Third Quarter 2015 Earnings Call

November 3, 2015

Forward-Looking Statements / Property of Aircastle

All statements included or incorporated by reference in this Presentation, other than characterizations of historical fact, are forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include, but are 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 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 our historical performance and that of our subsidiaries and on our current plans, estimates and expectations 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 can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any such forward-looking statements which are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this Presentation. These risks or uncertainties include, but are not limited to, those described from time to time in Aircastle’s filings with the SEC and previously disclosed under “Risk Factors” in Item 1 A of Aircastle’s 2014 Annual Report on Form 10-K and our Form 10-Q filed for the quarter ended June 30, 2015, and elsewhere in this Presentation. 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 expressly disclaims any obligation to revise or update publicly any forward-looking statement to reflect future events or circumstances.

Q3:15 Highlights

- **Accelerating Freighter Exits and Proactively Addressing Malaysian Bankruptcy**
  - Sold / selling four freighters; six older aircraft to be scrapped after current leases expire
  - Repossessed a 17-year old Boeing 777-200ER from Malaysian Airline System (MAS)

- **Strong Core Performance**
  - Net income was $52.0 million, excluding $66.0 million earnings impact from freighters and MAS
  - Solid cash return on equity and net cash interest margin; excellent fleet utilization

- **Disciplined growth while upgrading our portfolio**
  - Committed and closed $1.2 billion in new investments for 2015
  - Significant contribution from sales of mid-aged aircraft

- **Increased Quarterly Dividend to $0.24 per share**
  - Reflects operating cash flow and performance and portfolio quality improvements
  - 38th consecutive quarterly dividend

Q3:15 Achievements

Key Financial Metrics

- **Lease rental and finance lease revenue was $189.9 million, up 5.3%**
- **Net loss was $(14.0) million; $(0.17) per diluted share**
- **Net income, excluding freighter and MAS impairments, was $52.0 million**
  - $0.64 per diluted share
  - Adjusted EPS was $0.69 per diluted share
- **Adjusted EBITDA was $216.3 million**
- **Cash ROE was 14.5%; net cash interest margin was 9.2%**
- **Declared quarterly dividend of $0.24 per share**

Quarterly Highlights

- **Acquired seven aircraft for $233 million**
  - All narrow-bodies
  - Remaining disciplined in the face of strong competition
- **Completed the profitable sale of eight aircraft for $111 million**
  - Includes the sale of two MD-11 freighters
  - Gain on sale of $15.7 million
  - Continuing to tap into strong investor demand for older aircraft
- **Strong fleet performance**
  - 99.9% utilization
- **Continued progress on aircraft placements**
  - Average remaining lease term increased to 5.9 years

Note: Non-GAAP items reconciled in the Appendix.

Accelerating Freighter Market Exit

- **Sold / Agreed Sale of Four Older Freighters**
  - Sold two MD-11 freighters during Q3
  - Signed sales agreement for last MD-11 freighter with lessee; closing in Q1:16
  - Sold one 747-400 converted freighter in October

- **Designated Six Remaining 747-400 Converted Freighters as being on Last Leases**
  - Expect to sell these aircraft (weighted average age of 24 years) at scrap value at lease expiries
  - Anticipate exiting all these aircraft between 2016 and early 2018
  - Resulting Q3 pre-tax charges of $30.4 million
    - $34.6 million of impairment charges and $1.9 million of additional depreciation
    - Offset by $6 million of maintenance and other revenue
    - Our depreciation run rate will increase ~$0.14/share for 2016

- **Expect to Hold Five Remaining Freighters – Newer Factory-Built 747-400s**
  - Weighted average age is 8 years
  - Leased to Emirates (two a/c), AirBridge Cargo (two a/c) and CargoLogicAir[1] (one a/c)
  - ~8% of total net book value at September 30, 2015

1. *CargoLogicAir is a UK affiliate of AirBridge Cargo.*

Impact of Freighter Exits & MAS Impairments

($ in millions except per share amounts)	Q3:15 Results	747 Freighters	MAS 777 Repo	Adjusted Q3:15 Results
Revenues				
Lease Rentals	$ 188.0	$ 0.2	$	$ 187.9
Maintenance / Other Revenues	24.0	5.9	1.2	17.0
Total Revenues	212.1	6.0	1.2	204.8
Operating Expenses				
Depreciation	85.3	1.9		83.4
Aircraft Impairment Charges	78.4	34.6	37.8	6.1
All Other Expenses	76.9			76.9
Total Operating Expenses	240.7	36.5	37.8	166.4
Other Income (Expense)				
Gain on Sale of Flight Equipment	15.7			15.7
All Other Income (Expense)	0.1			0.1
Total Other Income (Expense)	15.8			15.8
Pre-Tax Income	(12.8)	(30.4)	(36.6)	54.2
Income Taxes	(2.7)	1.0		(3.7)
Joint Venture Income	1.6			1.6
Net Income (Loss)	$ (14.0)	$ (29.4)	$ (36.6)	$ 52.0
Per Share	$ (0.17)	$ (0.36)	$ (0.45)	$ 0.64
ANI Per Share	$ (0.12)	$ (0.36)	$ (0.45)	$ 0.69

