BOC AVIATION

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

2016 INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2016

FINANCIAL HIGHLIGHTS

The Board of Directors of BOC Aviation Limited is pleased to announce our unaudited results for the six months ended 30 June 2016. Our financial highlights for the six months ended 30 June 2016 are:

- Total revenues and other income rose 8.2% to US$579 million
- Net profit after tax was US$212 million, an increase of 23.8% over 1H 2015
- Earnings per share of US$0.31, based on Shares outstanding at 30 June 2016
- Total assets increased 9.0% to US$13.6 billion at 30 June 2016 from 31 December 2015
- Maintained strong liquidity with US$1,706 million in total cash and fixed deposits, and more than US$2.7 billion in undrawn committed revolving credit facilities as at 30 June 2016
- Largest aircraft leasing company initial public offering in history, raising US$1.1 billion from the sale of new and existing Shares
- Portfolio utilisation and cash collection from airline customers both maintained at 100%
- Declared an interim dividend of US$0.061 per Share, payable to Shareholders registered at the close of business on the record date, being 19 September 2016

* *For identification purposes only*
Capitalised terms used but not defined in this interim results announcement are found in the final pages

	Unaudited 6 months ended 30 June 2016 US$'m	2015 US$'m
Key Statement of Profit or Loss Data		
Revenues and other income	**579**	535
Costs and expenses	**(340)**	(336)
Profit before income tax	**239**	199
Net profit after income tax	**212**	171

	Unaudited 30 June 2016 US$'m	Audited 31 December 2015 US$'m
Key Statement of Financial Position Data		
Cash and fixed deposits	**1,706**	507
Current assets	**1,914**	754
Non-current assets	**11,679**	11,720
Total assets	**13,593**	12,474
Current liabilities	**720**	1,215
Non-current liabilities	**9,673**	8,819
Total liabilities	**10,393**	10,034
Net assets	**3,200**	2,440
Key financial ratios		
Net asset per share	**4.61**	4.14
Gross debt to equity	**2.9x**	3.7x

PORTFOLIO AND OPERATIONAL HIGHLIGHTS

Our operational transactions as at 30 June 2016 included:

- A portfolio of 265 owned and managed aircraft, with an average aircraft age of 3.3 years and an average remaining lease term of 7.2 years for owned aircraft fleet, weighted by net book value
- Order book of 218** aircraft averaging 40 aircraft a year over the period from 2016 to 2021
- Took delivery of 27 aircraft (including six acquired by airline customers on delivery) in the first half of 2016
- Signed 41 leases in the first half of 2016
- Customer base of 64 airlines in 31 countries in the owned and managed fleet
- Sold 22 aircraft, including the last remaining pre-2007 vintage aircraft
- Managed fleet comprised 39 aircraft

- 100% of order book deliveries scheduled in 2016 are placed with lessees, with more than 60% of scheduled 2017 deliveries also placed on lease

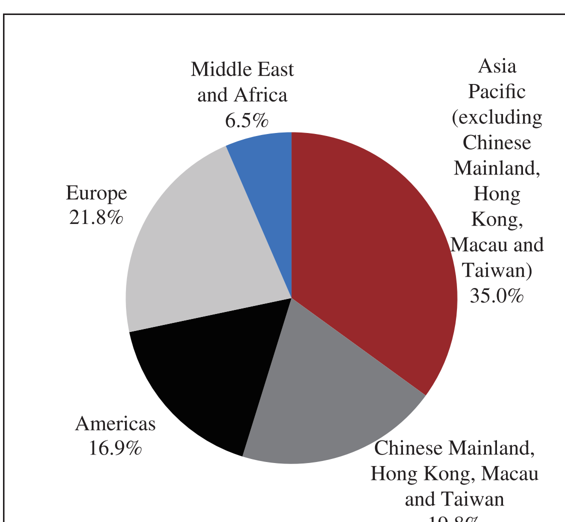
- Aircraft utilisation maintained at 100% for the half year ended 30 June 2016

Aircraft Portfolio including Order Book (as at 30 June 2016, in number of aircraft)

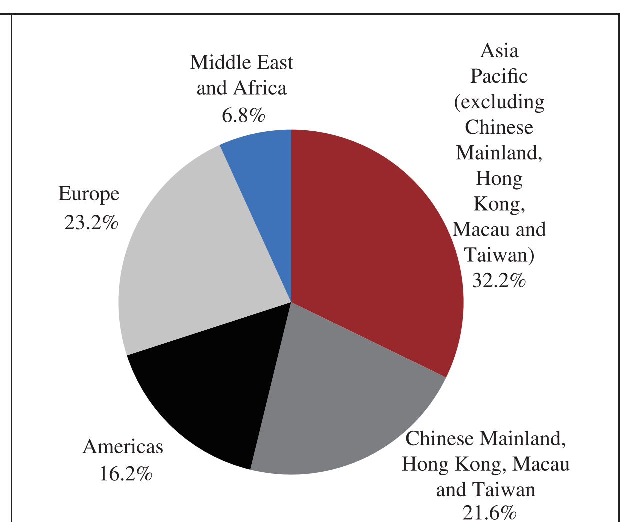
Aircraft Type	Owned Aircraft	Managed Aircraft	Number of Aircraft on Order**	Total Number of Aircraft
Airbus A320CEO family	111	14	40	165
Airbus A320NEO family	0	0	64	64
Airbus A330 family	11	8	2	21
Boeing 737NG family	76	8	49	133
Boeing 737 MAX 8	0	0	61	61
Boeing 777-300ER	13	2	2	17
Boeing 777-300	0	1	0	1
Boeing 787	2	0	0	2
Embraer E190 family	11	2	0	13
Freighters	2	4	0	6
Total	**226**	**39**	**218**	**483**

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

1: Lease rental income by region[1]



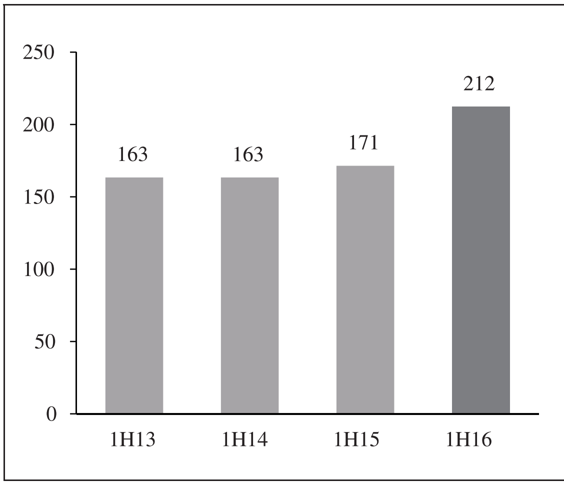
2: Net book value[2] of aircraft by region[1]



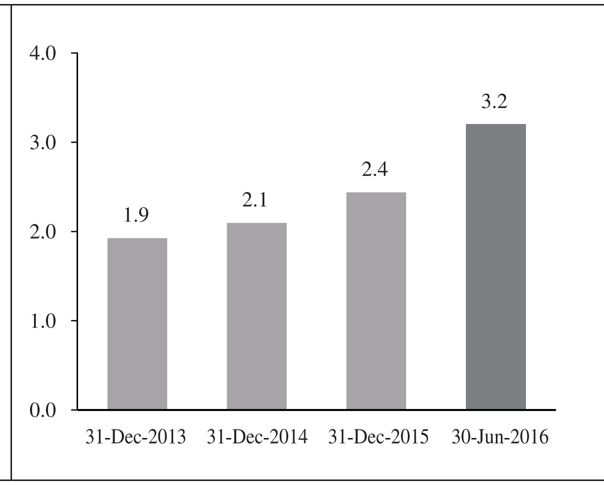
[1] *Based on the jurisdiction of the primary obligor under the relevant operating leases.*

[2] *Excluded book value of assets held for sale.*

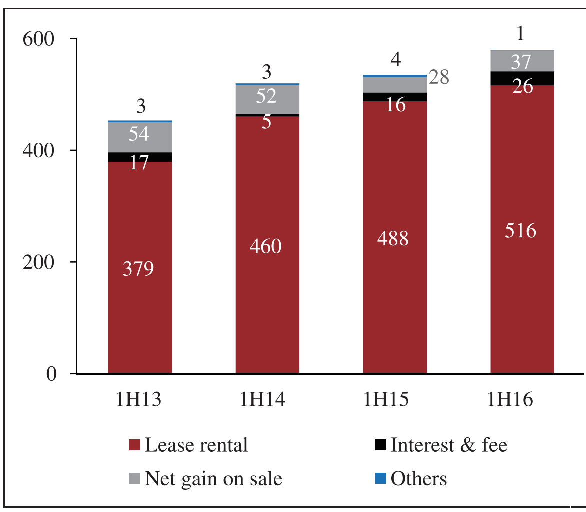
3: Net profit after tax (US$ million)



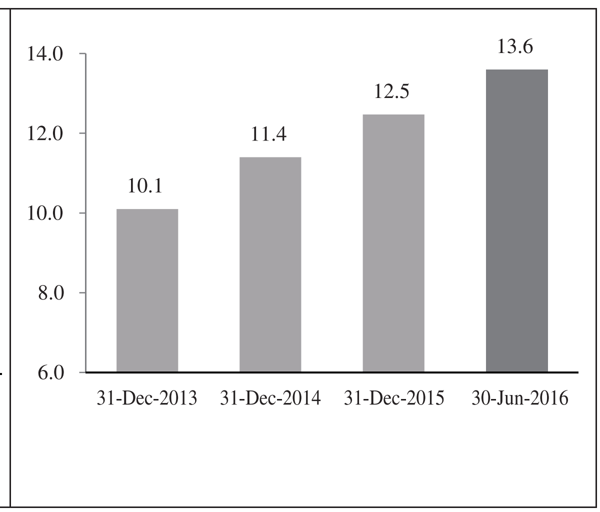
4: Total equity (US$ billion)



