

REFINITIV

# DELTA REPORT

## 10-Q

AL - AIR LEASE CORP

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

|              |      |
|--------------|------|
| TOTAL DELTAS | 1330 |
| CHANGES      | 397  |
| DELETIONS    | 659  |
| ADDITIONS    | 274  |

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2024 June 30, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-35121

AIR LEASE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

27-1840403

(I.R.S. Employer  
Identification No.)

2000 Avenue of the Stars, Suite 1000N

Los Angeles, California

(Address of principal executive offices)

90067

(Zip Code)

Registrant's telephone number, including area code: (310) 553-0555

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class  | Trading Symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Class A Common Stock   | AL                | New York Stock Exchange                   |
| 6.150% Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A | AL PRA            | New York Stock Exchange                   |
| 3.700% Medium-Term Notes, Series A, due April 15, 2030                           | AL30              | New York Stock Exchange                   |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and

"emerging growth company" in Rule 12b-2 of the Exchange Act:

|                         |                                     |                           |                          |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
| Emerging growth company | <input type="checkbox"/>            |                           |                          |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At **May 3, 2024** **July 30, 2024**, there were **111,366,501** **111,376,884** shares of Air Lease Corporation's Class A common stock outstanding.

**Air Lease Corporation and Subsidiaries**  
**Form 10-Q**  
**For the Quarterly Period Ended **March 31, 2024** **June 30, 2024****

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**NOTE ABOUT FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q and other publicly available documents may contain or incorporate statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Those statements appear in a number of places in this Form 10-Q and include statements regarding, among other matters, the state of the airline industry, our access to the capital and debt markets, the impact of Russia's invasion of Ukraine and the impact of sanctions imposed on Russia, the impact of the Israel Hamas conflict, aircraft and engine delivery delays and manufacturing flaws, our aircraft sales pipeline and expectations, changes in inflation and interest rates and other macroeconomic conditions and other factors affecting our financial condition or results of operations. Words such as "can," "could," "may," "predicts," "potential," "will," "projects," "continuing," "ongoing," "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and "should," and variations of these words and similar expressions, are used in many cases to identify these forward-looking statements. Any such forward-looking statements are not guarantees of future performance and involve risks, uncertainties,

and other factors that may cause our actual results, performance or achievements, or industry results to vary materially from our future results, performance or achievements, or those of our industry, expressed or implied in such forward-looking statements. Such factors include, among others:

- our inability to obtain additional capital on favorable terms, or at all, to acquire aircraft, service our debt obligations and refinance maturing debt obligations;
- increases in our cost of borrowing, decreases in our credit ratings or changes in interest rates;
- our inability to generate sufficient returns on our aircraft investments through strategic acquisition and profitable leasing;
- the failure of an aircraft or engine manufacturer to meet its contractual obligations to us, including or as a result of manufacturing flaws and technical or other difficulties with aircraft or engines before or after delivery;
- our ability to recover losses related to aircraft detained in Russia, including through insurance claims and related litigation;
- obsolescence of, or changes in overall demand for, our aircraft;
- changes in the value of, and lease rates for, our aircraft, including as a result of aircraft oversupply, manufacturer production levels, our lessees' failure to maintain our aircraft, inflation, and other factors outside of our control;
- impaired financial condition and liquidity of our lessees, including due to lessee defaults and reorganizations, bankruptcies or similar proceedings;
- increased competition from other aircraft lessors;
- the failure by our lessees to adequately insure our aircraft or fulfill their contractual indemnity obligations to us, or the failure of such insurers to fulfill their contractual obligations;
- increased tariffs and other restrictions on trade;
- changes in the regulatory environment, including changes in tax laws and environmental regulations;
- other events affecting our business or the business of our lessees and aircraft manufacturers or their suppliers that are beyond our or their control, such as the threat or realization of epidemic diseases, natural disasters, terrorist attacks, war or armed hostilities between countries or non-state actors; and
- any additional factors discussed under "Part I — Item 1A. Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2023 and other Securities and Exchange Commission ("SEC") filings, including future SEC filings.

All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations. You are therefore cautioned not to place undue reliance on such statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not intend and undertake no obligation to update any forward-looking information to reflect actual results or events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Air Lease Corporation and Subsidiaries  
CONSOLIDATED BALANCE SHEETS  
(In thousands, except share and par value amounts)

|             | March<br>31, 2024 | December<br>31, 2023 |
|-------------|-------------------|----------------------|
|             | June 30,<br>2024  | December<br>31, 2023 |
| (unaudited) |                   |                      |

|                           |
|---------------------------|
| Assets                    |
| Cash and cash equivalents |
| Cash and cash equivalents |
| Cash and cash equivalents |
| Cash and cash equivalents |
| Cash and cash equivalents |
| Cash and cash equivalents |
| Cash and cash equivalents |
| Cash and cash equivalents |

|   |            |
|---|------------|
| Cash and cash equivalents   |            |
| Restricted cash   |            |
| Flight equipment subject to operating leases  |            |
| Less accumulated depreciation   |            |
|   | 26,544,503 |
|   | 26,789,366 |
| Deposits on flight equipment purchases  |            |
| Other assets  |            |
| <b>Total assets</b>   |            |
| <b>Liabilities and Shareholders' Equity</b>   |            |
| Accrued interest and other payables   |            |
| Accrued interest and other payables   |            |
| Accrued interest and other payables   |            |
| Debt financing, net of discounts and issuance costs   |            |
| Security deposits and maintenance reserves on flight equipment leases   |            |
| Rentals received in advance   |            |
| Deferred tax liability  |            |
| <b>Total liabilities</b>  |            |
| <b>Shareholders' Equity</b>   |            |
| Preferred Stock, \$0.01 par value; 50,000,000 shares authorized; 10,600,000 (aggregate liquidation preference of \$850,000) shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively |            |
| Preferred Stock, \$0.01 par value; 50,000,000 shares authorized; 10,600,000 (aggregate liquidation preference of \$850,000) shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively |            |
| Preferred Stock, \$0.01 par value; 50,000,000 shares authorized; 10,600,000 (aggregate liquidation preference of \$850,000) shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively |            |
| Class A common stock, \$0.01 par value; 500,000,000 shares authorized; 111,366,501 and 111,027,252 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively                          |            |
| Preferred Stock, \$0.01 par value; 50,000,000 shares authorized; 10,600,000 (aggregate liquidation preference of \$850,000) shares issued and outstanding at each of June 30, 2024 and December 31, 2023        |            |
| Preferred Stock, \$0.01 par value; 50,000,000 shares authorized; 10,600,000 (aggregate liquidation preference of \$850,000) shares issued and outstanding at each of June 30, 2024 and December 31, 2023        |            |
| Preferred Stock, \$0.01 par value; 50,000,000 shares authorized; 10,600,000 (aggregate liquidation preference of \$850,000) shares issued and outstanding at each of June 30, 2024 and December 31, 2023        |            |
| Class A common stock, \$0.01 par value; 500,000,000 shares authorized; 111,376,884 and 111,027,252 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively                           |            |
| Class B Non-Voting common stock, \$0.01 par value; authorized 10,000,000 shares; no shares issued or outstanding  |            |
| Paid-in capital   |            |
| Retained earnings   |            |
| Accumulated other comprehensive income  |            |
| <b>Total shareholders' equity</b>   |            |
| <b>Total liabilities and shareholders' equity</b>   |            |

(See Notes to Consolidated Financial Statements)

**Air Lease Corporation and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME**  
(In thousands, except share and per share amounts)

|  |                           |
|--|---------------------------|
|  | <b>Three Months Ended</b> |
|  | <b>March 31,</b>          |
|  | <b>Three Months Ended</b> |
|  | <b>March 31,</b>          |
|  | <b>Three Months Ended</b> |
|  | <b>March 31,</b>          |

|   |             | Three Months Ended |      | Six Months Ended |      |
|---|-------------|--------------------|------|------------------|------|
|   |             | June 30,           |      | June 30,         |      |
|   | 2024        | 2024               | 2023 | 2024             | 2023 |
|   | 2024        |                    |      |                  |      |
|   | 2024        |                    |      |                  |      |
|   | (unaudited) |                    |      |                  |      |
|   | (unaudited) |                    |      |                  |      |
|   | (unaudited) |                    |      | (unaudited)      |      |
| <b>Revenues</b>                                   |             |                    |      |                  |      |
| Rental of flight equipment                        |             |                    |      |                  |      |
| Rental of flight equipment                        |             |                    |      |                  |      |
| Rental of flight equipment                        |             |                    |      |                  |      |
| Aircraft sales, trading and other                 |             |                    |      |                  |      |
| Aircraft sales, trading and other                 |             |                    |      |                  |      |
| Aircraft sales, trading and other                 |             |                    |      |                  |      |
| Total revenues                                    |             |                    |      |                  |      |
| Total revenues                                    |             |                    |      |                  |      |
| Total revenues                                    |             |                    |      |                  |      |
| <b>Expenses</b>                                   |             |                    |      |                  |      |
| <b>Expenses</b>                                   |             |                    |      |                  |      |
| <b>Expenses</b>                                   |             |                    |      |                  |      |
| Interest  |             |                    |      |                  |      |
| Interest  |             |                    |      |                  |      |
| Interest  |             |                    |      |                  |      |
| Amortization of debt discounts and issuance costs |             |                    |      |                  |      |
| Amortization of debt discounts and issuance costs |             |                    |      |                  |      |
| Amortization of debt discounts and issuance costs |             |                    |      |                  |      |
| Interest expense                                  |             |                    |      |                  |      |
| Interest expense                                  |             |                    |      |                  |      |
| Interest expense                                  |             |                    |      |                  |      |
| Depreciation of flight equipment                  |             |                    |      |                  |      |
| Depreciation of flight equipment                  |             |                    |      |                  |      |
| Depreciation of flight equipment                  |             |                    |      |                  |      |
| Selling, general and administrative               |             |                    |      |                  |      |
| Selling, general and administrative               |             |                    |      |                  |      |
| Selling, general and administrative               |             |                    |      |                  |      |
| Stock-based compensation expense                  |             |                    |      |                  |      |
| Stock-based compensation expense                  |             |                    |      |                  |      |
| Stock-based compensation expense                  |             |                    |      |                  |      |
| Total expenses                                    |             |                    |      |                  |      |
| Total expenses                                    |             |                    |      |                  |      |
| Total expenses                                    |             |                    |      |                  |      |
| Income before taxes                               |             |                    |      |                  |      |
| Income before taxes                               |             |                    |      |                  |      |
| Income before taxes                               |             |                    |      |                  |      |
| Income tax expense                                |             |                    |      |                  |      |
| Income tax expense                                |             |                    |      |                  |      |
| Income tax expense                                |             |                    |      |                  |      |
| Net income  |             |                    |      |                  |      |
| Net income  |             |                    |      |                  |      |
| Net income  |             |                    |      |                  |      |

|   |
|---|
| Preferred stock dividends                                       |
| Preferred stock dividends                                       |
| Preferred stock dividends                                       |
| Net income attributable to common stockholders                  |
| Net income attributable to common stockholders                  |
| Net income attributable to common stockholders                  |
| <b>Other comprehensive income/(loss):</b>                       |
| <b>Other comprehensive income/(loss):</b>                       |
| <b>Other comprehensive income/(loss):</b>                       |
| Foreign currency translation adjustment                         |
| Foreign currency translation adjustment                         |
| Foreign currency translation adjustment                         |
| Change in fair value of hedged transactions                     |
| Change in fair value of hedged transactions                     |
| Change in fair value of hedged transactions                     |
| Total tax benefit on other comprehensive income/loss            |
| Total tax benefit on other comprehensive income/loss            |
| Total tax benefit on other comprehensive income/loss            |
| Total tax benefit on other comprehensive income/(loss)          |
| <b>Other comprehensive income/(loss), net of tax</b>            |
| <b>Other comprehensive income/(loss), net of tax</b>            |
| <b>Other comprehensive income/(loss), net of tax</b>            |
| Total comprehensive income attributable for common stockholders |
| Total comprehensive income attributable for common stockholders |
| Total comprehensive income attributable for common stockholders |
| <b>Earnings per share of common stock:</b>                      |
| <b>Earnings per share of common stock:</b>                      |
| <b>Earnings per share of common stock:</b>                      |
| Basic   |
| Basic   |
| Basic   |
| Diluted   |
| Diluted   |
| Diluted   |
| Weighted-average shares of common stock outstanding             |
| Weighted-average shares of common stock outstanding             |
| Weighted-average shares of common stock outstanding             |
| Basic   |
| Basic   |
| Basic   |
| Diluted   |
| Diluted   |
| Diluted   |
| Dividends declared per share of common stock                    |
| Dividends declared per share of common stock                    |
| Dividends declared per share of common stock                    |

(See Notes to Consolidated Financial Statements)

Air Lease Corporation and Subsidiaries  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
(In thousands, except share and per share amounts)

|  | Preferred<br>Stock |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
|--|--------------------|--------|--------|--------|--------|--------|--------------------|----------------------|-------|--------|--------|--------|--------|--------|--------|--------------------|----------------------|-------|
| (unaudited)  |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| (unaudited)  |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| (unaudited)  | Shares             | Amount | Shares | Amount | Shares | Amount | Paid-in<br>Capital | Retained<br>Earnings | Total | Shares | Amount | Shares | Amount | Shares | Amount | Paid-in<br>Capital | Retained<br>Earnings | Total |
| Balance at December 31, 2023   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Issuance of common stock upon vesting of restricted stock units  |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Stock-based compensation expense   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Stock-based compensation expense   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Stock-based compensation expense   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Cash dividends (declared \$0.21 per share of Class A common stock)                                     |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Cash dividends (declared on preferred stock)   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Change in foreign currency translation adjustment and in fair value of hedged transactions, net of tax |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Tax withholdings on stock based-compensation   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Net income   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Balance at March 31, 2024  |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Issuance of common stock upon vesting of restricted stock units  |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Stock-based compensation expense   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Cash dividends (declared \$0.21 per share of Class A common stock)                                     |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Cash dividends (declared on preferred stock)   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Change in foreign currency translation adjustment and in fair value of hedged transactions, net of tax |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Tax withholdings on stock based-compensation   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Net income   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |
| Balance at June 30, 2024   |                    |        |        |        |        |        |                    |                      |       |        |        |        |        |        |        |                    |                      |       |

| (unaudited)  | <div>Consolidated Balance Sheet</div> |        |                         |          |                                    |        |   |                      |               |              |
|--|---------------------------------------|--------|-------------------------|----------|------------------------------------|--------|---|----------------------|---------------|--------------|
|  | Preferred Stock                       |        | Class A<br>Common Stock |          | Class B Non-Voting<br>Common Stock |        | Accumulated<br>Other<br>Comprehensive<br>Income |                      |               |              |
|  | Shares                                | Amount | Shares                  | Amount   | Shares                             | Amount | Paid-in<br>Capital                              | Retained<br>Earnings | Income/(Loss) | Total        |
| Balance at December 31, 2022   | 10,600,000                            | \$ 106 | 110,892,097             | \$ 1,109 | —                                  | \$ —   | \$ 3,255,973                                    | \$ 3,386,820         | \$ 2,355      | \$ 6,646,363 |
| Issuance of common stock upon vesting of restricted stock units  | —                                     | —      | 198,437                 | 2        | —                                  | —      | —   | —                    | —             | 2            |
| Stock-based compensation expense   | —                                     | —      | —                       | —        | —                                  | —      | 5,896   | —                    | —             | 5,896        |
| Cash dividends (declared \$0.20 per share of Class A common stock)                                     | —                                     | —      | —                       | —        | —                                  | —      | —   | (22,203)             | —             | (22,203)     |
| Cash dividends (declared on preferred stock)   | —                                     | —      | —                       | —        | —                                  | —      | —   | (10,425)             | —             | (10,425)     |
| Change in foreign currency translation adjustment and in fair value of hedged transactions, net of tax | —                                     | —      | —                       | —        | —                                  | —      | —   | —                    | (536)         | (536)        |
| Tax withholdings on stock based-compensation   | —                                     | —      | (75,116)                | (1)      | —                                  | —      | (3,230)   | —                    | —             | (3,231)      |
| Net income   | —                                     | —      | —                       | —        | —                                  | —      | —   | 128,720              | —             | 128,720      |
| Balance at March 31, 2023  | 10,600,000                            | \$ 106 | 111,015,418             | \$ 1,110 | —                                  | \$ —   | \$ 3,258,639                                    | \$ 3,482,912         | \$ 1,819      | \$ 6,744,586 |

**Air Lease Corporation and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In thousands, except share and per share amounts)

| (unaudited)                  | Preferred Stock |        | Class A<br>Common Stock |          | Class B Non-Voting<br>Common Stock |        | Paid-in<br>Capital | Retained<br>Earnings | Accumulated<br>Other<br>Comprehensive<br>Income |              | Total |
|------------------------------|-----------------|--------|-------------------------|----------|------------------------------------|--------|--------------------|----------------------|---|--------------|-------|
|                              | Shares          | Amount | Shares                  | Amount   | Shares                             | Amount |                    |                      |   |              |       |
|                              |                 |        |                         |          |                                    |        |                    |                      |   |              |       |
| Balance at December 31, 2022 | 10,600,000      | \$ 106 | 110,892,097             | \$ 1,109 | —                                  | \$ —   | \$ 3,255,973       | \$ 3,386,820         | \$ 2,355  | \$ 6,646,363 |       |



|  |                   |               |                    |                 |          |             |                     |                     |                 |                     |
|--|-------------------|---------------|--------------------|-----------------|----------|-------------|---------------------|---------------------|-----------------|---------------------|
| Issuance of common stock upon vesting of restricted stock units  | —                 | —             | 198,437            | 2               | —        | —           | —                   | —                   | —               | 2                   |
| Stock-based compensation expense   | —                 | —             | —                  | —               | —        | —           | 5,896               | —                   | —               | 5,896               |
| Cash dividends (declared \$0.20 per share of Class A common stock)                                     | —                 | —             | —                  | —               | —        | —           | —                   | (22,203)            | —               | (22,203)            |
| Cash dividends (declared on preferred stock)   | —                 | —             | —                  | —               | —        | —           | —                   | (10,425)            | —               | (10,425)            |
| Change in foreign currency translation adjustment and in fair value of hedged transactions, net of tax | —                 | —             | —                  | —               | —        | —           | —                   | —                   | (536)           | (536)               |
| Tax withholdings on stock based-compensation   | —                 | —             | (75,116)           | (1)             | —        | —           | (3,230)             | —                   | —               | (3,231)             |
| Net income   | —                 | —             | —                  | —               | —        | —           | —                   | 128,720             | —               | 128,720             |
| <b>Balance at March 31, 2023</b>   | <b>10,600,000</b> | <b>\$ 106</b> | <b>111,015,418</b> | <b>\$ 1,110</b> | <b>—</b> | <b>\$ —</b> | <b>\$ 3,258,639</b> | <b>\$ 3,482,912</b> | <b>\$ 1,819</b> | <b>\$ 6,744,586</b> |
| Issuance of common stock upon vesting of restricted stock units  | —                 | —             | 14,962             | —               | —        | —           | —                   | —                   | —               | —                   |
| Stock-based compensation expense   | —                 | —             | —                  | —               | —        | —           | 8,715               | —                   | —               | 8,715               |
| Cash dividends (declared \$0.20 per share of Class A common stock)                                     | —                 | —             | —                  | —               | —        | —           | —                   | (22,205)            | —               | (22,205)            |
| Cash dividends (declared on preferred stock)   | —                 | —             | —                  | —               | —        | —           | —                   | (10,425)            | —               | (10,425)            |
| Change in foreign currency translation adjustment and in fair value of hedged transactions, net of tax | —                 | —             | —                  | —               | —        | —           | —                   | —                   | (295)           | (295)               |
| Tax withholdings on stock based-compensation   | —                 | —             | (3,128)            | —               | —        | —           | (124)               | —                   | —               | (124)               |
| Net income   | —                 | —             | —                  | —               | —        | —           | —                   | 132,401             | —               | 132,401             |
| <b>Balance at June 30, 2023</b>  | <b>10,600,000</b> | <b>\$ 106</b> | <b>111,027,252</b> | <b>\$ 1,110</b> | <b>—</b> | <b>\$ —</b> | <b>\$ 3,267,230</b> | <b>\$ 3,582,683</b> | <b>\$ 1,524</b> | <b>\$ 6,852,653</b> |

(See Notes to Consolidated Financial Statements)

**Air Lease Corporation and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

| Three Months Ended |      |      | Six Months Ended |      |
|--------------------|------|------|------------------|------|
| March 31,          |      |      | June 30,         |      |
| 2024               | 2024 | 2023 | 2024             | 2023 |
| (unaudited)        |      |      |                  |      |

|   |
|---|
| <b>Operating Activities</b>   |
| Net income  |
| Net income  |
| Net income  |
| Adjustments to reconcile net income to net cash provided by operating activities: |
| Depreciation of flight equipment  |
| Depreciation of flight equipment  |
| Depreciation of flight equipment  |
| Stock-based compensation expense  |
| Stock-based compensation expense  |
| Stock-based compensation expense  |
| Deferred taxes  |
| Amortization of discounts and debt issuance costs                                 |
| Amortization of prepaid lease costs   |
| Gain on aircraft sales, trading and other activity                                |
| Changes in operating assets and liabilities:                                      |
| Other assets  |
| Other assets  |
| Other assets  |
| Accrued interest and other payables   |
| Rentals received in advance   |
| Net cash provided by operating activities   |

|   |
|---|
| <b>Investing Activities</b>                                       |
| Acquisition of flight equipment under operating lease             |
| Acquisition of flight equipment under operating lease             |
| Acquisition of flight equipment under operating lease             |
| Payments for deposits on flight equipment purchases               |
| Proceeds from aircraft sales, trading and other activity          |
| Acquisition of aircraft furnishings, equipment and other assets   |
| Net cash used in investing activities                             |
| <b>Financing Activities</b>                                       |
| Cash dividends paid on Class A common stock                       |
| Cash dividends paid on Class A common stock                       |
| Cash dividends paid on Class A common stock                       |
| Cash dividends paid on preferred stock                            |
| Cash dividends paid on preferred stock                            |
| Cash dividends paid on preferred stock                            |
| Tax withholdings on stock-based compensation                      |
| Net change in unsecured revolving facility                        |
| Proceeds from debt financings                                     |
| Payments in reduction of debt financings                          |
| Debt issuance costs   |
| Security deposits and maintenance reserve receipts                |
| Security deposits and maintenance reserve disbursements           |
| Net cash provided by financing activities                         |
| Net increase/(decrease) in cash                                   |
| Net decrease in cash  |
| Cash, cash equivalents and restricted cash at beginning of period |
| Cash, cash equivalents and restricted cash at end of period       |

**Air Lease Corporation and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

|  | Three Months<br>Ended<br>March 31, |      | Six Months<br>Ended<br>June 30, |      |
|--|------------------------------------|------|---------------------------------|------|
|  | 2024                               | 2023 | 2024                            | 2023 |
|  | (unaudited)                        |      |                                 |      |

|  |
|--|
| <b>Supplemental Disclosure of Cash Flow Information</b>  |
| Cash paid during the period for interest, including capitalized interest of \$11,412 and \$10,658 at March 31, 2024 and 2023, respectively             |
| Cash paid during the period for interest, including capitalized interest of \$11,412 and \$10,658 at March 31, 2024 and 2023, respectively             |
| Cash paid during the period for interest, including capitalized interest of \$11,412 and \$10,658 at March 31, 2024 and 2023, respectively             |
| Cash paid during the period for interest, including capitalized interest of \$21,709 and \$21,336 at June 30, 2024 and 2023, respectively              |
| Cash paid during the period for interest, including capitalized interest of \$21,709 and \$21,336 at June 30, 2024 and 2023, respectively              |
| Cash paid during the period for interest, including capitalized interest of \$21,709 and \$21,336 at June 30, 2024 and 2023, respectively              |
| Cash paid for income taxes   |
| <b>Supplemental Disclosure of Noncash Activities</b>   |
| Buyer furnished equipment, capitalized interest and deposits on flight equipment purchases applied to acquisition of flight equipment and other assets |
| Buyer furnished equipment, capitalized interest and deposits on flight equipment purchases applied to acquisition of flight equipment and other assets |
| Buyer furnished equipment, capitalized interest and deposits on flight equipment purchases applied to acquisition of flight equipment and other assets |
| Flight equipment subject to operating leases reclassified to flight equipment held for sale  |

Flight equipment subject to operating leases reclassified to investment in sales-type lease

Cash dividends declared on Class A common stock, not yet paid

(See Notes to Consolidated Financial Statements)

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

Note 1. Company Background and Overview

Air Lease Corporation (the “Company”, “ALC”, “we”, “our” or “us”) is a leading aircraft leasing company that was founded by aircraft leasing industry pioneer, Steven F. Udvar-Házy. The Company is principally engaged in purchasing the most modern, fuel-efficient, new technology commercial jet aircraft directly from aircraft manufacturers, such as The Boeing Company (“Boeing”) and Airbus S.A.S. (“Airbus”). The Company leases these aircraft to airlines throughout the world with the intention to generate attractive returns on equity. As of **March 31, 2024** **June 30, 2024**, the Company owned **472 474** aircraft, managed **73 67** aircraft and had **320 307** aircraft on order with aircraft manufacturers. In addition to its leasing activities, the Company sells aircraft from its fleet to third parties, including other leasing companies, financial services companies, airlines and other investors. The Company also provides fleet management services to investors and owners of aircraft portfolios for a management fee.