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2015 Portfolio Activity

- **Acquisitions and sales activity driving significant portfolio improvement**

2015 Acquisitions & Sales Through Q3:15		
	Acquisitions	**Sales**
Investments / Sales Proceeds	**$1.0 billion**	**$340 million**
Aircraft Average Age	**4 years**	**15 years**
Aircraft Mix (# of Units)		
Narrow-bodies	**31**	**14**
Wide-bodies	**1**	**4**
Freighters	**None**	**2**
Total # of Aircraft	**32**	**20**

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2015 Sales

- **Sales of mid-aged aircraft contributing meaningfully to Aircastle's profitability**
  - Both narrow-body and wide-body sales have been profitable, but not freighters
- **Sales activity continuing in Q4**
  - Completed transactions so far include one older A330, our last 767 and one 747-400 freighter

2015 Asset Sales Through Q3:15						
$ in millions	#Aircraft	Wtd Avg Age (yrs)	Mtx Revenue	Gain (Loss) on Sale	Impairments	Pre-Tax Impact
Narrow-bodies	14	14.4	$ 7.0	$ 30.6	$ (5.3)	$ 32.3
Wide-bodies	4	15.8	-	12.8	-	12.8
Freighters	2	17.7	11.4	(0.4)	(17.9)	(6.8)
Total	20	14.9	$ 18.4	$ 43.0	$ (23.2)	$ 38.3

Positive Portfolio Trends

- **Grew portfolio by $2.1 billion in past 5 years**
- **Built $3.7 billion unencumbered aircraft base**
- **Fleet mix shifted to younger passenger aircraft; increased remaining lease term**

$ in billions	Q3:10	Q3:12	Q3:14	Q3:15	Q3:15 vs Q3:10
Flight Equipment Held for Lease[1]	$3.9	$4.7	$5.3	$6.0	+$2.1
Unencumbered Flight Equipment	--	$2.0	$2.9	$3.7	+$3.7
Number of Aircraft	132	157	140	160	+28
Number of Unencumbered Aircraft	--	70	85	109	+109
Passenger Aircraft (% of NBV)	70%	70%	84%	88%	+18%
Wtd. Avg. Fleet Age (years)[2]	11.2	11.0	8.6	7.7	-3.5
Wtd. Avg. Lease Term (years)[3]	4.6	4.9	5.0	5.9	+1.3

1. *Calculated using net book value of flight equipment held for lease and net investment in finance leases at period end.*
2. *Weighted average age by net book value.*
3. *Weighted average remaining lease term by net book value.*

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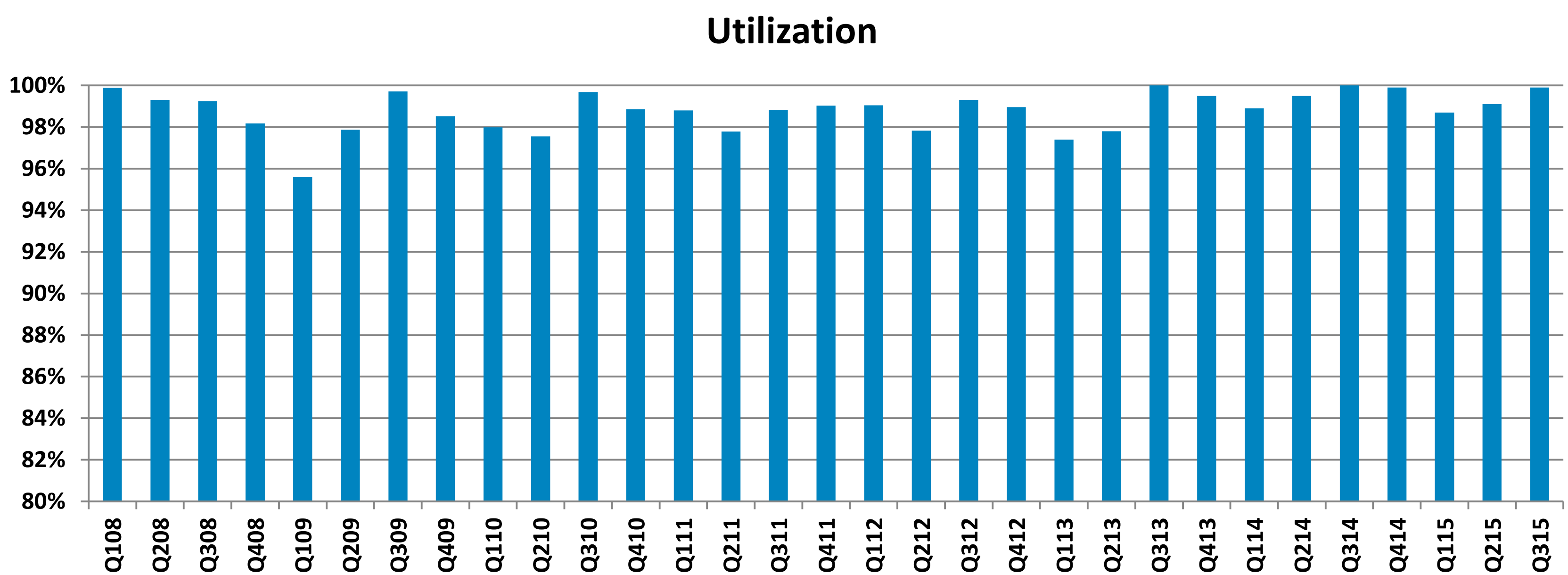
Leasing Activity & Portfolio Performance

