debt to equity | 1.9 x | | 2.0 x | |
| Secured debt to total debt | 85% | | 59% | |
| Net debt to total capitalization | 61% | | 64% | |

(1) Reflects fixed swap rate in effect plus the margin except for the ECA Term Financings, Bank Financings and the Senior Notes due 2017, 2018 and 2020, which are fixed rate financings.

Continued Strong Operating Cash Flow Performance

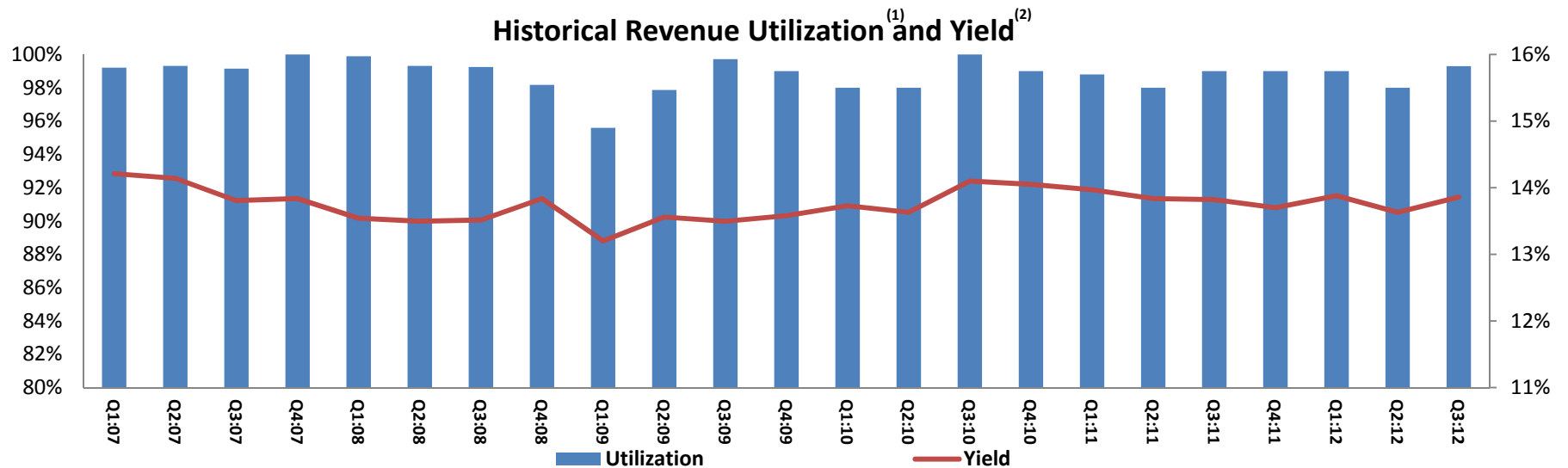


NOTE: See appendix for GAAP to Non-GAAP reconciliation

Consistent Portfolio Performance

Diversification and active asset management continue to drive consistently strong portfolio performance

- Consistently delivered portfolio utilization of 98-99% and a rental yield of ~14%
- Q3:12 utilization of 99% and rental yield of ~14.0% (includes lease rental from finance leases)



(1) Aircraft on-lease days as a percent of total days in period weighted by net book, excludes aircraft in conversion.

(2) Calculated as lease rental revenue / average NBV of flight equipment for the period (rental revenue does not include maintenance revenue).

Lease Placement Progress

2012 Lease Placements

- Two remaining aircraft with scheduled expirations being marketed for lease or sale in 2012
- We expect to have two additional aircraft to place in the fourth quarter of 2012
 - Two Boeing 747-400 freighter aircraft leased to Southern Air, which filed for bankruptcy
- These four aircraft represent approximately 2.5% of total net book value of flight equipment
- Combining early terminations and scheduled lease expirations, we had a total of 30 lease or sale placements to complete in 2012

2013 – 16 Lease Placements

| | Number of Leases Expiring | % of Total NBV |
|------|---------------------------------|----------------------|
| 2013 | 18 | 6% |
| 2014 | 33 | 15% |
| 2015 | 18 | 7% |
| 2016 | 24 | 12% |

