
STRATEGY



**AENGUS
KELLY**
CHIEF EXECUTIVE OFFICER



WE ASKED - WHAT'S ON YOUR MIND?

Clear focus on capital allocation strategy, industry supply & demand dynamics and outlook



STRONG INDUSTRY, STRONG COMPANY, STRONG OUTLOOK

TODAY'S KEY MESSAGES

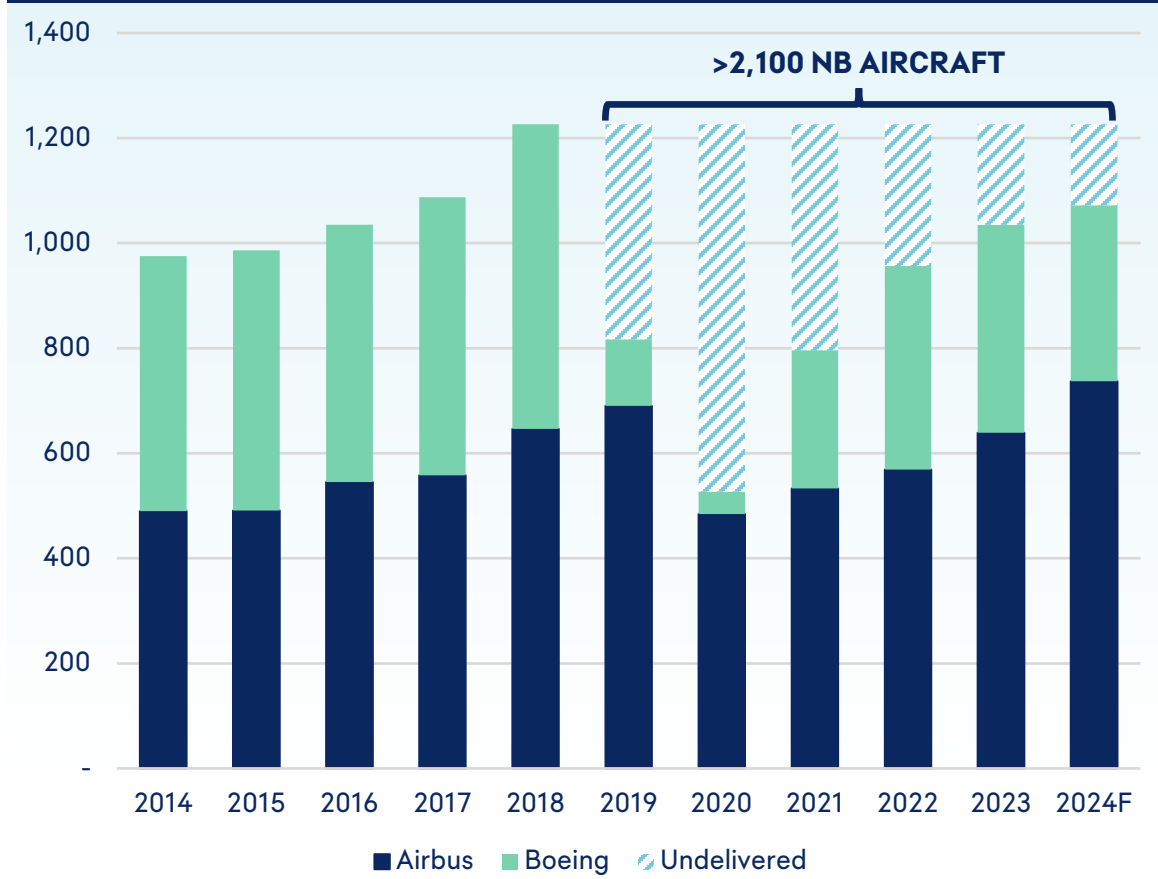


STRONG INDUSTRY

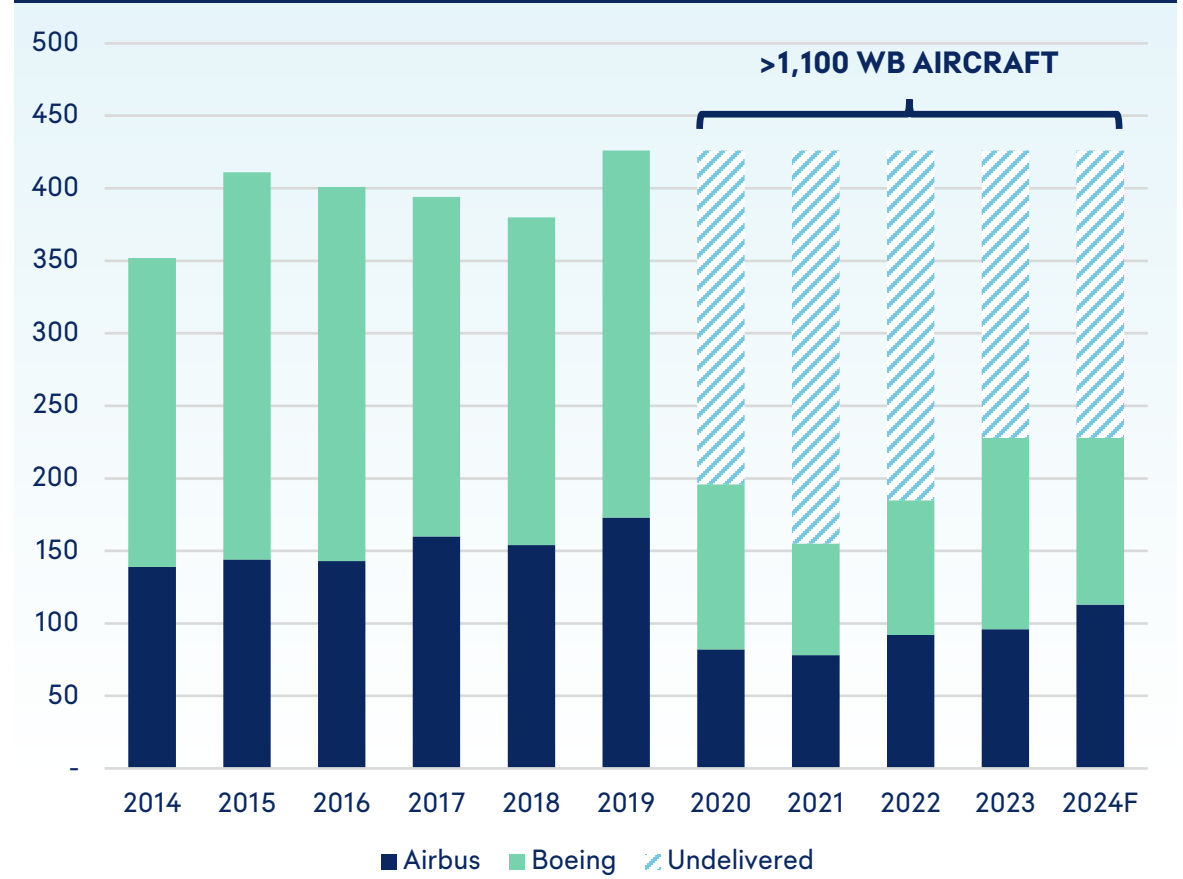
AIRCRAFT SUPPLY ISSUES WILL PERSIST FOR MANY YEARS

Manufacturing delays, coupled with increased oversight and engine maturation challenges, continue to delay the delivery of new technology aircraft

2024 Narrowbody Deliveries Likely to Remain Below 2017



2024 Widebody Deliveries Likely to Remain Below 2012



See Supplemental Information – Endnotes.