Note 2. Basis of Preparation and Critical Accounting Policies

The Company consolidates financial statements of all entities in which the Company has a controlling financial interest, including the accounts of any Variable Interest Entity in which the Company has a controlling financial interest and for which it is the primary beneficiary. All material intercompany balances are eliminated in consolidation. The accompanying Consolidated Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States of America (“GAAP”) for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements.

The accompanying unaudited Consolidated Financial Statements include all adjustments, consisting only of normal, recurring adjustments, which are in the opinion of management necessary to present fairly the Company’s financial position, results of operations and cash flows at **March 31, 2024** **June 30, 2024**, and for all periods presented. The results of operations for the three **and six** months ended **March 31, 2024** **June 30, 2024** are not necessarily indicative of the operating results expected for the year ending December 31, 2024. These financial statements and related notes should be read in conjunction with the Consolidated Financial Statements and related notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2023-09 Income Taxes (Topic 740) Improvements to Income Tax Disclosures (“ASU 2023-09”). ASU 2023-09 requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. The new requirements will be effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. The Company is still evaluating the impact of ASU 2023-09 but does not expect the application of this guidance to have a material impact on its financial statement disclosures.

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

Note 3. Debt Financing

The Company’s consolidated debt as of **March 31, 2024** **June 30, 2024** and December 31, 2023 is summarized below:

|                                | March 31, 2024 | December 31, 2023 |
|--------------------------------|----------------|-------------------|
|                                | June 30, 2024  | December 31, 2023 |
| (in thousands)                 |                |                   |
| Unsecured                      |                |                   |
| Senior unsecured securities    |                |                   |
| Senior unsecured securities    |                |                   |
| Senior unsecured securities    |                |                   |
| Term financings                |                |                   |
| Revolving credit facility      |                |                   |
| Total unsecured debt financing |                |                   |

## Secured

Export credit financing  
Export credit financing  
Export credit financing

Term financings

## Total secured debt financing

Total debt financing  
Total debt financing  
Total debt financing

Less: Debt discounts and issuance costs

## Debt financing, net of discounts and issuance costs

As of **March 31, 2024** **June 30, 2024**, management of the Company believes it is in compliance in all material respects with the covenants in its debt agreements, including minimum consolidated shareholders' equity, minimum consolidated unencumbered assets, and an interest coverage ratio test.

### Senior unsecured securities (including Medium-Term Note Program)

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company had **\$17.5 billion and \$16.3 billion** in senior unsecured securities **outstanding, outstanding, respectively**.

During the **three six** months ended **March 31, 2024** **June 30, 2024**, the Company issued (i) \$500.0 million in aggregate principal amount of 5.10% Medium-Term Notes due 2029, (ii) Canadian dollar ("C\$") denominated debt of C\$400.0 million in additional aggregate principal amount of 5.40% Medium-Term Notes due 2028 ("2024 C\$ notes") **and**, (iii) Euro ("€") denominated debt of €600.0 million in aggregate principal amount of 3.70% Medium-Term Notes due 2030 ("2024 € notes"), **(iv) \$600.0 million in aggregate principal amount of 5.30% Medium-Term Notes due 2026 and (v) \$600.0 million in aggregate principal amount of 5.20% Medium-Term Notes due 2031.**

The 2024 C\$ notes issued in 2024 have the same terms as, and constitute a single tranche with, the C\$500.0 million aggregate principal amount of 5.40% Medium-Term Notes issued in November 2023. The Company hedged the 2024 C\$ notes through a cross-currency swap that converts the borrowing rate to a fixed 5.95% U.S. dollar denominated rate. The Company also hedged the 2024 € notes through a cross-currency swap that converts the borrowing rate to a fixed 5.441% U.S. dollar denominated rate. The swaps have been designated as cash flow hedges with changes in the fair value of the derivative recognized in other comprehensive income/(loss). See Note 9. "Fair Value Measurements" for additional details on the fair value of the swaps.

### Syndicated unsecured revolving credit facility

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company had **\$1.5 billion \$90.0 million** and \$1.1 billion, respectively, outstanding under its syndicated unsecured revolving credit facility (the "Revolving Credit Facility"). Borrowings under the Revolving Credit Facility are used to finance the Company's working capital needs in the ordinary course of business and for other general corporate purposes.

## Air Lease Corporation and Subsidiaries NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

In April 2024, the Company amended and extended its Revolving Credit Facility through an amendment that, among other things, extended the final maturity date from May 5, 2027 to May 5, 2028 and amended the total revolving commitments thereunder to approximately \$7.8 billion as of May 5, 2024. As of **May 6, 2024** **August 1, 2024**, lenders held revolving commitments totaling approximately \$7.5 billion that mature on May 5, 2028, commitments totaling \$25.0 million that mature on May 5, 2027, \$210.0 million that mature on May 5, 2026 and commitments totaling \$25.0 million that mature on May 5, 2025. Borrowings under the Revolving Credit Facility continue to accrue interest at Adjusted Term SOFR (as defined in the Revolving Credit Facility) plus a margin of 1.05% per year. The Company is required to pay a facility fee of 0.20% per year in respect of total commitments under the Revolving Credit Facility. Interest rate and facility fees are subject to changes in the Company's credit ratings.

### Secured debt financings

As of **March 31, 2024** **June 30, 2024**, the Company had an outstanding balance of **\$298.5 \$291.5** million in secured debt financings and pledged four aircraft as collateral with a net book value of **\$441.4 \$436.9** million. As of December 31, 2023, the Company had an outstanding balance of \$305.5 million in secured debt financings and pledged four aircraft as collateral with a net book value of \$445.9 million. All of the Company's secured obligations as of **March 31, 2024** **June 30, 2024** and December 31, 2023 are recourse in nature.

### Maturities

Maturities of debt outstanding as of **March 31, 2024** **June 30, 2024** are as follows (in thousands):

#### Years ending December 31,

2024

|            |
|------------|
| 2024       |
| 2024       |
| 2025       |
| 2026       |
| 2027       |
| 2028       |
| Thereafter |
| Total      |

#### Note 4. Flight equipment subject to operating lease

The following table summarizes the activities for the Company's flight equipment subject to operating lease for the **three** **six** months ended **March 31, 2024** **June 30, 2024**:

|   | (in thousands)                           |
|---|--|
| Net book value as of December 31, 2023  | \$ 26,231,208                            |
| Purchase of aircraft  | <b>900,278</b> <b>1,859,801</b>          |
| Depreciation  | <b>(277,260)</b> <b>(559,242)</b>        |
| Flight equipment subject to operating leases reclassified to flight equipment held for sale | <b>(276,094)</b> <b>(708,772)</b>        |
| Flight equipment subject to operating leases reclassified to investment in sales-type lease | (33,629)                                 |
| Net book value as of <b>March 31, 2024</b> <b>June 30, 2024</b>                             | \$ <b>26,544,503</b> <b>26,789,366</b>   |
| Accumulated depreciation as of <b>March 31, 2024</b> <b>June 30, 2024</b>                   | \$ <b>(5,729,380)</b> <b>(5,854,095)</b> |

**Air Lease Corporation and Subsidiaries**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

#### Update on Russian fleet

As previously disclosed in the Company's filings with the U.S. Securities and Exchange Commission, in June 2022, the Company and certain of its subsidiaries submitted insurance claims to the insurers on its aviation insurance policies to recover losses relating to aircraft detained in Russia for which the Company recorded a net write-off of its interests in its owned and managed aircraft

**Air Lease Corporation and Subsidiaries**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

totaling approximately \$771.5 million for the year ended December 31, 2022. In December 2022, the Company filed suit in the Los Angeles County Superior Court of the State of California against its aviation insurance carriers in connection with its previously submitted insurance claims for which a trial date has been set for April 17, 2025. The Company continues to have significant claims against its aviation insurance carriers and will continue to vigorously pursue all available insurance claims and its related insurance litigation, and all rights and remedies therein. Collection, timing and amounts of any future insurance and related recoveries and the outcome of the Company's ongoing insurance litigation remain uncertain at this time.

**On January 19, 2024**, **In January 2024**, the Company and certain of its subsidiaries filed suit in the High Court of Justice, Business & Property Courts of England & Wales, Commercial Court against the Russian airlines' aviation insurers and reinsurance insurers (collectively, the "Airlines' Insurers") seeking recovery under the Russian airlines' insurance policies for aircraft that remain in Russia. The lawsuit against the Airlines' Insurers is in the early stages and no trial date has been set.

As of **May 6, 2024** **August 1, 2024**, 16 aircraft previously included in the Company's owned fleet are still detained in Russia. The operators of these aircraft have continued to fly most of the aircraft notwithstanding the termination of leasing activities and the Company's ongoing demands for the return of its assets.

#### Note 5. Flight Equipment Held for Sale

As of **March 31, 2024** **June 30, 2024**, the Company had **17** **18** aircraft, with a carrying value of **\$666.4** **\$608.9** million, which were classified as held for sale and included in Other assets on the Consolidated Balance Sheets. The Company expects the sale of all **17** **18** aircraft to be completed in 2024. **As by the second half of March 31, 2024, the Company held an aggregate of \$305.8 million in purchase deposits pursuant to sale agreements related to six of the 17 aircraft, which amount is included in Accrued interest and other payables on the Consolidated Balance Sheets, 2025.**

During the **three six** months ended **March 31, 2024 June 30, 2024**, the Company transferred **eight 21** aircraft from flight equipment subject to operating lease **to flight equipment held for sale** and completed the sale of **five 16** aircraft from its held for sale portfolio. The Company ceases recognition of depreciation expense once an aircraft is classified as held for sale. As of December 31, 2023, the Company had 14 aircraft, with a carrying value of \$605.1 million, which were held for sale and included in Other assets on the Consolidated Balance Sheets.

The following table summarizes the activities **for of** the Company's **flight equipment** held for sale for the **three six** months ended **March 31, 2024 June 30, 2024** based on carrying value:

|   | (in thousands)      |
|---|---------------------|
| Flight equipment held for sale as of December 31, 2023                                      | \$ 605,104          |
| Flight equipment subject to operating leases reclassified to flight equipment held for sale | 276,094 708,772     |
| Aircraft sales  | (214,798) (704,995) |
| Flight equipment held for sale as of <b>March 31, 2024 June 30, 2024</b>                    | \$ 666,400 608,881  |

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

Note 6. Commitments and Contingencies

Aircraft Acquisition

As of **March 31, 2024 June 30, 2024**, the Company had commitments to purchase **320 307** aircraft from Airbus and Boeing for delivery through 2029, with an estimated aggregate commitment of **\$20.9 \$19.9** billion. The following table shows the Company's contractual delivery commitment schedule as of **March 31, 2024 June 30, 2024**:

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

| Estimated Delivery Years          |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
|-----------------------------------|---------------|------------------|------|------|------|------|--|------------|--|-------|--|-----------------------|--|------|------|------|------|------------|-------|
| Aircraft Type                     |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Aircraft Type                     | Aircraft Type | Last 9 months of |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Aircraft Type                     | Aircraft Type | 2024             | 2025 | 2026 | 2027 | 2028 |  | Thereafter |  | Total |  | Last 6 months of 2024 |  | 2025 | 2026 | 2027 | 2028 | Thereafter | Total |
| Airbus A220-100/300               |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Airbus A320/321neo <sup>(1)</sup> |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Airbus A330-900neo                |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Airbus A350-900/1000              |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Airbus A350F                      |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Boeing 737-8/9 MAX                |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Boeing 787-9/10                   |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |
| Total <sup>(2)</sup>              |               |                  |      |      |      |      |  |            |  |       |  |                       |  |      |      |      |      |            |       |

(1) The Company's Airbus A320/321neo aircraft orders include seven long-range variants and 49 extra long-range variants.

(1) The Company's Airbus A320/321neo aircraft orders include seven long-range variants and 49 extra long-range variants.

(1) The Company's Airbus A320/321neo aircraft orders include seven long-range variants and 49 extra long-range variants.

(2) The table above reflects aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through May 6, 2024. The Company's contractual delivery commitment schedule is subject to a number of factors outside its control, including ongoing delays by Airbus and Boeing for some aircraft, and the Company cannot guarantee delivery of any particular aircraft at any specific time notwithstanding its contractual delivery commitment schedule.

(2) The table above reflects aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through August 1, 2024. The Company's contractual delivery commitment schedule is subject to a number of factors outside its control, including ongoing delays by Airbus and Boeing for some aircraft, and the Company cannot guarantee delivery of any particular aircraft at any specific time notwithstanding its contractual delivery commitment schedule.

The table above is subject to change based on Airbus and Boeing delivery delays. As noted below, the Company expects delivery delays for some aircraft in its orderbook. The Company remains in discussions with Airbus and Boeing to determine the extent and duration of delivery delays; however, the Company is not **yet currently** able to determine the full impact of these delays.

Pursuant to the Company's purchase agreements with Airbus and Boeing, the Company agrees to contractual delivery dates for each aircraft ordered. These dates can change for a variety of reasons, however for the last several years, manufacturing delays have significantly impacted the planned purchases of the Company's aircraft on order with Airbus and Boeing. The Company is currently experiencing delivery delays with both Airbus and Boeing aircraft.

In January 2024, the FAA ordered the temporary grounding of certain Boeing 737-9 MAX aircraft after the in-flight loss of a mid-cabin exit door plug in one aircraft. The 737-9 MAX aircraft has since returned to service; however, Boeing will not be allowed by the FAA to increase 737 MAX production rates until quality control issues are resolved. Due to these production constraints, the Company expects further delivery delays on our 737 MAX aircraft orders, and the Company is unable to estimate when Boeing 737 MAX production rates will normalize.

The aircraft purchase commitments discussed above could also be impacted by cancellations. The Company's purchase agreements with Airbus and Boeing generally provide each of the Company and the manufacturers with cancellation rights for delivery delays starting at one year after the original contractual delivery date, regardless of cause. In addition, the Company's lease agreements generally provide each of the Company and the lessee with cancellation rights related to certain aircraft delivery delays that typically parallel the cancellation rights in the Company's purchase agreements.

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

Commitments for the acquisition of these aircraft, calculated at an estimated aggregate purchase price (including adjustments for anticipated inflation) of approximately \$20.9 \$19.9 billion as of March 31, 2024 June 30, 2024, are as follows (in thousands):

|  |
|--|
| Years ending December 31,                              |
| 2024 (excluding the three months ended March 31, 2024) |
| 2024 (excluding the three months ended March 31, 2024) |
| 2024 (excluding the three months ended March 31, 2024) |
| 2024 (excluding the six months ended June 30, 2024)    |
| 2024 (excluding the six months ended June 30, 2024)    |
| 2024 (excluding the six months ended June 30, 2024)    |
| 2025   |
| 2026   |
| 2027   |
| 2028   |
| Thereafter   |
| Total  |

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

The Company has made non-refundable deposits on flight equipment purchases of \$1.1 billion and \$1.2 billion as of March 31, 2024 June 30, 2024 and December 31, 2023, respectively, which are subject to manufacturer performance commitments. If the Company is unable to satisfy its purchase commitments, the Company may be forced to forfeit its deposits and may also be exposed to breach of contract claims by its lessees as well as the manufacturers.

Note 7. Rental Income

As of March 31, 2024 June 30, 2024, minimum future rentals on non-cancellable operating leases of flight equipment in the Company's owned fleet, which have been delivered as of March 31, 2024 June 30, 2024 are as follows (in thousands):

|  |
|--|
| Years ending December 31,                              |
| 2024 (excluding the three months ended March 31, 2024) |
| 2024 (excluding the three months ended March 31, 2024) |
| 2024 (excluding the three months ended March 31, 2024) |
| 2024 (excluding the six months ended June 30, 2024)    |
| 2024 (excluding the six months ended June 30, 2024)    |
| 2024 (excluding the six months ended June 30, 2024)    |
| 2025   |
| 2026   |

|            |
|------------|
| 2027       |
| 2028       |
| Thereafter |
| Total      |

Note 8. Earnings Per Share

Basic earnings per share is computed by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised or converted into common stock; however, potential common equivalent shares are excluded if the effect of including these shares would be anti-dilutive. The Company's two classes of common stock, Class A and Class B non-voting, have equal rights to dividends and income, and therefore, basic and diluted earnings per share are the same for each class of common stock. As of **March 31, 2024** **June 30, 2024**, the Company did not have any Class B non-voting common stock outstanding.

Diluted earnings per share takes into account the vesting of restricted stock units using the treasury stock method. For the three **and six** months ended **March 31, 2024** **June 30, 2024**, and 2023, the Company did not exclude any potentially dilutive securities, whose effect would have been anti-dilutive, from the computation of diluted earnings per share. The Company excluded **1,084,610** **1,064,633** and 969,698 shares related to restricted stock units for which the performance metric had yet to be achieved as of **March 31, 2024** **June 30, 2024** and 2023, respectively.

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

The following table sets forth the reconciliation of basic and diluted earnings per share:

|  | Three Months Ended<br>March 31,            | Three Months Ended<br>March 31, |  |  |  |      |
|--|--|---------------------------------|--|--|--|------|
|  | Three Months Ended<br>March 31,            | Three Months Ended<br>June 30,  |  | Six Months Ended<br>June 30,               |  |      |
|  | 2024                                       |                                 |  |  |  |      |
|  | 2024                                       |                                 |  |  |  |      |
|  | 2024                                       | 2023                            |  | 2024                                       |  | 2023 |
|  | (in thousands, except share and per share) |                                 |  |  |  |      |
|  | (in thousands, except share and per share) |                                 |  |  |  |      |
|  | (in thousands, except share and per share) |                                 |  | (in thousands, except share and per share) |  |      |
| Basic earnings per share:                      |  |                                 |  |  |  |      |
| Numerator                                      |  |                                 |  |  |  |      |
| Numerator                                      |  |                                 |  |  |  |      |
| Numerator                                      |  |                                 |  |  |  |      |
| Net income                                     |  |                                 |  |  |  |      |
| Net income                                     |  |                                 |  |  |  |      |
| Net income                                     |  |                                 |  |  |  |      |
| Preferred stock dividends                      |  |                                 |  |  |  |      |
| Preferred stock dividends                      |  |                                 |  |  |  |      |
| Preferred stock dividends                      |  |                                 |  |  |  |      |
| Net income attributable to common stockholders |  |                                 |  |  |  |      |
| Net income attributable to common stockholders |  |                                 |  |  |  |      |
| Net income attributable to common stockholders |  |                                 |  |  |  |      |
| Denominator                                    |  |                                 |  |  |  |      |
| Denominator                                    |  |                                 |  |  |  |      |
| Denominator                                    |  |                                 |  |  |  |      |
| Weighted-average shares outstanding            |  |                                 |  |  |  |      |
| Weighted-average shares outstanding            |  |                                 |  |  |  |      |
| Weighted-average shares outstanding            |  |                                 |  |  |  |      |





Financial Instruments Not Measured at Fair Values

The fair value of debt financing is estimated based on the quoted market prices for the same or similar issues, or on the current rates offered to the Company for debt of the same remaining maturities, which would be categorized as a Level 2 measurement in the fair value hierarchy. The estimated fair value of debt financing as of March 31, 2024 June 30, 2024 was \$19.0 billion \$19.2 billion compared to a book value of \$19.7 billion \$19.9 billion. The estimated fair value of debt financing as of December 31, 2023 was \$18.7 billion compared to a book value of \$19.4 billion.

The following financial instruments are not measured at fair value on the Company's Consolidated Balance Sheets at March 31, 2024 June 30, 2024, but require disclosure of their fair values: cash and cash equivalents and restricted cash. The estimated fair value of such instruments at March 31, 2024 June 30, 2024 and December 31, 2023 approximates their carrying value as reported on the Consolidated Balance Sheets. The fair value of all these instruments would be categorized as Level 1 in the fair value hierarchy.

Air Lease Corporation and Subsidiaries  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

Note 10. Shareholders' Equity

The Company was authorized to issue up to 500,000,000 shares of Class A common stock, \$0.01 par value, at March 31, 2024 June 30, 2024 and December 31, 2023. As of March 31, 2024 June 30, 2024 and December 31, 2023, the Company had 111,366,501 111,376,884 and 111,027,252 shares of Class A common stock issued and outstanding, respectively. The Company was authorized for issuance to issue up to 10,000,000 shares of Class B common stock, \$0.01 par value at March 31, 2024 June 30, 2024 and December 31, 2023. The Company did not have any shares of Class B non-voting common stock, \$0.01 par value, issued or outstanding as of March 31, 2024 June 30, 2024 or December 31, 2023.

The Company was authorized to issue up to 50,000,000 shares of preferred stock, \$0.01 par value, at March 31, 2024 June 30, 2024 and December 31, 2023. As of March 31, 2024 June 30, 2024 and December 31, 2023, the Company had 10.0 million shares of 6.15% Fixed-to-Floating Non-Cumulative Perpetual Preferred Stock, Series A (the "Series A Preferred Stock"), \$0.01 par value, issued and outstanding with an aggregate liquidation preference of \$250.0 million (\$25.00 per share), 300,000 shares of 4.65% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B (the "Series B Preferred Stock"), \$0.01 par value, issued and outstanding with an aggregate liquidation preference of \$300.0 million (\$1,000 per share) and 300,000 shares of 4.125% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series C (the "Series C Preferred Stock"), \$0.01 par value, issued and outstanding with an aggregate liquidation preference of \$300.0 million (\$1,000 per share).