All NBV figures represent net book value of flight equipment as of September 30, 2012

2012 Aircraft Acquisitions & Dispositions

| | Acquisitions | Dispositions |
|--------------------------|--|---|
| Strategy | <ul style="list-style-type: none"> • Focus on areas where we see value/ have a competitive edge: <ul style="list-style-type: none"> – High quality wide-bodies – Broadly used mid-age aircraft – Freighters | <ul style="list-style-type: none"> • Primary focus on selling end of life aircraft <ul style="list-style-type: none"> – Where selling makes more sense than reinvesting and re-leasing |
| Financial Targets | <ul style="list-style-type: none"> • Incremental cash ROEs >15% | <ul style="list-style-type: none"> • Aim for sales where we believe we can redeploy capital more profitably |
| Results | <ul style="list-style-type: none"> • Invested ~\$610M through Q3:12 • ~\$170M in acquisitions closed or expected to close in Q4:12 • Increased percentage of fleet on lease to Asia-Pacific airlines | <ul style="list-style-type: none"> • YTD sold four aircraft (one 737-300 during Q3:12) • YTD gain on sale of ~\$3.1 million |
| Assets | <ul style="list-style-type: none"> • Two A330s on long term leases • Nine current gen narrow-bodies • Six 767-300ERs on finance leases • One 747-400 freighter • A loan secured by a 777ER | <ul style="list-style-type: none"> • Two 737 Classics • One 757 • One 767-300ER that suffered a casualty event in 2011 • One 747-400⁽¹⁾ which we are selling on a part-out basis |

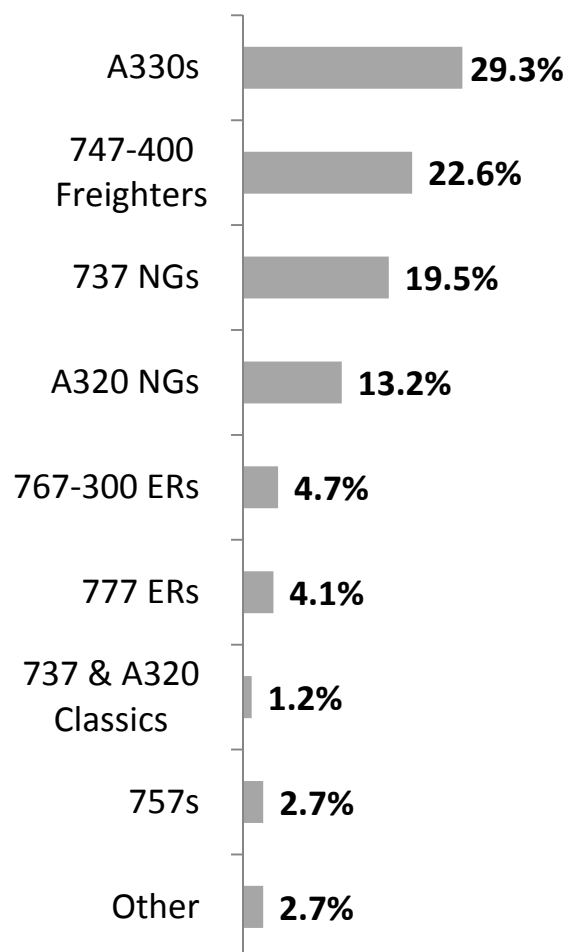
(1) During the third quarter, we began parting out a Boeing Model 747-400 passenger configured aircraft, a process we expect to complete in the fourth quarter of 2012.

Modern Diversified Portfolio

Geographic Diversification¹

| | |
|--------------------------|-------------|
| Europe | 37% |
| Asia | 33% |
| Mid-East & Africa | 13% |
| North America | 11% |
| Latin America | 6% |
| Off-Lease ⁽³⁾ | nm |
| Total | 100% |

Diversification by Aircraft Type⁽¹⁾



Portfolio Statistics^{(1),(2)}

| | |
|--------------------------------|---------|
| # Lessees / # Countries | 68 / 36 |
| Portfolio Remaining Lease Term | 4.9 |
| Passenger Remaining Lease Term | 4.5 |
| Freighter Remaining Lease Term | 5.7 |
| Weighted Avg. Fleet Age | 11.0 |

Figures as of September 30, 2012.

