

POWER FOR THE AFTERMARKET

INNOVATING CFM56 POWER

Fortress Transportation and
Infrastructure Investors LLC

Supplemental Information Third Quarter 2022



FORTRESS
TRANSPORTATION
& INFRASTRUCTURE

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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 each 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.

FTAI Spin Off and Change in Tax Status

- FTAI split into two separate companies effective August 1, 2022^(1,2):

1 FTAI Aviation

- Aviation Leasing
- Aerospace Products



2 FTAI Infrastructure

- Transtar
- Jefferson
- Long Ridge
- Repauno
- KRS
- Clean Energy



Holdco Merger Update⁽³⁾

- FTAI to eliminate partnership tax classification and public entity to become a PFIC, pending shareholder approval:
 - Cayman subsidiary entity to merge with FTAI LLC
 - Shareholders will no longer receive K-1
 - FTAI will be renamed FTAI Aviation Ltd. (“FTAI Aviation”)

Key Milestones	Dates
Completed SEC Review	✓
Special Shareholder Meeting	11/09
Estimated Close of Reverse Merger	11/10

1) Historical financial results of Infrastructure disclosed under ‘Discontinued Operations’

2) One-time dividend payment of \$730 million paid to FTAI from Infrastructure’s capital raise. Dividend payment is net of discount and issuance costs incurred by FTAI Infrastructure.

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

Capital Structure

Key Highlights

- Large reduction in total debt balance during Q3'22:
 - Repayment of \$340 million 2021 Bridge loan & \$220 million Corporate revolver in full
 - \$200 million partial paydown on 2025 Notes
- Q3'22 Run-Rate Net Debt / Adj. EBITDA multiple of **4.5x**⁽⁴⁾
- Projected to decline to **3x – 4x** in 2023⁽⁴⁾

(\$s in millions)	Q3 2022 Run-Rate
Debt Balance ⁽¹⁾	\$2,025
Cash	(\$73)
Total Net Debt	\$1,952
Adj. EBITDA by Segment⁽²⁾	
Aviation Leasing	\$384
Aerospace Products	\$74
Corporate & Other	(\$23)
Total Adj. EBITDA⁽³⁾	\$435
Net Debt / Adj. EBITDA	4.5x

1) Debt Balance is net of approximately \$25.5mm of net deferred financing costs and bond issuance premium & discount; gross debt outstanding was \$2,050.0mm at September 30, 2022.

2) Adjusted EBITDA Run-Rate is defined as Q3'22 annualized.

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

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

Strong Macros for CFM56 Aftermarket⁽¹⁾

01

New Aircraft Delays Extend Life of Current Fleet

Delays on new deliveries for 737 Max and A320neo aircraft have created a shortage of narrow body capacity for airlines. Airlines are extending the lives of their existing 737NG and A320ceo fleets and adding more 737NG and A320ceo aircraft. Management expects this will result in more total flight hours for the CFM56 platform⁽¹⁾.

Learn More: Financial Times, October 21, 2022 – “Airlines hit by jet shortages in new challenge for aviation”

02

Inflation Driving Up Cost of New Engine Parts

Engine OEMs are increasing the price of new parts by a double-digit percentage⁽²⁾ increase this quarter. This creates more opportunities for engine cost savings and stronger demand for aftermarket maintenance solutions. Furthermore, the replacement value of our engines increases as full shop visit costs are predominately engine parts.

03

Engine Supply Chain Disruption Creates Demand for Serviceable Products

Strained supply chains and labor shortages have increased the turnaround time of an engine shop visit. This has created further demand for available assets and quick-turn maintenance solutions including modules, serviceable engines and ready-to-ship parts.

Learn More: Reuters, September 27, 2022 – “Aircraft parts output is being grounded by worker shortages”

Consolidated Financial Results

1 Q3'22 Financial Results

- Net Loss from Continuing Operations of \$10.9 million
- Adjusted EBITDA of \$108.9 million⁽¹⁾
- Continuing Operations Loss per Share of \$0.11

2 Q3'22 Balance Sheet

- Total Assets of \$2.3 billion
- Total Debt of \$2.0 billion⁽²⁾
- Total Cash of \$72.7 million

Consolidated Key Financial Metrics

(\$s in millions)

Quarter Over Quarter Results	Q3'21	Q2'22	Q3'22
Aviation Leasing	\$95.0	\$142.2	\$96.0
Aerospace Products	\$2.0	\$17.1	\$18.6
Corporate & Other	\$(4.8)	\$(8.6)	\$(5.7)
Adjusted EBITDA⁽¹⁾	\$92.2	\$150.7	\$108.9
Continuing Operations	\$(15.3)	\$38.9	\$(10.9)
Discontinued Operations	\$(23.6)	\$(27.5)	\$(11.9)
Net (Loss) Income Attributable to Shareholders	\$(38.9)	\$11.4	\$(22.8)

Balance Sheet & Liquidity	September 30, 2022
Cash	\$72.7
Net Leasing Equipment	1,692.2
Other Assets	513.1
Total Assets	\$2,278.0
Total Debt	2,024.5
Total Equity	26.0
Total Debt + Total Equity	\$2,050.5

FTAI Segments and Financial Results

1 Aviation Leasing

- Aircraft Leasing
- Engine Leasing
- Asset Sales



2 Aerospace Products

- Modules
- Used Serviceable Material



Q3'22 Key Segment Financial Metrics⁽¹⁾

(\$s in millions)

