

Capital Lease Aviation PLC

(“CLA” or the “Company”)

Proposed cancellation of Admission to AIM

Notice of Annual General Meeting

Capital Lease Aviation Plc (LSE: CLA) announces that it will, today, be sending a Circular to Shareholders together with a notice convening an AGM to seek Shareholder’s approval to cancel the admission of the Company’s Ordinary Shares to trading on AIM.

Introduction

The Company announces it is proposing to seek shareholder consent to cancel the admission of the Company’s Ordinary Shares to trading on AIM.

In addition, the Company is seeking shareholder consent to execute market purchases of its Ordinary Shares and it may seek to make market purchases (if Shareholder consent is forthcoming) in the period following the AGM and prior to the Delisting, to the extent that there are Shareholders selling shares on market.

This announcement sets out the background to and reasons for the Proposal, additional information on the implications of the Proposal for the Company and its Shareholders, and why your Board believes the Proposal to be in the best interests of Shareholders as a whole. Having disclosed their interests in the Company and their intentions with regard to their individual holdings, the Directors also unanimously recommend the Proposal.

In addition to the Proposal, the AGM will include the ordinary business to be dealt with at the Company’s annual general meeting.

The Delisting

Reasons for the Delisting

During the course of the last 18 months, Avation has increased its holding in the Company from approximately 62 per cent. to approximately 97 per cent.. Following the increase in Avation’s holding, liquidity in the Company’s Ordinary Shares has been significantly reduced. The Company has considered maintaining the listing in order to facilitate further transactions, although it has become clear that, considering the costs of maintaining the listing and the limited free float, it would be more beneficial to shareholders to proceed with the Delisting.

In addition, the Company’s AIM nominated adviser, WH Ireland, has advised the board that in light of the points listed above, it would be appropriate for the Company to consider a Delisting.

Accordingly, the Board has taken the decision to delist from AIM in an orderly manner by seeking a shareholder vote in this regard.

Effects of Delisting

The principal effect of the Proposal and the Delisting is that Shareholders will no longer be able to buy and sell shares in the Company through a public stock market and so liquidity in the Company’s shares will be extremely limited. Upon the Delisting becoming effective, Ordinary Shares shall cease to be available in uncertificated form and, following a short period after the Delisting, shall be withdrawn from

CREST. Holders of Ordinary Shares in uncertificated form will then hold those shares in certificated form, for which they will be sent share certificates within 7 days of the CREST facility being withdrawn.

In addition, the Company will no longer be required to retain a nominated adviser and broker, announce material events to shareholders, comply with corporate governance requirements or to comply with the AIM Rules. The Company will continue to be subject to the Act, which mandates shareholder approval for certain matters.

Following the Delisting, if there are still Shareholders in the Company (in addition to Avation), the Company will use its reasonable endeavours to match any Shareholders who wish to sell their holdings with potential buyers. Whilst there can be no guarantee that Shareholders will be able to sell their Ordinary Shares in this manner, any Shareholder seeking to do so should contact the Company in writing at its registered office.

Summary

Your Board has accordingly concluded that it is in the best interests of Shareholders as a whole that the Delisting be approved.

Under the AIM Rules, the Delisting can only be effected by the Company after securing a special resolution of Shareholders in a general meeting, whereby at least 75 per cent. of votes cast are in favour of such a resolution. A period of at least five Business Days following the Shareholder approval of the Delisting is required before the Delisting may be put into effect.

In addition, Rule 41 of the AIM Rules requires an AIM company that wishes the London Stock Exchange to cancel the admission of its shares to trading on AIM to notify such intended cancellation and separately inform the London Stock Exchange of its preferred cancellation date at least twenty Business Days prior to such date. In accordance with AIM Rule 41, the Directors have notified AIM of the Company's intention to cancel the Company's admission of the Shares to trading on AIM.

Resolution 1 contained in the Notice seeks Shareholder approval for the Delisting. The Company has received irrevocable undertakings from Shareholders holding 92,483,395 Ordinary Shares, representing approximately 96.7 per cent. of the current voting rights in the Company, to vote in favour of the Delisting. Assuming that Shareholders approve this resolution, it is proposed that the Delisting will take place by 24 November 2015 at the earliest.

The Board will consider making market purchases of Ordinary Shares in the period following the AGM up until the Delisting if there are Shareholders who are not able or willing to continue to own shares in the Company following the Delisting and who are offering Ordinary Shares for sale on market.

Purchases of Own Shares

The Board recognises that not all Shareholders will be able or willing to continue to own shares in the Company following the Delisting. At the Company's last AGM, authority was given to the Directors to make market purchases of the Company's shares. However, the authority only permitted such purchases at a price of 20.5 pence per Ordinary Share (being both the maximum and the minimum price authorised for market purchases). The market price of the Company's Ordinary Shares as at 15 October 2015 (being the latest practicable date before publication of this announcement) was 23.5 pence. The Company recently paid a 2 pence dividend per ordinary share.

The Board is, subject to Shareholder consent at the AGM, considering continuing to make on market purchases of Ordinary Shares at 20.5 pence per Ordinary Share in the period following the AGM up to the time of Delisting.

Once the Delisting has been effected, there will be no external trading facility or matched bargain service in place for remaining Shareholders to trade Ordinary Shares. Shareholders wishing to effect transactions in Ordinary Shares post the Delisting will be able to do so by contacting the Company Secretary directly with their details and proposed trades. The Company Secretary will then attempt to match trades based on the information received from Shareholders.

All Shareholders are advised to consult their professional advisers about their own tax position if they wish to effect market sales of their Ordinary Shares.

