

AerCap – ILFC Transaction Summary

May 2014



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Highlights of the Transaction

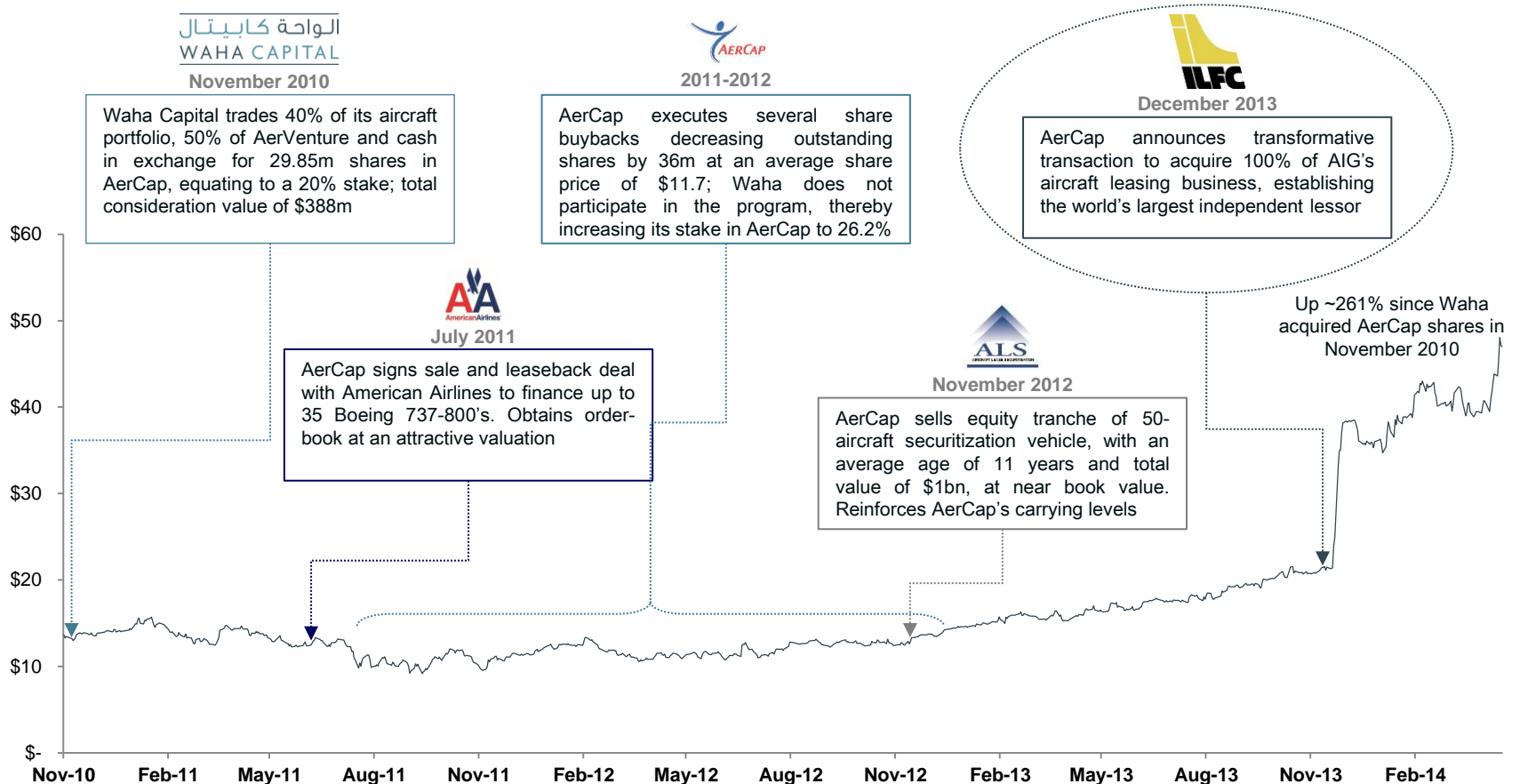
- On 14 May 2014, AerCap announced that it completed the **acquisition of International Lease Finance Corporation (“ILFC”)**, previously a wholly owned subsidiary of American International Group (“AIG”)
- Transaction was initially announced on 16 December 2013 for a **consideration valued at \$5.4bn** on the date of announcement; funded by \$3.0bn in cash and issuance of 97.6m new AerCap shares
- Combined entity is the largest independent aircraft leasing company in the world, with a **fleet of over 1,300 aircraft and total assets of approximately \$45bn**
- Waha’s stake is now valued at AED 5.1bn⁽¹⁾ (\$1.4bn) compared to its original investment of AED 1.4bn (\$388m), a 3.6x multiple on investment thus far. Our balance sheet carrying value as at 31 March 2014 is AED 2.1bn (\$576m)
- Waha voted in favour of the transaction ahead of announcement in December 2013, showing our full support for the acquisition as the largest shareholder in AerCap
- Waha is now the 2nd largest shareholder in the company with a **14.1% stake** and will retain 2 seats on AerCap’s 11-member Board of Directors (AIG now holds 46.2% and 2 Board seats)

