AVATION PLC

("AVATION" OR "THE COMPANY")

BUYS AND LEASES 5TH COMMERCIAL JET AIRCRAFT

The Board of Avation PLC is pleased to announce the completion of the acquisition and lease of its fifth commercial passenger aircraft by its leasing subsidiary Capital Lease Aviation PLC.

HIGHLIGHTS

* Capital Lease Aviation PLC has paid approximately USD $5.9m for the aircraft;

* The aircraft has been leased to Skywest Airlines for operation in Australia a lease rate of about USD $1.18m per year plus maintenance reserves;

* The term of the lease to Skywest Airlines is 60 months;

* Capital Lease Aviation PLC has paid the purchase price from its existing cash; and

* In due course Capital Lease Aviation PLC will re-finance this aircraft from the banking facility announced on 26 September 2007.

CAPITAL LEASE AVIATION PLC ("CLA")

CLA raised a total of GBP 11,450,001.36 (gross of issue costs) through the issue of 47,708,339 new ordinary shares of 0.1 pence each at a price of 24 pence per ordinary share in July 2007. Avation holds 51.22% of the enlarged share capital of CLA.

CLA announced on 26 September 2007 a further finance facility from a subsidiary of a major UK commercial bank amounting to USD $7,574,000.

It is the intention of the Directors that, subject to the securing of further suitable aircraft and also the acquisition of senior debt financing CLA will use a combination of debt and equity finance to acquire various commercial aircraft which will be leased to airlines. CLA will endeavour to
provide a leveraged return on the investment in the aircraft and is pleased, to have secured this further debt finance to facilitate this process.

AVATION'S CHAIRMAN, JEFF CHATFIELD SAID: "WE HAVE FOUND THE MARKET FOR THE ACQUISITION OF AIRCRAFT TIGHT WITH HIGH COMPETITIVE DEMAND AND HIGH PRICES, WE ARE NOW PLEASED TO HAVE ACQUIRED THIS AIRCRAFT."

The directors take responsibility for the contents of this announcement.

---ENDS---

ENQUIRES:

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