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BOC AVIATION LIMITED

中銀航空租賃有限公司*

(Incorporated in the Republic of Singapore with limited liability)

Stock code: 2588

POSITIVE PROFIT ALERT

The Board wishes to inform Shareholders and potential investors that the Group is expected to record an exceptional tax adjustment that will result in a significant increase in net profit after tax for the year ended 31 December 2017 as a consequence of a recently-enacted change to the federal corporate tax rate in the USA.

1. Positive Profit Alert

In December 2017, The Tax Cuts and Jobs Act (H.R.1) came into effect in the USA which, among other measures, will reduce the federal corporate tax rate that the Group will use to calculate its net deferred income tax liabilities in the USA to 21% from 35% previously. As a consequence of this federal tax rate reduction, the Group's preliminary assessment of the net deferred income tax liabilities as at 31 December 2017 will be reduced by an amount within the range of US\$88 million to US\$93 million and the Group's net profit after tax for the year ended 31 December 2017 will increase by a similar amount.

Shareholders and potential investors should note the following:

- This increase in net profit after tax is not attributable to increased revenues and has no impact on the Group's cash flow in the year ended 31 December 2017.
- This tax adjustment is an exceptional item that will affect the Group's Consolidated Statement of Profit or Loss for the year ended 31 December 2017 and is not expected to recur in future years.

* For identification purpose only

2. **Final Results Announcement**

The Board would like to remind Shareholders and potential investors that the information contained in this announcement is only based on a preliminary assessment by the Company of the management accounts of the Group for the year ended 31 December 2017, which have not been reviewed or audited by the Company's auditors, and information currently available.

As at the date of this announcement, the Group is still in the process of finalising its financial results for the year ended 31 December 2017. Detailed information on the performance of the Group will be disclosed in the Company's final results announcement for the year ended 31 December 2017 which is due to be released in March 2018.

3. **Applicable Listing Rules**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance.

4. **Definitions**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	BOC Aviation Limited, a company incorporated under the laws of Singapore with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Shareholder(s)”	The shareholders of the Company

“**Stock Exchange**” The Stock Exchange of Hong Kong Limited
“**US\$**” United States dollars, the lawful currency of the United States of America

By Order of the Board
BOC Aviation Limited
Zhang Yanqiu, Juliana
Company Secretary

Hong Kong, 4 January 2018

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Chen Siqing as Chairman and Non-executive Director, Mr. Robert James Martin and Mr. Wang Jian as Executive Directors, Mr. Gao Zhaogang, Mr. Li Mang, Mr. Liu Chenggang and Ms. Zhu Lin as Non-executive Directors and Mr. Dai Deming, Mr. Fu Shula, Mr. Antony Nigel Tyler and Dr. Yeung Yin Bernard as Independent Non-executive Directors.