AIRCASTLE

Third Quarter 2011 Earnings Call

November 8, 2011

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 Net Income and Adjusted Net Income plus Depreciation and Amortization 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 Limited 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 presentation. 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 Limited’s expectations include, but are not limited to, significant capital markets disruption and volatility, which may adversely affect our continued ability to obtain additional capital to finance our working capital needs, volatility in the value of our aircraft or in appraisals thereof, which may, among other things, result in increased principal payments under our term financings and reduce our cash flow available for investment or dividends; general economic conditions and business conditions affecting demand for aircraft 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 or unavailability of capital caused by political unrest in North Africa, the Middle East or elsewhere, and other factors affecting the creditworthiness of our airline customers and their ability to continue to perform their obligations under our leases; termination payments on our interest rate hedges; and other risks detailed from time to time in Aircastle Limited’s filings with the SEC, including “Risk Factors” as previously disclosed in Aircastle’s 2010 Annual Report on Form 10-K, and in our other filings with the SEC, press releases and other communications. 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 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.

Q3 2011 Highlights

- Lease rental revenue of $145.9 million, adjusted net income of $15.4 million, or $0.21 per diluted share, ANIDA of $80.2 million, or $1.09 per diluted share
- Q3 fleet utilization of 99% and rental yield of 14%
- Sold one new A330-200 at delivery and one 747-400F freighter for a net gain of $9.0 million during Q3:11, before certain non cash charges
- YTD have purchased 18 aircraft and have commitments to acquire four additional aircraft
- Repurchased 7.6 million shares YTD, or 9.5% of YE 2010 shares outstanding, at an average cost of $11.92 per share ($90 million total)
- Increased the quarterly dividend by 20% to $0.15 per share
  - Represents second quarterly increase in 2011; quarterly dividends have increased 50% in 2011

Q3:11 Revenue Summary

- Lease rental revenue of $145.9 million was higher by $12.4 million, or 9%, versus Q3:10 due to:
  - $25.4 million in revenues from new acquisitions, partially offset by:
    - Foregone quarterly revenue of $6.2 million from dispositions
    - Net decrease of $6.8 million due to terminations, transitions, extensions and other
- As expected, no maintenance revenue in Q3:11 since there were no lease transitions or terminations
- Q3:11 Annualized lease rental exit run rate of $579 million including $94 million from unencumbered aircraft
  - Expected YE 11 exit run rate of $590 million, $110 million from unencumbered aircraft

Revenue Summary		
$ millions	**Q3:10**	**Q3:11**
Lease Rental Revenue	$133.5	$145.9
Maintenance Revenue	2.5	-
Amortization of Net Lease Discounts and Lease Incentives	(4.2)	(4.7)
Total Lease Rentals	**131.8**	**141.2**
Interest Income and Other Revenue	0.4	0.3
Total Revenues	**$132.2**	**$141.5**

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Revenue Trends

- Increasing lease rental revenue reflects the growth in our portfolio
  - Lease rental revenue is a consistent performance driver of the operating and financial results
- Maintenance and other revenue in any reporting period depends on several factors such as the timing of lease expirations, early lease expirations, maintenance events and aircraft utilization
  - Inherently volatile quarter to quarter
- As expected, no maintenance revenue in Q3:11 since there were no lease transitions or terminations

	2009		2010				2011		
($ millions)	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenues									
Lease rental revenue	$ 128.3	$ 127.8	$ 130.1	$ 128.1	$ 133.5	$ 139.3	$ 141.1	$ 143.4	$ 145.9
Amortization of net lease discounts & lease incentives	(4.0)	(3.3)	(4.8)	(4.9)	(4.2)	(6.1)	(3.1)	(3.0)	(4.7)
Maintenance revenue	31.4	11.1	5.3	6.8	2.5	1.1	16.8	8.2	-
Interest income	0.6	0.1	-	-	-	-	-	-	-
Other revenue	9.5	0.1	-	0.1	0.4	0.4	3.1	0.1	0.3
Total Revenues	**$ 165.7**	**$ 135.8**	**$ 103.6**	**$ 130.2**	**$ 132.2**	**$ 134.7**	**$ 157.9**	**$ 148.8**	**$ 141.5**