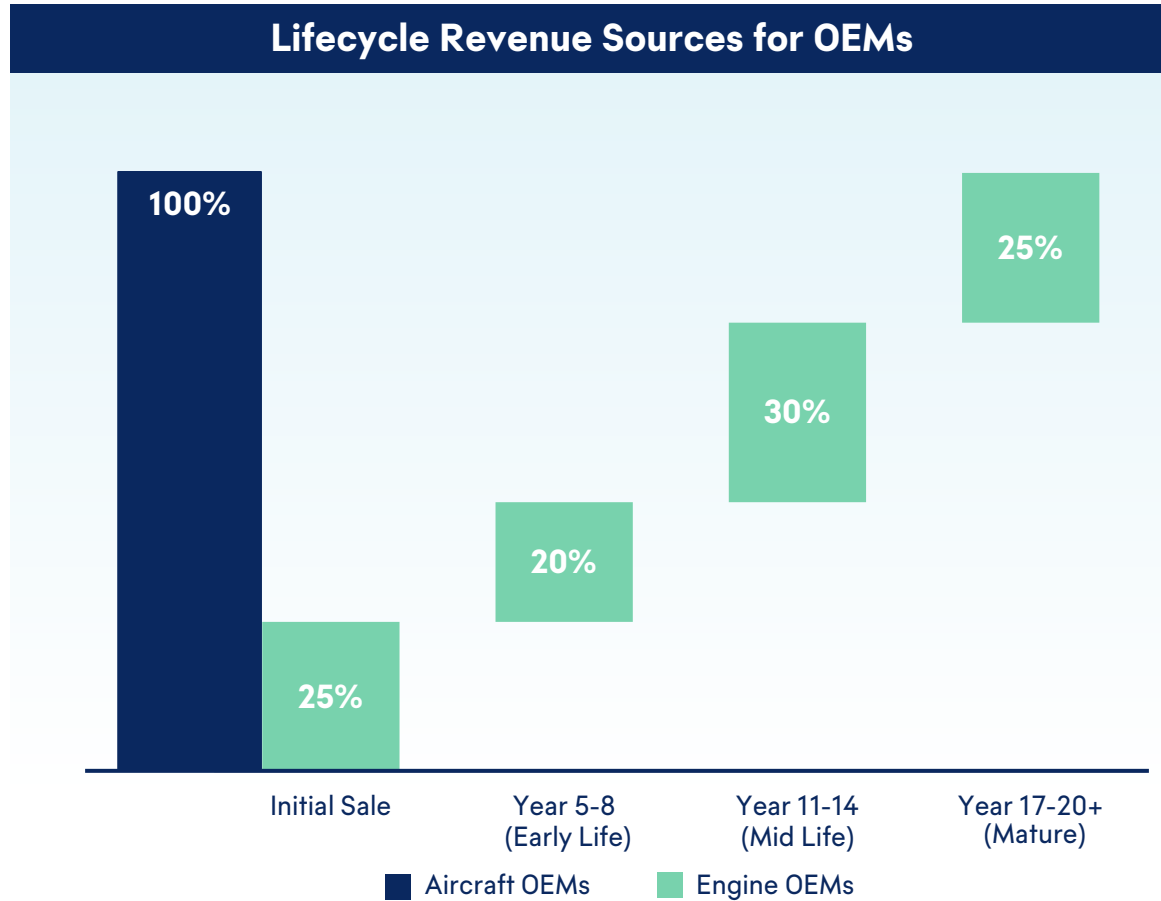
SUPPLY CHAIN ISSUES COMPOUNDING

Several supply chain issues have resulted in significant delays to both turnaround times for used assets and new deliveries