- **99.9% utilization[1] during Q3:15, consistent with strong performance over time**
- **2015 placement needs completed except for 777-200ER ex-MAS**
- **Only four aircraft with NBV of ~2% of total left to place in 2016**
  - Consists of one freighter we expect to sell, two narrow-bodies and one wide-body



1. *Aircraft on-lease days as a percent of total days in period weighted by NBV.*

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Q3:15 Revenue Summary

- **Lease rental & finance lease revenue of $189.9 million increased by $9.6 million vs Q3:14**
  - $47.6 million higher from aircraft acquisitions, partially offset by aircraft sales and lease extensions
- **Maintenance revenue rose $19.9 million due to lease terminations**
- **Other revenues increased from $2.5 million to $8.6 million primarily due to termination fees associated with three MD-11 freighters**

Revenue Summary		
$ millions	Q3:15	Q3:14
Lease Rental & Finance Lease Revenue	$ 189.9	$ 180.3
Amortization of Lease Premiums, Discounts and Incentives	(2.1)	(1.1)
Maintenance Revenue	15.7	(4.2)
Total Lease Rentals	203.5	175.1
Other Revenue	8.6	2.5
Total Revenues	$ 212.1	$ 177.6

Q3:15 Earnings Summary

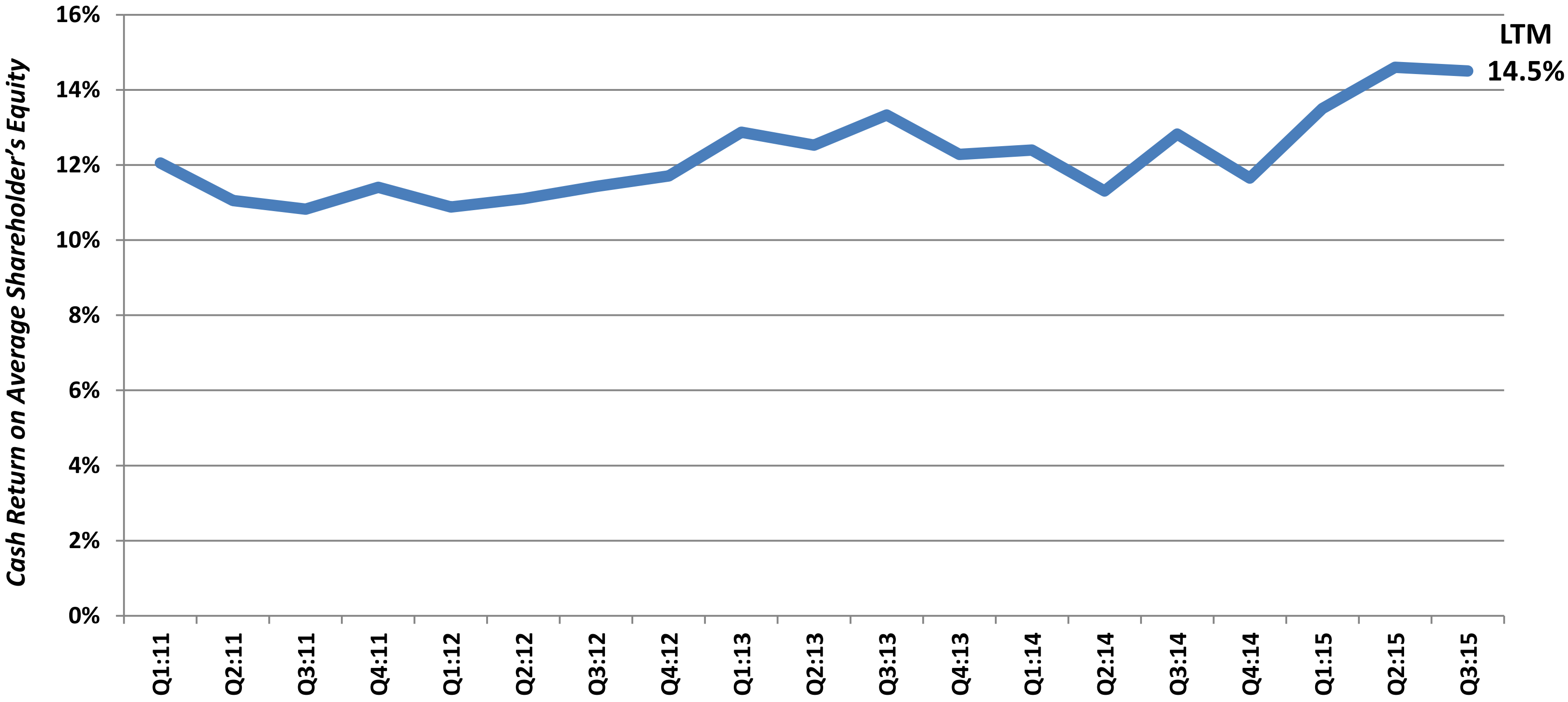
- **Adjusted net loss was $(9.7) million, vs adjusted net income of $26.5 million in Q3:14**
  - Higher total revenues of $34.5 million and higher gain on sale of $4.3 million, offset by
  - Higher aircraft impairment charges of $58.0 million
- **Adjusted EBITDA was $216.3 million, up $38.9 million vs Q3:14**
  - Reflects higher total revenues, excluding amortization, of $34.5 million and higher gain on sale of flight equipment of $4.3 million

Earnings Summary		
$ millions, except per share amounts	**Q3:15**	**Q3:14**
Net Income (Loss)	**$ (14.0)**	**$ 19.2**
per diluted common share	***$ (0.17)***	***$ 0.24***
Adjusted Net Income (Loss)	**$ (9.7)**	**$ 26.5**
per diluted common share	***$ (0.12)***	***$ 0.33***
EBITDA	**$136.5**	**$156.0**
Adjusted EBITDA	**$216.3**	**$177.4**

Note: Non-GAAP items reconciled in the Appendix.

