



# BOC Aviation 3Q 2020 Operational Statistics Update

15 OCTOBER 2020

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# 3Q 2020 Overview



## STRONG ASSET QUALITY

- **555 aircraft** owned, managed and on order<sup>1</sup>
- **3.6 years<sup>2</sup>** average fleet age; **8.5 years<sup>2</sup>** average remaining lease term
- **99.7%** aircraft utilization rate



## ROBUST LIQUIDITY

- **US\$750 million** of 10-year fixed rate unsecured bonds issued
- **Lowest 10-year USD coupon** to-date in the aircraft leasing industry at 2.625%
- **US\$4 billion** of liquidity<sup>3</sup>



## PROACTIVE INVESTMENT STRATEGY

- **Six** aircraft deliveries in 3Q, **29** in 2020 YTD
- **13** lease commitments signed in 3Q, **89** in 2020 YTD
- **Nine** aircraft purchased in the PLB market in 3Q
- **100%** of aircraft scheduled for delivery before 2023 placed



## STRONG CREDIT RATINGS

- **A-** by S&P Global Ratings
- **A-** by Fitch Ratings



## RESCULPTED ORDERBOOK

- **18** Airbus A320NEO family aircraft's purchase commitments moved back to airline's contract
- **75** aircraft purchased 2020 YTD in the PLB market to replace **50** aircraft orders cancelled and **73** deferred



## EXPERIENCED MANAGEMENT AND OWNERSHIP

- **Experienced management team** successfully managed through multiple cycles
- **Bank of China** provides ongoing support

**A resilient performance in a challenging environment**

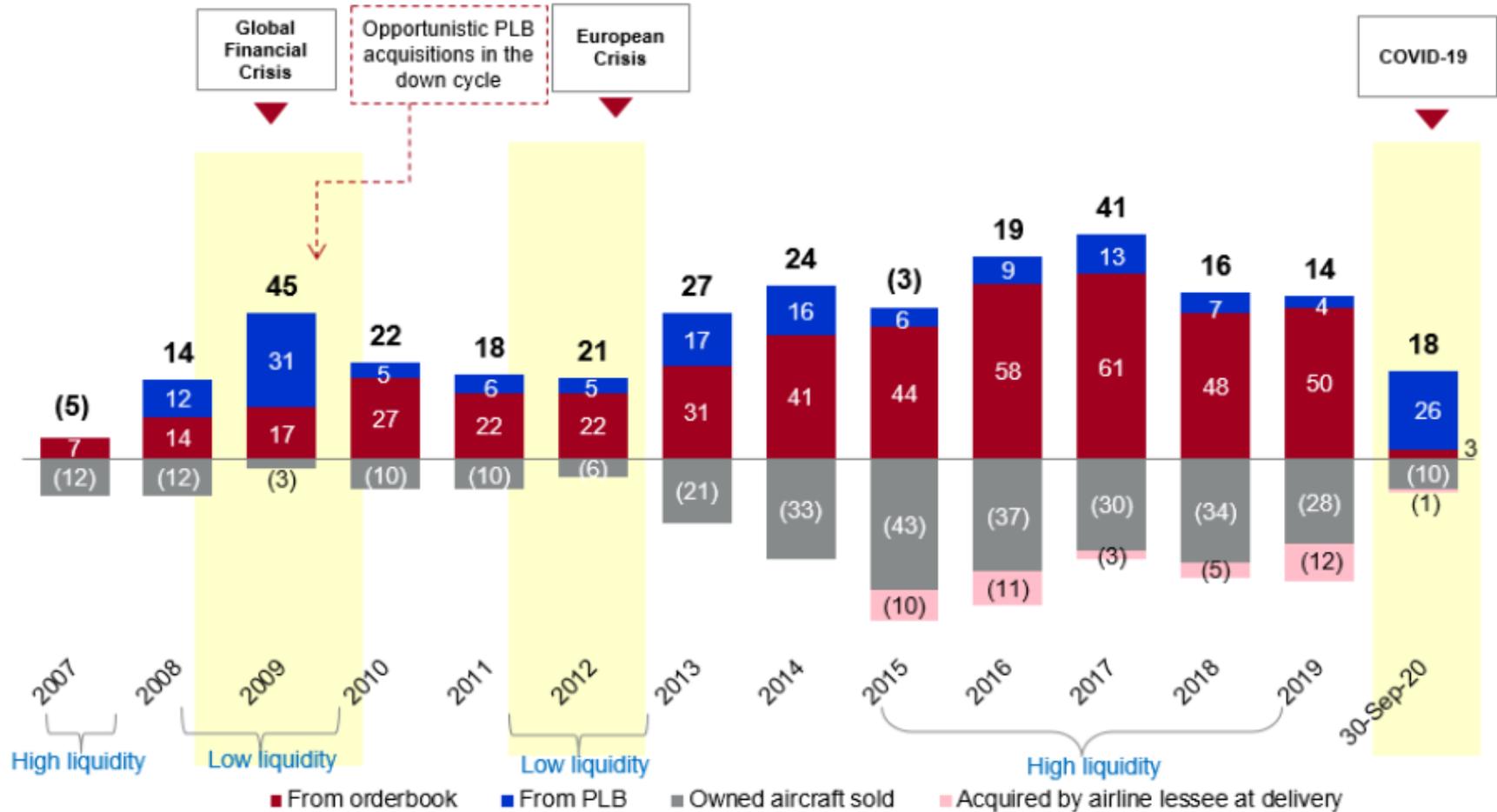
All data as at 30 September 2020 unless otherwise indicated  
Notes:

1. Includes all commitments to purchase aircraft including those where an airline customer has the right to acquire the relevant aircraft on delivery
2. Weighted by net book value of owned fleet
3. As at 30 June 2020



# How We Invest

Number of aircraft delivered, purchased and sold



All data as the end of the relevant period

# Popular and Fuel-Efficient Fleet

Our aircraft portfolio				
Aircraft type	Owned aircraft	Managed aircraft	Aircraft on order <sup>1</sup>	Total
Airbus A320CEO family	112	15	0	127
Airbus A320NEO family	54	0	72	126
Airbus A330CEO family	12	3	0	15
Airbus A330NEO family	2	0	6	8
Airbus A350 family	9	0	0	9
Boeing 737NG family	82	15	0	97
Boeing 737 MAX family	16	0	76	92
Boeing 777-300ER	24	4	3	31
Boeing 777-300	0	1	0	1
Boeing 787 family	19	1	23	43
Freighters	5	1	0	6
<b>Total</b>	<b>335</b>	<b>40</b>	<b>180</b>	<b>555</b>

**In 3Q 2020, we added nine latest technology aircraft to the orderbook, bringing the total number of aircraft purchase commitments in 2020 YTD to 95**

All data as at 30 September 2020

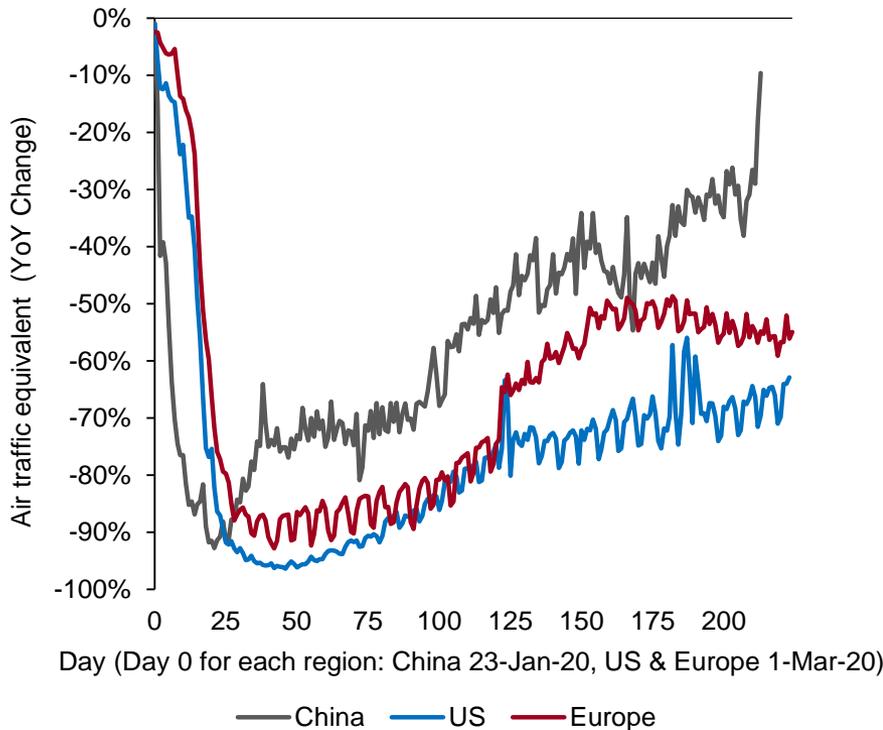
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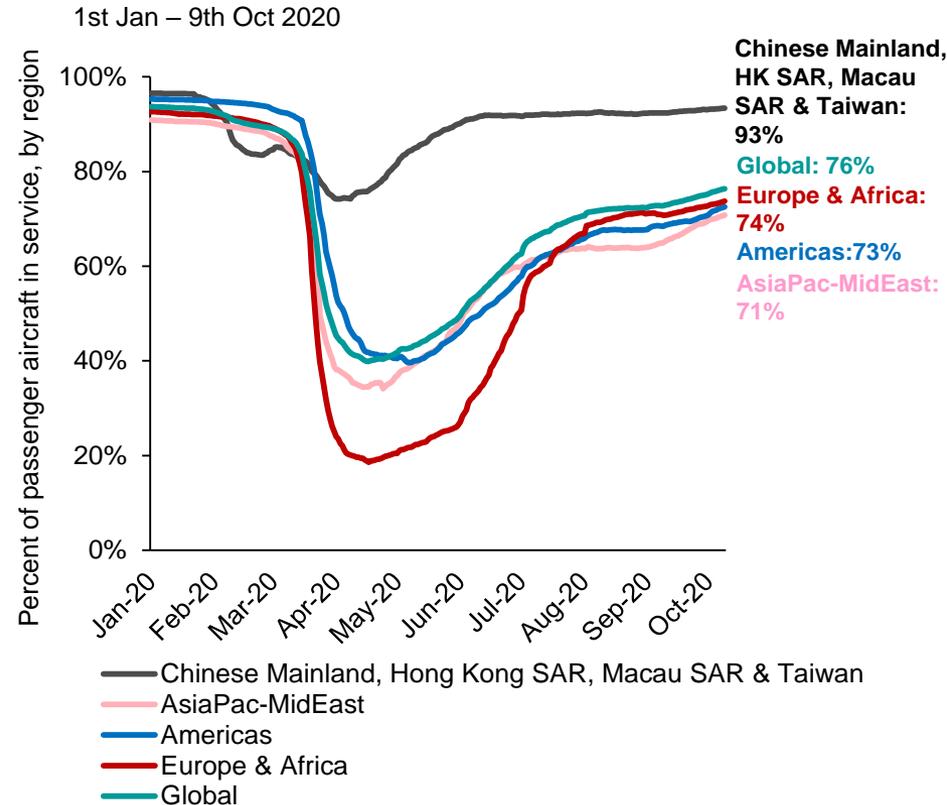
# Air Traffic Recovery

## Passenger traffic is rising



Sources: China MoT (Air Pax YoY) TravelSky (Traffic YoY), TSA (Throughput YoY), Eurocontrol (Flights YoY)

## ...with China the template for expected global recovery



Notes: Includes 737, 747, 757, 767, 777, 787, A320, A330, A350 and A380 aircraft families