The following table summarizes the Company's preferred stock issued and outstanding as of March 31, 2024 June 30, 2024 (in thousands, except for share amounts and percentages):

|  |  |               |  |   |   |   |
|--|--|---------------|--|---|---|---|
| Shares<br>Issued and<br>Outstanding<br>as of March<br>31, 2024 |  |               |  |   |   |   |
|  | Shares<br>Issued and<br>Outstanding<br>as of March<br>31, 2024         |               |  |   |   |   |
| Shares<br>Issued and<br>Outstanding<br>as of March<br>31, 2024 |  |               |  | Dividend  |   |   |
|  |  |               |  | Rate in<br>Effect at<br>March<br>31,<br>2024 <sup>(3)</sup> | Next<br>dividend<br>rate<br>reset<br>date | Dividend<br>rate after<br>reset<br>date |
|  | Liquidation<br>Preference<br>as of<br>March 31,<br>2024 <sup>(2)</sup> | Issue<br>Date |  |   |   |   |
| Shares<br>Issued and<br>Outstanding<br>as of June 30,<br>2024  |  |               |  |   |   |   |
| Shares<br>Issued and<br>Outstanding<br>as of June 30,<br>2024  |  |               |  |   |   |   |

|   |   |   |
|---|---|---|
| <p>Total</p> <p>(1) 3M Term SOFR includes a credit spread adjustment of 0.10%.</p> <p>(1) 3M Term SOFR includes a credit spread adjustment of 0.10%.</p> <p>(1) 3M Term SOFR includes a credit spread adjustment of 0.10%.</p> <p>(2) The Series A Preferred Stock has a redemption price of \$25.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends. The Series B Preferred Stock and Series C Preferred Stock each have a redemption price of \$1,000.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends.</p> |   |   |
| <p>(3)</p> <p>Dividends on preferred stock are discretionary and non-cumulative. When declared, dividends on the Series A Preferred Stock are reset quarterly and payable quarterly in arrears and dividends on the Series B Preferred Stock and Series C Preferred Stock are reset every five years and payable quarterly in arrears.</p>  | <p>(3) Dividends on preferred stock are discretionary and non-cumulative. When declared, dividends on the Series A Preferred Stock are reset quarterly and payable quarterly in arrears and dividends on the Series B Preferred Stock and Series C Preferred Stock are reset every five years and payable quarterly in arrears.</p> | <p>(3) Dividends on preferred stock are discretionary and non-cumulative. When declared, dividends on the Series A Preferred Stock are reset quarterly and payable quarterly in arrears and dividends on the Series B Preferred Stock and Series C Preferred Stock are reset every five years and payable quarterly in arrears.</p> |

On May 3, 2023, the stockholders of the Company approved the Air Lease Corporation 2023 Equity Incentive Plan (the "2023 Plan"). As of **March 31, 2024** **June 30, 2024**, the number of shares of Class A Common Stock available for new award grants under the 2023 Plan is approximately **3,719,460** **3,727,160**. The Company has issued restricted stock

units ("RSUs") with four different vesting criteria: those RSUs that vest based on the attainment of book-value goals, those RSUs that vest based on the attainment of Total Shareholder Return ("TSR") goals, time based RSUs that vest ratably over a time period of three years and RSUs that cliff vest at the end of a one or two year period.

The Company recorded \$8.3 million \$8.8 million and \$5.9 million \$8.7 million of stock-based compensation expense related to RSUs for the three months ended March 31, 2024 June 30, 2024 and 2023, respectively.

The Company recorded \$17.1 million and \$14.6 million of stock-based compensation expense related to RSUs for the six months ended June 30, 2024 and 2023, respectively.

**Air Lease Corporation and Subsidiaries**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

*Restricted Stock Units*

Compensation cost for RSUs is measured at the grant date based on fair value and recognized over the vesting period. The fair value of time based and book value RSUs is determined based on the closing market price of the Company's Class A common stock on the date of grant, while the fair value of RSUs that vest based on the attainment of TSR goals is determined at the grant date using a Monte Carlo simulation model. Included in the Monte Carlo simulation model were certain assumptions regarding a number of highly complex and subjective variables, such as expected volatility, risk-free interest rate and expected dividends. To appropriately value the award, the risk-free interest rate is estimated for the time period from the valuation date until the vesting date and the historical volatilities were estimated based on a historical timeframe equal to the time from the valuation date until the end date of the performance period.

During the three six months ended March 31, 2024 June 30, 2024, the Company granted 810,284 827,980 RSUs of which 133,438 are TSR RSUs and 308,421 are book value RSUs. The following table summarizes the activities for the Company's unvested RSUs for the three six months ended March 31, 2024 June 30, 2024:

|  | Unvested Restricted Stock Units |                     |  |  |
|--|---------------------------------|---------------------|--|--|
|  | Number of<br>Shares             | Number of<br>Shares | Weighted-Average<br>Grant-Date<br>Fair Value | Weighted-Average<br>Grant-Date<br>Fair Value |
| Unvested at December 31, 2023  |                                 |                     |  |  |
| Granted  |                                 |                     |  |  |
| Vested <sup>(1)</sup>  |                                 |                     |  |  |
| Forfeited/canceled   |                                 |                     |  |  |
| Unvested at March 31, 2024   |                                 |                     |  |  |
| Expected to vest after March 31, 2024  |                                 |                     |  |  |
| Unvested at June 30, 2024  |                                 |                     |  |  |
| Expected to vest after June 30, 2024   |                                 |                     |  |  |
| (1) During the three months ended March 31, 2024, 247,258 performance based RSUs and 319,896 time-based RSUs vested. |                                 |                     |  |  |
| (1) During the three months ended March 31, 2024, 247,258 performance based RSUs and 319,896 time-based RSUs vested. |                                 |                     |  |  |
| (1) During the three months ended March 31, 2024, 247,258 performance based RSUs and 319,896 time-based RSUs vested. |                                 |                     |  |  |
| (1) During the six months ended June 30, 2024, 247,259 performance based RSUs and 344,122 time-based RSUs vested.    |                                 |                     |  |  |
| (1) During the six months ended June 30, 2024, 247,259 performance based RSUs and 344,122 time-based RSUs vested.    |                                 |                     |  |  |
| (1) During the six months ended June 30, 2024, 247,259 performance based RSUs and 344,122 time-based RSUs vested.    |                                 |                     |  |  |

As of March 31, 2024 June 30, 2024, there was \$58.1 \$48.8 million of unrecognized compensation expense related to unvested stock-based payments granted to employees. Total unrecognized compensation expense will be recognized over a weighted-average remaining period of 2.12 1.91 years.

**Note 12. Aircraft Under Management**

As of March 31, 2024 June 30, 2024, the Company managed 73 67 aircraft across two aircraft management platforms. The Company managed 40 34 aircraft through its Thunderbolt platform and 33 aircraft through the Blackbird investment funds.

As of March 31, 2024 June 30, 2024, the Company managed 33 aircraft on behalf of third-party investors through two investment funds, Blackbird I and Blackbird II. These funds invest in commercial jet aircraft and lease them to airlines throughout the world. The Company provides management services to these funds for a fee. As of March 31, 2024 June 30, 2024, the Company's non-controlling interests in each fund were 9.5% and are accounted for under the equity method of accounting. The Company's investments in these funds aggregated \$69.5 \$70.2 million and \$69.4 million as of March 31, 2024 June 30, 2024 and December 31, 2023, respectively, and are included in Other assets on the Consolidated Balance Sheets.

Additionally, the Company continues to manage aircraft that it sells through its Thunderbolt platform. The Thunderbolt platform facilitates the sale of mid-life aircraft to investors while allowing the Company to continue the management of these aircraft for a fee. As of March 31, 2024 June 30, 2024, the Company managed 40 34 aircraft across three separate transactions. The Company has non-controlling interests in two of these entities of approximately 5.0%, which are accounted for under the cost method of

accounting. The Company's total investment in aircraft sold through its Thunderbolt platform was \$8.8 million as of each of **March 31, 2024** **June 30, 2024** and December 31, 2023 and is included in Other assets on the Consolidated Balance Sheets.

As of May 6, 2024, two aircraft in the Company's managed fleet remain in Russia. While the respective managed platform maintains title to the aircraft, the Company has determined that it is unlikely it will regain possession of the aircraft that have not been returned and that remain in Russia.

**Air Lease Corporation and Subsidiaries**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

On November 6, 2023, Thunderbolt I entered into an agreement to sell all aircraft in its portfolio, consisting of 13 aircraft. As servicer of Thunderbolt I, the Company is facilitating the sale and transfer of the aircraft. During the **three** **six** months ended **March 31, 2024** **June 30, 2024**, Thunderbolt I completed the sale of **four** **nine** of the 13 aircraft.

**Note 13. Net Investment in Sales-type Leases**

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company had sales-type leases for 13 aircraft and 12 aircraft in its owned fleet, respectively.

Net investment in sales-type leases are included in Other assets in the Company's Consolidated Balance Sheets based on the present value of fixed payments under the contract and the residual value of the underlying asset, discounted at the rate implicit in the lease. The Company's investment in sales-type leases consisted of the following (in thousands):

|  | March 31, 2024 | December 31, 2023 |
|--|----------------|-------------------|
|  | June 30, 2024  | December 31, 2023 |
| Future minimum lease payments to be received         |                |                   |
| Estimated residual values of leased flight equipment |                |                   |
| Less: Unearned income                                |                |                   |
| Net Investment in Sales-type Leases                  |                |                   |

As of **March 31, 2024** **June 30, 2024**, future minimum lease payments to be received on sales-type leases were as follows:

(in thousands)

**Years ending December 31,**

|  |  |
|--|--|
| 2024 (excluding the three months ended March 31, 2024) |  |
| 2024 (excluding the three months ended March 31, 2024) |  |
| 2024 (excluding the three months ended March 31, 2024) |  |
| 2024 (excluding the six months ended June 30, 2024)    |  |
| 2024 (excluding the six months ended June 30, 2024)    |  |
| 2024 (excluding the six months ended June 30, 2024)    |  |
| 2025   |  |
| 2026   |  |
| 2027   |  |
| 2028   |  |
| Thereafter   |  |
| Total  |  |

**Note 14. Subsequent Events**

On **May 3, 2024** **July 31, 2024**, the Company's board of directors approved quarterly cash dividends for the Company's Class A common stock and Series A, Series B and Series C preferred stock. The following table summarizes the details of the dividends that were declared:

| Title of each class      | Cash dividend per share     | Record Date                      | Payment Date                   |
|--------------------------|-----------------------------|----------------------------------|--------------------------------|
| Class A Common Stock     | \$ 0.21                     | <b>June 4, September 6, 2024</b> | <b>July 8, October 9, 2024</b> |
| Series A Preferred Stock | \$ <b>0.592675</b> 0.574388 | <b>May</b> August 31, 2024       | <b>June</b> September 15, 2024 |
| Series B Preferred Stock | \$ 11.625                   | <b>May</b> August 31, 2024       | <b>June</b> September 15, 2024 |
| Series C Preferred Stock | \$ 10.3125                  | <b>May</b> August 31, 2024       | <b>June</b> September 15, 2024 |

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read together with our Consolidated Financial Statements and related notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

### Overview

Air Lease Corporation (the "Company", "ALC", "we", "our" or "us") is a leading aircraft leasing company that was founded by aircraft leasing industry pioneer, Steven F. Udvar-Házy. We are principally engaged in purchasing the most modern, fuel-efficient new technology commercial jet aircraft directly from aircraft manufacturers, such as Airbus S.A.S. ("Airbus") and The Boeing Company ("Boeing"), and leasing those aircraft to airlines throughout the world with the intention to generate attractive returns on equity. In addition to our leasing activities, we sell aircraft from our fleet to third-parties, including other leasing companies, financial services companies, airlines and other investors. We also provide fleet management services to investors and owners of aircraft portfolios for a management fee. Our operating performance is driven by the growth of our fleet, the terms of our leases, the interest rates on our debt, and the aggregate amount of our indebtedness, supplemented by gains from aircraft sales and our management fees.

### First Second Quarter Overview

During the three months ended March 31, 2024 June 30, 2024, we purchased 14 13 new aircraft from Airbus and Boeing and sold five 11 aircraft. We ended the first second quarter with a total of 472 474 aircraft in our owned fleet. The net book value of our fleet: grew by 1.2% 2.1% to \$26.5 \$26.8 billion as of March 31, 2024 June 30, 2024 compared to \$26.2 billion as of December 31, 2023. The weighted average age of our fleet was 4.7 years and the weighted average lease term remaining was 7.0 6.9 years as of March 31, 2024 June 30, 2024. Our managed fleet was comprised of 73 67 aircraft as of March 31, 2024 June 30, 2024 compared to 78 aircraft as of December 31, 2023. We have a globally diversified customer base comprised of 120 118 airlines in 62 59 countries as of March 31, 2024 June 30, 2024. We continued to maintain a strong lease utilization rate of 100.0% for the three months ended March 31, 2024 June 30, 2024.

As of March 31, 2024 June 30, 2024, we had commitments to purchase 320 307 aircraft from Airbus and Boeing for delivery through 2029, with an estimated aggregate commitment of \$20.9 \$19.9 billion. We have placed 100% and 96% of our committed orderbook on long-term leases for aircraft delivering through the end of 2025 and 2026, respectively, and have placed 63% 64% of our entire orderbook. We ended the first second quarter of 2024 with \$30.6 \$30.0 billion in committed minimum future rental payments, consisting of \$16.6 \$16.5 billion in contracted minimum rental payments on the aircraft in our existing fleet and \$14.0 \$13.5 billion in minimum future rental payments related to aircraft which will deliver between during the last six months of 2024 through 2028.

We finance the purchase of aircraft and our business with our available cash balances and internally generated funds, which includes cash flows from our leases, as well as aircraft sales and debt financing activities. Our debt financing strategy is focused on raising unsecured debt in the global bank and debt capital markets, with limited utilization of government guaranteed export credit or other forms of secured financing. During the three months ended June 30, 2024, we issued an aggregate of \$1.2 billion in Medium-Term notes at an average interest rate of 5.25% with maturities in 2026 and 2031. We ended the first second quarter of 2024 with an aggregate borrowing capacity under our unsecured revolving credit facility of approximately \$6.0 billion \$7.7 billion and total liquidity of \$6.5 \$8.2 billion. As of March 31, 2024 June 30, 2024, we had total debt outstanding of \$19.7 \$19.9 billion, of which 83.3% 88.3% was at a fixed rate and 98.5% was unsecured, and in the aggregate, our composite cost of funds was 4.03% 3.99%.

Our total revenues for the quarter ended March 31, 2024 increased June 30, 2024 decreased by 4.3% 0.8% to \$663.3 \$667.3 million, compared to the quarter ended March 31, 2023 June 30, 2023. The increase in total revenues was primarily driven by Despite the continued growth of our fleet, our revenues decreased slightly from the prior year in part due to the sales of older aircraft with higher lease yields and an increase in sales activity, partially offset by a decrease in end the purchases of new aircraft with lower initial lease revenue. During the three months ended March 31, 2024, we recognized \$23.0 million yields and reduced gains from aircraft sales. We recorded \$39.7 million in gains from the sale of five 11 aircraft and \$12.7 million for the three months ended June 30, 2024, compared to \$44.6 million in gains from the sale of eight aircraft for the three months ended June 30, 2023. We also experienced a decline in end of lease revenue from of approximately \$12.8 million as compared to the return of two aircraft. During prior period primarily due to fewer aircraft returns during the first quarter of 2023, we recognized \$8.8 million from the sale of two aircraft and \$34.7 million in end of lease revenue from the return of 10 aircraft, three months ended June 30, 2024.

During the three months ended March 31, 2024 June 30, 2024, we recorded net income attributable to common stockholders of \$97.4 million \$90.4 million, or \$0.87 \$0.81 per diluted share, as compared to net income attributable to common stockholders of \$118.3 \$122.0 million, or \$1.06 \$1.10 per diluted share, for the three months ended March 31, 2023. The decrease from the prior year period is primarily due to higher interest expense driven by the increase in our composite cost of funds, partially offset by the increase in revenues discussed above.

1 References throughout this Quarterly Report on Form 10-Q to "our fleet" refer to the aircraft included in flight equipment subject to operating leases and do not include aircraft in our managed fleet, flight equipment held for sale or aircraft classified as net investments in sales-type leases unless the context indicates otherwise.

for the three months ended June 30, 2023. The decrease from the prior year period is primarily due to higher interest expense, driven by the increase in our composite cost of funds and overall outstanding debt balance, as well as the decline in our total revenues, as discussed above.

Our For the three months ended June 30, 2024, we recorded adjusted net income before income taxes<sup>2</sup> excludes the effects of certain non-cash items, one-time or non-recurring items that are not expected to continue in the future and certain other items. For the three months ended March 31, 2024, we recorded adjusted net income before income

taxes of \$146.3 \$137.4 million, or \$1.31 \$1.23 per adjusted diluted share, compared to an adjusted net income before income taxes of \$166.8 \$175.9 million, or \$1.50 \$1.58 per adjusted diluted share, for the three months ended March 31, 2023 June 30, 2023. Adjusted net income before income taxes decreased primarily due to higher interest expense, driven by the increase in our composite cost of funds partially offset by and overall outstanding debt balance, as well as the increase decline in our total revenues as discussed above.

Our Fleet

We continue to own one of the youngest fleets among aircraft lessors, including some of the most fuel-efficient commercial jet aircraft available. Our fleet, based on net book value, increased by 1.2% 2.1%, to \$26.5 \$26.8 billion as of March 31, 2024 June 30, 2024, compared to \$26.2 billion as of December 31, 2023. During the three months ended March 31, 2024 June 30, 2024, we purchased 14 13 new aircraft from Airbus and Boeing and sold five 11 aircraft. We ended the period with a total of 472 474 aircraft in our owned fleet. As of March 31, 2024 June 30, 2024, the weighted average fleet age and weighted average remaining lease term of our fleet were 4.7 years and 7.0 6.9 years, respectively. We also managed 73 67 aircraft as of March 31, 2024 June 30, 2024.

|   |                |
|---|----------------|
| Our portfolio metrics as of March 31, 2024 June 30, 2024 and December 31, 2023 are as follows:  |                |
|   | March 31, 2024 |
|   | March 31, 2024 |
|   | March 31, 2024 |
|   | June 30, 2024  |
|   | June 30, 2024  |
|   | June 30, 2024  |
| Net book value of flight equipment subject to operating lease   |                |
| Net book value of flight equipment subject to operating lease   |                |
| Net book value of flight equipment subject to operating lease   |                |
| Weighted-average fleet age <sup>(1)</sup>   |                |
| Weighted-average fleet age <sup>(1)</sup>   |                |
| Weighted-average fleet age <sup>(1)</sup>   |                |
| Weighted-average remaining lease term <sup>(1)</sup>  |                |
| Weighted-average remaining lease term <sup>(1)</sup>  |                |
| Weighted-average remaining lease term <sup>(1)</sup>  |                |
| Owned fleet <sup>(2)</sup>  |                |
| Owned fleet <sup>(2)</sup>  |                |
| Owned fleet <sup>(2)</sup>  |                |
| Managed fleet   |                |
| Managed fleet   |                |
| Managed fleet   |                |
| Aircraft on order   |                |
| Aircraft on order   |                |
| Aircraft on order   |                |
| Total   |                |
| Total   |                |
| Total   |                |
| Current fleet contracted rentals  |                |
| Current fleet contracted rentals  |                |
| Current fleet contracted rentals  |                |
| Committed fleet rentals   |                |
| Committed fleet rentals   |                |
| Committed fleet rentals   |                |
| Total committed rentals   |                |
| Total committed rentals   |                |
| Total committed rentals   |                |
| (1) Weighted-average fleet age and remaining lease term calculated based on net book value of our flight equipment subject to operating lease.  |                |
| (1) Weighted-average fleet age and remaining lease term calculated based on net book value of our flight equipment subject to operating lease.  |                |
| (1) Weighted-average fleet age and remaining lease term calculated based on net book value of our flight equipment subject to operating lease.  |                |
| (2) As of March 31, 2024 and December 31, 2023, our owned fleet count included 17 and 14 aircraft classified as flight equipment held for sale and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet. |                |

- (2) As of March 31, 2024 and December 31, 2023, our owned fleet count included 17 and 14 aircraft classified as flight equipment held for sale and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.
- (2) As of March 31, 2024 and December 31, 2023, our owned fleet count included 17 and 14 aircraft classified as flight equipment held for sale and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.
- (2) As of June 30, 2024 and December 31, 2023, our owned fleet count included 18 and 14 aircraft classified as flight equipment held for sale, respectively, and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.
- (2) As of June 30, 2024 and December 31, 2023, our owned fleet count included 18 and 14 aircraft classified as flight equipment held for sale, respectively, and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.
- (2) As of June 30, 2024 and December 31, 2023, our owned fleet count included 18 and 14 aircraft classified as flight equipment held for sale, respectively, and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.

2 Adjusted net income before income taxes excludes the effects of certain non-cash items, one-time or non-recurring items that are not expected to continue in the future and certain other items. Adjusted net income before income taxes and adjusted diluted earnings per share before income taxes are measures of financial and operational performance that are not defined by U.S. Generally Accepted Accounting Principles ("GAAP"). See "Results of Operations" below for a discussion of adjusted net income before income taxes and adjusted diluted earnings per share before income taxes as non-GAAP measures and a reconciliation of these measures to net income attributable to common stockholders.

