Third Quarter 2017
Earnings Call

November 2, 2017

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, Adjusted Net Income, Cash Return on Equity and Net Cash Interest Margin 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 2016 Annual Report on Form 10-K. 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 Q3:17 Accomplishments

Acquired thirteen narrow-body aircraft for $359 million; 28 aircraft acquired YTD for $635 million

Closed or committed to acquire an additional $860 million in 2017; aircraft count expected to be over 220 by year-end

Sold fifteen aircraft for $527 million and a gain on sale of $21.6 million; 29 aircraft sold YTD for $765 million and a total gain of $35.9 million; FY sales of almost $900 million are expected

YTD sales included three wide-bodies, three freighters and one classic aircraft

Declared our 46th consecutive quarterly dividend and increased it by 7.7%, to $0.28 per share; this is our eighth dividend increase in seven years

Key Financial Metrics – Q3:17

Net income was $57.4 million; $0.73 per share versus $0.35 the prior year

Based on strong and profitable asset sales, lease rental revenues[1] were $178.1 million, down 4.9%

Adjusted net income[2] was $64.4 million; $0.82 per share versus $0.38 the prior year

Adjusted EBITDA[2] was $199.5 million, up 10.2%

Cash ROE[2] was 15.2% and Net cash interest margin[1] was 8.8%

1. *Includes finance and sales-type lease revenue.*
2. *Refer to the selected financial Information accompanying this presentation for a reconciliation of GAAP to Non-GAAP numbers.*

Q3:17 Revenue Summary

Lease rental revenues of $178.1 million, down $9.2 million vs. Q3:16

$30.3 million more from aircraft purchased and higher finance lease revenue, offset by $39.5 million reduction due to aircraft sales and other net revenue reductions

Maintenance revenue increased by $7.7 million

Q3:17 included unscheduled maintenance revenue recognized with the bankruptcy of an airline in Europe, and the return of a mid-age A321-200 that was leased to the airline

Revenue Summary		
$ in millions	Q3:17	Q3:16
Lease Rental and Finance and Sales-Type Lease Revenues	$178.1	$187.3
Amortization of Lease Premiums, Discounts and Incentives	(2.4)	(0.5)
Maintenance Revenue	14.5	6.8
Total Lease Revenue	190.2	193.6
Other Revenue	1.2	1.0
Total Revenues	$191.4	$194.7

Q3:17 Earnings Summary

Net income increased $30.0 million while adjusted net income rose $34.7 million

Gains from the sale of flight equipment increased by $21.7 million and maintenance revenues were $7.7 million higher

There were no aircraft impairment charges during Q3:17 versus impairment charges of $10.5 million the prior year

Adjusted EBITDA was $199.5 million, up $18.4 million from Q3:16

Reflects higher gains from sale of flight equipment of $21.7 million partially offset by a decrease in lease rental revenues[2] net of maintenance revenues

Earnings Summary		
$ in millions, except per share amounts	Q3:17	Q3:16
Net Income	$57.4	$27.4
per diluted common share	*$0.73*	*$0.35*
Adjusted Net Income[1]	$64.4	$29.7
per diluted common share	$0.82	$0.38
EBITDA[1]	$196.7	$168.4
Adjusted EBITDA[1]	$199.5	$181.1

1. *Refer to the selected financial Information accompanying this presentation for a reconciliation of GAAP to Non-GAAP numbers.*
2. *Includes finance and sales-type lease revenue.*

Acquisitions & Sales

AIRCASTLE

Acquired thirteen narrow-body aircraft for $359 million during Q3:17; YTD aircraft acquisitions of $635 million

Closed or committed to acquire an additional $860 million in Q4:17

Closed sales of fifteen aircraft during the quarter for proceeds of $527 million; full year sales of almost $900 million are expected