Q3:11 Earnings Summary

- Adjusted net income plus depreciation and amortization for the quarter was $80.2 million, up $7.7 million quarter over quarter, due primarily to:
  - Higher lease rental revenue of $12.4 million and a reduction in quarter to quarter impairment charges of $6.1 million, partially offset by:
    - Higher adjusted interest expense of $3.4 million
    - Lower maintenance revenue of $2.5 million
    - Higher maintenance and other costs of $2.9 million
- Adjusted net income was $15.4 million, up $2.8 million quarter over quarter, and reflects the above items plus higher depreciation of $4.4 million

Earnings Summary		
$ millions, except per share amounts	**Q3:10**	**Q3:11**
Net Income	$ 8.6	$ 22.7
Adjusted Net Income	**$ 12.6**	**$ 15.4**
per diluted common share	**$ 0.16**	**$ 0.21**
Adjusted Net Income + Depreciation & Amortization	**$ 72.5**	**$ 80.2**
per diluted common share	**$** 0.91	**$ 1.09**
EBITDA	$ 116.1	$ 137.6

NOTE: See appendix for GAAP to Non-GAAP reconciliation

Q3:11 Asset Sales and Impairment: P&L Impact

(in millions, except EPS)	Portfolio	Gains from Asset Sales	Deferred Hedge Loss Write-off	737-400 Impairment	Total
Lease rentals	$ 145,890	$ -	$ -	$ -	$ 145,890
Maintenance revenue	-				-
Lease incentives	(4,709)				(4,709)
Other revenue	326	-	-	-	326
Total revenues	141,507	-	-	-	141,507
Depreciation	60,132				60,132
Interest, net	47,168		1,704		48,872
SG&A	12,200				12,200
Impairments	-			1,236	1,236
Maintenance and other costs	4,045				4,045
Total expenses	123,545	-	1,704	1,236	126,485
Gain on sale/ Other inc/(exp)	-	8,997			8,997
Other inc/(exp)	(117)				(117)
Total Other inc/(exp)	(117)	8,997	-	-	8,880
Pre-tax Income	17,845	8,997	(1,704)	(1,236)	23,902
Tax expense	1,237	-	-	-	1,237
Net Income/(loss)	$ 16,608	$ 8,997	$ (1,704)	$ (1,236)	$ 22,665
EPS	$ 0.22	$ 0.12	$ (0.02)	$ (0.02)	$ 0.31

Liquidity and Long Term Debt

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- Ended Q3:11 with $266.3 million of unrestricted cash and $195.6 million of restricted cash
- Entered into new five-year forward starting interest rate swap arrangement for Sec No. 2 at an average fixed rate of 1.27% effective June 2012
  - New swap rate 1.27% + 0.31% transaction spread = 1.58% fixed rate
  - Hedges approximately 75% of our forecasted debt balance
  - Will drive significant interest expense savings beginning June 2012

($ in millions)	Maturity	Encumbered Aircraft	9/30/2011 Outstanding	Interest Rate (1)	Estimated 9/30/2012 Outstanding	Interest Rate (1)
Securitization No. 1	Jun – 31	33	396	5.78%	358	5.78%
Securitization No. 2	Jun – 37	49	917	5.53%	836	1.58%
Term Financing No. 1	May – 15	27	607	5.79%	559	5.79%
ECA and secured financings	Dec-21 – July-23	8	546	3.31%	506	3.31%
A330 PDP Facility	Dec – 11		18	2.77%	-	-
2010-1 Notes	Aug – 18		297	9.75%	297	9.75%
Total Debt		**117**	**2,780**	**5.62%**	**2,556**	**4.38%**

