



PRESS RELEASE

13 March 2019

BOC AVIATION REPORTS RECORD EARNINGS AND 24% INCREASE IN PRE-TAX PROFIT

BOC Aviation Limited (“BOC Aviation” or the “Company”) is pleased to announce its audited financial results for the full year ended 31 December 2018.

Robert Martin, Managing Director and Chief Executive Officer, said: “BOC Aviation celebrated its 25th anniversary in 2018 with another year of record earnings. We are delighted to report profit before tax of US\$685 million, which represented a 24% increase from last year, and net profit after tax of US\$620 million. We also delivered a return on equity of 15.5%, above our 12-year average return on equity of 15%. The Board has recommended a final dividend of US\$0.1845 per share, bringing the total dividend for 2018 to US\$0.3129 per share. The full-year dividend represents a 35% payout of 2018 net profit after tax. Looking forwards, building on the lessons of the last quarter of a century we aim to achieve greater heights in the years ahead.”

Financial Highlights

Our financial highlights for the year ended 31 December 2018 are:

- Total revenues and other income rose 23% year-on-year, to US\$1,726 million
- Profit before tax was US\$685 million, up 24% year-on-year, and net profit after tax was US\$620 million
- Earnings per share of US\$0.89 and net assets per share of US\$6.05
- Total assets increased 14% year-on-year, to US\$18 billion at 31 December 2018
- Raised US\$2.7 billion in new financing and ended the year with a debt to equity ratio of 3.0 times
- Maintained strong liquidity with US\$243 million in total cash and short-term deposits, and US\$3.6 billion in undrawn committed credit facilities at 31 December 2018
- Cash collection from airline customers of 100%
- Board recommended a final dividend for 2018 of US\$0.1845 per share, pending approval at the AGM to be held on 29 May 2019. The final dividend will be payable to shareholders registered at the close of business on the record date, being 6 June 2019, bringing the total dividend for 2018 to US\$0.3129¹ per share



Portfolio and Operational Highlights

As at 31 December 2018, BOC Aviation:

- Had a total fleet of 511 aircraft owned, managed and on order², with an average aircraft age of 3.0 years and an average remaining lease term of 8.3 years for the 303 owned aircraft fleet, weighted by net book value
- Leased aircraft to 93 airlines in 37 countries and regions
- Had taken delivery of 55 aircraft (including five acquired by airline customers on delivery) in 2018
- Signed 92 lease commitments in 2018
- Sold 34 owned and seven managed aircraft in 2018
- Had an order book of 183 aircraft²
- Recorded aircraft utilisation of 99.9% for the year ended 31 December 2018

Key Financial Data

	Year ended 31 December		
	2018 US\$m	2017 US\$m	Change ³ %
Statement of Profit or Loss			
Revenues and other income	1,726	1,401	23.2
Costs and expenses	(1,040)	(850)	22.5
Profit before income tax	685	551	24.3
Net profit after income tax	620	587	5.8
	As at	As at	
	31 Dec 2018	31 Dec 2017	Change³
	US\$m	US\$m	%
Statement of Financial Position			
Cash and short-term deposits	243	305	(20.4)
Total current assets	257	572	(55.1)
Total non-current assets	17,999	15,468	16.4
Total assets	18,256	16,040	13.8
Total current liabilities	1,709	1,724	(0.9)
Total non-current liabilities	12,349	10,497	17.6
Total liabilities	14,057	12,221	15.0
Net Assets	4,199	3,819	10.0
Financial ratios			
Net assets per share (US\$) ⁴	6.05	5.50	
Gearing (times) ⁵	3.0	2.9	

Aircraft Portfolio (at 31 December 2018, by number of aircraft)

Aircraft Type	Owned Aircraft	Managed Aircraft	Aircraft on Order ²	Total
Airbus A320CEO family	130	8	0	138
Airbus A320NEO family	24	0	62	86
Airbus A330CEO family	12	4	0	16
Airbus A330NEO family	0	0	12	12
Airbus A350 family	6	0	2	8
Boeing 737NG family	98	8	2	108
Boeing 737 MAX family	5	0	90	95
Boeing 777-300ER	19	3	3	25
Boeing 777-300	0	1	0	1
Boeing 787 family	4	0	12	16
Freighters	5	1	0	6
Total	303	25	183	511

The full year 2018 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 14 March 2019.

- Includes interim dividend of US\$0.1284 per share paid to shareholders registered at the close of business on 5 October 2018.*
- Includes all commitments to purchase aircraft including those where an airline customer has the right to acquire the relevant aircraft on delivery.*
- Percentage change is calculated based on numbers in US\$ thousands as shown in the financial statements.*
- Net assets per share is calculated by dividing net assets by total number of shares outstanding at 31 December 2018, and 31 December 2017, in the respective columns. Number of shares outstanding at 31 December 2018 and 31 December 2017 was 694,010,334.*
- Gearing is calculated by dividing gross debt by total equity at 31 December 2018, and 31 December 2017, in the respective columns.*

About BOC Aviation

BOC Aviation is a leading global aircraft operating leasing company with a fleet of 511 aircraft owned, managed and on order. Its owned and managed fleet was leased to 93 airlines worldwide in 37 countries and regions as at 31 December 2018. BOC Aviation is listed on the Hong Kong Stock Exchange (HKEx code: 2588) and has its headquarters in Singapore with offices in Dublin, London, New York and Tianjin. For more information, visit www.bocaviation.com.



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