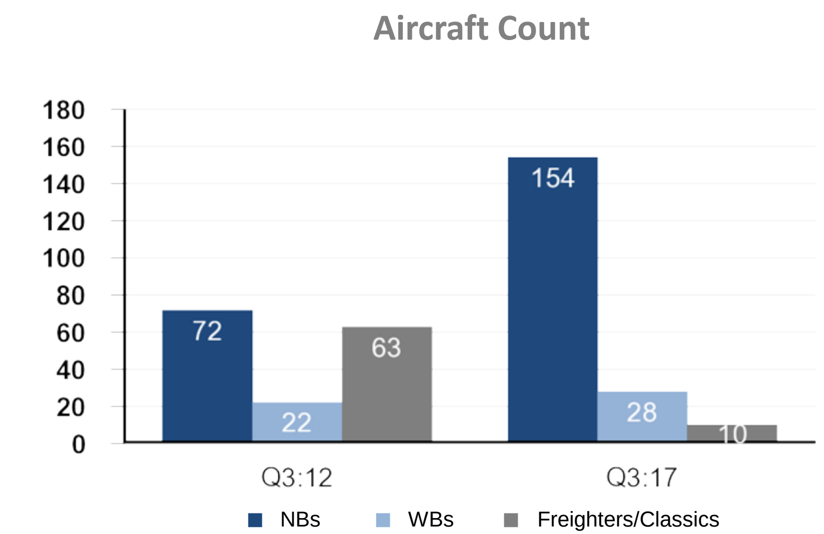
Q3:17 sales included three wide-bodies, two freighters and one classic; gain on sale of $21.6 million

2017 Acquisitions & Sales Through Q3:17		
	Acquisitions[1]	Completed Sales
Investments / Sales Proceeds	$635 million	$765 million
Total Number of Aircraft	28	29
Narrow-bodies	27	23
Wide-bodies	1[2]	3[3]
Freighters	—	3[3]

1. *Closed deals only through September 30, 2017.*
2. *Assumed to be on last lease*
3. *Two A330s, one 777-300ER and three 747 freighter aircraft sold YTD.*

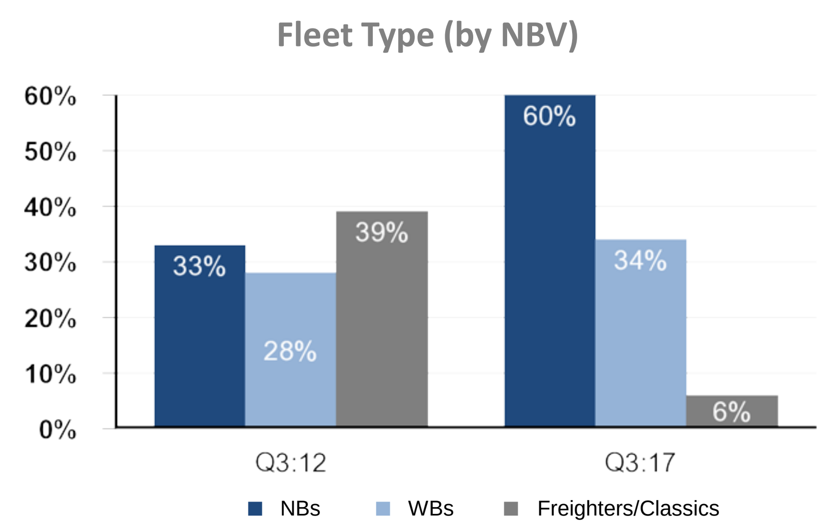
Aircraft Fleet Evolution

The number of current generation narrow-body aircraft has more than doubled over the past five years



As of September 30, 2017

Significant decline in freighter and classic aircraft exposure



As of September 30, 2017

Positive Portfolio Trends

Expanded owned fleet by $1.3 billion in past five years, a compound annual growth rate of 5.1%

Thirteen aircraft are managed in our two joint ventures

$ in billions	Q3:12	Q3:17	Q3:17 vs Q3:12
Flight Equipment Held for Lease[1]	$4.7	$6.0	+$1.3
Wtd. Avg. Fleet Age (years)[2]	11.0	8.7	-2.3
Wtd. Avg. Lease Term (years)[2]	4.9	4.7	-0.2
Managed JV Aircraft[1]	-	$0.7	+$0.7