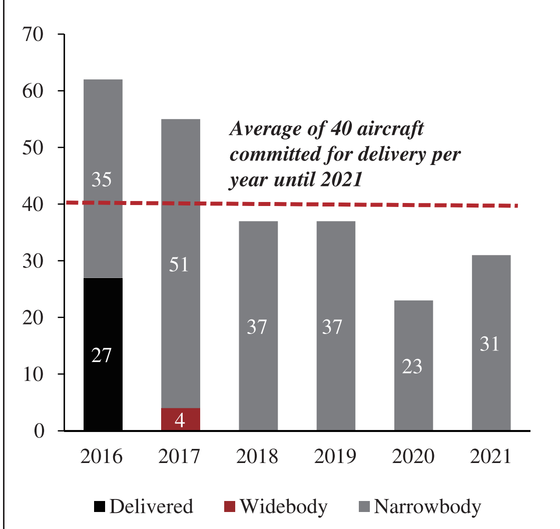
5: Revenues and other income breakdown (US$ million)



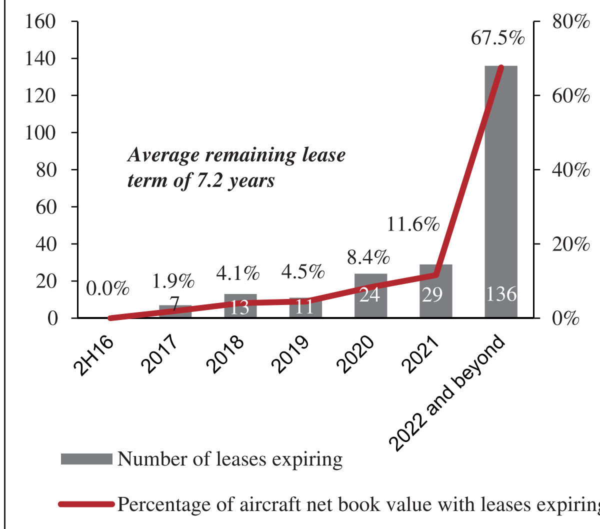
6: Total assets (US$ billion)



7: Committed aircraft deliveries (number of aircraft)



8: Lease expiries as % of portfolio[3]



[3]Owned aircraft with lease expiring in each calendar year, excluding any aircraft for which we have sale or lease commitments, weighted by net book value including book value of assets held for sale.

CHIEF EXECUTIVE'S COMMENTS

BOC Aviation achieved a very important milestone in the first half of 2016 – completing the largest ever aircraft operating leasing company initial public offering. In our heavily subscribed listing on the Stock Exchange, we raised net proceeds of US$550 million in primary equity capital which we will invest to grow the business. We thank our Shareholders, our business partners and our employees for their support on this very successful project.

We also completed a strong first half of 2016, recording US$579 million in total revenues and other income, a year-on-year increase of more than 8%, and net profit after tax of US$212 million, a 24% increase compared with the period ended 30 June 2015. The business continues to deliver good operating margin^, with a 42.6% margin for the first six months of 2016, compared to 41.5% for the same period in 2015. Our strong total net cash inflow of more than US$1.2 billion in the first half of 2016 reflected our capital markets activities as well as the cash generated by our aircraft portfolio, where we once again achieved 100% fleet utilization and 100% cash collection rates. At 30 June 2016, we had no overdue payments from our airline customers, reflecting the benefits of our robust customer credit assessment, as well as the strong underlying cash flows being enjoyed by most of the airline industry.

^ *Operating margin calculated as lease rental income less depreciation, amortisation and finance expenses divided by total lease rental income*

In addition to our equity offering, we also raised long-term debt capital, issuing a 10-year bond in the Regulation S/Rule 144A market in April 2016. The bond issuance, which was also heavily subscribed, was issued at a fixed rate coupon of 3.875% per annum. We've positioned the business well with these capital raising activities, and at 30 June 2016 our cash and fixed deposits exceeded US$1.7 billion. We also had US$2.78 billion in undrawn, committed unsecured credit facilities.

Operationally, we delivered 27 aircraft to airline customers during the first six months of 2016. Six of these aircraft were acquired by the customer upon delivery. We sold a further 22 aircraft, generating aggregate net gains on sale of US$37 million. This consistent investment in new aircraft and rigorous portfolio management reduced the weighted average fleet age in our owned portfolio to 3.3 years, and we now have no aircraft in the owned portfolio that is more than 10 years old. We continued to see good demand for leased aircraft globally, although the greater rates of passenger demand growth being exhibited by airlines in Asia-Pacific saw the proportion of revenue generated in these markets increase to 55% for the first six months of 2016, compared to 49% for the same period in 2015. As at 30 June 2016, the average of five independent appraisers' aggregate value for our owned fleet was US$11,015 million, on a full-life, current market value basis, which compared with a net book value of US$9,693 million, or a 14% premium to net book value.

At 30 June 2016, according to Ascend, there were more than 20,000 aircraft in-service in the global commercial jet fleet (over 100 seats, mainline aircraft), which represents our addressable market. Global fleet growth year-on-year was 5.0%. According to the International Air Transport Association (IATA), global passenger traffic (as measured by revenue passenger kilometres) rose by a greater 6% compared with the first half of 2015. Aircraft operating lessors accounted for 31% of first half 2016 deliveries and financed 42% of the total fleet as at 30 June 2016, also according to Ascend.

According to Boeing and Airbus' order books, more than 700 mainline aircraft will be delivered into the global fleet over the balance of the year and expectations are that global passenger demand growth should sustain mid-single digit growth rates for the rest of 2016, despite the moderating effect on demand that recent geopolitical events might have. Our order book of 218 aircraft delivering between now and end-2021 comprises 214 popular A320 family and 737 family aircraft, and four mid-sized wide body aircraft for which we have lease commitments. We have placed 100% of aircraft delivering this year and 67% of those to be delivered in 2017.

Our cash position and undrawn, committed unsecured credit lines of US$2.78 billion provide an ideal platform for growth, allowing us to make opportunistic aircraft acquisitions in the Purchase and Lease-Back (PLB) market, provide Pre-Delivery Payment (PDP) financing options to our customers, as well as finance part of our US$8.7 billion of total capital commitments.

The first half of 2016 was very successful for BOC Aviation. The business is generating strong revenues and profits, the portfolio is performing well, and we have positioned the business for future growth with the world's largest aircraft operating leasing company initial public offering and a successful long-term debt capital markets transaction. In addition, in August 2016, our Board declared an interim dividend of US$0.061 per Share.

We continue to focus on disciplined, accretive investing to grow the business and on turning in another solid performance in the second half of the year.

BUSINESS OVERVIEW

BOC Aviation Limited is a leading global aircraft operating leasing company. We are the largest aircraft operating leasing company headquartered in Asia and one of the top five in the world. Our primary source of revenue is from long term, USD-denominated leases contracted with our globally diversified portfolio of airlines.

From our inception to 30 June 2016, we have:

- Purchased and committed to purchase more than 670 aircraft with an aggregate purchase price of more than US$32 billion;
- Executed more than 630 leases with more than 120 airlines in 49 countries;
- Raised more than US$17 billion in debt financing since 1 January 2007;
- Sold more than 240 owned and managed aircraft; and
- Transitioned more than 50 aircraft at lease end and repossessed and redeployed 29 aircraft from customers based in 11 countries.

At 30 June 2016 our fleet comprised 265 owned and managed aircraft on lease to 64 customers in 31 countries. We also had commitments to acquire 218 aircraft through to 2021. Our order book principally comprises popular single-aisle aircraft, such as the Airbus A320 family and Boeing 737 family, including the A320NEO and 737 MAX 8 new technology models. Single-aisle aircraft make up 70% of our owned portfolio, weighted by net book value, with twin-aisle aircraft (28%) and freighters (2%) representing the balance.

The order book accounts for US$8.7 billion of future capital expenditure, as laid out in the table below, and this will drive our future portfolio growth.

Aircraft capital expenditure commitment

	30 June 2016 **US$'m**
2H 2016	1,131
2017	1,888
2018	1,718
2019	1,947
2020	1,547
2021	505
Thereafter	0
Total	**8,736**

We benefit from a low average cost of debt, which was 2.3% during the first half of 2016, supported by our strong investment grade corporate credit ratings, which were A- from both Standard & Poor's and Fitch Ratings and supported by our access to diverse debt funding sources. Unsecured bonds and unsecured and secured third-party commercial bank debt are our primary sources of debt funding.

We enjoy strong and committed support from Bank of China, a Fortune 50 company. Bank of China has provided us with a US$2.0 billion committed unsecured revolving credit facility which matures in April 2022 and was fully undrawn as at 30 June 2016.

Our senior management team remains highly experienced, international and stable, with most of the team having extensive experience working in the aviation industry across multiple jurisdictions.

MANAGEMENT DISCUSSION & ANALYSIS

STATEMENT OF PROFIT OR LOSS ANALYSIS

In the six months ended 30 June 2016, we achieved a profit after tax of US$212 million representing a year-on-year increase of 23.8%.