	Aviation Leasing ⁽³⁾	Aerospace Products	Corporate & Other	Consolidated
Revenue	\$164.9	\$53.4	\$12.1	\$230.4
Adjusted EBITDA ⁽²⁾	\$96.0	\$18.6	\$(5.7)	\$108.9
Net Income (Loss) Attributable to Shareholders	\$51.1	\$15.9	\$(77.9)	\$(10.9)

Aviation Leasing

Highlights & Key Metrics

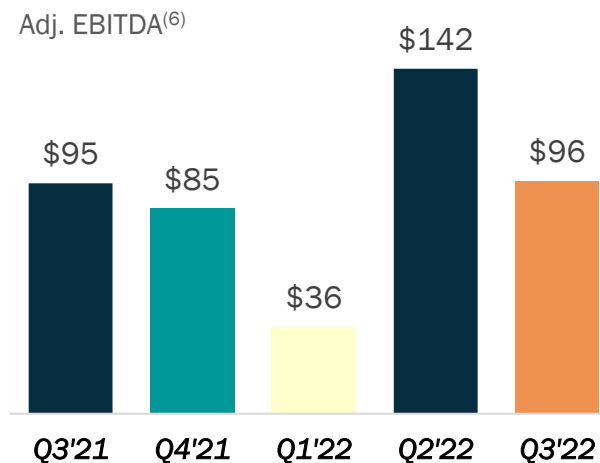
- Acquired \$37.3mm equipment (8 Engines & 1 Aircraft)
- \$85.5mm in proceeds for Asset Sales (19 Engines & 9 Aircraft/Airframes)
- Robust pipeline of \$311mm in-place LOIs opportunities⁽²⁾
- In-place LOI's for 6 new Aircraft leases⁽²⁾

As of September 30, 2022	Engines	Aircraft	Total
# Assets ⁽¹⁾	229	96	325
Net Leasing Equipment	\$696.7	\$862.9	\$1,559.6
Remaining Lease Term ⁽³⁾	13	39	(n/a)
Utilization ⁽⁴⁾	58.6%	83.1%	71.8%
Portfolio Composition	44.7%	55.3%	100.0%

Historical Leasing Performance

(\$s in millions)

Statement of Operations	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Total Revenue	\$86.2	\$82.9	\$70.7	\$82.4	\$164.8
Total Expenses	(\$42.6)	(\$65.5)	(\$216.7)	(\$45.4)	(\$112.9)
Other ⁽⁵⁾	\$9.1	\$12.4	\$6.8	\$54.4	(\$0.8)
Net Income (Loss) Attributable to Shareholders	\$52.7	\$29.8	(\$139.2)	\$91.4	\$51.1
Adjusted EBITDA ⁽⁶⁾	\$95.0	\$84.5	\$35.6	\$142.2	\$96.0



1) Asset count includes 12 aircraft and 19 engines in Russia and Ukraine that have been written-off.

2) In-place LOIs represent understandings and arrangements in place. There can be no assurance that we will be successful in acquiring any such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Some of our committed investments and pipeline investments are subject to definitive documentation, agency consent and board approval. Committed investments and pipeline investments are also subject to varying degrees of diligence. There can be no assurance that we will complete any such investments or transactions.

3) 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.

4) 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.

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

6) 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

- Generated \$18.6mm Adj. EBITDA⁽¹⁾ on \$53.4mm of Sales
- 111 modules transacted to date
- Over 20 customers transacted; significant repeat orders
 - Strong backlog from airlines, lessors & MROs

Q3'22 Financial Quarter

(\$s in millions)

Aerospace Products

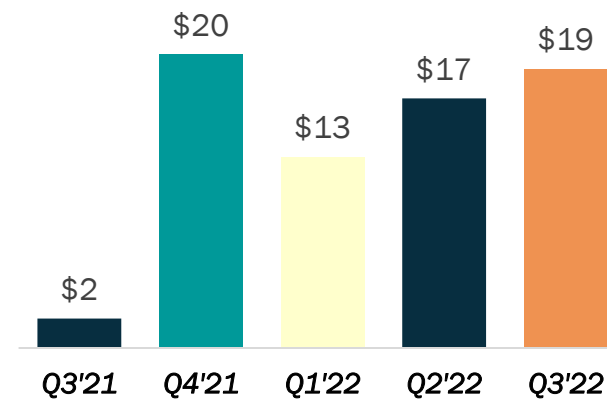
Revenue	\$53.4
Adj. EBITDA ⁽¹⁾	\$18.6
Adj. EBITDA Margin % ⁽²⁾	35%

Historical Aerospace Products Performance

(\$s in millions)

Statement of Operations	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Total Revenue	\$7.7	\$10.0	\$14.3	\$26.5	\$53.4
Total Expenses	(\$7.2)	(\$7.7)	(\$10.7)	(\$18.2)	(\$34.7)
Other ⁽³⁾	\$1.5	\$16.8	\$8.8	\$6.8	(\$2.9)
Net Income (Loss) Attributable to Shareholders	\$2.0	\$19.1	\$12.4	\$15.1	\$15.8
Adjusted EBITDA⁽¹⁾	\$2.0	\$20.3	\$13.0	\$17.1	\$18.6

Adj. EBITDA⁽¹⁾



Corporate & Other

Highlights & Key Metrics

- Greater number of on-hire days generated Offshore vessel revenue of \$12.1mm in Q3'22
- Partial paydown on 2025 Notes and full repayment of bridge loan and corporate revolver resulting in decreased interest expense in Q3'22
- “Other” included one-time loss of \$19.9mm from paydown of debt following spin transaction in Q3'22

