

Waha Capital – Hedging and Financing Over AerCap Shares

September 2014



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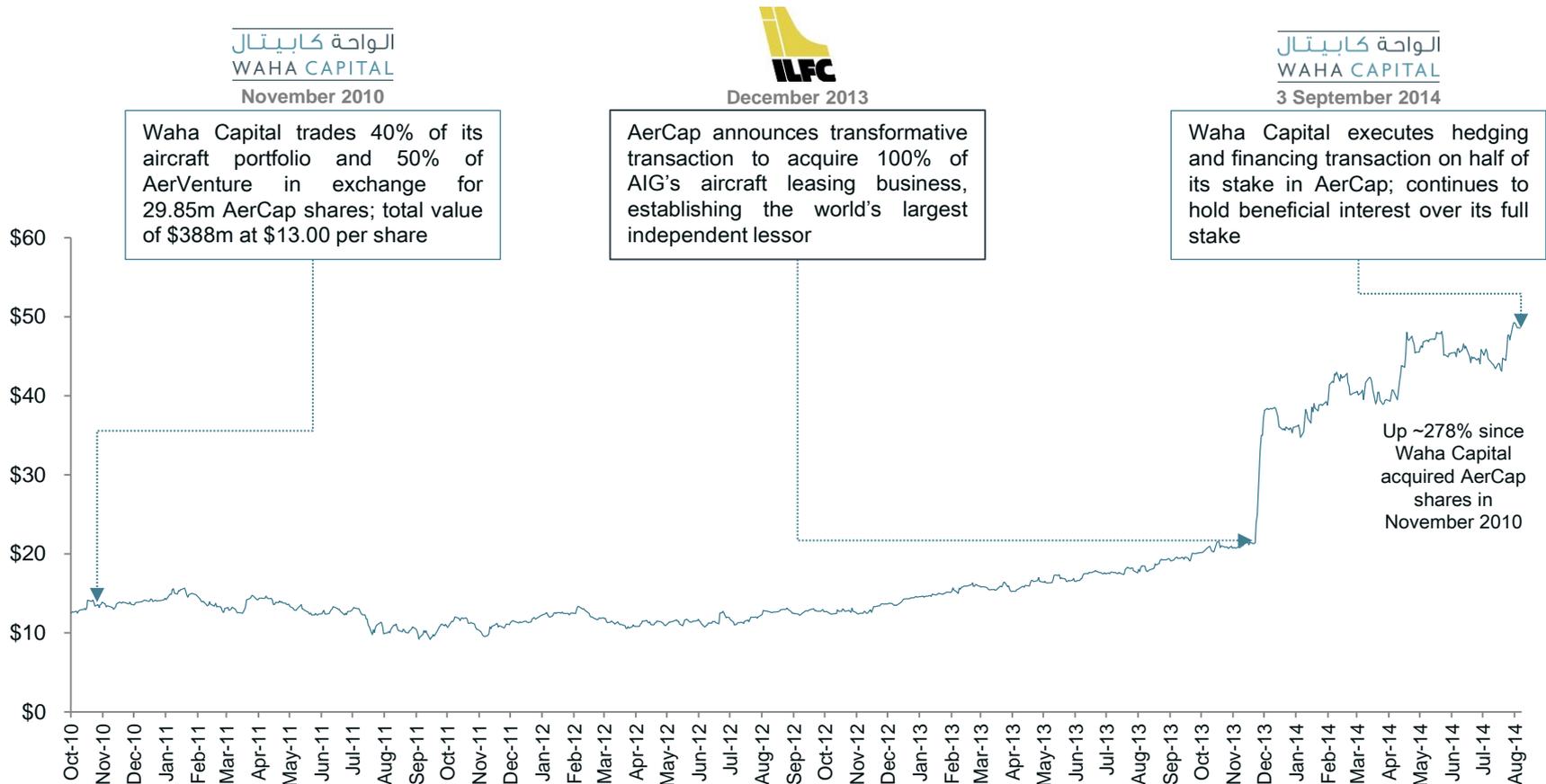
Highlights of the Transaction

