



STRONG LEASING ACTIVITY UNDERPINNED BY AIRLINES' DEMAND FOR AIRCRAFT AND CAPITAL

News / Finance



Avolon issues an update for the fourth quarter and 2023 full year. Andy Cronin, CEO Avolon, commented: “Strengthening market conditions allowed us to place our orderbook and used aircraft at accretive lease rates while underwriting US\$4bn of new volume through the sale and leaseback market. Our balance sheet scale allowed us to order a further 200 new technology aircraft which strengthens our delivery pipeline and growth into the next decade.”

2023 Full Year Highlights

- Ordered 200 new aircraft including 100 A321neo, 80 737MAX and 20 A330neo;
- Entered into letters of intent for the sale and leaseback of 51 new aircraft;

- Executed 147 lease transactions comprising new aircraft leases, follow-on leases and lease extensions;
- Delivered 43 new aircraft and transitioned 30 aircraft to 22 customers;
- Sold 31 aircraft in 2023 and ended the year with 25 aircraft agreed for sale;
- Owned, managed and committed fleet of 1,035 aircraft at year end, a 24% increase year on year;
- Raised US\$4.9 billion of new debt across both the public and private markets;
- Upsized unsecured revolving facility to US\$4.8 billion, bringing total revolving debt capacity to US\$6.1 billion at year end; and
- Published 2nd annual sustainability report, affirmed Sustainalytics rating at 16/‘Low Risk’ and supported a feasibility study into the production of Sustainable Aviation Fuel in Ireland in partnership with Boeing and ORIX Aviation.

Q4 Fleet Metrics & Financial Highlights

- Placed order for 100 A321neos and 40 737 MAX aircraft;
- Entered into letters of intent for the sale and leaseback of 14 aircraft;
- Executed 43 lease transactions comprising new aircraft leases, follow-on leases and lease extensions;
- Delivered 22 new aircraft and transitioned 4 aircraft to 11 customers;
- Sold 12 aircraft and entered into letters of intent for the sale of a further 14 aircraft;
- Added 2 new customers, giving a total of 146 airline customers operating in 65 countries;
- Ended the quarter with an owned and managed fleet of 577 aircraft, with total orders and commitments for 458 fuel-efficient, new technology aircraft;

- Closed a private offering of US\$400 million in senior unsecured notes due 2028; and,
- Repriced a US\$2.3 billion Term Loan B, extending \$650 million of the facility from 2027 to 2028.

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