



POWER FOR THE AFTERMARKET

INNOVATING CFM56 AND V2500 POWER

FTAI Aviation

Supplemental Information Second Quarter 2024

Leading in Maintenance, Repair and Exchange (MRE)

Q2 2024



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NON-GAAP FINANCIAL INFORMATION. This Presentation includes information based on financial measures that are not recognized under generally accepted accounting principles (GAAP), such as Adjusted EBITDA. You should use Non-GAAP information in addition to, and not as an alternative to, financial information prepared in accordance with GAAP. See Reconciliation and Glossary in the Appendix to this Presentation for reconciliations to the most comparable GAAP measures and an explanation of our Non-GAAP measures. Our Non-GAAP measures may not be identical or comparable to measures with the same name presented by other companies. Reconciliations of forward-looking Non-GAAP financial measures to their most directly comparable GAAP financial measures are not included in this Presentation because the most directly comparable GAAP financial measures are not available on a forward-looking basis without unreasonable effort.

Key Highlights Q2 2024

Key Business Updates:

Three transformational transactions each expected to create significant long-term value⁽¹⁾:

- Entered into agreement to purchase Lockheed Martin Commercial Engine Solutions for **\$170 million**
- Executed five-year maintenance services agreement for over **100x V2500 Engines** with Pratt & Whitney
- Terminated Management Agreement with Fortress Investment Group internalizing company's management function

Financial Results Overview

Business Segment Highlights

1) Aviation Leasing:

- \$125.0** million Q2 2024 Adj. EBITDA⁽²⁾ comprised of:
 - \$111.5 million Leasing Adj. EBITDA
 - \$13.5 million Gains on Sales

2) Aerospace Products:

- 163%** Quarterly Adj. EBITDA growth versus Q2 2023⁽²⁾
- Sold 82 CFM56 modules in Q2 2024

\$s in millions Q2 2024

Net Income Attributable to Shareholders \$(228.2)

Internalization Fee to Affiliate \$300.0

Net Income Excluding Internalization Fee \$71.8

Adj. EBITDA⁽²⁾

Aviation Leasing \$125.0

Aerospace Products \$91.2

Corporate & Other \$(2.3)

FTAI Consolidated \$213.9

Acquisition of LMCES Facility

- Entered agreement to acquire Lockheed Martin Commercial Engine Services (LMCES) for **\$170 million**
- FTAI ideal buyer being the largest customer of LMCES since 2020 as location of the Module Factory

Exceptional opportunity to acquire a world-class MRO will strengthen FTAI's leadership in MRE⁽¹⁾:

- Greater control in CFM56 engine and module shop visit repair and manufacturing
 - Vertical integration of Piece-Part Repairs for USM material
 - Expands maintenance capacity in addition to existing QuickTurn facility in Miami
- Expected to generate significant cost savings per annum with incremental efficiencies each year⁽¹⁾



Acquisition Synergies⁽¹⁾

– FTAI Operations –

- 442 CFM56 Engines in portfolio
- Q2 '24 Run-Rate 328 CFM56 module sales⁽²⁾
- Teardown 40+ CFM56 Engines per year for USM⁽¹⁾



– LMCES Capabilities –

- ✓ 526K Square Feet Facility in Montreal, Canada
- ✓ 900 Annual Module Shop Visit Capacity
- ✓ Over 350 Highly Skilled Employees

Capital Structure

- Net Debt / Run-Rate Adj. EBITDA multiple of **3.4x** in Q2 2024^(1,2)
- \$400 million of Corporate Revolver facility available as of June 30, 2024
- Q4 2024 Net Debt / Run-Rate Adj. EBITDA targeted to be within **3.0x – 3.5x** range⁽³⁾

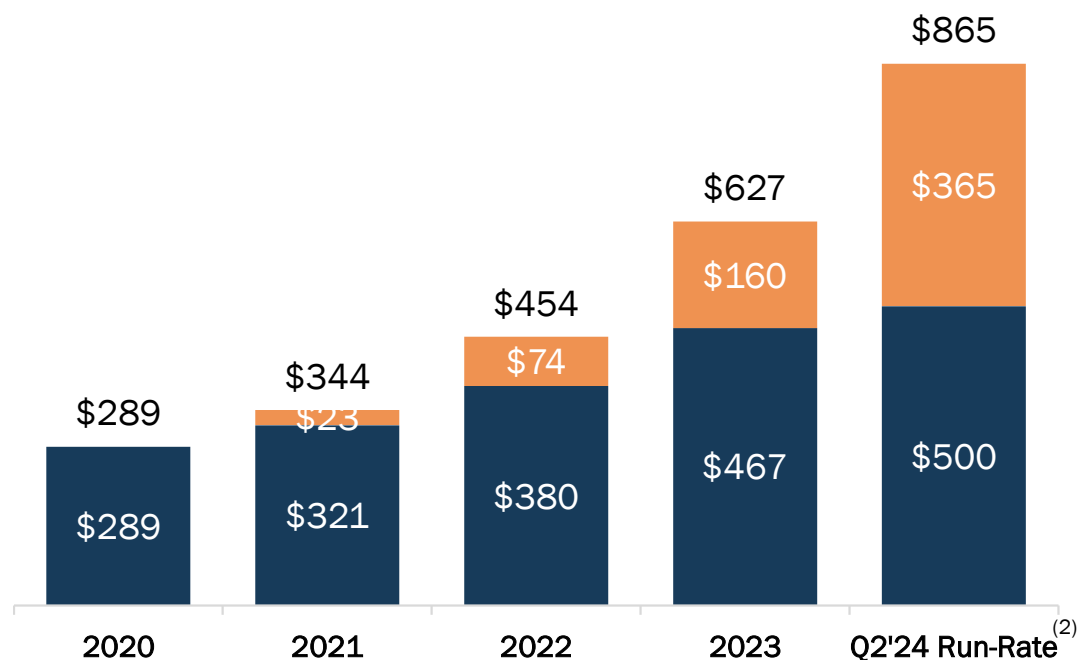
Capital Structure Overview

(\$s in millions)

