AIRCASTLE

J.P. Morgan

Aviation, Transportation & Industrials Conference

March 11, 2014

Forward-Looking Statements / Property of Aircastle

Certain items in this presentation and other information we provide from time to time, may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not necessarily limited to, statements relating to our ability to acquire, sell, lease or finance aircraft, raise capital, pay dividends, and increase revenues, earnings, EBITDA, Adjusted EBITDA, Adjusted Net Income, Operating Cash Flow, Cash Earnings and Cash ROE 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 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 report. 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 expectations include, but are not limited to, capital markets disruption or volatility which could adversely affect our continued ability to obtain additional capital to finance new investments or our working capital needs; government fiscal or tax policies, general economic and business conditions or other factors affecting demand for aircraft or aircraft values 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 and other factors affecting the creditworthiness of our airline customers and their ability to continue to perform their obligations under our leases and other risks detailed from time to time in Aircastle’s filings with the SEC, including as previously disclosed in Aircastle’s 2013 Annual Report on Form 10-K, and elsewhere in this report. 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 report. 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.

Aircastle Overview

- **Experienced management team with a strong ownership base**
  - Improved ownership structure with Marubeni and Ontario Teachers' as key shareholders

- **Significant investment activity while remaining disciplined, value oriented investors**
  - Made $1.45 billion in aircraft investments during 2013
  - More than $1 billion closed and committed in 2014+ including recently announced LATAM deal
  - Broadly based approach to investment origination

- **Actively managed and upgraded fleet**
  - Growth in newer, high quality wide-bodies on long-term leases with strong operators
  - Sold 22 aircraft for approximately $550 million, generating $37 million in gains

- **Consistently strong portfolio performance**
  - Maintaining high utilization levels and making good progress with placements and sales
  - Consistently strong cash flows

- **Enhanced, conservative capital structure**
  - Raised nearly $1 billion of external capital in 2013
  - Net debt to equity of 1.9x at the end of 2013

Disciplined and Differentiated Approach

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Shareholders

- **NYSE-listed with two large, strategic investors with long-term orientations**
  - Completed evolution from private equity funded start-up
- **Marubeni and Ontario Teachers' collectively own ~29% of Aircastle's shares**
  - $209 million share sale to Marubeni completed in July 2013
  - Marubeni has two of ten seats on Aircastle's Board

Marubeni

- **One of Japan's premier trading companies**
  - Blue chip company with more than 150 year history
  - 120 offices in 65 countries
  - Approximately $70 billion in assets
  - Stock market capitalization of $12 billion
  - Broad aerospace industry experience

ONTARIO TEACHERS' PENSION PLAN

- **Leading Canadian pension plan**
  - $130 billion in assets under management
  - Largest single profession pension plan in Canada
  - Significant global investor

Globally Diverse Shareholder Base with Two Major Investors

New Investments Transforming the Portfolio

- Flexible, value-oriented approach
- Acquired $1.45 billion in aviation assets during 2013
  - 64% invested in aircraft less than five years old, mostly in mid- and wide-body aircraft
  - Mid-aged aircraft investments continue to play an important role

Aircraft Fleet (% of NBV)	*2009*	*2011*	*2013*
Current Generation Mid- and Wide-Bodies			
A330s	**17%**	**23%**	**30%**
777ERs	**2%**	**5%**	**12%**
Current Generation Narrow-Bodies			
737 NGs	**18%**	**17%**	**18%**
A320 CEOs	**17%**	**14%**	**12%**
Freighters			
747-400s	**27%**	**22%**	**17%**
A330s and Others	**3%**	**9%**	**2%**
Classic Generation Aircraft			
737s and A320s	**4%**	**2%**	**1%**
757s and 767s	**12%**	**8%**	**5%**
Regional Jets	**0%**	**0%**	**3%**

Significant Asset Sales Activity

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- Sold 22 aircraft for $548 million during 2013
- Sales generated total gains of $37 million
- 2013 sales included:
  - three A330 freighters
  - two A330s sold to our joint venture with Ontario Teachers'
  - 17 aircraft with a weighted average age of 18 years[1]; several end-of-life aircraft dispositions
- Activity reflects our success both in managing end-of-life dispositions and portfolio concentrations as well as is seizing on market opportunities
- Since our inception we've sold 60 aircraft for $1.5 billion
  - Includes 37 aircraft that were 15 years or older at the time of sale

