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Fourth Quarter 2014 Earnings Call

February 19, 2015

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, Cash Earnings, Cash ROE 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 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 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.

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2014 Highlights

- **Achieved profitable growth and improved financial metrics**
  - Total Revenues grew 16% and EBITDA increased 10% year-over-year
  - Net Income was $101 million and diluted EPS was $1.25 vs. $0.40 in 2013
- **Grew and upgraded our portfolio**
  - Acquired 35 aircraft for $1.8 billion and sold 49 aircraft for $833 million
  - Demonstrated an ability to capitalize on large investment opportunities quickly given our strong capital position and expertise
- **Improved our financial flexibility and credit profile**
  - Lowered interest costs, extended maturities and enlarged our unsecured revolver
  - Driving towards investment grade credit ratings
- **Continued our solid record of returning capital to shareholders**
  - Declared our 35th consecutive quarterly dividend with a 10% increase in 2014

Note: Non-GAAP items reconciled in the Appendix.

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2014 Achievements

Key Financial Metrics

- **Total revenues up 16% to $818.6 million**
  - Lease rental and finance lease revenues up 10% to $725.6 million
- **Net income of $100.8 million**
  - $1.25 per common diluted share
- **Adjusted net income of $167.6 million**
  - $2.07 per common diluted share
- **Cash flow, as measured by Adjusted EBITDA, up 10% to $792.3 million**
- **Cash ROE of 11.7%**

Full Year Highlights

- **Upgraded our portfolio through $1.8 billion in investments and the sale of 49 aircraft**
- **Reduced our average interest cost to 4.69% from 5.37% in 2013**
  - Completed more than $900 million in new financing
- **Grew our joint venture with Ontario Teachers' to $545 million in total assets**
- **35th consecutive quarterly common dividend declared**
  - $0.22 per share; increased by 10% in 2014

Note: Non-GAAP items reconciled in the Appendix.

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Q4:14 Achievements

Key Financial Metrics

- **Total revenues up 24% year-over-year to $238.3 million**
- **Net income of $72.8 million**
  - $0.90 per common diluted share
- **Adjusted net income of $80.1 million**
  - $0.99 per common diluted share
- **Adjusted EBITDA up 19% year-over-year to $233.2 million**
- **Net cash interest margin of 10.0%**

Quarterly Highlights

- **$749 million of aircraft investments**
  - Including a twelve aircraft purchase and leaseback with Iberia
- **Sold twelve aircraft for $254 million**
  - Sold two aircraft to our joint venture with Ontario Teachers'
  - Further reductions to freighter and classic technology assets
- **Strong fleet performance; 99.9% utilization**
  - Seven aircraft returned by Russia-based lessees since start of Q4
- **Major capital raising activity in Jan 2015**
  - Completed $500 million senior unsecured bond offering
  - Enlarged revolver facility to $600 million

Note: Non-GAAP items reconciled in the Appendix.

2014 Investing Activity

- **Invested $1.8 billion in 2014; $749 million during Q4**
  - Continued focus on high quality aircraft on lease with strong carriers

Aircraft Acquisitions Closed	Lessees
Newer Wide-Bodies: • Five 777-300ERs • Five A330-300s	• LATAM • Thai Airways • AirAsiaX • Avianca Colombia • Singapore
Newer and Mid-Aged Narrow-Bodies: • Nine A320s, Six A321s and One A319 • Five 737-800s and Three 737-900ERs • One E195AR	• Alaska • Lion Air • THY • Croatia • Iberia • Avianca Brasil • Travel Service • Azul

- **Financial flexibility, agility and customer relationships are core strengths**

2014 Aircraft Sales

- **Upgraded portfolio and enhanced profitability through sales during 2014**
  - Portfolio quality improved through sales of freighter and classic generation aircraft
- **Sold 49 aircraft during 2014**
  - Sold three newer aircraft to our joint venture with Ontario Teachers'
  - Pre-tax impact of $40.2 million

Third Party Sales (46 Aircraft with an Average Age of 19 Years)		
Freighters	**7 aircraft**	• **Four 737 Classic Freighters** • **Three 747-400 Converted Freighters***
Classic Generation Aircraft	**18 aircraft**	• **Seven 737 Classics** • **Three 757s and Eight 767s**
Mid-Aged Narrow-Bodies	**16 aircraft**	• **Seven 737 NGs** • **Nine A320 Family**
Current Gen Wide-Bodies	**5 aircraft**	• **Five older A330s**

