

REFINITIV

# DELTA REPORT

## 10-Q

AL - AIR LEASE CORP

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2153
CHANGES	344
DELETIONS	564
ADDITIONS	1245

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 September 30, 2023 March 31, 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

"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 **November 2, 2023** **May 3, 2024**, there were **111,027,252** **111,366,501** shares of Air Lease Corporation's Class A common stock outstanding.

## Air Lease Corporation and Subsidiaries

### Form 10-Q

For the Quarterly Period Ended **September 30, 2023** **March 31, 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, the impact of changes in inflation rising 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 delivery 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, rising inflation, appreciation of the U.S. Dollar, 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, 2022 December 31, 2023 and other SEC 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)

		September 30, 2023	December 31, 2022
		(unaudited)	
March 31, 2024		March 31, 2024	December 31, 2023
(unaudited)		(unaudited)	
Assets	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	Cash and cash equivalents	\$ 512,084	\$ 766,418
Restricted cash	Restricted cash	3,650	13,599
Flight equipment subject to operating leases	Flight equipment subject to operating leases	30,961,069	29,466,888
Less accumulated depreciation	Less accumulated depreciation	(5,365,755)	(4,928,503)
		25,595,314	24,538,385
		26,544,503	
Deposits on flight equipment purchases	Deposits on flight equipment purchases	1,173,382	1,344,973
Other assets	Other assets	2,387,795	1,733,330
<b>Total assets</b>	<b>Total assets</b>	<b>\$29,672,225</b>	<b>\$28,396,705</b>
<b>Liabilities and Shareholders' Equity</b>	<b>Liabilities and Shareholders' Equity</b>		
Accrued interest and other payables			
Accrued interest and other payables			
Accrued interest and other payables	Accrued interest and other payables	\$ 1,400,890	\$ 696,899
Debt financing, net of discounts and issuance costs	Debt financing, net of discounts and issuance costs	18,645,843	18,641,063
Security deposits and maintenance reserves on flight equipment leases	Security deposits and maintenance reserves on flight equipment leases	1,461,012	1,293,929
Rentals received in advance	Rentals received in advance	141,484	147,654
Deferred tax liability	Deferred tax liability	1,061,943	970,797
<b>Total liabilities</b>	<b>Total liabilities</b>	<b>\$22,711,172</b>	<b>\$21,750,342</b>
<b>Shareholders' Equity</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 September 30, 2023 and December 31, 2022, respectively			
		\$ 106	\$ 106
Class A common stock, \$0.01 par value; 500,000,000 shares authorized; 111,027,252 and 110,892,097 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively			
		1,110	1,109

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			
Class B Non- Voting common stock, \$0.01 par value; authorized 10,000,000 shares; no shares issued or outstanding	Class B Non- Voting common stock, \$0.01 par value; authorized 10,000,000 shares; no shares issued or outstanding	—	—
Paid-in capital	Paid-in capital	3,275,949	3,255,973
Retained earnings	Retained earnings	3,682,503	3,386,820
Accumulated other comprehensive income	Accumulated other comprehensive income	1,385	2,355
<b>Total shareholders' equity</b>	<b>Total shareholders' equity</b>	<b>\$ 6,961,053</b>	<b>\$ 6,646,363</b>
<b>Total liabilities and shareholders' equity</b>	<b>Total liabilities and shareholders' equity</b>	<b>\$29,672,225</b>	<b>\$28,396,705</b>

(See Notes to Consolidated Financial Statements)

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

Three Months Ended September 30,	Nine Months Ended September 30,
-------------------------------------	------------------------------------

		2023	2022	2023	2022
		(unaudited)			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		2024			
		2024			
		2024			
		(unaudited)			
		(unaudited)			
		(unaudited)			
Revenues	Revenues				
Rental of flight equipment	Rental of flight equipment	\$ 604,027	\$ 541,397	\$ 1,833,533	\$ 1,653,223
Rental of flight equipment	Rental of flight equipment				
Aircraft sales, trading and other	Aircraft sales, trading and other	55,337	19,937	134,876	62,469
Aircraft sales, trading and other	Aircraft sales, trading and other				
Total revenues	Total revenues				
Total revenues	Total revenues				
Total revenues	Total revenues	659,364	561,334	1,968,409	1,715,692
Expenses	Expenses				
Expenses	Expenses				
Interest	Interest				
Interest	Interest				
Interest	Interest	161,769	122,348	485,555	358,621
Amortization of debt discounts and issuance costs	Amortization of debt discounts and issuance costs	13,695	13,162	40,414	39,772
Amortization of debt discounts and issuance costs	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	Interest expense				
Interest expense	Interest expense	175,464	135,510	525,969	398,393
Depreciation of flight equipment	Depreciation of flight equipment	267,393	242,503	795,659	713,095
Write-off of Russian fleet	Write-off of Russian fleet	—	—	—	802,352
Depreciation of flight equipment	Depreciation of flight equipment				
Depreciation of flight equipment	Depreciation of flight equipment				
Selling, general and administrative	Selling, general and administrative				
Selling, general and administrative	Selling, general and administrative				
Selling, general and administrative	Selling, general and administrative	42,770	39,718	136,216	110,993

Stock-based compensation expense	Stock-based compensation expense	8,719	5,764	23,330	9,799
Stock-based compensation expense					
Stock-based compensation expense					
Total expenses	Total expenses	494,346	423,495	1,481,174	2,034,632
Income/(loss) before taxes		165,018	137,839	487,235	(318,940)
Income tax (expense)/benefit		(32,568)	(27,458)	(93,664)	76,606
Net income/(loss)		\$ 132,450	\$ 110,381	\$ 393,571	\$ (242,334)
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	(10,425)	(10,425)	(31,275)	(31,275)
Net income/(loss) attributable to common stockholders		\$ 122,025	\$ 99,956	\$ 362,296	\$ (273,609)
Preferred stock dividends					
Preferred stock dividends					
Net income attributable to common stockholders					
Net income attributable to common stockholders					
Net income attributable to common stockholders					
Other comprehensive income/(loss):					
Other comprehensive income/(loss):					
Other comprehensive income/(loss):	Other comprehensive income/(loss):				
Foreign currency translation adjustment	Foreign currency translation adjustment	\$ 7,453	\$ 21,481	\$ 500	\$ 27,811
Foreign currency translation adjustment					
Foreign currency translation adjustment					
Change in fair value of hedged transactions	Change in fair value of hedged transactions	(7,629)	(17,063)	(1,733)	(21,774)
Total tax benefit/(expense) on other comprehensive income/loss		37	(946)	263	(1,292)
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					



Other comprehensive income/(loss), net of tax	Other comprehensive income/(loss), net of tax					
		(139)	3,472	(970)	4,745	
Total comprehensive income/(loss) attributable for common stockholders		\$ 121,886	\$ 103,428	\$ 361,326	\$ (268,864)	
Other comprehensive income/(loss), net of tax						
Other comprehensive income/(loss), net of tax						
Total comprehensive income attributable for common stockholders						
Total comprehensive income attributable for common stockholders						
Total comprehensive income attributable for common stockholders						
Earnings/(loss) per share of common stock:						
Earnings per share of common stock:						
Earnings per share of common stock:						
Earnings per share of common stock:						
Basic						
Basic						
Basic	Basic	\$ 1.10	\$ 0.90	\$ 3.26	\$ (2.45)	
Diluted	Diluted	\$ 1.10	\$ 0.90	\$ 3.25	\$ (2.45)	
Diluted						
Diluted						
Weighted-average shares of common stock outstanding						
Weighted-average shares of common stock outstanding						
Weighted-average shares of common stock outstanding	Weighted-average shares of common stock outstanding					
Basic	Basic	111,027,252	110,892,097	110,997,619	111,874,002	
Basic						
Basic						
Diluted						
Diluted						
Diluted	Diluted	111,346,799	111,090,133	111,383,257	111,874,002	
Dividends declared per share of common stock	Dividends declared per share of common stock	\$ 0.20	\$ 0.185	\$ 0.60	\$ 0.555	
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 Stock	
(unaudited)	

(unaudited)											

Issuance of common stock upon vesting of restricted stock units	—	—	14,962	—	—	—	—	—	—	—
<b>Balance at March 31, 2024</b>										
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>	10,600,000	\$ 106	111,027,252	\$ 1,110	—	\$ —	\$ 3,267,230	\$ 3,582,683	\$ 1,524	\$ 6,852,653
Stock-based compensation expense	—	—	—	—	—	—	8,719	—	—	8,719
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	—	—	—	—	—	—	—	—	(139)	(139)
Net income	—	—	—	—	—	—	—	132,450	—	132,450
<b>Balance at September 30, 2023</b>	10,600,000	\$ 106	111,027,252	\$ 1,110	—	\$ —	\$ 3,275,949	\$ 3,682,503	\$ 1,385	\$ 6,961,053

	Class A				Class B Non-Voting		Accumulated			
	Preferred Stock		Common Stock		Common Stock		Other			
(unaudited)	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in Capital	Retained Earnings	Comprehensive 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)

	Preferred Stock		Class A Common Stock		Class B Non-Voting Common Stock		Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income(Loss)		Total
	Shares	Amount	Shares	Amount	Shares	Amount					

	2021		2021		2022		2022		2022		
(unaudited)	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in Capital	Retained Earnings		Total	
Balance at December 31, 2021	10,600,000	\$ 106	113,987,154	\$ 1,140	—	\$ —	\$ 3,399,245	\$ 3,609,885	\$ (1,808)	\$ 7,008,568	
Issuance of common stock upon vesting of restricted stock units	—	—	477,656	5	—	—	(3)	—	—	2	
Common stock repurchased	—	—	(2,959,458)	(30)	—	—	(129,519)	—	—	(129,549)	
Stock-based compensation expense	—	—	—	—	—	—	(2,523)	—	—	(2,523)	
Cash dividends (declared \$0.185 per share of Class A common stock)	—	—	—	—	—	—	—	(21,136)	—	(21,136)	
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	—	—	—	—	—	—	—	—	1,738	1,738	
Tax withholdings on stock-based compensation	—	—	(188,093)	(2)	—	—	(8,095)	—	—	(8,097)	
Net loss	—	—	—	—	—	—	—	(468,993)	—	(468,993)	
Balance at March 31, 2022	10,600,000	\$ 106	111,317,259	\$ 1,113	—	\$ —	\$ 3,259,105	\$ 3,109,331	\$ (70)	\$ 6,369,585	
Issuance of common stock upon vesting of restricted stock units	—	—	59,603	—	—	—	—	—	—	—	
Common stock repurchased	—	—	(461,416)	(4)	—	—	(20,450)	—	—	(20,454)	
Stock-based compensation expense	—	—	—	—	—	—	6,558	—	—	6,558	
Cash dividends (declared \$0.185 per share of Class A common stock)	—	—	—	—	—	—	—	(20,511)	—	(20,511)	
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	—	—	—	—	—	—	—	—	(465)	(465)	
Tax withholdings on stock-based compensation	—	—	(23,349)	—	—	—	(931)	—	—	(931)	
Net income	—	—	—	—	—	—	—	116,277	—	116,277	
Balance at June 30, 2022	10,600,000	\$ 106	110,892,097	\$ 1,109	—	\$ —	\$ 3,244,282	\$ 3,194,672	\$ (535)	\$ 6,439,634	
Stock-based compensation expense	—	—	—	—	—	—	5,764	—	—	5,764	
Cash dividends (declared \$0.185 per share of Class A common stock)	—	—	—	—	—	—	—	(20,515)	—	(20,515)	
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	—	—	—	—	—	—	—	—	3,472	3,472	
Tax withholdings on stock-based compensation	—	—	—	—	—	—	123	—	—	123	
Net income	—	—	—	—	—	—	—	110,381	—	110,381	
Balance at September 30, 2022	10,600,000	\$ 106	110,892,097	\$ 1,109	—	\$ —	\$ 3,250,169	\$ 3,274,113	\$ 2,937	\$ 6,528,434	

(See Notes to Consolidated Financial Statements)

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

	Three Months Ended		Three Months Ended	
	March 31,		March 31,	
	2024		2023	
	(unaudited)		(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			
		Nine Months Ended September 30,	
		2023	2022
		(unaudited)	
Operating Activities			
Net income/(loss)		\$ 393,571	\$ (242,334)
Adjustments to reconcile net income/(loss) to net cash provided by operating activities:			
Depreciation of flight equipment		795,659	713,095
Write-off of Russian fleet		—	802,352
Stock-based compensation expense			
Stock-based compensation expense			
Stock-based compensation expense	Stock-based compensation expense	23,330	9,799
Deferred taxes	Deferred taxes	91,410	(78,035)
Amortization of discounts and debt issuance costs	Amortization of discounts and debt issuance costs	40,414	39,772
Amortization of prepaid lease costs	Amortization of prepaid lease costs	54,962	34,734
Gain on aircraft sales, trading and other activity	Gain on aircraft sales, trading and other activity	(147,174)	(85,616)
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Other assets	Other assets	40,496	(243,109)
Other assets			
Other assets			
Accrued interest and other payables	Accrued interest and other payables	(6,380)	(8,354)
Rentals received in advance	Rentals received in advance	(3,982)	16,259

Net cash provided by operating activities	Net cash provided by operating activities	1,282,306	958,563
<b>Investing Activities</b>	<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	Acquisition of flight equipment under operating lease	(2,782,507)	(2,166,317)
Payments for deposits on flight equipment purchases	Payments for deposits on flight equipment purchases	(249,231)	(428,424)
Proceeds from aircraft sales, trading and other activity	Proceeds from aircraft sales, trading and other activity	1,568,420	42,043
Acquisition of aircraft furnishings, equipment and other assets	Acquisition of aircraft furnishings, equipment and other assets	(205,368)	(162,897)
Net cash used in investing activities	Net cash used in investing activities	(1,668,686)	(2,715,595)
<b>Financing Activities</b>	<b>Financing Activities</b>		
Cash dividends paid on Class A common stock	Cash dividends paid on Class A common stock	(66,587)	(62,738)
Common shares repurchased	Common shares repurchased	—	(150,000)
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 Class A common stock		
Cash dividends paid on preferred stock	Cash dividends paid on preferred stock		
Cash dividends paid on preferred stock	Cash dividends paid on preferred stock		
Cash dividends paid on preferred stock	Cash dividends paid on preferred stock	(31,275)	(31,275)