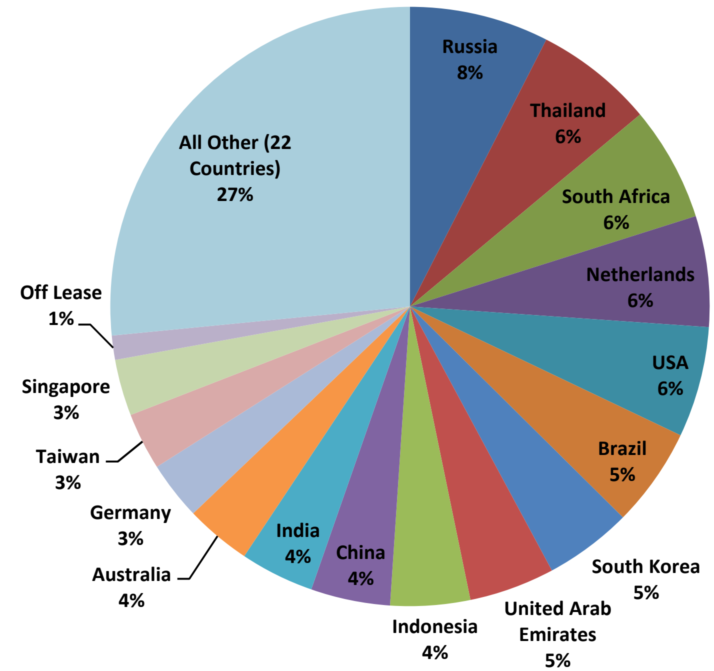
Asset Sales Have Been a Successful Part of Our Portfolio Management Plan

1. *Weighted average age (years) by net book value.*

Broad Diversification by Customer and Geography

- 64 customers in 37 countries
  - Largest customer exposure is less than 7% of Total NBV*
  - Largest country exposure is 8% of Total NBV*
- Leases to Asian airlines accounting for an increasing part of our fleet
  - Asia represents 41% of the portfolio by NBV versus 26% in 2010
  - European exposure now 30% versus 46% in 2010

% of NBV *	Customer	Country	# Aircraft
Greater than 6% per customer	South African Airways	South Africa	4
	Thai Airways	Thailand	2
3% to 6% per customer	Martinair[1]	Netherlands	5
	Emirates	United Arab Emirates	2
	Garuda	Indonesia	4
	US Airways[2]	USA	11
	Jet Airways	India	8
	Virgin Australia	Australia	2
	Airbridge Cargo[3]	Russia	2
	EVA Airways	Taiwan	4



* Percentage of net book value. Figures as of December 31, 2013.
(1) Martinair is a wholly owned subsidiary of KLM. If combined with one other affiliated customer, the two customers represents 6% of flight equipment held for lease.
(2) US Airways has now merged with American Airlines.
(3) Guaranteed by Volga-Dnepr Airlines.

Consistently Strong Portfolio Performance

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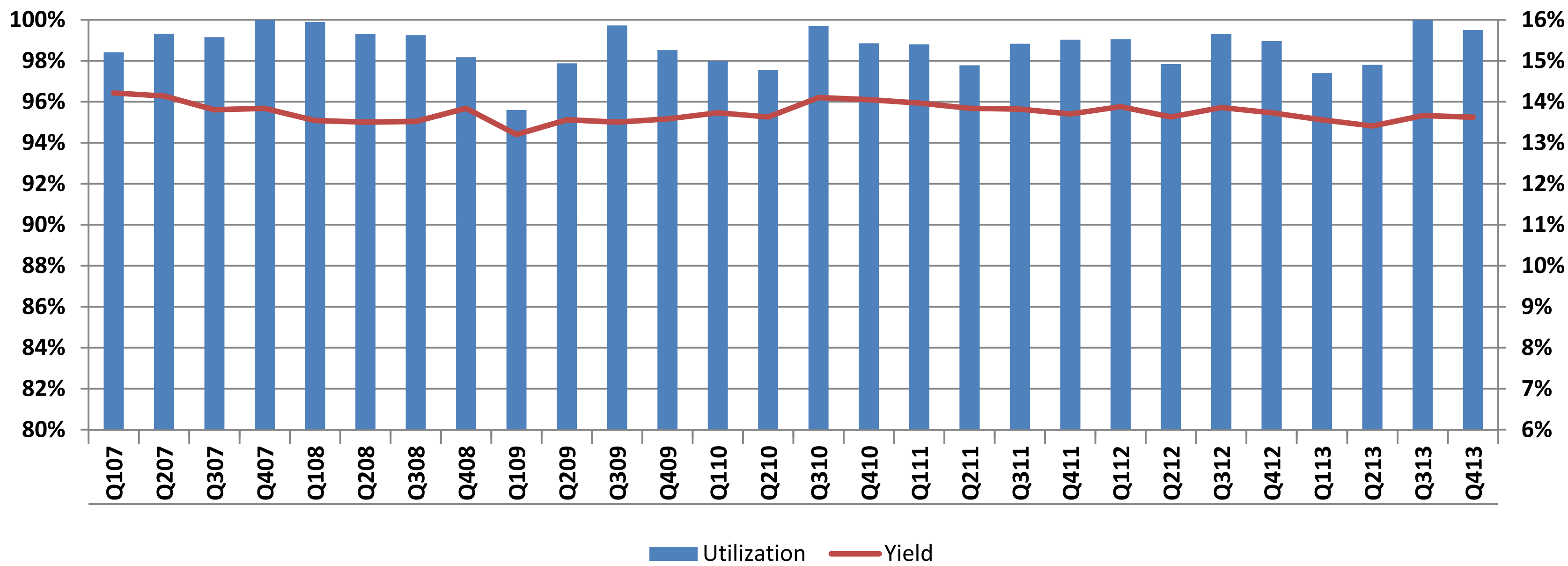
Diversification and Active Asset Management Drive Results