Strong Cash ROE Performance

- **Trailing twelve month Cash ROE has averaged 12.2% since year-end 2010**
- **Cash ROE benefiting from asset sales and increasing operating cash flows**
- **Rising cash returns and profitability driving dividend growth**



Note: Cash ROE = Cash Flow From Operations plus collections on finance leases and gain (loss) on sale of flight equipment less depreciation plus distributions received from our Joint Venture with Ontario Teachers', divided by average shareholder's equity. Average Shareholder's Equity is the average of the most recent five quarters period end shareholder's equity. The ratio is calculated on a rolling 12 month basis.

Balanced Capital Allocation Framework

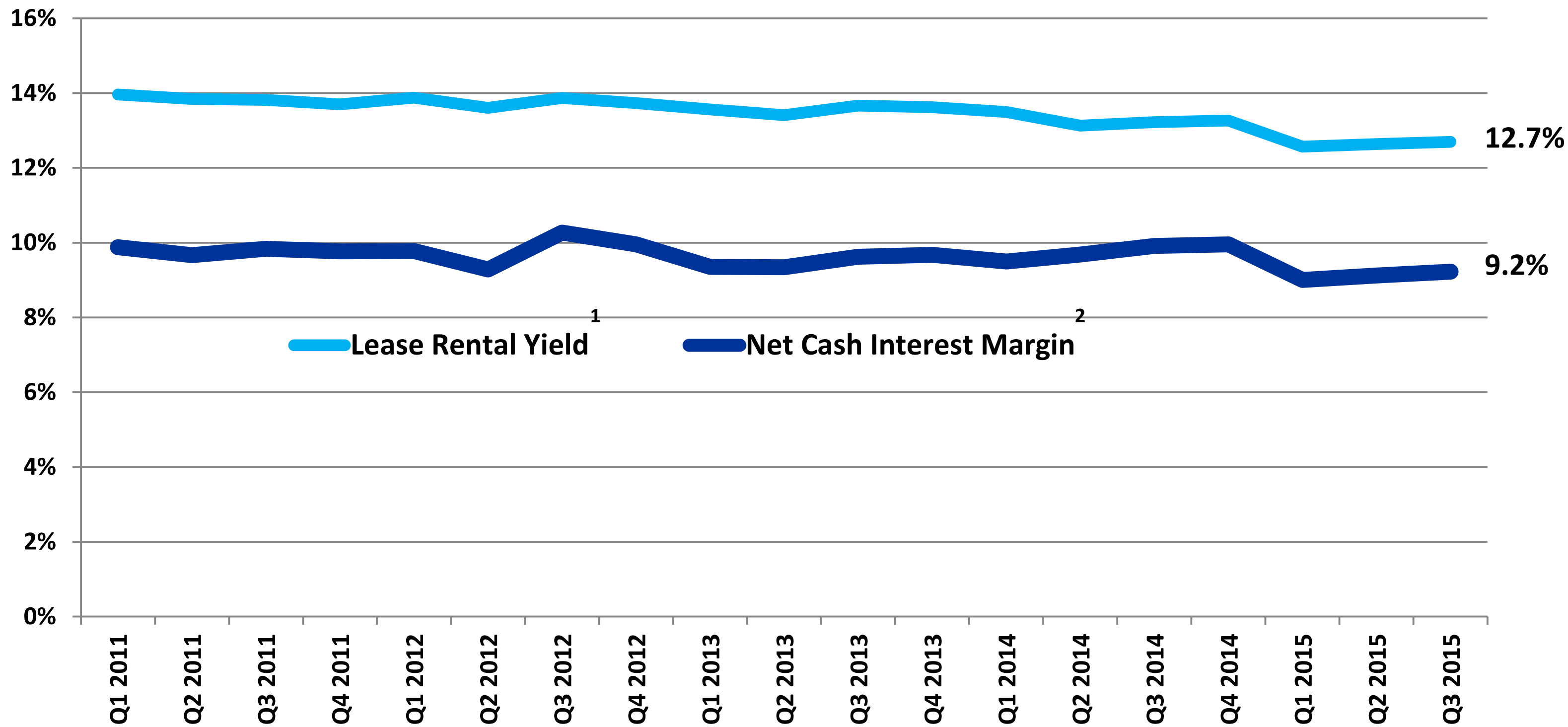
- Increase ROE over time through new investments and aircraft sales
  - ***NBV of flight equipment up $1.9 billion since Q1:11***
- Return capital to shareholders
  - ***$261 million of dividends paid since Q1:11***
- Opportunistically repurchase shares at a discount to book value
  - ***Share repurchases of $138.5 million since Q1:11***

$400 million of capital returned to shareholders since 2011;
TSR[1] of 169% vs. 85% for S&P 500 Index

1. Source: Bloomberg. Total Shareholder's Return ("TSR") includes cumulative gross dividends plus share price appreciation from December 31, 2010 through the close on November 2, 2015.

