



AerCap Holdings N.V.

First Quarter 2008 Earnings Call

May 9, 2008

• Pride • Dream • Passion

Forward Looking Statements & Safe Harbor

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First Quarter 2008 Highlights

- Net income was \$59.9 million for first quarter 2008, exclusive of non-cash charges relating to mark-to-market of interest rate caps and share-based compensation
- Earnings per share for first quarter 2008 was \$0.71 excluding the charges referenced above
- Basic rents in first quarter 2008 increased 7% from first quarter 2007, while interest expense excluding the mark-to-market decreased 11%
 - The difference between basic rents and the adjusted interest expense (net spread) was \$85.6 million in first quarter 2008, an increase of 18%
- Total assets were \$4.6 billion as of March 31, 2008, up 14% from March 31, 2007
- Committed purchases of aviation assets in 2008 are \$1.2 billion

Aircraft and Engine Transactions

- 39 new aircraft lease agreements and letters-of-intent executed during first quarter 2008
- 7 aircraft and 10 engines delivered to lessees during first quarter 2008
- 19 aircraft purchased during first quarter 2008
- 8 aircraft sold during first quarter 2008 from our owned portfolio

Net Income

(\$ Million)	<u>1Q 2007</u>	<u>1Q 2008</u>
Total Net Income	60.6*	50.9
Mark-to-market on interest rate caps	4.0	7.6
Share-based compensation	<u>2.1</u>	<u>1.4</u>
Net Income excluding above charges	<u>66.7*</u>	<u>59.9</u>

~\$2 million above consensus estimates**

* First quarter 2007 net income includes \$9.2 million (net of tax) contribution from "Other revenue"

** Based on Reuters consensus adjusted for share-based compensation



Earnings Per Share

	<u>1Q 2007</u>	<u>1Q 2008</u>
Earnings Per Share	\$0.71*	\$0.60
Adjusted for: mark-to-market on interest rate caps and share based compensation	0.07	0.11
Earnings Per Share excluding above charges	\$0.78	\$0.71
* First quarter 2007 earnings per share includes \$0.11 contribution from "Other revenue"	<div style="border: 1px solid black; padding: 5px; text-align: center;"> ~\$0.02 over consensus estimates** </div>	
** Based on Reuters consensus adjusted for share-based compensation		
Average Shares Outstanding (Million)	85.0	85.0



Net Spread (Margin)

(\$ Million)	<u>1Q 2007</u>	<u>1Q 2008</u>	<u>% Change</u>
Basic Lease Rents	119	127	7%
Less: Interest Expense*	<u>(46)</u>	<u>(41)</u>	(11%)
Net Spread (Margin)	73	86	18%
Average Lease Assets	2,986	3,290	10%
Annual Margin (% Lease Assets)**	9.7%	10.4%	

- Basic lease rents on floating rate leases are reduced as a result of lower interest rates
- Interest expense is also reduced by same amount, keeping margins intact
- Growth of ~10% in lease assets, plus benefit from caps driving ~18% increase in margins

* Excludes non-cash charges relating to the mark-to-market of interest rate caps

** Annual margin % inclusive of maintenance revenues is ~12.5% in both 1Q 2007 and 2008



Total Revenue

(\$ Million)

	<u>1Q 2007</u>	<u>1Q 2008</u>
Basic Lease Rents	119	127*
Maintenance/End-of-Lease Revenue	21	17
Sales Revenue	149	143
Servicing Fees and Interest Income	10	8
Other Revenue**	<u>11</u>	<u>0</u>
Total Revenue	<u>310</u>	<u>295</u>

Basic rents
up 7% over
first quarter
2007

* Amount is lower by ~\$2 million from reduced rentals on floating rate lease (offset in interest expense)

