

PRESS RELEASE

11 March 2020

BOC AVIATION REPORTS RECORD PROFITS FOR 2019

BOC Aviation Limited (“BOC Aviation” or the “Company”) is pleased to announce its audited financial results for the full year ended 31 December 2019.

Robert Martin, Managing Director and Chief Executive Officer, said: “BOC Aviation reported another record result in 2019, with a profit before tax of US\$775 million and a net profit after tax of US\$702 million, both increasing by 13% year-on-year. We also delivered a return on equity of 16.0%, exceeding our average return on equity of 15.1% since 2007. The Board has recommended a final dividend of US\$0.2153 per share, bringing the total dividend for 2019 to US\$0.3541 per share, which is a 13% increase from 2018, in line with the growth in our net profit after tax.

In January 2020 we announced an order for 20 Airbus A320NEO aircraft – starting the year strongly, and in March 2020 we committed to acquire 22 new Boeing 787-8 aircraft for lease to American Airlines, making this the largest lease commitment in our history. As at 11 March 2020, we had a total fleet of 561 aircraft comprising 316 owned, 40 managed and 205 aircraft on order.

We achieved a strong result in 2019, ending the year with a solid balance sheet and as of today, we have more than US\$5 billion in available liquidity, positioning the Company well to meet new challenges and pursue new opportunities in 2020.”

Financial Highlights

Our financial highlights for the year ended 31 December 2019 are:

- Total revenues and other income rose 15% year-on-year, to US\$1,976 million
- Profit before tax was US\$775 million and net profit after tax was US\$702 million, each an increase of 13% over 2018
- Earnings per share of US\$1.01 and net assets per share of US\$6.60
- Total assets increased 8% year-on-year, to US\$19.8 billion at 31 December 2019
- Board recommended a final dividend for 2019 of US\$0.2153 per share, pending approval at the AGM to be held on 27 May 2020. The final dividend will be payable to shareholders registered at the close of business on the record date, being 4 June 2020, bringing the total dividend for the financial year 2019 to US\$0.3541¹ per share, an increase of 13% year-on-year

Portfolio and Operational Highlights

As at 31 December 2019, BOC Aviation:

- Had a total fleet of 523 aircraft owned, managed and on order², with an average aircraft age of 3.1 years and an average remaining lease term of 8.4 years for the 317 owned aircraft fleet, weighted by net book value
- Leased aircraft to 93 airlines in 41 countries and regions
- Had taken delivery of 54 aircraft, including 12 acquired by airline customers on delivery, in 2019
- Signed 87 lease commitments in 2019
- Sold 28 owned and two managed aircraft in 2019

Key Financial Data

	Year ended 31 December		Change ³ %
	2019 US\$m	2018 US\$m	
Statement of Profit or Loss			
Revenues and other income	1,976	1,726	14.5
Costs and expenses	(1,201)	(1,040)	15.4
Profit before income tax	775	685	13.1
Net profit after income tax	702	620	13.2
	As at	As at	
	31 Dec 2019	31 Dec 2018	Change³
	US\$m	US\$m	%
Statement of Financial Position			
Cash and short-term deposits	287	243	18.2
Total current assets	739	257	188.0
Total non-current assets	19,025	17,999	5.7
Total assets	19,764	18,256	8.3
Total current liabilities	2,141	1,709	25.3
Total non-current liabilities	13,043	12,349	5.6
Total liabilities	15,184	14,057	8.0
Net assets	4,581	4,199	9.1
Financial Ratios			
Earnings per share (US\$) ⁴	1.01	0.89	13.2
Net assets per share (US\$) ⁵	6.60	6.05	9.1
Gearing (times) ⁶	2.9	3.0	

Note: Due to rounding, numbers presented throughout this announcement may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Portfolio as at 31 December 2019, by number of aircraft

Aircraft Type	Owned Aircraft	Managed Aircraft	Aircraft on Order ²	Total
Airbus A320CEO family	116	15	0	131
Airbus A320NEO family	50	0	67	117
Airbus A330CEO family	12	3	0	15
Airbus A330NEO family	2	0	6	8
Airbus A350 family	9	0	0	9
Boeing 737NG family	88	15	0	103
Boeing 737 MAX family	6	0	87	93
Boeing 777-300ER	18	4	3	25
Boeing 777-300	0	1	0	1
Boeing 787 family	11	1	3	15
Freighters	5	1	0	6
Total	317	40	166	523

The full year 2019 financial results presentation slides and consolidated financial statements are available on the Company website at <https://www.bocaviation.com/en/Investors/Financial-Results>, along with a recording of the earnings conference call that will be made available on 12 March 2020.

- Includes interim dividend of US\$0.1388 per share paid to shareholders registered at the close of business on 3 October 2019.*
- Includes all commitments to purchase aircraft including those where an airline customer has the right to acquire the relevant aircraft on delivery.*
- Percentage change is calculated based on numbers in US\$ thousands as shown in the financial statements.*
- Earnings per share is calculated by dividing net profit after tax by total number of shares outstanding at 31 December 2019, and 31 December 2018, in the respective columns. Number of shares outstanding at 31 December 2019 and 31 December 2018 was 694,010,334.*
- Net assets per share is calculated by dividing net assets by total number of shares outstanding at 31 December 2019, and 31 December 2018, in the respective columns. Number of shares outstanding at 31 December 2019 and 31 December 2018 was 694,010,334.*
- Gearing is calculated by dividing gross debt by total equity at 31 December 2019, and 31 December 2018, in the respective columns.*

About BOC Aviation

BOC Aviation is a leading global aircraft operating leasing company with a fleet of 523 aircraft owned, managed and on order. Its owned and managed fleet was leased to 93 airlines worldwide in 41 countries and regions as at 31 December 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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