Rental Yields and Net Cash Interest Margins

- **Recent newer aircraft acquisitions resulting in lower revenue yields**
- **Proactive liability management contributing to strong Net Cash Interest Margins**



1. *Lease Rental Yield = Operating lease rental revenue / average monthly NBV of flight equipment for the period calculated on a quarterly basis, annualized.*
2. *Net Cash Interest Margin = Lease Rental Yield minus Interest on borrowings, net of settlements on interest rate derivatives, and other liabilities / average monthly NBV of flight equipment for the period calculated on a quarterly basis, annualized.*

Q3:15 Capital Structure Summary

- **Net debt to equity of 2.2 times; unsecured debt to total debt 68%**
- **Change in weighted average cash interest expense reflects higher mix of unsecured debt**
- **Average remaining life of debt is 4.2 years; no debt maturities until 2017**
- **$550 million in unsecured revolver capacity available[1]; unrestricted cash of $149 million**

	As of Sept 30, 2015		As of Dec 31, 2014		As of Dec 31, 2013	
	$MM	Rate[2]	$MM	Rate[2]	$MM	Rate[2]
Total Secured Debt	1,299	3.00%	1,396	2.96%	1,587	3.17%
Total Unsecured Debt	2,750	5.84%	2,400	5.70%	2,151	6.99%
Total Debt & Wtd Avg Rate[3]	4,049	4.93%	3,796	4.69%	3,737	5.37%
Shareholders' Equity	1,760		1,720		1,646	
Net Debt to Equity	2.2x		2.1x		1.9x	
Unsecured debt to total debt	68%		63%		58%	

1. *Bank revolver was increased to $600 million from $450 million on January 26, 2015. As of September 30, 2015, $50 million of the bank revolver was drawn.*
2. *Reflects fixed swap rate in effect plus the margin for Securitization No. 2. With the exception of five variable rate Bank Financings and Revolving Credit facility borrowings, all other debt, including ECA Term Financings, all other Bank Financings and the Senior Notes due 2017 through 2022 are fixed rate financings.*
3. *The debt totals in the above table do not include debt issuance costs which are reflected in the net debt totals that are displayed on the consolidated balance sheet.*

Selected Financial Guidance Elements for Q4:15

$ in millions

Guidance Item	Q4:15[1]
Lease rental revenue	$178 - $182
Finance lease revenue	$1 - $2
Maintenance revenue	$6 - $8
Amortization of lease premiums, discounts and incentives	$(5) - $(6)
SG&A	$14 - $15
Depreciation	$79 - $81
Interest, net[2]	$59 - $60
Gain on sale	$5 - $10
Full year effective tax rate	13% - 14%

1. *Excludes the impact of lease end part outs.*
2. *Includes non-cash hedge loss amortization charges related to the payoff of Securitization No.1 of $2.7 million.*

Appendix

Diversified Customer Base with Broad Geographic Distribution

- **51 airline customers across the globe**
  - Largest individual exposure is 6.4% of total NBV
- **Large, national flag carriers comprise most of our top customers**
- **Regional distribution evolving with global trends**
  - Asian customers now 42% of portfolio NBV vs. 20% at YE 2009
  - European exposure now 27% of total NBV vs. 46% at YE 2009
- **Airline customers based in 32 countries**

Top Ten Lessees			
% of NBV[1]	**Customer**	**Country**	**#Aircraft**
> 6% per Customer	LATAM	Chile	3
	Lion Air	Indonesia	11
4% to 6% per Customer	Iberia	Spain	18
	South African Airways	South Africa	4
	Avianca Brazil	Brazil	7
	Thai Airways	Thailand	2
	Singapore Airlines	Singapore	4
	AirBridgeCargo	Russia	3
	AirAsia X	Malaysia	3
	Air Berlin	Germany	12

Top Ten Countries		
Country	**# A/C**	**% of NBV[1]**
Indonesia	17	10.6%
Malaysia	11	7.7%
Brazil	12	7.2%
Chile	3	6.4%
Spain	18	5.9%
Russia	6	5.5%
South Africa	4	5.0%
Thailand	2	5.0%
Singapore	4	4.9%
Germany	12	4.4%

1. *Percentage of net book value. Figures as of September 30, 2015.*

Aircraft Fleet Evolution

- **Significant shift away from freighter and classic generation aircraft**
- **Recent investments oriented heavily towards narrow-bodies**

Fleet Distribution as a % of Total Net Book Value						
Aircraft Type		**Q3 2010**	**Q3 2012**	**Q3 2014**	**Q3 2015**	**Q3:15 vs Q3:10**
Current Generation Narrow-bodies*	**NBV**	**35%**	**33%**	**30%**	**43%**	**+8%**
	# of Aircraft	**58**	**72**	**75**	**107**	**+49**
Current Generation Wide-bodies	**NBV**	**22%**	**28%**	**51%**	**44%**	**+22%**
	# of Aircraft	**16**	**22**	**34**	**33**	**+17**
Freighters	**NBV**	**30%**	**30%**	**16%**	**12%**	**-18%**
	# of Aircraft	**22**	**26**	**16**	**13**	**-9**
Classic Generation Aircraft	**NBV**	**13%**	**9%**	**3%**	**1%**	**-12%**
	# of Aircraft	**36**	**37**	**15**	**7**	**-29**