** Amount in 1Q 2007 included \$10.7 million generated by the elimination of a guarantee liability



Sales Revenue

Optimizing Our Portfolio with Sales

(\$ Million)	<u>1Q 2007</u>	<u>1Q 2008</u>
Aircraft Sales	96	118
Engine Sales	33	-
Part Sales	<u>20</u>	<u>25</u>
Total Sales Revenue	<u>149</u>	<u>143</u>
Gain from Aircraft Sales	<u>27</u>	<u>26</u>

1Q 2008 (8 aircraft)

1 Fokker 100
1 DC8
1 MD82
1 B737-300
1 A330-200
3 A320-200

Leasing Expenses and SG&A

(\$ Million)	<u>1Q 2007</u>	<u>1Q 2008</u>	<u>% Change</u>
Operating lease in costs	6.2	3.6	(42%)
Leasing expenses	4.0	6.4	60%
SG&A	<u>26.6</u>	<u>30.6*</u>	15%
Total Leasing expenses and SG&A	36.8	40.6	10%

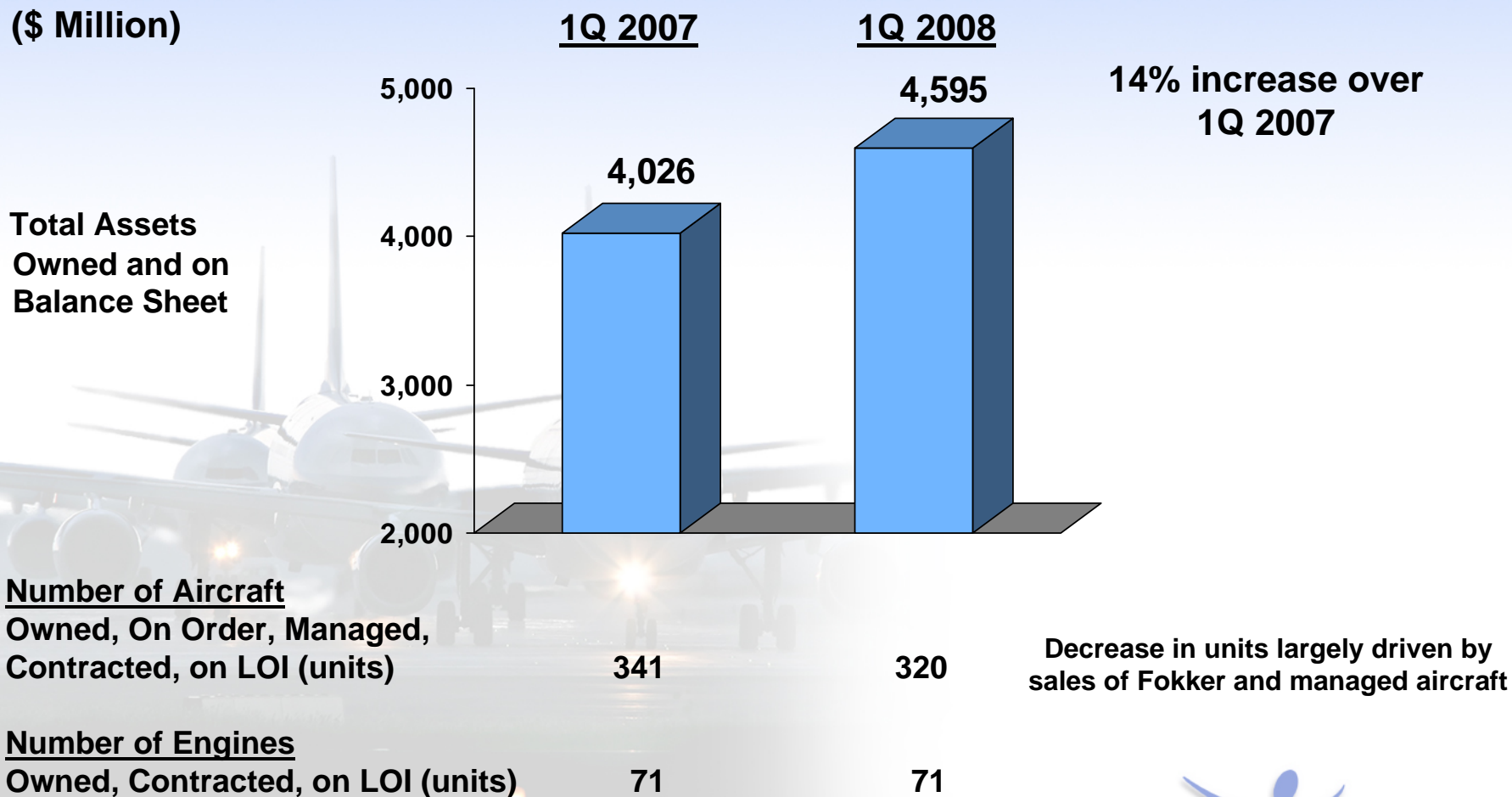
* \$1.8 million of increase driven by higher Euro/U.S. dollar exchange rates

