



PRESS RELEASE

16 August 2019

BOC AVIATION REPORTS 1H 2019 PERFORMANCE

BOC Aviation Limited (HKEX Code: 2588, "BOC Aviation") is pleased to announce its unaudited results for the six months ended 30 June 2019.

Robert Martin, Managing Director and Chief Executive Officer, said, "We have just achieved a major milestone in June 2019 as our cumulative net profit after tax ("NPAT") exceeded US\$4 billion since inception. BOC Aviation reported NPAT of US\$321 million in the first half of 2019, an increase of 8% compared with the same period last year. Revenue rose 13% to US\$930 million from US\$825 million, and our fleet net book value grew 6% to US\$15.9 billion from 31 December 2018, as we continued to take delivery of modern, fuel efficient aircraft. The 8% rise in the interim dividend declared underpins our continued focus on delivering good long-term returns for our shareholders."

Financial Highlights

Our financial highlights for the six months ended 30 June 2019 are:

- Total revenues and other income rose 13% to US\$930 million
- Net profit after tax was US\$321 million, an increase of 8% over the first half of 2018
- Earnings per share of US\$0.46
- Interim dividend of US\$0.1388 per share
- Total assets increased 5% to US\$19.2 billion as at 30 June 2019 from 31 December 2018
- Maintained strong liquidity with US\$295 million in total cash and short-term deposits, and US\$3.5 billion in undrawn committed credit facilities as at 30 June 2019
- Raised more than US\$1.5 billion in new financing
- Portfolio utilisation and cash collection from airline customers of 99.6% and 97.2%, respectively



Portfolio and Operational Highlights

Our operational transactions as at 30 June 2019 included:

- A portfolio of 499 owned, managed and committed aircraft¹
- Owned fleet of 314 aircraft, with an average age of 3.1 years and an average remaining lease term of 8.2 years, each weighted by net book value
- Orderbook of 162 aircraft¹
- Took delivery of 25 aircraft, including five acquired by airline customers on delivery, in the first half of 2019
- 18 aircraft scheduled for delivery in the first half of 2019 were delayed, comprising 12 Airbus aircraft delayed primarily due to industrial constraints and six Boeing aircraft delayed primarily due to the 737 MAX grounding
- Signed 39 lease commitments in the first half of 2019
- Customer base of 92 airlines in 40 countries and regions in the owned and managed fleet
- Sold 11 aircraft, including two managed aircraft
- Managed fleet comprised 23 aircraft
- Repossessed five owned and three managed aircraft from airlines that had ceased operations, and delivered all eight aircraft to new customers

¹ *Includes all commitments to purchase aircraft including those where an airline customer has the right to acquire the relevant aircraft on delivery. As described in our Announcement dated 30 July 2019, we now expect delivery delays could result in up to 30 aircraft being delayed out of 2019, including three for which an airline customer has the right to acquire the aircraft on delivery. These presently comprise up to seven Airbus A320NEO aircraft and up to 23 Boeing 737 MAX aircraft.*

Key Financial Data

	Unaudited	
	6 months ended 30 June	
	2019	2018
	US\$'m	US\$'m
Statement of Profit or Loss		
Revenues and other income	930	825
Costs and expenses	(579)	(495)
Profit before income tax	352	329
Net profit after income tax	321	297

	Unaudited	Audited
	30 June	31 December
	2019	2018
	US\$'m	US\$'m
Statement of Financial Position		
Cash and short-term deposits	295	243
Total current assets	375	257
Total non-current assets	18,786	17,999
Total assets	19,162	18,256
Total current liabilities	2,127	1,709
Total non-current liabilities	12,742	12,349
Total liabilities	14,870	14,057
Net assets	4,292	4,199
Financial ratios		
Net assets per share (US\$) ²	6.18	6.05
Gearing (times) ³	3.1	3.0

² Net assets per share is calculated by dividing net assets by total number of shares outstanding at 30 June 2019, and 31 December 2018, in the respective columns. Number of shares outstanding at 30 June 2019 and 31 December 2018 was 694,010,334.

³ Gearing is calculated by dividing gross debt by total equity at 30 June 2019, and 31 December 2018, in the respective columns.

Aircraft Portfolio at 30 June 2019 (by number of aircraft)

Aircraft Type	Owned Aircraft	Managed Aircraft	Aircraft on Order ¹	Total
Airbus A320CEO family	126	7	0	133
Airbus A320NEO family	36	0	52	88
Airbus A330CEO family	12	3	0	15
Airbus A330NEO family	0	0	12	12
Airbus A350 family	6	0	2	8
Boeing 737NG family	95	8	0	103
Boeing 737 MAX family	6	0	87	93
Boeing 777-300ER	19	3	3	25
Boeing 777-300	0	1	0	1
Boeing 787 family	9	0	6	15
Freighters	5	1	0	6
Total	314	23	162	499

The first half 2019 financial results presentation slides and unaudited interim condensed 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 by 19 August 2019.

About BOC Aviation

BOC Aviation is a leading global aircraft operating leasing company with a fleet of 499 aircraft owned, managed and on order. Its owned and managed fleet was leased to 92 airlines worldwide in 40 countries and regions as at 30 June 2019. 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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