Our selected financial data and changes of our consolidated statement of profit and loss are set out below:

	Unaudited 6 months ended 30 June			
	2016	2015	Change	Change
	US$'000	US$'000	US$'000	%
Lease rental income	**515,888**	487,888	28,000	5.7
Interest and fee income	**25,533**	15,720	9,813	62.4
Other income:				
– Net gain on sale of aircraft	**37,212**	27,500	9,712	35.3
– Other income	**517**	3,942	(3,425)	(86.9)
Total revenues and other income	**579,150**	535,050	44,100	8.2
Depreciation of plant and equipment	**186,269**	193,498	(7,229)	(3.7)
Finance expenses	**101,420**	81,928	19,492	23.8
Staff costs	**31,855**	28,160	3,695	13.1
Other operating costs and expenses	**20,105**	18,743	1,362	7.3
Impairment of aircraft	**–**	13,600	(13,600)	(100.0)
Total costs and expenses	**339,649**	335,929	3,720	1.1
Profit before income tax	**239,501**	199,121	40,380	20.3
Income tax expense	**(27,313)**	(27,656)	343	1.2
Profit for the period	**212,188**	171,465	40,723	23.8

Revenues and other income

Our total revenues and other income increased by 8.2% to US$579 million in first half 2016 ("1H 2016") from US$535 million in first half 2015 ("1H 2015"), primarily due to increases in lease rental income, interest and fee income and net gain on sale of aircraft, as described in more detail below.

Lease rental income

Our lease rental income increased by 5.7% to US$516 million in 1H 2016 from US$488 million in 1H 2015, primarily due to an increase in USD LIBOR over the same period last year for our floating lease rentals and more new leases contracted at fixed rate rentals which contributed higher lease rental factors, on average. The revenue increase due to fleet growth was partially offset by the reduction of rental for aircraft sold.

Interest and fee income

Our interest and fee income increased to US$26 million in 1H 2016 from US$16 million in 1H 2015, primarily due to an increase in fees for aircraft progress payments reflecting increased demand from counterparties for pre-delivery payment arrangements, as well as an increase in managed aircraft fees. The increase in fees from managed aircraft follows the successful portfolio sale of 24 aircraft in October 2015, for which we continue to provide management services.

Net gain on sale of aircraft

Our net gain on sale of aircraft increased to US$37 million in 1H 2016 from US$28 million in 1H 2015, primarily due to an increase in aircraft sold from 11 to 22 in the same periods, respectively. All aircraft that were more than 10 years old have been sold by 30 June 2016.

Costs and expenses

Our total costs and expenses increased by 1.1% to US$340 million in 1H 2016 from US$336 million in 1H 2015, primarily due to an increase in finance expenses which was offset by the decrease in depreciation of plant and equipment and impairment of aircraft.

Depreciation

Depreciation of plant and equipment decreased by 3.7% primarily due to a decrease in the aircraft fleet as a result of more sales, coupled with the cessation of depreciation of aircraft that were classified as held for sale during the period ended 30 June 2016.

Finance expenses

Finance expenses increased by 23.8% to US$101 million in 1H 2016 from US$82 million in 1H 2015 primarily due to higher USD LIBOR rates in 1H 2016 as compared with same period last year and a re-balance of debt portfolio to have a higher proportion of fixed rate debt as part of our hedging strategy. As a result, our average cost of funds had risen to 2.3% in 1H 2016 from 2.0% in 1H 2015.

Staff costs

Staff costs increased by 13.1% to US$32 million in 1H 2016 from US$28 million in 1H 2015, primarily due to higher provisions for bonuses, which were in line with improved operational and financial results, an increase in headcount to support the expansion of our business activities and annual salary increases.

Other operating costs and expenses

Other operating costs and expenses increased by 7.3% to US$20 million primarily due to expenses relating to our initial public offering.

Impairment of aircraft

There was no impairment of aircraft in 1H 2016 as compared with a charge of US$14 million in 1H 2015.

Profit before income tax and pre-tax profit margin

As a result of the foregoing, profit before income tax increased by 20.3% to US$240 million in 1H 2016 from US$199 million in 1H 2015. Our pre-tax profit margin increased to 41.4% from 37.2% in the same periods, respectively.

Income tax expense

Despite a higher profit before tax, income tax expense reduced by 1.2% to US$27 million in 1H 2016 from US$28 million in 1H 2015 mainly due to a write-back of tax provision of US$5 million. As a result, our effective tax rate reduced to 11.4% in 1H 2016 from 13.9% in 1H 2015.

Profit for the period and net profit margin

As a result of the foregoing, our profit for the period increased by 23.8% to US$212 million in 1H 2016 from US$171 million in 1H 2015. Since the publication of the prospectus of the Company dated 19 May 2016, there have been no material changes to our business.

STATEMENT OF FINANCIAL POSITION ANALYSIS

Our total assets rose by 9.0% to US$13.6 billion as at 30 June 2016 from US$12.5 billion as at 31 December 2015 largely due to the increase in cash and fixed deposits. Total equity of the Company increased by 31.2% to US$3.2 billion as at 30 June 2016.

The selected financial data and changes of our consolidated financial position are set out below:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000	Change US$'000	Change %
Plant and equipment and assets held for sale	**11,861,426**	11,939,658	(78,232)	(0.7)
Cash and fixed deposits	**1,705,663**	506,832	1,198,831	236.5
Derivative financial instruments	**10,744**	2,011	8,733	434.3
Other assets	**14,975**	25,404	(10,429)	(41.1)
Total Assets	**13,592,808**	12,473,905	1,118,903	9.0
Loans and borrowings and finance lease payables	**9,065,136**	8,715,481	349,655	4.0
Maintenance reserves	**424,546**	432,897	(8,351)	(1.9)
Security deposits and non-current deferred income	**253,223**	237,574	15,649	6.6
Derivative financial instruments	**135,347**	146,609	(11,262)	(7.7)
Trade and other payables	**110,641**	106,104	4,537	4.3
Other liabilities	**403,911**	395,522	8,389	2.1
Total liabilities	**10,392,804**	10,034,187	358,617	3.6
Net assets	**3,200,004**	2,439,718	760,286	31.2

Plant and equipment and assets held for sale

We had plant and equipment and assets held for sale of US$11,861 million and US$11,940 million as at 30 June 2016 and 31 December 2015, respectively. This represented a reduction of 0.7% primarily due to a slight decrease in number of owned aircraft as at the end of the period, depreciation and pre-delivery payment refunds made during the period.

Aircraft in plant and equipment and assets held for sale constituted the largest component, amounting to US$9,693 million and US$9,698 million as at 30 June 2016 and 31 December 2015, respectively, representing 81.7% and 81.2% of our total plant and equipment and assets held for sale as at the same dates, respectively. Over the same period, aircraft progress payments constituted 18.3% and 18.8% of our total plant and equipment and assets held for sale as at 30 June 2016 and 31 December 2015, respectively.

Trade receivables

There were no overdue trade receivables from airline customers as at 30 June 2016 and 31 December 2015. Our other trade receivables as at 30 June 2016 were within the age bracket of one to 30 days overdue while all other trade receivables were current as at 31 December 2015.

Cash and fixed deposits

Our cash and fixed deposits significantly increased to US$1,706 million as at 30 June 2016 from US$507 million as at 31 December 2015, primarily due to the following activities in the first half of 2016: US$750 million of debt raised under our Global Medium Term Note Program ("**GMTN Program**"), the drawdown of a US$500 million syndicated loan, receipt of aircraft sales proceeds of US$863 million and receipt of US$563 million of gross proceeds from the Company's initial public offering on the Hong Kong Stock Exchange, less capital expenditure of US$934 million.

Derivative financial instruments

Our assets and liabilities with respect to derivative financial instruments represent unrealised gains and losses, respectively which were recognised in the hedging reserve in equity or profit or loss, on the cross-currency interest rate swap, interest rate swap and interest rate cap contracts that we entered into as at 30 June 2016 and 31 December 2015. Under the liabilities, our derivative financial instruments decreased to US$135 million as at 30 June 2016 from US$147 million as at 31 December 2015 and under the assets, our derivative financial instruments increased to US$11 million as at 30 June 2016 from US$2 million as at 31 December 2015, primarily due to movements in marked-to-market values of these derivative financial instruments.

Trade and other payables

Our other payables primarily consist of accrued interest expenses mainly in relation to our indebtedness and other accruals and liabilities. Our trade and other payables increased as at 30 June 2016 compared to 31 December 2015, primarily due to increases in (i) accrued interest expenses due to increase in interest rates and increase in debts, (ii) other accruals and liabilities as a result of higher provisions for bonuses which was offset by a decrease in maintenance reserve payable.

Loans and borrowings and finance lease payables

Our loans and borrowings and finance lease payables increased by 4.0% to US$9,065 million as at 30 June 2016 mainly due to the issuance of US$750 million 10-year notes under the GMTN Program and drawdown of a US$500 million syndicated loan. New borrowings were partially offset by repayment of US$1,093 million in loans and borrowings and finance lease payables in the same period.

OTHER INFORMATION

Liquidity and Capital Resources

Our primary sources of liquidity have principally comprised bank balances, cash generated by aircraft leasing operations, proceeds from aircraft sales and loans and borrowings. Our business is capital intensive, requiring significant investments in order to expand the aircraft fleet during periods of growth and to ensure we maintain a young fleet. The cash flows from our operations, particularly our revenues from operating leases of aircraft, have historically provided a significant portion of the liquidity for these investments. We have also received equity contributions from our shareholders.