- Portfolio utilization of 98-99% and rental yield of 14% over past six years
- Q4 2013 utilization of 99.5% and rental yield of 13.6%

Historical Revenue Utilization[1] and Yield[2]



1. *Aircraft on-lease days as a percent of total days in period weighted by NBV.*
2. *Calculated as lease rental revenue / average NBV of flight equipment for the period. Rental revenue does not include maintenance revenue.*

Full Year 2013 Highlights

- Operating and finance lease rental revenue of $661.1 million vs. $631.9 million in 2012, up 5%
- Adjusted EBITDA of $717.2 million vs. $647.6 million in 2012, up 11%
- Net income of $29.8 million, or $0.40 per diluted share
- Adjusted net income of $59.3 million, or $0.80 per diluted share
- Excluding aircraft impairment charges related to our Q3:13 fleet review, full year Net Income and Adjusted Net Income of $125.4 million and $154.9 million, or $1.70 and $2.10, respectively
- Closed $1.45 billion of aircraft investments
- 98.7% fleet utilization and 13.6% rental yield
- Gain on sale of flight equipment of $37.2 million
- Dividend increased 21% to $0.20 per share; fourth dividend increase in three years

NOTE: See appendix for GAAP to Non-GAAP reconciliation

Positive Portfolio Trends

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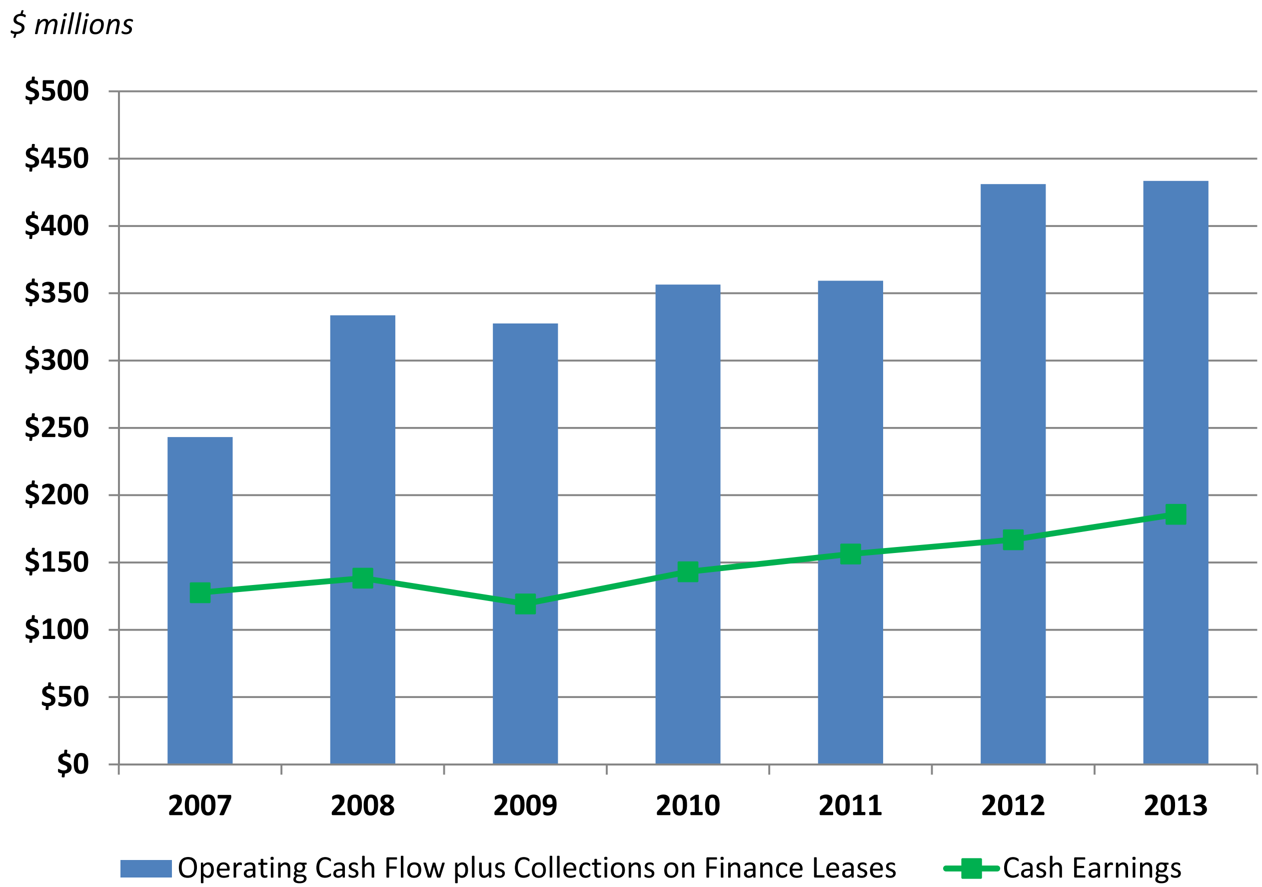
	Owned Aircraft as of December 31, 2010 (1)	Owned Aircraft as of December 31, 2011 (1)	Owned Aircraft as of December 31, 2012 (1)	Owned Aircraft as of December 31, 2013 (1)
Flight Equipment Held for Lease ($ millions)	$4,066	$4,388	$4,783	$5,190
Unencumbered Flight Equipment ($ millions)	$595	$677	$2,092	$2,655
Number of Aircraft	136	144	159	162
Number of Unencumbered Aircraft	18	27	72	80
Passenger Aircraft (% of NBV)	67%	69%	71%	81%
Freighter Aircraft (% of NBV)	33%	31%	29%	19%
Weighted Avg. Fleet Age (years) (2)	11.0	10.9	10.7	9.9
Weighted Avg. Lease Term (years) (3)	4.7	4.9	5.0	5.0
Weighted Avg. Utilization (year-ended) (4)	99%	99%	99%	99%
Portfolio Yield (year-ended) (5)	14%	14%	14%	14%

(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 (years) by net book value.
(3) Weighted average remaining lease term (years) by net book value.
(4) Aircraft on-lease days as a percent of total days in period weighted by net book value.
(5) Lease rental revenue for the period as a percent of average net book value of flight equipment held for lease for the period.

