AIRCASTLE

Second Quarter 2016 Earnings Call

August 4, 2016

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 2015 Annual Report on Form 10-K 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.

Key Q2 2016 Themes

Harnessing the Market's Volatility to our Advantage

Continuing to De-risk our Business

Delivering Strong Results

Harnessing the Market's Volatility to our Advantage

Fertile environment for our "value oriented" investment strategy

Capitalizing on our reputation as a reliable trading partner

$1.3 billion in closed, committed and awarded deals (vs. $1.4 billion closed for all of 2015)

Acting quickly to access well priced financing during market windows

Readily deployable "war chest" not tied up with large, long term commitments

Continuing to De-risk our Business

Executed leases for three new 737-800s bought on spec

Signed our first three Embraer E2 order stream lease placements

Accelerated exit from freighters with the sale of two older 747s

Completed our annual fleet review for freighters and wide-body aircraft and wrote down one older A330-200

Enlarged our unencumbered asset base

Delivering Strong Results

Delivered trailing twelve month cash ROE of 14%

Achieved 99% utilization rate and low receivables balance

Expanded customer base by eleven airlines over the past year to a total of 63

Year-to-date gain on aircraft sales of $15 million

Declared dividend of $0.24 per common share

Marking the 10th Anniversary of our IPO

Since August 2006 . . .

Grew aircraft portfolio by nearly 4 ½ times in value

Delivered consistently strong portfolio performance

41 consecutive quarterly dividends

Returned $840 million to shareholders

Key Financial Metrics – Q2:16

Net income was $20.0 million

$0.25 per diluted common share

Excluding net impairment charges, $0.41 per diluted common share

Adjusted net income was $24.2 million

$0.31 per diluted common share

Excluding net impairment charges, $0.47 per diluted common share

Adjusted EBITDA was $182.4 million

Lease rental and finance lease revenues decreased 3% to $180.3 million

Cash ROE was 14.0% and Net cash interest margin was 8.5%

Note: Non-GAAP items reconciled in the Appendix.

2016 Financing Activity

Closed $400 million secured bank loan financing

Seven year maturity; secured by seventeen aircraft

Repaid Securitization No. 2 in May

Freed up over $500 million in collateral

Completed inaugural $120 million unsecured loan in Japanese bank market

Three year term with seven institutions led by DBJ

Enlarged unsecured revolver to $675 million

Extended term one year to 2020; provides additional flexibility

Issued $500 million of unsecured notes

5.00% coupon with maturity in 2023

Acquisitions & Sales

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More attractive investment opportunities, particularly for secondary market deals

Acquisitions centering on mid-aged, current technology narrow-body aircraft

Continuing to de-risk our portfolio

2016 Acquisitions & Sales		
	Acquisitions[1]	**Completed Sales**
Investments / Sales Proceeds	**$660 million**	**$340 million**
Total Number of Aircraft	**22**	**14**
Narrow-bodies	**19**	**11**
Wide-bodies	**3[2]**	**3**
Freighters	**0**	**2[3]**

1. *Closed deals only through June 30, 2016.*
2. *Assumed to be on last leases.*
3. *Sales completed in July 2016.*

Positive Portfolio Trends

Expanded owned fleet by $2.1 billion in past five years

Shifted fleet mix to younger aircraft with longer remaining lease terms

$ in billions	Q2:11	Q2:12	Q2:13	Q2:14	Q2:15	Q2:16	Q2:16 vs Q2:11
Flight Equipment Held for Lease[1]	$4.1	$4.7	$4.8	$5.7	$6.1	$6.2	+$2.1
Wtd. Avg. Fleet Age (years)[2]	10.9	11.1	10.8	8.6	8.0	7.7	-3.2
Wtd. Avg. Lease Term (years)[3]	4.8	4.9	4.7	4.9	5.8	5.5	+0.7
Managed Aircraft[1]	-	-	-	$0.2	$0.6	$0.6	+$0.6