Tax withholdings on stock-based compensation	Tax withholdings on stock-based compensation	(3,354)	(8,903)
Net change in unsecured revolving facility	Net change in unsecured revolving facility	758,000	1,570,000
Proceeds from debt financings	Proceeds from debt financings	1,783,973	1,497,615
Payments in reduction of debt financings	Payments in reduction of debt financings	(2,566,518)	(1,327,146)
Debt issuance costs	Debt issuance costs	(10,590)	(5,855)
Security deposits and maintenance reserve receipts	Security deposits and maintenance reserve receipts	269,171	308,637
Security deposits and maintenance reserve disbursements	Security deposits and maintenance reserve disbursements	(10,723)	(24,627)
Net cash provided by financing activities	Net cash provided by financing activities	122,097	1,765,708
Net (decrease)/increase in cash		(264,283)	8,676
Net increase/(decrease) in cash			
Cash, cash equivalents and restricted cash at beginning of period	Cash, cash equivalents and restricted cash at beginning of period	780,017	1,108,292
Cash, cash equivalents and restricted cash at end of period	Cash, cash equivalents and restricted cash at end of period	\$ 515,734	\$1,116,968
<b>Supplemental Disclosure of Cash Flow Information</b>			
Cash paid during the period for interest, including capitalized interest of \$31,708 and \$29,335 at September 30, 2023 and 2022, respectively			
		\$ 532,922	\$ 442,461
Cash paid for income taxes		\$ 6,250	\$ 5,808
<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	\$ 620,280	\$ 596,021
Cash dividends declared on Class A common stock, not yet paid	\$ 22,205	\$ 20,515

Air Lease Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Three Months Ended	
	March 31,	
	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	\$ 203,581	\$ 197,935
Cash paid for income taxes	\$ 3,033	\$ 3,571
<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	\$ 155,214	\$ 227,738
Flight equipment subject to operating leases reclassified to flight equipment held for sale	\$ 276,094	\$ 80,036
Flight equipment subject to operating leases reclassified to investment in sales-type lease	\$ 33,629	\$ —
Cash dividends declared on Class A common stock, not yet paid	\$ 23,387	\$ 22,203

(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 September 30, 2023 March 31, 2024, the Company owned 448 472 aircraft, managed 79 73 aircraft and had 351 320 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 September 30, 2023 March 31, 2024, and for all periods presented. The results of operations for the three and nine months ended September 30, 2023 March 31, 2024 are not necessarily indicative of the operating results expected for the year ending December 31, 2023 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, 2022 December 31, 2023.

Summary of Significant Recent Accounting Policies Pronouncements

Flight equipment



Flight equipment under operating lease is stated at cost less accumulated depreciation. Purchases, major additions and modifications, and interest on deposits during In December 2023, the construction phase are capitalized. The Company generally depreciates passenger aircraft on 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 straight-line basis over a 25-year life from the date of manufacture to a 15% residual value. The Company generally depreciates freighter aircraft on a straight-line basis over a 35-year life from the date of manufacture to a 15% residual value. Changes in the assumption of useful lives or residual values for aircraft could have a significant impact on the Company's results of operations and financial condition.

Major aircraft improvements and modifications incurred during an off-lease period are capitalized and depreciated over the lesser of the remaining life of the flight equipment or the aircraft improvement. In addition, costs paid by us for scheduled maintenance and overhauls are capitalized and depreciated over a period to the next scheduled maintenance or overhaul event. Miscellaneous repairs are expensed when incurred.

The Company's management evaluates on a quarterly basis the need to perform an impairment test whenever facts or circumstances indicate a potential impairment has occurred. An assessment is performed whenever events or changes in circumstances indicate that the carrying amount of an aircraft may not be recoverable. Recoverability of an aircraft's carrying amount is measured by comparing the carrying amount of the aircraft to future undiscounted net cash flows expected to be generated by the aircraft. The undiscounted cash flows consist of cash flows from currently contracted leases, future projected lease rates, and estimated residual or scrap values for each aircraft. We develop assumptions used in the recoverability analysis based on our knowledge of active lease contracts, current and future expectations of the global demand for a particular aircraft type, potential for alternative use of aircraft and historical experience in the aircraft leasing market and aviation industry, reporting entity's effective tax rate reconciliation as well as information received from third-party industry sources, on income taxes paid. The factors considered in estimating new requirements will be effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the undiscounted cash flows are affected by changes in future periods due option to changes in contracted lease rates, economic conditions, technology, and airline demand for a particular aircraft type. In apply the event that an aircraft standard retrospectively. The Company is still evaluating the impact of ASU 2023-09 but does not meet expect the recoverability test and the aircraft's carrying amount falls below estimated values from third-party industry sources, the aircraft will be recorded at fair value in accordance with the Company's Fair Value Policy, resulting in an impairment charge. 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)

Company's Fair Value Policy is described in the notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Note 3. Debt Financing

The Company's consolidated debt as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 is summarized below:

		September 30, 2023	December 31, 2022
		(in thousands)	
March 31, 2024		March 31, 2024	December 31, 2023
		(in thousands)	
Unsecured	Unsecured		
Senior unsecured securities	Senior unsecured securities	\$15,944,616	\$17,095,116
Senior unsecured securities			
Senior unsecured securities			
Term financings			
Revolving credit facility	Revolving credit facility	1,778,000	1,020,000
Term financings		798,350	582,950
Total unsecured debt financing	Total unsecured debt financing	18,520,966	18,698,066
Secured	Secured		
Export credit financing			
Export credit financing			
Export credit financing	Export credit financing	208,514	11,646

Term financings	Term financings	103,812	113,717
Total secured debt financing	Total secured debt financing	312,326	125,363
Total debt financing	Total debt financing	18,833,292	18,823,429
Total debt financing			
Total debt financing			
Less: Debt discounts and issuance costs	Less: Debt discounts and issuance costs	(187,449)	(182,366)
Debt financing, net of discounts and issuance costs	Debt financing, net of discounts and issuance costs	\$18,645,843	\$18,641,063

As of **September 30, 2023** **March 31, 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**.

All of the Company's secured obligations as of **September 30, 2023** and **December 31, 2022** are recourse in nature, **ratio test**.

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

As of **September 30, 2023** **March 31, 2024** and **December 31, 2023**, the Company had **\$15.9 billion** in senior unsecured securities outstanding. As of **December 31, 2022**, the Company had **\$17.1** **\$16.3** billion in senior unsecured securities outstanding.

**Public unsecured bonds.** During the **nine three** months ended **September 30, 2023** **March 31, 2024**, the Company issued **\$700.0** (i) **\$500.0** million in aggregate principal amount of **5.30%** **5.10%** Medium-Term Notes due **2028**.

**Private placement securities.** During the nine months ended **September 30, 2023**, the Company, through a trust, issued **\$600.0** 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 **5.85%** **trust certificates** **3.70%** Medium-Term Notes due **2028** **2030** ("2024 € notes").

The 2024 C\$ notes issued in 2024 have the same terms as, and constitute a **Sukuk financing**. If single tranche with, the **C\$500.0** million aggregate principal amount of 5.40% Medium-Term Notes issued in November 2023. The Company **fails** hedged the 2024 C\$ notes through a cross-currency swap that converts the borrowing rate to meet its obligations under a fixed 5.95% U.S. dollar denominated rate. The Company also hedged the **Sukuk financing**, 2024 € notes through a cross-currency swap that converts the **sole rights of each** 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 **holders derivative** recognized in other comprehensive income/(loss). See Note 9. "Fair Value Measurements" for additional details on the fair value of the **trust certificates** will be against the Company to perform its obligations under the arrangements to which it is a party, **swaps**.

#### Syndicated unsecured revolving credit facility

As of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, the Company had **\$1.8** **\$1.5** billion and **\$1.0** **\$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 **2023** **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, 2026** **May 5, 2027** to **May 5, 2028** and amended the total revolving commitments thereunder to approximately **\$7.2** **\$7.8** billion as of **May 5, 2023** **May 5, 2024**. The amended Revolving Credit Facility also decreased the SOFR credit spread adjustment applicable to borrowings for all interest periods. As of **September 30, 2023** **May 6, 2024**, **borrowings** 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.

As of November 6, 2023, lenders held revolving commitments totaling approximately \$6.8 billion that mature on May 5, 2027, commitments totaling \$320.0 million that mature on May 5, 2026, and commitments totaling \$32.5 million that mature on May 5, 2025. In October 2023, the Company increased the aggregate facility capacity by an additional \$25.0 million.

Unsecured term financings

In May 2023, the Company entered into a \$650.0 million term loan. In July 2023 and October 2023, the Company entered into new lender supplements to increase the aggregate term loan capacity by an additional \$100.0 million. Under the terms of the loan agreement, the Company had the ability to set the funding date of the loan, subject to an outside funding date of November 1, 2023. As of November 6, 2023, the Company had \$750.0 million in borrowings outstanding under the term loan. The term loan bears interest at a floating rate of Term SOFR plus a credit spread adjustment of 0.10% plus 1.4% and has a final maturity on November 24, 2026. The term loan contains customary covenants and events of default consistent with the Company's Revolving Credit Facility.

In addition, during the three months ended September 30, 2023, the Company entered into a \$150.0 million unsecured term financing with a one-year maturity bearing interest at a floating rate of one-month SOFR plus a credit spread adjustment of 0.10% plus 1.25%.

As of September 30, 2023 and December 31, 2022, the outstanding balance on the Company's unsecured term financings was \$798.4 million and \$583.0 million, respectively.

Secured debt financings

In June 2023 and August 2023, the Company issued \$112.2 million in secured notes due 2034 and \$101.7 million in secured notes due 2035, respectively, both of which are amortized over the term of the notes and are guaranteed by United Kingdom Export Finance ("UKEF"), the UK government's export credit agency. Each tranche of the notes bears interest at a floating rate of three-month SOFR plus 0.42%. The Company pledged two aircraft as collateral in connection with these transactions.

As of September 30, 2023 March 31, 2024, the Company had an outstanding balance of \$312.3 \$298.5 million in secured debt financings and pledged four aircraft as collateral with a net book value of \$450.5 \$441.4 million. As of December 31, 2022 December 31, 2023, the Company had an outstanding balance of \$125.4 \$305.5 million in secured debt financings and pledged three four aircraft as collateral with a net book value of \$212.1 million \$445.9 million. All of the Company's secured obligations as of March 31, 2024 and December 31, 2023 are recourse in nature.

Maturities

Maturities of debt outstanding as of September 30, 2023 March 31, 2024 are as follows (in thousands):

Years ending December 31,	Years ending December 31,	
2023		\$ 26,820
2024		
2024		
2024	2024	3,102,525
2025	2025	2,424,455
2026	2026	3,708,533
2027	2027	4,467,478
2028		
Thereafter	Thereafter	5,103,481
Total	Total	\$ 18,833,292

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

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 nine three months ended September 30, 2023 March 31, 2024:

	(in thousands)	
Net book value as of December 31, 2022	December 31, 2023	\$ 24,538,385 26,231,208
Purchase of aircraft		3,429,479 900,278
Depreciation		(795,659) (277,260)
Sale of aircraft	Flight equipment subject to operating leases reclassified to flight equipment held for sale	(906,992) (276,094)
Transferred	Flight equipment subject to Held for Sale operating leases reclassified to investment in sales-type lease	(669,899) (33,629)
Net book value as of September 30, 2023	March 31, 2024	\$ 25,595,314 26,544,503
Accumulated depreciation as of September 30, 2023	March 31, 2024	\$ (5,365,755) (5,729,380)

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

Update on Write-off of Russian fleet

In response to As previously disclosed in the sanctions against certain industry sectors Company's filings with the U.S. Securities and parties Exchange Commission, in Russia, in March 2022, the Company terminated all of its leasing activities in Russia, including eight aircraft from its managed fleet. While the Company or the respective managed platform maintains title to the aircraft, the Company determined that it is unlikely it or they will regain possession of the aircraft detained in Russia. As such, during the three months ended March 31, 2022, the Company recognized a loss from asset write-offs of its interests in owned aircraft detained in Russia, totaling approximately \$791.0 million. In October 2022, one Boeing 737-8 MAX aircraft previously detained in Russia was returned to the Company. At this time, the Company does not anticipate the return of any other aircraft detained in Russia.

In June 2022, the Company and certain of its subsidiaries submitted insurance claims to the insurers on its insurers aviation insurance policies to recover its losses relating to aircraft detained in Russia. Russia for which the Company recorded a net write-off of its interests in its owned and managed aircraft 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 insurers 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, 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, the Company 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 November 6, 2023 May 6, 2024, 2016 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. Commitments and Contingencies**

**Aircraft Acquisition Flight Equipment Held for Sale**

As of September 30, 2023 March 31, 2024, the Company had commitments to purchase 351 17 aircraft, from Airbus with a carrying value of \$666.4 million, which were classified as held for sale and Boeing for delivery through 2028, with ongoing delays that could extend through 2029, with an estimated aggregate commitment of \$22.6 billion.

The table is subject to change based included in Other assets on Airbus and Boeing delivery delays. As noted below, the Consolidated Balance Sheets. The Company expects delivery delays for a majority the sale of the all 17 aircraft to be completed 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 currently able to determine the full impact of these delays.

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

Aircraft Type	Estimated Delivery Years						Total
	2023	2024	2025	2026	2027	Thereafter	
Airbus A220-100/300	6	19	10	18	14	—	67
Airbus A320/321neo(1)	10	20	13	40	40	38	161
Airbus A330-900neo	2	6	—	—	—	—	8

Airbus A350-900/1000	—	4	—	—	—	—	4
Airbus A350F	—	—	—	—	4	3	7
Boeing 737-8/9 MAX	6	32	30	16	—	—	84
Boeing 787-9/10	—	10	9	1	—	—	20
Total <sup>(2)</sup>	24	91	62	75	58	41	351

(1) The Company's Airbus A320/321neo aircraft orders include 12 long-range variants and 49 extra long-range variants.

(2) The table above reflects Airbus and Boeing aircraft delivery delays based on contractual documentation.

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 both Airbus and Boeing.

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.