- **Strong sales track record**
  - Sold 108 aircraft for ~$2.5 billion in past ten years; unlevered return of 11.2%

** Includes two 747-400 converted freighter aircraft which were designated for sale. One of these aircraft was sold in January, 2015 while the other is under a consignment contract and is in the process of being parted out.*

Proactively Managed our Exposure to Russia

- **Early terminated seven aircraft leased to Russia-based passenger airlines since the start of Q4**
  - Sold / placed two of these aircraft
  - Remarketing other five actively and expect to have them back on lease by end of Q2
- **Remaining Russian passenger airline exposure down to three aircraft**
  - Leases are performing
- **Our one freight sector customer, AirBridge Cargo, appears to be holding up well**
  - Most revenue in US$ but many expenses in Rubles; able to weather the currency decline
  - Delivered a third 747-400 freighter to ABC in early February 2015
- **Six aircraft currently on lease to Russian airlines represent 6.2% of NBV***

** Pro-forma. Reflects the Feb-15 placement of one additional 747-400 freighter aircraft with AirBridge Cargo.*

Positive Portfolio Trends

- **Portfolio increased by $1.6 billion since YE 2010; unencumbered aircraft increased by $2.7 billion**
- **Significant shift in fleet towards passenger aircraft and large reduction in fleet age**
- **Remaining lease term increasing; consistently strong utilization**

$ in billions	YE 2010	YE 2011	YE 2012	YE 2013	YE 2014	YE:14 vs YE:10
Flight Equipment Held for Lease[1]	$4.1	$4.4	$4.8	$5.2	$5.7	+$1.6
Unencumbered Flight Equipment	$0.6	$0.7	$2.1	$2.7	$3.3	+$2.7
Number of Aircraft	136	144	159	162	148	+12
Number of Unencumbered Aircraft	18	27	72	80	95	+77
Passenger Aircraft (% of NBV)	67%	69%	71%	81%	86%	+19%
Freighter Aircraft (% of NBV)	33%	31%	29%	19%	14%	-19%
Wtd. Avg. Fleet Age (years)[2]	11.0	10.9	10.7	9.9	8.4	-2.6
Wtd. Avg. Lease Term (years)[3]	4.7	4.9	5.0	5.0	5.4	+0.7
Wtd. Avg. Utilization[4]	98.5%	98.6%	98.8%	98.7%	99.6%	

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.*
4. *Aircraft on-lease days as a percent of total days in period weighted by net book value.*

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Q4:14 Revenue Summary

- **Lease rental and finance lease revenue of $179.8 million was $6.4 million higher, up 4%, versus Q4:13:**
  - $38.7 million higher from aircraft acquisitions, partially offset by aircraft sales of $30.4 million
- **Maintenance revenue increased by $27.6 million driven by early terminated leases with Russia-based airlines**
- **Q4:14 amortization of net lease discounts and incentives includes $5.1 million lease incentive benefit associated with the terminated leases with an airline in Russia**

Revenue Summary		
$ millions	**Q4:13**	**Q4:14**
Lease Rental and Finance Lease Revenue	**$ 173.3**	**$ 179.8**
Amortization of Lease Premiums, Discounts and Incentives	**(6.9)**	**1.1**
Maintenance Revenue	**25.4**	**53.0**
Total Lease Rentals	**191.8**	**233.8**
Other Revenue	**0.2**	**4.4**
Total Revenues	**$192.0**	**$ 238.3**