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.*

Aircraft Fleet Evolution

Doubled the number of current generation narrow-body aircraft

Freighter and classic generation aircraft declining steadily

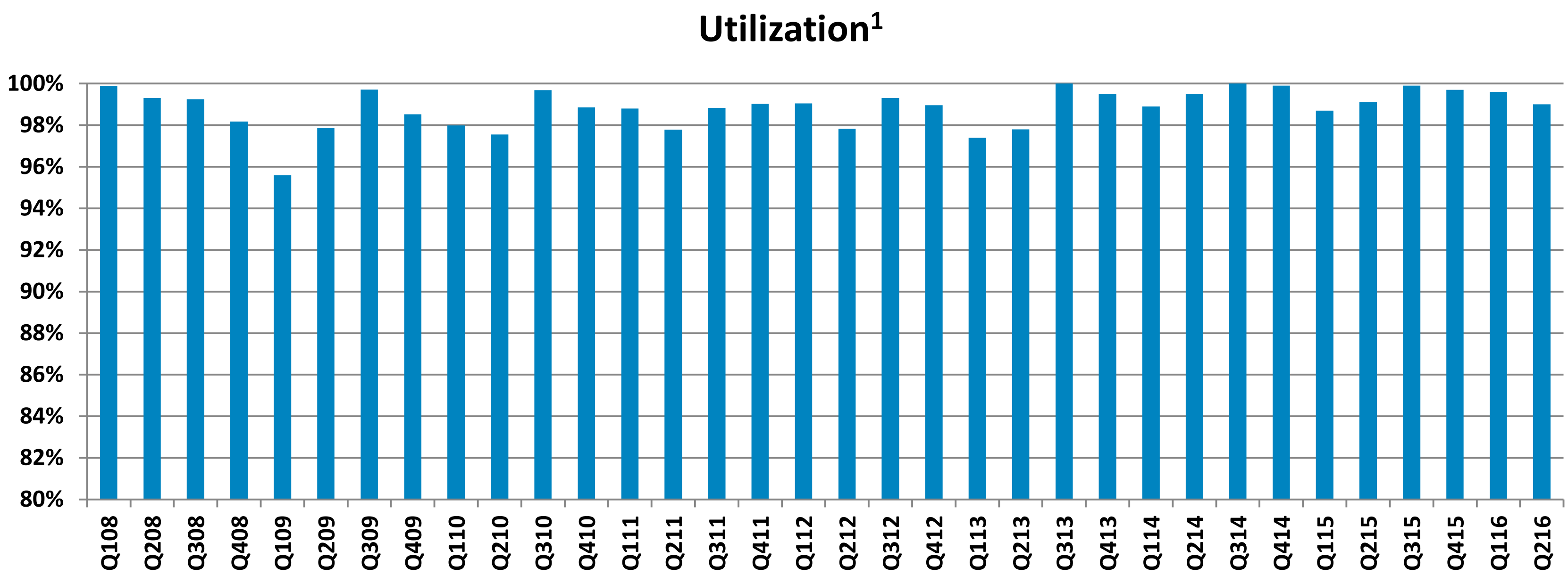
Aircraft Type		Q2:11	Q2:12	Q2:13	Q2:14	Q2:15	Q2:16	Q2:16 vs Q2:11
Current Generation Narrow-bodies [1]	# of Aircraft	59	66	79	79	105	120	+61
	%NBV	33%	30%	35%	29%	41%	48%	+15%
Current Generation Wide-bodies	# of Aircraft	18	23	25	38	34	34	+16
	%NBV	24%	29%	34%	53%	45%	42%	+18%
Freighters	# of Aircraft	22	26	22	16	15	9	-13
	%NBV	31%	30%	23%	16%	13%	9%	-22%
Classic Generation Aircraft	# of Aircraft	37	40	32	15	7	6	-31
	%NBV	12%	11%	7%	2%	1%	1%	-11%