The following table sets forth the net book value and percentage of the net book value of our flight equipment subject to operating leases in the indicated regions based on each airline's principal place of business as of **March 31, 2024** **June 30, 2024** and December 31, 2023:

|  |  | March 31, 2024 |            |  |         | December 31, 2023 |            |  |         |  |                | June 30, 2024 |  |         |  | December 31, 2023 |            |  |  |
|--|--|----------------|------------|--|---------|-------------------|------------|--|---------|--|----------------|---------------|--|---------|--|-------------------|------------|--|--|
| Region                                     | Region                                     | Net Book Value | % of Total |  |         | Net Book Value    | % of Total |  |         | Region                                     | Net Book Value | % of Total    |  |         |  | Net Book Value    | % of Total |  |  |
| (in thousands, except percentages)         |  |                |            |  |         |                   |            |  |         |  |                |               |  |         |  |                   |            |  |  |
| Europe                                     | Europe                                     | \$10,343,225   | 39.0       |  | 39.0 %  | \$ 9,881,024      | 37.7       |  | 37.7 %  | Europe                                     | \$10,882,640   | 40.6          |  | 40.6 %  |  | \$ 9,881,024      | 37.7       |  |  |
| Asia                                       | Asia                                       |                |            |  |         |                   |            |  |         | Asia                                       | \$10,882,640   | 40.6          |  | 40.6 %  |  |                   |            |  |  |
| Pacific                                    | Pacific                                    | 10,191,471     | 38.4       |  | 38.4 %  | 10,456,435        | 39.8       |  | 39.8 %  | Pacific                                    | 9,785,260      | 36.5          |  | 36.5 %  |  | 10,456,435        | 39.8       |  |  |
| Central America, South America, and Mexico | Central America, South America, and Mexico | 2,395,119      | 9.0        |  | 9.0 %   | 2,361,089         | 9.0        |  | 9.0 %   | Central America, South America, and Mexico | 2,546,297      | 9.5           |  | 9.5 %   |  | 2,361,089         | 9.0        |  |  |
| The Middle East and Africa                 | The Middle East and Africa                 | 2,045,638      | 7.7        |  | 7.7 %   | 2,062,420         | 7.9        |  | 7.9 %   | The Middle East and Africa                 | 2,022,760      | 7.6           |  | 7.6 %   |  | 2,062,420         | 7.9        |  |  |
| U.S. and Canada                            | U.S. and Canada                            | 1,569,050      | 5.9        |  | 5.9 %   | 1,470,240         | 5.6        |  | 5.6 %   | U.S. and Canada                            | 1,552,409      | 5.8           |  | 5.8 %   |  | 1,470,240         | 5.6        |  |  |
| Total                                      | Total                                      | \$26,544,503   | 100.0      |  | 100.0 % | \$26,231,208      | 100.0      |  | 100.0 % | Total                                      | \$26,789,366   | 100.0         |  | 100.0 % |  | \$26,231,208      | 100.0      |  |  |

The following table sets forth our top five lessees by net book value as of **March 31, 2024** **June 30, 2024**:



| Lessee               | March 31, June 30, 2024 |  |
|----------------------|-------------------------|--|
|                      | % of Total              |  |
| Virgin Atlantic      | 5.7 %                   |  |
| Air France-KLM Group | 5.4 %                   |  |
| ITA                  | 5.1 %                   |  |
| EVA Air              | 4.7 %                   |  |
| ITA Aeromexico       | 4.7 %                   |  |
| Air France-KLM Group | 4.4 %                   |  |
| Vietnam Airlines     | 4.0 4.3 %               |  |

The following table sets forth the number of aircraft in our owned fleet by aircraft type as of March 31, 2024 June 30, 2024 and December 31, 2023:

|                                |                                | December 31,       |            |                    |            |               |                    |                                |               |                    |            |                                |                    |            |               |                    |            |
|--------------------------------|--------------------------------|--------------------|------------|--------------------|------------|---------------|--------------------|--------------------------------|---------------|--------------------|------------|--------------------------------|--------------------|------------|---------------|--------------------|------------|
|                                |                                | March 31, 2024     |            | 2023               |            |               |                    |                                |               |                    |            |                                |                    |            |               |                    |            |
|                                |                                | June 30, 2024      |            | 2023               |            |               |                    |                                |               |                    |            |                                |                    |            |               |                    |            |
| Aircraft type                  | Aircraft type                  | Number of Aircraft | % of Total | Number of Aircraft | % of Total | Aircraft type | Number of Aircraft | % of Total                     | Aircraft type | Number of Aircraft | % of Total | Aircraft type                  | Number of Aircraft | % of Total | Aircraft type | Number of Aircraft | % of Total |
| Airbus A220-100                | Airbus A220-100                | 3                  | 0.6        | 0.6 %              | 2          | 0.4           | 0.4 %              | Airbus A220-100                | 4             | 0.8                | 0.8 %      | Airbus A220-100                | 2                  | 0.4        | 0.4 %         |                    |            |
| Airbus A220-300                | Airbus A220-300                | 14                 | 3.0        | 3.0 %              | 13         | 2.8           | 2.8 %              | Airbus A220-300                | 15            | 3.2                | 3.2 %      | Airbus A220-300                | 13                 | 2.8        | 2.8 %         |                    |            |
| Airbus A319-100                | Airbus A319-100                | 1                  | 0.2        | 0.2 %              | 1          | 0.2           | 0.2 %              | Airbus A319-100                | 1             | 0.2                | 0.2 %      | Airbus A319-100                | 1                  | 0.2        | 0.2 %         |                    |            |
| Airbus A320-200                | Airbus A320-200                | 28                 | 5.9        | 5.9 %              | 28         | 6.0           | 6.0 %              | Airbus A320-200                | 27            | 5.7                | 5.7 %      | Airbus A320-200                | 28                 | 6.0        | 6.0 %         |                    |            |
| Airbus A320-200neo             | Airbus A320-200neo             | 26                 | 5.5        | 5.5 %              | 25         | 5.4           | 5.4 %              | Airbus A320-200neo             | 23            | 4.9                | 4.9 %      | Airbus A320-200neo             | 25                 | 5.4        | 5.4 %         |                    |            |
| Airbus A321-200                | Airbus A321-200                | 23                 | 4.9        | 4.9 %              | 23         | 5.0           | 5.0 %              | Airbus A321-200                | 22            | 4.6                | 4.6 %      | Airbus A321-200                | 23                 | 5.0        | 5.0 %         |                    |            |
| Airbus A321-200neo             | Airbus A321-200neo             | 100                | 21.2       | 21.2 %             | 95         | 20.6          | 20.6 %             | Airbus A321-200neo             | 104           | 21.9               | 21.9 %     | Airbus A321-200neo             | 95                 | 20.6       | 20.6 %        |                    |            |
| Airbus A330-200 <sup>(1)</sup> | Airbus A330-200 <sup>(1)</sup> | 13                 | 2.8        | 2.8 %              | 13         | 2.8           | 2.8 %              | Airbus A330-200 <sup>(1)</sup> | 13            | 2.7                | 2.7 %      | Airbus A330-200 <sup>(1)</sup> | 13                 | 2.8        | 2.8 %         |                    |            |
| Airbus A330-300                | Airbus A330-300                | 5                  | 1.1        | 1.1 %              | 5          | 1.1           | 1.1 %              | Airbus A330-300                | 5             | 1.1                | 1.1 %      | Airbus A330-300                | 5                  | 1.1        | 1.1 %         |                    |            |
| Airbus A330-900neo             | Airbus A330-900neo             | 22                 | 4.7        | 4.7 %              | 23         | 5.0           | 5.0 %              | Airbus A330-900neo             | 23            | 4.9                | 4.9 %      | Airbus A330-900neo             | 23                 | 5.0        | 5.0 %         |                    |            |
| Airbus A350-900                | Airbus A350-900                | 14                 | 3.0        | 3.0 %              | 14         | 3.0           | 3.0 %              | Airbus A350-900                | 15            | 3.2                | 3.2 %      | Airbus A350-900                | 14                 | 3.0        | 3.0 %         |                    |            |

|                      |                      |     |       |         |     |       |         |                      |     |       |         |     |       |         |
|----------------------|----------------------|-----|-------|---------|-----|-------|---------|----------------------|-----|-------|---------|-----|-------|---------|
| Airbus A350-1000     | Airbus A350-1000     | 8   | 1.7   | 1.7 %   | 7   | 1.5   | 1.5 %   | Airbus A350-1000     | 8   | 1.7   | 1.7 %   | 7   | 1.5   | 1.5 %   |
| Boeing 737-700       | Boeing 737-700       | 3   | 0.6   | 0.6 %   | 3   | 0.6   | 0.6 %   | Boeing 737-700       | 3   | 0.6   | 0.6 %   | 3   | 0.6   | 0.6 %   |
| Boeing 737-800       | Boeing 737-800       | 71  | 15.0  | 15.0 %  | 73  | 15.8  | 15.8 %  | Boeing 737-800       | 67  | 14.1  | 14.1 %  | 73  | 15.8  | 15.8 %  |
| Boeing 737-8 MAX     | Boeing 737-8 MAX     | 55  | 11.7  | 11.7 %  | 52  | 11.2  | 11.2 %  | Boeing 737-8 MAX     | 57  | 12.0  | 12.0 %  | 52  | 11.2  | 11.2 %  |
| Boeing 737-9 MAX     | Boeing 737-9 MAX     | 29  | 6.1   | 6.1 %   | 29  | 6.3   | 6.3 %   | Boeing 737-9 MAX     | 30  | 6.3   | 6.3 %   | 29  | 6.3   | 6.3 %   |
| Boeing 777-200ER     | Boeing 777-200ER     | 1   | 0.2   | 0.2 %   | 1   | 0.2   | 0.2 %   | Boeing 777-200ER     | 1   | 0.2   | 0.2 %   | 1   | 0.2   | 0.2 %   |
| Boeing 777-300ER     | Boeing 777-300ER     | 24  | 5.1   | 5.1 %   | 24  | 5.2   | 5.2 %   | Boeing 777-300ER     | 24  | 5.1   | 5.1 %   | 24  | 5.2   | 5.2 %   |
| Boeing 787-9         | Boeing 787-9         | 25  | 5.3   | 5.3 %   | 25  | 5.4   | 5.4 %   | Boeing 787-9         | 25  | 5.3   | 5.3 %   | 25  | 5.4   | 5.4 %   |
| Boeing 787-10        | Boeing 787-10        | 6   | 1.2   | 1.2 %   | 6   | 1.3   | 1.3 %   | Boeing 787-10        | 6   | 1.3   | 1.3 %   | 6   | 1.3   | 1.3 %   |
| Embraer E190         | Embraer E190         | 1   | 0.2   | 0.2 %   | 1   | 0.2   | 0.2 %   | Embraer E190         | 1   | 0.2   | 0.2 %   | 1   | 0.2   | 0.2 %   |
| Total <sup>(2)</sup> | Total <sup>(2)</sup> | 472 | 100.0 | 100.0 % | 463 | 100.0 | 100.0 % | Total <sup>(2)</sup> | 474 | 100.0 | 100.0 % | 463 | 100.0 | 100.0 % |

(1) As of March 31, 2024 and December 31, 2023, aircraft count includes two Airbus A330-200 aircraft classified as a freighter.

(1) As of June 30, 2024 and December 31, 2023, aircraft count includes two Airbus A330-200 aircraft classified as a freighter.

(1) As of March 31, 2024 and December 31, 2023, aircraft count includes two Airbus A330-200 aircraft classified as a freighter.

(1) As of June 30, 2024 and December 31, 2023, aircraft count includes two Airbus A330-200 aircraft classified as a freighter.

(1) As of March 31, 2024 and December 31, 2023, aircraft count includes two Airbus A330-200 aircraft classified as a freighter.

(2) As of March 31, 2024 and December 31, 2023, our owned fleet count included 17 and 14 aircraft classified as flight equipment held for sale and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.

(1) As of June 30, 2024 and December 31, 2023, aircraft count includes two Airbus A330-200 aircraft classified as a freighter.

(2) As of June 30, 2024 and December 31, 2023, our owned fleet count included 18 and 14 aircraft classified as flight equipment held for sale, respectively, and 13 and 12 aircraft classified as net investments in sales-type leases, respectively, which are all included in Other assets on the Consolidated Balance Sheet.

As of **March 31, 2024** **June 30, 2024**, we had contractual commitments to acquire a total of **320** **307** new aircraft for delivery through 2029. The following tables show our contractual delivery commitment schedule and our expected delivery commitment schedule as of **March 31, 2024** **June 30, 2024**:

#### Contractual commitment schedule

Estimated Delivery Years

## Aircraft Type

### Aircraft Type

| Aircraft Type                     | Last 9 months of 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total | Last 6 months of 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total |
|-----------------------------------|-----------------------|------|------|------|------|------------|-------|-----------------------|------|------|------|------|------------|-------|
| Airbus A220-100/300               |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A320/321neo <sup>(1)</sup> |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A330-900neo                |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A350-900/1000              |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A350F                      |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Boeing 737-8/9 MAX                |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Boeing 787-9/10                   |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |

Total<sup>(2)</sup>

(1) Our Airbus A320/321neo aircraft orders include seven long-range variants and 49 extra long-range variants.

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(2) The table above reflects aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through May 6, 2024. Our contractual delivery commitment schedule is subject to a number of factors outside our control, including ongoing delays by Airbus and Boeing for some aircraft, and we cannot guarantee delivery of any particular aircraft at any specific time notwithstanding our contractual delivery commitment schedule.

(2) The table above reflects aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through August 1, 2024. Our contractual delivery commitment schedule is subject to a number of factors outside our control, including ongoing delays by Airbus and Boeing for some aircraft, and we cannot guarantee delivery of any particular aircraft at any specific time notwithstanding our contractual delivery commitment schedule.

## Expected commitment schedule

### Estimated Delivery Years

## Aircraft Type

### Aircraft Type

| Aircraft Type                     | Last 9 months of 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total | Last 6 months of 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total |
|-----------------------------------|-----------------------|------|------|------|------|------------|-------|-----------------------|------|------|------|------|------------|-------|
| Airbus A220-100/300               |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A320/321neo <sup>(1)</sup> |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A330-900neo                |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A350-900/1000              |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Airbus A350F                      |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Boeing 737-8/9 MAX                |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |
| Boeing 787-9/10                   |                       |      |      |      |      |            |       |                       |      |      |      |      |            |       |

Total<sup>(2)</sup>

(1) Our Airbus A320/321neo aircraft orders include seven long-range variants and 49 extra long-range variants.

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(1) Our Airbus A320/321neo aircraft orders include seven long-range variants and 49 extra long-range variants.

(2) The table above reflects our contractual commitment schedule adjusted to reflect production and delivery estimates by management as of May 6, 2024. Our expected delivery schedule is subject to a number of factors outside our control, including ongoing delays by Airbus and Boeing for some aircraft, and we cannot guarantee delivery of any particular aircraft at any specific time notwithstanding our expected commitment schedule. For more information on the risks and uncertainties impacting our aircraft deliveries, see "Part I—Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023.

(2) The table above reflects our contractual commitment schedule adjusted to reflect production and delivery estimates by management as of August 1, 2024. Our expected delivery schedule is subject to a number of factors outside our control, including ongoing delays by Airbus and Boeing for some aircraft, and we cannot guarantee delivery of any particular aircraft at any specific time notwithstanding our expected commitment schedule. For more information on the risks and uncertainties impacting our aircraft deliveries, see "Part I—Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Contractual and expected commitments for the acquisition of these aircraft as of **March 31, 2024** **June 30, 2024** are as follows (in thousands):

| Years ending December 31,                              | Years ending December 31, | Contractual | Expected | Years ending December 31, | Contractual | Expected |
|--|---------------------------|-------------|----------|---------------------------|-------------|----------|
| 2024 (excluding the three months ended March 31, 2024) |                           |             |          |                           |             |          |
| 2024 (excluding the six months ended June 30, 2024)    |                           |             |          |                           |             |          |
| 2025   |                           |             |          |                           |             |          |
| 2026   |                           |             |          |                           |             |          |
| 2027   |                           |             |          |                           |             |          |
| 2028   |                           |             |          |                           |             |          |
| Thereafter   |                           |             |          |                           |             |          |
| Total  |                           |             |          |                           |             |          |

The tables above are subject to change based on Airbus and Boeing delivery delays. As noted above, we expect delivery delays for some of the aircraft in our orderbook. We remain in discussions with Airbus and Boeing to determine the extent and duration of delivery delays; however, we are not currently able to determine the full impact of these delays.

#### Aircraft Delivery Delays

Pursuant to our purchase agreements with Airbus and Boeing, we agree to contractual delivery dates for each aircraft ordered. These dates can change for a variety of reasons, however for the last several years, manufacturing delays have significantly impacted the planned purchases of our aircraft on order with both Airbus and Boeing.

In January 2024, the FAA ordered the temporary grounding of certain Boeing 737-9 MAX aircraft after the in-flight loss of a mid-cabin exit door plug in one aircraft. The 737-9 MAX aircraft has since returned to service; however, Boeing will not be allowed by the FAA to increase 737 MAX production rates until quality control issues are resolved. Due to these production constraints, we expect further delivery delays on our 737 MAX aircraft orders, and we are unable to estimate when Boeing 737 MAX production rates will normalize.

Our purchase agreements with Airbus and Boeing generally provide each of us and the manufacturers with cancellation rights for delivery delays starting at one year after the original contractual delivery date, regardless of cause. In addition, our lease agreements generally provide each of us and the lessees with cancellation rights related to certain aircraft delivery delays that typically parallel the cancellation rights in our purchase agreements.

As a result of continued manufacturing delays described herein, our aircraft delivery schedule could continue to be subject to material changes and delivery delays are expected to extend **beyond 2024, for the next three to four years.**

The following table, which is subject to change based on Airbus and Boeing delivery delays, shows the number of new aircraft contractually scheduled to be delivered as of **March 31, 2024** **June 30, 2024**, along with the lease placements of such aircraft as of **May 6, 2024** **August 1, 2024**. Airbus and Boeing have expressed their desire to increase production rates on several aircraft types; however, they have yet to meaningfully increase production. At current production rates, we do not see delivery delays improving in the near term. In addition, the Pratt & Whitney GTF engine manufacturing flaws and Boeing's enhancement of their quality control procedures could further impact delivery delays of new Airbus A320neo family aircraft and the Boeing 737 MAX, respectively. We remain in discussions with Airbus and Boeing to determine the extent and duration of delivery delays, but we are not currently able to determine the full impact of these delays.

|               |               | Number | Number of |       |          |               |  | Number |  | Number of |       |          |
|---------------|---------------|--------|-----------|-------|----------|---------------|--|--------|--|-----------|-------|----------|
| Delivery Year | Delivery Year | Leased | Aircraft  |       | % Leased | Delivery Year |  | Leased |  | Aircraft  |       | % Leased |
| 2024          | 2024          | 70     | 70        | 100.0 | 100.0    | % 2024        |  | 50     |  | 50        | 100.0 | 100.0    |
| 2025          | 2025          | 60     | 60        | 100.0 | 100.0    | % 2025        |  | 60     |  | 60        | 100.0 | 100.0    |
| 2026          | 2026          | 49     | 67        | 73.1  | 73.1     | % 2026        |  | 53     |  | 60        | 88.3  | 88.3     |
| 2027          | 2027          | 23     | 78        | 29.5  | 29.5     | % 2027        |  | 32     |  | 78        | 41.0  | 41.0     |
| 2028          | 2028          | 1      | 40        | 2.5   | 2.5      | % 2028        |  | 2      |  | 52        | 3.8   | 3.8      |
| Thereafter    | Thereafter    | —      | 5         | —     | —        | % Thereafter  |  | —      |  | 7         | —     | —        |
| Total         |               |        |           |       |          |               |  |        |  |           |       |          |

#### Aircraft Industry and Sources of Revenues

Our revenues are principally derived from operating leases with airlines throughout the world. As of **March 31, 2024** **June 30, 2024**, we had a globally diversified customer base of **120** **118** airlines in **62** **59** different countries, with over 95% of our business revenues from airlines domiciled outside of the U.S., and we anticipate that most of our revenues in the future will be generated from foreign customers.

We believe the current airline operating environment is favorably positioned for us and the broader commercial aircraft leasing industry. Factors such as increases in population growth and the size of the global middle class as well as air travel demand, and improved global economic health and development positively affect the long-term

performance of the commercial aircraft leasing industry. In addition, factors and trends including increased airline financing needs, OEM supply chain challenges and backlogs, the rising price of jet fuel, and environmental sustainability objectives impact the commercial aircraft leasing industry in the short-term and may increase the demand for our aircraft.

Passenger traffic volume has historically expanded at a faster rate than global GDP growth, in part due to the expansion of the global middle class and the ease and affordability of air travel, which we expect to continue. The International Air Transport Association ("IATA") reported that passenger traffic was up **14% 9%** in **March June 2024** relative to the prior year period, primarily due to continued strength in international traffic and healthy continued expansion of domestic traffic globally. International traffic in **March June** rose **19% 12%** relative to the prior year, benefiting from robust continued international travel expansion in the Asia Pacific region, as well as strong international expansion in all other major markets reported by IATA. Global domestic traffic rose **7% 4%** in **March June** as compared to the prior year period, **led by traffic growth in China, remaining well above the pace of global GDP expansion.** Meanwhile, passenger load factors also continue to rise and are persisting at historically high levels, which is compounding airline demand for additional aircraft. IATA reported total global passenger load factors of **82% 85%** for **March June 2024**, as compared to **81% 84%** in the prior year period and 79% for full-year 2022.

As global air traffic continues to expand, we are experiencing increased demand for our aircraft through new lease requests and lease extension requests. Airline forward ticket sales as reported by IATA remained healthy in the **first second** quarter 2024, illustrating continued support for traffic **volume into 2024, volume.** We expect the need for airlines to replace aging aircraft will also increase the demand for newer, more fuel efficient aircraft. As a result, we believe many airlines will look to lessors for these new aircraft. In addition, both Airbus and Boeing have ongoing delivery delays which have been further compounded by engine manufacturer delays, as well as shorter **on-wing on wing** engine time of most new technology engines. These delays have impacted and may continue to impact the ability of Airbus and Boeing to meet their contractual delivery obligations to us. We also expect that relatively low levels of widebody retirements in recent years could lead to an accelerated replacement cycle of older widebody aircraft in the near future.

The increased demand for our new aircraft, combined with elevated interest rates and inflation, helped to increase lease rates on new lease agreements and lease extensions during the **three six** months ended **March 31, 2024 June 30, 2024.** However, lease rate increases continue to lag behind interest rate increases. We expect that lease rates will continue to increase as airlines adjust to a persistently higher interest **rate rate** environment and our funding advantage relative to our airline customers widens. Lease rates are influenced by several factors above and beyond interest rates, including aircraft demand, supply technicals, supply chain disruptions, environmental initiatives and other factors that may result in a change in lease rates regardless of the interest rate environment and therefore, are difficult to project or forecast. We also believe the increase in lease rates and the tightening of credit markets may result in a shortfall of available capital to finance aircraft purchases, which could increase the demand for leasing.

Airline reorganizations, liquidations, or other forms of bankruptcies occurring in the industry may include some of our aircraft customers and result in the early return of aircraft or changes in our lease terms. Our airline customers are facing higher operating costs as a result of higher fuel costs, increased interest rates, inflation, foreign currency risk, ongoing labor shortages and disputes, as well as delays and cancellations caused by the global air traffic control system and airports, although the magnitude of underlying pre-pandemic demand returning to the market is offering a strong counterbalance to these increased costs.

We believe the aircraft leasing industry has remained resilient over time across a variety of global economic conditions and remain optimistic about the long-term fundamentals of our business. We believe leasing will continue to be an attractive form of aircraft financing for airlines because less cash and financing is required for the airlines, lessors maintain key delivery positions, and it provides fleet flexibility while eliminating residual value risk for lessees.

#### Update on Russian Fleet

As previously disclosed in our filings with the U.S. Securities and Exchange Commission, in June 2022, we and certain of our subsidiaries submitted insurance claims to the insurers on our aviation insurance policies to recover losses relating to aircraft detained in Russia for which we recorded a net write-off of our interests in our owned and managed aircraft totaling approximately \$771.5 million for the year ended December 31, 2022. In December 2022, we filed suit in the Los Angeles County Superior Court of the State of California against our aviation insurance carriers in connection with our previously submitted insurance claims for which a trial date has been set for April 17, 2025. We continue to have significant claims against our aviation insurance carriers and will continue to vigorously pursue all available insurance claims and our related insurance litigation, and all rights and remedies therein. Collection, timing and amounts of any future insurance and related recoveries and the outcome of our ongoing insurance litigation remain uncertain at this time. See "Part II — Item 1. Legal Proceedings" for more information on our ongoing litigation proceedings regarding aircraft that remain detained in Russia.

As of **May 6, 2024 August 1, 2024**, we maintain title to 16 aircraft previously included in our owned **fleet and the respective managed platform maintains title to two aircraft previously included in our managed** fleet that are still detained in Russia. While we remain in ongoing settlement discussions regarding these aircraft, the operators of these aircraft have continued to fly most of the aircraft notwithstanding the termination of leasing activities. It is uncertain whether any of these discussions will result in any settlement or receipt of settlement proceeds and, if so, in what amount.