Q4:14 Earnings Summary

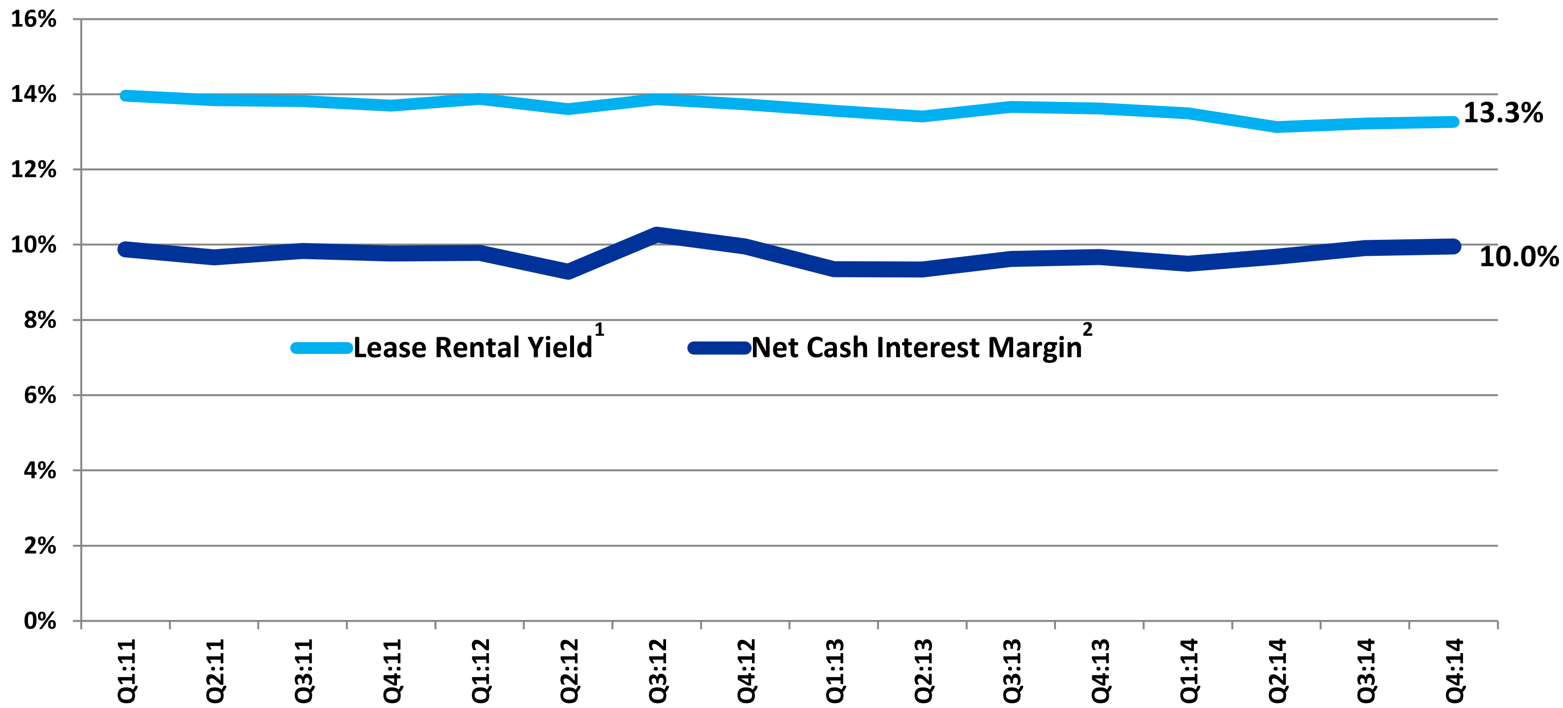
- **Adjusted net income was $80.1 million, up $25.2 million from Q4:13 due to:**
  - Higher total revenues of $46.3 million, partially offset by
  - Higher non-cash aircraft impairment charges of $22.0 million
- **Adjusted EBITDA was $233.2 million, up $37.2 million from Q4:13**
  - Reflects higher total revenues excluding amortization of lease discounts and incentives of $38.3 million

Earnings Summary		
$ millions, except per share amounts	**Q4:13**	**Q4:14**
Net Income (Loss)	**$ 48.4**	**$ 72.8**
per diluted common share	***$ 0.60***	***$ 0.90***
Adjusted Net Income (Loss)	**$ 54.9**	**$ 80.1**
per diluted common share	***$ 0.68***	***$ 0.99***
EBITDA	**$190.4**	**$205.6**
Adjusted EBITDA	**$196.0**	**$233.2**

Note: Non-GAAP items reconciled in the Appendix.