Q2 2024	
Total Debt	\$3,078 ⁽⁴⁾
Less: Cash	\$170
Net Debt	\$2,908
Run-Rate Adj. EBITDA^(1,2)	
Aviation Leasing	\$500 ⁽²⁾
Aerospace Products	\$365 ⁽²⁾
Corporate & Other	\$(9) ⁽²⁾
Total Adj. EBITDA	\$856⁽²⁾
Net Debt / Adj. EBITDA	3.4x

Adj. EBITDA⁽¹⁾
(Excl. Corp & Other)

Aviation Leasing Aerospace Products



1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

2) Adjusted EBITDA Run-Rate is defined as Q2'24 annualized.

3) Forward looking statement. See "Disclaimers" at the beginning of the Presentation.

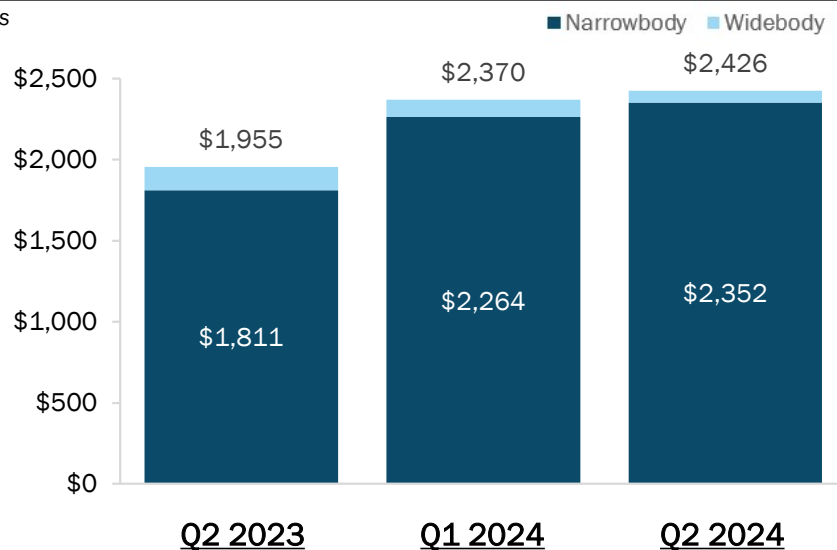
4) Total Debt is net of approximately \$53.3mm of net deferred financing costs and bond issuance premium & discount; gross debt outstanding was \$3,130.9mm at June 30, 2024.

Portfolio Concentration on CFM56 & V2500 Platforms

- 442 CFM56 Engines in portfolio including Standalone Engines, Engines On-Wing and Engines at the Module Factory
 - 111x Engines on Airbus A320 and 49x Engines on Boeing 737 (160 CFM56 Engines)
 - 246 modules at the Module Factory (~82 Aerospace CFM56 Engine Equivalents)⁽²⁾
- 113 V2500 Engines in portfolio comprising 54x on Airbus A320 and 59x Standalone Engines

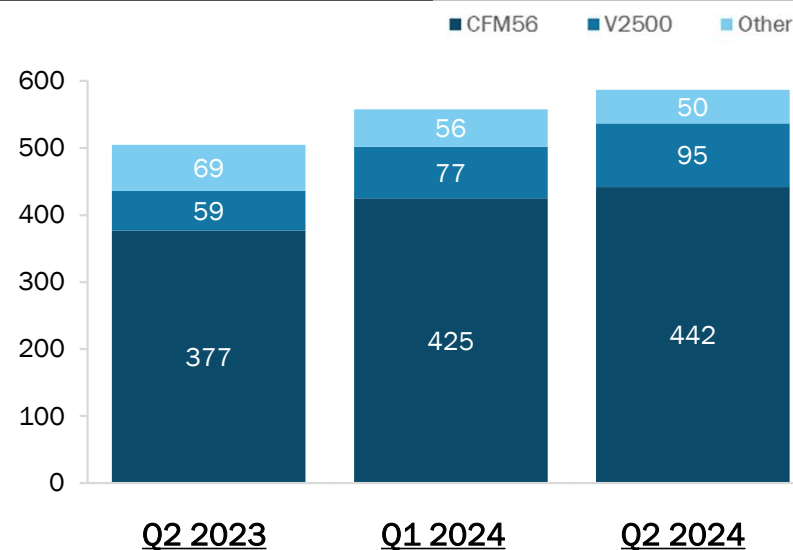
FTAI Aviation Portfolio

\$ in millions



Narrowbody	\$1,811	\$2,264	\$2,352
Widebody	\$144	\$106	\$74
Total BV⁽¹⁾	\$1,955	\$2,370	\$2,426

FTAI Engine Count



CFM56 ⁽²⁾	377	425	442
V2500	59	77	113
Other ⁽³⁾	69	56	52
Total Engines	505	558	607

Narrowbody assets comprise 97% of Aviation portfolio as of June 30, 2024

1) BV is defined as Aviation Net Leasing Equipment plus Inventory and Financing Receivables from our consolidated Balance Sheet.

2) CFM56 Engine is comprised of three module components. Numbers disclosed include Engine equivalents held as inventory in the Module Factory.

3) Other primarily includes PW2000, PW4000, RB211 and CF6-80 Engines.

