AIRCASTLE

Third Quarter 2008 Earnings Call

November 7, 2008

Forward-Looking Statements

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 and lease aircraft, issue aircraft lease-backed securities or raise other long-term debt, pay dividends, extend, modify or replace existing financing and increase revenues, earnings and EBITDA. Words such as ”anticipate(s),” ”expect(s),” ”intend(s),” ”plan(s),” “target(s),” “project(s),” “predict(s),” ”believe(s),” “may,” ‘‘will,” ”would,” “could,” ‘‘should,” “seek(s),” “estimate(s)’’ 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 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 Limited’s expectations include, but are not limited to, prolonged financial markets disruption and volatility, which may adversely affect our continued ability to obtain additional capital to finance our working capital needs and our pre-delivery payment obligations and other aircraft acquisition commitments; our exposure to increased bank and counterparty risk caused by credit and capital markets disruptions; our ability to acquire aircraft at attractive prices and to raise or borrow capital at attractive rates to fund future aircraft acquisitions; our ability to find new ways to raise capital, including managing investment funds; our continued ability to obtain favorable tax treatment in Bermuda, Ireland and other jurisdictions; our ability to pay or maintain dividends; our ability to lease aircraft at favorable rates; an adverse change in the value of our aircraft; the possibility that conditions to closing of certain transactions will not be satisfied; general economic conditions and economic conditions in the markets in which we operate; competitive pressures within the industry and/or markets in which we operate; a continuing economic slow-down, high or volatile fuel prices, lack of access to capital and other factors affecting the creditworthiness of our airline customers; interest rate fluctuations; margin calls and termination payments on our interest rate hedges; our ability to obtain certain required licenses and approvals; the impact of future terrorist attacks or wars on the airline industry; our concentration of customers, including geographical concentration; and other risks detailed from time to time in Aircastle Limited’s filings with the Securities and Exchange Commission (the “SEC”), including “Risk Factors” as previously disclosed in Aircastle’s 2007 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 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.

Q3 2008 Results Summary

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- Adj. Net Income was $35.0M
- Adj. Net Income + Depreciation of $4.48 Per Diluted Share Annualized[1]
- 99% Fleet Utilization
- $77M Unrestricted Cash Balance at 9/30/08

Summary of Financial Results

$ millions	Q3 2008	Q3 2007
Lease Revenue	$143.8	$102.9
Net Income	$23.6	$32.5
Adjusted Net Income [1]	$35.0	$32.9
Adjusted Net Income + Depreciation [1]	$87.0	$67.9
Adjusted Net Income + Depreciation per diluted share [1]	$1.12	$1.02

Excludes gains from asset sales, and non cash charges from interest rate swaps

10% Growth

[1] Refer to the selected financial information on pages 8-10 of this presentation

Financing and Liquidity

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- **Closed $207M Term Financing in Sep 2008**
  - 5-year financing for 9 aircraft; 7 aircraft have transferred to date
  - Initial Interest Rate 6.95%(1)
- **Fleet is Term Financed Until Sep 2013**
- **Long Term Debt Structure**
  - Four separate long-term financing transactions
  - Non-recourse to Aircastle Ltd.
- **Working on Airbus PDP Financing**
  - Targeting close during H1 2009
  - For 12 new A330 aircraft delivering in H2 2010-2012
  - ~$120M in total payments thru 2009 (Q1: $7M; Q2: $44M; Q3 $7M; Q4 $62M)

(1) Expected to bear interest on the basis of three-month LIBOR plus 2.25% per annum or, if greater, on the basis of the lenders' cost of funds rate plus 2.25% per annum.

Proforma Capitalization as of Sep 30, 2008 (in millions)	
Unrestricted Cash	$77
Revolver	$0
Warehouse, net(1)	$26
Securitizations & Term Debt Financings	$2,585
Total Debt(1)	**$2,611**
Net Book Value of Assets Held for Lease	$4,005
Debt as % of Net Book Value	65%

(1) Balance is net of $87M of proceeds held in escrow pending the remaining aircraft transfers into Term Financing No.2. Remaining Warehouse balance to be paid down with proceeds from a committed 747-400 sale.

- **Profitable Aircraft Sales**
  - Completed: 2x 757-200s (Q3:08)
  - Pending: 1x 747-400 financed in Warehouse (Q4:08)
  - Pending: 1x 767-300ER financed in ACS 06-1 (Q4:08)

Lease Placement Status

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2008 Lease Roll-Off in Place

- "Same-store" rents up 12%
- Average lease term of more than 6 years
- During Q3 2008 repositioned three aircraft that had been terminated following lessee default
  - 2 x 737-300s
  - 1 x 757-200
- Expect to take delivery of second 747-400 freighter next week

2009 Lease Roll-Off Almost Done

- 16 out of 20 aircraft placed
- Remaining placements in 2H '09
  - 2 x 737-800
  - 1 x A319-100
  - 1 x 737-400
- Expect "same store" rents to increase 5-10%
- Expect average lease term of ~6 years