ENGINE OEMS PROVIDE KEY BRAKE TO SUPPLY

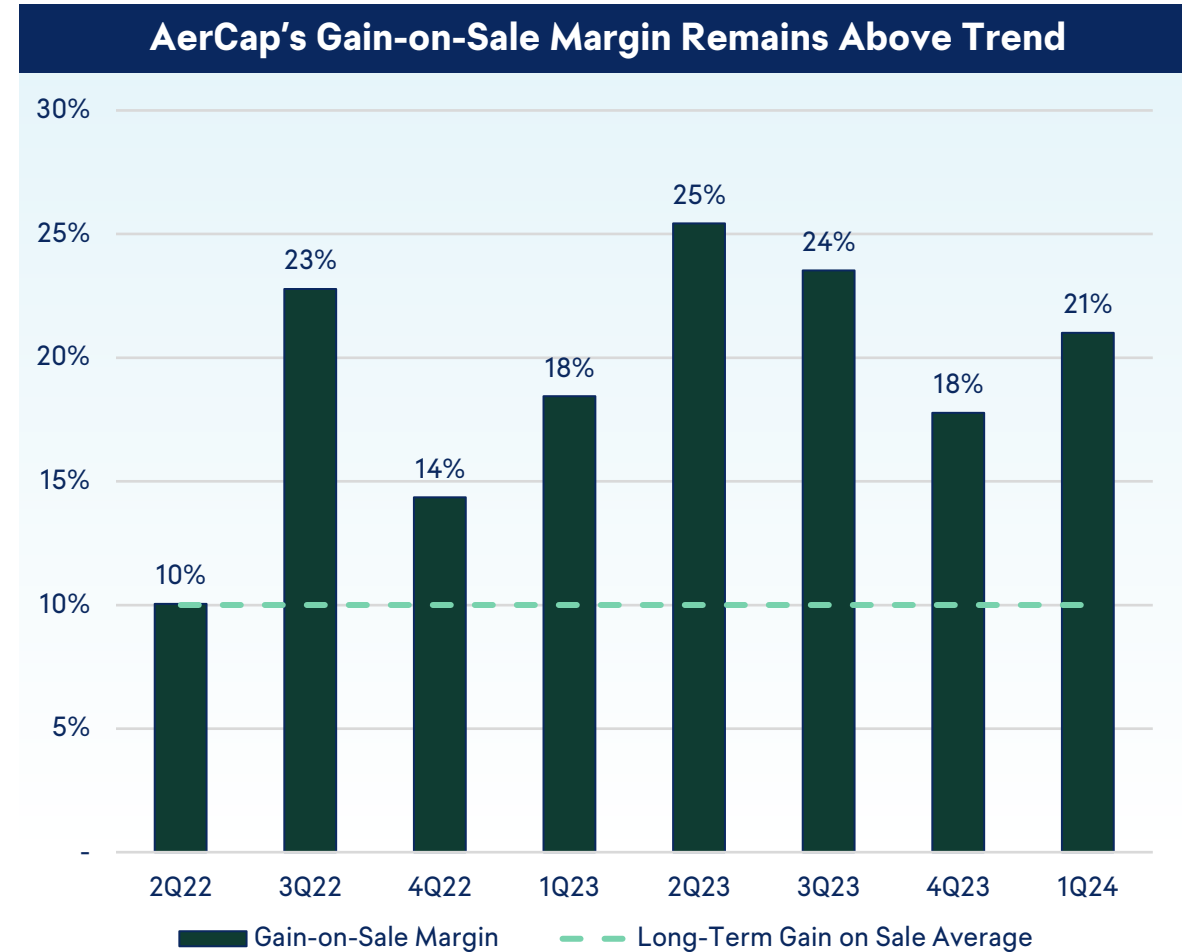
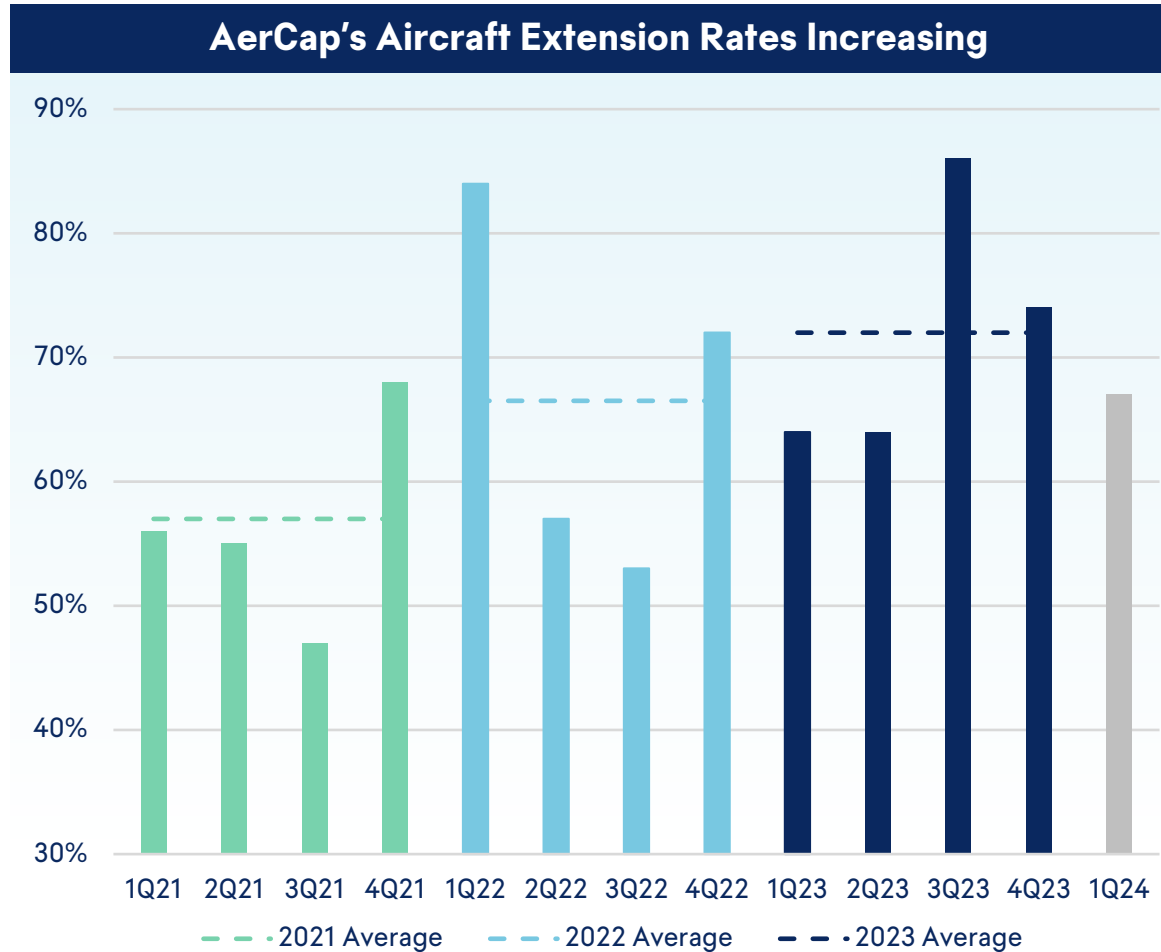
Engine OEMs need multiple shop visits over 20 years to generate returns, which ensures restraint on new engine supply



- Aircraft OEMs generate their revenues from the initial sale, so are incentivized to increase production rates
- Engine manufacturers, on the other hand, generate only ~25% of their revenues from the initial sale