1. *Includes Embraer E-Jets*

Leasing Activity & Portfolio Performance

99% utilization during Q2:16, consistent with strong performance track record

One aircraft left to place in 2016



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

Q2:16 Revenue Summary

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Lease rental & finance lease revenues of $180.3 million, down $6.4 million vs. Q2:15

$26.9 million higher from aircraft additions, offset by 43 aircraft sales and other net revenue reductions of $33.3 million

Maintenance revenue decreased by $8.8 million

Q2:15 included four lease expirations with significant return compensation payments

Revenue Summary		
$ millions	**Q2:16**	**Q2:15**
Lease Rental and Finance Lease Revenues	**$ 180.3**	**$ 186.7**
Amortization of Lease Premiums, Discounts and Incentives	**(3.8)**	**(4.4)**
Maintenance Revenue	**12.5**	**21.3**
Total Lease Revenue	**189.0**	**203.7**
Other Revenue	**1.0**	**0.9**
Total Revenues	**$ 190.0**	**$ 204.6**

Q2:16 Earnings Summary

Net income was $20.0 million, down $21.8 million from Q2:15, while adjusted net income was $24.2 million, down $23.0 million

- Gains from the sale of flight equipment were $18.9 million lower and lease rental, finance lease and maintenance revenues declined by $14.6 million
- These declines were partially offset by lower aircraft impairment charges of $7.2 million

Adjusted EBITDA was $182.4 million, down $32.2 million from Q2:15

- Reflects lower gains on the sale of flight equipment of $18.9 million and $8.8 million of lower maintenance revenues

Earnings Summary		
$ millions, except per share amounts	**Q2:16**	**Q2:15**
Net Income	**$ 20.0**	**$ 41.8**
per diluted common share	***$ 0.25***	***$ 0.51***
Adjusted Net Income	**$ 24.2**	**$ 47.2**
per diluted common share	***$ 0.31***	***$ 0.58***
EBITDA	**$163.8**	**$189.5**
Adjusted EBITDA	**$182.4**	**$214.6**