**Includes Embraer E-Jets*

Capital Structure & Liquidity Summary

($ in millions)	As of Sept. 30, 2015		As of Dec. 31, 2014		As of Dec. 31, 2013	
Unrestricted cash and cash equivalents	$ 149		$ 170		$ 655	
Debt	O / S	Rate[1]	O / S	Rate[1]	O / S	Rate[1]
Securitization No. 1		5.78%		5.78%	225	5.78%
Securitization No. 2	230	1.58%	392	1.58%	604	1.58%
ECA Term Financings	416	3.57%	450	3.57%	494	3.57%
Bank Financings	653	3.15%	555	3.44%	264	3.81%
Total Secured Debt	1,299	3.00%	1,396	2.96%	1,587	3.17%
Bank Revolver	50	2.44%	200	2.41%		
Senior Notes due 2017	500	6.75%	500	6.75%	500	6.75%
Senior Notes due 2018		9.75%		9.75%	451	9.75%
Senior Notes due 2018	400	4.63%	400	4.63%	400	4.63%
Senior Notes due 2019	500	6.25%	500	6.25%	500	6.25%
Senior Notes due 2020	300	7.63%	300	7.63%	300	7.63%
Senior Notes due 2021	500	5.13%	500	5.13%		
Senior Notes due 2022	500	5.50%				
Total Unsecured Debt	2,750	5.84%	2,400	5.70%	2,151	6.99%
Total Debt and Weighted Avg. Rate[2]	4,049	4.93%	3,796	4.69%	3,737	5.37%
Shareholders' equity	1,760		1,720		1,646	
Total capitalization	$ 5,810		$ 5,517		$ 5,383	
Net debt to equity	2.2 x		2.1 x		1.9 x	
Unsecured debt to total debt	68%		63%		58%	

1. *Reflects fixed swap rate in effect plus the margin for Securitization No. 2. With the exception of five variable rate Bank Financings and our Revolving Credit Facility, all other debt, including ECA Term Financings, all other Bank Financings and the Senior Notes due 2017 through 2022 are fixed rate financings.*
2. *The debt totals in the above table do not include debt issuance costs which are reflected in the net debt totals that are displayed on the consolidated balance sheet.*

Supplemental Financial Information

in thousands, except per share amounts	Three Months Ended Sept. 30, 2015	Three Months Ended Sept. 30, 2014	Nine Months Ended Sept. 30, 2015	Nine Months Ended Sept. 30, 2014
Revenues	$ 212,074	$ 177,596	$ 610,935	$ 580,345
EBITDA	$ 136,538	$ 156,023	$ 515,014	$ 453,022
Adjusted EBITDA	$ 216,311	$ 177,408	$ 621,133	$ 559,083
Adjusted net income (loss)	$ (9,679)	$ 26,545	$ 88,007	$ 87,497
Adjusted net income (loss) allocable to common shares	$ (9,679)	$ 26,348	$ 87,352	$ 86,868
Per common share - Basic	$ (0.12)	$ 0.33	$ 1.08	$ 1.08
Per common share - Diluted	$ (0.12)	$ 0.33	$ 1.08	$ 1.08
Basic common shares outstanding	80,566	80,390	80,566	80,389
Diluted common shares outstanding	80,566	80,390	80,566	80,389

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

	Three Months Ended Sept. 30, 2015	Three Months Ended Sept. 30, 2014	Nine Months Ended Sept. 30, 2015	Nine Months Ended Sept. 30, 2014
	(Dollars in thousands)			
Net income (loss)	$ (13,989)	$ 19,151	$ 71,088	$ 28,064
Depreciation	85,324	75,519	237,538	225,230
Amortization of net lease discounts and lease incentives	2,113	1,075	10,288	7,252
Interest, net	60,381	56,794	184,063	181,551
Income tax provision	2,709	3,484	12,037	10,925
EBITDA	$ 136,538	$ 156,023	$ 515,014	$ 453,022
Adjustments:				
Impairment of aircraft	78,403	20,436	102,358	67,005
Loss on extinguishment of debt	—	—	—	36,570
Non-cash share based payment expense	1,424	949	3,981	3,167
Gain on mark to market of interest rate derivative contracts	(54)	—	(220)	(681)
Adjusted EBITDA	$ 216,311	$ 177,408	$ 621,133	$ 559,083

We define EBITDA as income (loss) 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-US GAAP measure is helpful in identifying trends in our performance. This measure provides an assessment of controllable expenses and affords management the ability to make decisions which are expected to facilitate meeting current financial goals as well as achieving optimal financial performance. It provides an indicator for management to determine if adjustments to current spending decisions are needed. EBITDA provides us with a measure of operating performance because it assists us in comparing our operating performance on a consistent basis as it removes the impact of our capital structure (primarily interest charges on our outstanding debt) and asset base (primarily depreciation and amortization) from our operating results. Accordingly, this metric measures our financial performance based on operational factors that management can impact in the short-term, namely the cost structure, or expenses, of the organization. EBITDA is one of the metrics used by senior management and the board of directors to review the consolidated financial performance of our business. 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

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2015	2014	2015	2014
	(Dollars in thousands)			
Net income (loss)	$ (13,989)	$ 19,151	$ 71,088	$ 28,064
Loss on extinguishment of debt [2]	—	—	—	36,570
Ineffective portion and termination of hedges [1]	215	(21)	509	41
Gain on mark to market of interest rate derivative contracts [2]	(54)	—	(220)	(681)
Non-cash share based payment expense [3]	1,424	949	3,981	3,167
Term Financing No. 1 hedge loss amortization charges [1]	—	3,601	4,401	11,544
Securitization No. 1 hedge loss amortization charges [1]	2,725	2,865	8,248	8,792
Adjusted net income (loss)	$ (9,679)	$ 26,545	$ 88,007	$ 87,497

1. Included in Interest, net.
2. Included in Other income (expense).
3. Included in Selling, general and administrative expenses.