Among Industry's Highest Net Cash Interest Margins

- **Upgraded fleet composition resulting in slightly lower revenue yields**
- **Proactive liability management is resulting in strong funding competitiveness and wider 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.*

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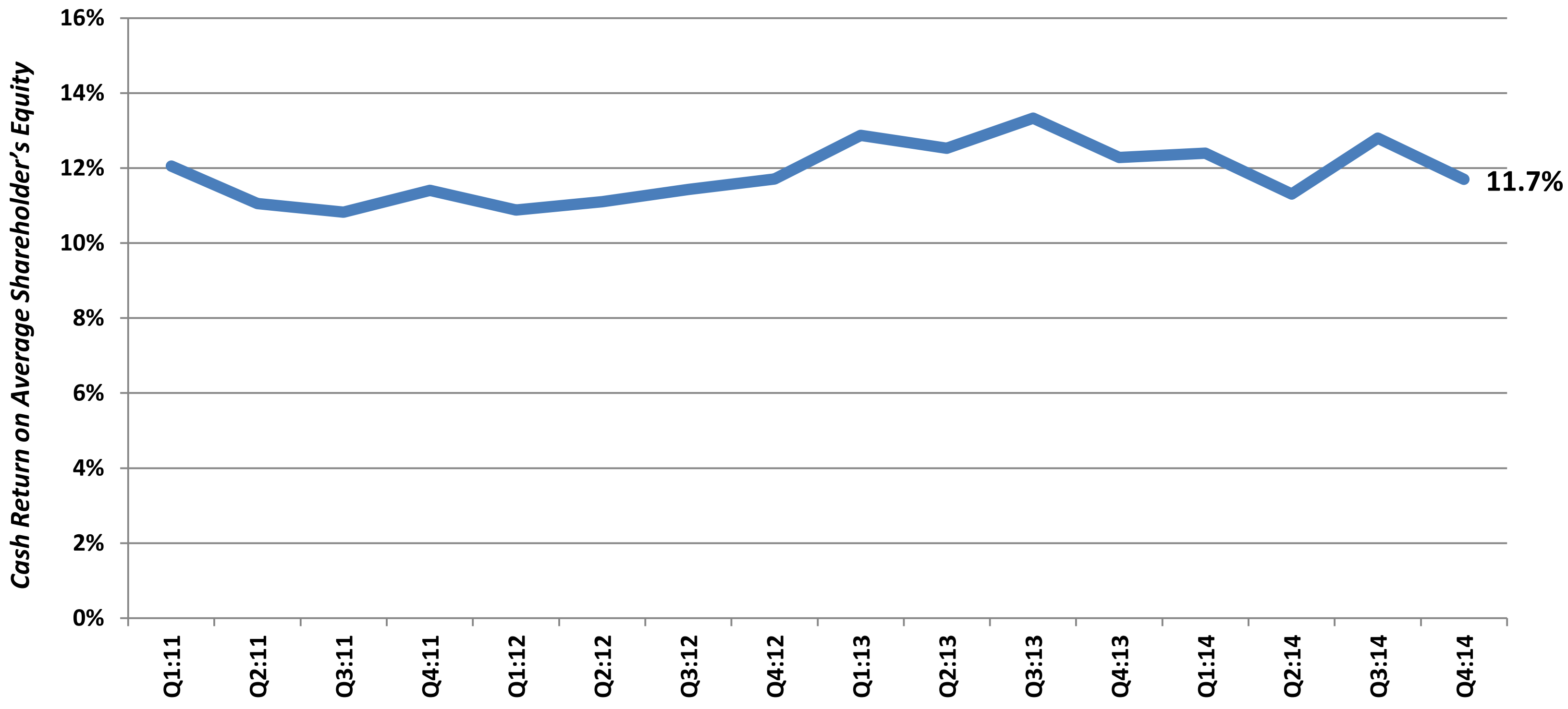
Cash ROE Remains Strong

- **Trailing twelve month Cash ROE has averaged 11.9% since Q1:11**
- **Rising sustainable cash returns and profitable growth will drive dividend growth over time**



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.

Q4:14 Capital Structure Summary

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- **Net debt to equity of 2.1 times; unsecured debt to total debt 63%**
- **Reduced weighted average cash interest expense to 4.69% from 5.37%**
- **Debt weighted average remaining life of 4.2 years; no major debt maturities until 2017**
- **$600 million[1] in unsecured revolver capacity available; unrestricted cash of $170 million**