Following the recent initial public offering, our Shares outstanding have increased to 694,010,334 from 589,908,834 and we received US$563 million in gross proceeds from the offering. In the first six months of 2016 we also raised long-term debt, issuing US$750 million in 10-year bonds in April 2016 at a fixed-rate coupon of 3.875% and we drew down a US$500 million syndicated loan. These activities impacted the Company's gearing as at 30 June 2016, as demonstrated in the table below:

	Unaudited 30 June 2016 US$'m	Audited 31 December 2015 US$'m
Gross debt	**9,282**	8,956
Total equity	**3,200**	2,440
Gearing (times)	**2.9**	3.7

Gross debts comprise our loans and borrowings and finance lease payables before adjustments for debt issue costs, fair values and discounts/premiums to medium term notes. Total equity refers to the equity attributable to Shareholders.

Our liquidity remains strong, with cash and fixed deposits of US$1,706 million at 30 June 2016 and US$2.78 billion in undrawn, unsecured, committed revolving credit facilities.

Details of our indebtedness are set out below:

Indebtedness

	30 June 2016 US$'m	31 December 2015 US$'m
Secured		
Term loan financing (including finance lease payables)	**2,664**	3,305
Export credit agency supported financing	**1,340**	1,428
Total secured debt	**4,004**	4,733
Unsecured		
Term loan financing	**1,315**	790
Revolving credit facilities	**–**	220
Medium term notes	**3,963**	3,213
Total unsecured debt	**5,278**	4,223
Total indebtedness	**9,282**	8,956
Less: debt discount, debt premium, debt issue costs and fair value adjustment	**(217)**	(241)
Total debt	**9,065**	8,715
Number of aircraft pledged as security	**134**	145
Net book value of aircraft pledged as security	**5,671**	6,410

Of the total indebtedness, the amount of debts at fixed rates, including floating rate debts swapped to fixed rate liabilities amounted to US$3,299 million (31 December 2015: US$1,749 million).

Collateral for secured debt includes a mortgage over the related aircraft, an assignment of the operating lease and designated bank accounts and/or a pledge of the shares in certain subsidiary companies that hold title to the related aircraft.

Debt repayment profile

	30 June 2016 US$'m
2H 2016	254
2017	981
2018	1,517
2019	1,630
2020	1,577
2021	824
Thereafter	2,499
Total	**9,282**

Foreign currency risk

Our transactional currency exposures mainly arise from borrowings that are denominated in a currency other than U.S. Dollars, our functional currency.

All loans and borrowings that are denominated in Australian Dollar, Chinese Yuan and Singapore Dollar are swapped into United States Dollar. Foreign currency exposure arises when we collect U.S. Dollars in our business to repay the Australian Dollar, Chinese Yuan or Singapore Dollar borrowings. We primarily utilise cross-currency interest rate swap contracts to hedge our Australian Dollar, Chinese Yuan and Singapore Dollar denominated financial liabilities.

Employees

As at 30 June 2016 and 31 December 2015, we had 142 and 137 employees respectively who were engaged in the operation and management of our business.

We provide certain benefits to our employees including retirement, health, life, disability and accident insurance coverage. We enter into individual employment contracts with our_employees to cover matters such as wages, employee benefits, confidentiality and grounds for termination.

We set targets for our employees based on their position and team and periodically assess their performance. The results of such assessments are used in their salary reviews, bonus awards and promotion appraisals. The employee remuneration package generally comprises a basic salary and a discretionary bonus element. Our staff bonuses include two staff incentive plans, which are settled in cash and implemented as follows: (i) our short term incentive plan, under the terms of which a bonus is payable to employees when certain key performance indicator targets for each year are met, and (ii) our long term incentive plan, under the terms of which a bonus is payable to selected employees based on the achievement of certain key performance targets at the end of a pre-determined period. None of our employees are represented by a union or collective bargaining agreement. We believe we have good employment relationships with our employees.

For the six months ended 30 June 2016 and 30 June 2015, our staff costs were approximately US$32 million and US$28 million representing approximately 5.5% and 5.3% of the Group's total revenues and other income of each period.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the period under review, there was no material acquisition nor disposal of subsidiaries and affiliated companies by the Company.

INTERIM DIVIDEND

The Directors have declared an interim dividend of US$0.061 per Share for the six months ended 30 June 2016. The interim dividend which will be paid in Hong Kong dollars (converted from US dollars at the prevailing market rate one week before the payment date) on Friday, 14 October 2016 to Shareholders registered at the close of business on the record date, being Monday, 19 September 2016. Shares of the Company will be traded ex-dividend as from Monday, 12 September 2016. This declared interim dividend is not reflected as a dividend payable in this interim financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2016.

The register of members will be closed on Wednesday, 14 September to Monday, 19 September 2016 (both dates inclusive), during which no transfer of Shares will be effected. In order to qualify for entitlement to the first interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 13 September 2016.

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

On 1 June 2016, the shares of the Company were listed on the Main Board of the Stock Exchange. Net proceeds from the initial public offering of the Company were US$550 million. The Company intends to use the net proceeds from the initial public offering of the Company to fund pre-delivery payments for aircraft, and future purchases of aircraft to grow our owned aircraft portfolio. Pending the deployment of the net proceeds from the initial public offering of the Company as described above, the Company has deposited such net proceeds into short-term interest bearing deposits and/or money market instruments.

SUBSTANTIAL INTERESTS IN SHARE CAPITAL

The register maintained by the Company pursuant to section 336 of the SFO recorded that, as at 30 June 2016, the following parties had the following interests (as defined in the SFO) in the Company set opposite their respective names:

Name of Shareholder	Capacity/Nature of interest	Number and class of Shares held	Approximate percentage of total issued share capital (%)
Central Huijin Investment Limited	Interest of controlled corporation (L)	485,807,334 (Ordinary)	70
BOC	Interest of controlled corporation (L)	485,807,334 (Ordinary)	70
BOCGI	Interest of controlled corporation (L)	485,807,334 (Ordinary)	70
Sky Splendor Limited	Beneficial owner (L)	485,807,334 (Ordinary)	70

Notes:

1. BOCGI holds the entire issued share capital of Sky Splendor Limited. Accordingly, BOCGI is deemed to have the same interests in the Company as Sky Splendor Limited for the purpose of the SFO. Sky Splendor Limited directly holds 485,807,334 Shares.

2. BOC holds the entire issued share capital of BOCGI, which in turn holds the entire issued share capital of Sky Splendor Limited. Accordingly, BOC is deemed to have the same interests in the Company as BOCGI and Sky Splendor Limited for the purpose of the SFO. Sky Splendor Limited directly holds 485,807,334 Shares.

3. Central Huijin Investment Limited holds the controlling stake in the equity capital of BOC. Accordingly, for the purpose of the SFO, Central Huijin Investment Limited is deemed to have the same interest in the Company as BOC.

All the interests stated above represented long positions. As at 30 June 2016, no other interests or short positions were recorded in the register maintained by the Company under section 336 of the SFO.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2016, none of the Directors or the Chief Executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

CHANGE OF INFORMATION IN RESPECT OF DIRECTORS

In accordance with Rule 13.51 B(1) of the Listing Rules, the changes in information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules after the publication of the prospectus of the Company on 19 May 2016 up to 29 August 2016 (being the approval date of this results announcement) are set out below:

Experience including other directorships

(a) **Mr. ZHUO Chengwen** (卓成文), a non-executive Director of the Company, has been appointed as the chief executive officer of Bank of China Group Insurance Company Limited with effect from 14 July 2016 and he ceased to be the General Manager of Financial Management Department of Bank of China on 23 June 2016.

(b) **Mr. LI Mang** (李芒), a non-executive Director of the Company, has been appointed as the General Manager of Global Trade Services Department of Bank of China with effect from 23 June 2016, and ceased to be the Deputy General Manager of Corporate Banking Department of Bank of China.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the period under review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities.

AUDIT COMMITTEE

The Audit Committee consists of three independent, non-executive Directors and two non-executive Directors. It is chaired by Mr. DAI Deming. The other members are Mr. ZHUO Chengwen, Ms. ZHU Lin, Mr. FU Shula and Mr. Antony Nigel TYLER.

Based on the principle of independence, the Audit Committee assists the Board in overseeing the financial reporting system and internal control procedures of the Company, reviewing the financial information of the Company and considering issues relating to the external auditors and their appointment.

Our external auditor has carried out a review of the interim financial information in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Accounting Standards Board. The Audit Committee has reviewed with the management the accounting principles and practices we adopted and discussed auditing, internal controls and financial reporting matters including the review of the unaudited interim financial statements.

COMPLIANCE WITH THE "CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT

The Company is committed to enhancing shareholder value by achieving high standards of corporate conduct, transparency and accountability. Since the listing date of the Company on 1 June 2016, the Company has been in full compliance with all code provisions of the Corporate Governance Code and Corporate Governance Report as contained in Appendix 14 of the Listing Rules (the "**Corporate Governance Code**").

COMPLIANCE WITH THE CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has established and implemented a Dealing Policy which is no less exacting than the Model Code to govern the Directors' dealing in securities transactions of the Company. In this connection, the Company had made specific enquiry of all Directors, who confirmed that they had strictly complied with the provisions set out in both the Dealing Policy and the Model Code throughout the period under review.

