Aircraft Financing

Addis

April 2007

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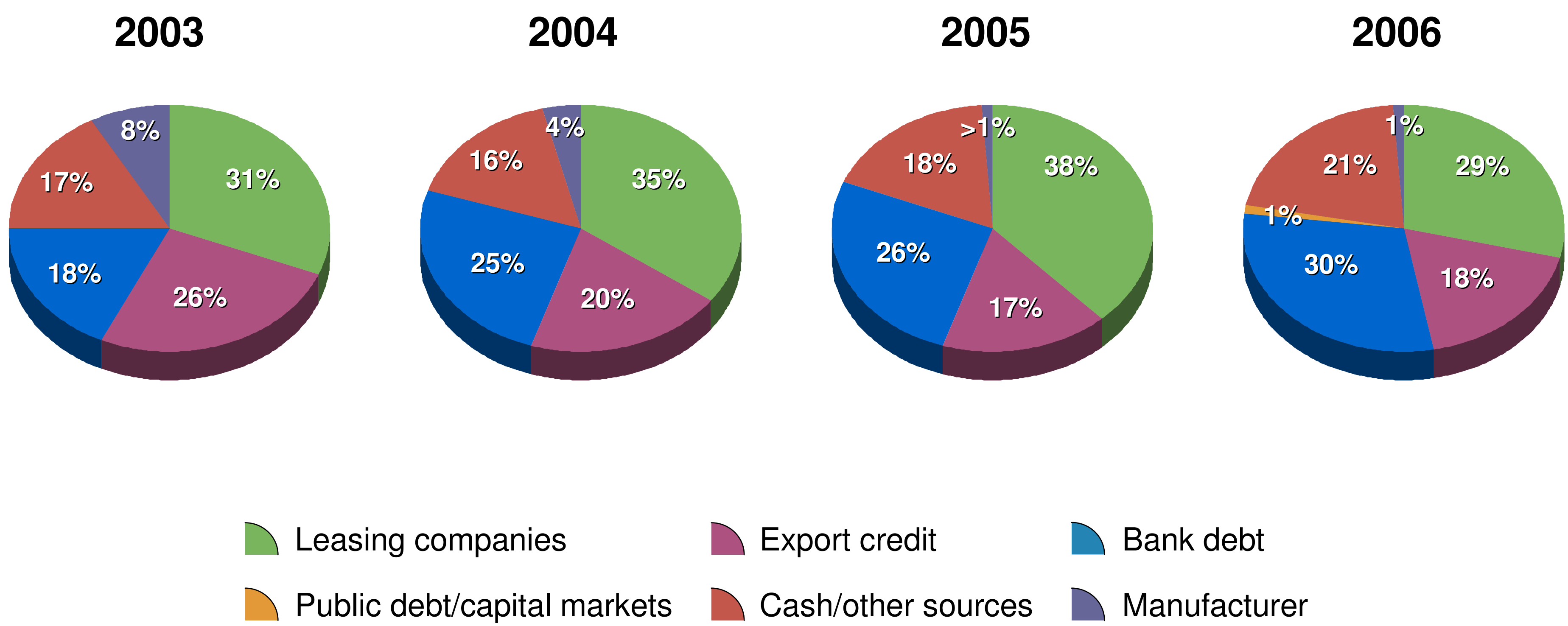
BOEING Capital Corporation

