

**AVATION PLC**  
**(“Avation” or “the Company”)**

**\$31m refinance and lower cost of debt**

Avation PLC (AVAP: LSE), the commercial passenger aircraft leasing company notes that its subsidiary, Capital Lease Aviation PLC (AIM: CLA), has successfully re-financed two A321-200 aircraft currently on lease to Thomas Cook Airlines. The new loan facility of US\$ 31 million, which is from a major European bank, reduces the group’s overall interest rate cost of debt and releases approximately US\$10 million in cash.

Highlights of the transaction include:

- The new facility reduces the cost of debt on the two aircraft by 30% per cent compared with the cost of the old facility;
- The new facility reduces the weighted average cost of debt for the Avation group by 14 basis points from 4.78% to 4.64%;
- The re-finance transaction is consistent with the group’s strategy to create value by releasing equity from the balance sheet to fund contracted growth of the group’s fleet by 36% from 28 aircraft today to 38 aircraft by March 2016; and
- The new facility amortises to a conservative balloon payment over the remaining 6.25 years of the lease term for the aircraft.

Jeff Chatfield, Executive Chairman, said: “The refinance of these two A321-200 aircraft is confirmation of the value and bankability of the CLA fleet and it will have an immediate and positive impact on the group’s financial position. We are on track to achieve the group’s 2015 and 2016 objectives, and this transaction is another important step in the group strategy and growth plan that includes the delivery of eight new ATR 72-600s and two new Airbus A321-200s by March 2016.”

-ENDS-

More information on Avation can be seen at: [www.avation.net](http://www.avation.net)

**Enquiries:**

Avation PLC – Jeff Chatfield, Executive Chairman	+65 6252 2077
Cenkos – Guy Briselden	+44 20 7397 8900
WH Ireland – Harry Ansell / James Joyce	+44 20 7220 1666
Blytheweigh – Tim Blythe / Eleanor Parry	+44 20 7138 3204