	As of Dec 31, 2012		As of Dec 31, 2013		As of Dec 31, 2014[2]	
	$MM	Rate[1]	$MM	Rate[1]	$MM	Rate[1]
Total Secured Debt	1,848	3.03%	1,587	3.17%	1,396	2.96%
Total Unsecured Debt	1,751	7.53%	2,151	6.99%	2,400	5.70%
Total Debt & Wtd Avg Rate	3,599	5.22%	3,737	5.37%	3,796	4.69%
Shareholders' Equity	1,416		1,646		1,720	
Net Debt to Equity	2.1x		1.9x		2.1x	
Unsecured debt to total debt	49%		58%		63%	

1. *Bank revolver was increased to $600 million from $450 million on January 26, 2015.*
2. *Reflects fixed swap rate in effect plus the margin for Securitization No. 2. With the exception of three variable rate Bank Financings, all other debt, including ECA Term Financings, all other Bank Financings and the Senior Notes due 2017 through 2022 are fixed rate financings.*

Capital Allocation Framework

Aircastle's balanced capital allocation approach:

- Increase ROE over time through new investments and exit strategy sales
  - ***NBV of flight equipment up more than $1.6 billion since Q1:11***
- Return capital to shareholders
  - ***$207.2 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***

Source: Bloomberg. Total Shareholder's Return ("TSR") includes cumulative gross dividends plus share price appreciation from December 31, 2010 through the close on February 17, 2015.

Selected Financial Guidance Elements for Q1:15

$ in millions

Guidance Item	Q1:15
Lease rental revenue [1]	$177 - $180
Finance lease revenue	$1 - $2
Maintenance revenue	$15 - $17
Amortization of lease premiums, discounts and incentives	$4 - $5
SG&A	$13 - $14
Depreciation	$75 - $77
Interest, net [2]	$62 - $64
Gain on sale	$0 - $8
Full year effective tax rate	12-13%

(1) Reflects no rental revenue for five mid-aged 737-800 aircraft that were removed from Russia and an unusual level of lease extension and transition activity in late Q4:14 and early Q1:15. These will have a combined effect of $5 - $6 million per quarter.

(2) Includes non-cash hedge loss amortization charges related to the payoff of Term Financing No.1 and Securitization No.1 of $5.9 million.

Appendix

Diversified Customer Base with Broad Geographic Distribution

- **54 airline customers across the globe**
  - Largest individual exposure is 7.0% of total NBV
- **Large, national flag carriers comprise most of our top customers**
- **Regional distribution evolving with global trends**
  - Asian customers now 40% of portfolio NBV vs. 20% at YE 2009
  - European exposure now 29% of total NBV vs. 46% at YE 2009
- **Airline customers based in 34 countries**

Top Ten Lessees			
% of NBV*	Customer	Country	#Aircraft
> 6% per Customer	LATAM	Chile	3
	Iberia	Spain	18
3% to 6% per Customer	South African Airways	South Africa	4
	Thai Airways	Thailand	2
	Singapore Airlines	Singapore	4
	Martinair[1]	Netherlands	5
	Emirates	UAE	2
	Garuda	Indonesia	4
	Air Asia X	Malaysia	2
	Virgin Australia	Australia	2
	AirBridge Cargo[2]	Russia	2

Top Ten Countries		
Country	# A/C	% of NBV*
Chile	3	7.0%
Spain	18	6.5%
Indonesia	8	6.3%
Russia[3]	10	6.0%
Thailand	3	5.7%
South Africa	4	5.5%
Singapore	4	5.4%
USA	15	4.9%
Netherlands	6	4.7%
Malaysia	3	4.2%

* *Percentage of net book value. Figures as of December 31, 2014.*
1. *If combined with one other affiliated customer, represents 5% of flight equipment held for lease.*
2. *Guaranteed by Volga-Dnepr Airlines.*
3. *Does not include the removal of five passenger aircraft and the placement of one additional 747-400 freighter aircraft with Airbridge Cargo in Q1 2015.*