#### Liquidity and Capital Resources

##### Overview

We ended the **first second** quarter of 2024 with available liquidity of **\$6.5 \$8.2** billion, which was comprised of unrestricted cash of **\$554.4 million \$454.1 million** and undrawn balances under our unsecured revolving credit facility of approximately **\$6.0 billion \$7.7 billion.** We finance the purchase of aircraft and our business operations using our available cash balances and internally generated funds, which includes cash flows from our leases, as well as aircraft sales and debt financing activities. We aim to maintain investment-grade credit metrics and focus our debt financing strategy on funding our business primarily on an unsecured basis with mostly fixed-rate debt issued in the public bond market. Unsecured financing provides us with operational flexibility when selling or transitioning aircraft from one airline to another. We also have the ability to seek debt financing secured by our assets, as well as financings supported through government-guaranteed export credit agencies for future aircraft deliveries. Our access to a variety of financing alternatives and the global capital markets, including capital raises through unsecured public notes denominated in U.S. dollars or various foreign currencies, private capital, bank debt, secured debt and preferred stock issuances serves as a key advantage in managing our liquidity. Ongoing aircraft delivery delays as a product of manufacturer delays are expected to further reduce our aircraft investment and debt financing needs for the next 12 months and potentially beyond.

We ended the **first second** quarter of 2024 with total debt outstanding of **\$19.7 \$19.9** billion, of which **83.3% 88.3%** was at a fixed rate and 98.5% was unsecured, and in the aggregate, our composite cost of funds was **4.03% 3.99%**. As of December 31, 2023, we had total debt outstanding of \$19.4 billion, of which 84.7% was at a fixed rate and 98.4% of which was unsecured, and in the aggregate, our composite cost of funds was 3.77%.

### Capital Allocation Strategy

We have a balanced approach to capital allocation based on the following priorities, ranked in order of priority: first, investing in modern, in-demand aircraft to profitably grow our core aircraft leasing business while maintaining strong fleet metrics and creating sustainable long-term shareholder value; second, maintaining our investment grade balance sheet utilizing unsecured debt as our primary form of financing; and finally, in line with the aforementioned priorities, returning excess cash to shareholders through our dividend policy as well as regular evaluation of share repurchases, as appropriate.

### Material Cash Sources and Requirements

We believe that we have sufficient liquidity from available cash balances, cash generated from ongoing operations, available commitments under our unsecured revolving credit facility and general ability to access the capital and debt markets for opportunistic debt financings to satisfy the operating requirements of our business through at least the next 12 months. Our long-term debt financing strategy is focused on continuing to raise primarily unsecured debt in the global bank and investment grade capital markets. Our material cash sources include:

- **Unrestricted cash:** We ended the **first second** quarter of 2024 with **\$54.4 million 0.5 billion** in unrestricted cash.
- **Lease cash flows:** We ended the **first second** quarter of 2024 with **\$30.6 billion \$30.0 billion** in committed minimum future rental payments comprised of **\$16.6 billion \$16.5 billion** in contracted minimum rental payments on the aircraft in our existing fleet and **\$14.0 billion \$13.5 billion** in minimum future rental payments related to aircraft which will deliver **between during the last six months of** 2024 through 2028. These rental payments are a primary driver of our short and long-term operating cash flow. As of **March 31, 2024 June 30, 2024**, our minimum future rentals on our existing non-cancellable operating leases for the next 12 months was \$2.4 billion. For further detail on our minimum future rentals for the remainder of 2024 and thereafter, see "Notes to Consolidated Financial Statements" under "Item 1. Financial Statements" in this Quarterly Report on Form 10-Q.
- **Unsecured revolving credit facility:** **After giving effect to the amendment signed in April 2024, As of August 1, 2024,** our \$7.8 billion revolving credit facility is syndicated across 52 financial institutions from various regions of the world, diversifying our reliance on any individual lending institution. The final maturity for the facility is May 2028, although we expect to refinance this facility in advance of that date. The facility contains standard investment grade covenants and does not condition our ability to borrow on the lack of a material adverse effect on us or the general economy. As of **March 31, 2024 June 30, 2024**, we had **\$1.5 billion \$90.0 million** outstanding under our unsecured revolving credit facility.
- **Senior unsecured securities:** We are a frequent issuer in the investment grade capital markets, opportunistically issuing unsecured notes, primarily through our Medium-Term Note Program at attractive cost of funds and other senior unsecured securities. During the **three six** months ended **March 31, 2024 June 30, 2024**, we issued (i) \$500.0 million in aggregate principal amount of 5.10% Medium-Term Notes due 2029, (ii) Canadian dollar ("C\$") denominated debt of C\$400.0 million in aggregate principal amount of 5.40% Medium-Term Notes due 2028, **and** (iii) Euro ("€") denominated debt of €600.0 million in aggregate principal amount of 3.70% Medium-Term Notes due **2030, 2030, (iv) \$600.0 million in aggregate principal amount of 5.30% Medium-Term Notes due 2026 and (v) \$600.0 million in aggregate principal amount of 5.20% Medium-Term Notes due 2031**. We expect to have continued access to the investment grade bond market and other unsecured securities in the future, although we continue to anticipate that interest rates for issuances in the near term will remain elevated compared to those available prior to 2022.
- **Unsecured bank facilities:** We have active dialogue with a variety of global financial institutions and enter into new unsecured credit facilities from time to time as a means to supplement our liquidity and sources of funding. These loans are typically pre-payable without penalty at any time offering us significant flexibility in different rate environments.
- **Aircraft sales:** Proceeds from the sale of aircraft help supplement our liquidity position. We have **\$1.4 \$1.5** billion of aircraft in our sales pipeline<sup>3</sup>, which includes **\$666.4 \$608.9** million of aircraft classified as flight equipment held for sale as of **March 31, 2024 June 30, 2024** and **\$698.0 \$895.5** million of aircraft subject to letters of intent<sup>4</sup>. We expect the sale of the majority of our aircraft classified as flight equipment held for sale to be completed **in 2024, by the second half of 2025**. We expect to sell approximately \$1.5 billion in aircraft for the full year 2024 and continue to see robust demand in the secondary market to support our aircraft sales program.

<sup>3</sup> Aircraft in our sales pipeline is as of June 30, 2024, adjusted for letters of intent signed through August 1, 2024.

<sup>4</sup> While our management's historical experience is that non-binding letters of intent for aircraft sales generally lead to binding contracts, we cannot be certain that we will ultimately execute binding sales agreements for all or any of the aircraft subject to letters of intent or predict the timing of closing for any such aircraft sales.

- **Other sources:** In addition to the above, we generate liquidity through cash received from security deposits and maintenance reserves from our lease agreements, other sources of debt financings (including secured bank term loans, export credit and private placements), as well as issuances of preferred stock.

Tighter monetary policies in the United States and other countries since early 2022 resulted in rapid interest rate increases over a relatively short period of time and many are predicting that rates may remain elevated. This higher interest rate environment has resulted in increased borrowing costs for us and will result in increased borrowing costs until interest rates decline. Historically, there has been a lag between a rise in interest rates and subsequent increases in lease rates. While we have experienced increasing lease rates on new lease agreements and lease extensions since 2023, which are serving to partially offset increased borrowing costs, lease rate increases continue to lag the rapid increase in

interest rates. We believe that lease rates should continue to increase as airlines adjust to a persistently higher rate environment and our funding advantage relative to our airline customers widens. In addition, lease rates are influenced by several factors above and beyond interest rates, including supply technicals driven by aircraft demand, supply chain disruptions, environmental initiatives and other factors that may result in a change in lease rates regardless of the interest rate environment.

As of **March 31, 2024** **June 30, 2024**, we were in compliance in all material respects with the covenants contained in our debt agreements. While a ratings downgrade would not result in a default under any of our debt agreements, it could adversely affect our ability to issue debt and obtain new financings, or renew existing financings, and it would increase the interest rate applicable to certain of our financings. Our liquidity plans are subject to a number of risks and uncertainties, including those described in "Part I—Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Our material cash requirements are primarily comprised of aircraft purchases, debt service payments and general operating expenses. The amount of our cash requirements depends on a variety of factors, including, the ability of aircraft manufacturers to meet their contractual delivery obligations to us, the ability of our lessees to meet their contractual obligations with us, the timing of aircraft sales from our fleet, the timing and amount of our debt service obligations, potential aircraft acquisitions, and the general economic environment in which we operate.

Our material cash requirements as of **March 31, 2024** **June 30, 2024**, are principally as follows (in thousands):

|  | Last 9 months of 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total |
|--|-----------------------|------|------|------|------|------------|-------|
|  | Last 6 months of 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total |
| Contractual purchase commitments <sup>(1)</sup>  |                       |      |      |      |      |            |       |
| Long-term debt obligations   |                       |      |      |      |      |            |       |
| Interest payments on debt outstanding <sup>(2)</sup>   |                       |      |      |      |      |            |       |
| Total  |                       |      |      |      |      |            |       |
| (1) Contractual purchase commitments reflect future Airbus and Boeing aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through May 6, 2024.    |                       |      |      |      |      |            |       |
| (1) Contractual purchase commitments reflect future Airbus and Boeing aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through August 1, 2024. |                       |      |      |      |      |            |       |
| (1) Contractual purchase commitments reflect future Airbus and Boeing aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through May 6, 2024.    |                       |      |      |      |      |            |       |
| (1) Contractual purchase commitments reflect future Airbus and Boeing aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through August 1, 2024. |                       |      |      |      |      |            |       |
| (1) Contractual purchase commitments reflect future Airbus and Boeing aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through May 6, 2024.    |                       |      |      |      |      |            |       |
| (2) Future interest payments on floating rate debt are estimated using floating rates in effect at March 31, 2024, which is inclusive of any cross-currency hedging arrangements.                                    |                       |      |      |      |      |            |       |
| (1) Contractual purchase commitments reflect future Airbus and Boeing aircraft deliveries based on contractual documentation and production adjustments as communicated by Airbus and Boeing through August 1, 2024. |                       |      |      |      |      |            |       |
| (2) Future interest payments on floating rate debt are estimated using floating rates in effect at June 30, 2024, which is inclusive of any cross-currency hedging arrangements.                                     |                       |      |      |      |      |            |       |

The actual delivery dates of the aircraft in our commitments table and the expected time for payment of such aircraft may differ from our estimates and could be further impacted by the pace at which Airbus and Boeing can deliver aircraft, among other factors. As a result, the timing of our contractual purchase commitments shown in the table above may not reflect when the aircraft investments are eventually made. For 2024, we currently expect to make between \$4.5 billion and \$5.5 billion in aircraft investments.

The above table does not include any tax payments we may pay nor any dividends we may pay on our preferred stock or common stock.

Cash Flows

Our cash flows provided by operating activities **increased** **decreased** by **6.6%** **10.9%** or **\$22.8** **\$95.8** million, to **\$371.3** **\$785.1** million for the **three six** months ended **March 31, 2024** **June 30, 2024** as compared to **\$348.5** **\$880.9** million for the **three six** months ended **March 31, 2023** **June 30, 2023**. Our cash flow provided by operating activities during the **three six** months ended **March 31, 2024** **June 30, 2024** **decreased** primarily due to the continued growth of our fleet and an increase in customer cash collections **interest payments made** as compared to the **three six** months ended **March 31, 2023** **June 30, 2023**, partially offset by higher customer cash collections. Our cash flows used in investing activities was **\$630.3** million flat at **\$1.4** billion for each of the **three six** months ended **March 31, 2024** **June 30, 2024** and **\$1.3** billion for the three months ended **March 31, 2023** **June 30, 2023**. **This decrease was due to** Our investing activities are primarily driven by the timing of our aircraft purchases and **an increase in** our sales and trading activity. Our cash flow provided by financing activities was **\$350.4** **\$612.8** million for the **three six** months ended **March 31, 2024** **June 30, 2024** as compared to **\$846.4** **\$335.0** million for the **three six** months ended **March 31, 2023** **June 30, 2023**. The **decrease is** **increase** was primarily due to **a decrease** **an increase** in debt borrowings, partially offset by an increase in **debt** repayments. Our financing activities are mainly driven by changes in our investing activities.

Debt



March 31, 2024 June 30, 2024

(in thousands, except percentages)

(1) This rate does not include the effect of upfront fees, facility fees, undrawn fees or amortization of debt discounts and issuance costs.

(1) This rate does not include the effect of upfront fees, facility fees, undrawn fees or amortization of debt discounts and issuance costs.

*Senior unsecured securities (including Medium-Term Note Program)*

March 31, 2024 June 30, 2024 and December 31, 2023, we had \$17.5 billion and \$16.3 billion in senior unsecured securities outstanding, respectively.

During the **three six months ended March 31, 2024 June 30, 2024**, we issued (i) \$500.0 million in aggregate principal amount of 5.10% Medium-Term Notes due 2029, (ii) Canadian dollar ("C\$") denominated debt of C\$400.0 million in additional aggregate principal amount of 5.40% Medium-Term Notes due 2028 ("2024 C\$ notes") **and**, (iii) Euro ("€") denominated debt of €600.0 million in aggregate principal amount of 3.70% Medium-Term Notes due 2030 ("2024 € notes"), (iv) **\$600.0 million in aggregate principal amount of 5.30% Medium-Term Notes due 2026 and (v) \$600.0 million in aggregate principal amount of 5.20% Medium-Term Notes due 2031.**

The C\$ notes issued in 2024 have the same terms as, and constitute a single tranche with, the C\$500.0 million aggregate principal amount of 5.40% Medium-Term Notes issued in November 2023. We hedged the 2024 C\$ notes through a cross-currency swap that converts the borrowing rate to a fixed 5.95% U.S. dollar denominated rate. We hedged the 2024 € notes through a cross-currency swap that converts the borrowing rate to a fixed 5.441% U.S. dollar denominated rate. The swaps have been designated as cash



flow hedges with changes in the fair value of the derivative recognized in other comprehensive income/(loss). See Note 9 of Notes to Consolidated Financial Statements included in Item 1 for additional details on the fair value of the swaps.

Syndicated unsecured revolving credit facility

As of March 31, 2024 June 30, 2024 and December 31, 2023, we had \$1.5 billion \$90.0 million and \$1.1 billion, respectively, outstanding under our syndicated unsecured revolving credit facility (the "Revolving Credit Facility"). Borrowings under the Revolving Credit Facility are used to finance our working capital needs in the ordinary course of business and for other general corporate purposes.

In April 2024, we amended and extended our Revolving Credit Facility through an amendment that, among other things, extended the final maturity date from May 5, 2027 to May 5, 2028 and amended the total revolving commitments thereunder to approximately \$7.8 billion as of May 5, 2024. As of May 6, 2024 August 1, 2024, lenders held revolving commitments totaling approximately \$7.5 billion that mature on May 5, 2028, commitments totaling \$25.0 million that mature on May 5, 2027, \$210.0 million that mature on May 5, 2026 and commitments totaling \$25.0 million that mature on May 5, 2025. Borrowings under the Revolving Credit Facility continue to accrue interest at Adjusted Term SOFR (as defined in the Revolving Credit Facility) plus a margin of 1.05% per year. We are required to pay a facility fee of 0.20% per year in respect of total commitments under the Revolving Credit Facility. Interest rate and facility fees are subject to changes in our credit ratings.

The Revolving Credit Facility provides for certain covenants, including covenants that limit our subsidiaries' ability to incur, create, or assume certain unsecured indebtedness, and our subsidiaries' abilities to engage in certain mergers, consolidations, and asset sales. The Revolving Credit Facility also requires us to comply with certain financial maintenance covenants including minimum consolidated shareholders' equity, minimum consolidated unencumbered assets, and an interest coverage test. In addition, the Revolving Credit Facility contains customary events of default. In the case of an event of default, the lenders may terminate the commitments under the Revolving Credit Facility and require immediate repayment of all outstanding borrowings.

Secured debt financings

As of March 31, 2024 June 30, 2024, we had an outstanding balance of \$298.5 \$291.5 million in secured debt financings and pledged four aircraft as collateral with a net book value of \$441.4 \$436.9 million. As of December 31, 2023, we had an outstanding balance of \$305.5 million in secured debt financings and pledged four aircraft as collateral with a net book value of \$445.9 million. All of our secured obligations as of March 31, 2024 June 30, 2024 and December 31, 2023 are recourse in nature.

Preferred equity

The following table summarizes our preferred stock issued and outstanding as of March 31, 2024 June 30, 2024 (in thousands, except for share amounts and percentages):

| Shares<br>Issued and<br>Outstanding<br>as of March<br>31, 2024 | Shares<br>Issued and<br>Outstanding<br>as of March<br>31, 2024 |  |               |   |   |   |
|--|--|--|---------------|---|---|---|
|  |  | Liquidation<br>Preference<br>as of<br>March 31,<br>2024 <sup>(2)</sup> | Issue<br>Date | Dividend<br>Rate in<br>Effect at<br>March<br>31,<br>2024 <sup>(3)</sup> | Next<br>dividend<br>rate<br>reset<br>date | Dividend<br>rate after<br>reset<br>date |
|  |  |  |               |   |   |   |
| Shares<br>Issued and<br>Outstanding<br>as of June 30,<br>2024  | Shares<br>Issued and<br>Outstanding<br>as of June 30,<br>2024  |  |               |   |   |   |

|          |          | Shares<br>Issued and<br>Outstanding<br>as of June 30,<br>2024 |         |           | Liquidation<br>Preference<br>as of June<br>30, 2024 <sup>(2)</sup> |                  | Issue<br>Date                          | Dividend<br>Rate in<br>Effect at<br>June<br>30, 2024 <sup>(3)</sup> |  | Next<br>dividend<br>rate<br>reset<br>date |            | Dividend<br>rate after<br>reset<br>date |           |  |  |  |
|----------|----------|---|---------|-----------|--|------------------|--|---|--|---|------------|---|-----------|--|--|--|
| Series A | Series A | 10,000,000  | \$      | \$250,000 | March 5, 2019  | March 5, 2019    | 3M Term SOFR <sup>(1)</sup> plus 3.65% | June 15, 2024   | 3M Term SOFR <sup>(1)</sup> plus 3.65% | Series A                                  | 10,000,000 | \$                                      | \$250,000 |  |  |  |
| Series B | Series B | 300,000   | 300,000 | 300,000   | March 2, 2021  | March 2, 2021    | 4.650%                                 | June 15, 2026   | 5 Yr U.S. Treasury plus 4.076%         | Series B                                  | 300,000    | 300,000                                 | 300,000   |  |  |  |
| Series C | Series C | 300,000   | 300,000 | 300,000   | October 13, 2021   | October 13, 2021 | 4.125%                                 | December 15, 2026   | 5 Yr U.S. Treasury plus 3.149%         | Series C                                  | 300,000    | 300,000                                 | 300,000   |  |  |  |

Total

(1) 3M Term SOFR includes a credit spread adjustment of 0.10%

(1) 3M Term SOFR includes a credit spread adjustment of 0.10%

(1) 3M Term SOFR includes a credit spread adjustment of 0.10%

(2) The Series A Preferred Stock has a redemption price of \$25.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends. The Series B Preferred Stock and Series C Preferred Stock each have a redemption price of \$1,000.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends.

(2) The Series A Preferred Stock has a redemption price of \$25.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends. The Series B Preferred Stock and Series C Preferred Stock each have a redemption price of \$1,000.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends.

(2) The Series A Preferred Stock has a redemption price of \$25.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends. The Series B Preferred Stock and Series C Preferred Stock each have a redemption price of \$1,000.00 per share, plus any declared and unpaid dividends to, but excluding, the redemption date without accumulation of any undeclared dividends.

|  |  |  |
|--|--|--|
| (3) Dividends on preferred stock are discretionary and non-cumulative. When declared, dividends on the Series A Preferred Stock are reset quarterly and payable quarterly in arrears and dividends on the Series B Preferred Stock and Series C Preferred Stock are reset every five years and payable quarterly in arrears. |  |  |
|  | (3) Dividends on preferred stock are discretionary and non-cumulative. When declared, dividends on the Series A Preferred Stock are reset quarterly and payable quarterly in arrears and dividends on the Series B Preferred Stock and Series C Preferred Stock are reset every five years and payable quarterly in arrears. | (3) Dividends on preferred stock are discretionary and non-cumulative. When declared, dividends on the Series A Preferred Stock are reset quarterly and payable quarterly in arrears and dividends on the Series B Preferred Stock and Series C Preferred Stock are reset every five years and payable quarterly in arrears. |

For more information regarding our preferred stock issued and outstanding, see Note 5 of Notes to Consolidated Financial Statements included in Part III, Item 15 of our Annual Report on Form 10-K for the year ended December 31, 2023.

The following table summarizes the quarterly cash dividends that we paid during the three six months ended March 31, 2024 June 30, 2024 on our outstanding Series A, Series B and Series C Preferred Stock (in thousands):

| Title of each class      | Payment Date   |
|--------------------------|----------------|
|                          | March 15, 2024 |
| Series A Preferred Stock | \$3,844        |
| Series B Preferred Stock | \$3,487        |
| Series C Preferred Stock | \$3,094        |

| Title of each class      | Payment Date   |               |
|--------------------------|----------------|---------------|
|                          | March 15, 2024 | June 15, 2024 |
| Series A Preferred Stock | \$3,844        | \$5,927       |
| Series B Preferred Stock | \$3,487        | \$3,487       |
| Series C Preferred Stock | \$3,094        | \$3,094       |

#### Off-balance Sheet Arrangements

We have not established any unconsolidated entities for the purpose of facilitating off-balance sheet arrangements or for other contractually narrow or limited purposes. We have, however, from time to time established subsidiaries or trusts for the purpose of leasing aircraft or facilitating borrowing arrangements which are included in our balance sheet.

We have non-controlling interests in two investment funds in which we own 9.5% of the equity of each fund. We account for our interest in these funds under the equity method of accounting due to our level of influence and involvement in the funds. Also, we manage aircraft that we have sold through our Thunderbolt platform. In connection with the sale of certain aircraft portfolios through our Thunderbolt platform, we hold non-controlling interests of approximately 5.0% in two entities. These investments are accounted for under the cost method of accounting.

In 2024, Kroll Bond Ratings and Standard and Poor's reaffirmed our corporate rating, long-term debt credit rating and outlook. Our investment-grade corporate and long-term debt credit ratings help us to lower our cost of funds and broaden our access to attractively priced capital. The following table summarizes our current credit ratings:

| Rating Agency       | Long-term Debt | Corporate Rating | Outlook | Date of Last Ratings Action |
|---------------------|----------------|------------------|---------|-----------------------------|
| Kroll Bond Ratings  | A-             | A-               | Stable  | March 22, 2024              |
| Standard and Poor's | BBB            | BBB              | Stable  | January 19, 2024            |
| Fitch Ratings       | BBB            | BBB              | Stable  | December 19, 2023           |

While a ratings downgrade would not result in a default under any of our debt agreements, it could adversely affect our ability to issue debt and obtain new financings, or renew existing financings, and it would increase the interest rate applicable to certain of our financings.