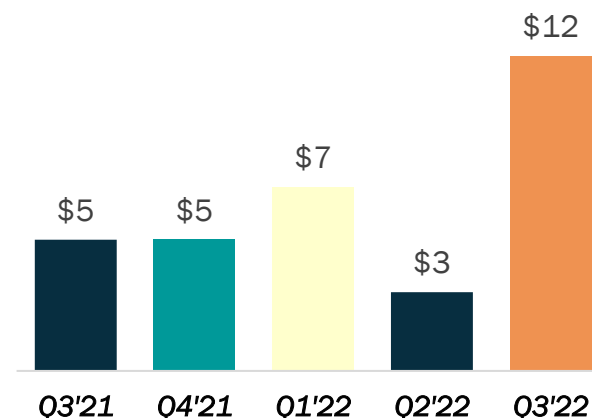
Gross Corporate Debt⁽¹⁾ <i>(\$s in millions)</i>	Q2'22	Q3'22
Corporate Revolver	\$220.0	\$0.0
Corporate Bonds	\$2,250.0	\$2,050.0
Bridge Loans	\$340.0	\$0.0
Total Corporate Debt	\$2,810.0	\$2,050.0

Historical Corporate & Other Performance

(\$s in millions)

Statement of Operations	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Total Revenue	\$5.2	\$5.3	\$6.7	\$3.1	\$12.1
Total Expenses	(\$68.4)	(\$55.3)	(\$58.5)	(\$65.8)	(\$61.5)
Other ⁽²⁾	(\$6.8)	(\$6.8)	(\$7.2)	(\$4.9)	(\$28.4)
Net Loss Attributable to Shareholders	(\$70.0)	(\$56.8)	(\$59.0)	(\$67.6)	(\$77.8)
Adjusted EBITDA⁽³⁾	(\$4.7)	(\$3.4)	(\$3.6)	(\$8.6)	(\$5.7)

Offshore Revenue



1) Excluding deferred financing costs and bond issuance premium & discount.

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

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

Illustrative 2023 Free Cashflow⁽¹⁾

- Strong free cashflow position for acquisition activity
- Assumes approximately ~\$90 million of engine maintenance capex for 2023:
 - Includes cost reductions from Module Factory swaps & recycling of Used Serviceable Material (USM)
 - Incremental efficiencies realized upon PMA approval in Q3 2023

Illustrative Free Cashflow

(\$s in millions) 2023E

Adj. EBITDA	\$550
Interest Payments	(\$130)
Corporate G&A	(\$30)
Maintenance Capex ⁽²⁾	(\$90)
Preferred Dividends	(\$28)
Total Available	\$272
Current Annual Common Dividend	\$120

Engine Maintenance

(\$s in millions) 2023E

Average # of Engines	250
W.A. Utilization Rate	65%
Shop Visit Interval	5 Years
Average Cost per Shop Visit	\$2.75
Maintenance Capex	\$90

FTAI ESG Initiatives

Environmental Dilemma: Jet Engine Maintenance

- On an annual basis CFM56 engine maintenance alone costs ~\$10 billion and burdens the environment by emitting 75,000 tons of CO2 and consuming 3,500 tons of material⁽²⁾.

Our Commitment and Program: FTAI ESG

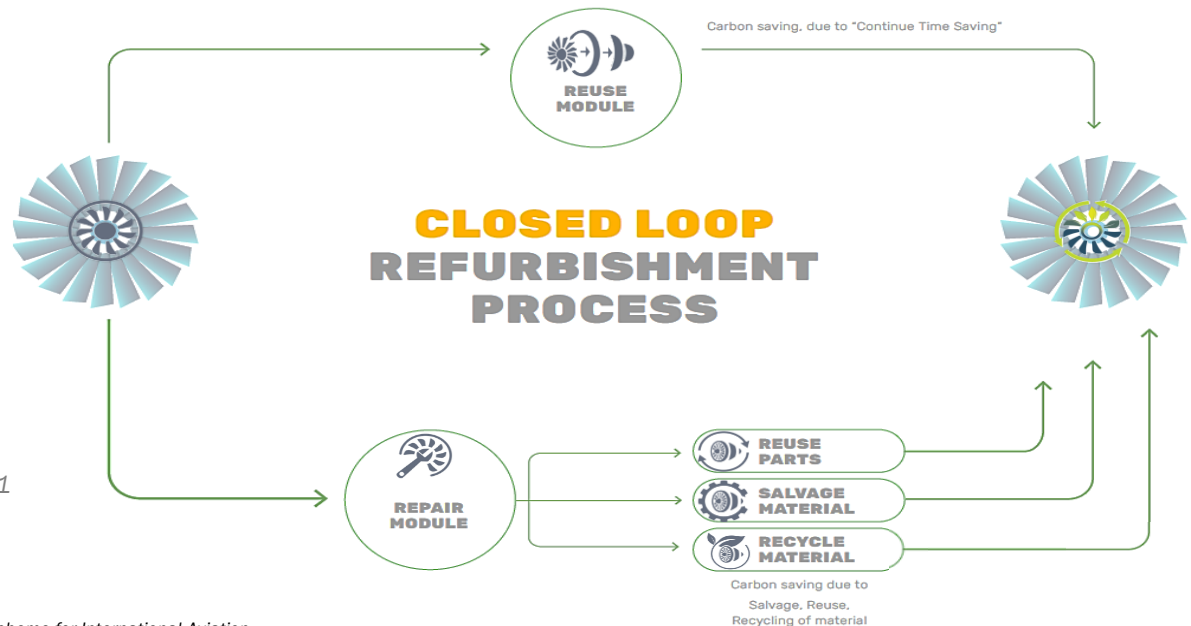
- We are committed to minimizing our carbon footprint through sustainable jet engine maintenance. Below are our programs:
 - Closed Loop** engine refurbishment process at The Module Factory™
 - FTAI and AAR jointly contribute on avg. 1% of all USM sales from the partnership to purchase verified carbon offsets (meet standards set by CORSIA⁽¹⁾)