PUBLICATION OF RESULTS ANNOUNCEMENT AND UNAUDITED INTERIM FINANCIAL STATEMENTS

This announcement, containing the full text of the 2016 Interim Report of the Company, complies with the relevant requirements of the Listing Rules in relation to information to accompany preliminary announcement of interim results. This results announcement is published on the website of the Company at www.bocaviation.com and Hong Kong Stock Exchanges and Clearing Limited at www.hkexnews.hk. A printed version of the Company's 2016 Interim Report, including our unaudited interim financial statements for the six months ended 30 June 2016, will be despatched to the Shareholders who have chosen to receive a printed version and will also be available on the same websites in due course.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period from 1 January 2016 to 30 June 2016

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of BOC Aviation Limited (the "Company") and its subsidiaries (collectively, the "Group") as of 30 June 2016 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows and other explanatory notes for the six-month period then ended. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young LLP
Certified Public Accountants
Singapore
29 August 2016

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the period from 1 January 2016 to 30 June 2016

	Note	**Unaudited 1 January 2016 to 30 June 2016 US$'000**	Unaudited 1 January 2015 to 30 June 2015 US$'000
Revenues			
– Lease rental income	20 (a)	**515,888**	487,888
– Interest and fee income		**25,533**	15,720
Other income:			
– Net gain on sale of aircraft	4	**37,212**	27,500
– Others		**517**	3,942
		579,150	535,050
Costs and expenses			
Depreciation of plant and equipment		**186,269**	193,498
Finance expenses	3	**101,420**	81,928
Amortisation of deferred debt issue costs		**8,480**	9,662
Amortisation of lease transaction closing costs		**80**	89
Staff costs		**31,855**	28,160
Marketing and travelling expenses		**2,467**	2,634
Initial public offering expenses		**3,023**	–
Other operating expenses		**6,055**	6,358
Impairment of aircraft		**–**	13,600
		339,649	335,929
Profit before income tax		**239,501**	199,121
Income tax expense	5	**(27,313)**	(27,656)
Profit for the period attributable to equity holders of the Company		**212,188**	171,465
Earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted earnings per share (US$)	19	**0.35**	0.29

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 January 2016 to 30 June 2016

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Profit for the period	**212,188**	171,465
Other comprehensive income for the period, net of tax:		
Items that may be reclassified subsequently to statement of profit or loss		
Effective portion of changes in fair value of cash flow hedges, net of tax	**(2,092)**	–
Attributable to:		
Equity holders of the Company	**210,096**	171,465

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Note	**Unaudited 30 June 2016 US$'000**	Audited 31 December 2015 US$'000
Non-current assets			
Plant and equipment	6	**11,667,089**	11,717,436
Lease transaction closing costs		**645**	649
Deferred income tax assets		**31**	–
Derivative financial instruments		**10,744**	2,011
		11,678,509	11,720,096
Current assets			
Trade receivables	7	**16**	400
Prepayments		**2,235**	1,542
Other receivables		**12,048**	22,813
Cash and fixed deposits	8	**1,705,663**	506,832
Assets held for sale	9	**194,337**	222,222
		1,914,299	753,809
Total assets		**13,592,808**	12,473,905
Current liabilities			
Derivative financial instruments		**148**	393
Trade and other payables	10	**110,641**	106,104
Deferred income		**54,769**	62,240
Income tax payables		**40**	874
Loans and borrowings	11	**493,979**	963,291
Finance lease payables	12	**9,340**	9,148
Security deposits		**50,525**	36,970
Liabilities associated with assets held for sale	9	**938**	36,299
		720,380	1,215,319
Net current assets/(liabilities)		**1,193,919**	(461,510)
Total assets less current liabilities		**12,872,428**	11,258,586

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

As at 30 June 2016

	Note	**Unaudited 30 June 2016 US$'000**	Audited 31 December 2015 US$'000
Non-current liabilities			
Derivative financial instruments		**135,199**	146,216
Loans and borrowings	11	**8,498,881**	7,648,531
Finance lease payables	12	**62,936**	67,655
Security deposits		**192,678**	183,737
Deferred income		**10,020**	16,867
Maintenance reserves		**424,546**	432,897
Deferred income tax liabilities	5	**304,148**	277,010
Other non-current liabilities		**44,016**	45,955
		9,672,424	8,818,868
Total liabilities		**10,392,804**	10,034,187
Net assets		**3,200,004**	2,439,718
Equity attributable to equity holders of the Company			
Share capital	13	**1,157,791**	607,601
Retained earnings		**2,044,305**	1,832,117
Hedging reserve		**(2,092)**	–
Total equity		**3,200,004**	2,439,718
Total equity and liabilities		**13,592,808**	12,473,905

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 January 2016 to 30 June 2016

	Attributable to equity holders of the Company			
	Share capital US$'000	**Retained earnings US$'000**	**Hedging reserve US$'000**	**Total equity US$'000**
Unaudited 2016				
Balance at 1 January 2016	**607,601**	**1,832,117**	**–**	**2,439,718**
Profit for the period	**–**	**212,188**	**–**	**212,188**
Other comprehensive income for the period	**–**	**–**	**(2,092)**	**(2,092)**
Total comprehensive income for the period	**–**	**212,188**	**(2,092)**	**210,096**
Contributions by equity holders:				
Issuance of ordinary shares pursuant to the initial public offering	**562,783**	**–**	**–**	**562,783**
Initial public offering expenses	**(12,593)**	**–**	**–**	**(12,593)**
Total contributions by equity holders for the period	**550,190**	**–**	**–**	**550,190**
Balance at 30 June 2016	**1,157,791**	**2,044,305**	**(2,092)**	**3,200,004**
Unaudited 2015				
Balance at 1 January 2015	607,601	1,488,810	–	2,096,411
Profit for the period	–	171,465	–	171,465
Other comprehensive income for the period	–	–	–	–
Total comprehensive income for the period	–	171,465	–	171,465
Balance at 30 June 2015	607,601	1,660,275	–	2,267,876

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 1 January 2016 to 30 June 2016

	Note	**Unaudited 1 January 2016 to 30 June 2016 US$'000**	Unaudited 1 January 2015 to 30 June 2015 US$'000
Cash flows from operating activities:			
Profit before income tax		**239,501**	199,121
Adjustments for:			
Depreciation of plant and equipment		**186,269**	193,498
Impairment of aircraft		**–**	13,600
Amortisation of deferred debt issue costs		**8,480**	9,662
Amortisation of lease transaction closing costs		**80**	89
Net gain on sale of aircraft	4	**(37,212)**	(27,500)
Interest and fee income		**(23,306)**	(13,691)
Finance expenses	3	**101,420**	81,928
Operating profit before working capital changes		**475,232**	456,707
Decrease in receivables		**5,744**	1,332
(Decrease)/Increase in payables		**(14,846)**	672
(Decrease)/Increase in maintenance reserves		**(83)**	59,788
(Decrease)/Increase in deferred income		**(7,471)**	174
Cash generated from operations		**458,576**	518,673
Security deposits received, net		**15,649**	6,829
Lease transaction closing costs paid		**(58)**	(41)
Income tax paid, net		**(1,011)**	(61)
Interest and fee income received		**25,792**	13,909
Net cash flows from operating activities		**498,948**	539,309
Cash flows from investing activities:			
Purchase of plant and equipment		**(934,227)**	(1,385,707)
Proceeds from sale of plant and equipment		**863,386**	717,305
Net cash flows used in investing activities		**(70,841)**	(668,402)
Cash flows from financing activities:			
Proceeds from shares issuance		**562,783**	–
Initial public offering expenses paid		**(11,448)**	–
Proceeds from loans and borrowings		**1,418,614**	1,330,732
Repayment of loans and borrowings		**(873,121)**	(865,336)
Decrease in borrowings from revolving credit facilities, net		**(220,000)**	(135,000)
Finance expenses paid		**(98,937)**	(80,840)
Debt issue costs paid		**(7,167)**	(11,045)
Decrease in cash and bank balances - encumbered		**35,829**	124,854
Increase in cash and bank balances - encumbered		**(18,915)**	(90,650)
Net cash flows from financing activities		**787,638**	272,715
Net increase in cash and cash equivalents		**1,215,745**	143,622
Cash and cash equivalents at 1 January		**371,393**	232,144
Cash and cash equivalents at 30 June		**1,587,138**	375,766

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

The Company, incorporated and domiciled in Singapore, was formerly known as BOC Aviation Pte. Ltd. On 12 May 2016, the Company was converted to a public company limited by shares and the Company's name was changed to BOC Aviation Limited. On 1 June 2016, BOC Aviation Limited was listed on the Stock Exchange of Hong Kong Limited. The Company's majority shareholder is Sky Splendor Limited, which is incorporated in the Cayman Islands. Its shareholder is Bank of China Group Investment Limited, incorporated in Hong Kong and owned by Bank of China Limited, incorporated in the People's Republic of China. Bank of China Limited is majority owned by Central Huijin Investment Limited, which is incorporated in the People's Republic of China.

The registered address of the Company is 8 Shenton Way, #18-01, Singapore 068811.

The principal activities of the Company, which are conducted in Singapore, are the leasing of aircraft, management of aircraft leases and other related activities. The subsidiary companies are primarily engaged in the leasing of aircraft and other related activities.

2. Summary of significant accounting policies

Basis of preparation

The interim condensed consolidated financial statements of the Group have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2015.