(1) Percentage of net book value.

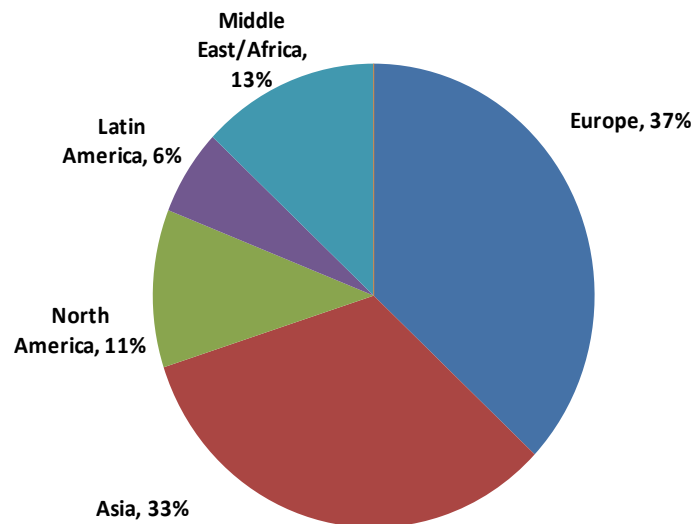
(2) Years weighted by net book value.

(3) One Boeing 767-300ER aircraft that we are actively marketing for lease or sale.

Well Diversified Customer Base

- Largest customer exposure represents less than 8% of net book value
- Combined, our top 10 customers lease 57 aircraft representing ~46% of net book value
- Asia represents 33% of our portfolio, up from 27% in Q1:12
- Europe represents 37% of our portfolio, down from 41% in Q1:12; diversified across 70 aircraft and 36 lessees

Geographical Diversity*



TOP TEN CUSTOMERS

| % of NBV | Customer | Country | # Aircraft |
|------------------------------|--------------------------------|----------------------|------------|
| Greater than 6% per customer | South African Airways | South Africa | 4 |
| | Hainan Airlines Co. | China | 9 |
| 3% to 6% per customer | Emirates | United Arab Emirates | 2 |
| | US Airways | USA | 11 |
| | Martinair ⁽¹⁾ | Netherlands | 5 |
| | SriLankan Airlines | Sri Lanka | 5 |
| | Airbridge Cargo ⁽²⁾ | Russia | 2 |
| | Jet Airways | India | 6 |
| Less than 3% per customer | GOL ⁽³⁾ | Brazil | 7 |
| | Iberia Airlines | Spain | 6 |

(*) Percentage of net book value. Figures as of September 30 2012.

(1) Martinair is a wholly owned subsidiary of KLM. If combined with KLM and two other affiliated customers, that represents 9% of flight equipment held for lease.

(2) Guaranteed by Volga-Dnepr.

(3) GOL has guaranteed the obligations of an affiliate, VRG Linhas Aereas.

Q4:12 Selected Financial Guidance Elements

| Guidance Item | Q4:12 Guidance |
|---|------------------------|
| Lease rental revenue | \$152 to \$154 million |
| Interest from finance leases ⁽¹⁾ | ~\$4.0 million |
| Maintenance revenue | \$14 to \$16 million |
| Amortization of lease premiums, discounts and incentives | \$7 to \$9 million |
| SG&A | \$11 to \$12 million |
| Depreciation | \$69 to \$71 million |
| Interest, net | \$52 to \$55 million |
| Amortization of hedge loss associated with Term Fin. No. 1 ⁽²⁾ | \$4.4 million |
| Tax rate | 7 - 8% |

(1) Interest from Finance Leases is included in "Other Revenue" as reported in Aircastle's Consolidated Statement of Operations