Aircraft Financing Environment

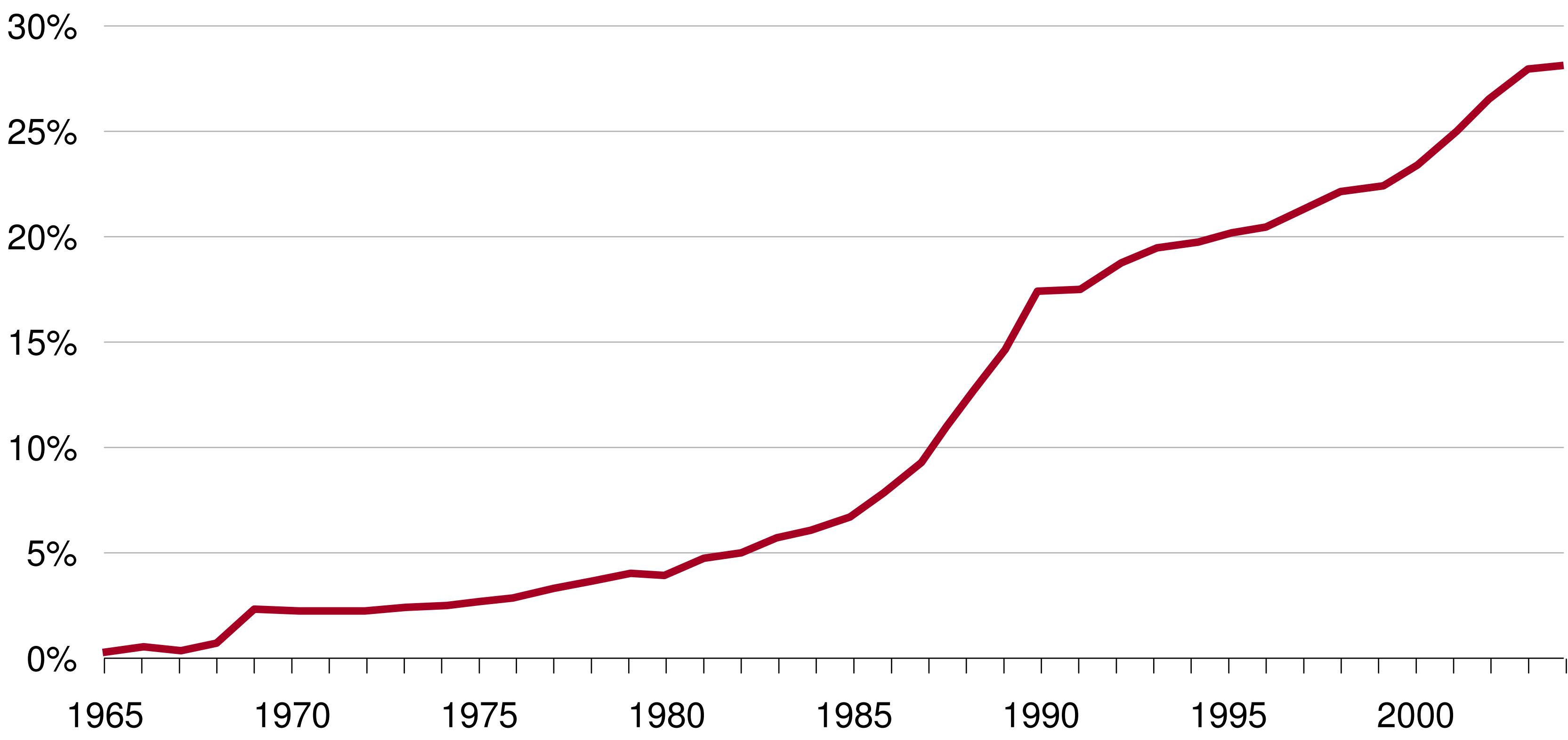
Capital Providers	2003	2004	2005	2006	2007
Lessors	R/Y	Y	G	G	G
Commercial Banks	R/Y	G	G	G	G
Public Debt / Capital Markets	R	R	R/Y	Y	G
Export Credit Agencies	G	G	G	G	G
Private Equity / Hedge Funds	G	G	G	G	G
Tax Equity	R	R	Y	Y	G
Airframe and Engine Manufacturers	R	R/Y	G	G	G

G Satisfactory Y Cautionary R Major Concern Y/G Change

Sources of Aircraft Financing – Boeing Deliveries ($)