1. *Calculated using NBV* at period end.*
2. *Weighted average by NBV.*

** NBV as used throughout this presentation includes the net book value of flight equipment held for lease and the net investment in finance and sales-type leases.*

Diversified Customer Base with Broad Geographic Distribution

71 airline customers across the globe

Most top customers are large flag carriers and leading LCCs

Diversified geographic mix

- Asia represents 31% of portfolio NBV followed by Europe at 28%

Airline customers in 38 countries

Top Ten Lessees			
% of NBV[1] per customer	Customer	Country	#Aircraft
>6%	Avianca Brazil	Brazil	10
3%-6%	LATAM	Chile	3
	Lion Air	Indonesia	10
	TAP Portugal	Portugal	8
	South African Airways	South Africa	4
	Aerolineas Argentinas	Argentina	5
	AirBridge Cargo[2]	Russia	2
	Iberia	Spain	10
	Jet Airways	India	8
<3%	Interjet	Mexico	9

Top Ten Countries		
Country	# A/C	% of NBV[1]
Brazil	13	8.0%
Indonesia	12	7.3%
Portugal	8	6.1%
India	15	6.1%
United Kingdom	22	6.1%
Chile	3	6.0%
Russia	6	5.3%
Mexico	15	4.9%
South Africa	4	4.6%
Malaysia	7	4.6%

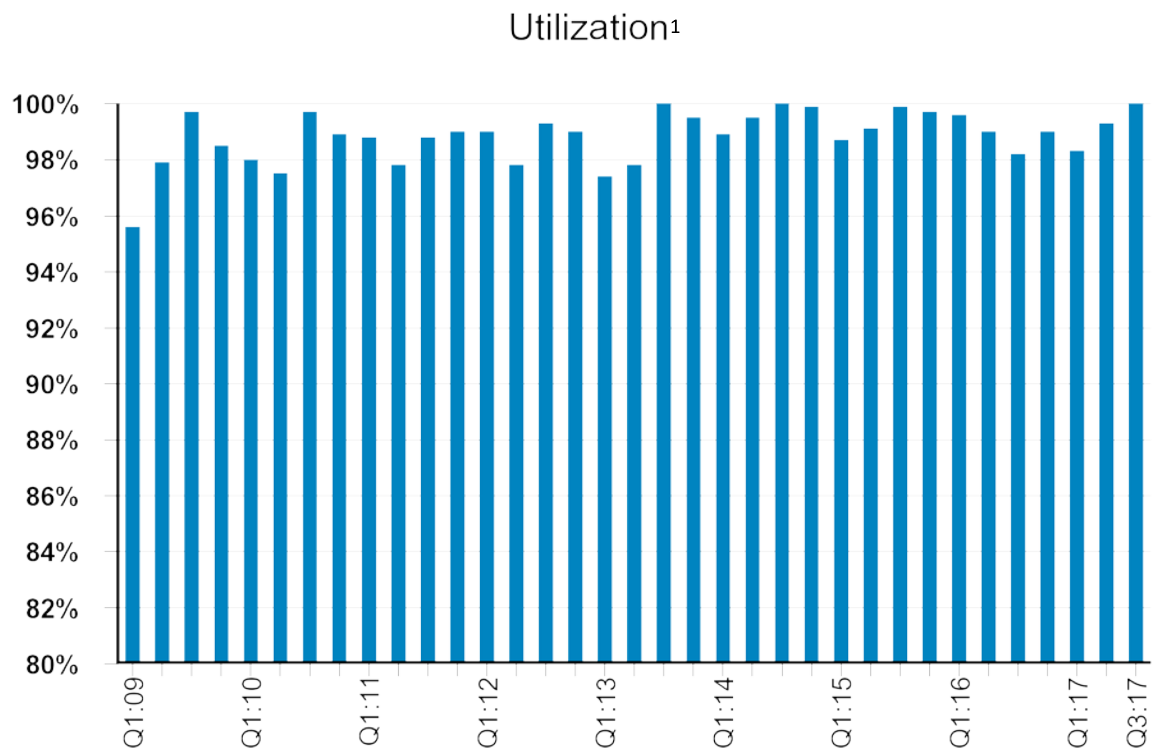
1. *As of September 30, 2017.*
2. *Guaranteed by Volga-Dnepr Airlines. We have one additional aircraft on lease with an affiliated airline.*