Strong Cash Earnings and Operating Cash Flow

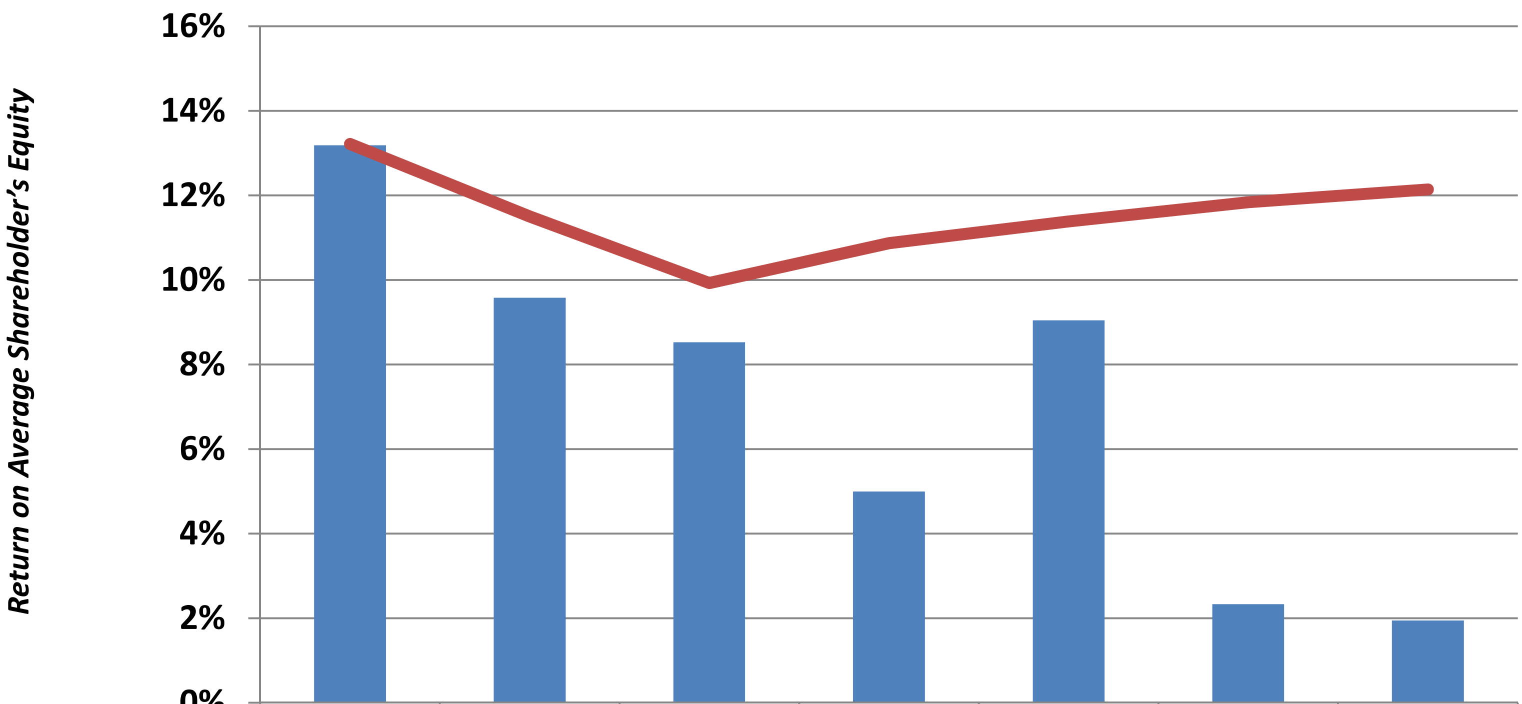
- Solid performance throughout the business cycle



NOTE: See appendix for GAAP to Non-GAAP reconciliation
Cash Earnings = Cash Flow From Operations plus collections on finance leases and gain (loss) on sale of flight equipment less depreciation.

Cash Returns Illustrate a Consistently Strong Underlying Business

- Maintenance revenue, non-cash interest expense and other non-cash charges contribute to "GAAP" ROE[1] volatility



	2007	2008	2009	2010	2011	2012	2013
GAAP ROE[1]	13.2%	9.6%	8.5%	5.0%	9.0%	2.3%	1.9%
Cash ROE[2]	13.2%	11.5%	9.9%	10.9%	11.4%	11.8%	12.1%

1. *Net income as reported, divided by average shareholder's equity .*
2. *Cash ROE = Cash Flow From Operations plus collections on finance leases and gain (loss) on sale of flight equipment less depreciation, divided by average shareholder's equity.*

NOTE: See appendix for GAAP to Non-GAAP reconciliation.

Transformed Capital Structure

- **Consistently low leverage over time**
- **Transitioned to a balance of secured and unsecured debt**
- **$2.7 billion net book value of unencumbered flight equipment**
- **No significant debt maturities until 2017**

Capital Structure Metrics

($billions)	**12/31/2009**	**12/31/2011**	**12/31/2013**
Total Debt	$2.5	$3.0	$3.7
Debt to Equity	1.9x	2.1x	2.3x
Net Debt to Equity	1.8x	1.9x	1.9x
Secured Debt %	100%	85%	42%
Unsecured Debt %	0%	15%	58%
Unencumbered Assets [1]	$0.1	$1.0	$3.3
Unencumbered Assets to Unsecured Debt	na	2.2x	1.5x

Capital Structure Flexibility Enables "Value Investor" Strategy

1. *Includes unrestricted cash and cash equivalents.*

Strong, Well Diversified Capital Markets Access

- **Raised approximately $1.0 billion of total external liquidity / capital in 2013**
  - $209 million common equity issuance to Marubeni Corporation
  - $400 million Senior Unsecured Notes
  - $177 million Secured Bank Debt
  - $185 million Revolving Credit increase; facility expanded from four to seven banks