(2) Included in Interest, net

Appendix

Supplemental Financial Information

| (In thousands, except per share amounts) | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-------------|------------------------------------|------------|
| | 2011 | 2012 | 2011 | 2012 |
| | Revenues | \$ 141,507 | \$ 172,866 | \$ 448,259 |
| EBITDA | \$ 137,615 | \$ 85,206 | \$ 434,216 | \$ 382,674 |
| Adjusted EBITDA | \$ 140,587 | \$ 166,258 | \$ 446,077 | \$ 475,343 |
| Adjusted net income (loss) | \$ 25,987 | \$ (37,491) | \$ 102,563 | \$ 20,637 |
| Adjusted net income (loss) allocable to common shares | \$ 25,646 | \$ (37,189) | \$ 101,273 | \$ 20,466 |
| Per common share - Basic | \$ 0.35 | \$ (0.53) | \$ 1.34 | \$ 0.29 |
| Per common share - Diluted | \$ 0.35 | \$ (0.53) | \$ 1.34 | \$ 0.29 |
| Basic common shares outstanding | 72,950 | 70,349 | 75,791 | 71,249 |
| Diluted common shares outstanding | 72,950 | 70,349 | 75,791 | 71,249 |

Reconciliation of GAAP to Non-GAAP Measures – EBITDA and Adjusted EBITDA

| (\$ in thousands) | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|---------------|------------------------------------|------------|
| | 2011 | 2012 | 2011 | 2012 |
| Net income (loss) | \$ 22,665 | \$ (45,847) | \$ 88,651 | \$ 3,079 |
| Depreciation | 60,132 | 68,413 | 178,299 | 200,024 |
| Amortization of net lease discounts and lease incentives | 4,709 | 6,838 | 10,841 | 6,392 |
| Interest, net | 48,872 | 54,101 | 150,384 | 167,203 |
| Income tax provision | 1,237 | 1,701 | 6,041 | 5,976 |
| EBITDA | \$ 137,615 | \$ 85,206 | \$ 434,216 | \$ 382,675 |
| Adjustments: | | | | |
| Impairment of Aircraft | \$ 1,236 | \$ 78,676 | \$ 6,436 | \$ 88,787 |
| Non-cash share based payment expense | 1,619 | 1,128 | 4,692 | 3,233 |
| Loss (gain) on mark to market of interest rate derivative contracts | 117 | | 733 | (599) |
| Contract termination expense | | 1,248 | | 1,248 |
| Adjusted EBITDA | \$ 140,587 | \$ 166,258 | \$ 446,077 | \$ 475,343 |

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. We define Adjusted EBITDA as EBITDA (as defined above) further adjusted to give effect to adjustments required in calculating covenant ratios and compliance as that term is defined in the indenture governing our senior unsecured notes. Adjusted EBITDA is a material component of these covenants.

Reconciliation of GAAP to Non-GAAP Measures – Adjusted Net Income

| \$ in millions | <u>12 Months Ended December 31,</u> | | | | | <u>3 Months Ended</u> | | <u>9 Months Ended</u> | |
|---|-------------------------------------|-----------------|-----------------|----------------|-----------------|-----------------------|------------------|-----------------------|----------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | Sep-11 | Sep-12 | Sep-11 | Sep-12 |
| Net income (loss) | \$ 127.3 | \$ 115.3 | \$ 102.5 | \$ 65.8 | \$ 124.3 | \$ 22.7 | \$ (45.8) | \$ 88.7 | \$ 3.1 |
| Ineffective portion and termination of hedges ⁽²⁾ | 0.2 | 29.6 | 5.4 | 5.8 | 11.6 | 1.6 | 1.5 | 2.8 | 1.8 |
| Mark to market of interest rate derivative contracts ⁽³⁾ | (1.2) | 11.4 | (1.0) | 0.9 | 0.8 | 0.1 | - | 0.7 | (0.6) |
| Loan termination payment ⁽²⁾ | - | - | - | - | - | - | - | 3.2 | - |
| Write-off of deferred financing fees ⁽²⁾ | - | - | - | 2.5 | 2.5 | - | - | 2.5 | 2.9 |
| Stock compensation expense ⁽⁴⁾ | 6.7 | 6.5 | 6.9 | 7.5 | 5.8 | 1.6 | 1.1 | 4.7 | 3.2 |
| Term Financing No. 1 hedge loss amort. charges ⁽¹⁾⁽²⁾ | - | - | - | - | - | - | 4.5 | - | 8.9 |
| Contract termination expense | - | - | 4.0 | - | - | - | 1.2 | - | 1.2 |
| Adjusted net income (loss) | <u>\$ 133.0</u> | <u>\$ 162.9</u> | <u>\$ 117.8</u> | <u>\$ 82.5</u> | <u>\$ 145.0</u> | <u>\$ 26.0</u> | <u>\$ (37.5)</u> | <u>\$ 102.6</u> | <u>\$ 20.6</u> |
| Net income (loss) per common share - Diluted | \$ 1.90 | \$ 1.48 | \$ 1.31 | \$ 0.84 | \$ 1.66 | \$ 0.31 | \$ (0.65) | \$ 1.15 | \$ 0.04 |
| Adjusted net income (loss) per common share - Diluted | \$ 1.98 | \$ 2.09 | \$ 1.51 | \$ 1.05 | \$ 1.94 | \$ 0.35 | \$ (0.53) | \$ 1.34 | \$ 0.29 |