The following table presents our historical operating results for the three and six months ended **March 31, 2024**, **June 30, 2024** and 2023 (in thousands, except per share amounts and percentages):

|   |   | Three Months Ended<br>March 31, | Three Months Ended<br>March 31, | Three Months Ended<br>March 31, | Three Months Ended<br>June 30, | Six Months Ended<br>June 30, |
|---|---|---------------------------------|---------------------------------|---------------------------------|--------------------------------|------------------------------|
|   | 2024                                    |                                 | 2024                            |                                 | 2023                           |                              |
|   | 2024                                    |                                 |                                 |                                 |                                |                              |
|   | 2024                                    |                                 |                                 |                                 |                                |                              |
|   |   | (unaudited)                     |                                 |                                 |                                |                              |
|   |   | (unaudited)                     |                                 |                                 |                                |                              |
|   |   | (unaudited)                     |                                 |                                 |                                | (unaudited)                  |
| <b>Revenues</b>                         |   |                                 |                                 |                                 |                                |                              |
| Rental of<br>flight equipment           |   |                                 |                                 |                                 |                                |                              |
| Rental of<br>flight equipment           |   |                                 |                                 |                                 |                                |                              |
| Rental of<br>flight equipment           |   | \$ 609,505                      | \$ 611,733                      | \$ 1,223,834                    |                                |                              |
| Aircraft<br>sales, trading and<br>other | Aircraft<br>sales, trading and<br>other | 57,783                          | 61,171                          | 106,764                         |                                |                              |
| Aircraft<br>sales, trading and<br>other |   |                                 |                                 |                                 |                                |                              |
| Aircraft<br>sales, trading and<br>other |   |                                 |                                 |                                 |                                |                              |
| Total<br>revenues                       |   |                                 |                                 |                                 |                                |                              |

|   |   |         |  |         |  |           |
|---|---|---------|--|---------|--|-----------|
| Total revenues                                    |   |         |  |         |  |           |
| Total revenues                                    | Total revenues                                    | 667,288 |  | 672,904 |  | 1,330,598 |
| Expenses  |   |         |  |         |  |           |
| Expenses  |   |         |  |         |  |           |
| Expenses  |   |         |  |         |  |           |
| Interest  |   |         |  |         |  |           |
| Interest  |   |         |  |         |  |           |
| Interest  |   | 190,004 |  | 172,174 |  | 371,599   |
| Amortization of debt discounts and issuance costs | Amortization of debt discounts and issuance costs | 13,292  |  | 13,646  |  | 26,401    |
| Amortization of debt discounts and issuance costs |   |         |  |         |  |           |
| Amortization of debt discounts and issuance costs |   |         |  |         |  |           |
| Interest expense                                  | Interest expense                                  | 203,296 |  | 185,820 |  | 398,000   |
| Interest expense                                  |   |         |  |         |  |           |
| Interest expense                                  |   |         |  |         |  |           |
| Depreciation of flight equipment                  |   |         |  |         |  |           |
| Depreciation of flight equipment                  |   |         |  |         |  |           |
| Depreciation of flight equipment                  | Depreciation of flight equipment                  | 281,982 |  | 268,586 |  | 559,242   |
| Selling, general and administrative               |   |         |  |         |  |           |
| Selling, general and administrative               |   |         |  |         |  |           |
| Selling, general and administrative               |   | 45,432  |  | 45,832  |  | 93,175    |
| Stock-based compensation expense                  | Stock-based compensation expense                  | 8,837   |  | 8,715   |  | 17,112    |
| Stock-based compensation expense                  |   |         |  |         |  |           |
| Stock-based compensation expense                  |   |         |  |         |  |           |
| Total expenses                                    |   |         |  |         |  |           |
| Total expenses                                    |   |         |  |         |  |           |
| Total expenses                                    | Total expenses                                    | 539,547 |  | 508,953 |  | 1,067,529 |

|  |  |            |  |            |  |            |  |
|--|--|------------|--|------------|--|------------|--|
| Income before taxes                            | Income before taxes                            | 127,741    |  | 163,951    |  | 263,069    |  |
| Income before taxes                            |  |            |  |            |  |            |  |
| Income before taxes                            |  |            |  |            |  |            |  |
| Income tax expense                             |  |            |  |            |  |            |  |
| Income tax expense                             |  |            |  |            |  |            |  |
| Income tax expense                             | Income tax expense                             | (24,795)   |  | (31,550)   |  | (52,257)   |  |
| Net income                                     | Net income                                     | \$ 102,946 |  | \$ 132,401 |  | \$ 210,812 |  |
| Net income                                     |  |            |  |            |  |            |  |
| Net income                                     |  |            |  |            |  |            |  |
| Preferred stock dividends                      | Preferred stock dividends                      | (12,508)   |  | (10,425)   |  | (22,933)   |  |
| Preferred stock dividends                      |  |            |  |            |  |            |  |
| Preferred stock dividends                      |  |            |  |            |  |            |  |
| Net income attributable to common stockholders |  |            |  |            |  |            |  |
| Net income attributable to common stockholders |  |            |  |            |  |            |  |
| Net income attributable to common stockholders | Net income attributable to common stockholders | \$ 90,438  |  | \$ 121,976 |  | \$ 187,879 |  |
| Net income attributable to common stockholders |  |            |  |            |  |            |  |
| <b>Earnings per share of common stock:</b>     |  |            |  |            |  |            |  |
| <b>Earnings per share of common stock:</b>     |  |            |  |            |  |            |  |
| <b>Earnings per share of common stock:</b>     |  |            |  |            |  |            |  |
| Basic  |  |            |  |            |  |            |  |
| Basic  |  |            |  |            |  |            |  |
| Basic  |  | \$ 0.81    |  | \$ 1.10    |  | \$ 1.69    |  |
| Diluted  | Diluted  | \$ 0.81    |  | \$ 1.10    |  | \$ 1.68    |  |
| Diluted  |  |            |  |            |  |            |  |
| Diluted  |  |            |  |            |  |            |  |
| <b>Other financial data</b>                    |  |            |  |            |  |            |  |

|  |  |       |         |       |         |       |         |
|--|--|-------|---------|-------|---------|-------|---------|
| Other financial data   |  |       |         |       |         |       |         |
| Other financial data   |  |       |         |       |         |       |         |
| Pre-tax margin   |  |       |         |       |         |       |         |
| Pre-tax margin   |  |       |         |       |         |       |         |
| Pre-tax margin   |  | 19.1% |         | 24.4% |         | 19.8% |         |
| Pre-tax return on common equity (trailing twelve months)                         | Pre-tax return on common equity (trailing twelve months)                         |       | 10.4%   |       | 10.3%   |       | 10.4%   |
| Pre-tax return on common equity (trailing twelve months)                         |  |       |         |       |         |       |         |
| Pre-tax return on common equity (trailing twelve months)                         |  |       |         |       |         |       |         |
| Adjusted net income before income taxes <sup>(1)</sup>                           |  |       |         |       |         |       |         |
| Adjusted net income before income taxes <sup>(1)</sup>                           |  |       |         |       |         |       |         |
| Adjusted net income before income taxes <sup>(1)</sup>                           | Adjusted net income before income taxes <sup>(1)</sup>                           | \$    | 137,362 | \$    | 175,887 | \$    | 283,649 |
| Adjusted diluted earnings per share before income taxes <sup>(1)</sup>           | Adjusted diluted earnings per share before income taxes <sup>(1)</sup>           | \$    | 1.23    | \$    | 1.58    | \$    | 2.54    |
| Adjusted diluted earnings per share before income taxes <sup>(1)</sup>           |  |       |         |       |         |       |         |
| Adjusted diluted earnings per share before income taxes <sup>(1)</sup>           |  |       |         |       |         |       |         |
| Adjusted pre-tax margin <sup>(1)</sup>   |  |       |         |       |         |       |         |
| Adjusted pre-tax margin <sup>(1)</sup>   |  |       |         |       |         |       |         |
| Adjusted pre-tax margin <sup>(1)</sup>   | Adjusted pre-tax margin <sup>(1)</sup>   |       | 20.6%   |       | 26.1%   |       | 21.3%   |
| Adjusted pre-tax return on common equity (trailing twelve months) <sup>(1)</sup> | Adjusted pre-tax return on common equity (trailing twelve months) <sup>(1)</sup> |       | 10.8%   |       | 11.2%   |       | 10.8%   |
| Adjusted pre-tax return on common equity (trailing twelve months) <sup>(1)</sup> |  |       |         |       |         |       |         |



Adjusted pre-tax  
return on common  
equity (trailing  
twelve months)<sup>(1)</sup>

- (1) Adjusted net income before income taxes (defined as net income attributable to common stockholders excluding the effects of certain non-cash items, one-time or non-recurring items that are not expected to continue in the future and certain other items), adjusted pre-tax margin (defined as adjusted net income before income taxes divided by total revenues), adjusted diluted earnings per share before income taxes (defined as adjusted net income before income taxes divided by the weighted average diluted common shares outstanding) and adjusted pre-tax return on common equity (defined as adjusted net income before income taxes divided by average common shareholders' equity) are measures of operating performance that are not defined by GAAP and should not be considered as an alternative to net income attributable to common stockholders, pre-tax margin, earnings per share, diluted earnings per share and pre-tax return on common equity, or any other performance measures derived in accordance with GAAP.

Adjusted net income before income taxes, adjusted pre-tax margin,

adjusted diluted earnings per share before income taxes and adjusted pre-tax return on common equity are presented as supplemental disclosure because management believes they provide useful information on our earnings from ongoing operations.

Management and our board of directors use adjusted net income before income taxes, adjusted pre-tax margin, adjusted diluted earnings per share before income taxes and adjusted pre-tax return on common equity to assess our consolidated financial and operating performance. Management believes these measures are helpful in evaluating the operating performance of our ongoing operations and identifying trends in our performance, because they remove the effects of certain non-cash items, one-time or non-recurring items that are not expected to continue in the future and certain other items from our operating results. Adjusted net income before income taxes, adjusted pre-tax margin, adjusted diluted earnings per share before income taxes and adjusted pre-tax return on common equity, however, should not be considered in isolation or as a substitute for analysis of our operating results or cash flows as reported under GAAP. Adjusted net income before income taxes, adjusted pre-tax margin, adjusted diluted earnings per share before income taxes and adjusted pre-tax return on common equity do not reflect our cash expenditures or changes in our cash requirements for our working capital needs. In addition, our calculation of adjusted net income before income taxes, adjusted pre-tax margin, adjusted diluted earnings per share before income taxes and adjusted pre-tax return on common equity may differ from the adjusted net income before income taxes, adjusted pre-tax margin, adjusted diluted earnings per share before income taxes and adjusted pre-tax return on common equity, or analogous calculations of other companies in our industry, limiting their usefulness as a comparative measure.

The following table shows the reconciliation of the numerator for adjusted pre-tax margin (in thousands, except percentages):

|  | Three Months Ended<br>March 31, |      | Three Months Ended<br>March 31, |             | Three Months Ended<br>March 31, |  |
|--|---------------------------------|------|---------------------------------|-------------|---------------------------------|--|
|  |                                 |      |                                 |             |                                 |  |
|  | Three Months Ended<br>June 30,  |      | Six Months Ended<br>June 30,    |             |                                 |  |
|  | 2024                            | 2024 | 2023                            | 2024        | 2023                            |  |
|  | 2024                            |      |                                 |             |                                 |  |
|  | 2024                            |      |                                 |             |                                 |  |
|  | (unaudited)                     |      |                                 |             |                                 |  |
|  | (unaudited)                     |      |                                 |             |                                 |  |
|  | (unaudited)                     |      |                                 | (unaudited) |                                 |  |

Reconciliation of the numerator for adjusted pre-tax margin (net income attributable to common stockholders to adjusted net income before income taxes):

Net income attributable to common stockholders

Net income attributable to common stockholders

|   |    |        |    |         |    |         |    |         |
|---|----|--------|----|---------|----|---------|----|---------|
| Net income attributable to common stockholders    | \$ | 90,438 | \$ | 121,976 | \$ | 187,879 | \$ | 240,271 |
| Amortization of debt discounts and issuance costs |    | 13,292 |    | 13,646  |    | 26,401  |    | 26,719  |

|  |   |            |              |              |            |
|--|---|------------|--------------|--------------|------------|
| Amortization of debt discounts and issuance costs  |   |            |              |              |            |
| Amortization of debt discounts and issuance costs  |   |            |              |              |            |
| Stock-based compensation expense   |   |            |              |              |            |
| Stock-based compensation expense   |   |            |              |              |            |
| Stock-based compensation expense   | 8,837                                   | 8,715      | 17,112       | 14,611       |            |
| Income tax expense   | 24,795                                  | 31,550     | 52,257       | 61,096       |            |
| Income tax expense   |   |            |              |              |            |
| Income tax expense   |   |            |              |              |            |
| Adjusted net income before income taxes  |   |            |              |              |            |
| Adjusted net income before income taxes  |   |            |              |              |            |
| Adjusted net income before income taxes  | Adjusted net income before income taxes | \$ 137,362 | \$ 175,887   | \$ 283,649   | \$ 342,697 |
| Denominator for adjusted pre-tax margin:   |   |            |              |              |            |
| Denominator for adjusted pre-tax margin:   |   |            |              |              |            |
| Denominator for adjusted pre-tax margin:   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   |   |            |              |              |            |
| Total revenues   | \$ 667,288                              | \$ 672,904 | \$ 1,330,598 | \$ 1,309,046 |            |
| Adjusted pre-tax margin <sup>(a)</sup>   | Adjusted pre-tax margin <sup>(a)</sup>  | 20.6%      | 26.1%        | 21.3%        | 26.2%      |
| Adjusted pre-tax margin <sup>(a)</sup>   |   |            |              |              |            |
| Adjusted pre-tax margin <sup>(a)</sup>   |   |            |              |              |            |
| (a) Adjusted pre-tax margin is adjusted net income before income taxes divided by total revenues |   |            |              |              |            |
| (a) Adjusted pre-tax margin is adjusted net income before income taxes divided by total revenues |   |            |              |              |            |
| (a) Adjusted pre-tax margin is adjusted net income before income taxes divided by total revenues |   |            |              |              |            |
| (a) Adjusted pre-tax margin is adjusted net income before income taxes divided by total revenues |   |            |              |              |            |

The following table shows the reconciliation of the numerator for adjusted diluted earnings per share before income taxes (in thousands, except share and per share amounts):

|  |                              |      |                              |      |                              |  |
|--|------------------------------|------|------------------------------|------|------------------------------|--|
|  | Three Months Ended March 31, |      | Three Months Ended March 31, |      | Three Months Ended March 31, |  |
|  |                              |      |                              |      |                              |  |
|  |                              |      |                              |      |                              |  |
|  |                              |      |                              |      |                              |  |
|  | Three Months Ended June 30,  |      | Six Months Ended June 30,    |      |                              |  |
|  |                              |      |                              |      |                              |  |
|  | 2024                         | 2024 | 2023                         | 2024 | 2023                         |  |
|  | 2024                         |      |                              |      |                              |  |
|  | 2024                         |      |                              |      |                              |  |

|   |             |             |
|---|-------------|-------------|
|   | (unaudited) |             |
|   | (unaudited) |             |
|   | (unaudited) | (unaudited) |
| <b>Reconciliation of the numerator for adjusted diluted earnings per share (net income attributable to common stockholders to adjusted net income before income taxes):</b>   |             |             |
| Net income attributable to common stockholders  |             |             |
| Net income attributable to common stockholders  |             |             |
| Net income attributable to common stockholders  |             |             |
| Amortization of debt discounts and issuance costs   |             |             |
| Amortization of debt discounts and issuance costs   |             |             |
| Amortization of debt discounts and issuance costs   |             |             |
| Stock-based compensation expense  |             |             |
| Stock-based compensation expense  |             |             |
| Stock-based compensation expense  |             |             |
| Income tax expense  |             |             |
| Income tax expense  |             |             |
| Income tax expense  |             |             |
| Adjusted net income before income taxes   |             |             |
| Adjusted net income before income taxes   |             |             |
| Adjusted net income before income taxes   |             |             |
| <b>Denominator for adjusted diluted earnings per share:</b>   |             |             |
| <b>Denominator for adjusted diluted earnings per share:</b>   |             |             |
| <b>Denominator for adjusted diluted earnings per share:</b>   |             |             |
| Weighted-average diluted common shares outstanding  |             |             |
| Weighted-average diluted common shares outstanding  |             |             |
| Weighted-average diluted common shares outstanding  |             |             |
| Adjusted diluted earnings per share before income taxes <sup>(b)</sup>  |             |             |
| Adjusted diluted earnings per share before income taxes <sup>(b)</sup>  |             |             |
| Adjusted diluted earnings per share before income taxes <sup>(b)</sup>  |             |             |
| Adjusted diluted earnings per share before income taxes <sup>(b)</sup>  |             |             |
| (b) Adjusted diluted earnings per share before income taxes is adjusted net income before income taxes divided by weighted-average diluted common shares outstanding          |             |             |
| (b) Adjusted diluted earnings per share before income taxes is adjusted net income before income taxes divided by weighted-average diluted common shares outstanding          |             |             |
| (b) Adjusted diluted earnings per share before income taxes is adjusted net income before income taxes divided by adjusted weighted-average diluted common shares outstanding |             |             |
| (b) Adjusted diluted earnings per share before income taxes is adjusted net income before income taxes divided by adjusted weighted-average diluted common shares outstanding |             |             |
| (b) Adjusted diluted earnings per share before income taxes is adjusted net income before income taxes divided by adjusted weighted-average diluted common shares outstanding |             |             |
| (b) Adjusted diluted earnings per share before income taxes is adjusted net income before income taxes divided by weighted-average diluted common shares outstanding          |             |             |

The following table shows the reconciliation of pre-tax return on common equity to adjusted pre-tax return on common equity (in thousands, except percentages):

| Trailing Twelve Months |      |             | Trailing Twelve Months |      |  |
|------------------------|------|-------------|------------------------|------|--|
| March 31,              |      |             | June 30,               |      |  |
| 2024                   | 2024 | 2023        | 2024                   | 2023 |  |
|                        |      | (unaudited) |                        |      |  |

**Reconciliation of the numerator for adjusted pre-tax return on common equity (net income attributable to common stockholders to adjusted net income before income taxes):**

Net income attributable to common stockholders

Net income attributable to common stockholders

|   |   |            |            |            |            |
|---|---|------------|------------|------------|------------|
| Net income attributable to common stockholders    |   | \$ 552,068 | \$ 458,989 | \$ 520,530 | \$ 475,113 |
| Amortization of debt discounts and issuance costs | Amortization of debt discounts and issuance costs | 54,088     | 53,130     | 53,734     | 53,363     |
| Recovery of Russian fleet                         | Recovery of Russian fleet                         | (67,022)   | (30,877)   | (67,022)   | (30,877)   |
| Stock-based compensation expense                  | Stock-based compensation expense                  | 36,994     | 24,022     | 37,116     | 26,179     |
| Income tax expense                                | Income tax expense                                | 136,930    | 120,524    | 130,175    | 123,419    |
| Adjusted net income before income taxes           | Adjusted net income before income taxes           | \$ 713,058 | \$ 625,788 | \$ 674,533 | \$ 647,197 |

Reconciliation of denominator for pre-tax return on common equity to adjusted pre-tax return on common equity:

Reconciliation of denominator for pre-tax return on common equity to adjusted pre-tax return on common equity:

Reconciliation of denominator for pre-tax return on common equity to adjusted pre-tax return on common equity:

Common shareholders' equity as of beginning of the period

Common shareholders' equity as of beginning of the period

|   |   |              |              |              |              |
|---|---|--------------|--------------|--------------|--------------|
| Common shareholders' equity as of beginning of the period |   | \$ 5,894,586 | \$ 5,519,585 | \$ 6,002,653 | \$ 5,589,634 |
| Common shareholders' equity as of end of the period       | Common shareholders' equity as of end of the period | \$ 6,381,871 | \$ 5,894,586 | \$ 6,457,246 | \$ 6,002,653 |
| Average common shareholders' equity                       | Average common shareholders' equity                 | \$ 6,138,229 | \$ 5,707,086 | \$ 6,229,950 | \$ 5,796,144 |

Adjusted pre-tax return on common equity<sup>(c)</sup>

Adjusted pre-tax return on common equity<sup>(c)</sup>

|   |      |   |      |   |       |       |
|---|------|---|------|---|-------|-------|
| Adjusted pre-tax return on common equity <sup>(c)</sup> | 11.6 | % | 11.0 | % | 10.8% | 11.2% |
|---|------|---|------|---|-------|-------|

(c) Adjusted pre-tax return on common equity is adjusted net income before income taxes divided by average common shareholders' equity

(c) Adjusted pre-tax return on common equity is adjusted net income before income taxes divided by average common shareholders' equity

(c) Adjusted pre-tax return on common equity is adjusted net income before income taxes divided by average common shareholders' equity

Three months ended **March 31, 2024** **June 30, 2024**, compared to the three months ended **March 31, 2023** **June 30, 2023**

#### Rental revenue

During the three months ended **March 31, 2024** **June 30, 2024**, we recorded **\$614.3 million** **\$609.5 million** in rental revenue, which included amortization expense related to initial direct costs, net of overhaul revenue of **\$0.5 million** **\$11.6 million** as compared to **\$617.8 million** **\$611.7 million**, which included overhaul revenue, net of amortization expense related to initial direct costs of **\$21.1 million** **\$10.2 million** for the three months ended **March 31, 2023** **June 30, 2023**. The net book value of our flight equipment subject to operating lease increased to **\$26.5** **\$26.8** billion as of **March 31, 2024** **June 30, 2024** from a net book value of **\$25.7 billion** **\$25.5 billion** as of **March 31, 2023** **June 30, 2023**. The

decrease Despite the growth of our fleet, our rental of flight equipment revenues decreased as compared to the prior period in rental revenues was primarily part due to the sales of older aircraft with higher lease yields, and the purchases of new aircraft with lower initial lease yields. In addition, we also experienced a decline in end of lease revenue in of approximately \$12.8 million as compared to the prior year period partially offset by an increase in rental income from the continued growth in our fleet. During primarily due to fewer aircraft returns during the three months ended March 31, 2024, we recognized \$12.7 million in end of lease revenues from the return of two aircraft as compared to \$33.6 million from the return of 10 aircraft in the prior year period. June 30, 2024.

#### **Aircraft sales, trading and other revenue**

Aircraft sales, trading and other revenue totaled \$49.0 \$57.8 million for the three months ended March 31, 2024 June 30, 2024 compared to \$18.4 \$61.2 million for the three months ended March 31, 2023 June 30, 2023. The increase decrease is primarily due to \$23.0 million in driven by reduced gains from the sale of five aircraft from our owned fleet and \$6.5 million from one sales-type lease. For sales. During the three months ended March 31, 2023 June 30, 2024, we recorded \$8.8 million sold 11 aircraft for approximately \$530.0 million in gains from proceeds, resulting in \$39.7 million in gains. During the sale of two three months ended June 30, 2023, we sold eight aircraft from our owned fleet and \$1.1 million for approximately \$630.0 million in forfeiture of security deposit income, proceeds, resulting in \$44.6 million in gains.

#### **Interest expense**

Interest expense totaled \$194.7 \$203.3 million for the three months ended March 31, 2024 June 30, 2024 compared to \$164.7 \$185.8 million for the three months ended March 31, 2023 June 30, 2023. Our interest expense increased primarily due to an increase in our composite cost of funds to 4.03% 3.99% as compared to 3.42% 3.49% in the prior year. year period as well as an increase in our overall outstanding debt balance. We expect our interest expense will continue to increase as our average debt balance outstanding increases along with the growth of our fleet. Our interest expense in future periods will also be impacted by increases or decreases in our composite cost of funds, funds based on prevailing interest rates.

#### **Depreciation expense**

We recorded \$277.3 \$282.0 million in depreciation expense of flight equipment for the three months ended March 31, 2024 June 30, 2024 compared to \$259.7 \$268.6 million for the three months ended March 31, 2023 June 30, 2023. The increase in depreciation expense for the three months ended March 31, 2024 June 30, 2024, compared to the three months ended March 31, 2023 June 30, 2023, is primarily attributable to the growth of our fleet. We expect our depreciation expense to increase as we continue to add aircraft to our fleet.