Consolidated Financial Results

1 Q2'24 Financial Results

- Net Loss Attributable to Shareholders of \$(228.2)mm
- Net Income excluding Internalization Fee of \$71.8mm
- Adjusted EBITDA of \$213.9mm⁽¹⁾

2 Q2'24 Balance Sheet

- Total Assets of \$3.4b
- Total Debt of \$3.1b⁽²⁾
- Total Cash of \$169.6mm

Consolidated Key Financial Metrics

(\$s in millions)

Quarter Over Quarter Results	Q2'23	Q1'24	Q2'24
Aviation Leasing	\$121.2	\$104.8	\$125.0
Aerospace Products	\$34.7	\$70.3	\$91.2
Corporate & Other	\$(2.8)	\$(11.0)	\$(2.3)
Adjusted EBITDA⁽¹⁾	\$153.1	\$164.1	\$213.9
Depreciation & Amortization	\$(48.9)	\$(59.1)	\$(65.8)
Interest Expense	\$(38.5)	\$(47.7)	\$(55.2)
Other ⁽³⁾	\$(19.3)	\$(26.0)	\$(321.1) ⁽⁴⁾
Net Income (Loss) Attributable to Shareholders	\$46.4	\$31.3	\$(228.2)

Balance Sheet & Liquidity	Jun 30, 2024
Cash	\$169.6
Net Leasing Equipment	\$2,202.9
Other Assets	\$1,076.8
Total Assets	\$3,449.3
Total Debt ⁽²⁾	\$3,077.6
Total Equity	\$69.6
Total Debt + Total Equity	\$3,147.2

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

2) Total Debt is net of approximately \$53.3mm of net deferred financing costs and bond issuance premium & discount.

3) Other primarily includes dividends on preferred shares, incentive allocation expense, provision for income taxes and acquisition and transaction expenses.

4) Includes \$300.0mm relating to Internalization Fee to Affiliate and \$13.9mm relating to loss on extinguishment of debt.

Aviation Leasing

Highlights & Key Metrics

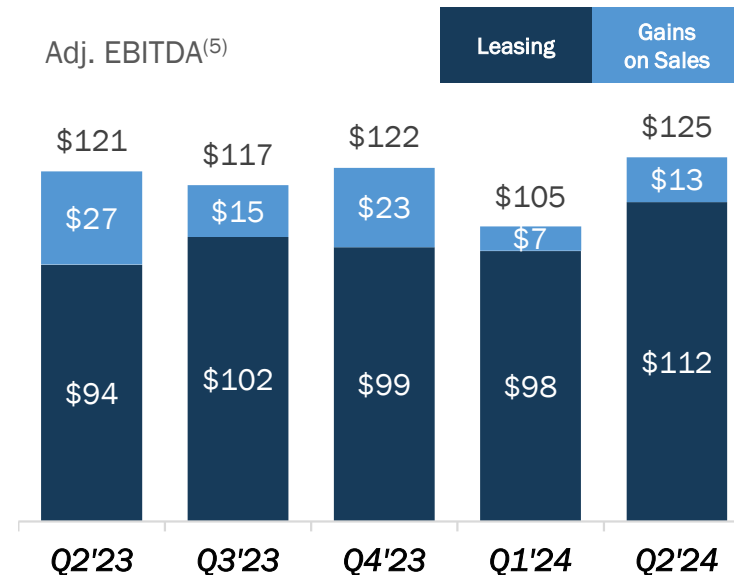
- Acquired 25 Engines & 7 Aircraft during Q2 2024
- \$72.4mm Asset Sales for 19% NBV gain of \$13.5mm (8 Engines & 15 Aircraft / Airframes)
- W.A. Utilization of 81% versus 78% in prior quarter
- Performed 10 Engine Exchanges for Aircraft Lessees YTD 2024

As of June 30, 2024	Engines	Aircraft	Total
# Assets ⁽¹⁾	292	99	391
Net Leasing Equipment	\$946.2	\$1,086.0	\$2,032.2
Remaining Lease Term ⁽²⁾	22	45	(n/a)
W.A. Utilization ⁽³⁾	69%	92%	81%
Portfolio Composition	46.6%	53.4%	100.0%

Aviation Leasing Performance

(\$s in millions)

Statement of Operations	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24
Total Revenue	\$167.4	\$161.4	\$153.8	\$135.3	\$184.4
Total Expenses	\$(94.1)	\$(103.9)	\$(89.2)	\$(89.9)	\$(122.4)
Other ⁽⁴⁾	\$(0.7)	\$(2.0)	\$41.1	\$(2.8)	\$(9.2)
Net Income Attributable to Shareholders	\$72.6	\$55.5	\$105.7	\$42.6	\$52.8
Adjusted EBITDA⁽⁵⁾	\$121.2	\$116.9	\$121.8	\$104.8	\$125.0



1) Asset count includes 17 Engines and 8 Aircraft in Russia that have been written-off.

2) Remaining Lease Term is based on the average remaining months for our Aircraft and Engine portfolios, weighted by the net asset value of the respective assets, which is gross asset value including lease intangibles, as applicable, net of accumulated depreciation, accumulated amortization and maintenance deposits, as applicable.

3) W.A. Utilization is based on the percent of days on-lease in the quarter weighted by the monthly average equity value of our aviation leasing equipment, excluding airframes.

4) Includes Total other income and Provision for income taxes.

5) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Aerospace Products

Highlights & Key Metrics

- Q2'24 Total Revenue growth of 164.5% versus Q2 2023
- 82 modules sold in Q2 2024
- Consistently generating Adj. EBITDA margins of between 30% - 40%
- 06/30 Engine parts inventory of \$373.3mm to support backlog

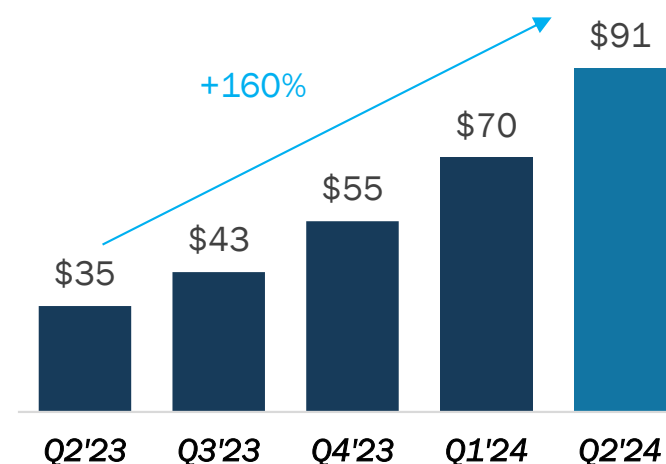
Aerospace Products Margin (\$s in millions)	Q2'23	Q1'24	Q2'24
Total Revenue	\$92.7	\$189.1	\$245.2
Adj. EBITDA ⁽¹⁾	\$34.7	\$70.3	\$91.2
Adj. EBITDA Margin % ⁽²⁾	37%	37%	37%

Aerospace Products Performance

(\$s in millions)

Statement of Operations	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24
Total Revenue	\$92.7	\$118.7	\$158.5	\$189.1	\$245.2
Total Expenses	\$(58.5)	\$(76.4)	\$(110.3)	\$(119.6)	\$(154.8)
Other ⁽³⁾	\$(0.9)	\$(1.0)	\$32.4	\$(3.1)	\$(5.5)
Net Income Attributable to Shareholders	\$33.3	\$41.3	\$80.6	\$66.4	\$84.9
Adjusted EBITDA ⁽¹⁾	\$34.7	\$43.3	\$54.6	\$70.3	\$91.2

Adj. EBITDA⁽¹⁾



1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

2) Calculated as Adjusted EBITDA divided by total revenue.

3) Includes Total other income and Provision for income taxes.

Corporate & Other

Highlights & Key Metrics

Corporate & Other is primarily comprised of:

- Debt, unallocated corporate G&A expenses, and management fees
- Offshore energy related vessels and equipment that support offshore oil & gas activities and production

Corporate Debt <i>(\$s in millions)</i>	Q1'24	Q2'24
Corporate Revolver	\$175.0	\$0.0
Corporate Bonds	\$2,550.0	\$3,130.9
Other ⁽¹⁾	\$(31.2)	\$(53.3)
Total Debt	\$2,693.8	\$3,077.6
Interest Expense	\$47.7	\$55.2

Corporate & Other Performance

(\$s in millions)

Statement of Operations	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24
Total Revenue	\$14.2	\$11.0	\$0.5	\$2.3	\$14.0
Total Expenses	\$(65.2)	\$(66.3)	\$(69.0)	\$(72.0)	\$(384.2) ⁽²⁾
Other⁽³⁾	\$(8.4)	\$(8.5)	\$(7.8)	\$(8.0)	\$4.3
Net Loss Attributable to Shareholders	\$(59.4)	\$(63.8)	\$(76.3)	\$(77.7)	\$(365.9)
Adjusted EBITDA⁽⁴⁾	\$(2.8)	\$(6.0)	\$(14.1)	\$(11.0)	\$(2.3)

Q2'24 Highlights

- Both Offshore Vessels currently on-charter
- Issued 7.0% \$700mm Senior Bonds due 2031
- Issued 7.0% \$800mm Senior Bonds due 2032

1) Deferred financing costs and bond issuance premium & discount.

2) Includes \$300.0 million internalization fee to affiliate.

3) Includes Total other income, preferred dividends and Provision for income taxes.

4) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Q2 2024 Coverage Ratios

- Net Loss Attributable to Shareholders of \$228 million in Q2 2024:
 - Net Income of **\$72 million** excluding one-time Internalization Fee to Fortress
- Generated **\$200 million** in Adj. EBITDA⁽¹⁾ net of Aviation Leasing Gains on Asset Sales
- Stable earnings stream to support interest and preferred dividend coverage of **2.7x**
- Excess cashflows reinvested for asset acquisition growth and investment activity

FTAI Earnings

(\$s in millions) Q2 2024

Adj. EBITDA excluding
Gains on Asset Sales⁽¹⁾ \$200.4

Less:

Maintenance Capex⁽²⁾ \$(34.2)

**Cashflow Available
for New Investments \$166.2**

Coverage Ratios

(\$s in millions) Q2 2024

Cashflow Available for New Investments \$166.2

Interest Expense \$55.2

Interest Coverage 3.0x

Cashflow Available for New Investments \$166.2

Interest Expense + Preferred Dividend \$63.5

Interest and Pref. Dividend Coverage 2.6x

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure. Comprised of \$213.9 million Q2 2024 Adjusted EBITDA less Aviation Leasing Gains on Sales of \$13.5 million.

2) Total leasing equipment capex of \$155.8 million comprising \$121.6 million acquisition capex and \$34.2 million maintenance capex.

Appendix:

- **Statement of Operations by Segment**
- **Comparative Statements of Operations**
- **Condensed Balance Sheets**
- **Reconciliation of Non-GAAP Measures**
- **Glossary**

Statement of Operations by Segment

Statement of Operations by Segment (unaudited)