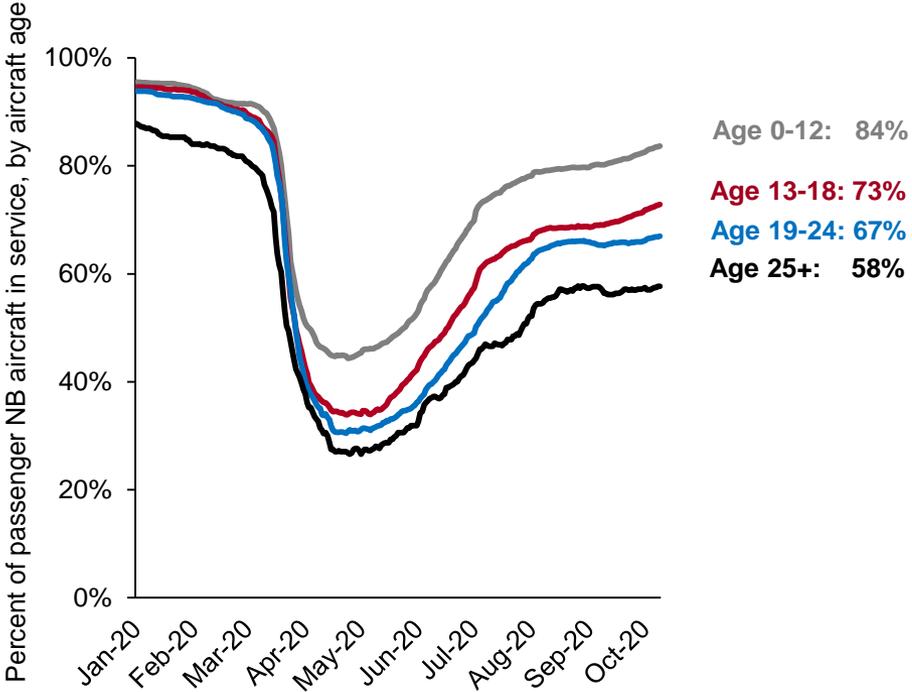
Source: Cirium fleet data, BOC Aviation analysis



# Rising Utilisation Rates for Younger Narrowbody Aircraft

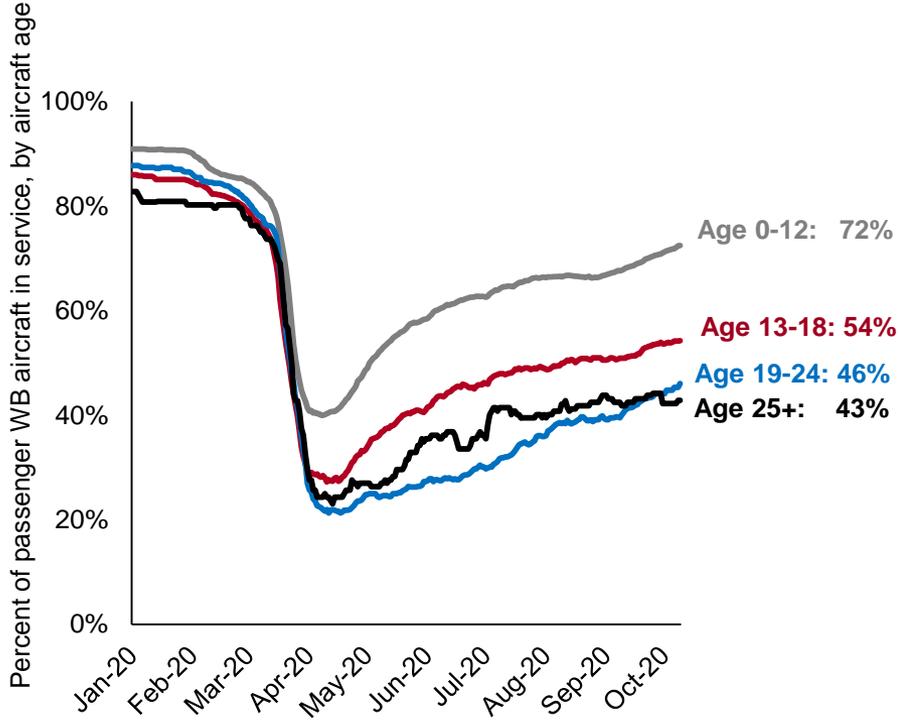
## Narrowbodies

1st Jan – 9th Oct 2020



## Widebodies

1st Jan – 9th Oct 2020



**BOC Aviation fleet has an average age of 3.6 years and most aircraft less than 10 years old**

Sources: Cirium fleet data, BOC Aviation analysis



# Conclusion

- 1 Asset quality remains best in class
- 2 Proactive investment strategy focuses on in-demand aircraft
- 3 Resculpted orderbook by replacing direct orders from OEMs with aircraft purchased in the PLB market; de-risks deliveries
- 4 Robust liquidity of US\$4 billion<sup>1</sup> underpinned by supportive capital markets
- 5 Strong operating cashflows from 1H 2020 sustained into 2H 2020
- 6 Active support from Bank of China
- 7 Maintained strong credit ratings of A-, one of the highest in the industry

**Successfully navigating our way through the COVID-19 environment**

All data as at 30 September 2020 unless otherwise indicated

Note:

1. As at 30 June 2020



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