The financial statements have been prepared on a historical cost convention, except as disclosed in the accounting policies and explanatory notes below. The financial statements are presented in the Group's functional currency, United States Dollar ("US$") and all values are rounded to the nearest thousand (US$'000), except when otherwise indicated.

The accounting policies adopted are consistent with those of the previous financial year except in the current financial period, the Company has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 January 2016. The adoption of these standards did not have any effect on the financial performance or position of the Group. These accounting policies are set out in the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2015.

3. Finance expenses

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Interest expense and other charges on:		
– Finance leases	**633**	570
– Loans and borrowings	**101,032**	82,410
	101,665	82,980
Net fair value gains on derivative financial instruments	**(245)**	(1,052)
	101,420	81,928

4. Net gain on sale of aircraft

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Proceeds from sale of aircraft	**725,879**	610,937
Maintenance reserves released	**8,268**	–
Net book value of aircraft classified as:		
– Plant and equipment	**(231,820)**	(579,352)
– Assets held for sale	**(462,121)**	–
Expenses, net of costs written back	**(2,994)**	(4,085)
	37,212	27,500

5. Income tax expense and deferred income tax liabilities

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Current income tax	**206**	95
Deferred income tax	**27,107**	27,561
Income tax expense	**27,313**	27,656

Deferred income tax liabilities at the end of each period and year are as follows:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Deferred income tax liabilities, net	**304,148**	277,010

Deferred income tax liabilities, net of deferred income tax assets, arose mainly from differences in depreciation after offsetting unabsorbed capital allowances and unutilised tax losses which relate to the same taxable entity and the same tax authority.

6. Plant and equipment

	Aircraft US$'000	Aircraft progress payments US$'000	Office renovations US$'000	Furniture, fittings and office equipment US$'000	Total US$'000
Cost:					
At 1 January 2015	11,354,712	1,089,477	998	8,301	12,453,488
Additions	1,464,504	1,952,823	60	1,025	3,418,412
Disposals	(2,193,081)	(269,697)	–	–	(2,462,778)
Transfers	532,261	(532,261)	–	–	–
Transfer to assets held for sale	(266,972)	–	–	–	(266,972)
Adjustment	138	–	–	–	138
At 31 December 2015 and 1 January 2016	10,891,562	2,240,342	1,058	9,326	13,142,288
Additions	504,608	433,622	226	595	939,051
Disposals	(412,211)	(137,507)	–	(778)	(550,496)
Transfers	369,709	(369,709)	–	–	–
Transfer to assets held for sale	(593,666)	–	–	–	(593,666)
Adjustment	434	–	–	–	434
At 30 June 2016	**10,760,436**	**2,166,748**	**1,284**	**9,143**	**12,937,611**
Accumulated depreciation and impairment:					
At 1 January 2015	1,431,319	–	393	6,468	1,438,180
Charge for the year	379,863	–	314	1,774	381,951
Disposals	(394,429)	–	–	–	(394,429)
Impairment	43,900	–	–	–	43,900
Transfer to assets held for sale	(44,750)	–	–	–	(44,750)
At 31 December 2015 and 1 January 2016	1,415,903	–	707	8,242	1,424,852
Charge for the period	185,531	–	165	573	186,269
Disposals	(180,391)	–	–	(778)	(181,169)
Transfer to assets held for sale	(159,430)	–	–	–	(159,430)
At 30 June 2016	**1,261,613**	**–**	**872**	**8,037**	**1,270,522**
Net book value:					
At 31 December 2015	9,475,659	2,240,342	351	1,084	11,717,436
At 30 June 2016	**9,498,823**	**2,166,748**	**412**	**1,106**	**11,667,089**

6. Plant and equipment (Cont'd)

(a) Impairment of assets

As at 30 June 2016, there was no provision for impairment on the Group's plant and equipment (31 December 2015: US$80.5 million impairment provision was included in accumulated depreciation and impairment).

Movement of impairment provision:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
At beginning of period/year	**80,505**	57,532
Impairment of aircraft	**–**	43,900
Disposal of assets	**(37,199)**	(20,927)
Transfer to assets held for sale	**(43,306)**	–
At end of period/year	**–**	80,505

(b) Assets pledged as security

As at 30 June 2016, the net book value of aircraft and aircraft held for sale (Note 9) owned by the Group, including aircraft held under finance lease arrangements, that have been charged for loan facilities granted (Note 11 and Note 12) by way of mortgages and/or by way of a pledge by the Company of all its benefits in respect of its entire shareholding in certain subsidiary companies which hold title to such aircraft amounted to US$5,670.5 million (31 December 2015: US$6,409.7 million).

(c) Capitalisation of borrowing costs

As at 30 June 2016, the borrowing costs capitalised as cost of aircraft amounted to US$4.8 million (31 December 2015: US$8.5 million). The rate used to determine the amount of borrowing costs eligible for capitalisation was 2.5% per annum for the period ended 30 June 2016 (for the year ended 31 December 2015: 2.5% per annum).

7. Trade receivables

As at 30 June 2016, the Group had a trade receivable amounting to US$16,000 (31 December 2015: Nil) that was past due but not impaired. This trade receivable was within the age bracket of 1 to 30 days as at 30 June 2016.

8. Cash and fixed deposits

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Fixed deposits	**1,521,357**	237,415
Cash and bank balances	**184,306**	269,417
	1,705,663	506,832
Less: encumbered cash and bank balances	**(118,525)**	(135,439)
Cash and cash equivalents	**1,587,138**	371,393

9. Assets held for sale and liabilities associated with assets held for sale

As at 30 June 2016 and 31 December 2015, the Group's aircraft which met the criteria to be classified as assets held for sale and the associated liabilities were as follows:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Assets held for sale		
Plant and equipment - aircraft	**194,337**	222,222
Liabilities associated with assets held for sale		
Loans and borrowings	**–**	26,856
Maintenance reserves payable	**938**	9,443
	938	36,299

10. Trade and other payables

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Trade payables	**2,585**	4,572
Sundry payables	**3,345**	2,187
Accrued interest expenses	**41,887**	35,246
Maintenance reserves payable	**17,943**	22,306
Accrued technical expenses	**462**	560
Other accruals and liabilities	**44,419**	41,233
	110,641	106,104

Trade payables are substantially denominated in United States Dollar, non-interest bearing, current in nature and are normally settled on 30-day credit terms.

The table below summarises the aging of trade payables based on invoice due date:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Current	**656**	923
1 – 30 days	**1,142**	2,273
31 – 60 days	**683**	1,051
61 – 90 days	**–**	215
More than 90 days	**104**	110
	2,585	4,572

11. Loans and borrowings

	Note	**Unaudited 30 June 2016 US$'000**	Audited 31 December 2015 US$'000
Current:			
USD loans		**504,588**	1,001,499
Deferred debt issue costs		**(10,609)**	(11,352)
		493,979	990,147
Non-current:			
Medium term notes		**3,962,612**	3,212,612
Medium term notes discount (net of premium)		**(7,990)**	(5,823)
Fair value adjustments		**(122,363)**	(144,206)
		3,832,259	3,062,583
USD loans		**4,742,212**	4,665,246
Deferred debt issue costs		**(75,590)**	(79,298)
		8,498,881	7,648,531
Total loans and borrowings		**8,992,860**	8,638,678
Statement of financial position:			
Loans and borrowings (current)		**493,979**	963,291
Loans and borrowings (non-current)		**8,498,881**	7,648,531
Liabilities associated with assets held for sale	9	**–**	26,856
		8,992,860	8,638,678

As at 30 June 2016, total loans and borrowings of the Group included secured liabilities of US$3,931.8 million (31 December 2015: US$4,656.7 million). These amounts are secured by the related aircraft, certain cash and fixed deposits and designated bank accounts and/or a pledge of the shares in certain subsidiary companies that hold title to the aircraft.

In addition, the Company and certain subsidiary companies have provided negative pledges relating to the companies' assets and revenues (other than any encumbrance in existence at the time the negative pledge is entered into or created subsequently to secure finance to acquire or re-finance any aircraft).

11. Loans and borrowings (Cont'd)

The table below summarises the maturity profile of the Group's gross loans and borrowings before adjustments for debt issue costs, fair values and discounts/premiums to medium term notes as at 30 June 2016 and 31 December 2015.

	One year or less US$'000	One to two years US$'000	Two to five years US$'000	Over five years US$'000	Total US$'000
Unaudited 30 June 2016					
Loans	504,588	713,605	2,889,757	1,138,850	5,246,800
Medium term notes	–	500,000	1,955,717	1,506,895	3,962,612
Total gross loans and borrowings	**504,588**	**1,213,605**	**4,845,474**	**2,645,745**	**9,209,412**
Audited 31 December 2015					
Loans	1,001,499	498,343	2,838,133	1,328,770	5,666,745
Medium term notes	–	500,000	1,769,845	942,767	3,212,612
Total gross loans and borrowings	1,001,499	998,343	4,607,978	2,271,537	8,879,357

(a) Loans

Interest on floating rate loans of the Group is set at specified margins above USD LIBOR. Interest rates for floating rate loans are reset at intervals of up to six months and the weighted average effective interest rate was 1.8% per annum for the period ended 30 June 2016 (31 December 2015: 1.5% per annum). The loans are repayable based on agreed repayment schedules, until the expiry date of the respective loans. The final maturities of the loans are between 2016 and 2026 (31 December 2015: 2016 and 2026).