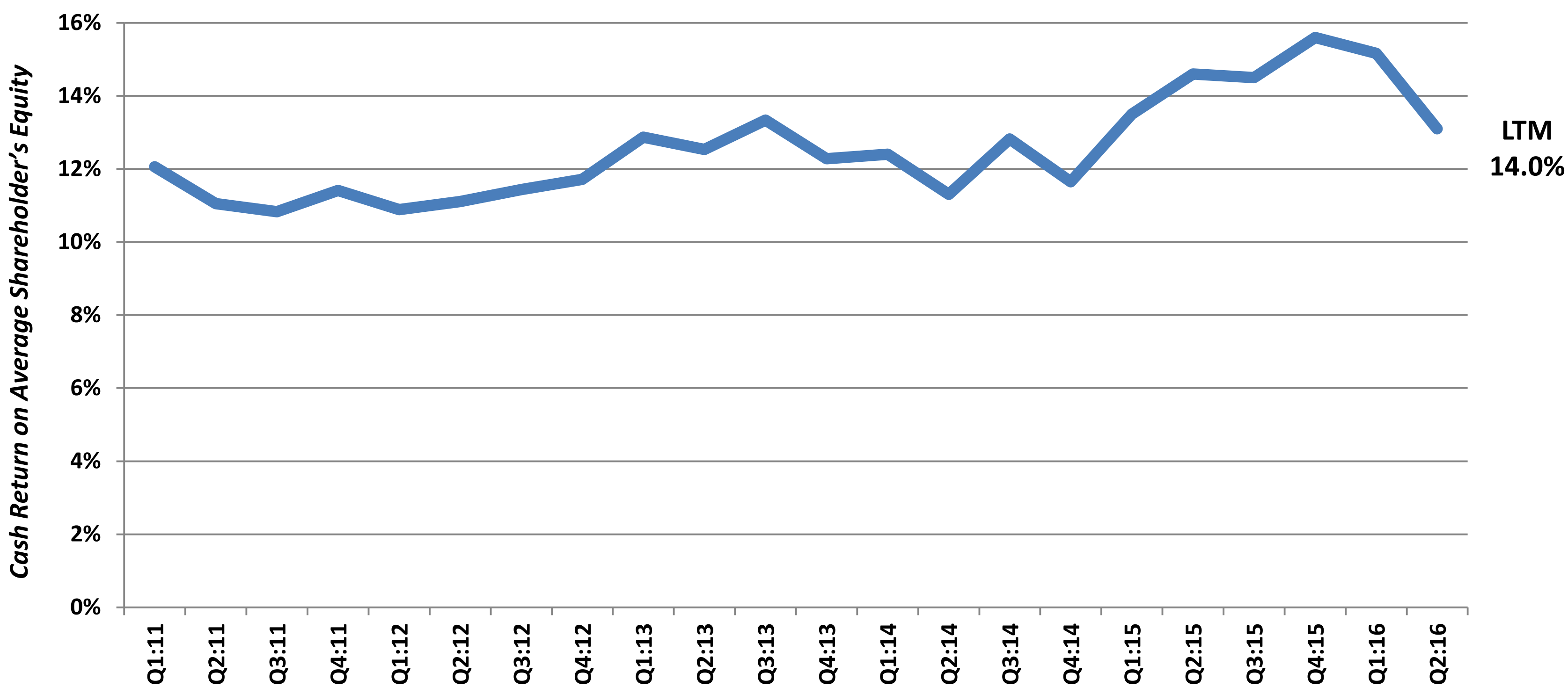
Note: Non-GAAP items reconciled in the Appendix.