Our Closed Loop Maintenance Process

Per KPMG study, FTAI is projected to achieve an 84% reduction in carbon emissions when compared to a standard CFM56 shop visit through the recycling of USM, modules, and scrap material

Learn More:

<http://view.ceros.com/fortress-investment/esg/p/1>



Appendix Pages

Fortress Transportation and Infrastructure Investors LLC

Appendix:

- Statement of Operations by Segment
- Comparative Statements of Operations
- Condensed Balance Sheet
- Reconciliation of Non-GAAP measures
- Glossary

Statement of Operations by Segment

Statement of Operations by Segment (unaudited)

For the Three Months Ended September 30, 2022

(\$s in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues				
Revenues	\$ 164,848	\$ 53,401	\$ 12,116	\$ 230,365
Expenses				
Operating expenses	10,533	3,491	13,369	27,393
Cost of sales	64,855	31,093	-	95,948
General and administrative	-	-	3,354	3,354
Acquisition and transaction expenses	247	15	2,586	2,848
Management fees and incentive allocation to affiliate	-	-	4	4
Depreciation and amortization	32,728	77	2,048	34,853
Asset impairment	4,495	-	-	4,495
Interest expense	-	-	40,171	40,171
Total expenses	112,858	34,676	61,532	209,066
Other expense				
Equity in losses of unconsolidated entities	(45)	(313)	-	(358)
Loss on extinguishment of debt	-	-	(19,861)	(19,861)
Other income (expense)	42	-	(1,080)	(1,038)
Total other expense	(3)	(313)	(20,941)	(21,257)
Net income (loss) from continuing operations before income taxes	51,987	18,412	(70,357)	42
Provision for income taxes	926	2,586	677	4,189
Net income (loss) from continuing operations	51,061	15,826	(71,034)	(4,147)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries from continuing operations	-	-	-	-
Less: Dividends on preferred shares	-	-	6,791	6,791
Net income (loss) attributable to shareholders from continuing operations	\$ 51,061	\$ 15,826	\$ (77,825)	\$ (10,938)
Adjusted EBITDA⁽¹⁾	\$ 95,994	\$ 18,560	\$ (5,691)	\$ 108,863

Statement of Operations by Segment (unaudited)

For the Three Months Ended September 30, 2021

(\$s in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues				
Revenues	\$ 86,208	\$ 7,730	\$ 5,236	\$ 99,174
Expenses				
Operating expenses	7,282	1,774	6,283	15,339
Cost of sales	-	5,367	-	5,367
General and administrative	-	-	3,679	3,679
Acquisition and transaction expenses	234	-	6,349	6,583
Management fees and incentive allocation to affiliate	-	-	16	16
Depreciation and amortization	34,181	40	2,016	36,237
Asset impairment	859	-	-	859
Interest expense	-	-	50,096	50,096
Total expenses	42,556	7,181	68,439	118,176
Other income				
Equity in losses of unconsolidated entities	-	(369)	-	(369)
Gain on sale of assets, net	10,961	1,724	-	12,685
Other expenses	(1,341)	-	-	(1,341)
Total other income	9,620	1,355	-	10,975
Net income (loss) from continuing operations before income taxes	53,272	1,904	(63,203)	(8,027)
Provision for (benefit from) income taxes	595	(110)	-	485
Net income (loss) from continuing operations	52,677	2,014	(63,203)	(8,512)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries from continuing operations	-	-	-	-
Less: Dividends on preferred shares	-	-	6,791	6,791
Net income (loss) attributable to shareholders from continuing operations	\$ 52,677	\$ 2,014	\$ (69,994)	\$ (15,303)
Adjusted EBITDA⁽¹⁾	\$ 94,990	\$ 2,001	\$ (4,742)	\$ 92,249

Statement of Operations by Segment (unaudited)

For the Nine Months Ended September 30, 2022

(\$s in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues				
Revenues	\$ 317,994	\$ 94,211	\$ 21,915	\$ 434,120
Expenses				
Operating expenses	72,135	8,094	27,968	108,197
Cost of sales	64,855	55,284	-	120,139
General and administrative	-	-	11,821	11,821
Acquisition and transaction expenses	624	15	7,701	8,340
Management fees and incentive allocation to affiliate	-	-	4	4
Depreciation and amortization	109,147	178	6,136	115,461
Asset impairment	128,171	-	-	128,171
Interest expense	-	-	132,197	132,197
Total expenses	374,932	63,571	185,827	624,330
Other income (expense)				
Equity in earnings (losses) of unconsolidated entities	753	(878)	-	(125)
Gain on sale of assets, net	61,371	18,562	-	79,933
Loss on extinguishment of debt	-	-	(19,861)	(19,861)
Other income (expenses)	245	-	(37)	208
Total other income (expense)	62,369	17,684	(19,898)	60,155
Net income (loss) from continuing operations before income taxes	5,431	48,324	(183,810)	(130,055)
Provision for income taxes	2,116	5,055	186	7,357
Net income (loss) from continuing operations	3,315	43,269	(183,996)	(137,412)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries from continuing operations	-	-	-	-
Less: Dividends on preferred shares	-	-	20,373	20,373
Net income (loss) from continuing operations attributable to shareholders	\$ 3,315	\$ 43,269	\$ (204,369)	\$ (157,785)
Adjusted EBITDA⁽¹⁾	\$ 273,788	\$ 48,685	\$ (17,915)	\$ 304,558