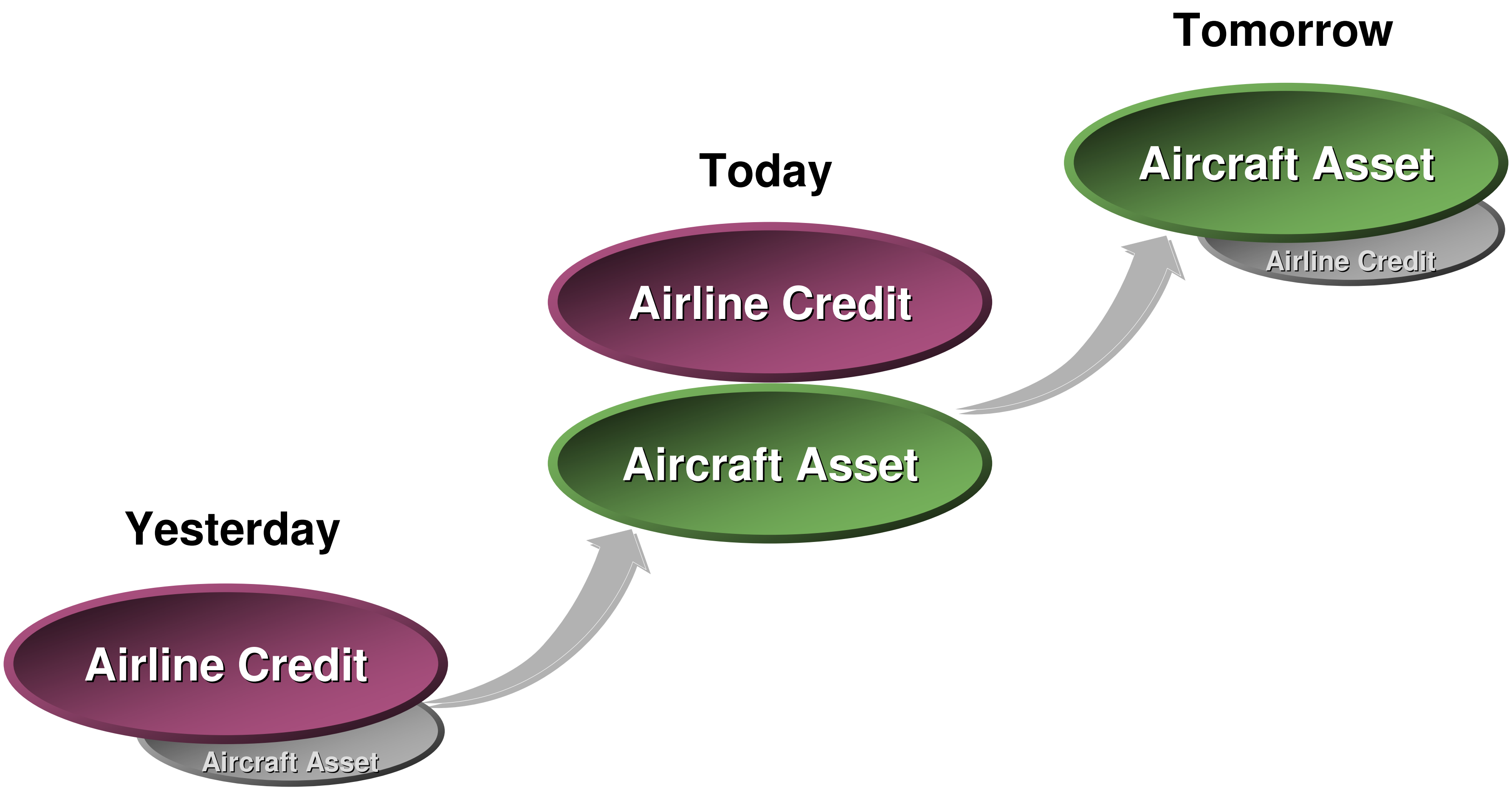


Global Fleet Operating Lease Content

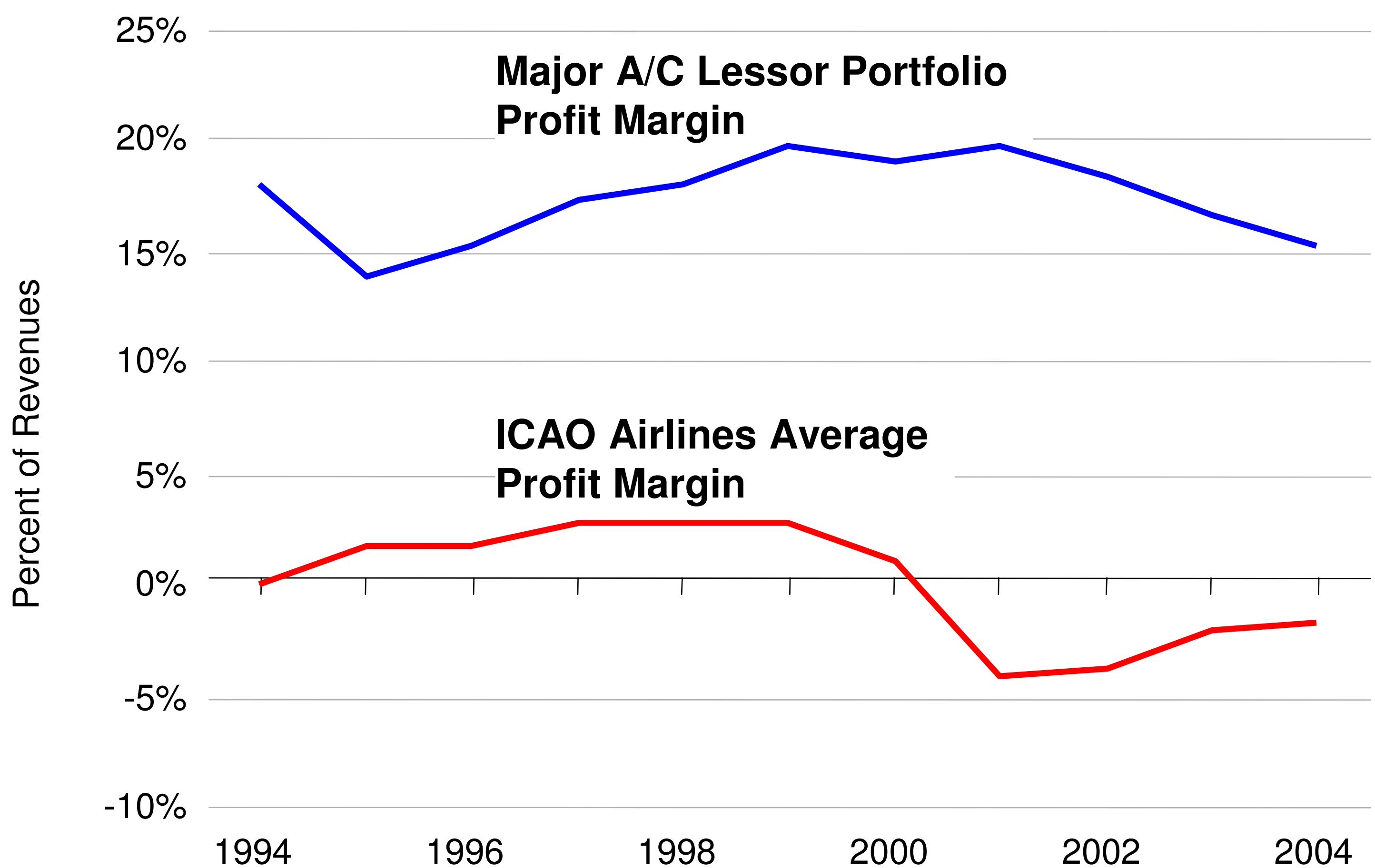


Leasing demand is strong and growing

Evolution of Aircraft Finance



Aircraft Portfolio Investment vs. Airline Performance



Aircraft investment: less volatile with superior returns

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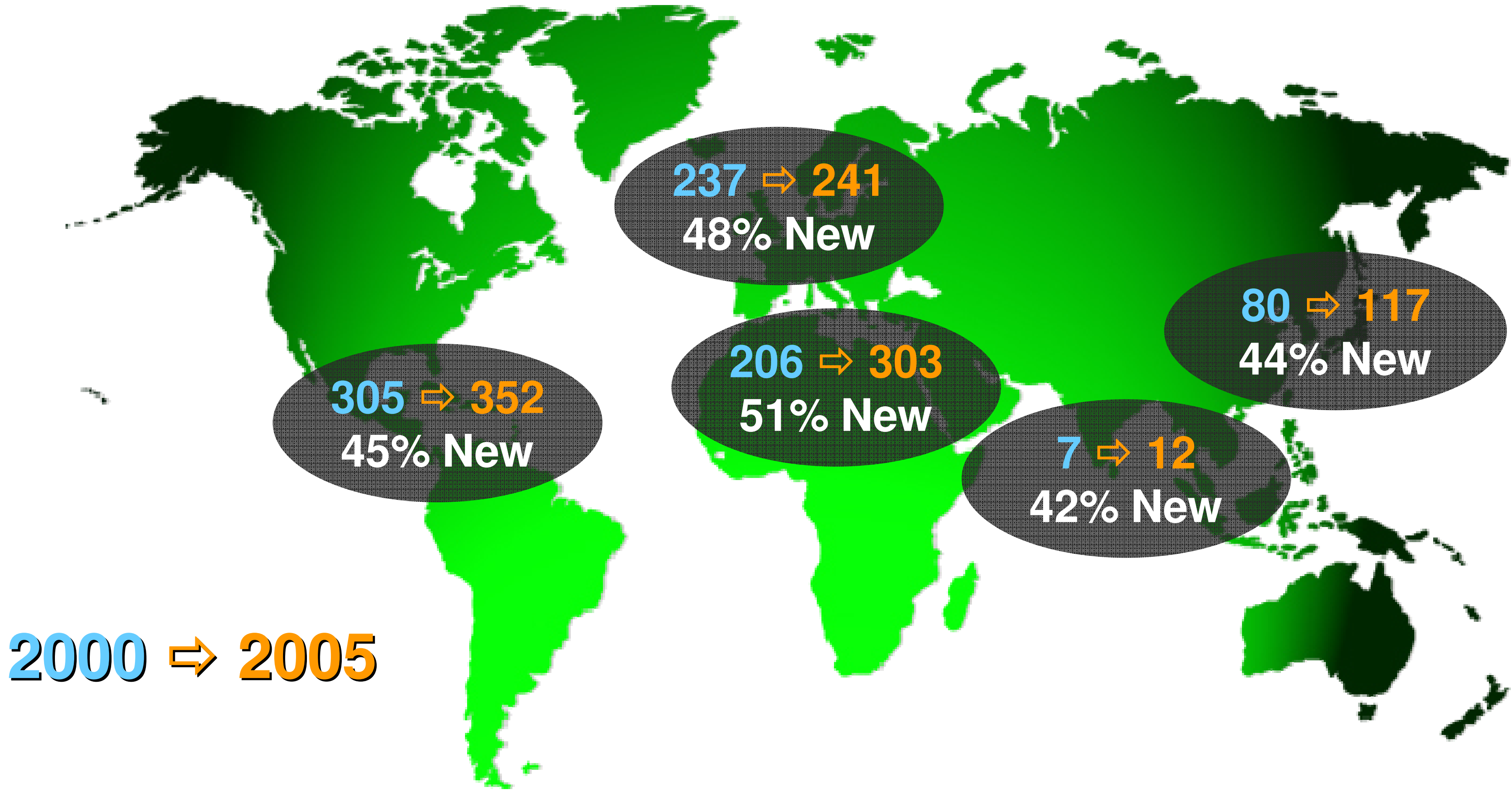
Half of the Operators From 2000 Are No Longer in Business



Half of the current operators are new since 2000

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What Makes an Airplane a Great *Investment*?

- Airplane capabilities (range, speed…)
- Number of engine types available