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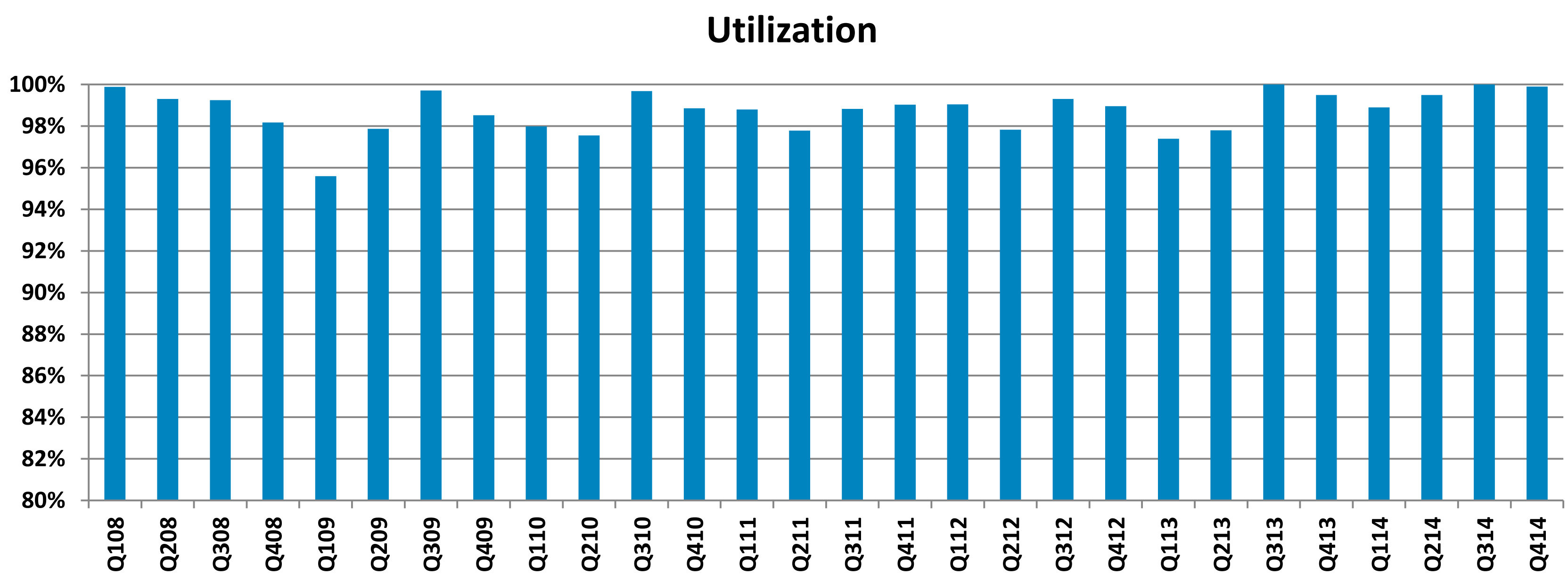
Aircraft Fleet Evolution

- **Significant shift away from freighter and classic generation aircraft towards current generation wide-body passenger aircraft**

Fleet Distribution as a % of Total Net Book Value						
Aircraft Type	Model	YE 2009	YE 2011	YE 2013	YE 2014	YE:14 vs YE:09
Current Generation Wide-Bodies	A330s	17%	23%	30%	32%	+30%
	777ERs	2%	5%	12%	17%	
Current Generation Narrow-Bodies	737 NGs	18%	17%	18%	18%	-3%
	A320 CEOs	17%	14%	12%	14%	
Freighters	747-400s	27%	22%	17%	13%	-16%
	Other Freighters	3%	9%	2%	1%	
Classic Generation Aircraft	737s	4%	2%	1%	--	-14%
	757s & 767s	12%	8%	5%	2%	
Regional Jets	E-Jets	0%	0%	3%	2%	+2%

Consistently Strong Portfolio Performance

- **Q4:14 utilization of nearly 100%**
- **Portfolio utilization of 98-99% throughout the business cycle**
- **Demonstrates portfolio management strength across a variety of aircraft assets**



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

Pre-tax Impact of 2014 Aircraft Sales

- **Significant maintenance and other revenue offset impairment charges**
- **Pre-tax impact from asset sales of $40.2 million in 2014**

	Number of Aircraft	Maintenance Revenue	Lease Incentive Revenue	Gain (Loss) on Sale of Flight Equipment	Impairment	Pre-tax Impact
Opportunistic sales	28	$ 3,171	$ -	$ 38,363	$ -	$ 41,534
Exit sales	19	56,129	776	(15,217)	(24,940)	16,748
Total sales	47	59,300	776	23,146	(24,940)	58,282
Freighter Exits *	2	9,137	3,626	-	(30,877)	(18,114)
Total	49	$ 68,437	$ 4,402	$ 23,146	$ (55,817)	$ 40,168