Leasing Activity & Portfolio Performance

Utilization during Q3:17 was 100.0%

2018 placement task represents ~7.8% of NBV and consists of seven narrow-body, three wide-body and one freighter aircraft

No Aircraft on Ground at the end of Q3:17

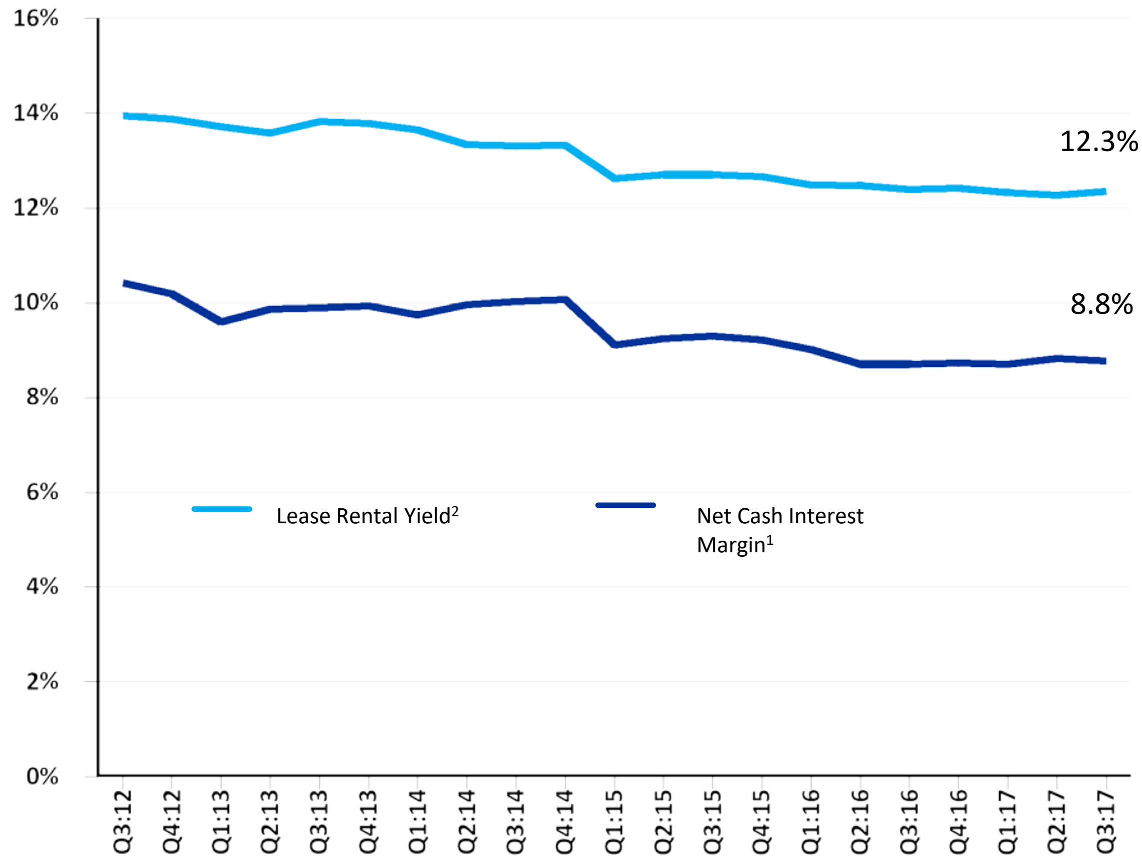


1. *Aircraft on-lease days as a percent of total days in period weighted by NBV.*

