

AVATION PLC
("Avation" or "the Company")

CHAIRMAN'S AGM ADDRESS, DIVIDEND AND TRADING UPDATE

Trading Update

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company advises that the Annual General Meeting being held today in Singapore includes the details of an Interim Dividend and a Trading Update. Mr Jeff Chatfield, Executive Chairman, provides the following commentary:

The purpose of this statement is to provide investors with an update on current operations for the half-year financial period commencing 1 July 2019.

The Company's business continues to perform satisfactorily and Avation expects to report growth in lease rental revenues for the six months ended 31 December 2019. Gains on sales of aircraft are lower than the comparable period of 2018.

Management estimates that lease rental revenue for the half-year ended 31 December 2019 will increase by 12% to approximately US\$65.2 million (31 December 2018: US\$58.2 million).

Thomas Cook Aircraft Update

On 23 September 2019, following the entry into compulsory liquidation of Thomas Cook Group Plc, Avation issued default notices and successfully repossessed two Airbus A321-200 aircraft. The aircraft were then submitted for calendar airframe maintenance checks and marketed to airlines as available for lease.

Avation is pleased to advise that it has signed a letter of intent to lease both aircraft to an existing Avation customer on long-term leases expected to commence in December 2019. As a result of the rapid re-positioning of the aircraft and taking into account the security deposits forfeited by Thomas Cook the impact on lease rental revenue for the period ended 31 December 2019 has been minimised. The leases remain subject to the completion of definitive documentation and the satisfaction of customary lease conditions precedent by the airline. The two aircraft are also available for sale.

Operational Update

Since 1 July 2019 Avation has delivered two ATR 72-600 aircraft to customers. Avation expects to take delivery of three additional ATR 72-600 aircraft from its order book before 31 December 2019. These aircraft will subsequently be leased to Braathens Regional Airways ("Braathens"). A fourth aircraft for Braathens is expected to be delivered in the first quarter of 2020.

Fleet Update

At the current date, Avation's fleet totals 48 aircraft. Avation's customers include 17 airlines in 14 countries. The average age of the fleet is 3.8 years and the average remaining lease term is 7.1 years.

Following the delivery of the four aircraft to Braathens, the Company will have five remaining orders for ATR 72-600 aircraft for delivery between October 2020 and April 2022 and 25 purchase rights for additional ATR 72 aircraft for delivery prior to December 2025.

Investors are advised that finance leases for two Fokker F100 aircraft will complete in December 2019 and ownership of the aircraft will be transferred to the current lessee airline. The aircraft will be 26 and 28 years old respectively at the time of the conclusion of the leases. Avation further advises that the finance leases for the remaining three Fokker F100 aircraft in the fleet will end during calendar year 2020.

Interim Dividend

The Board has declared an interim dividend of US 2.1 cents per share from current period profits (31 December 2018: US 2.0 cents per share).

The record date and timetable for the interim dividend is as follows:

Ex-dividend date: 19 December 2019

Record date: 20 December 2019

Payment date: 9 January 2020

Outlook

Avation will continue to focus on growing the fleet and adding new airline customers for the remainder of the financial year. The Company is currently assessing jet aircraft for acquisition, in addition to scheduled deliveries of new ATR 72-600 aircraft from our order book.

Executive Chairman Jeff Chatfield said: "Avation's team can be commended for the rapid repossession, maintenance, marketing and re-positioning of the two ex-Thomas Cook aircraft. Remarketing ability is key to any aircraft leasing company. This episode has demonstrated the importance of Avation's focus on young, popular aircraft as evidenced by the number of airlines who expressed interest in leasing these two Airbus A321-200 aircraft. Avation has continued to deliver organic growth and expects to report record revenue for the first half-year financial period. Avation is pleased to reward the owners of the company with the first interim dividend for the financial period commencing 1 July 2019."

– ENDS –

Enquiries:

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Avation welcomes shareholder questions and comments and advises the email address is: investor@avation.net

Notes to Editors:

Avation PLC is an aircraft leasing company, headquartered in Singapore, owning and managing a fleet of commercial passenger aircraft which it leases to airlines around the world.

More information on Avation is available at www.avation.net.