As at 30 June 2016, the Group's loans in terms of term loans due to intermediate holding company amounted to US$327.1 million (31 December 2015: US$442.5 million). The intermediate holding company granted two US$1 billion committed revolving credit facilities to the Group which have been aggregated into a single US$2 billion committed revolving credit facility in 2015 and extended to 28 April 2022. There was no outstanding drawing under this committed revolving credit facility as at 30 June 2016 and 31 December 2015. Included in the Group's loans was an amount of US$462.8 million (31 December 2015: US$574.1 million) due to related parties.

11. Loans and borrowings (Cont'd)

(a) Loans (Cont'd)

The Group borrows at floating interest rates pegged to LIBOR. Interest rate risk exposure arises when the Group collects fixed rate rentals to pay interest accruing under the related borrowings at floating rates. As at 30 June 2016, loans amounting to US$800 million (31 December 2015: Nil) have been swapped to fixed rate liabilities via interest rate swap contracts for which the Group has applied hedge accounting. The terms of the interest rate swap contracts have been negotiated to match the terms of the loans and accordingly, the cash flow hedges were assessed to be highly effective. The ineffective portion, if any, has been recognised in the profit or loss. The fair value loss of US$2.1 million (31 December 2015: Nil) was debited to the hedging reserve.

As at 30 June 2016, the Group had unutilised unsecured committed revolving credit facilities of US$2,780 million (31 December 2015: US$2,510 million).

The Group had committed long term credit facilities available pending the provision of new replacement aircraft as collateral of US$87.7 million (31 December 2015: US$165.8 million).

(b) Medium term notes

Outstanding notes denominated in various currencies issued were:

			Unaudited As at 30 June 2016		
Currency	**Fixed Coupon Rate (per annum)**	**Maturity (Year)**	**Outstanding amounts US$'000**	**Amounts swapped to USD and floating rates US$'000**	**Amounts swapped to USD and fixed rates US$'000**
Australian Dollar	**5.375%**	**2020 to 2021**	**373,493**	**373,493**	**–**
Chinese Yuan	**4.2% to 5.5%**	**2018 to 2024**	**630,236**	**590,236**	**40,000**
Singapore Dollar	**3.93%**	**2025**	**108,883**	**–**	**108,883**
United States Dollar	**2.875% to 4.375%**	**2017 to 2026**	**2,850,000**	**500,000**	**–**
			3,962,612	**1,463,729**	**148,883**

11. Loans and borrowings (Cont'd)

(b) Medium term notes (Cont'd)

			Audited As at 31 December 2015		
Currency	Fixed Coupon Rate (per annum)	Maturity (Year)	Outstanding amounts US$'000	Amounts swapped to USD and floating rates US$'000	Amounts swapped to USD and fixed rates US$'000
Australian Dollar	5.375%	2020 to 2021	373,493	373,493	–
Chinese Yuan	4.2% to 5.5%	2018 to 2024	630,236	590,236	40,000
Singapore Dollar	3.93%	2025	108,883	–	108,883
United States Dollar	2.875% to 4.375%	2017 to 2023	2,100,000	500,000	–
			3,212,612	1,463,729	148,883

As at 30 June 2016, US$1,463.7 million (31 December 2015: US$1,463.7 million) have been swapped to floating rate liabilities and United States dollars (for non-USD denominated notes) via interest rate swap and cross-currency interest rate swap contracts. All notes are liabilities designated hedged items in fair value hedge and classified under Level 2 of the fair value hierarchy, except for the fixed rate notes amounting to US$2,498.9 million (31 December 2015: US$1,748.9 million). The floating interest rates ranged from 1.8% to 3.3% per annum for the period ended 30 June 2016 (for the year ended 31 December 2015: 1.7% to 2.9% per annum).

12. Finance lease payables

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Current:		
Finance lease payables	**9,409**	9,217
Deferred debt issue costs	**(69)**	(69)
Finance lease payables, net	**9,340**	9,148
Non-current:		
Finance lease payables	**63,149**	67,903
Deferred debt issue costs	**(213)**	(248)
Finance lease payables, net	**62,936**	67,655
Total finance lease payables, net	**72,276**	76,803
Finance lease payables	**72,558**	77,120
Less: Current portion	**(9,409)**	(9,217)
Non-current portion	**63,149**	67,903

The finance lease payables are secured by a charge over leased assets (Note 6). Interest on the leases ranged from 1.0% to 2.9% per annum for the period ended 30 June 2016 (for the year ended 31 December 2015: 0.8% to 2.6% per annum).

The table below summarises the maturity profile of the Group's gross finance lease payable before adjustments for debt issue costs as at 30 June 2016 and 31 December 2015.

	One year or less US$'000	**One to two years US$'000**	**Two to five years US$'000**	**Over five years US$'000**	**Total US$'000**
Unaudited 30 June 2016	**9,409**	**37,268**	**6,997**	**18,884**	**72,558**
Audited 31 December 2015	9,217	9,606	38,188	20,109	77,120

13. Share capital

	Unaudited		Audited	
	30 June 2016		31 December 2015	
	No. of shares		No. of shares	
	’000	**US$’000**	’000	US$’000
Issued and fully paid ordinary shares				
At beginning of period/year	**589,909**	**607,601**	589,909	607,601
Issuance of ordinary shares pursuant to the initial public offering	**104,101**	**562,783**	–	–
Initial public offering expenses	**–**	**(12,593)**	–	–
At end of period/year	**694,010**	**1,157,791**	589,909	607,601

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company issued 104,101,500 shares at HK$42.0 per share as part of its listing on the Main Board of the Stock Exchange of Hong Kong Limited on 1 June 2016.

Total listing expenses incurred pursuant to the Company’s listing on the Main Board of the Stock Exchange of Hong Kong Limited amounted to US$15.9 million of which share issuance expenses of US$12.6 million have been deducted against share capital, while the remaining amount of US$3.3 million, of which US$0.3 million has been included in year ended 31 December 2015, has been included in the consolidated statement of profit or loss for the period ended 30 June 2016.

14. Commitments

(a) Operating lease commitments

(i) Operating lease commitments - As lessor

Aircraft

The Group leases its aircraft under operating lease agreements that are non-cancellable.

Future net minimum lease receivables under the non-cancellable operating leases as at 30 June 2016 and 31 December 2015 for existing aircraft are as follows:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Within one year	**1,017,533**	994,684
After one year but not more than five years	**3,634,958**	3,536,017
After five years	**2,667,143**	2,820,281
	7,319,634	7,350,982

Future net minimum lease receivables committed as at 30 June 2016 and 31 December 2015 for aircraft yet to be delivered are as follows:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Within one year	**100,759**	83,453
After one year but not more than five years	**1,013,109**	1,101,553
After five years	**1,675,728**	1,833,578
	2,789,596	3,018,584

14. Commitments (Cont'd)

(a) Operating lease commitments (Cont'd)

(ii) Operating lease commitments - As lessee

Offices

The Group leases office spaces under non-cancellable operating lease agreements. The leases have varying terms and renewal rights.

Future minimum lease payments for the office leases with initial or remaining terms of one year or more are as follows:

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Within one year	**2,271**	1,621
After one year but not more than five years	**149**	187
	2,420	1,808

(b) Capital expenditure commitments

As at 30 June 2016, the Group had committed to purchase various aircraft delivering between 2016 and 2021. The amount of future commitments under purchase agreements including assumed escalation to delivery was approximately US$8,735.6 million (31 December 2015: US$9,580.8 million).

14. Commitments (Cont'd)

(c) Finance lease commitments

Finance lease commitments - As lessee

The Group leases aircraft from third parties under finance leases. Title to aircraft will be transferred to the Group upon the Group discharging fully their respective obligations under the lease agreements. There are no restrictions placed upon the Group by entering into these leases.

	Unaudited		Audited	
	Minimum lease payments 30 June 2016 US$'000	**Present value of payments 30 June 2016 US$'000**	Minimum lease payments 31 December 2015 US$'000	Present value of payments 31 December 2015 US$'000
Finance lease with third parties:				
Not later than one year	**10,734**	**9,409**	11,069	9,217
Later than one year but not later than five years	**47,067**	**44,265**	51,872	47,794
Later than five years	**19,321**	**18,884**	20,947	20,109
Total minimum lease payments	**77,122**	**72,558**	83,888	77,120
Less: Amounts representing finance charges	**(4,564)**	**–**	(6,768)	–
Present value of minimum lease payments	**72,558**	**72,558**	77,120	77,120

15. Contingent liabilities

Corporate guarantees for subsidiary companies

The Company provides corporate guarantees for certain loans extended to its subsidiary companies by the banks and for obligations under certain lease agreements entered into by the subsidiary companies. As at 30 June 2016, the corporate guarantees for loans to subsidiary companies amounted to approximately US$3,647.6 million (31 December 2015: US$3,451.7 million).

16. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and related parties at terms agreed between the parties:

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Income and expense		
(a) Intermediate holding company:		
Interest income	**590**	532
Interest expense	**4,302**	4,378
(b) Other related parties:		
Lease rental income	**10,197**	12,237
Interest expense	**5,053**	3,846

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Assets		
(c) Intermediate holding company:		
Recoverable from intermediate holding company	**4,618**	–

16. Related party transactions (Cont'd)

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Directors' and key executives' remuneration paid during the period		
(a) Directors of the Company:		
Salary, fees, bonuses and other costs	**4,654**	4,037
(b) Key executives (excluding executive directors)		
Salary, bonuses and other costs	**5,377**	6,400
Employer's defined contributions	**164**	102
	5,541	6,502

As at 30 June 2016, deferred bonuses of US$23.3 million (31 December 2015: US$16.0 million) were payable to directors of the Company and key executives of the Group.