Improvement in weighted average interest rate	1.24%

Notes

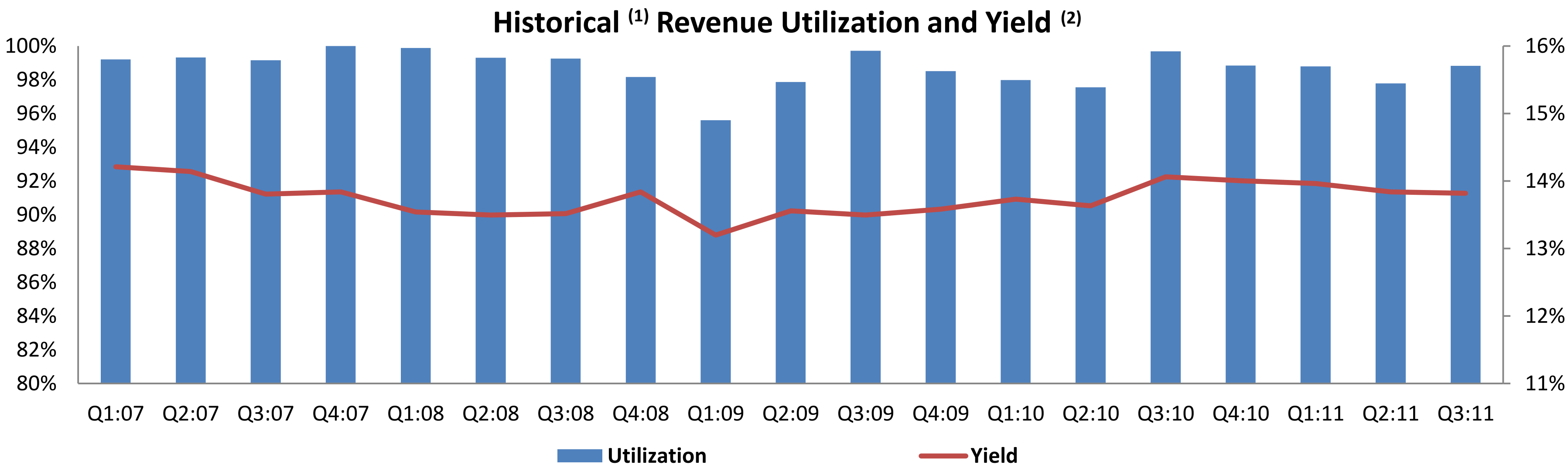
(1) *Reflects swap rate or index + spread for all financings except ECA and secured financings which are fixed rate*

(2) *For Securitization No. 2 and Term Financing No. 1, all cash flows available after expenses and interest will be applied to debt amortization if the debt is not refinanced by June 2012 and May 2013, respectively. Effective June 15, 2011 all cash flow for Securitization No. 1 available after expenses and interest is applied to debt amortization*

(3) *2012 balances reflect principal payments due in less than one year as detailed the contractual oblgations table in our SEC Form 10Q for the three months* ended September 30, 2011

Consistently Strong Portfolio Performance

- Consistently delivered portfolio utilization of 98-99% and a rental yield of about 14%
- Q3:11 utilization of 99% and rental yield of 14%
- Expect Q4:11 utilization to be 99% and rental yield of 14%



(1) Aircraft on-lease days as a percent of total days in period weighted by net book, excludes aircraft in conversion.
(2) Calculated as lease rental revenue / average NBV for the period (rental revenue does not include maintenance revenue).

Lease Placement & Aircraft Sales Activity

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2011 Lease Placements

- Began this year with 11 aircraft having scheduled lease expiries in 2011
  - Also, eight additional aircraft to place due to early terminations or acquisitions of leased aircraft
  - Remarketing two remaining aircraft for lease or sale

2012 Lease Placements

- At the start of 2011 we had 24 aircraft (~15% NBV of flight equipment) with scheduled lease expiries in 2012
- Lease extensions or commitments for 13 aircraft
- Good progress towards placing remaining 11 aircraft (~6% of NBV of flight equipment)

2011 Aircraft Acquisitions and Dispositions

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Acquisitions

- Delivered four new A330s on lease to South African Airways and one new A330 freighter leased to an affiliate of Hainan Group
  - One A330 delivered in Sep 2011 to SAA and sold immediately on delivery
  - One more A330 scheduled for Q4:11 delivery and contracted for sale
- One 777-300ER on lease to Cathay Pacific
- Three 747-400s acquired for freighter conversion
  - Two in conversion; lease with Southern Air commencing post-conversion
  - One on lease with Singapore Airlines
- Purchased eight mid-aged narrow-bodies
  - Four 737-800s on lease to three different lessees
  - One A320 on lease to a Chinese airline
  - Three 757-200s on lease to a US airline