Management believes that ANI, when viewed in conjunction with the Company's results under US GAAP and the above reconciliation, provides useful information about operating and period-over-period performance, and provides 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, changes related to refinancing activity and non-cash share based payment expense.

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Reconciliation of GAAP to Non-GAAP Measures – Cash Earnings and Cash ROE

Quarter Ending	Cash Flow from Operations	Collections on Finance Leases	Gain/(Loss) on Sale of Flight Equipment	Depreciation	Distributions from Joint Venture	Cash Earnings	Cash Earnings Trailing 12 Months	LTM Average Shareholders' Equity	Cash ROE
3/31/2011	$63,507		$9,662	($59,591)		$13,578	$159,148	$1,319,984	12.1%
6/30/2011	$99,776		$10,299	($58,576)		$51,499	$147,383	$1,333,723	11.1%
9/30/2011	$91,890		$8,997	($60,132)		$40,755	$145,816	$1,346,677	10.8%
12/31/2011	$104,204		$10,134	($63,804)		$50,534	$156,366	$1,370,513	11.4%
3/31/2012	$72,966		$196	($64,514)		$8,648	$151,436	$1,391,290	10.9%
6/30/2012	$119,142	$1,476	$2,855	($67,097)		$56,376	$156,313	$1,407,491	11.1%
9/30/2012	$113,848	$565	$11	($68,413)		$46,011	$161,569	$1,413,218	11.4%
12/31/2012	$121,321	$1,811	$2,685	($69,896)		$55,921	$166,956	$1,425,658	11.7%
3/31/2013	$92,747	$1,845	$1,192	($69,900)		$25,884	$184,192	$1,431,146	12.9%
6/30/2013	$100,692	$2,207	$21,317	($72,079)		$52,137	$179,953	$1,436,324	12.5%
9/30/2013	$125,874	$2,606	$3,092	($70,469)		$61,103	$195,045	$1,462,886	13.3%
12/31/2013	$104,724	$2,850	$11,619	($72,476)		$46,717	$185,841	$1,513,156	12.3%
3/31/2014	$102,991	$2,773	$1,110	($73,927)	$388	$33,335	$193,292	$1,558,848	12.4%
6/30/2014	$111,014	$3,446	$884	($75,784)	$263	$39,823	$180,978	$1,600,660	11.3%
9/30/2014	$151,970	$1,877	$11,390	($75,519)	$346	$90,064	$209,939	$1,637,202	12.8%
12/31/2014	$92,811	$2,216	$9,762	($74,135)	($330)	$30,324	$193,546	$1,661,228	11.7%
3/31/2015	$132,928	$2,274	$6,253	($74,846)	($52)	$66,557	$226,768	$1,682,857	13.5%
6/30/2015	$116,678	$2,521	$21,102	($77,368)	$167	$63,100	$250,045	$1,711,152	14.6%
9/30/2015	$158,864	$1,973	$15,679	($85,324)	$201	$91,393	$251,374	$1,735,012	14.5%

Note: LTM Average Shareholders' Equity is the average of the most recent five quarters period end Shareholders' Equity. Management believes that the cash return on equity metric (Cash ROE) when viewed in conjunction with the Company's results under US 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 impacts related to non-cash revenue and expense items and interest rate derivative accounting, while recognizing the depreciating nature of our assets.

Except for percentages, all figures are $ in thousands.

Net Cash Interest Margin Calculation

	Average NBV of Flight Equipment	Quarterly Lease Rental Revenue	Cash Interest[1]	Annualized Net Cash Interest Margin
Q1:11	$ 4,041,967	$ 141,116	$ 41,278	9.9%
Q2:11	$ 4,143,446	$ 143,356	$ 43,217	9.7%
Q3:11	$ 4,222,512	$ 145,890	$ 42,066	9.8%
Q4:11	$ 4,374,921	$ 149,848	$ 43,041	9.8%
Q1:12	$ 4,388,008	$ 152,242	$ 44,969	9.8%
Q2:12	$ 4,516,973	$ 153,624	$ 48,798	9.3%
Q3:12	$ 4,602,185	$ 159,546	$ 41,373	10.3%
Q4:12	$ 4,605,783	$ 158,090	$ 43,461	10.0%
Q1:13	$ 4,619,204	$ 156,590	$ 48,591	9.4%
Q2:13	$ 4,711,790	$ 157,918	$ 47,869	9.3%
Q3:13	$ 4,717,877	$ 161,148	$ 47,682	9.6%
Q4:13	$ 4,972,040	$ 169,274	$ 49,080	9.7%
Q1:14	$ 5,168,851	$ 174,335	$ 51,685	9.5%
Q2:14	$ 5,582,359	$ 183,231	$ 48,172	9.7%
Q3:14	$ 5,412,299	$ 178,886	$ 44,820	9.9%
Q4:14	$ 5,373,733	$ 178,202	$ 44,459	10.0%
Q1:15	$ 5,637,513	$ 177,146	$ 50,235	9.0%
Q2:15	$ 5,850,516	$ 184,839	$ 51,413	9.1%
Q3:15	$ 5,926,459	$ 188,038	$ 51,428	9.2%

1. *Excludes loan termination payments of $3.2 million and $3.0 million in the second quarter of 2011 and 2013 respectively.*

Except for percentages, all figures are $ in thousands.