Commitments for the acquisition of these aircraft, calculated at an estimated aggregate purchase price (including adjustments for anticipated inflation) of approximately \$22.6 billion as of September 30, 2023, are as follows (in thousands):

Years ending December 31,	
2023 (excluding the nine months ended September 30, 2023)	\$ 1,660,591
2024	6,516,990
2025	4,306,517
2026	4,200,731
2027	3,459,362
Thereafter	2,479,725
Total	\$ 22,623,916

The Company has made non-refundable deposits on flight equipment purchases of \$1.2 billion and \$1.3 billion as of September 30, 2023 and December 31, 2022, 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.

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

**Note 6. Rental Income**

2024. As of September 30, 2023, minimum future rentals on non-cancellable operating leases of flight equipment in the Company's owned fleet, which have been delivered as of September 30, 2023 are as follows (in thousands):

Years ending December 31,	
2023 (excluding the nine months ended September 30, 2023)	\$ 585,241
2024	2,335,945
2025	2,200,120
2026	1,962,861
2027	1,745,623
Thereafter	7,265,525
Total	\$ 16,095,315

**Note 7. Earnings/(Loss) Per Share**

Basic earnings/(loss) per share is computed by dividing net income/(loss) 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 September 30, 2023 March 31, 2024, the Company did not have any Class B non-voting common stock outstanding. 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.

Diluted earnings per share takes into account the potential conversion of stock options, restricted stock units, and warrants using the treasury stock method and convertible notes using the if-converted method. For the three and nine months ended September 30, 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. Since the Company was in a loss position for the nine months ended September 30, 2022, diluted net loss per share is the same as basic net loss per share for the period as the inclusion of all potential common shares outstanding would have been anti-dilutive. For the nine months ended September 30, 2022, the Company excluded 329,947 potentially dilutive securities, whose effect would have been anti-dilutive, from the computation of diluted earnings per share. For During the three months ended September 30, 2022 March 31, 2024, the Company did not exclude any potentially dilutive securities, whose effect would have been anti-dilutive, transferred eight aircraft from flight equipment subject to operating lease and completed the computation sale of diluted earnings per share. five aircraft from its held for sale portfolio. The Company excluded 965,788 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 976,509 shares related to restricted stock units for which included in Other assets on the performance metric had yet to be achieved as of September 30, 2023 and 2022, respectively. Consolidated Balance Sheets.

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

The following table sets forth summarizes the reconciliation of basic and diluted earnings/(loss) per share: activities for the Company's held for sale for the three months ended March 31, 2024 based on carrying value:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
(in thousands, except share and per share)				
<b>Basic earnings/(loss) per share:</b>				
Numerator				
Net income/(loss)	\$ 132,450	\$ 110,381	\$ 393,571	\$ (242,334)
Preferred stock dividends	(10,425)	(10,425)	(31,275)	(31,275)
Net income/(loss) attributable to common stockholders	\$ 122,025	\$ 99,956	\$ 362,296	\$ (273,609)
Denominator				
Weighted-average shares outstanding	111,027,252	110,892,097	110,997,619	111,874,002
Basic earnings/(loss) per share	\$ 1.10	\$ 0.90	\$ 3.26	\$ (2.45)
<b>Diluted earnings/(loss) per share:</b>				
Numerator				
Net income/(loss)	\$ 132,450	\$ 110,381	\$ 393,571	\$ (242,334)
Preferred stock dividends	(10,425)	(10,425)	(31,275)	(31,275)
Net income/(loss) attributable to common stockholders	\$ 122,025	\$ 99,956	\$ 362,296	\$ (273,609)
Denominator				
Number of shares used in basic computation	111,027,252	110,892,097	110,997,619	111,874,002
Weighted-average effect of dilutive securities	319,547	198,036	385,638	—
Number of shares used in per share computation	111,346,799	111,090,133	111,383,257	111,874,002
Diluted earnings/(loss) per share	\$ 1.10	\$ 0.90	\$ 3.25	\$ (2.45)

	(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
Aircraft sales	(214,798)
Flight equipment held for sale as of March 31, 2024	\$ 666,400

**Note 6. Commitments and Contingencies**

**Aircraft Acquisition**

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

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

Aircraft Type	Estimated Delivery Years						Total
	Last 9 months of						
	2024	2025	2026	2027	2028	Thereafter	
Airbus A220-100/300	16	11	15	17	—	—	59
Airbus A320/321neo <sup>(1)</sup>	14	11	30	50	36	4	145
Airbus A330-900neo	6	1	—	—	—	—	7
Airbus A350-900/1000	3	—	—	—	—	—	3
Airbus A350F	—	—	—	4	2	1	7
Boeing 737-8/9 MAX	20	27	21	7	2	—	77
Boeing 787-9/10	11	10	1	—	—	—	22
Total <sup>(2)</sup>	70	60	67	78	40	5	320

(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.

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 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.

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

Years ending December 31,	
2024 (excluding the three months ended March 31, 2024)	\$ 5,521,459
2025	4,245,270
2026	3,804,021
2027	4,626,120
2028	2,330,499
Thereafter	354,227
Total	\$ 20,881,596

**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 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, 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 are as follows (in thousands):

Years ending December 31,		
2024 (excluding the three months ended March 31, 2024)	\$	1,824,562
2025		2,328,165
2026		2,088,796
2027		1,888,157
2028		1,710,994
Thereafter		6,717,010
Total	\$	16,557,684

#### 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, 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 months ended March 31, 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 and 969,698 shares related to restricted stock units for which the performance metric had yet to be achieved as of March 31, 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	
	March 31,	
	2024	2023
	(in thousands, except share and per share)	
<b>Basic earnings per share:</b>		
Numerator		
Net income	\$ 107,866	\$ 128,720
Preferred stock dividends	(10,425)	(10,425)
Net income attributable to common stockholders	\$ 97,441	\$ 118,295
Denominator		
Weighted-average shares outstanding	111,174,593	110,943,552
Basic earnings per share	\$ 0.88	\$ 1.07
<b>Diluted earnings per share:</b>		
Numerator		
Net income	\$ 107,866	\$ 128,720
Preferred stock dividends	(10,425)	(10,425)
Net income attributable to common stockholders	\$ 97,441	\$ 118,295
Denominator		
Number of shares used in basic computation	111,174,593	110,943,552
Weighted-average effect of dilutive securities	355,177	256,444
Number of shares used in per share computation	111,529,770	111,199,996
Diluted earnings per share	\$ 0.87	\$ 1.06



## Note 9. Fair Value Measurements

### Assets and Liabilities Measured at Fair Value on a Recurring and Non-recurring Basis

The Company has a four cross-currency swap swaps, which were issued in December 2019, November 2023, February 2024 and March 2024, related to its Canadian dollar and Euro Medium-Term Notes, which were issued in December 2019. Notes. The fair value of the swap these swaps as a foreign currency exchange derivative is categorized as a Level 2 measurement in the fair value hierarchy and is measured on a recurring basis. As of September 30, 2023 March 31, 2024, the estimated fair value of one of the Company's foreign exchange swaps was a derivative asset of \$5.6 million and the remaining three swaps was a derivative liability of \$8.5 million. As of December 31, 2023, the estimated fair value of the Company's foreign currency exchange swaps was a derivative liability was \$4.2 asset of \$17.0 million. As of December 31, 2022, Derivative assets are included in Other assets on the estimated fair value of Company's Consolidated Balance Sheets while derivative liabilities are included in Accrued interest and other payables on the foreign currency exchange derivative liability was \$2.5 million. Company's Consolidated Balance Sheets.

### 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 September 30, 2023 March 31, 2024 was \$17.6 billion \$19.0 billion compared to a book value of \$18.8 billion \$19.7 billion. The estimated fair value of debt financing as of December 31, 2022 December 31, 2023 was \$17.5 billion \$18.7 billion compared to a book value of \$18.8 billion \$19.4 billion.

The following financial instruments are not measured at fair value on the Company's Consolidated Balance Sheets at September 30, 2023 March 31, 2024, but require disclosure of their fair values: cash and cash equivalents and restricted cash. The estimated fair value of such instruments at September 30, 2023 March 31, 2024 and December 31, 2022 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 9. Shareholders' Equity

The Company was authorized to issue 500,000,000 shares of Class A common stock, \$0.01 par value, at September 30, 2023 and December 31, 2022. As of September 30, 2023 and December 31, 2022, the Company had 111,027,252 and 110,892,097 Class A common shares issued and outstanding, respectively. The Company was authorized to issue 10,000,000 shares of Class B common stock, \$0.01 par value at September 30, 2023 and December 31, 2022. The Company did not have any shares of Class B non-voting common stock, \$0.01 par value, issued or outstanding as of September 30, 2023 or December 31, 2022.

The Company was authorized to issue 50,000,000 shares of preferred stock, \$0.01 par value, at September 30, 2023 and December 31, 2022. As of September 30, 2023 and December 31, 2022, 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 September 30, 2023 (in thousands, except for share amounts and percentages):

	Shares Issued and Outstanding as of September 30, 2023	Liquidation Preference as of September 30, 2023	Issue Date	Dividend Rate in Effect at September 30, 2023	Next dividend rate reset date	Dividend rate after reset date
Series A	10,000,000	\$ 250,000	March 5, 2019	6.150 %	March 15, 2024	3M Term SOFR <sup>(1)</sup> plus 3.65%
Series B	300,000	300,000	March 2, 2021	4.650 %	June 15, 2026	5 Yr U.S. Treasury plus 4.076%
Series C	300,000	300,000	October 13, 2021	4.125 %	December 15, 2026	5 Yr U.S. Treasury plus 3.149%
Total	10,600,000	\$ 850,000				

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

## 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 and December 31, 2023. As of March 31, 2024 and December 31, 2023, the Company had 111,366,501 and 111,027,252 shares of Class A common stock issued and outstanding, respectively. The Company authorized for issuance up to 10,000,000 shares of Class B common stock, \$0.01 par value at March 31, 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 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 and December 31, 2023. As of March 31, 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 (in thousands, except for share amounts and percentages):

	Shares Issued and Outstanding as of	Liquidation Preference as of	Issue Date	Dividend Rate in Effect at March 31,	Next dividend rate reset date	Dividend rate after reset date
	March 31, 2024	March 31, 2024 <sup>(2)</sup>		2024 <sup>(3)</sup>		
				3M Term SOFR <sup>(1)</sup>		
Series A	10,000,000	\$ 250,000	March 5, 2019	plus 3.65%	June 15, 2024	3M Term SOFR <sup>(1)</sup> plus 3.65%
Series B	300,000	300,000	March 2, 2021	4.65%	June 15, 2026	5 Yr U.S. Treasury plus 4.076%
Series C	300,000	300,000	October 13, 2021	4.125%	December 15, 2026	5 Yr U.S. Treasury plus 3.149%
Total	10,600,000	\$ 850,000				

(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.

(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.

#### Note 11. Stock-based Compensation

On May 3, 2023, the stockholders of the Company approved the Air Lease Corporation 2023 Equity Incentive Plan (the "2023 Plan"). Upon approval of the 2023 Plan, no new awards under the Air Lease Corporation 2014 Equity Incentive Plan (the "2014 Plan") could be granted. As of September 30, 2023 March 31, 2024, the number of shares of Class A Common Stock available for new award grants under the 2023 Plan is approximately 4,140,023 3,719,460. 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 \$8.7 million \$8.3 million and \$5.8 million \$5.9 million of stock-based compensation expense related to RSUs for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively.

The Company recorded \$23.3 million and \$9.8 million of stock-based compensation expense related to RSUs for the nine months ended September 30, 2023 and 2022, respectively. For the nine months ended September 30, 2022, the Company reduced the underlying vesting estimates of certain book value RSUs as the performance criteria were no longer considered probable of being achieved.

### 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 nine three months ended September 30, 2023 March 31, 2024, the Company granted 704,565 810,284 RSUs of which 121,608 133,438 are TSR RSUs and 243,206 308,421 are book value RSUs. The following table summarizes the activities for the Company's unvested RSUs for the nine three months ended September 30, 2023 March 31, 2024:

	Unvested Restricted Stock Units	
	Number of Shares	Weighted-Average Grant-Date Fair Value
Unvested at December 31, 2022	1,514,875	\$ 45.90
Granted	704,565	\$ 44.73

Vested	(229,187)	\$	44.19
Forfeited/canceled	(379,754)	\$	42.52
Unvested at September 30, 2023	1,610,499	\$	46.43
Expected to vest after September 30, 2023	1,769,213	\$	46.17

	Unvested Restricted Stock Units	
	Number of Shares	Weighted-Average Grant-Date Fair Value
Unvested at December 31, 2023	1,607,575	\$ 46.44
Granted	810,284	\$ 41.34
Vested <sup>(1)</sup>	(567,154)	\$ 45.26
Forfeited/canceled	(75,779)	\$ 54.03
Unvested at March 31, 2024	1,774,926	\$ 44.16
Expected to vest after March 31, 2024	2,009,069	\$ 44.08

(1) During the three months ended March 31, 2024, 247,258 performance based RSUs and 319,896 time-based RSUs vested.

As of September 30, 2023, there was \$41.0 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 1.82 years.

#### Note 11. Aircraft Under Management

As of September 30, 2023, the Company managed 79 aircraft across two aircraft management platforms. The Company managed 45 aircraft through its Thunderbolt platform and 34 aircraft through the Blackbird investment funds.

As of September 30, 2023, the Company managed 34 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 September 30, 2023, 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 \$65.9 million and \$64.7 million as of September 30, 2023 and December 31, 2022, 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 September 30, 2023, the Company managed 45 aircraft across three separate entities, Thunderbolt I, Thunderbolt II and Thunderbolt III. 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 September 30, 2023 and December 31, 2022 and is included in Other assets on the Consolidated Balance Sheets.

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

#### Note 12. Aircraft Under Management

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

As of March 31, 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, 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 million and \$69.4 million as of March 31, 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, the Company managed 40 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 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 months ended March 31, 2024, Thunderbolt I completed the sale of four of the 13 aircraft.