Statement of Operations by Segment (unaudited)

For the Nine Months Ended September 30, 2021

(\$s in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Revenues				
Revenues	\$ 215,198	\$ 13,284	\$ 8,870	\$ 237,352
Expenses				
Operating expenses	14,177	3,519	16,495	34,191
Cost of sales	-	8,577	-	8,577
General and administrative	-	-	9,618	9,618
Acquisition and transaction expenses	804	-	11,822	12,626
Management fees and incentive allocation to affiliate	-	-	704	704
Depreciation and amortization	100,381	40	5,953	106,374
Asset impairment	3,048	-	-	3,048
Interest expense	-	-	115,598	115,598
Total expenses	118,410	12,136	160,190	290,736
Other income (expense)				
Equity in losses of unconsolidated entities	-	(1,050)	-	(1,050)
Gain on sale of assets, net	15,751	1,716	-	17,467
Loss on extinguishment of debt	-	-	(3,254)	(3,254)
Other expenses	(717)	-	-	(717)
Total other income (expense)	15,034	666	(3,254)	12,446
Net income (loss) from continuing operations before income taxes	111,822	1,814	(154,574)	(40,938)
Provision for income taxes	909	(11)	(74)	824
Net income (loss) from continuing operations	110,913	1,825	(154,500)	(41,762)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries from continuing operations	-	-	-	-
Less: Dividends on preferred shares	-	-	17,967	17,967
Net income (loss) from continuing operations attributable to shareholders	\$ 110,913	\$ 1,825	\$ (172,467)	\$ (59,729)
Adjusted EBITDA⁽¹⁾	\$ 237,404	\$ 1,998	\$ (17,947)	\$ 221,455

Comparative Statements of Operations

Consolidated - Comparative Statements of Operations (unaudited)

Three Months Ended

(\$s in thousands)	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Revenues					
Revenues	\$ 99,174	\$ 98,231	\$ 91,691	\$ 112,064	\$ 230,365
Expenses					
Operating expenses	15,339	25,424	61,799	19,005	27,393
Cost of sales	5,367	5,731	9,050	15,141	95,948
General and administrative	3,679	3,831	4,561	3,906	3,354
Acquisition and transaction expenses	6,583	5,285	2,273	3,219	2,848
Management fees and incentive allocation to affiliate	16	(21)	3	(3)	4
Depreciation and amortization	36,237	41,366	41,305	39,303	34,853
Asset impairment	859	7,415	122,790	886	4,495
Interest expense	50,096	39,419	44,139	47,887	40,171
Total expenses	118,176	128,450	285,920	129,344	209,066
Other income (expense)					
Equity in (losses) earnings of unconsolidated entities	(369)	(353)	198	35	(358)
Gain on sale of assets, net	12,685	31,548	16,288	63,645	-
Loss on extinguishment of debt	-	-	-	-	(19,861)
Other (expense) income	(1,341)	227	128	1,118	(1,038)
Total other income (expense)	10,975	31,422	16,614	64,798	(21,257)
Net (loss) income from continuing operations before income taxes	(8,027)	1,203	(177,615)	47,518	42
Provision for income taxes	485	2,302	1,339	1,829	4,189
Net (loss) income from continuing operations	(8,512)	(1,099)	(178,954)	45,689	(4,147)
Less: Dividends on preferred shares	6,791	6,791	6,791	6,791	6,791
Net (loss) income attributable to shareholders	\$ (15,303)	\$ (7,890)	\$ (185,745)	\$ 38,898	\$ (10,938)
Adjusted EBITDA⁽¹⁾	\$ 92,249	\$ 101,373	\$ 44,960	\$ 150,735	\$ 108,863

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				
	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Revenues					
Lease income	\$ 40,392	\$ 41,596	\$ 33,847	\$ 37,196	\$ 40,273
Maintenance revenue	40,252	41,056	36,732	39,932	35,507
Finance lease income	439	462	111	102	119
Asset sales revenue	-	-	-	-	85,488
Other revenue	5,125	(191)	22	5,204	3,461
Total revenues	86,208	82,923	70,712	82,434	164,848
Expenses					
Operating expenses	7,282	18,580	54,472	7,130	10,533
Cost of sales	-	-	-	-	64,855
Acquisition and transaction expense	234	178	209	168	247
Depreciation and amortization	34,181	39,297	39,228	37,191	32,728
Asset impairment	859	7,415	122,790	886	4,495
Total expenses	42,556	65,470	216,699	45,375	112,858
Other income (expense)					
Equity in income of unconsolidated entities	-	-	552	246	(45)
Gain (loss) on sale of assets, net	10,961	13,347	6,587	54,784	-
Other income (expense)	(1,341)	190	165	38	42
Total other income (expense)	9,620	13,537	7,304	55,068	(3)
Net (loss) income from continuing operations before income taxes	53,272	30,990	(138,683)	92,127	51,987
Provision for income taxes	595	1,164	475	715	926
Net (loss) income from continuing operations	52,677	29,826	(139,158)	91,412	51,061
Less: Net income attributable to non-controlling interests in consolidated subsidiaries	-	-	-	-	-
Net income (loss) attributable to shareholders	\$ 52,677	\$ 29,826	\$ (139,158)	\$ 91,412	\$ 51,061
Adjusted EBITDA⁽¹⁾	\$ 94,990	\$ 84,509	\$ 35,556	\$ 142,238	\$ 95,994