- The remainder is made from multiple shop visits over 20 years, so they need to maximize each aircraft's useful life
- Therefore, anything that shortens the useful life of an aircraft disproportionately impacts the engine OEMs
- This dynamic results in a natural brake on potential oversupply

AIRCRAFT DEMAND CONTINUES TO STRENGTHEN

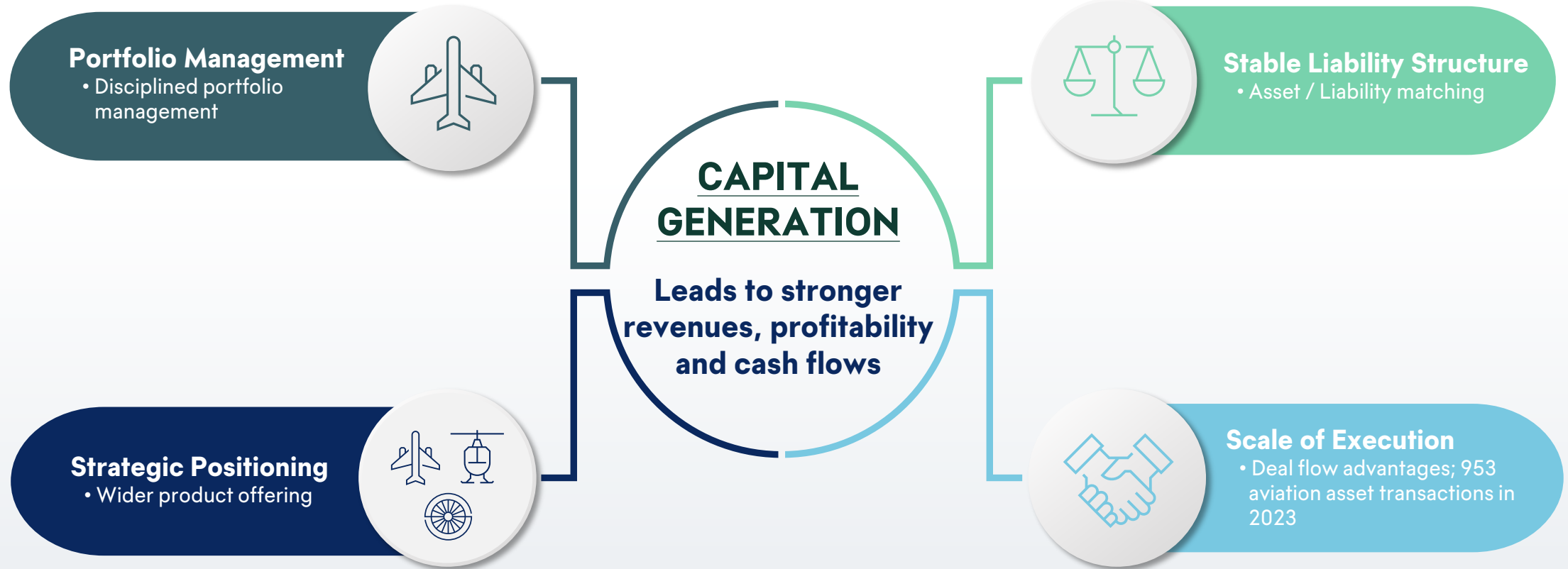
Widespread aircraft shortages are leading to higher extension rates and higher aircraft sale prices



See Supplemental Information – Endnotes.