Strong Cash ROE Performance

Trailing twelve month Cash ROE was 14.0%; averaged 12.6% since January 2011

Drop in Q2:16 reflects lower gains on sale and lower cash maintenance revenue

Increasing cash returns and economic profitability driving dividend growth

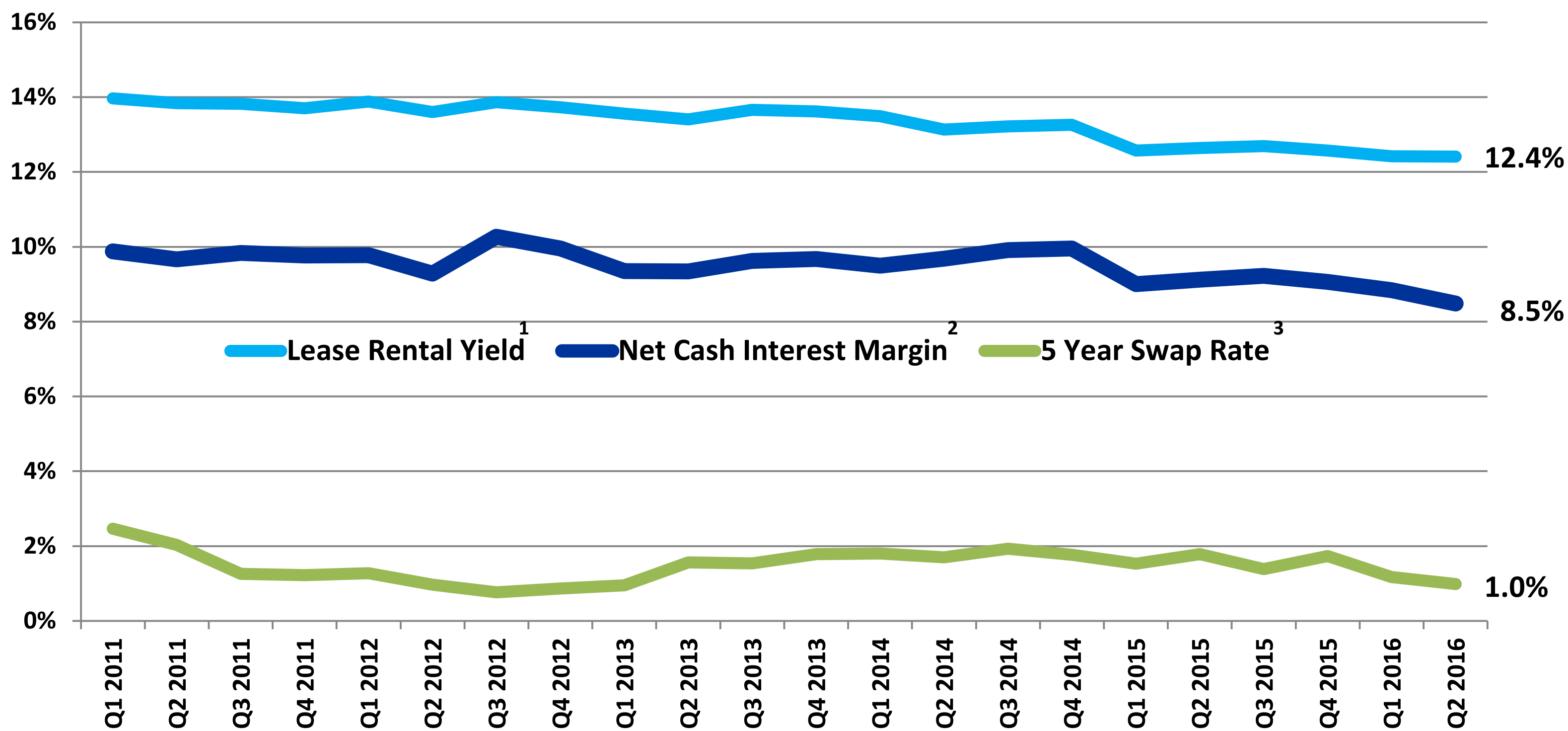


Note: Cash ROE = Cash Flow From Operations plus collections on finance leases and gain (loss) on sale of flight equipment less depreciation plus distributions received from our Joint Venture with Ontario Teachers', divided by average shareholder's equity. Average Shareholder's Equity is the average of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

Rental Yields and Net Cash Interest Margins

Among industry leading revenue yields

Net cash interest margins remain solid, reflecting lower interest rates



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.*
3. *Source: Bloomberg. Represents the mid-point for the 5 Year Swap Rate. Quarterly Basis.*

Q2:16 Capital Structure

Net debt to equity of 2.2x

75% of total debt is unsecured

Average remaining life of debt is 4.1 years

No debt maturities until 2017

$675 million in available revolver capacity[1]

Unrestricted cash of $493 million

$5.0 billion of unencumbered assets[2]

1. *Bank revolver was increased to $675 million from $600 million in March 2016. As of June 30, 2016, there were no drawings under the revolver.*
2. *Includes ten aircraft with a net book value of $318.6 million that will secure our ACS 2016 Bank Financing.*

Q2:16 Capital Structure Summary

	As of Jun 30, 2016		As of Dec 31, 2015		As of Dec 31, 2014	
	$MM	Rate[2]	$MM	Rate[2]	$MM	Rate[2]
Total Secured Debt	1,104	3.30%	1,171	3.17%	1,396	2.96%
Total Unsecured Debt[1]	3,320	5.56%	2,925	5.66%	2,400	5.70%
Total Debt & Wtd Avg Rate[3]	4,424	5.07%	4,096	4.95%	3,796	4.69%
Shareholders' Equity	1,777		1,779		1,720	
Net Debt to Equity	2.2x		2.2x		2.1x	
Unsecured debt to total debt	75%		71%		63%	