Supplemental Financial Information

(amounts in thousands)	Three Months Ended Sept. 30, 2015		Nine Months Ended Sept. 30, 2015	
Weighted-average shares[1]:	**Shares**	**Percent[2]**	**Shares**	**Percent[2]**
Common shares outstanding – Basic	80,566	99.21%	80,566	99.26%
Unvested restricted common shares	645	0.79%	604	0.74%
Total weighted-average shares outstanding	81,212	100.00%	81,170	100.00%
Common shares outstanding – Basic	80,566	100.00%	80,565	100.00%
Effect of dilutive shares[1]	---	---	---	---
Common shares outstanding – Diluted	80,566	100.00%	80,565	100.00%
Net income (loss) allocation				
Net income (loss)	$ (13,989)	100.00%	$ 71,088	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	---	---	(529)	-0.74%
Earnings (loss) available to common shares	$ (13,989)	100.00%	$ 70,559	99.26%
Adjusted net income (loss) allocation				
Adjusted net income (loss)	$ (9,679)	100.00%	$ 88,007	100.00%
Amounts allocated to unvested restricted shares	---	---	(655)	-0.74%
Amounts allocated to common shares	$ (9,679)	100.00%	$ 87,352	99.26%

1. *The Company had no dilutive common share equivalents for the period presented.*
2. *Percentages rounded to two decimal places.*

Supplemental Financial Information

(amounts in thousands)		Three Months Ended Sept. 30, 2014			Nine Months Ended Sept. 30, 2014	
Weighted-average shares[1]:		**Shares**	**Percent[2]**		**Shares**	**Percent[2]**
Common shares outstanding – Basic		80,390	99.26%		80,389	99.28%
Unvested restricted common shares		601	0.74%		582	0.72%
Total weighted-average shares outstanding		80,991	100.00%		80,971	100.00%
Common shares outstanding – Basic		80,390	100.00%		80,389	100.00%
Effect of dilutive shares[1]		---	---		---	---
Common shares outstanding – Diluted		80,390	100.00%		80,389	100.00%
Net income allocation						
Net income	$	19,151	100.00%	$	28,064	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares		(142)	-0.74%		(202)	-0.72%
Earnings available to common shares	$	19,009	99.26%	$	27,862	99.28%
Adjusted net income allocation						
Adjusted net income	$	26,545	100.00%	$	87,497	100.00%
Amounts allocated to unvested restricted shares		(197)	-0.74%		(629)	-0.72%
Amounts allocated to common shares	$	26,348	99.26%	$	86,868	99.28%

1. *The Company had no dilutive common share equivalents for the period presented.*
2. *Percentages rounded to two decimal places.*

Limitations of EBITDA, Adjusted EBITDA, ANI, Cash ROE and Net Cash Interest Margin

An investor or potential investor may find EBITDA, Adjusted EBITDA , ANI, Cash Earnings, Cash ROE and Net Cash Interest Margin important measures in evaluating our performance, results of operations and financial position. We use these non-US GAAP measures to supplement our US GAAP results in order to provide a more complete understanding of the factors and trends affecting our business.

EBITDA, Adjusted EBITDA, ANI, Cash Earnings, Cash ROE and Net Cash Interest Margin have limitations as analytical tools and should not be viewed in isolation or as substitutes for US GAAP measures of earnings. Material limitations in making the adjustments to our earnings to calculate EBITDA, Adjusted EBITDA, ANI, Cash Earnings, Cash ROE and Net Cash Interest Margin and using these non-US GAAP measures as compared to US GAAP net income, income from continuing operations and cash flows provided by or used in operations, include:

- depreciation and amortization, though not directly affecting our current cash position, represent the wear and tear and/or reduction in value of our aircraft, which affects the aircraft's availability for use and may be indicative of future needs for capital expenditures;
- the cash portion of income tax (benefit) provision generally represents charges (gains), which may significantly affect our financial results;
- elements of our interest rate derivative accounting may be used to evaluate the effectiveness of our hedging policy; hedge loss amortization charges related to Term Financing No. 1 and Securitization No. 1; and
- adjustments required in calculating covenant ratios and compliance as that term is defined in the indenture governing our senior unsecured notes.

EBITDA, Adjusted EBITDA, ANI, Cash Earnings, Cash ROE and Net Cash Interest Margin are not alternatives to net income, income from operations or cash flows provided by or used in operations as calculated and presented in accordance with US GAAP. You should not rely on these non-US GAAP measures as a substitute for any such US GAAP financial measure. We strongly urge you to review the reconciliations to US GAAP net income, along with our consolidated financial statements included elsewhere in our Annual Report. We also strongly urge you to not rely on any single financial measure to evaluate our business. In addition, because EBITDA, Adjusted EBITDA, ANI, Cash Earnings, Cash ROE and Net Cash Interest Margin are not measures of financial performance under US GAAP and are susceptible to varying calculations, EBITDA, Adjusted EBITDA, ANI, Cash Earnings, Cash ROE and Net Cash Interest Margin as presented here, may differ from and may not be comparable to, similarly titled measures used by other companies.