(1) Term Financing No. 1 hedge loss adjustment commenced in Q2:12. No historical experience to reflect.

(2) Included in Interest, net.

(3) Included in Other income (expense).

(4) Included in Selling, general and administrative expenses.

Management believes that Adjusted Net Income ("ANI"), 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. However, ANI is not a measure 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.

Reconciliation of GAAP to Non-GAAP Measures – Impairment Charges

The impact of the Q3:12 non-cash impairment charge was \$1.12 per diluted common share

| | Three Months Ended September 30, 2012 | |
|---|---------------------------------------|------------------|
| | \$ in thousands | Per Share |
| Net income, excluding non-cash impairment charges | \$ 32,829 | \$ 0.47 |
| Asset impairment charges | (78,676) | (1.12) |
| Net income (loss), as reported | <u>\$ (45,847)</u> | <u>\$ (0.65)</u> |

| | Three Months Ended September 30, 2012 | |
|--|---------------------------------------|------------------|
| | \$ in thousands | Per Share |
| Adjusted net income, excluding non-cash impairment charges | \$ 41,185 | \$ 0.59 |
| Asset impairment charges | (78,676) | (1.12) |
| Adjusted net income (loss), including impairment charges | <u>\$ (37,491)</u> | <u>\$ (0.53)</u> |

Reconciliation of GAAP to Non-GAAP Measures – Cash Flow from Operations

| | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>Q3'12</u> <u>TTM</u> | <u>9mos</u> <u>2011</u> | <u>9mos</u> <u>2012</u> |
|---|-----------------|-----------------|-----------------|-----------------|----------------------------|----------------------------|----------------------------|
| Net cash provided by operating activities | \$ 333.6 | \$ 327.6 | \$ 356.5 | \$ 359.4 | \$ 410.2 | \$ 255.2 | \$ 306.0 |
| Purchase of debt investments | 1.4 | 0.4 | (0.4) | (4.8) | (12.4) | (1.6) | (9.2) |
| Proceeds from sale of debt investments | (9.5) | 1.6 | (1.6) | 4.4 | (1.6) | 6.0 | 0.0 |
| Principal repayments on debt investments | 0.6 | (1.8) | (3.1) | (2.7) | (2.9) | (3.1) | (3.3) |
| Collateral call payments on derivatives and repurchase agreements | 3.4 | (3.2) | 18.5 | (1.8) | 19.7 | (7.4) | 14.1 |
| Collateral call receipts on derivatives and repurchase agreements | (2.3) | 6.1 | 8.7 | (0.8) | 5.7 | (3.5) | 2.9 |
| Changes in certain assets and liabilities: | (6.5) | 3.1 | 22.1 | (5.7) | 8.5 | (9.7) | 4.6 |
| Cash Flow from Operations before Changes in Working Capital | <u>\$ 340.1</u> | <u>\$ 324.6</u> | <u>\$ 334.4</u> | <u>\$ 365.1</u> | <u>\$ 401.6</u> | <u>\$ 264.8</u> | <u>\$ 301.4</u> |

