

22 May 2008

**AVATION PLC
(‘AVATION’ OR THE ‘COMPANY’)**

FINANCE FACILITY AND NOTIFICATION OF SUBSTANTIAL SHAREHOLDING

Substantial Shareholding

Pursuant to the FSA’s Disclosure and Transparency Rules, the Board of Avation Plc received notification on 22 May 2008 from Credit Suisse Securities (Europe) Limited. that it has acquired an interest in 983,244 shares in the Company. The Company has been advised that this interest totals 3.89% of the issued voting shares of the Company.

USD \$4.63m Finance Facility

A 51.22% subsidiary of Avation, the AIM quoted Capital Lease Aviation Plc (AIM: CLA) has advised that it has procured an additional aviation finance facility secured against one of the aircraft in its portfolio in the amount of US\$4.63m. The salient terms of this fully drawn fixed interest facility from a major UK banking group include a 60 month term to expiry and an interest rate of 6.37%.

Chairman Jeff Chatfield said “The Company is interested in leasing aircraft to high quality airlines, operators that in our view have the economic pricing freedom to pass on increases in fuel cost to their passengers and thus airlines that are likely to prosper and improve their market share. The Company and its subsidiaries are currently considering at a number of aircraft acquisition opportunities that are leased to such credit worthy airlines”.

The directors take responsibility for the contents of this announcement.

---ENDS---

ENQUIRES:

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