** Includes two 747-400 converted freighter aircraft which were designated for sale. One of these aircraft was sold in January, 2015 while the other is under a consignment contract and is in the process of being parted out.*

Capital Structure & Liquidity Summary

Aircastle's Capital Structure

($ in millions)	As of Dec. 31, 2012		As of Dec. 31, 2013		As of Dec. 31, 2014	
Unrestricted cash and cash equivalents	$ 618		$ 655		$ 170	
Debt	O / S	Rate[1]	O / S	Rate[1]	O / S	Rate[1]
Securitization No. 1	310	5.78%	225	5.78%	0	5.78%
Securitization No. 2	773	1.58%	604	1.58%	392	1.58%
ECA Term Financings	653	3.22%	494	3.57%	450	3.57%
Bank Financings	113	4.31%	264	3.81%	555	3.44%
Total Secured Debt	1,848	3.03%	1,587	3.17%	1,396	2.96%
Bank Revolver	-	-	-	-	200	2.41%
Senior Notes due 2017	500	6.75%	500	6.75%	500	6.75%
Senior Notes due 2018	451	9.75%	451	9.75%	-	9.75%
Senior Notes due 2018	-	-	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%
Total Unsecured Debt	1,751	7.53%	2,151	6.99%	2,400	5.70%
Total Debt and Weighted Avg. Rate	3,599	5.22%	3,737	5.37%	3,796	4.69%
Shareholders’ equity	1,416		1,646		1,720	
Total capitalization	$ 5,014		$ 5,383		$ 5,517	
Net debt to equity	2.1 x		1.9 x		2.1 x	
Unsecured debt to total debt	49%		58%		63%	

1. *Reflects fixed swap rate in effect plus the margin for Securitization No. 2. With the exception of three variable rate Bank Financings, all other debt, including ECA Term Financings, all other Bank Financings and the Senior Notes due 2017 through 2022 are fixed rate financings.*

Supplemental Financial Information

in thousands, except per share amounts	Three Months Ended December 31, 2013	Three Months Ended December 31, 2014	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2014
Revenues	$ 191,988	$ 238,257	$ 708,645	$ 818,602
EBITDA	$ 190,383	$ 205,584	$ 600,088	$ 658,606
Adjusted EBITDA	$ 195,965	$ 233,200	$ 717,209	$ 792,283
Adjusted net income	$ 54,899	$ 80,145	$ 59,260	$ 167,642
Adjusted net income (loss) allocable to common shares	$ 54,433	$ 79,545	$ 58,786	$ 166,425
Per common share - Basic	$ 0.68	$ 0.99	$ 0.80	$ 2.07
Per common share - Diluted	$ 0.68	$ 0.99	$ 0.80	$ 2.07
Basic common shares outstanding	80,154	80,390	73,653	80,389
Diluted common shares outstanding	80,154	80,390	73,653	80,389

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

	Three Months Ended December 31, 2013	Three Months Ended December 31, 2014	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2014
	(Dollars in thousands)			
Net income	$ 48,421	$ 72,764	$ 29,781	$ 100,828
Depreciation	72,476	74,135	284,924	299,365
Amortization of net lease discounts and lease incentives	6,884	(1,080)	32,411	6,172
Interest, net	60,106	56,827	243,757	238,378
Income tax provision	2,496	2,938	9,215	13,863
EBITDA	$ 190,383	$ 205,584	$ 600,088	$ 658,606
Adjustments:				
Impairment of aircraft	4,971	26,988	117,306	93,993
Loss on extinguishment of debt	-	-	-	36,570
Non-cash share based payment expense	1,638	1,077	4,569	4,244
Gain on mark to market of interest rate derivative contracts	(1,027)	(449)	(4,754)	(1,130)
Adjusted EBITDA	$ 195,965	$ 233,200	$ 717,209	$ 792,283

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.