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

As of September 30, 2023 March 31, 2024 and December 31, 2023, the Company had sales-type leases for 11 13 aircraft and 12 aircraft in its owned fleet. 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):

	September 30, 2023	
Future minimum lease payments to be received	\$ 256,029	
Estimated residual values of leased flight equipment	100,188	
Less: Unearned income	(48,444)	
Net Investment in Sales-type Leases	\$ 307,773	

	March 31, 2024	December 31, 2023
Future minimum lease payments to be received	\$ 315,151	\$ 285,443
Estimated residual values of leased flight equipment	117,415	108,688
Less: Unearned income	(57,291)	(53,412)
Net Investment in Sales-type Leases	\$ 375,275	\$ 340,719

As of September 30, 2023 March 31, 2024, future minimum lease payments to be received on sales-type leases were as follows (in thousands): follows:

	(in thousands)	(in thousands)
<b>Years ending December 31,</b>	<b>Years ending December 31,</b>	
2023 (excluding the nine months ended September 30, 2023)	\$ 6,947	
2024	27,786	
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)		
2025	2025	27,786
2026	2026	27,786
2027	2027	27,786
2028		
Thereafter	Thereafter	137,938
Total	Total	\$256,029

**Note 13. Flight Equipment Held for Sale**

As of September 30, 2023, the Company had 13 aircraft, with a carrying value of \$669.9 million, which were held for sale and included in Other assets on the Consolidated Balance Sheets. The Company expects the sale of all 13 aircraft to be completed by end of the second quarter of 2024. As of September 30, 2023, the Company held an aggregate

of \$639.7 million in purchase deposits pursuant to sale agreements related to 10 of the 13 aircraft, which amount is included in Accrued interest and other payables on the Consolidated Balance Sheets.

During the nine months ended September 30, 2023, the Company completed the sale of 18 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, 2022, the Company had four aircraft, with a carrying value of \$153.5 million, which were held for sale and included in Flight equipment subject to operating leases on the Consolidated Balance Sheets.

**Note 14. Subsequent Events**

On November 3, 2023 May 3, 2024, the Company's board of directors increased the quarterly cash dividend on the Company's Class A common stock by 5%, from \$0.20 per share to \$0.21 per share. The Company's board of directors also approved quarterly cash dividends for the Company's Class A common stock and Series A, Series B and Series C Preferred Stock. 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	December 15, 2023 June 4, 2024	January 10, July 8, 2024
Series A Preferred Stock	\$ 0.384375 0.592675	November 30, 2023 May 31, 2024	December June 15, 2023 2024
Series B Preferred Stock	\$ 11.625	November 30, 2023 May 31, 2024	December June 15, 2023 2024
Series C Preferred Stock	\$ 10.3125	November 30, 2023 May 31, 2024	December June 15, 2023 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 Airbus S.A.S. (“Airbus”), 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.

**Third First Quarter Overview**

AsDuring the three months ended March 31, 2024, we purchased 14 new aircraft from Airbus and Boeing and sold five aircraft. We ended the first quarter with a total of September 30, 2023, the 472 aircraft in our owned fleet. The net book value of our fleet was \$25.6; grew by 1.2% to \$26.5 billion as of March 31, 2024 compared to \$24.5 billion \$26.2 billion as of December 31, 2022 December 31, 2023. During the three months ended September 30, 2023, we purchased and took delivery of eight aircraft from our new order pipeline and sold eight aircraft, ending the period with a total of 448 aircraft in our owned aircraft portfolio. The weighted average age of our flight equipment subject to operating lease fleet was 4.6 4.7 years and the weighted average lease term remaining was 7.0 years as of September 30, 2023 March 31, 2024. Our managed fleet was comprised of 79 73 aircraft as of September 30, 2023 as March 31, 2024 compared to a managed fleet of 85 78 aircraft as of December 31, 2022 December 31, 2023. We have a globally diversified customer base comprised of 117 120 airlines in 63 62 countries as of September 30, 2023 March 31, 2024. We continue continued to maintain a strong lease utilization rate of 99.9% 100.0% for the three months ended September 30, 2023 March 31, 2024.

As of September 30, 2023 March 31, 2024, we had commitments to purchase 351 320 aircraft from Airbus and Boeing for delivery through 2028 with ongoing delays that could extend through 2029, with an estimated aggregate commitment of \$22.6 \$20.9 billion. We have placed 100% of our committed orderbook on long-term leases for aircraft delivering through the end of 2025 and have placed 67% 63% of our entire orderbook. We ended the third first quarter of 2023 2024 with \$31.2 \$30.6 billion in committed minimum future rental payments, consisting of \$16.1 \$16.6 billion in contracted minimum rental payments on the aircraft in our existing fleet and \$15.1 \$14.0 billion in minimum future rental payments related to aircraft which will deliver between 2023 2024 through 2027. 2028.

We typically finance the purchase of aircraft and our business with our available cash balances and internally generated funds, including through which includes cash flows from our leases, as well as aircraft sales preferred stock issuances, and debt financings. 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. We ended the third first quarter of 2023 2024 with an aggregate borrowing capacity under our unsecured revolving credit facility of \$5.4 billion approximately \$6.0 billion and total liquidity of \$6.6 \$6.5 billion. As of

September 30, 2023 March 31, 2024, we had total debt outstanding of \$18.8 \$19.7 billion, of which 85.1% 83.3% was at a fixed rate and 98.3% 98.5% was unsecured. As of September 30, 2023, unsecured, and in the aggregate, our composite cost of funds raised through debt financings was 3.67% 4.03%.

Our total revenues for the quarter ended September 30, 2023 March 31, 2024 increased by 17.5% 4.3% to \$659.4 \$663.3 million, compared to the quarter ended September 30, 2022 March 31, 2023. The increase in total revenues was primarily driven by the continued growth in of our fleet and an increase in sales activity. The increase activity, partially offset by a decrease in aircraft sales, trading and other revenue was primarily related to the sale end of eight aircraft and one sales-type lease transaction which generated approximately \$43.9 million in gains. revenue. During the three months ended September 30, 2022 March 31, 2024, we recorded \$11.6 million recognized \$23.0 million in gains from four sales-type lease transactions and the sale of one five aircraft and \$12.7 million in end of lease revenue from the return of two aircraft. 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.

During the three months ended September 30, 2023 March 31, 2024, we recorded net income attributable to common stockholders of \$122.0 million \$97.4 million, or \$1.10 \$0.87 per diluted share, as compared to net income attributable to common stockholders of \$100.0 \$118.3 million, or \$0.90 \$1.06 per diluted share, for the three months ended September 30, 2022 March 31, 2023. Net income attributable to common stockholders increased The decrease from the prior year period is primarily due to the growth of our fleet and increase in sales activity, partially offset by an increase in higher interest expense as a result of driven by the increase in our composite cost of funds, partially offset by the increase in revenues discussed above.

<sup>1</sup>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.

Our 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 million, or \$1.31 per adjusted diluted share, compared to an adjusted net income before income taxes of \$166.8 million, or \$1.50 per adjusted diluted share, for the three months ended March 31, 2023. Adjusted net income before income taxes decreased primarily due to higher interest expense driven by the rise increase in prevailing interest rates. our composite cost of funds, partially offset by the increase in revenues 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%, to \$26.5 billion as of March 31, 2024, compared to \$26.2 billion as of December 31, 2023. During the three months ended March 31, 2024, we purchased 14 new aircraft from Airbus and Boeing and sold five aircraft. We ended the period with a total of 472 aircraft in our owned fleet. As of March 31, 2024, the weighted average fleet age and weighted average remaining lease term of our fleet were 4.7 years and 7.0 years, respectively. We also managed 73 aircraft as of March 31, 2024.

Our adjusted portfolio metrics as of March 31, 2024 and December 31, 2023 are as follows:

	March 31, 2024	December 31, 2023
Net book value of flight equipment subject to operating lease	\$ 26.5 billion	\$ 26.2 billion
Weighted-average fleet age <sup>(1)</sup>	4.7 years	4.6 years
Weighted-average remaining lease term <sup>(1)</sup>	7.0 years	7.0 years
Owned fleet <sup>(2)</sup>	472	463
Managed fleet	73	78
Aircraft on order	320	334
Total	865	875
Current fleet contracted rentals	\$ 16.6 billion	\$ 16.4 billion
Committed fleet rentals	\$ 14.0 billion	\$ 14.6 billion
Total committed rentals	\$ 30.6 billion	\$ 31.0 billion

(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.

<sup>2</sup>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. For the three months ended September 30, 2023, we recorded adjusted net income before income taxes of \$177.0 million, or \$1.59 per adjusted diluted share, compared to an adjusted net income before income taxes of \$146.3 million, or \$1.32 per adjusted diluted share, for the three months ended September 30, 2022. Adjusted

net income before income taxes increased from the prior year due to the growth of our fleet and an increase in sales activity, partially offset by an increase in interest expense as a result of the increase in our composite cost of funds due to the rise in prevailing interest rates.

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.

## Our Fleet

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 or aircraft classified as net investments in sales-type leases unless the context indicates otherwise. Portfolio metrics of our fleet as of September 30, 2023 and December 31, 2022 are as follows:

	September 30, 2023	December 31, 2022
Net book value of flight equipment subject to operating lease	\$ 25.6 billion	\$ 24.5 billion
Weighted-average fleet age <sup>(1)</sup>	4.6 years	4.5 years
Weighted-average remaining lease term <sup>(1)</sup>	7.0 years	7.1 years
Owned fleet <sup>(2)</sup>	448	417
Managed fleet	79	85
Aircraft on order	351	398
Total	878	900
Current fleet contracted rentals	\$ 16.1 billion	\$ 15.6 billion
Committed fleet rentals	\$ 15.1 billion	\$ 15.8 billion
Total committed rentals	\$ 31.2 billion	\$ 31.4 billion

(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 September 30, 2023, our owned fleet count includes 13 aircraft classified as flight equipment held for sale which is included in Other assets on the Consolidated Balance Sheet.

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 September 30, 2023, March 31, 2024 and December 31, 2022, December 31, 2023:

September 30, 2023		December 31, 2022									
March 31, 2024				March 31, 2024				December 31, 2023			
Region	Region	Net Book Value	% of Total	Net Book Value	% of Total	Region	Region	Net Book Value	% of Total	Net Book Value	% of Total
(in thousands, except percentages)											
(in thousands, except percentages)								(in thousands, except percentages)			
Europe	Europe	\$ 9,430,137	36.8 %	\$ 7,985,317	32.5 %	Europe	Europe	\$10,343,225	39.0 %	\$ 9,881,024	37.7 %
Asia (excluding China)		7,665,500	30.0 %	7,144,188	29.1 %						
Asia Pacific	Asia Pacific					Asia Pacific		10,191,471	38.4 %	10,456,435	39.8 %



Central America, South America, and Mexico	Central America, South America, and Mexico	2,180,219	8.5 %	1,924,216	7.8 %	Central America, South America, and Mexico	2,395,119	9.0	9.0 %	2,361,089	9.0	9.0 %
The Middle East and Africa	The Middle East and Africa	2,134,864	8.3 %	2,253,342	9.3 %	The Middle East and Africa	2,045,638	7.7	7.7 %	2,062,420	7.9	7.9 %
China		1,867,514	7.3 %	2,792,022	11.4 %							
U.S. and Canada	U.S. and Canada	1,462,988	5.8 %	1,557,260	6.3 %	U.S. and Canada	1,569,050	5.9	5.9 %	1,470,240	5.6	5.6 %
Pacific, Australia, and New Zealand		854,092	3.3 %	882,040	3.6 %							
Total <sup>(1)</sup>		\$25,595,314	100.0 %	\$24,538,385	100.0 %							

(1) As of December 31, 2022, we had four aircraft classified as held for sale with a carrying value of \$153.5 million included in the table above.

Total	Total	\$26,544,503	100.0 %	\$26,231,208	100.0 %
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The following table sets forth our top five lessees by net book value as of **September 30, 2023** **March 31, 2024**:

	<b>September 30, 2023</b>	<b>March 31, 2024</b>
Lessee		% of Total
EVA Air	Virgin Atlantic	5.0 5.4 %
Virgin Atlantic	EVA Air	4.9 4.7 %
Vietnam Airlines	ITA	4.2 4.7 %
Air France-KLM Group		4.2 4.4 %
Aeromexico	Vietnam Airlines	3.7 4.0 %

The following table sets forth the number of aircraft in our owned fleet by aircraft type as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**:

September 30, 2023						December 31, 2022							
March 31, 2024						March 31, 2024						December 31, 2023	
Aircraft type	Aircraft type	Number of Aircraft	% of Total	Number of Aircraft	% of Total	Aircraft type	Number of Aircraft	% of Total	%	Number of Aircraft	% of Total	%	
Airbus A220-100						Airbus A220-100	3	0.6	%	2	0.4	%	
Airbus A220-300	Airbus A220-300	9	2.0	%	4	1.0	%			13	2.8	%	
Airbus A319-100	Airbus A319-100	1	0.2	%	1	0.2	%			1	0.2	%	



Airbus A320-200	Airbus A320-200	28	6.3 %	28	6.7 %	Airbus A320-200	28	5.9	5.9 %	28	6.0	6.0 %
Airbus A320-200neo	Airbus A320-200neo	24	5.4 %	23	5.5 %	Airbus A320-200neo	26	5.5	5.5 %	25	5.4	5.4 %
Airbus A321-200	Airbus A321-200	23	5.1 %	23	5.5 %	Airbus A321-200	23	4.9	4.9 %	23	5.0	5.0 %
Airbus A321-200neo	Airbus A321-200neo	90	20.1 %	78	18.7 %	Airbus A321-200neo	100	21.2	21.2 %	95	20.6	20.6 %
Airbus A330-200 <sup>(1)</sup>	Airbus A330-200 <sup>(1)</sup>	13	2.9 %	13	3.1 %	Airbus A330-200 <sup>(1)</sup>	13	2.8	2.8 %	13	2.8	2.8 %
Airbus A330-300	Airbus A330-300	5	1.1 %	5	1.2 %	Airbus A330-300	5	1.1	1.1 %	5	1.1	1.1 %
Airbus A330-900neo	Airbus A330-900neo	21	4.7 %	16	3.8 %	Airbus A330-900neo	22	4.7	4.7 %	23	5.0	5.0 %
Airbus A350-900	Airbus A350-900	15	3.3 %	13	3.1 %	Airbus A350-900	14	3.0	3.0 %	14	3.0	3.0 %
Airbus A350-1000	Airbus A350-1000	7	1.6 %	6	1.4 %	Airbus A350-1000	8	1.7	1.7 %	7	1.5	1.5 %
Boeing 737-700	Boeing 737-700	3	0.7 %	4	1.0 %	Boeing 737-700	3	0.6	0.6 %	3	0.6	0.6 %
Boeing 737-800	Boeing 737-800	75	16.7 %	82	19.7 %	Boeing 737-800	71	15.0	15.0 %	73	15.8	15.8 %
Boeing 737-8 MAX	Boeing 737-8 MAX	51	11.4 %	47	11.3 %	Boeing 737-8 MAX	55	11.7	11.7 %	52	11.2	11.2 %
Boeing 737-9 MAX	Boeing 737-9 MAX	26	5.8 %	15	3.7 %	Boeing 737-9 MAX	29	6.1	6.1 %	29	6.3	6.3 %
Boeing 777-200ER	Boeing 777-200ER	1	0.2 %	1	0.2 %	Boeing 777-200ER	1	0.2	0.2 %	1	0.2	0.2 %
Boeing 777-300ER	Boeing 777-300ER	24	5.4 %	24	5.8 %	Boeing 777-300ER	24	5.1	5.1 %	24	5.2	5.2 %
Boeing 787-9	Boeing 787-9	25	5.6 %	27	6.5 %	Boeing 787-9	25	5.3	5.3 %	25	5.4	5.4 %
Boeing 787-10	Boeing 787-10	6	1.3 %	6	1.4 %	Boeing 787-10	6	1.2	1.2 %	6	1.3	1.3 %
Embraer E190	Embraer E190	1	0.2 %	1	0.2 %	Embraer E190	1	0.2	0.2 %	1	0.2	0.2 %
Total <sup>(2)</sup>	Total <sup>(2)</sup>	448	100.0 %	417	100.0 %	Total <sup>(2)</sup>	472	100.0	100.0 %	463	100.0	100.0 %

(1) As of September 30, 2023, aircraft count includes one Airbus A330-200 aircraft classified as a freighter.