1. *Bank revolver was increased to $675 million from $600 million in March 2016. As of June 30, 2016, there were no drawings under the revolver.*
2. *With the exception of six variable rate Bank Financings and Revolving Credit facility borrowings, all other debt, including ECA Financings, all other Bank Financings and the Senior Notes due 2017 through 2023 are fixed rate financings.*
3. *The debt totals in the above table do not include debt issuance costs or discount which are reflected in the net debt totals that are displayed on the consolidated balance sheet.*

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Selected Financial Guidance Elements for Q3:16

$ in millions

Guidance Item	Q3:16
Lease rental revenue	$180 - $184
Finance lease revenue	$5 - $6
Maintenance revenue	$0 - $2
Amortization of lease premiums, discounts and incentives	($3) - ($4)
SG&A[1]	$15 - $16
Depreciation	$74 - $76
Interest, net	$62 - $64
Gain on sale	$2 - $8
Full year effective tax rate	10% - 11%

1. Includes $2.1M of non-cash share based payment expense

Appendix

Impact of Q2:16 Fleet Review and Transactional Impairments

($ in millions except per share amounts)	Q2:16 Results	747 Freighters	A330-200	Adjusted Q2:16 Results
Revenues				
Lease Rentals	$ 176.1	$	$	$ 176.1
Maintenance / Other Revenues	14.0		4.0	10.0
Total Revenues	190.0		4.0	186.0
Operating Expenses				
Depreciation	75.1			75.1
Aircraft Impairment Charges	16.7	5.1	11.7	-
All Other Expenses	80.1			80.1
Total Operating Expenses	171.9	5.1	11.7	155.2
Other Income (Expense)				
Gain on Sale of Flight Equipment	2.2			2.2
All Other Income (Expense)	0.1			0.1
Total Other Income (Expense)	2.3			2.3
Pre-Tax Income	20.4	(5.1)	(7.7)	33.1
Income Taxes	(2.4)			(2.4)
Joint Venture Income	2.0			2.0
Net Income (Loss)	$ 20.0	$ (5.1)	$ (7.7)	$ 32.8
Per Share	$ 0.25	$ (0.06)	$ (0.10)	$ 0.41
ANI Per Share	$ 0.31	$ (0.06)	$ (0.10)	$ 0.47

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Diversified Customer Base with Broad Geographic Distribution

63 airline customers across the globe

Largest individual exposure comprises 6.8% of total NBV

Most top customers are large flag carriers and leading LCCs

Regional distribution evolving with global trends

Asian customers now 37% of portfolio NBV vs. 20% at YE 2009

European exposure now 24% of total NBV vs. 46% at YE 2009

Airline customers in 35 countries

Top Ten Lessees			
% of NBV[1]	Customer	Country	#Aircraft
>6% per Customer	Avianca Brazil	Brazil	10
	LATAM	Chile	3
	Lion Air	Indonesia	11
4% to 6% per Customer	SAA	South Africa	4
	Thai Airways	Thailand	2
	Singapore Airlines	Singapore	4
	AirAsia X	Malaysia	3
	Air Berlin	Germany	11
	Iberia	Spain	12
	Emirates	U.A.E	2

Top Ten Countries		
Country	# A/C	% of NBV[1]
Indonesia	18	10.5%
Brazil	15	8.9%
Malaysia	8	6.1%
Chile	3	6.1%
Thailand	5	5.8%
Spain	14	4.7%
South Africa	4	4.7%
Singapore	4	4.7%
Germany	13	4.3%
Russia	5	4.2%