STRONG COMPANY

UNRIVALED PLATFORM GENERATES CONSISTENT CAPITAL



THIS IS THE AERCAP ADVANTAGE

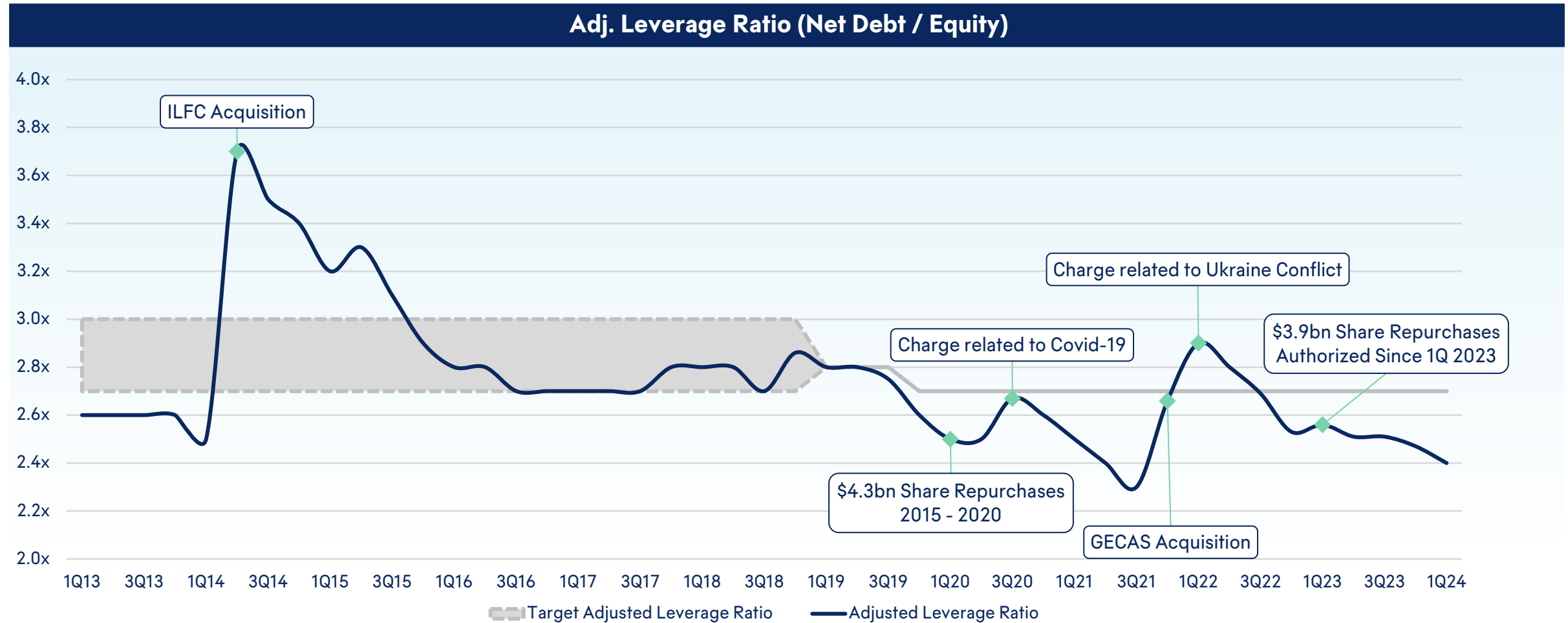
HISTORY OF STRATEGIC CAPITAL ALLOCATION

Dynamic capital allocation policy enables deployment of capital towards its most productive uses



LEVERAGE DISCIPLINE CREATES FINANCIAL FLEXIBILITY

AerCap consistently manages to a prudent leverage range, supporting higher credit ratings

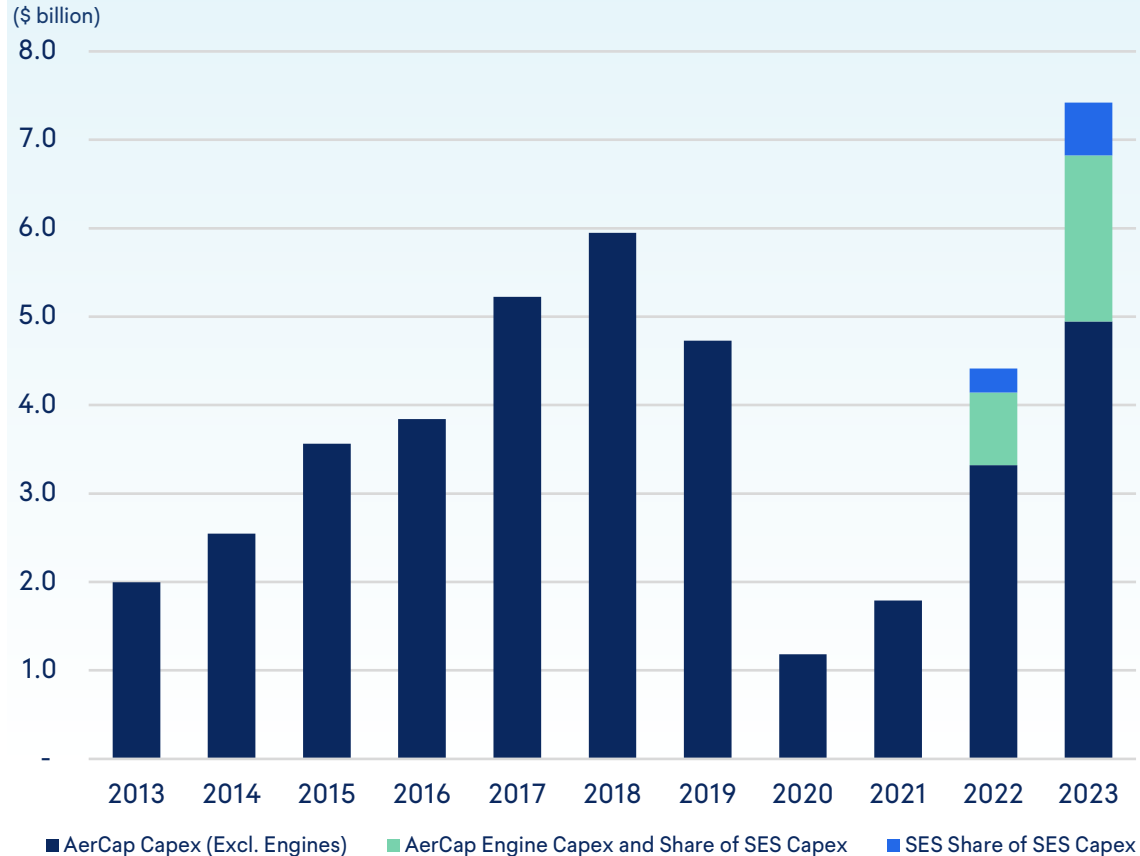


See Supplemental information – Endnotes for a reconciliation of Adjusted Leverage Ratio to the comparable GAAP measure and Endnotes.