#### **Selling, general and administrative expenses**

We recorded selling, general and administrative expenses of \$47.7 \$45.4 million for the three months ended March 31, 2024 June 30, 2024 compared to \$47.6 \$45.8 million for the three months ended March 31, 2023 June 30, 2023. Selling, general and administrative expenses as a percentage of total revenue decreased to 7.2% was 6.8% for each of the three months ended June 30, 2024 and three months ended June 30, 2023.

#### **Taxes**

Our effective tax rate for the three months ended March 31, 2024 June 30, 2024 increased to 19.4% from 19.2% in the three months ended June 30, 2023 primarily due to changes in permanent items.

#### **Net income attributable to common stockholders**

For the three months ended June 30, 2024, we reported consolidated net income attributable to common stockholders of \$90.4 million, or \$0.81 per diluted share, compared to 7.5% consolidated net income attributable to common stockholders of \$122.0 million, or \$1.10 per diluted share, for the three months ended March 31, 2023 June 30, 2023. The decrease from the prior year period is primarily due to higher interest expense and the decline in our revenues, as discussed above.

#### **Adjusted net income before income taxes**

For the three months ended June 30, 2024, we recorded adjusted net income before income taxes of \$137.4 million, or \$1.23 per adjusted diluted share, compared to adjusted net income before income taxes of \$175.9 million, or \$1.58 per adjusted diluted share, for the three months ended June 30, 2023. Adjusted net income before income taxes decreased primarily due to higher interest expense and the decline in our revenues as discussed above.

Adjusted net income before income taxes and adjusted diluted earnings per share before income taxes are measures of financial and operational performance that are not defined by GAAP. See Note 1 under the "Results of Operations" table above for a discussion of adjusted net income before income taxes and adjusted diluted earnings per share before income taxes as non-GAAP measures and reconciliation of these measures to net income attributable to common stockholders.

#### **Six months ended June 30, 2024, compared to the six months ended June 30, 2023**

#### **Rental revenue**

During the six months ended June 30, 2024, we recorded \$1.2 billion in rental revenue, which included amortization expense, net of overhaul revenue related to initial direct costs of \$12.1 million as compared to \$1.2 billion in rental revenue, which included overhaul revenue, net of amortization expense related to initial direct costs of \$31.3 million for the six months ended June 30, 2023. The net book value of our flight equipment subject to operating lease was \$26.8 billion as of June 30, 2024 compared to \$25.5 billion as of June 30, 2023. Despite the growth of our fleet, our rental of flight equipment revenues remained relatively flat as compared to the prior period in part due to the sales of older aircraft with higher lease yields, and the purchase of new aircraft, with lower initial lease yields. In addition, we also experienced a decline in end of lease revenue of approximately \$33.5 million as compared to the prior period primarily due to fewer aircraft returns during the six months ended June 30, 2024.

#### **Aircraft sales, trading and other revenue**

Aircraft sales, trading and other revenue increased to \$106.8 million for the six months ended June 30, 2024 compared to \$79.5 million for the six months ended June 30, 2023 primarily driven by increased gains from aircraft sales and one sales-type lease. For the six months ended June 30, 2024, we recorded \$62.7 million in gains from the sale of 16 aircraft from our owned fleet and \$6.5 million from one sales-type lease. During the six months ended June 30, 2023, we recorded \$53.6 million in gains from the sale of 10 aircraft from our owned fleet. In addition, during the six months ended June 30, 2023, we did not have any sales-type leases and we recorded \$1.2 million in revenue from the forfeiture of security deposits.

#### **Interest expense**

Interest expense totaled \$398.0 million for the six months ended June 30, 2024 compared to \$350.5 million for the six months ended June 30, 2023. Our interest expense increased primarily due to an increase in our composite cost of funds to 3.99% as compared to 3.49% in the prior year period as well as an increase in our overall outstanding debt balance. We expect our interest expense to continue to increase as our average debt balance outstanding increases with the growth of our fleet. Our interest expense in future periods will also be impacted by increases or decreases in our composite cost of funds based on prevailing interest rates.

#### **Depreciation expense**

We recorded \$559.2 million in depreciation expense of flight equipment for the six months ended June 30, 2024 compared to \$528.3 million for the six months ended June 30, 2023. The increase in depreciation expense for the six months ended June 30, 2024, compared to the six months ended June 30, 2023, is primarily attributable to the growth of our fleet. We expect our depreciation expense to increase as we continue to add aircraft to our fleet.

#### **Stock-based compensation expense**

We recorded stock-based compensation expense of \$8.3 million \$17.1 million for the three six months ended March 31, 2024 June 30, 2024 compared to \$5.9 million \$14.6 million for the three six months ended March 31, 2023 June 30, 2023. During The increase was primarily due to the three months ended March 31, 2023, difference in the underlying vesting criteria for certain RSUs between the periods. In the prior years, we reduced the underlying vesting estimates of certain book value RSUs as the performance criteria were no longer considered probable of being achieved resulting in a decrease in achieved; thus reducing the stock-based compensation expense relative for the six months ended June 30, 2023.

#### **Selling, general and administrative expenses**

We recorded selling, general and administrative expenses of \$93.2 million for the six months ended June 30, 2024 compared to \$93.4 million for the current year period, six months ended June 30, 2023. Selling, general and administrative expenses as a percentage of total revenue was approximately flat at 7.0% for the six months ended June 30, 2024, as compared to 7.1% for the six months ended June 30, 2023.

#### **Taxes**

Our For the six months ended June 30, 2024 and June 30, 2023, we reported an effective tax rate for the three months ended March 31, 2024 increased to 20.3% from 18.7% in the prior year period. of 19.9% and 19.0%, respectively. The effective tax rate increase was driven by discrete items in the quarter period and additional income taxes as a result of Pillar Two. On January 1, 2024, the Organization for Economic Co-operation and Development/G20 Inclusive Framework, known as Pillar Two, became effective. Pillar Two established a global minimum effective tax rate of 15%. If the jurisdictional effective tax rate determined under Pillar Two is less than 15%, a top-up tax will be due to bring the jurisdictional effective tax rate up to 15%.

#### **Net income attributable to common stockholders**

For the three six months ended March 31, 2024 June 30, 2024, we reported consolidated net income attributable to common stockholders of \$97.4 million, \$187.9 million, or \$0.87 \$1.68 per diluted share, compared to a consolidated net income attributable to common stockholders of \$118.3 million, \$240.3 million, or \$1.06 \$2.16 per diluted share, for the three six months ended March 31, 2023 June 30, 2023. Despite the increase in our total revenues, net income attributable to common stockholders decreased The decrease from the prior year period is primarily due to an increase in higher interest expense driven by and the increase decline in our composite cost of funds. revenues, as discussed above.

### Adjusted net income before income taxes

For the **three six** months ended **March 31, 2024 June 30, 2024**, we recorded adjusted net income before income taxes of **\$146.3 million, \$283.6 million, or \$1.31 \$2.54** per adjusted diluted share, compared to **an** adjusted net income before income taxes of **\$166.8 million, \$342.7 million, or \$1.50 \$3.08** per adjusted diluted share, for the **three six** months ended **March 31, 2023 June 30, 2023**. Adjusted net income before income taxes decreased primarily due to higher interest expense **driven by and the increase decline** in our **composite cost of funds, partially offset by the increase in total revenues, revenues as discussed above.**

Adjusted net income before income taxes and adjusted diluted earnings per share before income taxes are measures of financial and operational performance that are not defined by GAAP. See Note 1 under the "Results of Operations" table above for a discussion of adjusted net income before income taxes and adjusted diluted earnings per share before income taxes as non-GAAP measures and reconciliation of these measures to net income attributable to common stockholders.

### Critical Accounting Estimates

Our critical accounting estimates reflecting management's estimates and judgments are described in our Annual Report on Form 10-K for the year ended December 31, 2023. We have reviewed recently adopted accounting pronouncements and determined that the adoption of such pronouncements is not expected to have a material impact, if any, on our Consolidated Financial Statements. Accordingly, there have been no material changes to critical accounting estimates in the **three six** months ended **March 31, 2024 June 30, 2024**.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk represents the risk of changes in the value of a financial instrument, caused by fluctuations in interest rates and foreign exchange rates. Changes in these factors could cause fluctuations in our results of operations and cash flows. We are exposed to the market risks described below.

#### Interest Rate Risk

The nature of our business exposes us to market risk arising from changes in interest rates. Changes, both increases and decreases, in our cost of borrowing, as reflected in our composite interest rate, directly impact our net income. Lease rates, and therefore our revenue from a lease, are generally fixed over the life of our leases. We have some exposure to changing interest rates as a result of our floating-rate debt, primarily from our Revolving Credit Facility and unsecured bilateral term loans. As of **March 31, 2024 June 30, 2024** and December 31, 2023, we had **\$3.29 \$2.3** billion and **\$2.96 \$3.0** billion in floating-rate debt outstanding, respectively. Additionally, we have outstanding preferred stock with an aggregate stated amount of \$850.0 million, of which \$250.0 million began paying dividends at a floating rate on March 15, 2024 and the remaining \$600.0 million will reset dividends to a new fixed rate based on the then-applicable **floating treasury** rate after five years from initial issuance and every five years thereafter. If interest rates remain elevated, which we expect for the near term, we would be obligated to make higher interest payments to our lenders, and higher dividend payments to the holders of our preferred stock. If we incur significant fixed-rate debt in the future, increased interest rates prevailing in the market at the time of the incurrence of such debt would also increase our interest expense. If the composite interest rate on our outstanding floating rate debt was to increase by 1.0%, we would expect to incur additional annual interest expense on our existing indebtedness of approximately **\$32.9 \$23.2** million and \$29.6 million as of **March 31, 2024 June 30, 2024** and December 31, 2023, respectively, each on an annualized basis, which would put downward pressure on our operating margins.

We also have interest rate risk on our forward lease placements. This is caused by us setting a fixed lease rate in advance of the delivery date of an aircraft. The delivery date is when a majority of the financing for an aircraft is arranged. To partially mitigate the risk of an increasing interest rate environment between the lease signing date and the delivery date of the aircraft, a majority of our forward lease contracts have manufacturer escalation protection and/or interest rate adjusters which would adjust the final lease rate upward or downward based on changes in the consumer price index or certain benchmark interest rates, respectively, at the time of delivery of the aircraft as compared to the lease signing date, subject to an outside limit on such adjustments.

#### Foreign Exchange Rate Risk

We attempt to minimize currency and exchange risks by entering into aircraft purchase agreements and a majority of lease agreements and debt agreements with U.S. dollars as the designated payment currency. Thus, most of our revenue and expenses are denominated in U.S. dollars. Approximately **0.4% and 0.3%** of our lease revenues were denominated in foreign currency as of **March 31, 2024 June 30, 2024** and December 31, 2023, respectively. Approximately **8.2% 8.0%** and 3.5% of our debt obligations were denominated in foreign currency as of **March 31, 2024 June 30, 2024** and December 31, 2023, respectively; however, the exposure of such debt has been effectively hedged. As our principal currency is the U.S. dollar, fluctuations in the U.S. dollar as compared to other major currencies should not have a significant impact on our future operating results. However, many of our lessees are exposed to currency risk due to the fact that they earn revenues in their local currencies while a significant portion of their liabilities and expenses are denominated in U.S. dollars, including their lease payments to us, as well as fuel, debt service, and other expenses. For the **three six** months ended **March 31, 2024 June 30, 2024**, more than 95% of our revenues were derived from customers who have their principal place of business outside the U.S. and most leases designated payment currency is U.S. dollars. The ability of our lessees to make lease payments to us in U.S. dollars may be adversely impacted in the event of an appreciating U.S. dollar.

### ITEM 4. CONTROLS AND PROCEDURES

## Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our filings under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the periods specified in the rules and forms of the Securities and Exchange Commission ("SEC"), and such information is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer (collectively, the "Certifying Officers"), as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives as the Company's controls are designed to do, and management necessarily was required to apply its judgment in evaluating the risk related to controls and procedures.

We have evaluated, under the supervision and with the participation of management, including the Certifying Officers, the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended, as of **March 31, 2024** **June 30, 2024**. Based on that evaluation, our Certifying Officers have concluded that our disclosure controls and procedures were effective as of **March 31, 2024** **June 30, 2024**.

## Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended **March 31, 2024** **June 30, 2024** that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

In June 2022, we and certain of our subsidiaries (collectively, the "Plaintiffs") submitted insurance claims to the insurers on our aviation insurance policies (collectively, the "Plaintiffs' Insurers") to recover losses relating to aircraft detained in Russia for which we recorded a net write-off of our interests in our owned and managed aircraft totaling approximately \$771.5 million for the year ended December 31, 2022. On December 20, 2022, the Plaintiffs filed suit in the Los Angeles County Superior Court of the State of California seeking recovery of actual damages (subject to proof at trial) and declaratory relief against the Plaintiffs' Insurers for breach of contract and breach of the covenant of good faith and fair dealing in connection with the Plaintiffs' previously submitted insurance claims for which a trial date has been set for April 17, 2025. On December 21, 2023, certain Plaintiffs received cash insurance settlement proceeds of approximately US\$64.9 million in settlement of their insurance claims under S7's insurance policies in respect of four aircraft in our owned fleet on lease to S7 at the time of Russia's invasion of Ukraine. The receipt of these insurance settlement proceeds serves to mitigate, in part, such Plaintiffs' losses under their aviation insurance policies.

On January 19, 2024, certain of the Plaintiffs filed suit in the High Court of Justice, Business & Property Courts of England & Wales, Commercial Court against the Russian airlines' aviation insurers and reinsurance insurers (collectively, the "Airlines' Insurers") seeking recovery under the Russian airlines' insurance policies for aircraft that remain in Russia. The lawsuit against the Airlines' Insurers is in the early stages and no trial date has been set.

We do not believe these matters will have a material adverse effect on our results of operations, financial condition or cash flow, as we recorded a write-off of our entire interest in our owned and managed aircraft detained in Russia during 2022 and any recovery in these lawsuits would be recorded as a gain in our financial statements.

In addition, from time to time, we may be involved in litigation and claims incidental to the conduct of our business in the ordinary course. Our industry is also subject to scrutiny by government regulators, which could result in enforcement proceedings or litigation related to regulatory compliance matters. We are not presently a party to any enforcement proceedings or litigation related to regulatory compliance matters. We maintain insurance policies in amounts and with the coverage and deductibles we believe are adequate, based on the nature and risks of our business, historical experience and industry standards.

### ITEM 1A. RISK FACTORS

There have been no material changes in our risk factors from those discussed under "Part I—Item 1A. Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2023.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS



None.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

None.

### ITEM 5. OTHER INFORMATION

#### Rule 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements

None.

### ITEM 6. EXHIBITS

| Exhibit Number | Exhibit Description  | Incorporated by Reference |            |         |                  |
|----------------|--|---------------------------|------------|---------|------------------|
|                |  | Form                      | File No.   | Exhibit | Filing Date      |
| 3.1            | <a href="#">Restated Certificate of Incorporation of Air Lease Corporation</a>   | S-1                       | 333-171734 | 3.1     | January 14, 2011 |
| 3.2            | <a href="#">Fourth Amended and Restated Bylaws of Air Lease Corporation</a>  | 8-K                       | 001-35121  | 3.1     | March 27, 2018   |
| 3.3            | <a href="#">Certificate of Designations with respect to the 6.150% Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A, of Air Lease Corporation, dated March 4, 2019, filed with the Secretary of State of Delaware and effective on March 4, 2019.</a> | 8-A                       | 001-35121  | 3.2     | March 4, 2019    |
| 3.4            | <a href="#">Certificate of Designations with respect to the 4.650% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B, dated February 26, 2021, filed with the Secretary of State of Delaware and effective on February 26, 2021.</a>                         | 8-K                       | 001-35121  | 3.1     | March 2, 2021    |

| Exhibit Number | Exhibit Description  | Incorporated by Reference |           |         |                  |
|----------------|--|---------------------------|-----------|---------|------------------|
|                |  | Form                      | File No.  | Exhibit | Filing Date      |
| 3.5            | <a href="#">Certificate of Designations with respect to the 4.125% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series C, dated October 11, 2021, filed with the Secretary of State of Delaware and effective on October 11, 2021.</a>   | 8-K                       | 001-35121 | 3.1     | October 13, 2021 |
| 4.1            | <a href="#">Description of Capital Stock</a>   | 10-Q                      | 001-35121 | 4.1     | November 4, 2021 |
| 4.2            | Certain instruments defining the rights of holders of long-term debt of Air Lease Corporation and all of its subsidiaries for which consolidated or unconsolidated financial statements are required to be filed are being omitted pursuant to paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K. Air Lease Corporation agrees to furnish a copy of any such instrument to the Securities and Exchange Commission upon request. |                           |           |         |                  |
| 4.3            | <a href="#">Form of Note representing Air Lease Corporation's €600,000,000 aggregate principal amount of 3.700% Medium-Term Notes, Series A, due April 15, 2030.</a>   | 8-A12B                    | 001-35121 | 4.1     | March 27, 2024   |
| 10.1           | <a href="#">Ninth Amendment and Extension Agreement, dated April 29, 2024, to the Second Amended and Restated Credit Agreement, dated as of May 5, 2014 among Air Lease Corporation, as Borrower, the several lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.</a>   | 8-K                       | 001-35121 | 10.1    | April 30, 2024   |
| 10.2†          | <a href="#">Amendment No. 39 to A320 NEO Family Purchase Agreement, dated February 29, 2024, by and between Air Lease Corporation and Airbus S.A.S.</a>  |                           |           |         | Filed herewith   |

|         |  |                    |
|---------|--|--------------------|
| 10.3†   | <a href="#">Amendment No. 1 to the Agreement dated February 29, 2024, by and between Airbus S.A.S. and Air Lease Corporation.</a>                                      | Filed herewith     |
| 10.4†   | <a href="#">Amendment No. 10 to the A220 Purchase Agreement, dated February 29, 2024, by and between Air Lease Corporation and Airbus Canada Limited Partnership.</a>  | Filed herewith     |
| 31.1    | <a href="#">Certification of the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>  | Filed herewith     |
| 31.2    | <a href="#">Certification of the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>  | Filed herewith     |
| 32.1    | <a href="#">Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a> | Furnished herewith |
| 32.2    | <a href="#">Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a> | Furnished herewith |
| 101.INS | XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)         |                    |
| 101.SCH | XBRL Taxonomy Extension Schema   |                    |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase   |                    |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase  |                    |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase   |                    |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase  |                    |

| Exhibit Number | Exhibit Description  | Incorporated by Reference |            |         |                  |
|----------------|--|---------------------------|------------|---------|------------------|
|                |  | Form                      | File No.   | Exhibit | Filing Date      |
| 3.1            | <a href="#">Restated Certificate of Incorporation of Air Lease Corporation</a>   | S-1                       | 333-171734 | 3.1     | January 14, 2011 |
| 3.2            | <a href="#">Fourth Amended and Restated Bylaws of Air Lease Corporation</a>  | 8-K                       | 001-35121  | 3.1     | March 27, 2018   |
| 3.3            | <a href="#">Certificate of Designations with respect to the 6.150% Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series A, of Air Lease Corporation, dated March 4, 2019, filed with the Secretary of State of Delaware and effective on March 4, 2019.</a>   | 8-A                       | 001-35121  | 3.2     | March 4, 2019    |
| 3.4            | <a href="#">Certificate of Designations with respect to the 4.650% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B, dated February 26, 2021, filed with the Secretary of State of Delaware and effective on February 26, 2021.</a>   | 8-K                       | 001-35121  | 3.1     | March 2, 2021    |
| 3.5            | <a href="#">Certificate of Designations with respect to the 4.125% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series C, dated October 11, 2021, filed with the Secretary of State of Delaware and effective on October 11, 2021.</a>   | 8-K                       | 001-35121  | 3.1     | October 13, 2021 |
| 4.1            | Certain instruments defining the rights of holders of long-term debt of Air Lease Corporation and all of its subsidiaries for which consolidated or unconsolidated financial statements are required to be filed are being omitted pursuant to paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K. Air Lease Corporation agrees to furnish a copy of any such instrument to the Securities and Exchange Commission upon request. |                           |            |         |                  |
| 4.2            | <a href="#">Form of Fixed Rate Global Medium-Term Note, Series A</a>   | 8-K                       | 001-35121  | 4.3     | May 6, 2024      |
| 4.3            | <a href="#">Form of Floating Rate Global Medium-Term Note, Series A</a>  | 8-K                       | 001-35121  | 4.4     | May 6, 2024      |
| 10.1           | <a href="#">Ninth Amendment and Extension Agreement, dated April 29, 2024, to the Second Amended and Restated Credit Agreement, dated as of May 5, 2014 among Air Lease Corporation, as Borrower, the several lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.</a>   | 8-K                       | 001-35121  | 10.1    | April 30, 2024   |
| 10.2†          | <a href="#">Amendment No. 40 to A320NEO Family Purchase Agreement, dated April 15, 2024, by and between Air Lease Corporation and Airbus S.A.S.</a>  |                           |            |         | Filed herewith   |

| Exhibit Number | Exhibit Description  | Incorporated by Reference |          |         |                    |
|----------------|--|---------------------------|----------|---------|--------------------|
|                |  | Form                      | File No. | Exhibit | Filing Date        |
| 10.3†          | <a href="#">Amendment No. 2 to the Agreement dated April 15, 2024, among Airbus S.A.S., Airbus Canada Limited Partnership and Air Lease Corporation.</a>   |                           |          |         | Filed herewith     |
| 10.4†          | <a href="#">Amendment No. 11 to the A220 Purchase Agreement, dated May 22, 2024, by and between Air Lease Corporation and Airbus Canada Limited Partnership.</a>                                   |                           |          |         | Filed herewith     |
| 31.1           | <a href="#">Certification of the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>  |                           |          |         | Filed herewith     |
| 31.2           | <a href="#">Certification of the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>  |                           |          |         | Filed herewith     |
| 32.1           | <a href="#">Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>                             |                           |          |         | Furnished herewith |
| 32.2           | <a href="#">Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>                             |                           |          |         | Furnished herewith |
| 101.INS        | Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)                              |                           |          |         |                    |
| 101.SCH        | Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents   |                           |          |         |                    |
| 104            | The cover page from Air Lease Corporation's Quarterly Report on Form 10-Q for the quarter ended <b>March 31, 2024</b> <b>June 30, 2024</b> , formatted in Inline XBRL and contained in Exhibit 101 |                           |          |         |                    |

† The Company has omitted portions of the referenced exhibit pursuant to Item 601(b) of Regulation S-K because it (a) is not material and (b) **would be competitively harmful if publicly disclosed.** is the type that the Company treats as private or confidential.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AIR LEASE CORPORATION

**May 6, August 1, 2024**

*/s/ John L. Plueger*

John L. Plueger

Chief Executive Officer and President

(Principal Executive Officer)

**May 6, August 1, 2024**

*/s/ Gregory B. Willis*

Gregory B. Willis

Executive Vice President and Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

**43 45**

EXHIBIT 10.2

CERTAIN IDENTIFIED INFORMATION MARKED BY [\*] HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE OF INFORMATION THAT THE REGISTRANT BOTH CUSTOMARILY AND ACTUALLY TREATS AS PRIVATE AND CONFIDENTIAL.