Re-registration as a private limited company

The Proposal does not include a resolution to re-register the Company as a private limited company. However, the Board may determine in the future that this is appropriate, as it would reduce the costs and complexity of operating the Company. A re-registration as a private company would, in particular, allow subject to shareholder approval, the Company to effect returns of capital to Shareholders without the need to apply to a court of law.

Takeover Code

The Takeover Code is issued and administered by the Takeover Panel. The Takeover Code currently applies to the Company and will continue to apply to the Company notwithstanding the Delisting. If the Company is successfully re-registered as a private company, the Takeover Code will cease only to apply to the Company on the expiry of the 10-year period from the date of the Reregistration or, if earlier, the date on which the Company is dissolved.

The Takeover Code and the Takeover Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Takeover Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets

The Takeover Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company, the other holders of securities must be protected. This is reinforced by Rule 9 of the Takeover Code which requires a person, together with persons acting in concert with him, who acquires shares carrying voting rights which amount to 30 per cent. or more of the voting rights to make a general offer. A general offer will also be required where a person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights, acquires additional shares which increase his percentage of the voting rights. Unless the Takeover Panel consents, the offer must be made to all other shareholders, be in cash (or have a cash alternative) and cannot be conditional on anything other than the securing of acceptances which will result in the offeror and persons acting in concert with him holding shares carrying more than 50 per cent. of the voting rights.

Shareholders should note that, if the Delisting proceeds and the Company subsequently re-registers as a private limited company, they will not receive the benefit of the protections afforded by the Takeover Code after the expiry of 10 years from the date of such re-registration (assuming the Company is still in existence). However, Shareholders should also note that ultimately it is likely that the Company will be dissolved prior to the expiry of that 10-year period.

Annual General Meeting

Set out at the end of the Circular is a notice convening the AGM of the Company to be held at 9.00 a.m. (UK time) on 16 November 2015 at 65 Kampong Bahru Road, Singapore 169370. At this AGM, the Resolutions will be proposed.

Irrevocable Undertakings

The Company has received an irrevocable undertaking from Avation to vote in favour of the Resolutions. This undertaking represents 96.7 of the voting rights in the Company.

Actions to be taken – AGM

Enclosed with the Circular is a Form of Proxy for use at the AGM. Whether or not you propose to attend the AGM in person, you are requested to complete and return the Form of Proxy to The Registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA in accordance with the instructions printed thereon as soon as possible and, in any event, so as to be received no later than 9.00 a.m. on 13 November 2015. Completion and return of a Form of Proxy will not preclude you from attending the AGM and voting in person if you wish.

Recommendation

The Directors consider that all the Resolutions to be considered at the AGM, including the Proposal, are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole. The Directors therefore unanimously recommend that you vote in favour of the Resolutions.

A copy of the AGM notice will be made available on the Company's website at www.cl-aviation.com.

Enquiries:

Capital Lease Aviation PLC – Jeff Chatfield, Executive Chairman	+65 6252 2077
Nominated Advisor – James Joyce / WH Ireland Limited	+44 20 7220 1666
Blytheweigh – Tim Blythe / Wendy Haowei / Fergus Lane	+44 20 7138 3204

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Notice given to London Stock Exchange notifying it of proposed Delisting	16 October 2015
Publication of the Circular	16 October 2015
Latest time and date for receipt of Form of Proxy	9.00 a.m. on 13 November 2015
Annual General Meeting	9.00 a.m. on 16 November 2015

Announcements of results of AGM	16 November 2015
Expected last day of dealings in Ordinary Shares on AIM	23 November 2015
Expected time and date that the admission to trading of the Ordinary Shares on AIM will be cancelled	with effect from 7.00 a.m. on 24 November 2015
CREST facilities for Ordinary Shares cancelled	31 December 2015
Share certificates dispatched to Shareholders	week commencing 4 January 2016

If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a Regulatory Information Service of the London Stock Exchange.

DEFINITIONS

“Act”	the Companies Act 2006, as amended
“AGM”	the annual general meeting of the Company convened for 9.00 a.m. on 16 November 2015, notice of which is set out at the end of the Circular
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM rules for companies, as published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company, as amended from time to time
“Avation”	Avation PLC, a company registered in England and Wales with number 5872328 and which, as at 14 October 2015, being the latest practicable date before publication of the Circular, holds 92,483,395 Ordinary Shares, representing 96.7 per cent. of the voting rights in the Company
“Board”	the directors of the Company whose names are set out in Part 1 of the Circular
“Business Day”	means a day other than a day which is a Saturday, a Sunday or public holiday in England
“Circular” including the Notice	the Circular sent to Shareholders regarding the proposed Delisting,
“Company”	Capital Lease Aviation Public Limited Company

“Delisting”	the cancellation of admission of the Ordinary Shares to trading on AIM
“Directors”	the directors of the Company
“Form of Proxy”	the form of proxy enclosed with the Circular for use by Shareholders in connection with the AGM
“London Stock Exchange”	London Stock Exchange plc
“Neville Registrars”	Neville Registrars Limited, the Company’s registrars
“Notice”	the notice of AGM set out at the end of the Circular
“Ordinary Shares”	the ordinary shares of £0.001 each in the capital of the Company
“Proposal”	the Delisting
“Regulatory Information Service”	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements
“Resolutions”	the resolutions to be proposed at the AGM as set out in the Notice
“Shareholders”	holders of Ordinary Shares
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“WH Ireland”	W H Ireland Limited, the nominated adviser and broker to the Company
“£”	UK pounds sterling