1. *Percentage of net book value. Figures as of June 30, 2016.*

Capital Structure & Liquidity Summary

($ in millions)	As of Jun. 30, 2016		As of Dec. 31, 2015		As of Dec. 31, 2014	
Unrestricted cash and cash equivalents	$ 493		$ 156		$ 170	
Debt	O / S	Rate[1]	O / S	Rate[1]	O / S	Rate[1]
Securitization No. 2	0	1.58%	125	1.58%	392	1.58%
ECA Term Financings	326	3.53%	404	3.57%	450	3.57%
Bank Financings	778	3.21%	641	3.23%	555	3.44%
Total Secured Debt	1,104	3.30%	1,171	3.17%	1,396	2.96%
Bank Revolver	-	-	225	2.67%	200	2.41%
Other Unsecured Bank Financings	120	2.65%				
Senior Notes due 2017	500	6.75%	500	6.75%	500	6.75%
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%	500	5.13%
Senior Notes due 2022	500	5.50%	500	5.50%		
Senior Notes due 2023	500	5.00%				
Total Unsecured Debt	3,320	5.56%	2,925	5.66%	2,400	5.70%
Total Debt and Weighted Avg. Rate	4,424	5.07%	4,096	4.95%	3,796	4.69%
Shareholders' equity	1,777		1,779		1,720	
Total capitalization	$ 6,201		$ 5,875		$ 5,517	
Net debt to equity	2.2 x		2.2 x		2.1 x	
Unsecured debt to total debt	75%		71%		63%	

1. *Reflects fixed swap rate in effect plus the margin for Securitization No. 2. With the exception of five variable rate Bank F inancings and our Revolving Credit Facility, all other debt, including ECA Term Financings, all other Bank Financings and the Senior Notes due 2017 through 2023 are fixed rate financings.*
2. *The debt totals in the above table do not include debt issuance costs or discount 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 June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Revenues	$ 189,988	$ 204,565	$ 373,653	$ 398,861
EBITDA	$ 163,765	$ 189,543	$ 345,924	$ 378,476
Adjusted EBITDA	$ 182,436	$ 214,608	$ 366,315	$ 404,822
Net income	$ 20,030	$ 41,808	$ 56,292	$ 85,077
Net income allocable to common shares	$ 19,856	$ 41,473	$ 55,844	$ 84,466
Per common share - Basic	$ 0.25	$ 0.51	$ 0.71	$ 1.05
Per common share - Diluted	$ 0.25	$ 0.51	$ 0.71	$ 1.05
Adjusted net income	$ 24,205	$ 47,229	$ 68,296	$ 97,686
Adjusted net income allocable to common shares	$ 23,994	$ 46,851	$ 67,752	$ 96,984
Per common share - Basic	$ 0.31	$ 0.58	$ 0.86	$ 1.20
Per common share - Diluted	$ 0.31	$ 0.58	$ 0.86	$ 1.20
Basic common shares outstanding	78,159	80,566	78,351	80,565
Diluted common shares outstanding	78,159	80,566	78,351	80,565

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
	(Dollars in thousands)			
Net income	$ 20,030	$ 41,808	$ 56,292	$ 85,077
Depreciation	75,070	77,368	151,717	152,214
Amortization of net lease discounts and lease incentives	3,828	4,351	4,898	8,175
Interest, net	62,452	61,551	126,693	123,682
Income tax provision	2,385	4,465	6,324	9,328
EBITDA	163,765	189,543	345,924	378,476
Adjustments:				
Impairment of aircraft	16,723	23,955	16,723	23,955
Non-cash share based payment expense	2,094	1,387	3,737	2,557
Gain on mark to market of interest rate derivative contracts	(146)	(277)	(69)	(166)
Adjusted EBITDA	$ 182,436	$ 214,608	$ 366,315	$ 404,822

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 June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
	(Dollars in thousands)			
Net income	$ 20,030	$ 41,808	$ 56,292	$ 85,077
Loan termination fee[1]	—	—	1,509	—
Ineffective portion and termination of hedges [1]	—	294	—	294
Gain on mark to market of interest rate derivative contracts [2]	(146)	(277)	(69)	(166)
Write-off of deferred financing fees[1]	—	—	1,972	—
Non-cash share based payment expense [3]	2,094	1,387	3,737	2,557
Term Financing No. 1 hedge loss amortization charges [1]	—	1,275	—	4,401
Securitization No. 1 hedge loss amortization charges [1]	2,227	2,742	4,855	5,523
Adjusted net income	$ 24,205	$ 47,229	$ 68,296	$ 97,686

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.

