



GLOBAL LEADER IN AVIATION



First Quarter 2016 Financial Results

AerCap Holdings N.V.

May 12, 2016

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AerCap is the global leader in aircraft leasing

-  **Strong and resilient** industry fundamentals
-  **Industry leading earnings and profitability**
-  **Efficient and scalable** platform
-  **Strong earnings growth** profile
-  **Strong liquidity and access to capital**
-  **Hedging strategies** to mitigate risk
-  **Highly experienced management team** with deep industry expertise

Financial Results

ADJUSTED NET INCOME

- **\$301.6 million** for 1Q 2016
(\$223.1 million reported)

ADJUSTED BASIC EARNINGS PER SHARE¹

- **\$1.54** for 1Q 2016
(\$1.14 reported)

Highlights

- **131 aircraft transactions**, including **36** widebody transactions
- **99.3% fleet utilization**
- **6.1 years** of average remaining **lease term**²
- **90%** of new aircraft deliveries through 2018 have been leased³
- **\$9.1 billion** of available liquidity²
- **2.8 to 1** debt/equity ratio²
- Upgraded to **investment grade rating** (BBB-) by Standard & Poor's and to Ba1 by Moody's
- **Repurchased 5.4 million shares** in 1Q 2016 (repurchased 8.1 million shares in total through May 9, 2016)

(1) Calculated using basic weighted average shares outstanding of 196 million.

(2) As of March 31, 2016.

(3) Leased as of May 9, 2016 under a contract or letter of intent on an average 12-year lease term.

(\$ million)	1Q 2016	1Q 2015
Reported Net Income	223.1	311.5
Adjusted for (net of tax):		
• Mark-to-market on interest rate caps and swaps	9.7	6.6
• Transaction, integration and restructuring related expenses ¹	12.6	3.8
• AeroTurbine results excluding restructuring related expenses	12.9	(2.5)
• Maintenance rights related expenses ²	43.3	(17.3)
Adjusted Net Income	301.6	302.1

(1) All \$12.6 million in 1Q 2016 related to downsizing and restructuring of AeroTurbine, and includes \$5.0 million of costs relating to severance/terminations and \$7.6 million of write-downs on leased engines/other assets.

(2) Please refer to slides 7 and 23 for additional detail regarding the maintenance rights related expenses adjustment.

(\$)	1Q 2016	1Q 2015
Reported Basic Earnings Per Share	1.14	1.47
Adjusted for:		
<ul style="list-style-type: none">• Mark-to-market on interest rate caps and swaps, transaction, integration and restructuring related expenses, AeroTurbine results and maintenance rights related expenses, all net of tax	0.40	(0.05)
Adjusted Basic Earnings Per Share	1.54	1.42
Adjusted Diluted Earnings Per Share	1.53	1.41

(\$ million)	1Q 2016 Adjustment ¹	(\$ million)	Actual to Date / Outlook Post-Tax Adjustment ¹
Aircraft Depreciation	(59.2)	2014A	(100)
Maintenance Rights Depreciation	108.8	2015A	73
<i>Recorded in Leasing Expenses</i>		2016E	~150
		2017E	~150
		2018E	~30
Pre-Tax Income Impact	49.6	2019+E	~(303)
Net Income Impact	43.3	Total	0

- As a result of purchase accounting, a **portion of the acquired ILFC aircraft value is classified as an intangible asset (\$2.8 billion as of March 31, 2016)**
 - The depreciation cost for this portion of the aircraft value is recorded as **leasing expense over the remaining lease term** instead of **depreciation expense over the remaining aircraft life**
 - Prior to the acquisition, this asset was part of the aircraft book value and **subject to normal depreciation**
- The difference in costs (leasing expense versus depreciation) is **effectively accelerated depreciation of \$49.6 million** for 1Q 2016
- The **adjusted amount reflects leasing expense and depreciation on an economic basis**

(1) Adjustment of the maintenance rights related expenses from the reported to the adjusted income basis. Please refer to slide 23 for additional details regarding the 1Q 2016 adjustment. Assumes no additional sales of aircraft acquired as part of the ILFC Transaction.

(\$ million)	1Q 2016	1Q 2015
Basic Lease Rents¹	1,139.3	1,157.9
Maintenance Rents and Other Receipts²	150.4	68.2
Net Gain on Sale of Assets	19.0	33.7
Other Income³	9.3	29.4
Total Revenues and Other Income	1,318.0	1,289.2

(1) The decrease is primarily due to the sale of older aircraft.

(2) The increase is primarily due to lease terminations and amendments in 1Q 2016.

(3) The decrease primarily related to lower gross profit from engine, airframe, parts and supplies sales as a result of the restructuring and downsizing of AeroTurbine.

Net Interest Margin (Net Spread)



(\$ million)	1Q 2016	1Q 2015
Net Interest Margin (Net Spread)¹	865.7	877.9
Average Lease Assets²	35,518	36,378
Annualized Net Spread %	9.8	9.7

AerCap continues to deliver consistent margins

(1) Net Interest Margin is calculated as basic lease rents less interest expense, excluding the non-cash charges related to the mark-to-market of interest rate caps and swaps.