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

$ in thousands, except per share amounts	Three Months Ended Dec. 31, 2013	Three Months Ended Dec. 31, 2014	Twelve Months Ended Dec. 31, 2013	Twelve Months Ended Dec. 31, 2014
	(Dollars in thousands)			
Net income	$ 48,421	$ 72,764	$ 29,781	$ 100,828
Loss on extinguishment of debt (2)	—	—	—	36,570
Loan termination fee (1)	—	—	2,954	—
Ineffective portion and termination of hedges (1)	171	619	2,393	660
Gain on mark to market of interest rate derivative contracts (2)	(1,027)	(449)	(4,754)	(1,130)
Write-off of deferred financing fees (1)	—	—	3,975	—
Non-cash share based payment expense (3)	1,638	1,077	4,569	4,244
Term Financing No. 1 hedge loss amortization charges (1)	4,365	3,310	17,843	14,854
Securitization No. 1 hedge loss amortization charges (1)	1,331	2,824	2,499	11,616
Adjusted net income	$ 54,899	$ 80,145	$ 59,260	$ 167,642
Net Income, per share	$ 0.60	$ 0.90	$ 0.40	$ 1.25
Adjusted net income, per share	$ 0.68	$ 0.99	$ 0.80	$ 2.07

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

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	$1,661,240	11.7%

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

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	Average NBV of Flight Equipment	Quarterly Lease Rental Revenue	Cash Interest[1]	Annualized Net Cash Interest Margin
Q1:08	$ 3,868,993	$ 130,980	$ 41,879	9.2%
Q2:08	$ 4,079,258	$ 137,647	$ 46,171	9.0%
Q3:08	$ 4,042,247	$ 136,578	$ 41,138	9.4%
Q4:08	$ 3,962,052	$ 137,063	$ 40,672	9.7%
Q1:09	$ 3,818,034	$ 125,994	$ 36,770	9.3%
Q2:09	$ 3,817,228	$ 129,406	$ 36,642	9.7%
Q3:09	$ 3,801,836	$ 128,284	$ 36,779	9.6%
Q4:09	$ 3,763,084	$ 127,775	$ 36,426	9.7%
Q1:10	$ 3,790,340	$ 130,122	$ 35,598	10.0%
Q2:10	$ 3,759,273	$ 128,134	$ 35,348	9.9%
Q3:10	$ 3,797,410	$ 133,486	$ 40,144	9.8%
Q4:10	$ 3,979,782	$ 139,335	$ 41,974	9.8%
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	$ 51,684	9.5%
Q2:14	$ 5,582,359	$ 183,231	$ 48,173	9.7%
Q3:14	$ 5,412,299	$ 178,886	$ 44,820	9.9%
Q4:14	$ 5,373,733	$ 178,202	$ 44,459	10.0%

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.

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Supplemental Financial Information

	Three Months Ended December 31, 2014		Twelve Months Ended December 31, 2014	
Weighted-average shares:	**Shares**	**Percent**[2]	**Shares**	**Percent**[2]
Common shares outstanding – Basic	80,390	99.25%	80,389	99.27%
Unvested restricted common shares	606	0.75%	588	0.73%
Total weighted-average shares outstanding	80,996	100.00%	80,977	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	$ 72,764	100.00%	$ 100,828	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(544)	-0.75%	(732)	-0.73%
Earnings available to common shares	$ 72,220	99.25%	$ 100,096	99.27%
Adjusted net income allocation				
Adjusted net income	$ 80,145	100.00%	$ 167,642	100.00%
Amounts allocated to unvested restricted shares	(600)	-0.75%	(1,217)	-0.73%
Amounts allocated to common shares	$ 79,545	99.25%	$ 166,425	99.27%

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 December 31, 2013		Twelve Months Ended December 31, 2013	
Weighted-average shares:	Shares	Percent[2]	Shares	Percent[2]
Common shares outstanding – Basic	80,154	99.15%	73,653	99.20%
Unvested restricted common shares	686	0.85%	594	0.80%
Total weighted-average shares outstanding	80,839	100.00%	74,247	100.00%
Common shares outstanding – Basic	80,154	100.00%	73,653	100.00%
Effect of dilutive shares[1]	---	---	---	---
Common shares outstanding – Diluted	80,154	100.00%	73,653	100.00%
Net income allocation				
Net income	$ 48,421	100.00%	$ 29,781	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(411)	-0.85%	(238)	-0.80%
Earnings available to common shares	$ 48,010	99.15%	$ 29,543	99.20%
Adjusted net income allocation				
Adjusted net income	$ 54,899	100.00%	$ 59,260	100.00%
Amounts allocated to unvested restricted shares	(466)	-0.85%	(474)	-0.80%
Amounts allocated to common shares	$ 54,433	99.15%	$ 58,786	99.20%

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

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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.