AMENDMENT N°39 40

TO THE

A320 NEO FAMILY PURCHASE AGREEMENT

BETWEEN

AIRBUS S.A.S.

as Seller

and

AIR LEASE CORPORATION

as Buyer

Amendment N°39 40 to the ALC A320 NEO Family PA

Ref. CLC-CT2308739 CLC-CT2402212

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AMENDMENT N°39 40 TO THE  
A320 NEO FAMILY PURCHASE AGREEMENT

This amendment N°39 40 (the "Amendment N°39 40") dated February 15 April, 2024 is made

**BETWEEN:**

**AIRBUS S.A.S.**, a *société par actions simplifiée*, created and existing under French law having its registered office at 2 Rond-Point Emile Dewoitine, 31707 Blagnac-Cedex, France and registered with the Toulouse *Registre du Commerce* under number RCS Toulouse 383 474 814 (the "**Seller**"),

and

**AIR LEASE CORPORATION**, a corporation organised and existing under the laws of the State of Delaware, U.S.A., having its principal place of business at 2000 Avenue of the Stars, Suite 1000N, Los Angeles, California 90067, U.S.A. (the "**Buyer**").

The Buyer and the Seller together are referred to collectively as the "**Parties**", and individually as a "**Party**".

**WHEREAS:**

- A. On 10 May 2012, the Buyer and the Seller have signed a purchase agreement with reference CLC-CT1103377 for the manufacture and sale by the Seller and purchase by the Buyer of thirty-six (36) firm A320 NEO Family aircraft hereinafter together with its Exhibits and Letter Agreements referred to as the "**Purchase Agreement**".
- B. On 28 December 2012, the Buyer and the Seller entered into **Amendment N°1** to the Purchase Agreement for the manufacture and sale by the Seller and purchase by the Buyer of fourteen (14) incremental A320 NEO Family aircraft.
- C. On 14 July 2014, the Seller and the Buyer entered into **Amendment N°2** to the Purchase Agreement in order to [\*].

- D. On 14 July 2014, the Buyer and the Seller entered into **Amendment N°3** to the Purchase Agreement for the manufacture and sale by the Seller and purchase by the Buyer of sixty (60) incremental A320 NEO Family aircraft.
- E. On 10 October 2014, the Buyer and the Seller entered into **Amendment N°4** to the Purchase Agreement [\*].
- F. On 03 March 2015, the Buyer and the Seller entered into **Amendment N°5** to the Purchase Agreement for the cancellation of sixty (60) Amendment 3 NEO Aircraft and for the manufacture and sale by the Seller and purchase by the Buyer of ninety (90) incremental A321 NEO Family aircraft.
- G. On 18 March 2015, the Buyer and the Seller entered into **Amendment N°6** to the Purchase Agreement in order to [\*].
- H. On 09 November 2015, the Buyer and the Seller entered into **Amendment N°7** to the Purchase Agreement in order to [\*].
- I. On 08 January 2016, the Buyer and the Seller entered into **Amendment N°8** to the Purchase Agreement in order to [\*\*].

Amendment N°~~39~~ 40 to the ALC A320 NEO Family PA  
 Ref. CLC-CT2308739 CLC-CT2402212

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- J. On 04 April 2016, the Buyer and the Seller entered into **Amendment N°9** to the Purchase Agreement in order to [\*].
- K. On 12 April 2016, the Buyer and the Seller entered into **Amendment N°10** to the Purchase Agreement in order to [\*].
- L. On 02 June 2016, the Buyer and the Seller entered into **Amendment N°11** to the Purchase Agreement in order to [\*].
- M. On 17 August 2016, the Buyer and the Seller entered into **Amendment N°12** to the Purchase Agreement in order to [\*].
- N. On 20 December 2016, the Buyer and the Seller entered into **Amendment N°13** to the Purchase Agreement in order to [\*].
- O. On 03 March 2017, the Buyer and the Seller entered into **Amendment N°14** to the Purchase Agreement in order to [\*].
- P. On 10 April 2017, the Buyer and the Seller entered into **Amendment N°15** to the Purchase Agreement in order to [\*].
- Q. On 19 June 2017, the Buyer and the Seller entered into **Amendment N°16** to the Purchase Agreement in order to [\*].
- R. On 19 June 2017, the Buyer and the Seller entered into **Amendment N°17** to the Purchase Agreement in order to provide for the manufacture and sale of twelve (12) incremental A320 NEO Family aircraft.
- S. On 12 July 2017, the Buyer and the Seller entered into **Amendment N°18** to the Purchase Agreement in order to [\*].
- T. On 31 July 2017, the Buyer and the Seller entered into **Amendment N°19** to the Purchase Agreement in order to [\*].
- U. On 29 September 2017, the Buyer and the Seller entered into **Amendment N°20** to the Purchase Agreement in order to [\*].
- V. On 27 December 2017, the Buyer and the Seller entered into **Amendment N°21** to the Purchase Agreement in order to provide for the manufacture and sale of six (6) incremental A320 NEO Family Aircraft.
- W. On 16 February 2018, the Buyer and the Seller entered into **Amendment N°22** to the Purchase Agreement in order to [\*].
- X. On 31 December 2018, the Buyer and the Seller entered into **Amendment N°23** to the Purchase Agreement in order to [\*].
- Y. On 18 October 2019, the Buyer and the Seller entered into **Amendment N°24** to the Purchase Agreement in order to [\*].

- Z. On 20 December 2019, the Buyer and the Seller entered into **Amendment N°25** to the Purchase Agreement in order to cover (i) the manufacture and sale by the Seller and purchase by the Buyer of twenty-five (25) incremental A321 NEO Aircraft; (ii) the manufacture and sale by the Seller and purchase by the Buyer of twenty-seven (27) A321XLR Aircraft; and [\*].
- AA. On 07 April 2020, the Buyer and the Seller entered into Amendment N°26 to the Purchase Agreement in order to [\*].
- AB. On 31 August 2020, the Buyer and the Seller entered into Amendment N°27 to the Purchase Agreement in order to [\*].
- AC. On 22 December 2020, the Buyer and the Seller entered into Amendment N°28 to the Purchase Agreement in order to [\*].

Amendment N°**39.40** to the ALC A320 NEO Family PA  
Ref. **CLC-CT2308739** **CLC-CT2402212**

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- AD. On 24 December 2020, the Buyer and the Seller entered into **Amendment N°29** to the Purchase Agreement in order to [\*].
- AE. On 28 April 2021, the Buyer and the Seller entered into **Amendment N°30** to the Purchase Agreement in order to [\*].
- AF. On 03 June 2021, the Buyer and the Seller entered into **Amendment N°31** to the Purchase Agreement in order to, among other things, provide for the manufacture and sale by the Seller and purchase by the Buyer of one (1) incremental A321 NEO Aircraft.
- AG. On 31 July 2021, the Buyer and the Seller entered into **Amendment N°32** to the Purchase Agreement in order to [\*].
- AH. On 20 December 2021, the Buyer and the Seller entered into **Amendment N°33** to the Purchase Agreement in order to [\*].
- AI. On 20 December 2021, the Buyer and the Seller entered into **Amendment N°34** to the Purchase Agreement in order to, among other things cover the manufacture and sale by the Seller and purchase by the Buyer of (i) fifty-nine (59) incremental A321 NEO Aircraft, and (ii) twenty (20) incremental A321XLR Aircraft.
- AJ. On 03 February 2022, the Buyer and the Seller entered into **Amendment N°35** to the Purchase Agreement in order to [\*].
- AK. On 25 March 2022, the Buyer and the Seller entered into **Amendment N°36** to the Purchase Agreement in order to [\*].
- AL. On 16 June 2022, the Buyer and the Seller entered into **Amendment N°37** to the Purchase Agreement in order to [\*].
- AM. On 03 October 2022, the Buyer and the Seller entered into **Amendment N°38** to the Purchase Agreement in order to [\*].
- AN. On 29 February 2024, the Buyer and the Seller entered into Amendment N°39 to the Purchase Agreement in order to [\*].**

The Purchase Agreement as amended and supplemented pursuant to the foregoing shall be referred to as the "**Agreement**".

**AN. AO.** The Parties now wish to enter into this Amendment N°**39.40** in order to **[\*]**.

The terms "herein", "hereof" and "hereunder" and words of similar import refer to this Amendment N°**39.40**. Capitalized terms used herein and not otherwise defined herein will have the meanings assigned thereto in the Agreement.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

- 1
- [\*]
- 2
- [\*]
- 3
- [\*]
- 4
- [\*]
- 5
- [\*]

6

INCONSISTENCY AND CONFIDENTIALITY

- 6.1
- 4.1
- In the event of any inconsistency between the terms and conditions of the Agreement and those of this Amendment N°39.40, the latter shall prevail to the extent of such inconsistency, whereas the part of the Agreement not concerned by such inconsistency shall remain in full force and effect.
- 6.2
- 4.2
- This Amendment N°39.40 reflects the understandings, commitments, agreements, representations and negotiations related to the matters set forth herein whatsoever, oral and written, and may not be varied except by an instrument in writing of even date herewith or subsequent hereto executed by the duly authorised representatives of both Parties.
- 6.3
- 4.3
- This Amendment N°39.40 shall be treated by both Parties as confidential and shall not be released in whole or in part to any third party without the prior consent of the other Party except as may be required by law, or to professional advisors for the implementation hereof.

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5

COUNTERPARTS

This Amendment N°39.40 may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

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6

LAW AND JURISDICTION

This Amendment N°39.40 will be governed by and construed and the performance thereof will be determined in accordance with the laws of the State of New York, without giving effect to its conflicts of laws provisions that would result in the application of the law of any other jurisdiction.

The other provisions of Clause 22.6 of the Agreement shall apply to this Amendment N°39.40 as if the same were set out in full herein, mutatis mutandis.

IN WITNESS WHEREOF this Amendment N°39.40 was entered into the day and year first above written.

For and on behalf of

For and on behalf of

AIR LEASE CORPORATION

AIRBUS S.A.S.

/s/ Grant Levy

/s/ Paul Meijers

By: Grant Levy

By: Paul Meijers

Its: Executive Vice President

Its: EVP Executive Vice President  
Commercial Transactions

Amendment N°89.40 to the ALC A320 NEO Family PA  
Ref. CLC-CT2308739 CLC-CT2402212

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EXHIBIT 10.3

CERTAIN IDENTIFIED INFORMATION MARKED BY [\*] HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE OF INFORMATION THAT THE REGISTRANT BOTH CUSTOMARILY AND ACTUALLY TREATS AS PRIVATE AND CONFIDENTIAL.

AMENDMENT N°12

TO THE

[\*] AGREEMENT

AMONG

AIRBUS S.A.S.

and

AIRBUS CANADA LIMITED PARTNERSHIP

and

AIR LEASE CORPORATION

[\*]

ALC – Amendment N°12 to [\*] Agreement  
Ref. CLC - CT2309464 CT2402457

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This amendment n°12 (the "Amendment N°12") dated February 15 April 2024 is made

AMONG:

AIRBUS S.A.S., a French *société par actions simplifiée*, with its registered office at 2, rond-point Emile Dewoitine, 31700 Blagnac, France, registered with the Commercial and Companies Register of Toulouse under number 383 474 814 ("Airbus S.A.S."),

and

AIRBUS CANADA LIMITED PARTNERSHIP, a company having its registered office at Airbus Canada Limited Partnership, 13100 Boulevard Henri Fabre, Mirabel, QC, Canada J7N 3C6 and includes its successors and assigns ("Airbus Canada"),

and

AIR LEASE CORPORATION, a corporation organised and existing under the laws of the State of Delaware, U.S.A., having its principal place of business at 2000 Avenue of the Stars, Suite 1000N, Los Angeles, California 90067, U.S.A. ("ALC").

Airbus S.A.S. and Airbus Canada together are referred to as "Airbus".

Airbus, Airbus Canada and ALC together are referred to as the "Parties" and individually as a "Party".

WHEREAS:

- A. [\*]
- B. [\*]
- C. [\*]
- D. [\*]
- E. [\*]
- F. On 20 June 2023, ALC and Airbus entered into a [\*] with reference CLC-CT2305048 for [\*], referred to as the "[\*] Agreement".
- G. The Buyer On 29 February 2024, ALC and the Seller now wish to enter Airbus entered into this Amendment N°1 to [\*] in order to, [\*].
- H. The Parties now wish to enter into this Amendment N°2 in order to [\*].

NOW IT IS HEREBY AGREED AS FOLLOWS:

- 1 [\*]
- 2 INCONSISTENCY AND CONFIDENTIALITY

- 2.1 In the event of any inconsistency between the terms and conditions of the Agreement and those of this Amendment N°1,2, the latter shall prevail to the extent of such inconsistency, whereas the part of the Agreement not concerned by such inconsistency shall remain in full force and effect.
- 2.2 This Amendment N°1,2 reflects the understandings, commitments, agreements, representations and negotiations related to the matters set forth herein whatsoever, oral and written, and may not be varied except by an instrument in writing of even date herewith or subsequent hereto executed by the duly authorised representatives of the Parties.
- 2.3 This Amendment N°1,2 shall be treated by the Parties as confidential and shall not be released in whole or in part to any third party without the prior consent of the other Parties except as may be required by law, or to professional advisors for the implementation hereof.

### 3 COUNTERPARTS

This Amendment N°1,2 may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

### 4 LAW AND JURISDICTION

This Amendment N°1,2 will be governed by and construed and the performance thereof will be determined in accordance with the laws of the State of New York, without giving effect to its conflicts of laws provisions that would result in the application of the law of any other jurisdiction.

The other provisions of Clause 4 of the [\*] Agreement shall apply to this Amendment N°1,2 as if the same were set out in full herein, mutatis mutandis.

IN WITNESS WHEREOF this Amendment N°1,2 was entered into the day and year first above written.

For and on behalf of

For and on behalf of

**AIRBUS S.A.S.**

**AIRBUS CANADA LIMITED PARTNERSHIP**  
duly acting and represented by its managing  
general partner,  
**AIRBUS CANADA MANAGING GP INC.**

/s/ Paul Meijers

/s/  
Benoît  
Schultz

By: Paul Meijers

By: Benoît Schultz

Its: **EVP Executive Vice President**  
Commercial Transactions

Its: CEO

For and on behalf of

**AIR LEASE CORPORATION**

By: Grant Levy

Its: Executive Vice President

ALC – Amendment N°12 to [\*] Agreement

Ref. CLC-CT2309464 CT2402457

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**EXHIBIT 10.4**

**CERTAIN IDENTIFIED INFORMATION MARKED BY [\*] HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE OF INFORMATION THAT THE REGISTRANT BOTH CUSTOMARILY AND ACTUALLY TREATS AS PRIVATE AND CONFIDENTIAL.**

**AMENDMENT N°1011**

**TO THE**

**A220 PURCHASE AGREEMENT**

**BETWEEN**

**AIRBUS CANADA LIMITED PARTNERSHIP**

**as the Seller**

**AND**

**AIR LEASE CORPORATION**

**as the Buyer**

ALC – Amendment N°1011 to the A220 Purchase Agreement

Ref. CLC-CT2307832 CLC-CT2403695

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This amendment N°10 11 (the “Amendment N°10 11”) is made on the 22 day of February May 2024,

**BETWEEN:**

**AIRBUS CANADA LIMITED PARTNERSHIP**, duly acting and represented by its managing general partner, **AIRBUS CANADA MANAGING GP INC.**, having its registered office at 13100 Boulevard Henri Fabre, Mirabel, QC, Canada J7N 3C6 (the “**Seller**”)

**AND:**

**AIR LEASE CORPORATION**, a corporation organised and existing under the laws of the State of Delaware, U.S.A., having its principal place of business at 2000 Avenue of the Stars, Suite 1000N, Los Angeles, California 90067, U.S.A. (the “**Buyer**”).

The Buyer and Seller together are referred to as the “**Parties**” and individually as a “**Party**”.

**WHEREAS**

- A. On 20 December 2019 the Buyer and the Seller have signed a purchase agreement with reference CLC-CT1906081 for the manufacture and sale by the Seller and purchase by the Buyer of certain A220 Aircraft hereinafter together with its Annexes and Letter Agreements referred to as the “**Purchase Agreement**”.
- B. On 31 August 2020 the Buyer and the Seller entered into **Amendment N°1** to the Purchase Agreement in order to [\*\*].
- C. On 06 April 2021, the Parties entered into **Amendment N°2** in order to [\*\*].
- D. On 03 June 2021, the Parties entered into **Amendment N°3** in order to [\*\*].
- E. On 20 December 2022, the Parties entered into **Amendment N°4** in order to, among other things, (i) provide for the manufacture and sale by the Seller and purchase by the Buyer of twenty-four (24) Purchase Right Aircraft and one (1) incremental A220 Aircraft, and [\*\*].
- F. On 25 March 2022, the Parties entered into **Amendment N°5** in order to [\*\*].
- G. On 15 July 2022, the Parties entered into **Amendment N°6** in order to [\*\*].
- H. On 31 August 2022, the Parties entered into **Amendment N°7** in order to [\*\*].
- I. On 03 October 2022, the Parties entered into **Amendment N°8** in order to [\*\*].
- J. On 06 July 2023, the Parties entered into **Amendment N°9** in order to [\*\*].

ALC – Amendment N°10 11 to the A220 Purchase Agreement  
Ref. CLC-CT2307832 CLC-CT2403695

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- K. On 29 February 2024, the Parties entered into **Amendment N°10** in order to [\*\*].

The Purchase Agreement as amended and supplemented pursuant to the foregoing shall be referred to as the “**Agreement**”.

- L. The Parties now wish to enter into this Amendment N°10 11 in order to [\*\*].

The terms “herein”, “hereof” and “hereunder” and words of similar import refer to this Amendment N°10.11. Capitalized terms used herein and not otherwise defined herein will have the meanings assigned thereto in the Agreement.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

1 [\*]

**2 DELIVERY SCHEDULE**

2.1 By virtue of the changes contemplated in clause 1.1 herein, the table in Schedule 2 of the Agreement is hereby deleted in its entirety and replaced by the table set forth in Appendix 1 hereto.

The table set forth in Appendix 1 hereto also include [\*].

3 [\*]

**43 INCONSISTENCY AND CONFIDENTIALITY**

4.1 3.1 In the event of any inconsistency between the terms and conditions of the Agreement and those of this Amendment N°10.11, the latter shall prevail to the extent of such inconsistency, whereas the part of the Agreement not concerned by such inconsistency shall remain in full force and effect.

4.2 3.2 This Amendment N°10.11 reflects the understandings, commitments, agreements, representations and negotiations related to the matters set forth herein whatsoever, oral and written, and may not be varied except by an instrument in writing of even date herewith or subsequent hereto executed by the duly authorised representatives of both Parties.

4.3 3.3 This Amendment N°10.11 shall be treated by both Parties as confidential and shall not be released in whole or in part to any third party without the prior consent of the other Party except as may be required by law, or to professional advisors for the implementation hereof.

**54 COUNTERPARTS**

This Amendment N°10.11 may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

**65 LAW AND JURISDICTION**

This Amendment N°10.11 will be governed by and construed and the performance thereof will be determined in accordance with the laws of the State of New York, without giving

effect to its conflicts of laws provisions that would result in the application of the law of any other jurisdiction.

The other provisions of Clause 21 of the Agreement shall apply to this Amendment N°1011 as if the same were set out in full herein, mutatis mutandis.

IN WITNESS WHEREOF this Amendment N°1011 has been entered into on the date first written above.

AIRBUS CANADA LIMITED PARTNERSHIP,

duly acting and represented by its managing general partner,

AIRBUS CANADA MANAGING GP INC.,

Per: /s/ Benoît Schultz  
Name: Benoît Schultz  
Title: CEO

AIR LEASE CORPORATION

Per: /s/ Grant Levy  
Name: Grant Levy  
Title: Executive Vice President

APPENDIX 1  
DELIVERY SCHEDULE



[illegible]

**LETTER AGREEMENT N°1**





**AIR LEASE CORPORATION**  
2000 Avenue of the Stars, Suite 1000N  
Los Angeles, California 90067, U.S.A.

February 29, 2024

Subject: **SPECIFIC PROVISIONS**

**AIR LEASE CORPORATION** ("the Buyer") and **AIRBUS CANADA LIMITED PARTNERSHIP** ("the Seller") have entered into an Amendment N°10 dated even date herewith (the "**Amendment**") to the A220 Purchase Agreement dated as of December 20, 2019 ("**the Agreement**") [\*]. The Buyer and the Seller have agreed to set forth in this Letter Agreement N°1 to the Amendment (the "**Letter Agreement**") certain additional terms and conditions regarding certain Aircraft.

Capitalized terms used herein and not otherwise defined in this Letter Agreement shall have the meanings assigned thereto in the Agreement and the Amendment.

Both parties agree that this Letter Agreement, upon execution thereof, shall constitute an integral, nonseverable part of said Agreement and shall be governed by all its provisions, as such provisions have been specifically amended pursuant to this Letter Agreement.

ALC – Amendment N°10 to the A220 Purchase Agreement – Letter Agreement N°1  
Ref. CLC- CT2307832

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## **LETTER AGREEMENT N°1**

**1**     **[\*]**

## **2**     **MISCELLANEOUS**

### **2.1**   **Inconsistencies**

In the event of any inconsistency between the terms of this Letter Agreement and the terms of the Agreement, the terms of this Letter Agreement shall prevail over the terms of the Agreement to the extent of such inconsistency, whereas the part of the Agreement not concerned by such inconsistency shall remain in full force and effect.

### **2.2**   **Assignment**

Notwithstanding any other provision of this Letter Agreement or of the Agreement, this Letter Agreement and the rights and obligations of the Buyer herein shall not be assigned or transferred in any manner, and any attempted assignment or transfer in contravention of the provisions of this Clause shall be void and of no force or effect.

### **2.3**   **Confidentiality**

This Letter Agreement (and its existence) shall be treated by both parties as confidential and shall not be released (or revealed) in whole or in part to any third party without the prior consent of the other party. In particular, each party agrees not to make any press release concerning the whole or any part of the contents and/or subject matter hereof or of any future addendum hereto without the prior consent of the other party.

### **2.4**   **Law and jurisdiction**

This Letter Agreement shall be governed by, and construed in accordance with, the laws of the state of New York, United States of America and the provisions of Clause 21 of the Agreement shall apply to this Letter Agreement.

### **2.5**   **Counterparts**

This Letter Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

**LETTER AGREEMENT N°1**

If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement to the Seller.

Agreed and Accepted

For and on behalf of

Agreed and Accepted

For and on behalf of

**AIR LEASE CORPORATION**

**AIRBUS CANADA LIMITED PARTNERSHIP**

by its managing general partner,

**AIRBUS CANADA MANAGING GP INC.**

By: Grant Levy

Its: Executive Vice President

By: Benoît Schultz

Its: CEO

**EXHIBIT 31.1**

**CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John L. Plueger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Air Lease Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2024 August 1, 2024

/s/ John L. Plueger

John L. Plueger  
Chief Executive Officer and President  
(Principal Executive Officer)

EXHIBIT 31.2

**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gregory B. Willis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Air Lease Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2024 August 1, 2024

/s/ Gregory B. Willis

Gregory B. Willis  
Executive Vice President and Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Air Lease Corporation (the "Company") on Form 10-Q for the quarter ended **March 31, 2024** **June 30, 2024** (the "Report"), I, John L. Plueger, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (i) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **May 6, 2024** **August 1, 2024**

*/s/ John L. Plueger*

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John L. Plueger  
Chief Executive Officer and President  
(Principal Executive Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Air Lease Corporation (the "Company") on Form 10-Q for the quarter ended **March 31, 2024** **June 30, 2024** (the "Report"), I, Gregory B. Willis, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (i) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **May 6, 2024** **August 1, 2024**

*/s/ Gregory B. Willis*

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Gregory B. Willis  
Executive Vice President and Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.

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