- AerCap has performed strongly since Waha Capital's investment in 2010, particularly post announcement in December 2013 of its proposed acquisition of International Lease Finance Corporation (ILFC), which closed on 14 May 2014
- In August 2014, AerCap indicated it is ahead of schedule on the operational integration with ILFC and reported adjusted earnings per share of \$1.29 for Q2 2014. The news further supported AerCap's share price
- On 3 September 2014, Waha Capital completed a hedging and financing transaction over half of its stake in AerCap, with Deutsche Bank, Citibank and Nomura International underwriting the trade
- This landmark transaction represents the first of its kind in the region; an ADX-listed investment company executing hedging and financing on its affiliate shares in a NYSE-listed company
- The transaction allows Waha Capital to:
 - (1) hedge underlying shares against downward share price movements below \$42.39 compared to entry share price in November 2010 of \$13.00 and carrying value per share as at 30 June 2014 of \$31.87
 - (2) participate in upside up to a share price of \$61.23, and
 - (3) raise low-cost financing of \$575m against its shares underlying the transaction
- Waha Capital remains an anchor investor in AerCap, in which it continues to see long-term value:
 - (1) continues to beneficially own and recognize share of income from its entire 14.1% stake, and
 - (2) maintains two seats on the 11 member Board

Share Price Movement

AerCap has performed strongly since Waha Capital's investment in 2010 and experienced considerable share price appreciation post the announcement of AerCap's acquisition of ILFC in December 2013

AerCap Share Performance Since Acquisition

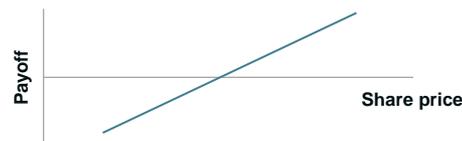


Structure Description and Payoff

Waha Capital has executed a hedging transaction while putting in place a financing structure which locks in a minimum future sale price, and as a result, has raised low-cost funding against the underlying shares

Pre-transaction	<ul style="list-style-type: none"> Waha Capital owns 29.85m AerCap shares <ul style="list-style-type: none"> (a) Payoff directly correlated to share price; an increase in share price would result in a gain and vice versa
Transaction Details	<ul style="list-style-type: none"> Waha Capital enters into a funded collar transaction on 14.92m AerCap shares (1/2 its stake) <ul style="list-style-type: none"> (b) Acquires hedging put option at a strike price of \$42.39/ share; Waha Capital continues participating in upside share price movements⁽¹⁾ (c) Sells call option capping upside at a strike price of \$61.23/ share; proceeds offset cost of put option⁽¹⁾ Payoff on the 14.92m shares is floored by the put and capped by the call, locking in a predetermined price range Both put and call options settle in 2017; Waha has the option to settle by cash or physical delivery of the shares
Post-transaction	<ul style="list-style-type: none"> Waha Capital continues to retain economic ownership of 14.92m AerCap shares underlying the transaction and full ownership of the remaining 14.92m AerCap shares not underlying the transaction Waha Capital is hedged against downside movements in share price on 14.92m of its AerCap shares Waha Capital continues to benefit from full upside on its remaining 14.92m shares not underlying the transaction Waha Capital raises financing against the present value of 100% of the put option strike price less net option premium

Pre-transaction



Waha Capital owns AerCap shares and payoff is directly correlated to share price

Post-transaction⁽²⁾



Payoff on 14.92m shares is floored by the put and capped by the call, locking in a price range for 3 years

(1) Strike price is subject to adjustment, however adjustment events are considered unlikely to occur

(2) Payoff in respect of the 14.92m shares underlying the hedge; Waha Capital continues to hold remaining 14.92m shares outright and captures full upside of share price appreciation beyond the call strike

Benefits to Waha Capital

- Locks in value on half of AerCap stake, Waha Capital's largest portfolio investment, effectively de-risking Waha Capital's balance sheet
- Lowers cost of funding by paying down a portion of the existing credit facility with new low-cost financing from the transaction
- Diversifies and considerably increases Waha Capital's funding sources, generating net cash to fund future investment plans
- Guarantees an IRR range of 33-39% on the hedged shares and improves overall IRR on the AerCap investment by generating cash proceeds upfront while Waha Capital continues to participate in future share price appreciation
- Allows Waha to continue its significant influence over AerCap's business

Waha Capital de-risks its balance sheet, enhances its IRR on AerCap, and lowers its cost of debt while both diversifying and increasing funding sources