$ millions	2011	2012	2013
Unsecured Senior Notes	$150	$1,300	$400
Secured Borrowings	467	160	177
Increase in Bank Revolver [1]	-	100	185
Common Equity from Marubeni	-	-	209
Total Financing Raised	$617	$1,560	$971

1. *Reflects change to undrawn Revolving Line of Credit in Q3:13*

Appendix

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

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($ in thousands)	Twelve Months Ended December 31, 2012	Twelve Months Ended December 31, 2013
Net income (loss)	$ 32,868	$ 29,781
Depreciation	269,920	284,924
Amortization of net lease discounts and lease incentives	12,844	32,411
Interest, net	222,808	243,757
Income tax provision	7,845	9,215
EBITDA	546,285	600,088
Adjustments:		
Impairment of Aircraft	96,454	117,306
Non-cash share based payment expense	4,232	4,569
Loss (gain) on mark to market of interest rate derivative contracts	(597)	(4,754)
Contract termination expense	1,248	-
Adjusted EBITDA	$ 647,622	$ 717,209

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 (Loss)

(Dollars in thousands)	Twelve Mos. Ended Dec. 31,	
	2012	2013
Net income (loss)	$ 32,868	$ 29,781
Loan termination fee[1]	-	2,954
Ineffective portion and termination of hedges[1]	2,893	2,393
(Gain)/Loss on mark to market of interest rate derivative contracts[2]	(597)	(4,754)
Write-off of deferred financing fees[1]	3,034	3,975
Stock compensation expense[3]	4,232	4,569
Term Financing No. 1 hedge loss amortization charges[1]	13,331	17,843
Securitization No. 1 hedge loss amortization charges [1]	-	2,499
Contract Termination Expense	1,248	-
Adjusted net income	$ 57,009	$ 59,260

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 below 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 and gains or losses related to flight equipment and debt investments.

Reconciliation of GAAP to Non-GAAP Measures – Operating Cash Flow

$ in thousands	2007	2008	2009	2010	2011	2012	2013
Net cash provided by operating activities	$ 243,236	$ 333,626	$ 327,641	$ 356,530	$ 359,377	$ 427,277	$ 424,037
Collections on Finance Leases	-	-	-	-	-	3,852	9,508
Operating Cash Flow	$ 243,236	$ 333,626	$ 327,641	$ 356,530	$ 359,377	$ 431,129	$ 433,545

Management believes that Operating Cash Flow 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 elements related to non-cash revenue and expense items and interest rate derivative accounting.

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

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$ in thousands	2007	2008	2009	2010	2011	2012	2013
Net cash provided by operating activities	$ 243,236	$ 333,626	$ 327,641	$ 356,530	$ 359,377	$ 427,277	$ 424,037
Collections on Finance Leases	-	-	-	-	-	3,852	9,508
Gain on Sale of Flight Equipment	11,566	6,525	1,162	7,084	39,092	5,747	37,220
Less: Depreciation	(127,164)	(201,759)	(209,481)	(220,476)	(242,103)	(269,920)	(284,924)
Cash Earnings	$ 127,638	$ 138,392	$ 119,322	$ 143,138	$ 156,366	$ 166,956	$ 185,841
Average Shareholder's Equity	$965,887	$1,203,372	$1,201,702	$1,316,978	$1,373,663	$1,410,117	$1,530,516
Cash Earnings / Average Shareholder's Equity	13.2%	11.5%	9.9%	10.9%	11.4%	11.8%	12.1%

Note: Average Shareholder's Equity is the sum of the current and prior year shareholder's equity divided by two. 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.

Reconciliation of GAAP to Non-GAAP Measures – Impairment Charges

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For the twelve months ended December 31, 2013, the impact of the Q3:13 non-cash impairment charge related to our annual fleet review was $1.30 per diluted common share

	Twelve Months Ended December 31, 2013			
	$ in thousands		Per Share	
Net income, excluding non-cash impairment charges	$	125,379	$	1.70
Asset impairment charges related to annual fleet review , after tax		(95,598)		(1.30)
Net income (loss), as reported	$	29,781	$	0.40

	Twelve Months Ended December 31, 2013			
	$ in thousands		Per Share	
Adjusted net income, excluding non-cash impairment charges	$	154,858	$	2.10
Asset impairment charges related to annual fleet review, after-tax		(95,598)		(1.30)
Adjusted net income (loss), including impairment charges	$	59,260	$	0.80