Rental Yields and Net Cash Interest Margins

Portfolio lease rental yields have been steady

Lease rental yields and net cash interest margins were both sequentially flat at 12.3%[3] and 8.8%[3] respectively

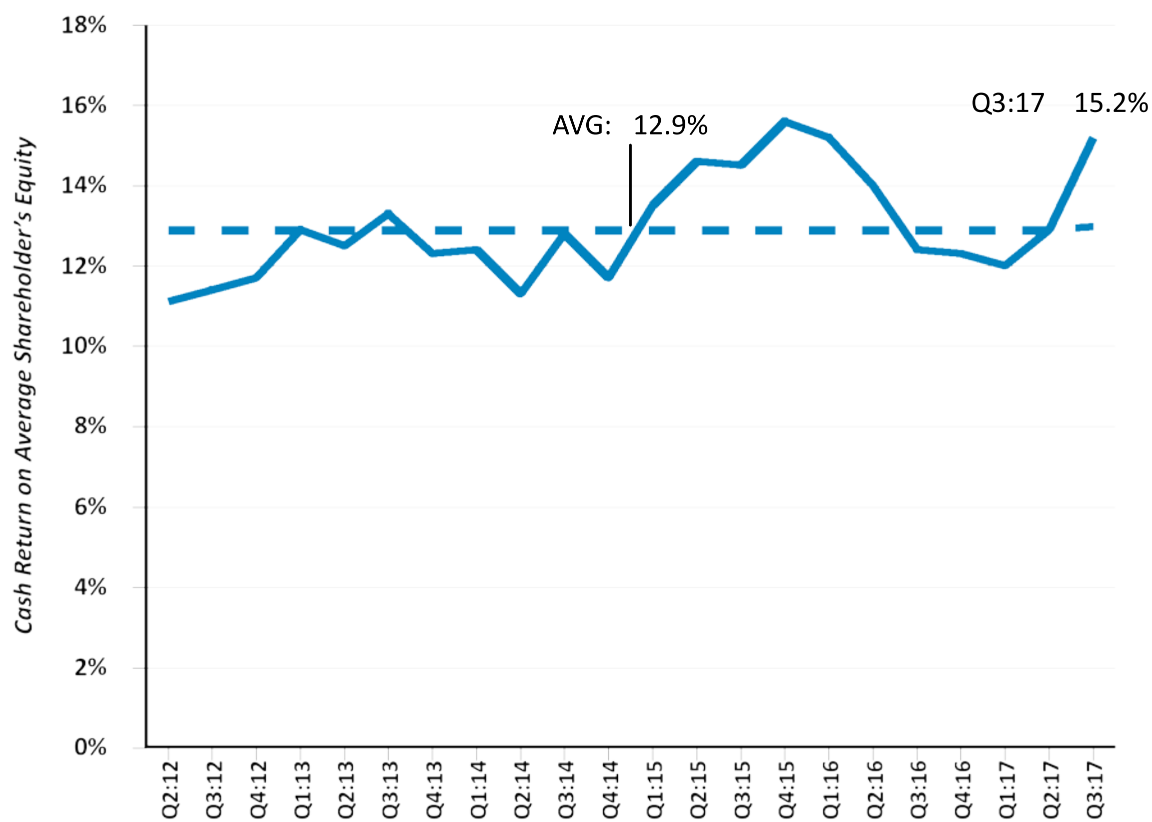


1. *Refer to the selected financial Information accompanying this presentation for a reconciliation of GAAP to Non-GAAP numbers.*
2. *Lease Rental Yield = Operating and finance lease rental revenue plus finance lease collections / average monthly NBV including finance leases for the period calculated on a quarterly basis, annualized.*
3. *The second quarter of 2017 excluded a non-recurring, $7.0 million accelerated collection received from a lessee in connection with a finance lease.*

Cash ROE Performance

Trailing twelve month Cash ROE[1] was 15.2%, higher than the longer term average

Recent performance driven by strong gains from asset sales



1. Refer to the selected financial Information accompanying this presentation for a reconciliation of GAAP to Non-GAAP numbers.