(2) As of September 30, 2023, our owned fleet count includes 13 aircraft classified as flight equipment held for sale which is included in Other assets on the Consolidated Balance Sheet.

(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 March 31, 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.	(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.

As of September 30, 2023 March 31, 2024, we had contractual commitments to acquire a total of 351 320 new aircraft with an estimated aggregate purchase price (including adjustments for anticipated inflation) of \$22.6 billion, for delivery through 2028, with ongoing delays that could extend through 2029, 2029. The following tables show our contractual delivery commitment schedule and our expected delivery commitment schedule as shown in of March 31, 2024:

#### Contractual commitment schedule

Aircraft Type	Estimated Delivery Years						Total
	Last 9 months of						
	2024	2025	2026	2027	2028	Thereafter	
Airbus A220-100/300	16	11	15	17	—	—	59
Airbus A320/321neo <sup>(1)</sup>	14	11	30	50	36	4	145
Airbus A330-900neo	6	1	—	—	—	—	7
Airbus A350-900/1000	3	—	—	—	—	—	3
Airbus A350F	—	—	—	4	2	1	7
Boeing 737-8/9 MAX	20	27	21	7	2	—	77
Boeing 787-9/10	11	10	1	—	—	—	22
Total <sup>(2)</sup>	70	60	67	78	40	5	320

(1) Our 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. 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

Aircraft Type	Estimated Delivery Years						Total
	Last 9 months of						
	2024	2025	2026	2027	2028	Thereafter	
Airbus A220-100/300	12	14	14	17	2	—	59
Airbus A320/321neo <sup>(1)</sup>	14	11	22	46	43	9	145
Airbus A330-900neo	6	1	—	—	—	—	7
Airbus A350-900/1000	3	—	—	—	—	—	3
Airbus A350F	—	—	—	3	3	1	7
Boeing 737-8/9 MAX	12	30	21	12	2	—	77
Boeing 787-9/10	6	10	6	—	—	—	22
Total <sup>(2)</sup>	53	66	63	78	50	10	320

(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.

Contractual and expected commitments for the following table. acquisition of these aircraft as of March 31, 2024 are as follows (in thousands):

Years ending December 31,	Contractual	Expected
2024 (excluding the three months ended March 31, 2024)	\$ 5,521,459	\$ 4,165,419
2025	4,245,270	4,421,568
2026	3,804,021	4,200,176
2027	4,626,120	4,587,718
2028	2,330,499	2,881,996
Thereafter	354,227	624,719
Total	\$ 20,881,596	\$ 20,881,596

The table is tables above are subject to change based on Airbus and Boeing delivery delays. As noted below, above, we expect delivery delays for a majority 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 Type	Estimated Delivery Years						Total
	2023	2024	2025	2026	2027	Thereafter	
Airbus A220-100/300	6	19	10	18	14	—	67
Airbus A320/321neo <sup>(1)</sup>	10	20	13	40	40	38	161
Airbus A330-900neo	2	6	—	—	—	—	8
Airbus A350-900/1000	—	4	—	—	—	—	4
Airbus A350F	—	—	—	—	4	3	7
Boeing 737-8/9 MAX	6	32	30	16	—	—	84
Boeing 787-9/10	—	10	9	1	—	—	20
Total <sup>(2)</sup>	24	91	62	75	58	41	351

(1) Our Airbus A320/321neo aircraft orders include 12 long-range variants and 49 extra long-range variants.

(2) The table above reflects Airbus and Boeing aircraft delivery delays based on contractual documentation.

### 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 as discussed above, described herein, our aircraft delivery schedule could continue to be subject to material changes and delivery delays are expected to extend beyond 2023, 2024.

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 September 30, 2023 March 31, 2024, along with the lease placements of such aircraft as of November 6, 2023 May 6, 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 and have been advised delays could extend through 2029. term. In addition, recently announced 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. See "Aircraft Industry aircraft and Sources of Revenues" below for more information. 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.

Delivery Year	Delivery Year	Number Leased	Number of Aircraft	% Leased		Delivery Year	Number Leased	Number of Aircraft		% Leased
2023		24	24	100.0 %						
2024	2024	91	91	100.0 %	2024	70	70	100.0	100.0	%
2025	2025	62	62	100.0 %	2025	60	60	100.0	100.0	%
2026	2026	40	75	53.3 %	2026	49	67	73.1	73.1	%
2027	2027	17	58	29.3 %	2027	23	78	29.5	29.5	%
2028					2028	1	40		2.5	%
Thereafter	Thereafter	—	41	— %	Thereafter	—	5	—	—	%
Total	Total	234	351							

Aircraft Industry and Sources of Revenues

Overview

Our revenues are principally derived from operating leases with airlines throughout the world. As of September 30, 2023 March 31, 2024, we had a globally diversified customer base of 117 120 airlines in 63 62 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.

Performance 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 commercial airline industry is linked to global middle class as well as air travel demand, and improved global economic health and development. 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, and which we expect this trend to continue. The International Air Transport Association ("IATA") reported that total passenger traffic was up 28% during the month of August 2023 14% in March 2024 relative to the prior year period, benefiting from both strong primarily due to continued strength in international traffic and healthy continued expansion of domestic traffic expansion globally. International traffic in March rose 30% in the month of August 19% relative to the prior year, period, benefiting from robust continued strength international travel expansion in the Asia Pacific region, along with double-digit percentage increases in revenue passenger-kilometers ("RPKs") as well as strong international expansion in all other major regions globally compared to the prior year period. According to IATA, a number of international routes and domestic markets are now either near or exceeding 2019 traffic levels. reported by IATA. Global domestic traffic rose 25% during the month of August 2023 7% in March as compared to the prior year with most major markets experiencing period, led by traffic growth in China. Meanwhile, passenger load factors also continue to rise and are persisting at historically high single-digit or double-digit percentage increases levels, which is compounding airline demand for additional aircraft. IATA reported total global passenger load factors of 82% for March 2024, as compared to 81% 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. Certain airline forward bookings are witnessing some weakness heading ticket sales as reported by IATA remained healthy in the first quarter 2024, illustrating continued support for traffic volume into the Northern hemisphere winter months, which is a typical seasonal trend and does not appear to be impacting robust global aircraft demand. 2024. We expect the need for airlines to replace aging aircraft will also increase the demand for newer, more fuel-efficient aircraft and 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, due to as well as shorter on-wing engine life 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 rising elevated interest rates and inflation, has been serving helped to increase lease rates on new lease agreements and lease extensions during the nine three months ended September 30, 2023 March 31, 2024. However, lease rate increases continue to lag behind interest rate increases. We expect that lease rates should will continue to increase as airlines adjust to a persistently higher interest 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, 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 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, and 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.

#### Recent Industry Updates Update on Russian Fleet

Recently, RTX Corporation ("RTX") As previously disclosed further details on a manufacturing flaw impacting in our filings with the U.S. Securities and Exchange Commission, in June 2022, we and certain of its Pratt & Whitney PW1100G GTF engines manufactured between late 2015 and mid-2021 that power our subsidiaries submitted insurance claims to the Airbus A320/A321neo family. Accelerated engine removal and incremental shop visits as insurers on our aviation insurance policies to recover losses relating to aircraft detained in Russia for which we recorded a product net write-off of the flaw are expected by RTX to result in a significant increase in A320/A321neo family aircraft on ground through 2026, potentially leading to further delivery delays as new engines and related parts are redirected for repairs. Although RTX has indicated that the Airbus A220 family aircraft powered by the PW1500G and the Airbus A320/321neo aircraft powered by the IAE V2500 are also impacted by the flaw, at present, RTX does not anticipate these aircraft to be meaningfully affected since the flaw is expected to be resolved as part of existing maintenance visit schedules for these engines. The issue is expected to result in increased demand for other narrowbody aircraft types, increased delays at maintenance, repair and overhaul ("MRO") providers, as well as elevated spare engine demand. The airline industry will be negatively impacted by this issue, potentially resulting in airline financial and operational challenges; though for our business, further commercial aircraft supply constraints could benefit lease rates and aircraft values.

In October 2023, the escalating conflict between Hamas and Israel resulted in a declaration of war from Israel. As discussed under "Part I — Item 1A. Risk Factors," interests in our Annual Report on Form 10-K owned and managed aircraft totaling approximately \$771.5 million for the year ended December 31, 2022, ongoing hostilities and political instability in a particular region could cause our customers operating in that region to incur higher costs, including increased fuel costs, generate lower revenues or result. In December 2022, we filed suit in the reduction or cancellation Los Angeles County Superior Court of the State of California against our aviation insurance coverage 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 to these customers, which could adversely affect their ability to make lease payments. 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 September 30, 2023 May 6, 2024, we had two maintain title to 16 aircraft previously included in our owned fleet on lease to one customer that are still detained in Israel and a limited number of customers who operate aircraft in the region, Russia. While we cannot predict remain in ongoing settlement discussions regarding these aircraft, the extent operators of these aircraft have continued to fly most of the ongoing conflict aircraft notwithstanding the termination of leasing activities. It is uncertain whether any of these discussions will result in the Middle East any settlement or whether such conflict may extend to regions outside receipt of Israel settlement proceeds and, the Gaza Strip, we do not currently expect our business, results of operations or financial condition will be materially impacted, if so, in what amount.

#### Liquidity and Capital Resources

##### Overview

We ended the **third first** quarter of **2023 2024** with available liquidity of **\$6.6 \$6.5** billion, which was comprised of unrestricted cash of **\$512.1 million, \$554.4 million** and undrawn balances under our unsecured revolving credit facility of **\$5.4 billion** and commitments under our unsecured term loan of **\$725.0 million** approximately **\$6.0 billion**. Subsequent to quarter end, we increased the commitments under our unsecured term loan by **\$25.0 million** and drew all **\$750.0 million** in available commitments in accordance with the funding date requirements of that facility. We finance the purchase of aircraft and our business operations using our available cash balances and internally generated funds, including through which includes cash flows from our leases, as well as aircraft sales and trading activity, and an array of debt financing products. 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. 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. We have also issued preferred stock with a total aggregate stated value of **\$850.0 million**. Our access to a variety of financing alternatives and the global capital markets, including capital raises through unsecured public bonds, notes denominated in U.S. dollars or various foreign currencies, private capital, bank debt, secured financings 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 **twelve 12** months and potentially beyond.

We ended the **third first** quarter of **2023 2024** with total debt outstanding of **\$18.8 \$19.7** billion, of which **85.1% 83.3%** was at a fixed rate and **98.3% 98.5%** was unsecured, compared to and in the aggregate, our composite cost of funds was **4.03%**. As of December 31, 2023, we had total debt outstanding of **\$18.8 billion** as of December 31, 2022 **\$19.4 billion**, of which **91.3% 84.7%** was at a fixed rate and **99.3% 98.4%** of which was unsecured. As of September 30, 2023, unsecured, and in the aggregate, our composite cost of funds raised through debt financings was **3.67%**, compared to **3.07%** as of December 31, 2022 **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 lockstep 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 **third first** quarter of **2023 2024** with **\$512.1 \$554.4** million in unrestricted cash.
- **Lease cash flows:** We ended the **third first** quarter of **2023 2024** with **\$31.2 billion \$30.6 billion** in committed minimum future rental payments comprised of **\$16.1 billion \$16.6 billion** in contracted minimum rental payments on the aircraft in our existing fleet and **\$15.1 billion \$14.0 billion** in minimum future rental payments related to aircraft which will deliver between **2023 2024** through **2027, 2028**. These rental payments are a primary driver of our short and long-term operating cash flow. As of **September 30, 2023** March 31, 2024, our minimum future rentals on our existing non-cancellable operating leases for the next 12 months was **\$2.3 \$2.4** billion. For further detail on our minimum future rentals for the remainder of **2023 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:** As of November 6, 2023, After giving effect to the amendment signed in April 2024, our **\$7.2 \$7.8** billion revolving credit facility is syndicated across **50 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 **2027, 2028**, although we expect to refinance this facility in advance of this 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 **September 30, 2023** March 31, 2024, we had **\$1.8 \$1.5** billion outstanding under our unsecured revolving credit facility.
- **Senior unsecured securities:** We are a frequent issuer in the investment grade capital markets, opportunistically issuing unsecured bonds, notes, primarily through our Medium-Term Note Program at attractive cost of funds and other senior unsecured securities. During the **nine** three months ended **2023, March 31, 2024**, we issued **\$700.0 million** (i) **\$500.0 million** in aggregate principal amount of **5.30% 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 through a trust, issued **\$600.0 million** (iii) Euro ("€") denominated debt of **€600.0 million** in aggregate principal amount of **5.85% trust certificates 3.70%** Medium-Term Notes due 2028 in a Sukuk financing. 2030. 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 in recent years. 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. During the nine months ended 2023, we have been active in the bank market with over **\$1.1 billion** of new unsecured credit facilities established in the form of bilateral and syndicated term loans. 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. As We have **\$1.4 billion** of November 6, 2023, we had aircraft with a carrying value of approximately **\$1.8 billion** in our sales pipeline, which includes the **13 \$666.4** million of aircraft with a carrying value of approximately **\$670 million** classified as flight equipment held for sale as of **September 30, 2023** March 31, 2024 and **27 \$698.0** million of aircraft with a carrying value of **\$1.1 billion** subject to letters of intent. intents. We

expect the sale of all 13 the majority of our aircraft classified as flight equipment held for sale to be completed by in 2024. We expect to sell approximately \$1.5 billion in aircraft for the end of full year 2024 and continue to see robust demand in the second quarter of 2024, secondary market to support our aircraft sales program.