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				9/30/2022
	9/30/2021	12/31/2021	3/31/2022	6/30/2022	
Revenues					
Aerospace products revenue	\$ 7,730	\$ 10,017	\$ 14,313	\$ 26,497	\$ 53,401
Total revenues	7,730	10,017	14,313	26,497	53,401
Expenses					
Operating expenses	1,774	1,910	1,623	2,980	3,491
Cost of sales	5,367	5,731	9,050	15,141	31,093
Acquisition and transaction expense	-	-	-	-	15
Depreciation and amortization	40	26	34	67	77
Total expenses	7,181	7,667	10,707	18,188	34,676
Other income (expense)					
Equity in losses of unconsolidated entities	(369)	(353)	(354)	(211)	(313)
Gain on sale of assets, net	1,724	18,201	9,701	8,861	-
Total other income (expense)	1,355	17,848	9,347	8,650	(313)
Net income from continuing operations before income taxes	1,904	20,198	12,953	16,959	18,412
(Benefit from) provision for income taxes	(110)	1,146	582	1,887	2,586
Net income from continuing operations	2,014	19,052	12,371	15,072	15,826
Less: Net income attributable to non-controlling interests in consolidated subsidiaries	-	-	-	-	-
Net income attributable to shareholders	\$ 2,014	\$ 19,052	\$ 12,371	\$ 15,072	\$ 15,826
Adjusted EBITDA⁽¹⁾	\$ 2,001	\$ 20,280	\$ 13,043	\$ 17,082	\$ 18,560

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				9/30/2022
	9/30/2021	12/31/2021	3/31/2022	6/30/2022	
Revenues					
Lease income	\$ 2,386	\$ 4,613	\$ 5,367	\$ 2,341	\$ 9,806
Other revenue	2,850	678	1,299	792	2,310
Total revenues	5,236	5,291	6,666	3,133	12,116
Expenses					
Operating expenses	6,283	4,934	5,704	8,895	13,369
General and administrative	3,679	3,831	4,561	3,906	3,354
Acquisition and transaction expense	6,349	5,107	2,064	3,051	2,586
Management fees and incentive allocation to affiliate	16	(21)	3	(3)	4
Depreciation and amortization	2,016	2,043	2,043	2,045	2,048
Interest expense	50,096	39,419	44,139	47,887	40,171
Total expenses	68,439	55,313	58,514	65,781	61,532
Other income (expense)					
Loss on extinguishment of debt	-	-	-	-	(19,861)
Other income (expense)	-	37	(37)	1,080	(1,080)
Total other income (expense)	-	37	(37)	1,080	(20,941)
Net loss from continuing operations before income taxes	(63,203)	(49,985)	(51,885)	(61,568)	(70,357)
(Benefit from) provision for income taxes	-	(8)	282	(773)	677
Net loss from continuing operations	(63,203)	(49,977)	(52,167)	(60,795)	(71,034)
Dividends on preferred shares	6,791	6,791	6,791	6,791	6,791
Net loss attributable to shareholders	\$ (69,994)	\$ (56,768)	\$ (58,958)	\$ (67,586)	\$ (77,825)
Adjusted EBITDA⁽¹⁾	\$ (4,742)	\$ (3,416)	\$ (3,639)	\$ (8,585)	\$ (5,691)

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 by Segment

Condensed Balance Sheets by Segment

(\$s in thousands)

	<u>Consolidated</u>	<u>Consolidated</u>
	As of September 30, 2022	As of December 31, 2021
Gross Property, Plant and Equipment (PP&E)	\$ 48,476	\$ 38,684
Accumulated Depreciation on PP&E	(807)	(421)
Net PP&E	\$ 47,669	\$ 38,263
Gross Leasing Equipment	2,179,728	2,312,040
Accumulated Depreciation on Leasing Equipment	(487,546)	(456,403)
Net Leasing Equipment	\$ 1,692,182	\$ 1,855,637
Intangible Assets	29,416	30,962
Goodwill	—	—
Assets of discontinued operations	—	2,442,301
All Other Assets	508,718	496,691
Total Assets	\$ 2,277,985	\$ 4,863,854
Debt	2,024,549	2,501,587
Liabilities of discontinued operations	—	980,255
All Other Liabilities	227,388	257,912
Total Liabilities	\$ 2,251,937	\$ 3,739,754
Shareholders' equity	25,524	1,124,292
Non-controlling interest in equity of consolidated subsidiaries	524	(192)
Total Equity	\$ 26,048	\$ 1,124,100
Total Liabilities and Equity	\$ 2,277,985	\$ 4,863,854

Reconciliation of Non-GAAP Measures

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended September 30, 2022

(\$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: Losses on the modification or extinguishment of debt and capital lease obligations
 Add: Changes in fair value of non-hedge derivatives instruments
 Add: Asset impairment charges
 Add: Incentive allocations
 Add: Depreciation & amortization expense ⁽¹⁾
 Add: Interest expense and dividends on preferred shares
 Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾
 Less: Equity in earnings of unconsolidated entities
 Less: Non-controlling interest share of Adjusted EBITDA