ENGINE INVESTMENT OFFERS NEW OPTIONALITY

AerCap has invested over \$40 billion in organic growth in the last ten years, rejuvenating the fleet

AerCap Capex by Asset



Investment Case for Engines

- Strategically important new asset class for AerCap, with investment focused on new technology engines
- Engine OEMs incentivized to prolong the useful life of aircraft
- Unique portfolio including AerCap Engines and SES creates strong customer synergies
- \$3.6 billion of engine investment made in 2022 & 2023 between AerCap Engines and SES
- \$4.4 billion of further commitments from both companies to deliver between 2024 and 2026, including today's \$3 billion announcement

See Supplemental Information – Endnotes.

LONG HISTORY OF SUCCESSFUL M&A

AerCap has grown by over \$62 billion through counter-cyclical M&A transactions at a discount to book value

Date Announced	Acquiror	Target	Deal Value (\$ bn)
Jun. 2005	AERCAP	 debis AirFinance B.V. Services by DaimlerChrysler	2.8
Sep. 2009	AERCAP	 GENESIS LEASE limited	1.3
Dec. 2013	AERCAP	 ILFC INTERNATIONAL LEASE FINANCE CORPORATION	28.1
Mar. 2021	AERCAP	 GECAS	30.2

- AerCap has grown through four significant acquisitions all at a discount to book value
- These transactions enhanced scale and expertise, while providing an expanded product offering
- Given higher observed multiples for lower quality businesses, M&A is less attractive today compared to share repurchases

BALANCED RETURNS TO SHAREHOLDERS

AerCap generates significant cash flow each year to return to shareholders

SHARE REPURCHASES

>\$8 billion announced since 2015, including \$500 million announced today

Underlines our **confidence** in AerCap's book values

Returned 18% of market capitalization in 2023

Share repurchases remain the **preferred way** to return capital

>\$8BN
ANNOUNCED



MODEST DIVIDENDS

Broadens the investor base

Signals confidence in the durability of AerCap's future cash flows and profits

A **modest dividend yield of 1.2%** balances broadening the investor base with flexibility around future capital returns

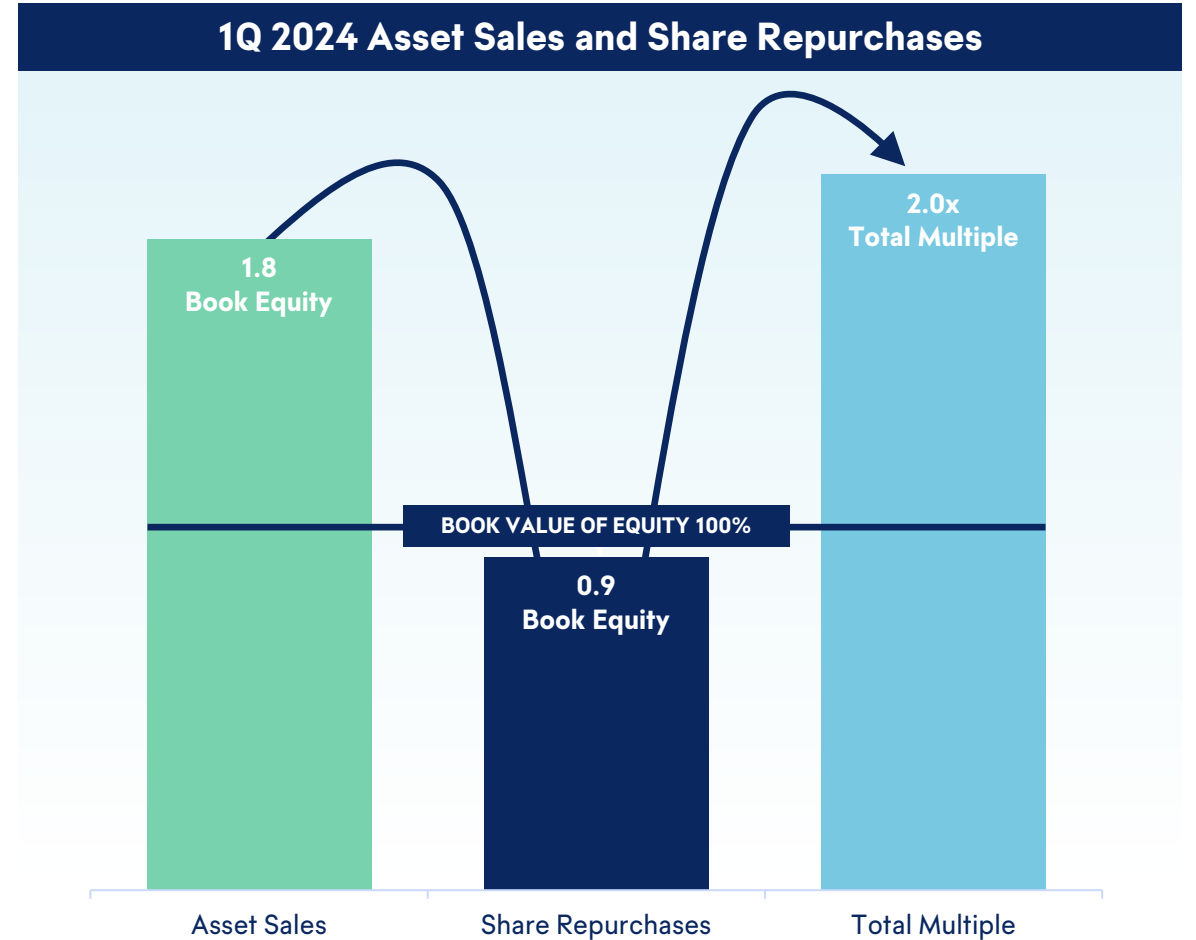
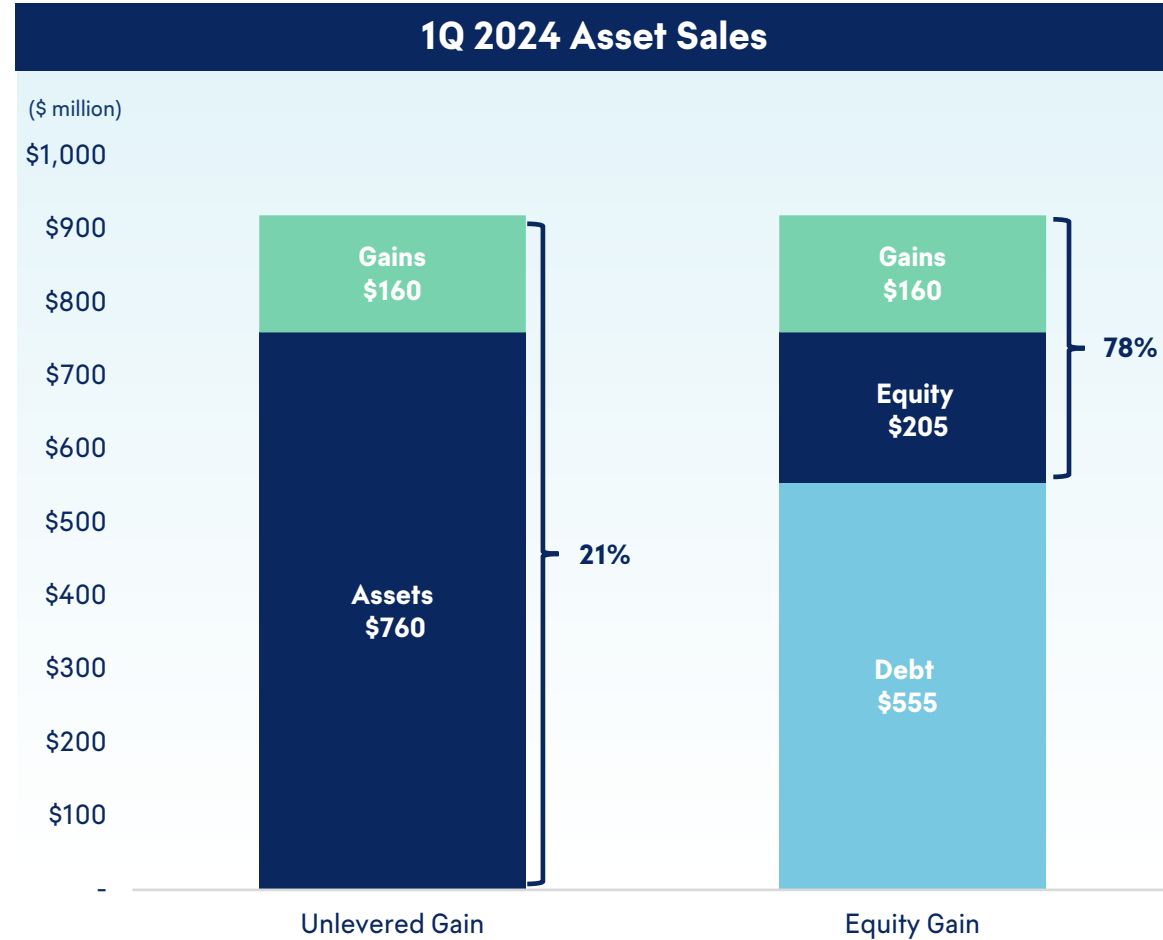
1.2%
YIELD