- **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 and cash received from security deposits and maintenance reserves from our lease agreements. stock.

As of **September 30, 2023** March 31, 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, 2022** December 31, 2023.

Our material cash requirements as of September 30, 2023 March 31, 2024, are principally as follows (in thousands):



		(1) Future interest payments on floating rate debt are estimated using floating rates in effect at September 30, 2023.	(2) Purchase commitments reflect future Airbus and Boeing aircraft deliveries based on information currently available to us based on contractual documentation.
(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 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 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.		(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.	

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 the nine months ended September 30, 2023, 2024, we purchased \$3.4 billion in aircraft and currently expect to make between \$4.3 billion \$4.5 billion and \$4.5 billion \$5.5 billion in aircraft investments for the full year 2023. 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 by 33.8% 6.6% or \$323.7 \$22.8 million, to \$1.3 billion \$371.3 million for the nine three months ended September 30, 2023 March 31, 2024 as compared to \$958.6 \$348.5 million for the nine three months ended September 30, 2022 March 31, 2023. Our cash flow provided by operating activities during the nine three months ended September 30, 2023 March 31, 2024 increased primarily due to the continued growth of our fleet and an increase in our customer cash collections as compared to the nine three months ended September 30, 2022 March 31, 2023. Our cash flows used in investing activities was \$1.7 \$630.3 million for the three months ended March 31, 2024 and \$1.3 billion for the nine three months ended September 30, 2023 March 31, 2023. This decrease was due to the timing of aircraft purchases and \$2.7 billion for the nine months ended September 30, 2022. Despite the an increase in our aircraft purchases, our proceeds from our aircraft sales and trading activity also increased, resulting in an overall decrease in our cash flows used in investing activities. activity. Our cash flow provided by financing activities was \$122.1 \$350.4 million for the nine three months ended September 30, 2023 March 31, 2024 as compared to \$1.8 billion \$846.4 million for the nine three months ended September 30, 2022 March 31, 2023. The decrease is primarily due to the higher amount of repayment of a decrease in debt and lower proceeds from debt issuances as compared to the prior year. borrowings, partially offset by an increase in repayments. Our financing activities are mainly driven by changes in our investing activities.

### Debt

Our debt financing at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 is summarized below:

September 30, 2023	December 31, 2022
(in thousands, except percentages)	



				March 31, 2024		
March 31, 2024					December 31, 2023	
(in thousands, except percentages)				(in thousands, except percentages)		
Unsecured	Unsecured					
Senior unsecured securities	Senior unsecured securities	\$15,944,616	\$17,095,116			
Senior unsecured securities						
Senior unsecured securities						
Term financings						
Revolving credit facility	Revolving credit facility	1,778,000	1,020,000			
Term financings		798,350	582,950			
Total unsecured debt financing	Total unsecured debt financing	18,520,966	18,698,066			
Secured	Secured					
Export credit financing						
Export credit financing						
Export credit financing	Export credit financing	208,514	11,646			
Term financings	Term financings	103,812	113,717			
Total secured debt financing	Total secured debt financing	312,326	125,363			
Total debt financing	Total debt financing	18,833,292	18,823,429			
Total debt financing						
Total debt financing						
Less: Debt discounts and issuance costs	Less: Debt discounts and issuance costs	(187,449)	(182,366)			
Debt financing, net of discounts and issuance costs	Debt financing, net of discounts and issuance costs	\$18,645,843	\$18,641,063			
Selected interest rates and ratios:	Selected interest rates and ratios:					
Composite interest rate <sup>(1)</sup>						
Composite interest rate <sup>(1)</sup>						
Composite interest rate <sup>(1)</sup>	Composite interest rate <sup>(1)</sup>	3.67 %	3.07 %	4.03 %	3.77 %	
Composite interest rate on fixed-rate debt <sup>(1)</sup>	Composite interest rate on fixed-rate debt <sup>(1)</sup>	3.19 %	2.98 %	Composite interest rate on fixed-rate debt <sup>(1)</sup>	3.51 %	3.26 %

Percentage of total debt at a fixed-rate	Percentage of total debt at a fixed-rate	85.06 %	91.34 %	Percentage of total debt at a fixed-rate	83.27 %	84.71 %
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(1) This rate does not include the effect of upfront fees, facility fees, undrawn fees or amortization of debt discounts and issuance costs.

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(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)

As of September 30, 2023, March 31, 2024 and December 31, 2023, we had \$15.9 billion in senior unsecured securities outstanding. As of December 31, 2022, we had \$17.1 \$16.3 billion in senior unsecured securities outstanding.

**Public unsecured bonds.** During the nine three months ended September 30, 2023, March 31, 2024, we issued \$700.0 (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 5.30% 3.70% Medium-Term Notes due 2028, 2030 ("2024 € notes").

**Private placement securities.** During The C\$ notes issued in 2024 have the nine months ended September 30, 2023, through same terms as, and constitute a trust, we issued \$600.0 single tranche with, the C\$500.0 million in aggregate principal amount of 5.85% trust certificates due 2028 5.40% Medium-Term Notes issued in November 2023. We hedged the 2024 C\$ notes through a Sukuk financing. If we fail cross-currency swap that converts the borrowing rate to meet our obligations under a fixed 5.95% U.S. dollar denominated rate. We hedged the Sukuk financing, 2024 € notes through a cross-currency swap that converts the sole rights of each 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 holders 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 trust certificates will be against us to perform our obligations under the agreements to which we are a party.swaps.

#### Syndicated unsecured revolving credit facility

We As of March 31, 2024 and December 31, 2023, we had \$1.8 \$1.5 billion and \$1.0 \$1.1 billion, respectively, outstanding under our syndicated unsecured revolving credit facility (the "Revolving Credit Facility") as of September 30, 2023 and December 31, 2022, respectively. 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.

During the first quarter of 2023, we entered into a new lender supplement and a commitment increase supplement, which increased the aggregate capacity of our Revolving Credit Facility by \$325.0 million. In April 2023, 2024, we amended and extended our Revolving Credit Facility through an amendment that, among other things, extended the final maturity date from May 5, 2026 May 5, 2027 to May 5, 2027 May 5, 2028 and amended the total revolving commitments thereunder to approximately \$7.2 \$7.8 billion as of May 5, 2023 May 5, 2024. The amended Revolving Credit Facility also decreased the SOFR credit spread adjustment applicable to borrowings for all interest periods. As of September 30, 2023 May 6, 2024, borrowings 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 to in our credit ratings.

As of November 6, 2023, lenders held revolving commitments totaling approximately \$6.8 billion that mature on May 5, 2027, commitments totaling \$320.0 million that mature on May 5, 2026, and commitments totaling \$32.5 million that mature on May 5, 2025. In October 2023, we increased the aggregate facility capacity by an additional \$25.0 million.

The Revolving Credit Facility provides for certain covenants, including covenants that limit our subsidiaries' ability to incur, create, or assume certain unsecured indebtedness, in an aggregate amount over \$250.0 million, 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.

#### Unsecured term financings

In May 2023, we entered into a \$650.0 million term loan. In July 2023 and October 2023, we entered into new lender supplements to increase the aggregate term loan capacity by an additional \$100.0 million. Under the terms of the loan agreement, we had the ability to set the funding date of the loan, subject to an outside funding date of November 1, 2023. As of November 6, 2023, we had \$750.0 million in borrowings outstanding under the term loan. The term loan bears interest at a floating rate of Term SOFR plus a credit spread adjustment of 0.10% plus 1.4% and has a final maturity on November 24, 2026. The term loan contains customary covenants and events of default consistent with our Revolving Credit Facility.

In addition, during the three months ended September 30, 2023, we entered into a \$150.0 million unsecured term financing with a one-year maturity bearing interest at a floating rate of one-month SOFR plus a credit spread adjustment of 0.10% plus 1.25%.

As of September 30, 2023 and December 31, 2022, the outstanding balance on our other unsecured term financings was \$798.4 million and \$583.0 million, respectively.

#### Secured debt financings

In June 2023 and August 2023, we issued \$112.2 million in secured notes due 2034 and \$101.7 million in secured notes due 2035, respectively, both of which are amortized over the term of the notes and are guaranteed by United Kingdom Export Finance ("UKEF"), the UK government's export credit agency. Each tranche of the notes bears interest at a floating rate of three-month SOFR plus 0.42%. We pledged two aircraft as collateral in connection with these transactions.

As of September 30, 2023 March 31, 2024, we had an outstanding balance of \$312.3 million \$298.5 million in secured debt financings and pledged four aircraft as collateral with a net book value of \$450.5 \$441.4 million. As of December 31, 2022 December 31, 2023, we had an outstanding balance of \$125.4 million \$305.5 million in secured debt financings and pledged three four aircraft as collateral with a net book value of \$212.1 million \$445.9 million. All of our secured obligations as of March 31, 2024 and December 31, 2023 are recourse in nature.

#### Preferred equity

The following table summarizes our preferred stock issued and outstanding as of September 30, 2023 March 31, 2024 (in thousands, except for share amounts and percentages):

		Shares Issued and Outstanding as of September 30, 2023		Liquidation Preference as of September 30, 2023	Issue Date	Dividend Rate in Effect at September 30, 2023	Next dividend rate reset date	Dividend rate after reset date					
		Shares Issued and Outstanding as of March 31, 2024											
		Shares Issued and Outstanding as of March 31, 2024											
		Shares Issued and Outstanding as of March 31, 2024											
		Shares Issued and Outstanding as of March 31, 2024											
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		Shares Issued and Outstanding as of March 31, 2024											

Total	Total	10,600,000	\$850,000
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(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.

(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.
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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, 2022** **December 31, 2023**.

The following table summarizes the quarterly cash dividends that we paid during the **nine** **three** months ended **September 30, 2023** **March 31, 2024** on our outstanding Series A, Series B and Series C Preferred **Stock**; **Stock (in thousands)**:

Title of each class	Payment Date		
	March 15, 2023	June 15, 2023	September 15, 2023
	(in thousands)		
Series A Preferred Stock	\$3,844	\$3,844	\$3,844
Series B Preferred Stock	\$3,487	\$3,487	\$3,487
Series C Preferred Stock	\$3,094	\$3,094	\$3,094

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

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 **consolidated**; **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.

## Credit Ratings

In 2023, 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 24, 2023 22, 2024
Standard and Poor's	BBB	BBB	Stable	April 25, 2023 January 19, 2024
Fitch Ratings	BBB	BBB	Stable	December 19, 2022 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.

## Results of Operations

The following table presents our historical operating results for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 (in thousands, except per share amounts and percentages):

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		(unaudited)			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		2024			
		2024			
		2024			
		(unaudited)			
		(unaudited)			
		(unaudited)			
Revenues	Revenues				
Rental of flight equipment	Rental of flight equipment	\$ 604,027	\$ 541,397	\$ 1,833,533	\$ 1,653,223
Rental of flight equipment					
Rental of flight equipment					
Aircraft sales, trading and other	Aircraft sales, trading and other	55,337	19,937	134,876	62,469
Aircraft sales, trading and other					