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
	\$ 51,061	\$ 15,826	\$ (77,825)	\$ (10,938)
	926	2,586	677	4,189
	-	-	-	-
	247	15	2,586	2,848
	-	-	19,861	19,861
	-	-	-	-
	4,495	-	-	4,495
	-	-	-	-
	39,204	77	2,048	41,329
	-	-	46,962	46,962
	16	(257)	-	(241)
	45	313	-	358
	-	-	-	-
Adjusted EBITDA	\$ 95,994	\$ 18,560	\$ (5,691)	\$ 108,863

For the Three Months Ended September 30, 2021

(\$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 derivatives instruments
 Add: Asset impairment charges
 Add: Incentive allocations
 Add: Depreciation & amortization expense ⁽¹⁾
 Add: Interest expense and dividends on preferred shares
 Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾
 Less: Equity in earnings of unconsolidated entities
 Less: Non-controlling interest share of Adjusted EBITDA

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
	\$ 52,677	\$ 2,014	\$ (69,994)	\$ (15,303)
	595	(110)	-	485
	-	-	-	-
	234	-	6,349	6,583
	-	-	-	-
	-	-	-	-
	859	-	-	859
	-	-	-	-
	40,625	40	2,016	42,681
	-	-	56,887	56,887
	-	(312)	-	(312)
	-	369	-	369
	-	-	-	-
Adjusted EBITDA	\$ 94,990	\$ 2,001	\$ (4,742)	\$ 92,249

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Nine Months Ended September 30, 2022

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for income taxes	2,116	5,055	186	7,357
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	624	15	7,701	8,340
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	19,861	19,861
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	128,171	-	-	128,171
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	139,440	178	6,136	145,754
Add: Interest expense and dividends on preferred shares	-	-	152,570	152,570
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	875	(710)	-	165
Less: Equity in earnings of unconsolidated entities	(753)	878	-	125
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Net income (loss) attributable to shareholders from continuing operations	\$ 3,315	\$ 43,269	\$ (204,369)	\$ (157,785)
Add: Provision for income taxes	2,116	5,055	186	7,357
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	624	15	7,701	8,340
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	19,861	19,861
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	128,171	-	-	128,171
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	139,440	178	6,136	145,754
Add: Interest expense and dividends on preferred shares	-	-	152,570	152,570
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	875	(710)	-	165
Less: Equity in earnings of unconsolidated entities	(753)	878	-	125
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-
Adjusted EBITDA	\$ 273,788	\$ 48,685	\$ (17,915)	\$ 304,558

For the Nine Months Ended September 30, 2021

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for (benefit from) income taxes	909	(11)	(74)	824
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	804	-	11,822	12,626
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	3,254	3,254
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	3,048	-	-	3,048
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	121,730	40	5,953	127,723
Add: Interest expense and dividends on preferred shares	-	-	133,565	133,565
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	-	(906)	-	(906)
Less: Equity in earnings of unconsolidated entities	-	1,050	-	1,050
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Net income (loss) attributable to shareholders from continuing operations	\$ 110,913	\$ 1,825	\$ (172,467)	\$ (59,729)
Add: Provision for (benefit from) income taxes	909	(11)	(74)	824
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	804	-	11,822	12,626
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	3,254	3,254
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	3,048	-	-	3,048
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	121,730	40	5,953	127,723
Add: Interest expense and dividends on preferred shares	-	-	133,565	133,565
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	-	(906)	-	(906)
Less: Equity in earnings of unconsolidated entities	-	1,050	-	1,050
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-
Adjusted EBITDA	\$ 237,404	\$ 1,998	\$ (17,947)	\$ 221,455

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended June 30, 2022

(\$s in thousands)

Net income (loss) attributable to shareholders from continuing operations

Add: Provision for (benefit from) income taxes	715	1,887	(773)	1,829
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	168	-	3,051	3,219
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	-	-
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	886	-	-	886
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	48,996	67	2,045	51,108
Add: Interest expense and dividends on preferred shares	-	-	54,678	54,678
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	307	(155)	-	152
Less: Equity in losses (earnings) of unconsolidated entities	(246)	211	-	(35)
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-

Adjusted EBITDA

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
	\$ 91,412	\$ 15,072	\$ (67,586)	\$ 38,898
	715	1,887	(773)	1,829
	-	-	-	-
	168	-	3,051	3,219
	-	-	-	-
	-	-	-	-
	886	-	-	886
	-	-	-	-
	48,996	67	2,045	51,108
	-	-	54,678	54,678
	307	(155)	-	152
	(246)	211	-	(35)
	-	-	-	-
	\$ 142,238	\$ 17,082	\$ (8,585)	\$ 150,735

For the Three Months Ended March 31, 2022

(\$s in thousands)

Net (loss) income attributable to shareholders from continuing operations

Add: Provision for income taxes	475	582	282	1,339
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	209	-	2,064	2,273
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	-	-
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	122,790	-	-	122,790
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	51,240	34	2,043	53,317
Add: Interest expense and dividends on preferred shares	-	-	50,930	50,930
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	552	(298)	-	254
Less: Equity in (earnings) losses of unconsolidated entities	(552)	354	-	(198)
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-

Adjusted EBITDA

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
	\$ (139,158)	\$ 12,371	\$ (58,958)	\$ (185,745)
	475	582	282	1,339
	-	-	-	-
	209	-	2,064	2,273
	-	-	-	-
	-	-	-	-
	122,790	-	-	122,790
	-	-	-	-
	51,240	34	2,043	53,317
	-	-	50,930	50,930
	552	(298)	-	254
	(552)	354	-	(198)
	-	-	-	-
	\$ 35,556	\$ 13,043	\$ (3,639)	\$ 44,960

