

28 May 2015

AVATION PLC
(“AVAP” or “the Company”)

NOTES LISTING, RESULTS SCHEDULE AND DIRECTORS DEALING

Avation PLC (AVAP: LSE), the commercial passenger aircraft leasing company, announces the listing on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) of the US\$100,000,000 aggregate principal amount of its 7.5% guaranteed notes due in 2020 (the “Notes”) issued by its subsidiary Avation Capital S.A. The Notes are issued under the previously announced US\$500,000,000 medium term note programme. The CUSIPs for the Notes are 05351QAA4 (Rule 144A Notes) and L5647N AA2 (Regulation S Notes).

As previously announced, the up-front cost of the Notes, in terms of advisers, legal and marketing, are substantial and expected to be around US\$3 million. Prior to the deployment of the Notes’ proceeds there will be some short term increased negative carry interest costs.

The Company has contracted 12 new narrowbody commercial passenger aircraft for delivery prior to December 2016. These are comprised of ten new ATR 72 600 aircraft and two Airbus A321 aircraft. These aircraft were previously announced (the “Contracted Aircraft”).

The completion of the Notes issue has provided the Company with the funding for additional growth beyond these contracted aircraft. The Company is assessing various narrowbody aircraft for purchase. Avation may acquire aircraft if established investment criteria and airline credit risk profiles are met. In the event that this occurs, it is expected that the aircraft will be financed through a combination of senior secured financing at a senior debt loan to value ratio typical for the Company along with some funds provided by the Notes. The combination of secured and unsecured financing is planned to be established at a blended cost of capital similar to the Company’s current debt costs. The remainder of the funds provided by the Notes will be used to fund, in combination with senior secured financing, the 12 Contracted Aircraft. This will enable the Company to grow revenue in the near term.

Directors and PDMR Dealing

AVAP has been notified that Epsom Assets Ltd, a company in which Jeff Chatfield, Executive Chairman, is interested, settled the purchase of US\$5 million in principal amount of Notes on 27 May 2015 at an issue price of 99%. AVAP has further been notified that Mr Richard Wolanski, Finance Director, purchased 25,000 ordinary shares in the Company on 26 May 2015 at 140p per share. This brings Mr Wolanski’s holding to a total of 162,500 shares.

Fiscal 2015 Results Schedule

The expected date for the unaudited results for the year ending 30 June 2015 is on or about Monday 7 September 2015.

Jeff Chatfield, Executive Chairman, said:

“The first tranche of US\$100 million in Notes has been successfully listed on the SGX-ST. This Programme is intended to provide flexible funding options to the Company in its quest to provide high quality returns on equity for shareholders. The up-front cost for the first tranche of Notes will be around US\$3 million, however, the benefits over the coming years may be significantly accretive to shareholder value. The Company is planning to sell two older aircraft in the near term. As a lessor, every aircraft that is purchased by the Company must, at some future time, eventually be sold. The Company is seeking to have a young fleet, which we calculate at May 2015 to have a weighted average age of 4.8 years. The Company is seeking to take advantage of good aircraft market conditions to exit these old aircraft and improve the average age of the owned fleet.”

- ENDS -

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuers, their respective subsidiaries, their respective associated companies (if any), the Programme or such Notes.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire purchase or subscribe for any securities.

This announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or any other jurisdiction. The Notes mentioned in this announcement have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Notes will be made in the United States or any other jurisdiction.

There shall not be any sale of the Notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

This press release shall not be considered an "offer of securities to the public" for purposes of the Luxembourg law on prospectus for public offering dated 10 July 2005 or give rise to or require the publication of a prospectus in any EU member state which has implemented Directive 2003/71/EC (together with any applicable implementing measures, including Directive 2010/73/EC, in any member state).

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More information on Avation PLC can be found at: www.ovation.net

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