Supplemental Financial Information

(In thousands)

| | Three Months Ended September 30, 2012 | | Nine Months Ended September 30, 2012 | |
|--|--|------------------------|---|------------------------|
| | Shares | Percent ⁽²⁾ | Shares | Percent ⁽²⁾ |
| <u>Weighted average shares</u> | | | | |
| Common shares outstanding – Basic | 70,349 | 99.19% | 71,249 | 99.17% |
| Unvested restricted common shares outstanding | 571 | .81% | 597 | .83% |
| Total weighted average shares outstanding | <u>70,921</u> | <u>100.00%</u> | <u>71,846</u> | <u>100.00%</u> |
| Common shares outstanding – Basic | 70,349 | 100.00% | 71,249 | 100.00% |
| Effect of dilutive shares ⁽¹⁾ | - | - | - | - |
| Common shares outstanding – Diluted | <u>70,349</u> | <u>100.00%</u> | <u>71,249</u> | <u>100.00%</u> |
| <u>Net income (loss) allocation</u> | | | | |
| Net income (loss) | (\$45,847) | 100.00% | \$ 3,079 | 100.00% |
| Distributed and undistributed earnings allocated to unvested restricted shares | 369 | (.81)% | (25) | (.83)% |
| Earnings (loss) available to common shares | <u>(\$45,478)</u> | <u>99.19%</u> | <u>\$ 3,054</u> | <u>99.17%</u> |
| <u>Adjusted net income (loss) allocation</u> | | | | |
| Adjusted net income (loss) | (\$37,491) | 100.00% | \$ 20,637 | 100.00% |
| Amounts allocated to unvested restricted shares | 302 | (.81)% | (171) | (.83)% |
| Amounts allocated to common shares | <u>(\$37,189)</u> | <u>99.19%</u> | <u>\$ 20,466</u> | <u>99.17%</u> |

(1) For the three and nine months ended September 30, 2012 the company had no dilutive shares.

(2) Percentages rounded to two decimal places.

Supplemental Financial Information

(in thousands)

| | Three Months Ended September 30, 2011 | | Nine Months Ended September 30, 2011 | |
|--|--|------------------------|---|------------------------|
| | Shares | Percent ⁽²⁾ | Shares | Percent ⁽²⁾ |
| <u>Weighted average shares</u> | | | | |
| Common shares outstanding – Basic | 72,950 | 98.69% | 75,791 | 98.74% |
| Unvested restricted common shares outstanding | 971 | 1.31% | 966 | 1.26% |
| Total weighted average shares outstanding | <u>73,921</u> | <u>100.00%</u> | <u>76,757</u> | <u>100.00%</u> |
| Common shares outstanding – Basic | 72,950 | 100.00% | 75,791 | 100.00% |
| Effect of dilutive shares ⁽¹⁾ | - | - | - | - |
| Common shares outstanding – Diluted | <u>72,950</u> | <u>100.00%</u> | <u>75,791</u> | <u>100.00%</u> |
| <u>Net income allocation</u> | | | | |
| Net income | \$ 22,665 | 100.00% | \$ 88,651 | 100.00% |
| Distributed and undistributed earnings allocated to unvested restricted shares | (298) | (1.31)% | (1,115) | (1.26)% |
| Earnings available to common shares | <u>\$ 22,367</u> | <u>98.69%</u> | <u>\$ 87,536</u> | <u>98.74%</u> |
| <u>Adjusted net income allocation</u> | | | | |
| Adjusted net income | \$ 25,987 | 100.00% | \$102,563 | 100.00% |
| Amounts allocated to unvested restricted shares | (341) | (1.31)% | (1,290) | (1.26)% |
| Amounts allocated to common shares | <u>\$ 25,646</u> | <u>98.69%</u> | <u>\$101,273</u> | <u>98.74%</u> |

(1) For the three and nine months ended September 30, 2011 the company had no dilutive shares.

(2) Percentages rounded to two decimal places.