For the Three Months Ended June 30, 2024

(\$ in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues	\$ 184,437	\$ 245,200	\$ 13,957	\$ 443,594
Expenses				
Cost of sales	58,969	146,888	—	205,857
Operating expenses	8,782	6,423	13,894	29,099
General and administrative	—	—	2,969	2,969
Acquisition and transaction expenses	1,969	525	5,525	8,019
Management fees and incentive allocation to affiliate	—	—	3,554	3,554
Internalization fee to affiliate	—	—	300,000	300,000
Depreciation and amortization	52,672	938	3,081	56,691
Interest expense	—	—	55,196	55,196
Total expenses	\$ 122,392	\$ 154,774	\$ 384,219	\$ 661,385
Other (expense) income				
Equity in losses of unconsolidated entities	(61)	(633)	—	(694)
Loss on extinguishment of debt	—	—	(13,920)	(13,920)
Other (expense) income	(911)	—	413	(498)
Total other expense	\$ (972)	\$ (633)	\$ (13,507)	\$ (15,112)
Income (loss) before income taxes	61,073	89,793	(383,769)	(232,903)
Provision for (benefit from) income taxes	8,293	4,918	(26,244)	(13,033)
Net income (loss)	\$ 52,780	\$ 84,875	\$ (357,525)	\$ (219,870)
Less: Dividends on preferred shares	—	—	8,335	8,335
Net income (loss) attributable to shareholders	\$ 52,780	\$ 84,875	\$ (365,860)	\$ (228,205)
Adjusted EBITDA⁽⁴⁾	\$ 124,981	\$ 91,240	\$ (2,317)	\$ 213,904

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Three Months Ended June 30, 2023

(\$ in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues	\$ 167,381	\$ 92,725	\$ 14,239	\$ 274,345
Expenses				
Cost of sales	49,598	54,934	—	104,532
Operating expenses	7,578	3,236	13,983	24,797
General and administrative	—	—	3,188	3,188
Acquisition and transaction expenses	1,169	272	1,231	2,672
Management fees and incentive allocation to affiliate	—	—	5,563	5,563
Depreciation and amortization	35,713	97	2,704	38,514
Interest expense	—	—	38,499	38,499
Total expenses	\$ 94,058	\$ 58,539	\$ 65,168	\$ 217,765
Other income (expense)				
Equity in losses of unconsolidated entities	(35)	(345)	—	(380)
Other income	408	—	—	408
Total other income (expense)	\$ 373	\$ (345)	\$ —	\$ 28
Net income (loss) before income taxes	73,696	33,841	(50,929)	56,608
Provision for income taxes	1,087	584	184	1,855
Net income (loss)	\$ 72,609	\$ 33,257	\$ (51,113)	\$ 54,753
Less: Dividends on preferred shares	—	—	8,335	8,335
Net income (loss) attributable to shareholders	\$ 72,609	\$ 33,257	\$ (59,448)	\$ 46,418
Adjusted EBITDA⁽⁴⁾	\$ 121,166	\$ 34,747	\$ (2,836)	\$ 153,077

Statement of Operations by Segment (unaudited)

For the Six Months Ended June 30, 2024

(\$ in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues	\$ 319,747	\$ 434,257	\$ 16,284	\$ 770,288
Expenses				
Cost of sales	90,858	257,803	—	348,661
Operating expenses	16,989	13,893	23,534	54,416
General and administrative	—	—	6,652	6,652
Acquisition and transaction expenses	4,730	771	8,697	14,198
Management fees and incentive allocation to affiliate	—	—	8,449	8,449
Internalization fee to affiliate	—	—	300,000	300,000
Depreciation and amortization	98,756	1,871	5,984	106,611
Asset impairment	962	—	—	962
Interest expense	—	—	102,903	102,903
Total expenses	\$ 212,295	\$ 274,338	\$ 456,219	\$ 942,852
Other (expense) income				
Equity in losses of unconsolidated entities	(207)	(1,154)	—	(1,361)
Loss on extinguishment of debt	—	—	(13,920)	(13,920)
Other (expense) income	(542)	—	678	136
Total other expense	\$ (749)	\$ (1,154)	\$ (13,242)	\$ (15,145)
Net income (loss) before income taxes	106,703	158,765	(453,177)	(187,709)
Provision for (benefit from) income taxes	11,326	7,457	(26,244)	(7,461)
Net income (loss)	\$ 95,377	\$ 151,308	\$ (426,933)	\$ (180,248)
Less: Dividends on preferred shares	—	—	16,670	16,670
Net income (loss) attributable to shareholders	\$ 95,377	\$ 151,308	\$ (443,603)	\$ (196,918)
Adjusted EBITDA⁽¹⁾	\$ 229,788	\$ 161,517	\$ (13,300)	\$ 378,005

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Six Months Ended June 30, 2023

(\$ in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues	\$ 366,421	\$ 177,838	\$ 22,804	\$ 567,063
Expenses				
Cost of sales	141,832	108,370	—	250,202
Operating expenses	14,666	6,891	25,774	47,331
General and administrative	—	—	7,255	7,255
Acquisition and transaction expenses	2,631	1,027	2,276	5,934
Management fees and incentive allocation to affiliate	—	—	8,560	8,560
Depreciation and amortization	73,853	183	5,404	79,440
Asset impairment	1,220	—	—	1,220
Interest expense	—	—	77,791	77,791
Total expenses	\$ 234,202	\$ 116,471	\$ 127,060	\$ 477,733
Other income (expense)				
Equity in losses of unconsolidated entities	(134)	(1,581)	—	(1,715)
Other income	416	—	—	416
Total other income (expense)	\$ 282	\$ (1,581)	\$ —	\$ (1,299)
Net income (loss) before income taxes	132,501	59,786	(104,256)	88,031
Provision for income taxes	2,082	1,500	299	3,881
Net income (loss)	\$ 130,419	\$ 58,286	\$ (104,555)	\$ 84,150
Less: Dividends on preferred shares	—	—	15,126	15,126
Net income (loss) attributable to shareholders	\$ 130,419	\$ 58,286	\$ (119,681)	\$ 69,024
Adjusted EBITDA⁽¹⁾	\$ 228,722	\$ 62,124	\$ (10,113)	\$ 280,733

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Comparative Statements of Operations

Consolidated - Comparative Statements of Operations (unaudited)