STRONG OUTLOOK

CAPITAL RECYCLING TRADE – HIGHLY ACCRETIVE

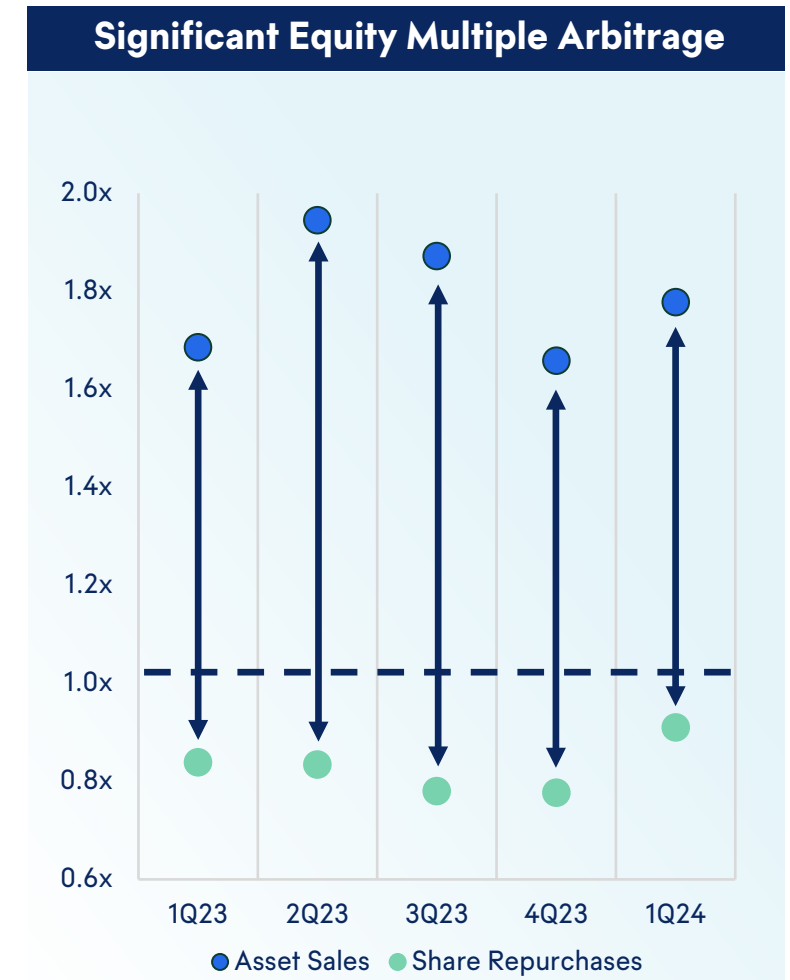
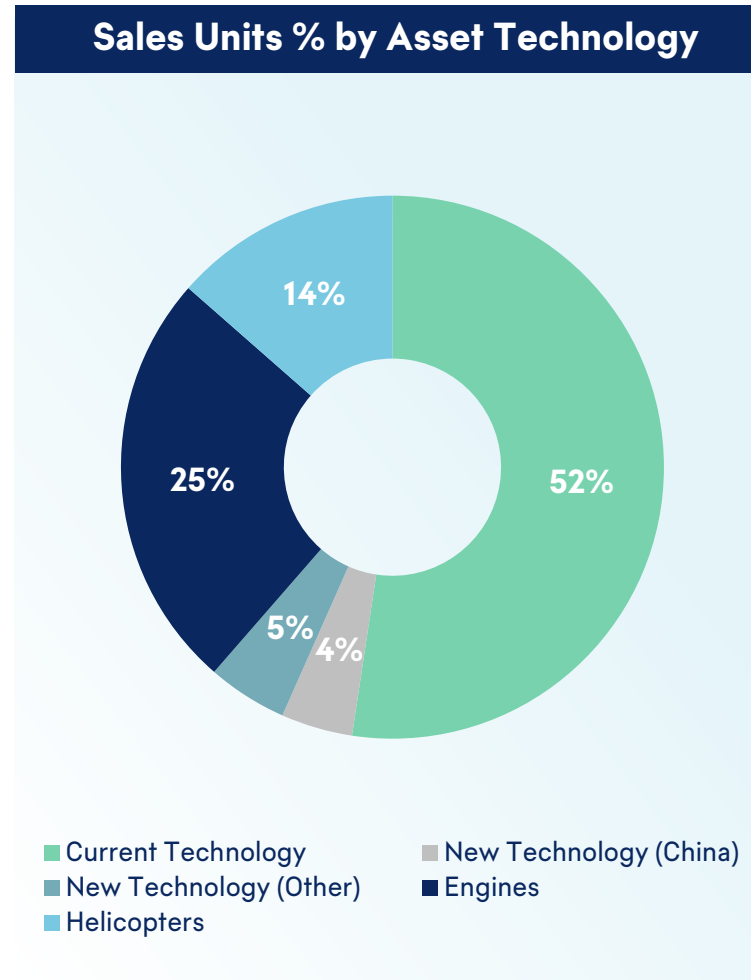
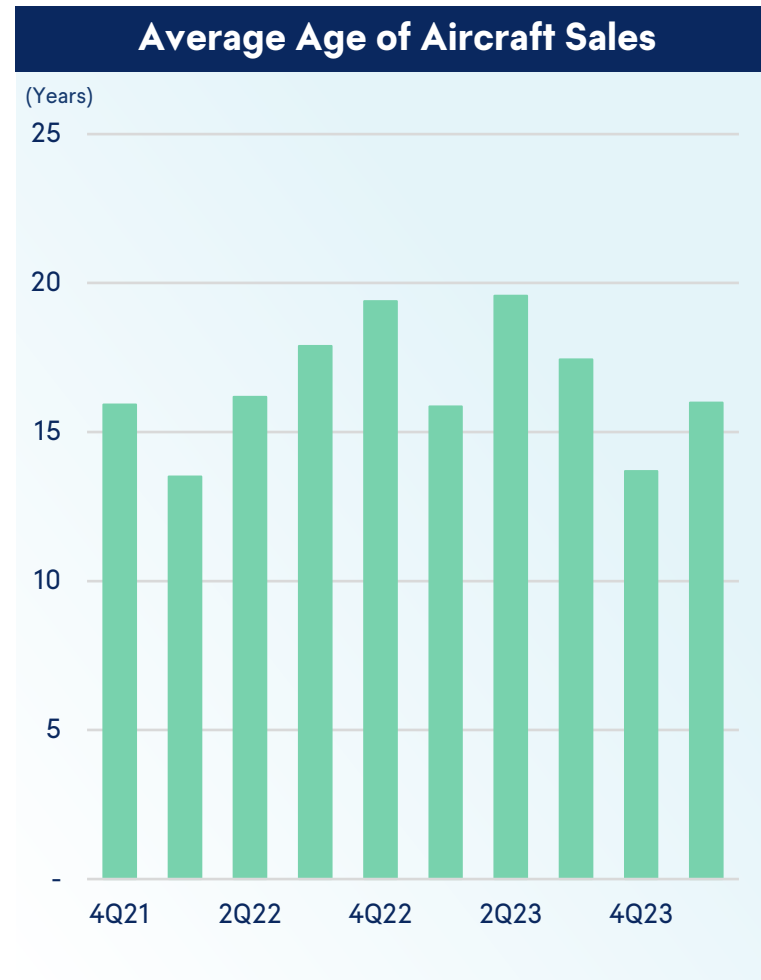
Robust demand for mid-life and older aircraft continues to support secondary sales at attractive margins, freeing up capital to deploy into share repurchases



See Supplemental Information – Endnotes.

SUPPLY SHORTAGE CREATING ARBITRAGE OPPORTUNITIES

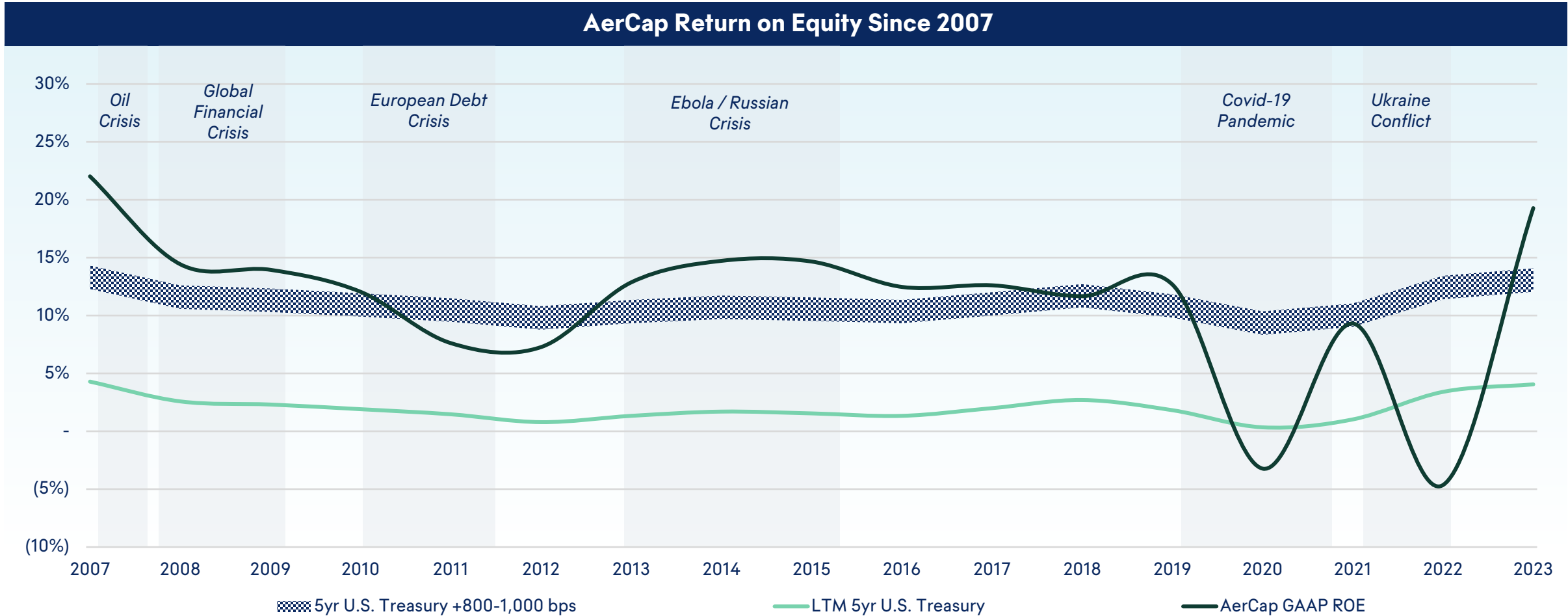
AerCap sells assets to professional buyers above book value and buys shares from the market below book, creating value



See Supplemental Information – Endnotes.