Aircraft sales, trading and other					
Total revenues					
Total revenues					
Total revenues	Total revenues	659,364	561,334	1,968,409	1,715,692
Expenses					
Expenses					
Interest					
Interest					
Interest	Interest	161,769	122,348	485,555	358,621
Amortization of debt discounts and issuance costs					
Amortization of debt discounts and issuance costs					
Interest expense					
Interest expense					
Interest expense	Interest expense	175,464	135,510	525,969	398,393
Depreciation of flight equipment					
Depreciation of flight equipment					
Depreciation of flight equipment	Depreciation of flight equipment	267,393	242,503	795,659	713,095
Write-off of Russian fleet		—	—	—	802,352
Depreciation of flight equipment					
Depreciation of flight equipment					
Selling, general and administrative					
Selling, general and administrative					
Selling, general and administrative	Selling, general and administrative	42,770	39,718	136,216	110,993
Stock-based compensation expense					
Stock-based compensation expense					
Stock-based compensation expense	Stock-based compensation expense	8,719	5,764	23,330	9,799
Stock-based compensation expense					
Stock-based compensation expense					
Total expenses	Total expenses	494,346	423,495	1,481,174	2,034,632
Income/(loss) before taxes					
Income/(loss) before taxes					
Income/(loss) before taxes		165,018	137,839	487,235	(318,940)
Income tax (expense)/benefit					
Income tax (expense)/benefit					
Income tax (expense)/benefit		(32,568)	(27,458)	(93,664)	76,606
Net income/(loss)		\$ 132,450	\$ 110,381	\$ 393,571	\$ (242,334)
Total expenses					
Total expenses					
Income before taxes					
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	(10,425)	(10,425)	(31,275)	(31,275)
Net income/(loss) attributable to common stockholders		\$ 122,025	\$ 99,956	\$ 362,296	\$ (273,609)
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>Earnings/(Loss) per share of common stock:</b>					
<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	\$ 1.10	\$ 0.90	\$ 3.26	\$ (2.45)
Basic					
Basic					
Diluted					
Diluted					
Diluted	Diluted	\$ 1.10	\$ 0.90	\$ 3.25	\$ (2.45)
<b>Other financial data</b>	<b>Other financial data</b>				
<b>Other financial data</b>					
<b>Other financial data</b>					
Pre-tax margin					
Pre-tax margin					
Pre-tax margin	Pre-tax margin	25.0 %	24.6 %	24.8 %	(18.6) %
Pre-tax return on common equity (trailing twelve months)	Pre-tax return on common equity (trailing twelve months)	10.6 %	(2.9) %	10.6 %	(2.9) %
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>	\$ 177,007	\$ 146,340	\$ 519,704	\$ 501,708
Adjusted diluted earnings per share before income taxes <sup>(1)</sup>	Adjusted diluted earnings per share before income taxes <sup>(1)</sup>	\$ 1.59	\$ 1.32	\$ 4.67	\$ 4.47
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>	26.8	%	26.1	%	26.4	%	29.2	%
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>	11.5	%	12.0	%	11.5	%	12.0	%
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/(loss) income** attributable to common stockholders excluding the effects of certain non-cash items, one-time or non-recurring items **such as write-offs of our Russian fleet**, 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/(loss) income** attributable to common stockholders, pre-tax margin, **earnings/(loss) earnings** per share, diluted **earnings/(loss) 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
March 31,
Three Months Ended
March 31,
Three Months Ended
March 31,
2024
2024
2024
(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				
Amortization of debt discounts and issuance costs				
Amortization of debt discounts and issuance costs				
Amortization of debt discounts and issuance costs				
	Three Months Ended September 30,		Nine Months Ended September 30,	
Stock-based compensation expense				
	2023	2022	2023	2022
Stock-based compensation expense				
	(unaudited)			
Reconciliation of the numerator for adjusted pre-tax margin (net income/(loss) attributable to common stockholders to adjusted net income before income taxes):				
Net income/(loss) attributable to common stockholders				
	\$ 122,025	\$ 99,956	\$ 362,296	\$ (273,609)
Amortization of debt discounts and issuance costs				
	13,695	13,162	40,414	39,772
Write-off of Russian fleet				
	—	—	—	802,352
Stock-based compensation expense	8,719	5,764	23,330	9,799
Income tax expense/(benefit)	32,568	27,458	93,664	(76,606)
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	Adjusted net income before income taxes	\$	177,007	\$	146,340	\$	519,704	\$	501,708
Denominator for adjusted pre-tax margin:	Denominator for adjusted pre-tax margin:								
Denominator for adjusted pre-tax margin:									
Denominator for adjusted pre-tax margin:									
	Total								
Total revenues	revenues	\$	659,364	\$	561,334	\$	1,968,409	\$	1,715,692
Total revenues									
Total revenues									
Total revenues									
Total revenues									
Total revenues									
Total revenues									
Total revenues									
Total revenues									
Adjusted pre-tax margin <sup>(a)</sup>									
Adjusted pre-tax margin <sup>(a)</sup>									
Adjusted pre-tax margin <sup>(a)</sup>	Adjusted pre-tax margin <sup>(a)</sup>	26.8	%	26.1	%	26.4	%	29.2	%

(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,
2024
2024
2024
(unaudited)
(unaudited)
(unaudited)

Reconciliation of the numerator for adjusted diluted earnings per share (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					
Amortization of debt discounts and issuance costs					
Amortization of debt discounts and issuance costs					
Amortization of debt discounts and issuance costs					
	Three Months Ended September 30,		Nine Months Ended September 30,		
Stock-based compensation expense					
	2023	2022	2023	2022	
Stock-based compensation expense					
	(unaudited)				
Reconciliation of the numerator for adjusted diluted earnings per share (net income/(loss) attributable to common stockholders to adjusted net income before income taxes):					
Net income/(loss) attributable to common stockholders					
\$ 122,025 \$ 99,956 \$ 362,296 \$ (273,609)					
Amortization of debt discounts and issuance costs					
13,695 13,162 40,414 39,772					
Write-off of Russian fleet					
— — — 802,352					
Stock-based compensation expense	Stock-based compensation expense	8,719	5,764	23,330	9,799
Income tax expense/(benefit)		32,568	27,458	93,664	(76,606)
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	Adjusted net income before income taxes	\$ 177,007	\$ 146,340	\$ 519,704	\$ 501,708
Denominator for adjusted diluted earnings per share:	Denominator for adjusted diluted earnings per share:				
Denominator for adjusted diluted earnings per share:					
Denominator for adjusted diluted earnings per share:					
Weighted-average diluted common shares outstanding	Weighted-average diluted common shares outstanding	111,346,799	111,090,133	111,383,257	111,874,002
Potentially dilutive securities, whose effect would have been anti-dilutive		—	—	—	329,947
Adjusted weighted-average diluted common shares outstanding		111,346,799	111,090,133	111,383,257	112,203,949
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>	\$ 1.59	\$ 1.32	\$ 4.67	\$ 4.47

(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

	Trailing Twelve Months	
	September 30,	
	2023	2022
	(unaudited)	
Reconciliation of the numerator for adjusted pre-tax return on common equity (net income/(loss) attributable to common stockholders to adjusted net income before income taxes):		
Net income/(loss) attributable to common stockholders	\$ 497,182	\$ (131,292)

Trailing Twelve Months				Trailing Twelve Months			
March 31,				March 31,			
2024				2023			
(unaudited)				(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
Amortization of debt discounts and issuance costs	Amortization of debt discounts and issuance costs	53,896	53,284	Amortization of debt discounts and issuance costs	54,088		53,130
(Recovery)/Write-off of Russian fleet							
		(30,877)	802,352				
Recovery of Russian fleet							
Recovery of Russian fleet				(67,022)	(30,877)		
Stock-based compensation expense	Stock-based compensation expense	29,134	17,515	Stock-based compensation expense	36,994	24,022	
Income tax expense/(benefit)							
		128,529	(40,008)				
Income tax expense							
Income tax expense				136,930	120,524		

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

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

Three months ended **September 30, 2023** **March 31, 2024**, compared to the three months ended **September 30, 2022** **March 31, 2023**

#### Rental revenue

During the three months ended **September 30, 2023** **March 31, 2024**, we recorded **\$604.0 million** **\$614.3 million** in rental revenue, which included amortization expense related to initial direct costs, net of overhaul revenue of **\$0.5 million** as compared to **\$617.8 million**, which included overhaul revenue, net of amortization expense related to initial direct costs of **\$9.5 million** as compared to **\$541.4 million**, which included amortization expense related to initial direct costs, net of overhaul revenue of **\$6.2 million** **\$21.1 million** for the three months ended **September 30, 2022** **March 31, 2023**. The net book value of our flight equipment subject to operating lease increased to **\$25.6** **\$26.5 billion** as of **September 30, 2023** **March 31, 2024** from a net book value of **\$23.9 billion** **\$25.7 billion** as of **September 30, 2022** **March 31, 2023**. The **increase** **decrease** in rental revenues was primarily **driven** due to higher end of lease revenue in the prior year period, partially offset by an increase in rental income from the continued growth in our fleet. 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.

#### Aircraft sales, trading and other revenue

Aircraft sales, trading and other revenue totaled **\$55.3** **\$49.0 million** for the three months ended **September 30, 2023** **March 31, 2024** compared to **\$19.9** **\$18.4 million** for the three months ended **September 30, 2022** **March 31, 2023**. The increase in aircraft sales, trading and other revenue is primarily related due to the sale of eight aircraft and one sales-type lease transaction in the third quarter of 2023 resulting in gains of approximately **\$43.9 million**. For the three months ended **September 30, 2022**, we had **\$11.6 million** **\$23.0 million** in gains from the sale of five aircraft from our owned fleet and **\$6.5 million** from one sales-type lease. For the three months ended **March 31, 2023**, we recorded **\$8.8 million** in gains from the sale of two aircraft from our owned fleet and four sales-type lease transactions. **\$1.1 million** in forfeiture of security deposit income.

#### Interest expense

Interest expense totaled **\$175.5** **\$194.7 million** for the three months ended **September 30, 2023** **March 31, 2024** compared to **\$135.5** **\$164.7 million** for the three months ended **September 30, 2022** **March 31, 2023**. Our interest expense increased primarily due to an increase in our composite cost of funds to 4.03% as compared to 3.42% in the prior year. Due to the current interest rate environment, we expect our interest expense will continue to increase as our average debt balance outstanding and increases along with our composite cost of funds increase in future periods, funds.

#### Depreciation expense

We recorded **\$267.4** **\$277.3 million** in depreciation expense of flight equipment for the three months ended **September 30, 2023** **March 31, 2024** compared to **\$242.5** **\$259.7 million** for the three months ended **September 30, 2022** **March 31, 2023**. The increase in depreciation expense for the three months ended **September 30, 2023** **March 31, 2024**, compared to the three months ended **September 30, 2022** **March 31, 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 million** for the three months ended **March 31, 2024** compared to **\$47.6 million** for the three months ended **March 31, 2023**. Selling, general and administrative expenses as a percentage of total revenue decreased to 7.2% for the three months ended **March 31, 2024** compared to 7.5% for the three months ended **March 31, 2023**.

#### Stock-based compensation expense

We recorded stock-based compensation expense of **\$8.7 million** **\$8.3 million** for the three months ended **September 30, 2023** **March 31, 2024** compared to **\$5.8 million** **\$5.9 million** for the three months ended **September 30, 2022** **March 31, 2023**. During the three months ended **September 30, 2022** **March 31, 2023**, 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 an **increase** **a decrease** in stock-based compensation expense **in relative to** the current year period.

#### Selling, general and administrative expenses

We recorded selling, general and administrative expenses of **\$42.8 million** for the three months ended **September 30, 2023** compared to **\$39.7 million** for the three months ended **September 30, 2022**. Selling, general and administrative expenses, in the aggregate, continue to grow with the growth of our business. Also contributing to the increase was an increase in leasing expenses, partially offset by a payroll tax refund received. Selling, general and administrative expenses as a percentage of total revenue decreased to 6.5% for the three months ended **September 30, 2023** compared to 7.1% for the three months ended **September 30, 2022**.

#### Taxes



Our effective tax rate for the three months ended September 30, 2023 decreased March 31, 2024 increased to 19.7% 20.3% from 19.9% 18.7% in the prior year period. The effective tax rate decreased increase was driven by discrete items in the quarter 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 changes in permanent items. bring the jurisdictional effective tax rate up to 15%.

#### Net income attributable to common stockholders

For the three months ended September 30, 2023 March 31, 2024, we reported consolidated net income attributable to common stockholders of \$122.0 \$97.4 million, or \$1.10 \$0.87 per diluted share, compared to consolidated net income attributable to common stockholders of \$100.0 \$118.3 million, or \$0.90 \$1.06 per diluted share, for the three months ended September 30, 2022 March 31, 2023. The increase was due to the growth of our fleet and Despite the increase in sales activity, partially offset by our total revenues, net income attributable to common stockholders decreased from the prior year primarily due to an increase in interest expense as a result of driven by the increase in our composite cost of funds due to the rise in prevailing interest rates. funds.

#### Adjusted net income before income taxes

For the three months ended September 30, 2023 March 31, 2024, we recorded adjusted net income before income taxes of \$177.0 \$146.3 million, or \$1.59 \$1.31 per adjusted diluted share, compared to adjusted net income before income taxes of \$146.3 \$166.8 million, or \$1.32 \$1.50 per adjusted diluted share, for the three months ended September 30, 2022 March 31, 2023. Adjusted net income before income taxes increased from the prior year period decreased primarily due to the growth of our fleet and an increase in sales activity, partially offset by increases in higher interest expense and selling, general and administrative expenses 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.

#### Nine months ended September 30, 2023, compared to the nine months ended September 30, 2022

##### Rental revenue

During the nine months ended September 30, 2023, we recorded \$1.8 billion in rental revenue, which included overhaul revenue, net of amortization expense related to initial direct costs of \$40.8 million as compared to \$1.7 billion, which included overhaul revenue, net of amortization expense related to initial direct costs of \$36.0 million for the nine months ended September 30, 2022. The net book value of our flight equipment subject to operating lease increased to \$25.6 billion as of September 30, 2023 from \$23.9 billion as of September 30, 2022. The increase in rental revenues was primarily driven by the continued growth in our fleet.

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

Aircraft sales, trading and other revenue totaled \$134.9 million for the nine months ended September 30, 2023 compared to \$62.5 million for the nine months ended September 30, 2022. For the nine months ended September 30, 2023, we recorded \$97.6 million in gains from the sale of 18 aircraft from our owned fleet and one sales-type lease transaction. In addition, we recorded \$1.2 million in forfeiture of security deposit income during the nine months ended September 30, 2023. During the nine months ended September 30, 2022, we had \$19.8 million in gains from the sale of one aircraft and eight sales-type lease transactions and \$17.9 million in forfeiture of security deposit income from the termination of our leasing activities in Russia.

##### Interest expense

Interest expense totaled \$526.0 million for the nine months ended September 30, 2023 compared to \$398.4 million for the nine months ended September 30, 2022. Our interest expense increased due to an increase in our composite cost of funds, as compared to the prior year. Due to the current interest rate environment, we expect our interest expense will continue to increase as our average debt balance outstanding and our composite cost of funds increase in future periods.

##### Depreciation expense

We recorded \$795.7 million in depreciation expense of flight equipment for the nine months ended September 30, 2023 compared to \$713.1 million for the nine months ended September 30, 2022. The increase in depreciation expense for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, 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.

#### Write-off of Russian fleet

During the nine months ended September 30, 2022, we recorded a write-off of our interests in our owned and managed fleet that were detained in Russia, totaling approximately \$802.4 million. As of November 6, 2023, 20 aircraft previously included in our owned fleet and six aircraft previously included in our managed fleet remain in Russia. We did not record any write-offs for the nine months ended September 30, 2023.

#### Stock-based compensation

We recorded stock-based compensation expense of \$23.3 million for the nine months ended September 30, 2023 compared to \$9.8 million for the nine months ended September 30, 2022. During the nine months ended September 30, 2022, 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 an increase in stock-based compensation expense in the current year period.

#### Selling, general and administrative expenses

We recorded selling, general and administrative expenses of \$136.2 million for the nine months ended September 30, 2023 compared to \$111.0 million for the nine months ended September 30, 2022. Selling, general and administrative expenses, in the aggregate, continue to grow with the growth of our business. Also contributing to the increase was an increase in leasing expenses and aviation insurance expense, partially offset by a payroll tax refund received. Selling, general and administrative expenses as a percentage of total revenue increased to 6.9% for the nine months ended September 30, 2023 compared to 6.5% for the nine months ended September 30, 2022.