(\$s in thousands)	Three Months Ended				
	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024
Revenues					
Lease Income	\$ 59,541	\$ 45,622	\$ 46,795	\$ 53,161	\$ 70,754
Maintenance revenue	42,065	63,925	50,216	45,790	51,187
Asset sales revenue	76,836	61,400	56,214	38,607	72,433
Aerospace products revenue	92,725	118,675	158,457	189,057	245,200
Other revenue	3,178	1,474	1,055	79	4,020
Total revenues	\$ 274,345	\$ 291,096	\$ 312,737	\$ 326,694	\$ 443,594
Expenses					
Cost of sales	104,532	116,707	135,223	142,804	205,857
Operating expenses	24,797	33,887	28,945	25,317	29,099
General and administrative	3,188	3,015	3,430	3,683	2,969
Acquisition and transaction expenses	2,672	4,261	4,999	6,179	8,019
Management fees and incentive allocation to affiliate	5,563	4,577	4,900	4,895	3,554
Internalization fee to affiliate	—	—	—	—	300,000
Depreciation and amortization	38,514	43,959	46,478	49,920	56,691
Asset impairment	—	—	901	962	—
Interest expense	38,499	40,185	43,663	47,707	55,196
Total expenses	\$ 217,765	\$ 246,591	\$ 268,539	\$ 281,467	\$ 661,385
Other income (expense)					
Equity in (losses) earnings of unconsolidated entities	(380)	46	63	(667)	(694)
Loss on extinguishment of debt	—	—	—	—	(13,920)
Other income (expense)	408	461	6,713	634	(498)
Total other income (expense)	\$ 28	\$ 507	\$ 6,776	\$ (33)	\$ (15,112)
Net income (loss) before income taxes	56,608	45,012	50,974	45,194	(232,903)
Provision for (benefit from) income taxes	1,855	3,705	(67,386)	5,572	(13,033)
Net income (loss)	54,753	41,307	118,360	39,622	(219,870)
Less: Dividends on preferred shares	8,335	8,334	8,335	8,335	8,335
Net income (loss) attributable to shareholders	\$ 46,418	\$ 32,973	\$ 110,025	\$ 31,287	\$ (228,205)
Adjusted EBITDA⁽¹⁾	\$ 153,077	\$ 154,218	\$ 162,331	\$ 164,101	\$ 213,904

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Aviation Leasing - Comparative Statements of Operations (unaudited)

(\$s in thousands)	Three Months Ended				
	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024
Revenues					
Lease income	\$ 48,167	\$ 35,981	\$ 46,726	\$ 50,846	\$ 60,759
Maintenance revenue	42,065	63,925	50,216	45,790	51,187
Asset sales revenue	76,836	61,400	56,214	38,607	72,433
Other revenue	313	82	646	67	58
Total revenues	\$ 167,381	\$ 161,388	\$ 153,802	\$ 135,310	\$ 184,437
Expenses					
Cost of sales	49,598	46,511	33,509	31,889	58,969
Operating expenses	7,578	13,944	9,266	8,207	8,782
Acquisition and transaction expenses	1,169	2,329	2,190	2,761	1,969
Depreciation and amortization	35,713	41,141	43,360	46,084	52,672
Asset impairment	—	—	901	962	—
Total expenses	\$ 94,058	\$ 103,925	\$ 89,226	\$ 89,903	\$ 122,392
Other income (expense)					
Equity in (losses) earnings of unconsolidated entities	(35)	(108)	94	(146)	(61)
Other income (expense)	408	444	440	369	(911)
Total other income (expense)	\$ 373	\$ 336	\$ 534	\$ 223	\$ (972)
Net income before income taxes	73,696	57,799	65,110	45,630	61,073
Provision for (benefit from) income taxes	1,087	2,332	(40,607)	3,033	8,293
Net income attributable to shareholders	\$ 72,609	\$ 55,467	\$ 105,717	\$ 42,597	\$ 52,780
Adjusted EBITDA⁽¹⁾	\$ 121,166	\$ 116,858	\$ 121,808	\$ 104,807	\$ 124,981

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Aerospace Products - Comparative Statements of Operations (unaudited)

(\$s in thousands)	Three Months Ended				
	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024
Revenues					
Aerospace products revenue	\$ 92,725	\$ 118,675	\$ 158,457	\$ 189,057	245,200
Total revenues	\$ 92,725	\$ 118,675	\$ 158,457	\$ 189,057	\$ 245,200
Expenses					
Cost of sales	54,934	70,196	101,714	110,915	146,888
Operating expenses	3,236	5,947	7,621	7,470	6,423
Acquisition and transaction expenses	272	110	585	246	525
Depreciation and amortization	97	115	363	933	938
Total expenses	\$ 58,539	\$ 76,368	\$ 110,283	\$ 119,564	\$ 154,774
Other (expense) income					
Equity in (losses) income of unconsolidated entities	(345)	154	(31)	(521)	(633)
Other income	—	—	5,347	—	—
Total other (expense) income	\$ (345)	\$ 154	\$ 5,316	\$ (521)	\$ (633)
Net income before income taxes	33,841	42,461	53,490	68,972	89,793
Provision for (benefit from) income taxes	584	1,131	(27,071)	2,539	4,918
Net income attributable to shareholders	\$ 33,257	\$ 41,330	\$ 80,561	\$ 66,433	\$ 84,875
Adjusted EBITDA⁽¹⁾	\$ 34,747	\$ 43,289	\$ 54,596	\$ 70,277	\$ 91,240

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Corporate and Other - Comparative Statements of Operations (unaudited)