(2) Includes flight equipment held for operating leases, net investment in finance and sales-type leases and maintenance rights intangible asset.

(\$ million)	1Q 2016	1Q 2015
Net Gain on Sale of Assets	19.0	33.7

1Q 2016 Disposal Activity:

- 19 aircraft, with an average age of 14 years, were sold from our owned portfolio:
 - 3 Airbus A320-200s and 1 Airbus A321-100
 - 3 Boeing 737NGs, 1 Boeing 737 Classic, 2 Boeing 747-400s, 2 Boeing 757-200s and 3 Boeing 777-200ERs
 - 4 Bombardier CRJ-900s
- 9 aircraft were reclassified from flight equipment held for operating leases to net investment in finance and sales-type leases

1Q 2016 Purchase Activity:

- 6 aircraft were purchased and delivered from our order book:
 - 5 Boeing 787-9s and 1 Boeing 737NG

(\$ million)	1Q 2016	1Q 2015
Leasing Expenses	167.4	89.7
Selling, General & Administrative Expenses	87.0	95.1
Asset Impairment	44.6	4.7
Transaction, Integration and Restructuring Related Expenses¹	12.6	4.4

- The increase in **leasing expenses** is primarily due to an increase in maintenance rights expenses from \$43.7 million in 1Q 2015 to \$108.8 million in 1Q 2016
- As a result of lease terminations and amendments, in 1Q 2016 we recorded **asset impairment of \$44.6 million that were more than offset by revenue of \$62 million** due to the release of associated maintenance reserves and other collateral

(1) All \$12.6 million in 1Q 2016 related to downsizing and restructuring of AeroTurbine, and includes \$5.0 million of costs relating to severance/terminations and \$7.6 million of write-downs on leased engines/other assets.

(\$ million)	1Q 2016	1Q 2015
Cash and Cash Equivalents as of March 31 (excluding restricted cash)	2,929.2	1,594.0
Total Cash Balance as of March 31 (including restricted cash)	3,327.5	1,928.0
Operating Cash Flow for the First Quarter	838.8	760.6

Annual run rate for operating cash flow is over \$3 billion



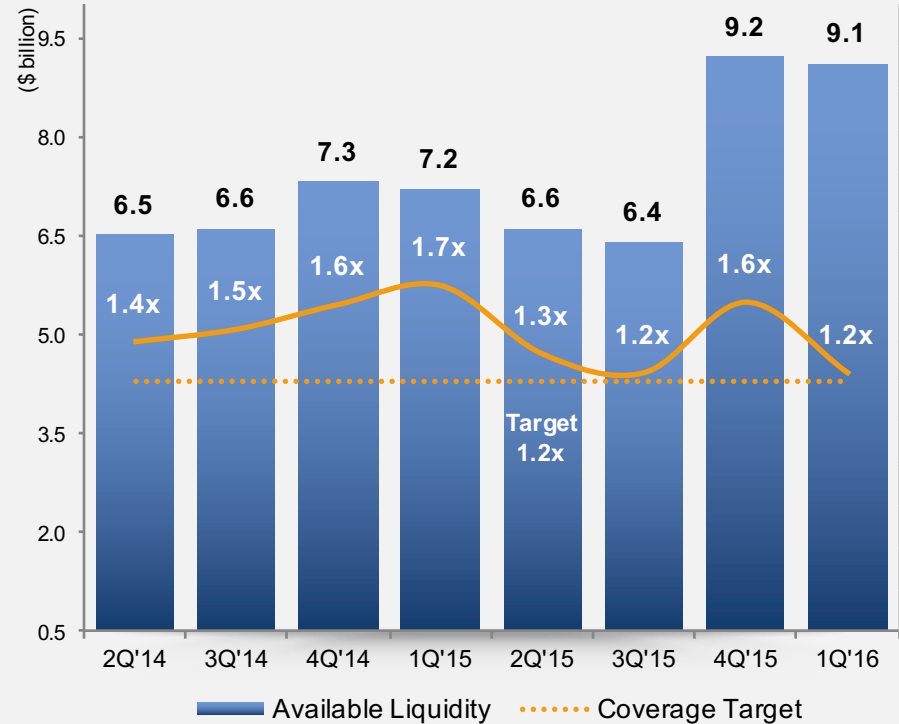
Maintaining a significant level of back-up liquidity is a key priority

Sources vs. Uses (Next 12 Months)

As of March 31, 2016

Sources (for 12 months to Mar. 31, 2017, \$ billion)	1Q 2016
Unsecured Revolver	3.0
Other Facilities	3.2
Unrestricted Cash	2.9
Total Available Liquidity	9.1
Estimated Operating Cash Flow	3.3
Total Sources¹	12.4
Uses (for 12 months to Mar. 31, 2017, \$ billion)	1Q 2016
Debt Maturities	(5.5)
Capex (Cash payments for purchases) ²	(4.5)
Total Uses	(10.0)
Excess Coverage (Sources less Uses)	2.4
Ratio of Sources to Uses	1.2x

Liquidity Levels Since ILFC Acquisition



(1) Sources assume no additional financing for deliveries of new aircraft purchases.

