

AVATION PLC
(Avation or the Company)

AIRCRAFT PLACEMENT

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company advises that on 19 July 2017 the board of directors of Mandarin Airlines has approved the selection from Avation and ATR of a series of aircraft for lease and purchase.

The Company has entered into a conditional letter of intent to lease three ATR 72-600 on a long term basis aircraft to Mandarin Airlines, the subsidiary of Taiwanese flag carrier China Airlines. These three aircraft will be configured to the customer's specifications and client's livery and are expected to be delivered into service in October, November and December 2017. The full text of the Mandarin Airlines announcement is included below in this announcement.

ATR ORDER BOOK

The Company has now placed all 2017 deliveries in its order book. The Company has six further new ATR 72 aircraft on order for delivery in 2018 and 2019 and 27 options extending further forwards.

The Company's Executive Chairman, Jeff Chatfield, said: "Mandarin Airlines is a major domestic airline and is a subsidiary of China Airlines, the flag carrier of the Republic of China, Taiwan. Avation is pleased to have sold out and placed all available aircraft for delivery in calendar 2017. The Company is aggressively marketing its 2018 ATR order book. Avation will use the proceeds from the sale of six aircraft which completed on June 30 to fund the equity required for the 2017 deliveries and is also considering the acquisition of additional jet aircraft to further diversify its portfolio."

-ENDS-

Enquiries:

Avation

Jeff Chatfield, Executive Chairman

T: +65 6252 2077

Note to Editors:

Avation PLC is a passenger aircraft leasing company, owning a fleet commercial aircraft which it leases to airlines across the world. The Company's customers include Air France, Air Berlin, Air India, Condor, Flybe, Fiji Airways, Thomas Cook, Virgin Australia, UNI Air and Vietjet Air.

More information on Avation PLC can be seen at: www.avation.net

< FULL TEXT OF MANDARIN AIRLINES ANNOUNCEMENT >

19th July, 2017

Mandarin Airlines introduces ATR72-600 new Fleet to strengthen its domestic routes

Mandarin Airlines, a subsidiary of flag carrier China Airlines in Taiwan, held its board meeting on 19th July, 2017 and announced the approval of new fleet plan to introduce ATR72-600s.

In accordance with the fleet optimization plan, Mandarin Airlines will lease 3 ATR72-600s from UK-based leasing lessor Avation PLC in 2017 , and purchase another 6 ATR72-600s from ATR manufacturer between 2018 to 2020. A total of nine ATR72-600s fleet will be deployed by 2020.

In addition to 6 E190s and 2 B737-800s in current fleet, Mandarin Airlines will enhance overall fleet capacity, and significantly increase domestic network and frequencies. The E190 fleet will focus on more international and cross-strait routes as well as flexibly support domestic routes to meet peak season and holidays' demand .

ATR72-600 has very competitive operating economics and is very suitable for domestic network in Taiwan. The cabin interior is designed in simple and elegant style for more comfort. Passenger capacity is 70 seats with 30 inches of seat pitch providing spacious leg room.

Mandarin Airlines will continue to expand its domestic , international and cross-strait routes by means of synergic collaboration with its parent company China Airlines.