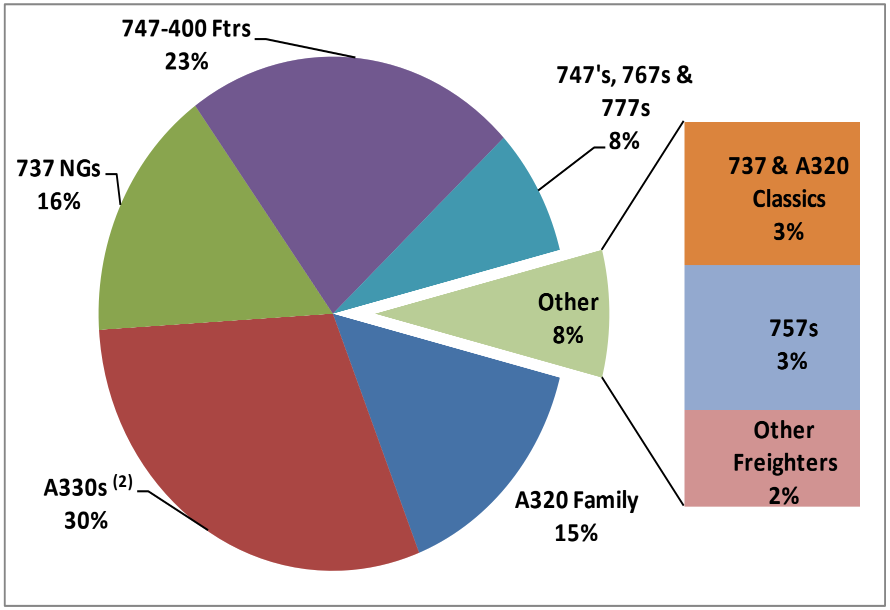
Dispositions

- Sold four 737-400Fs in Q1:11 for $9.7 million gain
- Sold one A330-200 in Q2:11 for $10.3 million gain, excluding certain finance charges
- Completed sale of one 737-500 in August (approximately break-even)
- Sold one 747-400F and one new A330 at delivery in September for $9.0 million gain
- One 757-200 and one A330-200 contracted for sale in Q4:11
- Evaluating other sales opportunities for Q4:11

Modern Portfolio with Strong Revenue Stream

- Modern commercial jet portfolio
  - 93% by net book value is latest generation of technology
- Investments oriented to early and middle part of an aircraft's production
  - Longer useful lives than "last off the line" units
- 30% of our portfolio by net book value in cargo aircraft
  - End market diversification
  - Excellent lessee performance throughout downturn
- Long remaining average lease term
- Provides strong cash flow performance

Diversification – Aircraft Type(1)



Portfolio Statistics(1)(3)

# Lessees / # Countries	61/ 34
Portfolio Remaining Lease Term	5.0
Freighter Remaining Lease Term	6.9
Weighted Average Age	10.8

(1) *Percentage of NBV. Figures as of 9/30/11*

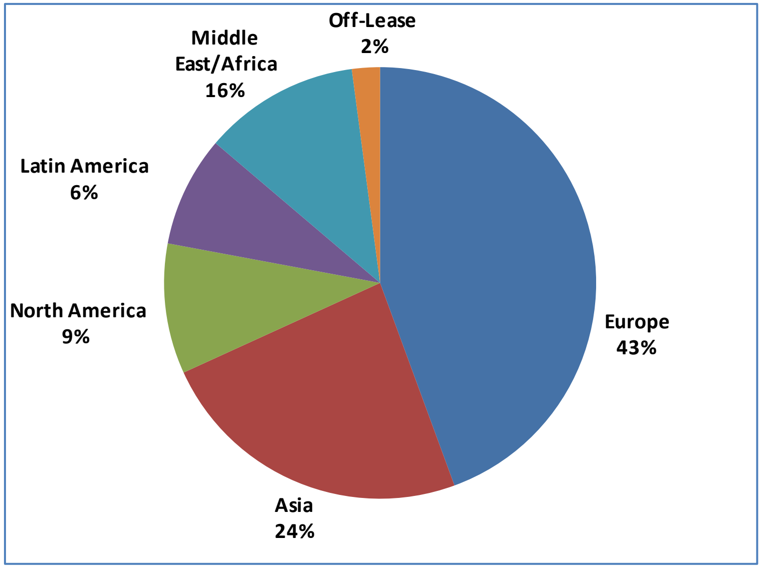
(2) *Includes three A330-200 Freighters*