(2) Includes cash payments for next 12 months' aircraft deliveries and pre-delivery payments.

Summary	1Q 2016	1Q 2015
Average Cost of Debt (including all fees) ¹	3.7%	3.7%
Debt / Equity Ratio	2.8 to 1	3.2 to 1
Debt/Equity Calculation (\$ million)	1Q 2016	1Q 2015
Debt at Quarter-End (including fair value adjustments)	29,813	30,257
Adjusted for:		
• Unrestricted cash & cash equivalents	(2,929)	(1,490)
• 50% equity credit for long-term subordinated debt	(750)	(500)
Adjusted Debt at Quarter-End	26,134	28,267
Equity at Quarter-End	8,459	8,269
Adjusted for:		
• 50% equity credit for long-term subordinated debt	750	500
Adjusted Equity at Quarter-End	9,209	8,769

(1) Interest expense divided by average debt balance, excluding mark-to-market on interest rate caps and swaps.



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Financial Outlook



Outlook for 2016 core earnings is comparable to 2015 (~\$5.50 EPS¹)

~\$4.8
billion

TOTAL
REVENUE

~\$1.2
billion

PRE-TAX
EARNINGS

~\$1.0
billion

CORE
NET INCOME

~\$35
billion

AVERAGE
LEASE ASSETS

2016 Costs:

- Depreciation of **~\$2.0 billion**, which includes expensing the maintenance rights asset over the remaining economic life of the aircraft
- Interest expense of **~\$1.1 billion**
- Leasing expenses and SG&A (incl. stock based compensation) of **~\$0.5 billion**
- Tax rate of **~13%**

Note: Refer to slide 2: Disclaimer Incl. Forward Looking Statements & Safe Harbor.

(1) Core EPS is on an adjusted diluted basis and excludes gain on sales. The comparable 2015 core EPS excludes gain on sale, insurance proceeds and the settlement of residual value guarantees.



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Q&A



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Supplemental Information



AerCap continues to lease or sell an aircraft on average every 24 hours, consisting of two widebody and five narrowbody aircraft transactions per week

100



**LEASE
AGREEMENTS
EXECUTED**

including:
23 widebody and
77 narrowbody aircraft

6



**AIRCRAFT
PURCHASED**

25



**AIRCRAFT
DISPOSED**

Sale or part-out:
19 from our owned portfolio
6 from our managed
portfolio

Lease Portfolio (%)	1Q 2016	1Q 2015
Utilization Rate¹	99.3	99.4
Portfolio Yield²	14.5	13.5
Lease Portfolio (Years)	1Q 2016	1Q 2015
Average Lease Term (Previous 12 months)		
• Leases for New Aircraft	11.7³	11.8
• Leases for Used Aircraft	5.8⁴	4.4
Average Remaining Lease Term at Quarter-End	6.1	5.2

(1) Utilization rate weighted by book value of flight equipment divided by total days in the period.

(2) Lease revenue divided by average book value of flight equipment and maintenance rights intangible assets. The increase is primarily due to higher maintenance rents and other receipts.

(3) Lease agreements for 55 new aircraft signed in the previous 12 months.

(4) Lease agreements for 238 used aircraft signed in the previous 12 months.

Aircraft Type	Number of Owned Aircraft ¹	% Net Book Value	Number of Managed & AerDragon Aircraft	Aircraft on Order ²	Total Aircraft
Airbus A319	137	7	11	-	148
Airbus A320	228	15	32	-	260
Airbus A320neo Family	-	-	-	209	209
Airbus A321	96	7	14	-	110
Airbus A330	115	15	12	-	127
Airbus A350	2	1	-	27	29
Boeing 737NG	317	27	43	-	360
Boeing 737MAX	-	-	-	109	109
Boeing 767	43	1	-	-	43
Boeing 777-200ER	31	4	3	-	34
Boeing 777-300 / 300ER	32	8	3	-	35
Boeing 787	36	13	-	46	82
Embraer E190 / 195-E2	-	-	-	50	50
Other	59	2	17	-	76
Total	1,096	100	135	441	1,672

- Average age of owned aircraft fleet is **7.7 years**
- Average remaining lease term is **6.1 years**

(1) Excluding AeroTurbine which owned three aircraft.

(2) Excludes spare engine commitments.

Forward Order & Purchase/Leasebacks *as of March 31, 2016*



(Unit)	Remaining 2016	2017	2018	2019	2020	Thereafter	Total
Airbus A320neo Family	19	40	50	40	40	20	209
Airbus A350	10	11	6	-	-	-	27
Boeing 737MAX	-	-	6	23	25	55	109
Boeing 787	8	17	15	6	-	-	46
Embraer E190 / 195-E2	-	-	5	14	14	17	50
Total Units¹	37	68	82	83	79	92	441

(1) Excludes spare engine commitments.

(\$ million)	1Q 2016 Reported Amount	1Q 2016 Adjusted Amount	1Q 2016 Adjustment
Depreciation and Amortization	(466.6)	(525.8)	(59.2)
Leasing Expenses	(167.4)	(58.6)	108.8
Pre-Tax Income Impact			49.6
Net Income Impact			43.3



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