17. Financial risk management objectives and policies

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and foreign exchange risk. The Group reviews and agrees policies for managing each of these risks.

There has been no significant change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

Please refer to the Group's annual consolidated financial statements for year ended 31 December 2015 for a detailed discussion on how management manages its key financial risks.

18. Capital management

The primary objective of the Group's capital management is to maximise shareholder value given an optimal debt to equity structure.

The Group manages its capital structure and makes adjustments to it after taking into account its capital expenditure and financing requirements. To maintain or adjust the capital structure, the Group may request for additional capital from the shareholders, adjust dividend payment to the shareholders or return capital to the shareholders. No changes were made in the objectives, policies or processes during the period from 1 January 2016 to 30 June 2016 and the year ended 31 December 2015.

The Group monitors capital using a gearing ratio, which is gross debt divided by total equity. The Group ensures that it operates within the gearing covenant of 6:1 in the loan facilities. Gross debts comprise the Group's loans and borrowings and finance lease payables before adjustments for debt issue costs, fair values and discounts/premiums to medium term notes. Total equity refers to the equity attributable to the shareholders of the Company.

	Unaudited 30 June 2016 US$'000	Audited 31 December 2015 US$'000
Gross debt	**9,281,970**	8,956,477
Total equity	**3,200,004**	2,439,718
Gearing (times)	**2.90**	3.67

19. Basic and diluted earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There was no dilutive potential ordinary shares as at 30 June 2016 and 31 December 2015.

19. Basic and diluted earnings per share (Cont'd)

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share.

	Unaudited 1 January 2016 to 30 June 2016 US$'000	Unaudited 1 January 2015 to 30 June 2015 US$'000
Earnings		
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to equity holders of the Company)	**212,188**	171,465
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	**607,068**	589,909
Basic and diluted earnings per share (US$)	**0.35**	0.29

20. Segmental analysis

All revenues are derived from the Group's principal activities of leasing and management of aircraft leases and other related activities. Revenue and assets are analysed by geographical region (by country of origin) as follows:

(a) Lease rental income

Lease rental income is derived from leasing of aircraft to various operators around the world. The distribution of lease rental income by operator's geographic region based on each airline's principal place of business is as follows:

	Unaudited 1 January 2016 to 30 June 2016		Unaudited 1 January 2015 to 30 June 2015	
	US$'000	**%**	US$'000	%
Asia Pacific (excludes Chinese Mainland, Hong Kong SAR, Macau SAR and Taiwan)	**180,728**	**35.0**	161,361	33.1
Chinese Mainland, Hong Kong SAR, Macau SAR and Taiwan	**102,078**	**19.8**	77,288	15.8
Americas	**87,270**	**16.9**	98,078	20.1
Europe	**112,457**	**21.8**	118,491	24.3
Middle East and Africa	**33,355**	**6.5**	32,670	6.7
	515,888	**100.0**	487,888	100.0

There was no country concentration in excess of 10% of the total lease rental income for the period ended 30 June 2016 (30 June 2015: Nil).

There was no customer concentration in excess of 10% of the total lease rental income for the period ended 30 June 2016 (30 June 2015: Nil).

20. Segmental analysis (Cont'd)

(b) Net book value of aircraft

The distribution of net book value of the aircraft by operator's geographic region based on each airline's principal place of business is as follows:

	Unaudited 30 June 2016		Audited 31 December 2015	
	US$'000	**%**	US$'000	%
Asia Pacific (excludes Chinese Mainland, Hong Kong SAR, Macau SAR and Taiwan)	**3,055,327**	**32.2**	3,307,446	34.9
Chinese Mainland, Hong Kong SAR, Macau SAR and Taiwan	**2,054,018**	**21.6**	1,816,589	19.2
Americas	**1,542,659**	**16.2**	1,591,160	16.8
Europe	**2,205,442**	**23.2**	2,154,034	22.7
Middle East and Africa	**641,377**	**6.8**	606,430	6.4
	9,498,823	**100.0**	9,475,659	100.0

There was no country concentration in excess of 10% of total net book value as at 30 June 2016 (31 December 2015: Nil).

21. Classification of financial instruments and their fair values

The carrying amounts of each category of financial assets and financial liabilities are disclosed either in the statement of financial position or in the notes to the financial statements.

Loans and receivables comprise trade receivables, other receivables, cash and fixed deposits.

As at 30 June 2016, the loans and receivables for the Group were US$1,717.7 million (31 December 2015: US$530.0 million).

Financial liabilities measured at amortised cost comprise trade and other payables (Note 10), loans and borrowings (except as disclosed in Note 11), liabilities associated with assets held for sale (Note 9) and finance lease payables (Note 12).

As at 30 June 2016, the financial liabilities measured at amortised cost for the Group were US$7,828.3 million (31 December 2015: US$7,499.1 million).

(a) Financial instruments carried at fair values

The fair values of the derivative financial instruments are determined by reference to marked-to-market values provided by counterparties. The fair value measurement of all derivative financial instruments under the Group are classified under Level 2 of the fair value hierarchy, for which inputs other than quoted prices that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) are included as inputs for the determination of fair value.

(b) Financial instruments whose carrying amounts approximate fair values

Management has determined that except for derivative financial instruments, the carrying amounts of its current financial assets and liabilities, based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

Non-current loans and borrowings reasonably approximate their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of each year for the respective financial year.

22. Dividends

	Unaudited 1 January 2016 to 30 June 2016		Unaudited 1 January 2015 to 30 June 2015	
	Per share	**Total**	Per share	Total
	US$	**US$'000**	US$	US$'000
Interim dividend	**0.061**	**42,355**	–	–

By a resolution passed on 29 August 2016, the directors have declared an interim dividend of US$0.061 per ordinary share for the period ended 30 June 2016 amounting to US$42.3 million. This declared interim dividend is not reflected as a dividend payable in this interim financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2016.

23. Authorisation of financial statements for issue

The financial statements for the period from 1 January 2016 to 30 June 2016 were authorised for issue in accordance with a resolution of the directors passed on 29 August 2016.

ADDITIONAL INFORMATION

Corporate information

Board of Directors
Chairman
CHEN Siqing*

Vice Chairman
WANG Genshan

Directors
Robert James MARTIN
LI Mang*
ZHUO Chengwen*
ZHU Lin*
FU Shula#
Antony Nigel TYLER#
DAI Deming#

* Non-executive Directors
\# Independent Non-executive Directors

Senior Management
Managing Director and Chief Executive Officer
Robert James MARTIN

Deputy Managing Director
WANG Genshan

Deputy Managing Director and Chief Financial Officer
PHANG Thim Fatt

Chief Operating Officer
David WALTON

Chief Commercial Officer (Europe, Americas and Africa)
Steven TOWNEND

Chief Commercial Officer (Asia Pacific and the Middle East)
GAO Jinyue

Company Secretary
Jonathan MAHONY

Principal Place of Business and registered office
8 Shenton Way
#18-01
Singapore 068811

Place of Business in Hong Kong
54th Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

Independent Auditor
Ernst & Young LLP

Share Registrar in Hong Kong
Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Credit Ratings
Standard & Poor's
Fitch

Stock Codes
Ordinary shares:

The Stock Exchange of Hong Kong Limited	2588
Reuters	2588.HK
Bloomberg	2588 HK

Website
www.bocaviation.com

DEFINITIONS

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

Terms	Meanings
"Ascend"	Ascend Flightglobal Consultancy, an independent market research consultant
"Board"	The board of directors of the Company
"BOC" or "Bank of China"	Bank of China Limited (中國銀行股份有限公司), a joint stock limited company incorporated in the PRC on 26 August 2004, the H-share and A-shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange, respectively and the ultimate controlling shareholder of the Company
"BOCGI"	Bank of China Group Investment Limited (中銀集團投資有限公司), a company incorporated in Hong Kong with limited liability on 11 December 1984, and a wholly-owned subsidiary of BOC and a controlling shareholder of the Company
"Company"	BOC Aviation Limited, a company incorporated under the laws of Singapore with limited liability and listed on the Stock Exchange which, together with its subsidiaries, is engaged in aircraft leasing, aircraft purchase and sale and related business
"Dealing Policy"	The Directors'/Chief Executive Officer's Dealing Policy adopted by the Board on 12 May 2016 which is no less exacting than the Model Code
"Director(s)"	The director(s) of the Company
"Group"	The Company together with its subsidiaries
"Hong Kong"	The Hong Kong Special Administrative Region of the People's Republic of China

"Hong Kong Share Registrar"	Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong
"Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	The Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules
"SFO"	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
"Shareholder"	A holder of Shares
"Shares"	Ordinary shares in the share capital of the Company.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"USD", "US$" or "U.S. Dollars"	The lawful currency of the United States of America
"U.S. Dollar LIBOR"	The interest rate calculated by reference to the London interbank rate for unsecured funds denominated in U.S. Dollars

By order of the Board
BOC Aviation Limited
JONATHAN MAHONY
Company Secretary

Hong Kong, 29 August 2016

As at the date of this announcement, the Board comprises Mr. Chen Siqing as Chairman and Non-executive Director, Mr. Robert James Martin and Mr. Wang Genshan as Executive Directors, Mr. Li Mang, Mr. Zhuo Chengwen and Ms. Zhu Lin as Non-executive Directors and Mr. Fu Shula, Mr. Antony Nigel Tyler and Mr. Dai Deming as Independent Non-executive Directors.