

PRESS RELEASE

27 March 2017

BOC AVIATION REPORTS RECORD PROFITS

BOC Aviation Limited (“BOC Aviation” or the “Company”) is pleased to announce its audited financial results for the full year ended 31 December 2016.

Robert Martin, Managing Director and Chief Executive Officer, said: “2016 was an outstanding year for BOC Aviation that included another year of record profitability, following a successful initial public offering, which was the largest aircraft operating lessor IPO in history. Our net profit after tax of US\$418 million represented a 22% increase over 2015, itself a record year, and we generated a return on equity of 14.4% after raising US\$550 million in new equity in conjunction with our IPO.”

Financial Highlights

Our financial highlights for the year ended 31 December 2016 are:

- Total revenues and other income rose 9% year-on-year, to US\$1,193 million
- Net profit after tax was US\$418 million, an increase of 22% over 2015
- Earnings per share of US\$0.60, based on Shares outstanding¹ at 31 December 2016
- Total assets increased 8% year-on-year, to US\$13.4 billion at 31 December 2016
- Maintained strong liquidity with US\$558 million in total cash and fixed deposits, and more than US\$4 billion in undrawn committed credit facilities at 31 December 2016
- Largest aircraft operating leasing company initial public offering in history
- Board recommends a final dividend for 2016 of US\$0.119 per Share, pending approval at the Annual General Meeting to be held on 31 May 2017. The final dividend will be payable to Shareholders registered at the close of business on the record date, being Monday, 12 June 2017, bringing the total dividend for 2016 to US\$0.18² per Share

Portfolio and Operational Highlights

As at 31 December 2016, BOC Aviation:

- Had a portfolio comprising 284 owned and managed aircraft, with an average aircraft age of 3.2 years³ and an average remaining lease term of 7.3 years³ for the owned aircraft fleet
- Portfolio utilisation of 99.9% and cash collection from airlines of 99.8%

¹ Number of Shares outstanding at 31 December 2016 was 694,010,334 and at 31 December 2015 was 589,908,834.

² Includes interim dividend of US\$0.061 per Share paid to Shareholders registered at the close of business on 19 September 2016.

³ Weighted by net book value

- Leased aircraft to 68 airlines in 32 countries and regions
- Took delivery of 67 aircraft (including 11 acquired by airlines on delivery) during 2016, with 27 aircraft delivered in 4Q 2016 alone
- Signed 79 leases in 2016
- Sold 37 owned and one managed aircraft during 2016
- Had an orderbook of 199⁴ aircraft
- Increased the number of new aircraft due for delivery in 2017 to 71

Key Financial Data

	Year ended 31 December		
	2016	2015	Change ⁵
	US\$'m	US\$'m	%
Statement of Profit or Loss			
Revenues and other income	1,193	1,091	9.4
Costs and expenses	(719)	(690)	4.4
Profit before income tax	474	401	18.0
Net profit after income tax	418	343	21.8
	As at	As at	Change⁵
	31 Dec 2016	31 Dec 2015	%
	US\$'m	US\$'m	
Statement of Financial Position			
Cash and fixed deposits	558	507	10.2
Total current assets	820	754	8.7
Total non-current assets	12,625	11,720	7.7
Total assets	13,445	12,474	7.8
Total current liabilities	1,190	1,215	(2.1)
Total non-current liabilities	8,873	8,819	0.6
Total liabilities	10,063	10,034	0.3
Net Assets	3,382	2,440	38.6
Key financial ratios			
Net assets per share (US\$) ⁶	4.87	4.14	
Debt to equity (times)	2.6	3.7	

⁴ Includes all commitments to purchase aircraft including those where an airline customer has the right to acquire the relevant aircraft on delivery.

⁵ Percentage change is calculated based on numbers in US\$ thousands as shown in the consolidated financial statements.

⁶ Number of Shares outstanding at 31 December 2016 was 694,010,334 and at 31 December 2015 was 589,908,834.

Aircraft Portfolio including Order Book (at 31 December 2016, by number of aircraft)

Aircraft Type	Owned Aircraft	Managed Aircraft	Aircraft on Order*	Total
Airbus A320CEO family	122	13	27	162
Airbus A320NEO family	0	0	64	64
Airbus A330 family	11	7	2	20
Airbus A350-900	0	0	6	6
Boeing 737NG family	83	9	37	129
Boeing 737-MAX 8	0	0	61	61
Boeing 777-300ER	16	2	2	20
Boeing 777-300	0	1	0	1
Boeing 787	1	0	0	1
Embraer E190 family	11	2	0	13
Freighters	2	4	0	6
Total	246	38	199	483

* Includes all commitments to purchase aircraft including those where an airline customer has the right to acquire the relevant aircraft on delivery.

The full year 2016 financial results presentation slides and consolidated financial statements are available on the Company website at <https://www.bocaviation.com/en/Investors/Financial-Results>, along with a recording of the earnings conference call that will be made available on 27 March 2017.

About BOC Aviation

BOC Aviation is a leading global aircraft operating leasing company with a fleet of 483 aircraft owned, managed or on order. Its owned and managed fleet was leased to 68 airlines worldwide in 32 countries as at 31 December 2016. BOC Aviation is listed on the Hong Kong Stock Exchange (HKEx code: 2588) and has its headquarters in Singapore with offices in Dublin, London and Tianjin. For more information, visit www.bocaviation.com.

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