(3) *Years weighted by NBV*

Diversified Customer Base

- Portfolio spread across a variety of carriers around the world
- Largest customer exposure is less than 9% of net book value
- Combined, the top 10 customers represent 54% of net book value

Geographical Diversity(*)



% of NVB	Customer	Country	# Aircraft
Greater than 6% per customer	South African Airways	South Africa	4
	HNA Group (1)	China	9
	Emirates	United Arab Emirates	2
3% to 6% per customer	Martinair (2)	Netherlands	5
	China Eastern Airlines (3)	China	10
	US Airways	USA	8
	SriLankan Airlines	Sri Lanka	5
	Airbridge Cargo (4)	Russia	2
	Iberia Airlines	Spain	6
	Varig/GOL	Brazil	6

(*) Percentage of NBV. Figures as of 9/30/11.

(1) Nine aircraft on lease to affiliates of the HNA Group, although the HNA Group does not guarantee the leases.
(2) Martinair is a wholly owned subsidiary of KLM. Although KLM does not guarantee Martinair's obligations under the relevant lease, if we combined Martinair with our one aircraft on lease with KLM, the two, together with two other affiliated customers, represent 10% of flight equipment held for lease.
(3) Includes the aircraft leased by China Eastern Airlines and its subsidiaries Shangai Airlines and China Cargo Airlines. China Eastern Airlines does not guarantee the obligations of the aircraft we lease to Shanghai Airlines or China Cargo Airlines.
(4) Guaranteed by Volga-Dnepr.

As of 9/30/11.

Appendix

Supplemental Financial Information

(In thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2011	2010	2011
Revenues	$132,247	$141,507	$392,992	$448,259
EBITDA	$116,081	$137,615	$356,397	$434,216
Adjusted net income	$ 12,561	$ 15,371	$ 53,638	$ 68,913
Adjusted net income allocable to common shares	$ 12,396	$ 15,169	$ 52,872	$ 68,046
Per common share - Basic	$ 0.16	$ 0.21	$ 0.67	$ 0.90
Per common share - Diluted	$ 0.16	$ 0.21	$ 0.67	$ 0.90
Adjusted net income plus depreciation and amortization	$ 72,467	$ 80,212	$231,867	$258,053
Adjusted net income plus depreciation and amortization allocable to common shares	$ 71,513	$ 79,159	$228,555	$254,807
Per common share - Basic	$ 0.91	$ 1.09	$ 2.91	$ 3.36
Per common share - Diluted	$ 0.91	$ 1.09	$ 2.91	$ 3.36
Basic common shares outstanding	78,537	72,950	78,470	75,791
Diluted common shares outstanding	78,537	72,950	78,470	75,791

Reconciliation of GAAP to Non-GAAP Measures

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2011	2010	2011
Net income	$ 8,569	$ 22,665	$ 45,587	$ 88,651
Depreciation	55,703	60,132	164,272	178,299
Amortization of net lease discounts and lease incentives	4,203	4,709	13,957	10,841
Interest, net	47,453	48,872	128,578	150,384
Income tax provision	153	1,237	4,003	6,041
EBITDA	$116,081	$137,615	$356,397	$434,216

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.

Reconciliation of GAAP to Non-GAAP Measures

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2011	2010	2011
Net income	$ 8,569	$ 22,665	$ 45,587	$ 88,651
Ineffective portion of cash flow hedges(1)	1,077	1,586	3,299	2,835
Loan termination payment(2)	—	—	—	3,196
Write-off of deferred financings fees(2)	2,471	—	2,471	2,456
Mark to market of interest rate derivative contracts(3)	444	117	990	733
(Gain) Loss on sale of flight equipment(3)	—	(8,997)	1,291	(28,958)
Adjusted net income	12,561	15,371	53,638	68,913
Depreciation	55,703	60,132	164,272	178,299
Amortization of net lease discounts and lease incentives	4,203	4,709	13,957	10,841
Adjusted net income plus depreciation and amortization	$ 72,467	$ 80,212	$ 231,867	$ 258,053

(1) Included in Interest, net. For the three months ended September 30, 2011, includes accelerated amortization of deferred hedge losses in the amount of $1,704 for an aircraft sold in September, 2011. For the nine months ended September 30, 2011, includes accelerated amortization of deferred hedge losses in the amount of $3,551 related to two aircraft sold in 2011.