Q3:17 Capital Structure

Net debt to equity of 1.9x

- 79% of total debt was unsecured at quarter-end

Average remaining life of debt is 3.9 years

$810 million in available revolver capacity

- Unrestricted cash of $663 million

$4.6 billion of unencumbered flight equipment

Selected Financial Guidance Elements for Q4:17

Guidance Item	Q4:17
Lease rental revenue	$172 - $176
Finance lease revenue	$8 - $9
Maintenance revenue	$0 - $2
Amortization of lease premiums, discounts and incentives	($2) - ($3)
SG&A[1]	$17 - $18
Depreciation	$71 - $75
Interest, net	$55 - $57
Gain on sale	$12 - $20
Full year effective tax rate	9% - 10%

1. *Includes ~$2.4M of non-cash share based payment expense.*

Appendix

Q3:17 Capital Structure & Liquidity Summary

($ in millions)	As of Sept. 30, 2017		As of Dec. 31, 2016		As of Dec. 31, 2015	
Unrestricted cash and cash equivalents	$ 663		$ 456		$ 156	
Debt	O / S	Rate	O / S	Rate	O / S	Rate
Securitization No. 2	—	—%	—	—%	125	1.58%
ECA Term Financings	237	3.59%	305	3.52%	404	3.57%
Bank Financings	651	3.45%	934	3.20%	641	3.23%
Total Secured Debt	888	3.48%	1,239	3.28%	1,170	3.17%
Bank Revolver	—	—%	—	—%	225	2.67%
Other Unsecured Bank Financings	120	3.25%	120	2.65%	—	—%
Senior Notes due 2017	—	—%	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%	500	5.50%
Senior Notes due 2023	500	5.00%	500	5.00%	—	—%
Senior Notes due 2024	500	4.13%	—	—%	—	—%
Total Unsecured Debt	3,320	5.28%	3,320	5.65%	2,925	5.66%
Total Debt and Weighted Avg. Rate	4,208	4.90%	4,559	5.01%	4,096	4.95%
Shareholders’ equity	1,872		1,834		1,779	
Total capitalization	$ 6,080		$ 6,393		$ 5,875	
Net debt to equity	1.9 x		2.2 x		2.2 x	
Unsecured debt to total debt	79%		73%		71%	

Note: 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 September 30, 2017	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Revenues	$ 191,411	$ 194,652	$ 619,218	$ 568,305
EBITDA	$ 196,668	$ 168,414	$ 522,892	$ 514,338
Adjusted EBITDA	$ 199,535	$ 181,145	$ 617,031	$ 547,460
Net income	$ 57,431	$ 27,437	$ 92,754	$ 83,729
Net income allocable to common shares	$ 57,016	$ 27,200	$ 92,083	$ 83,043
Per common share - Basic	$ 0.73	$ 0.35	$ 1.18	$ 1.06
Per common share - Diluted	$ 0.73	$ 0.35	$ 1.18	$ 1.06
Adjusted net income	$ 64,387	$ 29,706	$ 112,526	$ 98,002
Adjusted net income allocable to common shares	$ 63,922	$ 29,449	$ 111,712	$ 97,199
Per common share - Basic	$ 0.82	$ 0.38	$ 1.43	$ 1.24
Per common share - Diluted	$ 0.82	$ 0.38	$ 1.43	$ 1.24
Basic common shares outstanding	78,237	77,990	78,197	78,230
Diluted common shares outstanding	78,375	78,022	78,366	78,266

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

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.

