

AerLift – Sale of Waha’s Equity Stake

May 2014



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Transaction Summary

- On 6 April 2014, Waha announced the sale of its **60.7% shareholding in AerLift Leasing** to a US-based aircraft leasing investor. AerCap Holdings maintains its 39.3% ownership in AerLift
- Established in 2010 as a joint venture between AerCap and Waha, AerLift Leasing is a **portfolio of 11 commercial aircraft**, operated by a number of international airlines
- Waha's initial investment in AerLift was part of a broader transaction which also resulted in Waha acquiring a 20%⁽¹⁾ interest in AerCap
- Waha realized gross proceeds from the sale of AED 307 million, with a **gain on disposal of AED 20 million** recognized in Q1 2014
- While AerLift Leasing generated positive returns and cash dividends throughout the holding period, it is a mature asset which Waha had designated as non-core in the context of future growth
- The sale helped Waha deliver on several key strategic goals:
 - (1) **Diversified portfolio** and reduced exposure to aircraft leasing sector
 - (2) **Released capital** for further deployment into growth segments
 - (3) **Enhanced shareholder value** by exiting at opportune time and realizing a profit

(1) Stake was increased to 26.2% due to Waha's non-participation in a series of share buy-backs, and has now been reduced to 14.1% as a result of the recent ILFC transaction

Transaction Highlights

The success of the transaction was a result of a thorough assessment of potential exit routes, correct timing of the market, and strong execution

1 Exhaustive assessment of exit options

- Strategic decision made to sell AerLift Leasing
- Explored all exit options:
 - Individual asset sales
 - Direct discussions with strategic & financial 3rd parties
 - **Competitive auction process**

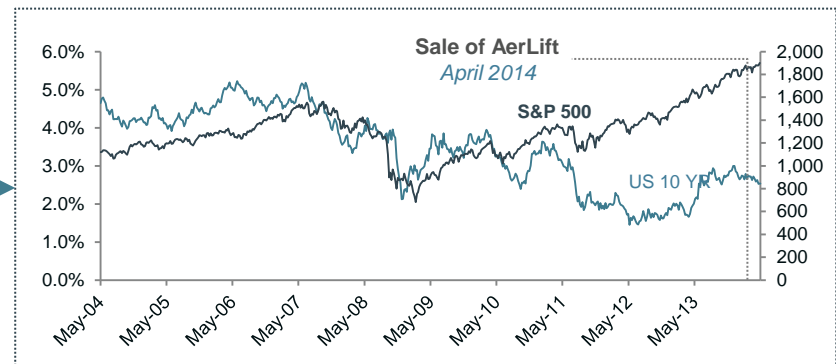
2 Optimal market timing

- Approached the market during a period of low interest rates and high asset valuations
- Strong interest in the sector with several transactions generating increasing demand for aircraft-backed yield assets
- Desire by investors to invest alongside AerCap on the back of the company's strong performance and the ILFC transaction

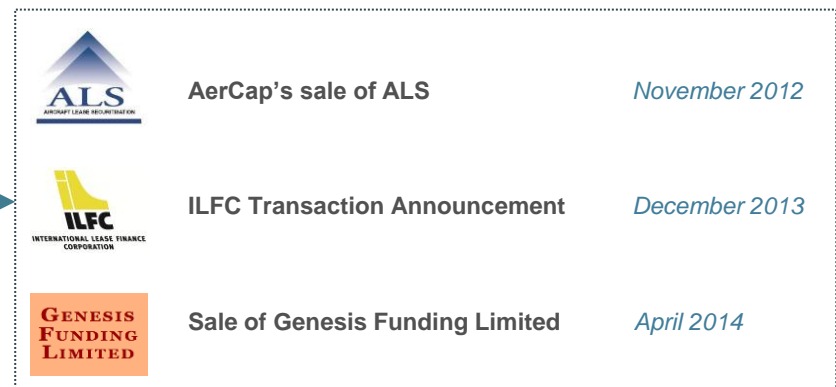
3 Implementation of best execution

- Mandated an investment bank to manage the sale process
- Reached out to a broad list of international investors
- Pursued a direct equity sale to yield investors
- Enforced efficient transaction timeline

Low interest rate, high asset valuation, environment



Investors have exhibited strong interest in the sector



Benefits to Waha

- Improved portfolio diversification due to reduction of exposure to the aircraft leasing sector
 - Waha remains exposed to the sector through its 14.1% stake in AerCap (valued at \$1.4 billion⁽¹⁾)
- Delivered shareholder value by executing the transaction at a premium to Waha's carrying value and realizing a profit of AED 20 million
- Freed up significant amount of capital to reinvest in other high growth sectors
- Culminates Waha's transformation from an aircraft leasing operating company to a diversified investment company

Waha has successfully reduced its exposure to aircraft leasing by selling its 60.7% stake in AerLift and delivered value to shareholders by executing the transaction at a premium to carrying value

(1) Based on closing share price of \$46.83 on 23 May 2014