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

	CFFO	Finance Lease Collections	Gain (Loss) on Sale of Eqt.	Deprec.	Distributions in excess (less than) Equity Earnings	Cash Earnings	Average Shareholders' Equity	12 Month Cash ROE
2011	$359,377		$39,092	$242,103		$156,366	$1,370,513	11.4%
2012	$427,277	$3,852	$5,747	$269,920		$166,956	$1,425,658	11.7%
2013	$424,037	$9,508	$37,220	$284,924		$185,841	$1,513,156	12.3%
2014	$458,786	$10,312	$23,146	$299,365	$667	$193,546	$1,661,228	11.7%
2015	$526,285	$9,559	$58,017	$318,783	($52)	$275,026	$1,759,871	15.6%
LTM	$511,376	$12,597	$45,667	$318,286	($2,202)	$249,152	$1,774,568	14.0%

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	$ 188,037	$ 51,428	9.2%
Q4:15	$ 5,835,547	$ 183,394	$ 51,250	9.1%
Q1:16	$ 5,781,858	$ 179,570	$ 51,815	8.8%
Q2:16	$ 5,677,121	$ 176,125	$ 55,779	8.5%

1. *Excludes loan termination payments of $3.2 million and $3.0 million in the second quarter of 2011 and 2013 respectively and $ 1.5 million in the first quarter of 2016.*

Except for percentages, all figures are $ in thousands.

Supplemental Financial Information

	Three Months Ended June 30, 2016		Six Months Ended June 30, 2016	
Weighted-average shares[1]:	**Shares**	**Percent[2]**	**Shares**	**Percent[2]**
Common shares outstanding – Basic	78,159	99.13%	78,351	99.20%
Unvested restricted common shares	686	0.87%	629	0.80%
Total weighted-average shares outstanding	78,845	100.00%	78,981	100.00%
Common shares outstanding – Basic	78,159	100.00%	78,351	100.00%
Effect of dilutive shares[1]	---	---	---	---
Common shares outstanding – Diluted	78,159	100.00%	78,351	100.00%
Net income allocation				
Net income	$ 20,030	100.00%	$ 56,292	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(174)	-0.87%	(448)	-0.80%
Earnings available to common shares	$ 19,856	99.13%	$ 55,844	99.20%
Adjusted net income allocation				
Adjusted net income	$ 24,205	100.00%	$ 68,296	100.00%
Amounts allocated to unvested restricted shares	(211)	-0.87%	(544)	-0.80%
Amounts allocated to common shares	$ 23,994	99.13%	$ 67,752	99.20%

Except for percentages, all figures are in thousands.

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

Supplemental Financial Information

	Three Months Ended June 30, 2015		Six Months Ended June 30, 2015	
Weighted-average shares[1]:	**Shares**	**Percent[2]**	**Shares**	**Percent[2]**
Common shares outstanding – Basic	80,566	99.20%	80,565	99.28%
Unvested restricted common shares	650	0.80%	583	0.72%
Total weighted-average shares outstanding	81,217	100.00%	81,149	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 allocation				
Net income	$ 41,808	100.00%	$ 85,077	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(335)	-0.80%	(611)	-0.72%
Earnings available to common shares	$ 41,473	99.20%	$ 84,466	99.28%
Adjusted net income allocation				
Adjusted net income	$ 47,229	100.00%	$ 97,686	100.00%
Amounts allocated to unvested restricted shares	(378)	-0.80%	(702)	-0.72%
Amounts allocated to common shares	$ 46,851	99.20%	$ 96,984	99.28%

Except for percentages, all figures are in thousands.

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.