

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

INTERIM MANAGEMENT STATEMENT

Trading Update

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company provides an update in respect of trading performance for the financial year ended 30 June 2018.

The Company's business is operating in line with expectations. Management estimates that revenue for the year ended 30 June 2018 will be US\$109 million (unaudited), representing an increase of 15% over the prior year.

Operational Update

As at 30 June 2018 Avation's fleet comprised 38 aircraft which are on lease to 13 airlines in 10 countries. The Company advises that it is scheduled to take delivery of two additional new aircraft early in the financial year commencing 1 July 2018. The first is a single aisle CS300 aircraft which will commence a 12 year lease to airBaltic in July 2018. The second is an ATR 72-600 aircraft which is expected to commence a 12 year lease to Far Eastern Air Transport Corp. of Taiwan in September 2018.

The Company is also assessing other aircraft purchase opportunities with a view to growing the fleet and further diversifying the Company's airline customer base. Additions to the fleet are subject to finding aircraft that meet the Company's investment and risk management criteria.

Finance Update

The Company recently completed a US\$300 million issue of notes under the previously announced US\$1 billion Global Medium Term Note (GMTN) programme. The GMTN programme has enabled Avation to create an efficient and flexible capital structure.

The Company's management believes that Avation has adequate liquidity and flexibility in its credit facilities to fund additional short-term fleet growth.

Credit Ratings

Following the US\$300 million notes issue under the GMTN programme, Fitch Ratings upgraded Avation's corporate credit rating to 'BB-' from 'B+', outlook stable. The notes issued under the GMTN programme are also rated 'BB-'.

In April 2018, Standard & Poor's Global Ratings revised its rating outlook on Avation from stable to positive and affirmed their 'B+' long-term issuer credit rating on the Company. The rating attached to the notes issued under the GMTN programme has been maintained at 'B'.

Results Timetable

Avation intends to release its unaudited results for the financial year ending 30 June 2018 at 7:00am (BST) on 6 September 2017. The Company will hold a conference call for shareholders and bondholders at 1:00pm (BST) on 6 September 2017. Dial in details for the conference call will be published in due course.

The Company's Executive Chairman, Jeff Chatfield, said: "The Company has continued to perform strongly in the year ended 30 June 2018 and has grown the fleet by almost 40% and revenues by 15%. We continue to focus on delivering further growth in our aircraft fleet."

-ENDS-

Enquiries:

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Note to Editors:

Avation PLC is a commercial passenger aircraft leasing company, headquartered in Singapore, owning and managing a fleet of jet and turboprop aircraft which it leases to airlines across the world. The Company's customers include airBaltic, EVA Air, easyJet, Philippine Airlines, Air France, Air India, Flybe, Fiji Airways, Thomas Cook, Virgin Australia, Mandarin Airlines and Vietjet Air.

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