(2) Included in Interest, net. For the three and nine months ended September 30, 2010, includes the write-off of deferred financing fees related to the pay-off of Term Financing No. 2 and the A330 SLB Facility. For the nine months ended September 30, 2011, includes the write-off of deferred financing fees related to an aircraft sold in June 2011.

(3) Included in Other income (expense).

Management believes that Adjusted Net Income ("ANI") and Adjusted Net Income plus Depreciation and Amortization ("ANIDA"), when viewed in conjunction with the Company's results under 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 interest rate derivative accounting as well as gains/(losses) related to flight equipment and debt investments. Additionally, management believes that ANIDA provides investors with an additional metric to enhance their understanding of the factors and trends affecting our ongoing cash earnings, from which capital investments are made, debt is serviced and dividends are paid. However, ANI and ANIDA are not measures of financial performance or liquidity under GAAP and, accordingly, should not be considered as alternatives to net income (loss) or cash flow from operating activities as indicators of operating performance or liquidity.

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Supplemental Financial Information

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(In thousands)	Three Months Ended September 30, 2011		Nine Months Ended September 30, 2011	
	Shares	Percent[2]	Shares	Percent[2]
Weighted average shares				
Common shares outstanding – Basic	72,950	98.69%	75,791	98.74%
Unvested restricted common shares outstanding	971	1.31%	966	1.26%
Total weighted average shares outstanding	73,921	100.00%	76,757	100.00%
Common shares outstanding – Basic	72,950	100.00%	75,791	100.00%
Effect of dilutive shares[1]	—	—	—	—
Common shares outstanding – Diluted	72,950	100.00%	75,791	100.00%
Net income allocation				
Net income	$22,665	100.00%	$ 88,651	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(298)	(1.31)%	(1,115)	(1.26)%
Earnings available to common shares	$22,367	98.69%	$ 87,536	98.74%
Adjusted net income allocation				
Adjusted net income	$15,371	100.00%	$ 68,913	100.00%
Amounts allocated to unvested restricted shares	(202)	(1.31)%	(867)	(1.26)%
Amounts allocated to common shares	$15,169	98.69%	$ 68,046	98.74%
Adjusted net income plus depreciation and amortization allocation				
Adjusted net income plus depreciation and amortization	$80,212	100.00%	$258,053	100.00%
Amounts allocated to unvested restricted shares	(1,053)	(1.31)%	(3,246)	(1.26)%
Amounts allocated to common shares	$79,159	98.69%	$254,807	98.74%

(1) The Company had no dilutive common share equivalents for the periods presented.

(2) Percentages rounded to two decimal places.

Supplemental Financial Information

(In thousands)

	Three Months Ended September 30, 2011		Nine Months Ended September 30, 2011	
	Shares	Percent[2]	Shares	Percent[2]
Weighted average shares				
Common shares outstanding – Basic	78,537	98.68%	78,470	98.57%
Unvested restricted common shares outstanding	1,048	1.32%	1,137	1.43%
Total weighted average shares outstanding	79,585	100.00%	79,607	100.00%
Common shares outstanding – Basic	78,537	100.00%	78,470	100.00%
Effect of dilutive shares[1]	—	—	—	—
Common shares outstanding – Diluted	78,537	100.00%	78,470	100.00%
Net income allocation				
Net income	$ 8,569	100.00%	$ 45,587	100.00%
Distributed and undistributed earnings allocated to unvested restricted shares	(113)	(1.32)%	(651)	(1.43)%
Earnings available to common shares	$ 8,456	98.68%	$ 44,936	98.57%
Adjusted net income allocation				
Adjusted net income	$12,561	100.00%	$ 53,638	100.00%
Amounts allocated to unvested restricted shares	(165)	(1.32)%	(766)	(1.43)%
Amounts allocated to common shares	$12,396	98.68%	$ 52,872	98.57%
Adjusted net income plus depreciation and amortization allocation				
Adjusted net income plus depreciation and amortization	$72,467	100.00%	$231,867	100.00%
Amounts allocated to unvested restricted shares	(954)	(1.32)%	(3,312)	(1.43)%
Amounts allocated to common shares	$71,513	98.68%	$228,555	98.57%

(1) The Company had no dilutive common share equivalents for the periods presented.

(2) Percentages rounded to two decimal places.