#### Taxes

For the nine months ended September 30, 2023 and September 30, 2022, we reported an effective tax rate exclusive of any discrete items of 19.2% and 19.9%, respectively. During the nine months ended September 30, 2022, due to the write-off of our Russian fleet and the related discrete items, we recorded an income tax benefit and reported an overall effective tax rate of 24.0% for the period.

#### Net income attributable to common stockholders

For the nine months ended September 30, 2023, we reported consolidated net income attributable to common stockholders of \$362.3 million, or \$3.25 per diluted share, compared to a consolidated net loss attributable to common stockholders of \$273.6 million, or net loss of \$2.45 per diluted share, for the nine months ended September 30, 2022. The increase was due to the growth of our fleet, an increase in sales activity and the effect of the write-off of our Russian fleet in the first quarter of 2022, partially offset by increases in interest expense and selling, general and administrative expenses as discussed above.

#### Adjusted net income before income taxes

For the nine months ended September 30, 2023, we recorded adjusted net income before income taxes of \$519.7 million, or \$4.67 per adjusted diluted share, compared to an adjusted net income before income taxes of \$501.7 million, or \$4.47 per adjusted diluted share, for the nine months ended September 30, 2022. The increase in our adjusted net income before income taxes for the nine months ended September 30, 2023 as compared to 2022 was mainly driven by the continued growth of our fleet partially offset by increases in interest expense and selling, general and administrative expenses as discussed above. total revenues.

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, 2022 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 nine three months ended September 30, 2023 March 31, 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. Facility and unsecured bilateral term loans. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had \$2.8 \$3.29 billion and \$1.6 \$2.96 billion in floating-rate debt outstanding, respectively. Additionally, we have outstanding preferred stock with an aggregate stated amount of \$850.0 million that currently pays \$850.0 million, of which \$250.0 million began paying dividends at a fixed rate but will alternate to paying dividends based on a floating rate or be on March 15, 2024 and the remaining \$600.0 million will reset dividends to a new fixed rate based on the then-applicable floating rate after five years from initial issuance. 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 eventually, 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 \$28.1 \$32.9 million and \$16.3 \$29.6 million as of September 30, 2023 March 31, 2024 and December 31, 2022 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 0.2% 0.3% of our lease revenues were denominated in foreign currency as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. Approximately 1.6% 8.2% and 3.5% of our debt obligations were denominated in foreign currency as of September 30, 2023 March 31, 2024 and December 31, 2022; December 31, 2023, respectively; however, the exposure of such debt has been effectively hedged as described below, 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 nine three months ended September 30, 2023 March 31, 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.

In December 2019, we issued C\$400.0 million in aggregate principal amount of 2.625% notes due 2024. We effectively hedged our foreign currency exposure on this transaction through a cross-currency swap that converts the borrowing rate to a fixed 2.535% U.S. dollar-denominated rate. See Note 8 of Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional details on the fair value of the swap.

## 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 September 30, 2023 March 31, 2024. Based on that evaluation, our Certifying Officers have concluded that our disclosure controls and procedures were effective as of September 30, 2023 March 31, 2024.

### Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended September 30, 2023 March 31, 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 "Insurers" "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 **Plaintiff's Plaintiffs'** previously submitted insurance **claims.** 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 **this matter these matters** will have a material adverse effect on our results of operations, financial condition or cash flow, as we **have already** recorded a write-off of our entire interest in our owned and managed aircraft detained in Russia **during 2022** and any recovery in **this lawsuit these lawsuits** would be recorded as a gain in our financial statements. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Impact of Russia-Ukraine Conflict" in our Annual Report on Form 10-K for more information on aircraft that remain detained in Russia.

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, 2022** **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

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.				
10.1†	<a href="#">Amendment No. 9 to the A220 Purchase Agreement, dated July 6, 2023, by and between Air Lease Corporation and Airbus Canada Limited Partnership.</a>				Filed herewith
10.2	<a href="#">New Lender Supplement, dated October 13, 2023, 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 parties thereto, and JP Morgan Chase Bank, N.A., as Administrative Agent, as amended.</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

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			
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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			
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101.DEF	XBRL Taxonomy Extension Definition Linkbase				
101.LAB	XBRL Taxonomy Extension Label Linkbase				
101.PRE	XBRL Taxonomy Extension Presentation Linkbase				
104	The cover page from Air Lease Corporation's Quarterly Report on Form 10-Q for the quarter ended <b>September 30, 2023</b> <b>March 31, 2024</b> , formatted in Inline XBRL and contained in Exhibit 101				

† The Company has either (i) omitted confidential portions of the referenced exhibit and filed such confidential portions separately with the Securities and Exchange Commission pursuant to a request for confidential treatment under Rule 406 promulgated under the Securities Act of 1933 or (ii) 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.

## 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

November 6, 2023 2024

/s/ John L. Plueger

John L. Plueger

Chief Executive Officer and President

(Principal Executive Officer)

November 6, 2023 2024

/s/ Gregory B. Willis

Gregory B. Willis

Executive Vice President and Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

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EXHIBIT 10.1 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

#### TO THE

#### A320 NEO FAMILY PURCHASE AGREEMENT

#### BETWEEN

#### AIRBUS S.A.S.

#### as Seller

#### and

#### AIR LEASE CORPORATION

#### as Buyer

Amendment N°39 to the ALC A320 NEO Family PA

Ref. CLC-CT2308739

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

This amendment N°39 (the "Amendment N°39") dated \_\_\_\_ February 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 to the ALC A320 NEO Family PA  
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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 [\*].
- 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 to the ALC A320 NEO Family PA  
Ref. CLC-CT2308739

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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 [\*].

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

AN. The Parties now wish to enter into this Amendment N°39 in order to [\*].

The terms "herein", "hereof" and "hereunder" and words of similar import refer to this Amendment N°39. 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:**

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

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1 [\*]

2 [\*]

3 [\*]

4 [\*]

5 [\*]

**6 INCONSISTENCY AND CONFIDENTIALITY**

6.1 In the event of any inconsistency between the terms and conditions of the Agreement and those of this Amendment N°39, 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 This Amendment N°39 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 This Amendment N°39 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.

**7 COUNTERPARTS**

This Amendment N°39 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.

**8 LAW AND JURISDICTION**

This Amendment N°39 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 as if the same were set out in full herein, mutatis mutandis.

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

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IN WITNESS WHEREOF this Amendment N°39 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.

By: Grant Levy

By: Paul Meijers

Its: Executive Vice President

Its: EVP Commercial Transactions

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

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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°1

TO THE

[\*] AGREEMENT

AMONG

AIRBUS S.A.S.

and

AIRBUS CANADA LIMITED PARTNERSHIP

and

AIR LEASE CORPORATION

[\*]

ALC – Amendment N°1 to [\*] Agreement  
Ref. CLC - CT2309464

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This amendment n°1 (the “Amendment N°1”) dated \_\_\_\_ February 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 and the Seller now wish to enter into this Amendment N°1 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, 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 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 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 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.

This Amendment N°1 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.

ALC – Amendment N°1 to [\*] Agreement  
Ref. CLC - CT2309464

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

**AIRBUS S.A.S.**

By: Paul Meijers

For and on behalf of

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°10

TO THE

A220 PURCHASE AGREEMENT

BETWEEN

AIRBUS CANADA LIMITED PARTNERSHIP

as the Seller

AND

AIR LEASE CORPORATION

as the Buyer

ALC – Amendment N°910 to the A220 Purchase Agreement

Ref. CLC-CT2303734 CLC-CT2307832

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This amendment N°910 (the "Amendment N°910") is made on the 6th day of July 2023, February 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 among other things, [\*].

- C. On 06 April 2021, the Parties entered into **Amendment N°2** in order to among other things, [\*].
- D. On 03 June 2021, the Parties entered into **Amendment N°3** in order to among other things, [\*].
- 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 among other things, [\*].
- G. On 15 July 2022, the Parties entered into **Amendment N°6** in order to among other things, [\*].
- H. On 31 August 2022, the Parties entered into **Amendment N°7** in order to among other things, [\*].
- I. On 03 October 2022, the Parties entered into **Amendment N°8** in order to among other things, [\*].
- J. On 06 July 2023, the Parties entered into **Amendment N°9** in order to [\*].

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

J. K. The Parties now wish to enter into this Amendment N°9.10 in order to among other things, [\*], subject to the terms and conditions set out herein. .

The terms “herein”, “hereof” and “hereunder” and words of similar import refer to this Amendment N°9.10. 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 [\*]

## 4 INCONSISTENCY AND CONFIDENTIALITY

4.1 In the event of any inconsistency between the terms and conditions of the Agreement and those of this Amendment N°9,10, 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 This Amendment N°9,10 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 This Amendment N°9,10 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.

## 5 COUNTERPARTS

This Amendment N°9,10 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.

## 6 LAW AND JURISDICTION

This Amendment N°9,10 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°9,10 as if the same were set out in full herein, mutatis mutandis.



IN WITNESS WHEREOF this Amendment N°910 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

ALC – Amendment N°910 to the A220 Purchase Agreement  
Ref. CLC-CT2303734 CLC-CT2307832

APPENDIX 1  
DELIVERY SCHEDULE



LETTER AGREEMENT N°1

Subject: **SPECIFIC PROVISIONS**

AIR LEASE CORPORATION ("the Buyer") and AIRBUS CANADA LIMITED PARTNERSHIP ("the Seller") have entered into an Amendment N°910 dated even date herewith (the "Amendment") to the A220 Purchase Agreement dated as of December 20, 2019 ("the Agreement") which covers, among other things, [\*]. 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°910 to the A220 Purchase Agreement – Letter Agreement N°1

Ref. CLC- CT2303734 CT2307832

Page 1/3

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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

Agreed and Accepted

For and on behalf of

For and on behalf of

**AIR LEASE CORPORATION**

**AIRBUS CANADA LIMITED PARTNERSHIP**

by its managing general partner,

**AIRBUS CANADA MANAGING GP INC.**

By: /s/ Grant Levy

By: /s/ Benoît Schultz

Its: Executive Vice President

Its: CEO

**EXHIBIT 10.2**

**Execution Version**

**NEW LENDER SUPPLEMENT**

SUPPLEMENT, dated as of October 13, 2023, to the Second Amended and Restated Credit Agreement, dated as of May 5, 2014, as amended by the First Amendment dated as of June 1, 2015, by the Second Amendment dated as of May 27, 2016, by the Third Amendment dated as of May 2, 2017, by the Fourth Amendment dated as of May 2, 2018, by the Fifth Amendment dated as of May 3, 2019, by the Sixth Amendment and Extension Agreement, dated as of April 29, 2021, by the Seventh Amendment and Extension Agreement, dated as of April 26, 2022, by the Eighth Amendment and Extension Agreement, dated as of April 25, 2023, and as further amended, supplemented or otherwise modified from time to time (the "Credit Agreement") among AIR LEASE CORPORATION, a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties thereto (the "Lenders"), and JPMORGAN CHASE BANK, N.A., as administrative agent (the "Administrative Agent").

**WITNESSETH:**

WHEREAS, the Credit Agreement provides in Section 2.1(c) thereof that any bank, financial institution or other entity may become a party to the Credit Agreement with the consent of the Borrower and the Administrative Agent (which consent of the Administrative Agent shall not be unreasonably withheld) by executing and delivering to the Borrower and the Administrative Agent a supplement to the Credit Agreement in substantially the form of this Supplement; and

WHEREAS, the undersigned now desires to become a party to the Credit Agreement;

NOW, THEREFORE, the undersigned hereby agrees as follows:

1. As of the Effective Date hereof, the undersigned agrees to be bound by the provisions of the Credit Agreement, and agrees that it shall, on the date this Supplement is accepted by the Borrower and the Administrative Agent (the "Effective Date"), become a Lender for all purposes of the Credit Agreement to the same extent as if originally a party thereto, with a Commitment of \$25,000,000.

2. The undersigned (a) represents and warrants that it is legally authorized to enter into this Supplement; (b) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements most recently delivered pursuant to Sections 6.1(a) and (b) thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Supplement; (c) agrees that it has made and will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement or any instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement or any instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender including, without limitation, if it is organized under the laws of a jurisdiction outside the United States, its obligation pursuant to Section 2.15(e) of the Credit Agreement.

3. The undersigned hereby confirms and agrees that the Termination Date in respect of its Commitment is May 5, 2027.

4. The address for notices for the undersigned for the purposes of the Credit Agreement is as follows:

M&T Bank  
One Light Steet, 16th Floor  
Baltimore, MD 21230  
Attention: Macon Heikes  
Telephone: 410.224.4684  
Email: mheikes@mtb.com

5. Terms defined in the Credit Agreement shall have their defined meanings when used herein.

6. Delivery of an executed signature page of this Supplement by email or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. The words "executed", "execution," "signed," "signature," "delivery," and words of like import in or relating to this Supplement, shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Supplement.

IN WITNESS WHEREOF, the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

M&T BANK

By: /s/ Macon Heikes

Name: Macon Heikes

Title: Vice President

[Signature Page to M&T New Lender Supplement]

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Accepted and agreed to as of the date first written above:

AIR LEASE CORPORATION

By: /s/ Gregory B. Willis

Name: Gregory B. Willis

Title: Executive Vice President and Chief Financial Officer

[Signature Page to M&T New Lender Supplement]

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Accepted and agreed to as of the date first written above:

JPMORGAN CHASE BANK, N.A. as Administrative Agent

By: /s/ Cristina Caviness

Name: Cristina Caviness

Title: Executive Director

[Signature Page to M&T New Lender Supplement]

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: November 6, 2023 May 6, 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: **November 6, 2023** **May 6, 2024**

/s/ Gregory B. Willis

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

EXHIBIT 32.1

**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 **September 30, 2023** **March 31, 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: **November 6, 2023** **May 6, 2024**

/s/ John L. Plueger

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.

EXHIBIT 32.2

**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 **September 30, 2023** **March 31, 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: **November 6, 2023** **May 6, 2024**

/s/ Gregory B. Willis

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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