(\$s in thousands)	Three Months Ended				
	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024
Revenues					
Lease income	\$ 11,374	\$ 9,641	\$ 69	\$ 2,315	\$ 9,995
Other revenue	2,865	1,392	409	12	3,962
Total revenues	\$ 14,239	\$ 11,033	\$ 478	\$ 2,327	\$ 13,957
Expenses					
Operating expenses	13,983	13,996	12,058	9,640	13,894
General and administrative	3,188	3,015	3,430	3,683	2,969
Acquisition and transaction expenses	1,231	1,822	2,224	3,172	5,525
Management fees and incentive allocation to affiliate	5,563	4,577	4,900	4,895	3,554
Internalization fee to affiliate	—	—	—	—	300,000
Depreciation and amortization	2,704	2,703	2,755	2,903	3,081
Interest expense	38,499	40,185	43,663	47,707	55,196
Total expenses	\$ 65,168	\$ 66,298	\$ 69,030	\$ 72,000	\$ 384,219
Other income (expense)					
Loss on extinguishment of debt	—	—	—	—	(13,920)
Other income	—	17	926	265	413
Total other income (expense)	\$ —	\$ 17	\$ 926	\$ 265	\$ (13,507)
Net loss before income taxes	(50,929)	(55,248)	(67,626)	(69,408)	(383,769)
Provision for (benefit from) income taxes	184	242	292	—	(26,244)
Net loss	\$ (51,113)	\$ (55,490)	\$ (67,918)	\$ (69,408)	\$ (357,525)
Less: Dividends on preferred shares	8,335	8,334	8,335	8,335	8,335
Net loss attributable to shareholders	\$ (59,448)	\$ (63,824)	\$ (76,253)	\$ (77,743)	\$ (365,860)
Adjusted EBITDA⁽¹⁾	\$ (2,836)	\$ (5,929)	\$ (14,073)	\$ (10,983)	\$ (2,317)

1. This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Condensed Balance Sheets

Condensed Balance Sheets

(\$s in thousands)

	(unaudited)	
	June 30, 2024	December 31, 2023
Gross Property, Plant and Equipment (PP&E)	\$ 36,774	\$ 47,089
Accumulated Depreciation on PP&E	(3,696)	(1,914)
Net PP&E	\$ 33,078	\$ 45,175
Gross Leasing Equipment	2,802,983	2,574,394
Accumulated Depreciation on Leasing Equipment	(600,117)	(541,981)
Net Leasing Equipment	\$ 2,202,866	\$ 2,032,413
Intangible Assets, net	42,138	50,590
Goodwill	4,630	4,630
All Other Assets	1,166,540	831,877
Total Assets	\$ 3,449,252	\$ 2,964,685
Debt, net	3,077,596	2,517,343
All Other Liabilities	302,089	271,459
Total Liabilities	\$ 3,379,685	\$ 2,788,802
Shareholders' equity	69,567	175,349
Non-controlling interest in equity of consolidated subsidiaries	—	534
Total Equity	\$ 69,567	\$ 175,883
Total Liabilities and Equity	\$ 3,449,252	\$ 2,964,685

Reconciliation of Non-GAAP Measures

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended June 30, 2024

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for (benefit from) income taxes	8,293	4,918	(26,244)	(13,033)
Add: Equity-based compensation expense	128	(72)	582	638
Add: Acquisition and transaction expenses	1,969	525	5,525	8,019
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	13,920	13,920
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—
Add: Asset impairment charges	—	—	—	—
Add: Incentive allocations	—	—	3,148	3,148
Add: Depreciation & amortization expense ⁽¹⁾	61,790	938	3,081	65,809
Add: Interest expense and dividends on preferred shares	—	—	63,531	63,531
Add: Internalization fee to affiliate	—	—	300,000	300,000
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	(40)	(577)	—	(617)
Less: Equity in losses of unconsolidated entities	61	633	—	694
Less: Non-controlling share of Adjusted EBITDA	—	—	—	—

Adjusted EBITDA

Aviation Leasing	Aerospace Products	Corporate and Other	Total
\$ 52,780	\$ 84,875	\$ (365,860)	\$ (228,205)
8,293	4,918	(26,244)	(13,033)
128	(72)	582	638
1,969	525	5,525	8,019
—	—	13,920	13,920
—	—	—	—
—	—	3,148	3,148
61,790	938	3,081	65,809
—	—	63,531	63,531
—	—	300,000	300,000
(40)	(577)	—	(617)
61	633	—	694
—	—	—	—
\$ 124,981	\$ 91,240	\$ (2,317)	\$ 213,904

For the Three Months Ended June 30, 2023

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for income taxes	1,087	584	184	1,855
Add: Equity-based compensation expense	105	70	335	510
Add: Acquisition and transaction expenses	1,169	272	1,231	2,672
Add: Gain on the modification or extinguishment of debt and capital lease obligations	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—
Add: Asset impairment charges	—	—	—	—
Add: Incentive allocations	—	—	5,324	5,324
Add: Depreciation & amortization expense ⁽¹⁾	46,133	97	2,704	48,934
Add: Interest expense and dividends on preferred shares	—	—	46,834	46,834
Add: Internalization fee to affiliate	—	—	—	—
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	28	122	—	150
Less: Equity in losses of unconsolidated entities	35	345	—	380
Less: Non-controlling share of Adjusted EBITDA	—	—	—	—

Adjusted EBITDA

Aviation Leasing	Aerospace Products	Corporate and Other	Total
\$ 72,609	\$ 33,257	\$ (59,448)	\$ 46,418
1,087	584	184	1,855
105	70	335	510
1,169	272	1,231	2,672
—	—	—	—
—	—	—	—
—	—	5,324	5,324
46,133	97	2,704	48,934
—	—	46,834	46,834
—	—	—	—
28	122	—	150
35	345	—	380
—	—	—	—
\$ 121,166	\$ 34,747	\$ (2,836)	\$ 153,077

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Six Months Ended June 30, 2024