CONSISTENT RETURNS DESPITE MOVES IN INTEREST RATES

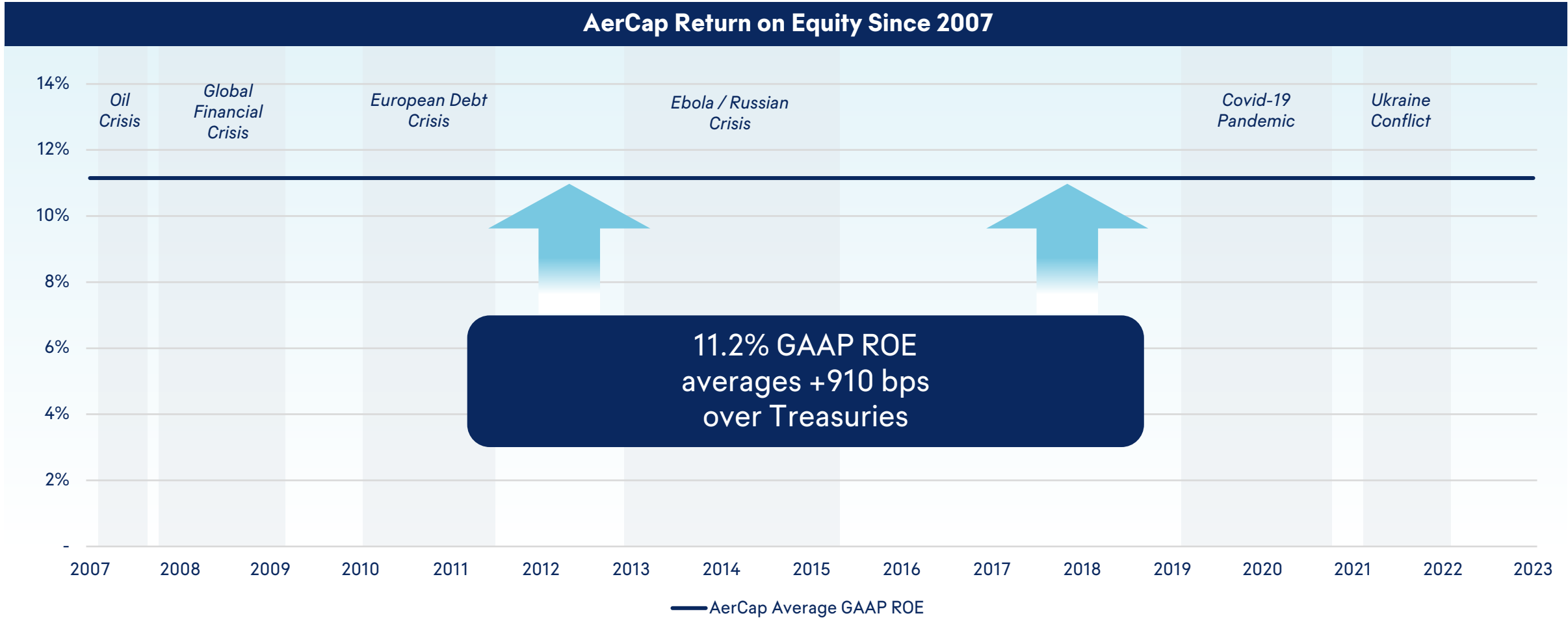
AerCap's Return on Equity has been remarkably consistent – Covid-19 and the Ukraine Conflict caused it to drop temporarily



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CONSISTENT OUTPERFORMANCE VERSUS U.S. TREASURIES

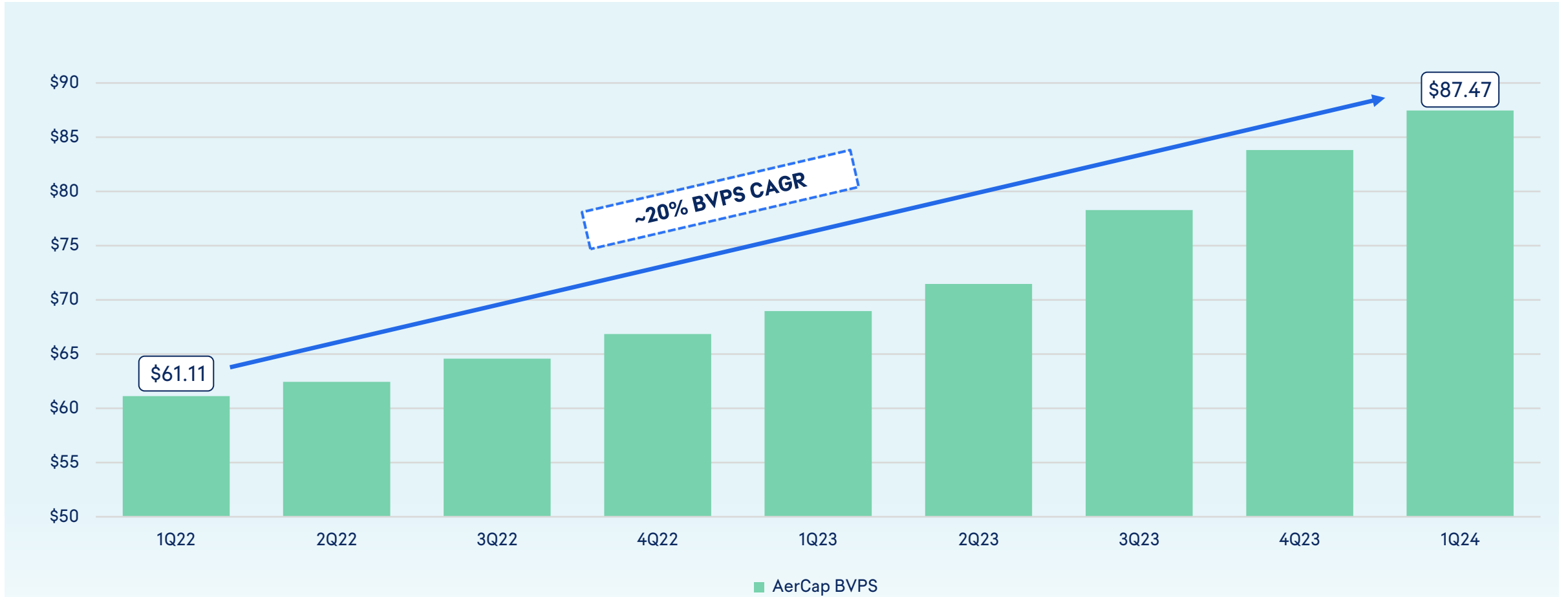
AerCap's Return on Equity has beaten 5-year U.S. Treasuries by more than 9% per annum on average since 2007



See Supplemental Information – Endnotes.

STEADY GROWTH IN BOOK VALUE PER SHARE

AerCap's book value per share has grown by a CAGR of ~20% over the last two years



See Supplemental Information - Endnotes.

TODAY'S KEY MESSAGES