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2017	**2016**	**2017**	**2016**
	(Dollars in thousands)			
Net income	$ 57,431	$ 27,437	$ 92,754	$ 83,729
Depreciation	70,018	76,201	227,446	227,918
Amortization of lease premiums, discounts and incentives	2,388	521	8,780	5,419
Interest, net	60,636	61,797	185,376	188,490
Income tax provision	6,195	2,458	8,536	8,782
EBITDA	196,668	168,414	522,892	514,338
Adjustments:				
Impairment of flight equipment	—	10,462	80,430	27,185
Non-cash share-based payment expense	2,506	2,059	10,636	5,796
Loss on mark-to-market of interest rate derivative contracts	361	210	3,073	141
Adjusted EBITDA	$ 199,535	$ 181,145	$ 617,031	$ 547,460

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

Management believes that ANI, when viewed in conjunction with the Company's results under U.S. 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.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	**2016**	**2017**	**2016**
		(Dollars in thousands)		
Net income	$ 57,431	$ 27,437	$ 92,754	$ 83,729
Loan termination fee[1]	1,070	—	2,058	1,509
Loss on mark-to-market of interest rate derivative contracts[2]	361	210	3,073	141
Write-off of deferred financing fees[1]	3,019	—	4,005	1,972
Non-cash share-based payment expense[3]	2,506	2,059	10,636	5,796
Hedge loss amortization charges[1]	—	—	—	4,855
Adjusted net income	$ 64,387	$ 29,706	$ 112,526	$ 98,002

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

Reconciliation of GAAP to non-GAAP Measures - Cash Earnings and Cash ROE

	CFFO	Finance Lease Collections	Gain on Sale of Flt .Eqt.	Deprec.	Distributions in excess (less than) Equity Earnings	Cash Earnings	Average Shareholders' Equity	Trailing 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	$ (530)	$ 274,548	$ 1,759,871	15.6%
2016	$ 468,092	$ 19,413	$ 39,126	$ 305,216	$ (1,782)	$ 219,633	$ 1,789,256	12.3%
LTM Q3:17	$ 494,137	$ 28,673	$ 60,120	$ 304,744	$ 575	$ 278,761	$ 1,836,511	15.2%

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 U.S. 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.

Dollars in thousands.

Net Cash Interest Margin Calculation

1. We define net cash interest margin as lease rentals from operating leases, interest income and cash collections from finance and sales-type leases minus interest on borrowings, net settlements on interest rate derivatives and other liabilities adjusted for loan termination payments divided by the average net book of flight equipment (which includes net investment in finance and sales-type leases) for the period calculated on a quarterly and annualized basis. The second quarter of 2017 excludes a non-recurring, $7.0 million accelerated collection received from a lessee in connection with a finance lease.
2. Excludes loan termination payments of $3.0 million in the second quarter of 2013, $1.5 million and $3.5 million in the first quarter and fourth quarter of 2016, respectively, and loan termination payments of $1.0 million in both the second and third quarters of 2017.

Management believes that net cash interest margin, when viewed in conjunction with the Company's results under U.S. GAAP and the above reconciliation, provides useful information about the effective deployment of our capital in the context of the yield on our aircraft assets, the utilization of those assets by our lessees, and our ability to borrow efficiently.

Except for percentages, all figures are $ in thousands.

	Average NBV	Quarterly Rental Revenue[1]	Cash Interest[2]	Annualized Net Cash Interest Margin[1] [2]
Q1:12	$ 4,388,008	$ 152,242	$ 44,969	9.8%
Q2:12	$ 4,542,477	$ 156,057	$ 48,798	9.4%
Q3:12	$ 4,697,802	$ 163,630	$ 41,373	10.4%
Q4:12	$ 4,726,457	$ 163,820	$ 43,461	10.2%
Q1:13	$ 4,740,161	$ 162,319	$ 48,591	9.6%
Q2:13	$ 4,840,396	$ 164,239	$ 44,915	9.9%
Q3:13	$ 4,863,444	$ 167,876	$ 47,682	9.9%
Q4:13	$ 5,118,601	$ 176,168	$ 49,080	9.9%
Q1:14	$ 5,312,651	$ 181,095	$ 51,685	9.7%
Q2:14	$ 5,721,521	$ 190,574	$ 48,172	10.0%
Q3:14	$ 5,483,958	$ 182,227	$ 44,820	10.0%
Q4:14	$ 5,468,637	$ 181,977	$ 44,459	10.1%
Q1:15	$ 5,743,035	$ 181,027	$ 50,235	9.1%
Q2:15	$ 5,967,898	$ 189,238	$ 51,413	9.2%
Q3:15	$ 6,048,330	$ 191,878	$ 51,428	9.3%
Q4:15	$ 5,962,874	$ 188,491	$ 51,250	9.2%
Q1:16	$ 5,988,076	$ 186,730	$ 51,815	9.0%
Q2:16	$ 5,920,030	$ 184,469	$ 55,779	8.7%
Q3:16	$ 6,265,175	$ 193,909	$ 57,589	8.7%
Q4:16	$ 6,346,361	$ 196,714	$ 58,631	8.7%
Q1:17	$ 6,505,355	$ 200,273	$ 58,839	8.7%
Q2:17	$ 6,512,100	$ 199,522	$ 55,871	8.8%
Q3:17	$ 5,985,908	$ 184,588	$ 53,457	8.8%