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for (benefit from) income taxes	Add: Equity-based compensation expense	Add: Acquisition and transaction expenses	Add: Losses on the modification or extinguishment of debt and capital lease obligations	Add: Changes in fair value of non-hedge derivative instruments	Add: Asset impairment charges	Add: Incentive allocations	Add: Depreciation & amortization expense ⁽¹⁾	Add: Interest expense and dividends on preferred shares	Add: Internalization fee to affiliate	Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	Less: Equity in losses of unconsolidated entities	Less: Non-controlling share of Adjusted EBITDA
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Aviation Leasing	Aerospace Products	Corporate and Other	Total
\$ 95,377	\$ 151,308	\$ (443,603)	\$ (196,918)
11,326	7,457	(26,244)	(7,461)
233	(2)	917	1,148
4,730	771	8,697	14,198
—	—	13,920	13,920
—	—	—	—
962	—	—	962
—	—	7,456	7,456
117,076	1,871	5,984	124,931
—	—	119,573	119,573
—	—	300,000	300,000
(123)	(1,042)	—	(1,165)
207	1,154	—	1,361
—	—	—	—
\$ 229,788	\$ 161,517	\$ (13,300)	\$ 378,005

For the Six Months Ended June 30, 2023

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for income taxes	Add: Equity-based compensation expense	Add: Acquisition and transaction expenses	Add: Gain on the modification or extinguishment of debt and capital lease obligations	Add: Changes in fair value of non-hedge derivative instruments	Add: Asset impairment charges	Add: Incentive allocations	Add: Depreciation & amortization expense ⁽¹⁾	Add: Interest expense and dividends on preferred shares	Add: Internalization fee to affiliate	Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	Less: Equity in losses of unconsolidated entities	Less: Non-controlling share of Adjusted EBITDA
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Aviation Leasing	Aerospace Products	Corporate and Other	Total
\$ 130,419	\$ 58,286	\$ (119,681)	\$ 69,024
2,082	1,500	299	3,881
127	85	406	618
2,631	1,027	2,276	5,934
—	—	—	—
—	—	—	—
1,220	—	—	1,220
—	—	8,266	8,266
92,117	183	5,404	97,704
—	—	92,917	92,917
—	—	—	—
(8)	(538)	—	(546)
134	1,581	—	1,715
—	—	—	—
\$ 228,722	\$ 62,124	\$ (10,113)	\$ 280,733

Notes to Non-GAAP Reconciliations - Adjusted EBITDA

(\$s in thousands)

⁽¹⁾ Total

Includes the following items for the three months ended June 30, 2024 and 2023: (i) depreciation and amortization expense of \$56,691 and \$38,514, (ii) lease intangible amortization of \$3,786 and \$3,616 and (iii) amortization for lease incentives of \$5,332 and \$6,804, respectively.

Includes the following items for the six months ended June 30, 2024 and 2023: (i) depreciation and amortization expense of \$106,611 and \$79,440, (ii) lease intangible amortization of \$7,762 and \$7,599 and (iii) amortization for lease incentives of \$10,558 and \$10,665, respectively.

Aviation Leasing

Includes the following items for the three months ended June 30, 2024 and 2023: (i) depreciation and amortization expense of \$52,672 and \$35,713, (ii) lease intangible amortization of \$3,786 and \$3,616 and (iii) amortization for lease incentives of \$5,332 and \$6,804, respectively.

Includes the following items for the six months ended June 30, 2024 and 2023: (i) depreciation and amortization expense of \$98,756 and \$73,853, (ii) lease intangible amortization of \$7,762 and \$7,599 and (iii) amortization for lease incentives of \$10,558 and 10,665, respectively.

⁽²⁾ Total

Includes the following items for the three months ended June 30, 2024 and 2023: (i) net loss of \$694 and \$380, (ii) depreciation and amortization expense of \$77 and \$435 and (iii) acquisition and transaction expense of \$— and \$95, respectively.

Includes the following items for the six months ended June 30, 2024 and 2023: (i) net loss of \$1,361 and \$1,715, (ii) depreciation and amortization expense of \$196 and \$835 and (iii) acquisition and transaction expense of \$— and \$334, respectively.

Aviation Leasing

Includes the following items for the three months ended June 30, 2024 and 2023: (i) net loss of \$61 and \$35 and (ii) depreciation and amortization of \$21 and \$63, respectively.

Includes the following items for the six months ended June 30, 2024 and 2023: (i) net loss of \$207 and \$134 and (ii) depreciation and amortization of \$84 and \$126, respectively.

Aerospace Products

Includes the following items for the three months ended June 30, 2024 and 2023: (i) net loss of \$633 and \$345, (ii) depreciation and amortization expense of \$56 and \$372 and (iii) acquisition and transaction expense of \$— and \$95, respectively.

Includes the following items for the six months ended June 30, 2024 and 2023: (i) net loss of \$1,154 and \$1,581, (ii) depreciation and amortization expense of \$112 and \$709 and (iii) acquisition and transaction expense of \$— and \$334, respectively.

Glossary

Adjusted EBITDA

The Chief Operating Decision Maker (“CODM”) utilizes Adjusted EBITDA as the key performance measure. Adjusted EBITDA is not a financial measure in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). This performance measure provides the CODM with the information necessary to assess operational performance and make resource and allocation decisions. We believe Adjusted EBITDA is a useful metric for investors and analysts for similar purposes of assessing our operational performance.

Adjusted EBITDA is defined as net income (loss) attributable to shareholders from continuing operations, adjusted (a) to exclude the impact of provision for (benefit from) income taxes, equity-based compensation expense, acquisition and transaction expenses, losses on the modification or extinguishment of debt and capital lease obligations, changes in fair value of non-hedge derivative instruments, asset impairment charges, incentive allocations, depreciation and amortization expense, dividends on preferred shares and interest expense, internalization fee to affiliate, (b) to include the impact of our pro-rata share of Adjusted EBITDA from unconsolidated entities and (c) to exclude the impact of equity in earnings (losses) of unconsolidated entities and the non-controlling share of Adjusted EBITDA.