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended December 31, 2021

(\$s in thousands)

	Aviation Leasing	Aerospace Products	Corporate and Other	Total
Net income (loss) attributable to shareholders from continuing operations	\$ 29,826	\$ 19,052	\$ (56,768)	\$ (7,890)
Add: Provision for (benefit from) income taxes	1,164	1,146	(8)	2,302
Add: Equity-based compensation expense	-	-	-	-
Add: Acquisition and transaction expenses	178	-	5,107	5,285
Add: Losses on the modification or extinguishment of debt and capital lease obligations	-	-	-	-
Add: Changes in fair value of non-hedge derivatives instruments	-	-	-	-
Add: Asset impairment charges	7,415	-	-	7,415
Add: Incentive allocations	-	-	-	-
Add: Depreciation & amortization expense ⁽¹⁾	45,926	26	2,043	47,995
Add: Interest expense and dividends on preferred shares	-	-	46,210	46,210
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	-	(297)	-	(297)
Less: Equity in losses of unconsolidated entities	-	353	-	353
Less: Non-controlling interest share of Adjusted EBITDA	-	-	-	-
Adjusted EBITDA	\$ 84,509	\$ 20,280	\$ (3,416)	\$ 101,373

Notes to Non-GAAP reconciliations - Adjusted EBITDA

(\$s in thousands)

⁽¹⁾ Total

Includes the following items for the three months ended September 30, 2022 and 2021: (i) depreciation and amortization expense of \$34,853 and \$36,237, (ii) lease intangible amortization of \$3,291 and \$1,266 and (iii) amortization for lease incentives of \$3,185 and \$5,178, respectively.

Includes the following items for the nine months ended September 30, 2022 and 2021: (i) depreciation and amortization expense of \$115,461 and \$106,374, (ii) lease intangible amortization of \$10,259 and \$3,216 and (iii) amortization for lease incentives of \$20,034 and \$18,133, respectively.

Includes the following items for the three months ended June 30, 2022, March 31, 2022 and December 31, 2021: (i) depreciation and amortization expense of \$39,303, \$41,305 and \$41,366, (ii) lease intangible amortization of \$3,310, \$3,658 and \$1,777 and (iii) amortization for lease incentives of \$8,495, \$8,354 and \$4,852, respectively.

Aviation Leasing

Includes the following items for the three months ended September 30, 2022 and 2021: (i) depreciation expense of \$32,728 and \$34,181, (ii) lease intangible amortization of \$3,291 and \$1,266 and (iii) amortization for lease incentives of \$3,185 and \$5,178, respectively.

Includes the following items for the nine months ended September 30, 2022 and 2021: (i) depreciation expense of \$109,147 and \$100,381, (ii) lease intangible amortization of \$10,259 and \$3,216 and (iii) amortization for lease incentives of \$20,034 and \$18,133, respectively.

Includes the following items for the three months ended June 30, 2022, March 31, 2022 and December 31, 2021: (i) depreciation and amortization expense of \$37,191, \$39,228 and \$39,297, (ii) lease intangible amortization of \$3,310, \$3,658 and \$1,777 and (iii) amortization for lease incentives of \$8,495, \$8,354 and \$4,852, respectively.

Notes to Non-GAAP reconciliations - Adjusted EBITDA

(\$s in thousands)

⁽²⁾ Total

Includes the following items for the three months ended September 30, 2022 and 2021: (i) net loss of \$358 and \$369 and (ii) depreciation and amortization expense of \$117 and \$57, respectively.

Includes the following items for the nine months ended September 30, 2022 and 2021: (i) net loss of \$125 and \$1,050 and (ii) depreciation and amortization expense of \$290 and \$144, respectively.

Includes the following items for three months ended June 30, 2022, March 31, 2022 and December 31, 2021: (i) net income of \$35, \$198 and net loss of \$353 and (ii) depreciation and amortization of \$117, \$56 and \$56, respectively.

Aviation Leasing

Includes the following items for the three and nine months ended September 30, 2022: (i) net loss of \$45 and net income of \$753 and (ii) depreciation and amortization of \$61 and \$122, respectively.

Includes the following items for three months ended June 30, 2022 and March 31, 2022: (i) net income of \$246 and \$552 and (ii) depreciation and amortization of \$61 and \$0, respectively.

Aerospace Products

Includes the following items for the three months ended September 30, 2022 and 2021: (i) net loss of \$313 and \$369 and (ii) depreciation and amortization of \$56 and \$57, respectively.

Includes the following items for the nine months ended September 30, 2022 and 2021: (i) net loss of \$878 and \$1,050 and (ii) depreciation and amortization of \$168 and \$144, respectively.

Includes the following items for three months ended June 30, 2022, March 31, 2022 and December 31, 2021: (i) net loss of \$211, \$354 and \$353 and (ii) depreciation and amortization of \$56, \$56 and \$56, respectively.

Glossary

Adjusted EBITDA

The Chief Operating Decision Maker (“CODM”) utilizes Adjusted EBITDA as the key performance measure. This performance measure provides the CODM with the information necessary to assess operational performance, as well as make resource and allocation decisions.

Adjusted EBITDA is defined as net income attributable to shareholders, adjusted (a) to exclude the impact of provision for 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, interest expense and dividends on preferred shares (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 of unconsolidated entities and the non-controlling share of Adjusted EBITDA.

Adjusted EPS

EPS is calculated as Net Income divided by Weighted Average Common Shares Outstanding.