Supplemental Financial Information

	Three Months Ended September 30, 2017		Nine Months Ended September 30, 2017	
Weighted-average shares:	**Shares**	**Percent[2]**	**Shares**	**Percent[2]**
Common shares outstanding – Basic	78,237	99.28%	78,197	99.28%
Unvested restricted common shares	570	0.72%	569	0.72%
Total weighted-average shares outstanding	78,807	100.00%	78,767	100.00%
Common shares outstanding – Basic	78,237	99.82%	78,197	99.78%
Effect of dilutive shares[1]	138	0.18%	169	0.22%
Common shares outstanding – Diluted	78,375	100.00%	78,366	100.00%
Net income allocation				
Net income	$ 57,431	100.00%	$ 92,754	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(415)	(0.72)%	(671)	(0.72)%
Earnings available to common shares	$ 57,016	99.28%	$ 92,083	99.28%
Adjusted net income allocation				
Adjusted net income	$ 64,387	100.00%	$ 112,526	100.00%
Amounts allocated to unvested restricted shares	(465)	(0.72)%	(814)	(0.72)%
Amounts allocated to common shares	$ 63,922	99.28%	$ 111,712	99.28%

Except for percentages, all figures are in thousands.

1. *For the three and nine months ended September 30, 2017, distributed and undistributed earnings to restricted shares were 0.72% of net income and adjusted net income. The amount of restricted share forfeitures for all periods present is immaterial to the allocation of distributed and undistributed earnings.*
2. *For all periods presented, dilutive shares represented contingently issuable shares.*

Supplemental Financial Information

	Three Months Ended September 30, 2016		Nine Months Ended September 30, 2016	
Weighted-average shares:	**Shares**	**Percent[2]**	**Shares**	**Percent[2]**
Common shares outstanding – Basic	77,990	99.14%	78,230	99.18%
Unvested restricted common shares	680	0.86%	646	0.82%
Total weighted-average shares outstanding	78,670	100.00%	78,876	100.00%
Common shares outstanding – Basic	77,990	99.96%	78,230	99.95%
Effect of dilutive shares[1]	32	0.04%	36	0.05%
Common shares outstanding – Diluted	78,022	100.00%	78,266	100.00%
Net income allocation				
Net income	$ 27,437	100.00%	$ 83,729	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(237)	(0.86)%	(686)	(0.82)%
Earnings available to common shares	$ 27,200	99.14%	$ 83,043	99.18%
Adjusted net income allocation				
Adjusted net income	$ 29,706	100.00%	$ 98,002	100.00%
Amounts allocated to unvested restricted shares	(257)	(0.86)%	(803)	(0.82)%
Amounts allocated to common shares	$ 29,449	99.14%	$ 97,199	99.18%

Except for percentages, all figures are in thousands.

1. *For the three and nine months ended September 30, 2016, distributed and undistributed earnings to restricted shares were 0.86% and 0.82%, respectively of net income and adjusted net income. The amount of restricted share forfeitures for all periods present is immaterial to the allocation of distributed and undistributed earnings.*
2. *For all periods presented, dilutive shares represented contingently issuable shares.*

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.