Tax Rate

	<u>FY 2007</u>	<u>1Q 2008</u>
Tax Rate for Aircraft	9.8%	8.0%
Tax Rate for Engine/Parts	35.4%	14.2%
Blended Tax Rate	11.8%	8.3%

Total Assets and Number of Aircraft/Engines

(\$ Million)



Purchases of Aviation Assets

(\$ Million)	<u>1Q 2008</u>	<u>Committed 2008</u>
Aircraft Related	266	1,209
Engines/Airframes	<u>11</u>	<u>27</u>
Total Purchases	277	1,236
<hr/>		
Number of Aircraft Purchases (Units)	19	50



Portfolio Management Metrics

<u>Lease Portfolio</u>	<u>FY 2007</u>	<u>1Q 2008</u>
Utilization Rate	98.9%	99.5%
Portfolio Yield*	18%	18%
Average Term (Months)		
– New Aircraft Leases	107	116**
– Used Aircraft Leases	72	70***

**2008 Aircraft Lease Revenue Contracted
as a % of 2007 Aircraft Lease Revenue: ~110%**

* Lease revenue divided by average book value of flight equipment

** Reflects 17 lease agreements and 11 LOIs for new aircraft leases signed during the quarter

*** Reflects 6 lease agreements and 5 LOIs for used aircraft leases signed during the quarter



Debt and Equity

(\$ Million)

	<u>1Q 2007</u>	<u>1Q 2008</u>
Total Debt at end of Quarter	2,666	3,044
Average Cost of Debt in Quarter*	6.9%	5.4%
Shareholder Equity at end of Quarter	814	1,003
Debt / Equity Ratio at end of Quarter	3.3 to 1	3.0 to 1

* Interest expense divided by average debt balance, excluding mark-to-market on interest rate caps



Funding/Access to Capital

Unrestricted Cash Balance at March 31, 2008* **\$197 Million**

Operating Cash Flow for 1Q 2008** **\$69 Million**

Financings Completed in April (Total of \$338 Million)

- **A320 Pre-Delivery Payments Debt Facility** **\$269 Million**
 - **A330 Pre-Delivery Payments Debt Facility** **\$68 Million**
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Available Lines of Credit at March 31, 2008*** **~\$2.2 Billion**

* Free cash only (excludes restricted cash balance of \$127 million)

** Operating cash flow is reduced for interest cost

*** Includes revolving lines of credit, ECA financing, and PDP financing including April closings



2008 Financial Outlook

- Purchases of aviation assets in all of 2008 expected to be ~\$1.2 billion
- 2008 basic lease revenue expected to increase ~12% over 2007;
-slightly lower than previous guidance due to floating rate leases; amounts offset by lower interest expense
- 2008 sales revenue expected to be comparable with 2007
- 2008 average cost of debt expected to be ~5.0% or lower
- 2008 tax rate expected to be slightly lower than 2007 (~10-11%)
- 2008 ROE expected to be ~20%

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