



Avolon expects orderly market transition to new generation single aisle aircraft

Analysis concludes transition will have no direct impact on values of current generation aircraft for a number of years

Conference call & webcast to discuss findings scheduled for 25 February

Dublin, Ireland | 22 February, 2013 | Avolon, the international aircraft leasing company, today publishes a comprehensive analysis of, and investor guide to, the expected market impact of the transition to new generation Airbus (320Neo) and Boeing (737MAX) single aisle aircraft families.

Avolon's second white paper on industry issues considers how the transition from A320ceo/737NG aircraft to A320Neo/737MAX aircraft will influence the single aisle aircraft market over the rest of the decade and beyond. The anticipated benefits offered by the new models are examined, as are the challenges involved in bringing them to market and the impact of new models on the value of current generation A320 and 737 variants.

Avolon will host a conference call and webcast to discuss the analysis and its findings at 3pm GMT (4pm CET/10am ET) on 25 February 2013. The full white paper and access to the webcast are available at: www.avolon.aero

Lucas Mollan, Avolon Chief Technical Officer and co-author of the report, commented:

"The transition of production from a highly successful current generation of aircraft to more efficient successors is the subject of much debate in the aviation industry."

"The successors to current generation A320ceos and 737NGs are an evolution of the existing models rather than fundamentally new aircraft types. They will deliver fuel efficiency advantages deriving from advances in engine technology, with no other material changes to structure or performance. Our analysis confirms that the Neo and MAX do not pose a disruptive threat to the long-standing competitive balance between the two aircraft families and that the transition to the new aircraft will be orderly."

Dick Forsberg, Avolon Head of Strategy and co-author of the report, added:

"The pattern of customer orders confirms that there is still strong demand for current aircraft models, which bodes well for their continued liquidity and investment appeal."

"We believe that it will take 8 years from entry into service for the MAX and Neo to build a 35% share of their respective family fleets, reflecting the very large installed base of current generation aircraft. Consequently, Neo and MAX are not expected to directly impact values of current generation aircraft for a number of years."

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About Avolon

Headquartered in Ireland, with offices in Stamford CT, Hong Kong, Shanghai, Singapore and Dubai, Avolon provides aircraft leasing and lease management services. Avolon's investors include three of the world's leading private equity firms Cinven, CVC Capital Partners and Oak Hill Capital Partners and one of the world's leading sovereign wealth funds, Government of Singapore Investment Corporation (GIC).

Avolon has established itself as one of the leading global players in the aircraft leasing sector, leveraging off the strong financial backing of its owners and the extensive trading history and senior industry relationships of its management team. The primary asset focus of the business is on young fuel-efficient aircraft such as the Airbus A320ceo, A320neo and A330 families, the Boeing 737NG, 737 MAX, 777 and 787 families and the Embraer E-Jets family. Avolon has a committed fleet of 167 aircraft serving 34 customers in 22 countries. Avolon's fleet is also the youngest large lessor fleet in the world with an average aircraft age of 2.1 years. See www.avolon.aero