Restructurings

- Sterling (Oct 08)
  - 7 x 737-700s
  - Represented 4% of rental revenues
  - SWAT team in place; remarketing actively
  - Expect annual effect to be ~1% of revenue
- Futura (Sep 08)
  - 1 x 737-300 and 1x 737-400
  - Signed new lease for -300 and letter of intent for -400
  - Expect to have one on lease by year end and one in Jan '09

Portfolio Summary

	Portfolio Summary (as of September 30, 2008)	
	Total Aircraft	133
	Net Book Value (NBV)	$4.0Bn
Diverse	Number of Lessees	58
	Number of Countries	33
	% of Aircraft Leased Outside US (by NBV)	91%
	% Freighters (by NBV)	27%
Modern	% Latest Generation Aircraft - Portfolio	87%
	% Latest Generation - Freighters	92%
In Demand	Q3 2008 Fleet Utilization	99%
	Wtd. Average Remaining Lease Term (yrs)	5.4

Appendix

Supplemental Financial Information

Reconciliation of GAAP to Non-GAAP Measures

Supplemental Financial Information

(Unaudited)

($ in thousands, except per share amounts)	Three Months Ended September 30, 2007	Three Months Ended September 30, 2008	Percent Increase	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2008	Percent Increase
Revenues	$ 105,264	$144,454	37.2%	$260,382	$424,805	63.1%
Annualized month end lease rental run rate at period end	$434,394	$543,292	25.1%	$434,394	$543,292	25.1%
EBITDA [1]	$ 93,140	$129,240	38.8%	$226,276	$386,567	70.8%
Adjusted net income [1]	$ 32,939	$ 35,019	6.3%	$ 80,757	$ 104,229	29.1%
Basic earnings per share	$ 0.49	$ 0.45	-8.2%	$ 1.26	$ 1.34	6.3%
Diluted earnings per share	$ 0.49	$ 0.45	-8.2%	$ 1.26	$ 1.34	6.3%
Adjusted net income plus depreciation [1]	$ 67,919	$ 87,039	28.2%	$ 165,895	$256,069	54.4%
Basic earnings per share	$ 1.02	$ 1.12	9.8%	$ 2.59	$ 3.29	27.0%
Diluted earnings per share	$ 1.02	$ 1.12	9.8%	$ 2.58	$ 3.29	27.5%
Basic shares outstanding	66,590	77,768	16.8%	64,031	77,744	21.4%
Diluted shares outstanding	66,814	77,871	16.5%	64,259	77,814	21.1%

(1) - Refer to the reconciliation of GAAP to Non-GAAP information.

Reconciliation of GAAP to Non-GAAP Measures

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(Unaudited)

($ in thousands)	Three Months Ended September 30, 2007	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2008
Net income	$ 32,470	$ 23,574	$ 92,079	$ 90,552
Ineffective portion and termination of cash flow hedges(1)	469	10,545	51	17,575
Write-off of deferred financing fees(1)	—	—	—	813
Mark to market and termination of interest rate swaps(2)	—	1,672	(1,154)	942
Loss on sale of debt investments(2)	—	—	—	245
Gain on sale of flight equipment(3)	—	(772)	(10,219)	(5,898)
Adjusted net income	32,939	35,019	80,757	104,229
Depreciation	34,980	52,020	84,378	151,840
Depreciation included in discontinued operations	—	—	761	—
Adjusted net income plus depreciation	$ 67,919	$ 87,039	$ 165,896	$ 256,069

(1) Included in Interest, net

(2) Included in Other income

(3) 2008 amounts included in Other income; 2007 amounts included in Discontinued Operations

We adjust net income for ineffective portion and termination of cash flow hedges, write-off of deferred financing fees, mark to market and termination of interest rate swaps, loss on sale of debt investments and gain on sale of flight equipment. We use adjusted net income to assess our consolidated financial and operating performance, and we believe this non-GAAP measure is helpful in identifying trends in our performance net of non-recurring items.

We use adjusted net income plus depreciation to assess our consolidated financial and operating performance, and we believe this non-GAAP measure is helpful in identifying trends in our performance on an operating cash flow basis after taking into account interest expense on our outstanding indebtedness.

Reconciliation of GAAP to Non-GAAP Measures

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(Unaudited)

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Net income	$ 32,470	$ 23,574	$ 92,079	$ 90,552
Depreciation	34,980	52,020	84,378	151,840
Amortization of lease premiums (discounts)	(3,241)	(1,781)	(6,673)	(6,929)
Interest, net	27,074	54,112	63,151	146,442
Income tax provision	1,857	1,315	4,935	4,662
Earnings from discontinued operations, net of income taxes	—	—	(11,594)	—
EBITDA	$ 93,140	$ 129,240	$ 226,276	$ 386,567

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.