

Avation plc - (Amendment) Acquisition of fourth Aircraft

*** ISSUER AMENDMENT TO ANNOUNCEMENT RELEASED
ON 31/07/2007 at 7:00am ***

- it was incorrectly reported that the Company had raised US \$11.45m as equity for a subsidiary. In fact the amount raised was GBP 11.43m -

8 AUGUST 2007

**AVATION PLC
(AVAP.PL)**

COMPLETION OF PURCHASE OF AIRCRAFT FROM ROLLS ROYCE CREDIT CORPORATION

The Board of Avation Plc ("Avation") is pleased to announce the completion of the acquisition of its fourth aircraft.

Avation's aircraft leasing business continues to grow rapidly as it builds a solid asset base via special purpose vehicles (SPVs) through which it buys and leases aircraft. This latest addition will add revenues of around US \$1.36m per year.

These revenues will soon be bolstered by the recently announced plans to add a further two aircraft to Avation's fleet. As well as growing its revenues, which will be used to pay down debt, the aircraft will further strengthen the Company's asset base. The Directors expect to continue this growth strategy having recently raised GBP 11.45 million for one of its SPVs (Capital Lease Aviation PLC), which has also secured a further US \$48 million debt finance facility.

HIGHLIGHTS

- * Avation has paid US \$4.9m for the aircraft;
- * The aircraft is currently operated by a European airline for a lease rate of about US \$1m per year plus maintenance reserves;
- * The existing aircraft lease with the European airline has been novated to the Company. Avation is the 100%

owner of the aircraft; and

- * The Company has paid the purchase price from its existing cash and bank credit lines.

The Chairman, Jeff Chatfield said: "THIS ACQUISITION FURTHER BOLSTERS OUR ASSET BASE AND LONG TERM REVENUE STREAMS AS THE COMPANY CONTINUES GROW ITS AIRCRAFT LEASING BUSINESS. WE REMAIN IN THE MARKET FOR FURTHER AIRCRAFT.

"WE WILL CONTINUE TO FOCUS ON LEASING PLANES TO REGIONAL AIRLINES THROUGHOUT EUROPE AND ASIA. AVATION LEASES AIRCRAFT TO AIRLINES THAT CAN BE BASED ANYWHERE IN THE WORLD AND WILL CONTINUE TO DEVELOP THIS STRATEGY IN THE COMING MONTHS. THIS IS A HIGHLY FRAGMENTED MARKET AND THERE WILL BE PLENTY OF OPPORTUNITY TO GENERATE GREATER RETURNS."

The directors take responsibility for the contents of this announcement.

---ENDS---

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