(1) Based on closing share price of \$46.59 on 14 May 2014

History of our Investment

AerCap has been a strongly performing investment since Waha's acquisition in 2010. The company executed a number of strategic transactions leading up to its acquisition of ILFC

AerCap Share Performance Since Acquisition



Transaction Impact

The transaction will increase the scale of AerCap substantially with total fleet increasing to over 1,300 aircraft from 336. AerCap is expected to see a significant increase in its net income

	Pre-Transaction	Post-Transaction
AerCap	<ul style="list-style-type: none"> Fleet: 336 owned and managed Flight equipment: \$8bn 2013 revenue: \$1.1bn 2013 P&L: \$292m 	<ul style="list-style-type: none"> Fleet: 1,301 owned and managed ⁽²⁾ Flight equipment: \$37bn ⁽²⁾ Pro-forma 2013 revenue: \$5.4bn ⁽²⁾ Projected 2014 and 2015 consensus estimate EPS of \$3.01 and \$4.15, respectively ⁽³⁾
Ownership	<p>A pie chart showing ownership structure pre-transaction. The chart is divided into two segments: a smaller teal segment representing Waha Capital at 26.2% and a larger grey segment representing 'Others' at 73.8%. The Waha Capital logo is positioned above the teal segment.</p>	<p>A pie chart showing ownership structure post-transaction. The chart is divided into three segments: a teal segment representing Waha Capital at 14.1%, a grey segment representing 'Others' at 39.7%, and a blue segment representing AIG at 46.2%. The Waha Capital logo is positioned above the teal segment, and the AIG logo is positioned to the right of the blue segment.</p>
Waha	<ul style="list-style-type: none"> Waha held 26.2% of a c.\$2.4bn ⁽¹⁾ market cap company Waha held 2 of 9 total Board seats Represented on Group Portfolio and Investment, Group Treasury and Accounting, and Nomination and Compensation Committees Equity accounted associate status Income from AerCap of AED 260m (\$70.7m) in 2013 	<ul style="list-style-type: none"> Waha holds 14.1% of a c.\$10bn market cap company Waha holds 2 of 11 Board seats (AIG given 2 new seats) Continues committee representation Expect to retain current accounting treatment Based on consensus estimate EPS, Waha's share of net income of AED 330m (\$89.7m) in 2014 and AED 455m (\$123.8m) in 2015 ^{(3) (4)}

(1) Pre-announcement market cap based on 11 December 2013 closing price of \$21.42/share

(2) Based on AerCap filings in May 2014

(3) Source: Bloomberg consensus EPS estimates; 2015 represents first full operating year for the combined entity

(4) The precise accounting impact of this transaction on Waha Capital will be addressed in its Q2 2014 financial statements

Benefits to Waha

- Waha's stake in AerCap is now valued at AED 5.1bn⁽¹⁾ (\$1.4bn) compared to its original investment of AED 1.4bn (\$388m), a 3.6x multiple on investment thus far. Our balance sheet carrying value as at Q1 2014 is AED 2.1bn (\$576m)
- Waha will retain its 29.85m shares in AerCap, now the world's leading aircraft leasing company with a fleet of over 1,300 aircraft and promising growth prospects
- Waha will be diluted from 26.2% to 14.1% and expects to maintain its current accounting treatment given its continued influence on the business
- The transaction is highly accretive to shareholders with earnings per share consensus estimates of \$4.15 for 2015, compared to \$2.58 in 2013 (an increase of over 60%)

Waha is a significant beneficiary of the ILFC transaction. Waha will retain its influence over AerCap and recognize higher annual income, which has translated into a significant appreciation in value

(1) Based on closing share price of \$46.59 on 14 May 2014