- Part of a family of airplanes
- Environmental friendliness
- Simplicity of *re*-configuration
- OEM support for model
- Many airplanes sold …
- To lots of different customers…
- With geographic distribution of sales

Liquidity and stable residual value performance

Engineering Aircraft for Capital Markets

- Designing airplanes with capital markets input

- Supporting airplanes with capital markets input

Engineering aircraft liquidity

Designing Aircraft for the Capital Markets

Product Strategy
- Market driven
- Trans regional
- Multi-business model scope

Commonality
- Modular interior
- Standardization
- Engine interchangeability

Systems/ Airframe
- Open architecture
- Composites
- e-Enabled

Life-cycle residual value enhancement

Cape Town Treaty in Full Force and Effect
March 1, 2006

Panama July 2003

Ethiopia December 2003

Nigeria December 2003

Pakistan January 2004

USA October 2004

Oman March 2005

Ireland August 2005

Malaysia November 2005

Senegal January 2006

Mongolia October 2006

Angola April 2006

Kenya October 2006

Afghanistan July 2006

South Africa January 2007

Colombia February 2007

Indonesia March 2007

Enhancing the legal framework

Evolving Global A/C Finance Infrastructure

A·W·G
AVIATION WORKING GROUP

ICAO · OACI · ИКАО

IASB

OECD

EUROCONTROL

BNDES

ECGD

European
Aviation
Safety
Agency

Hermes
Kreditversicherungs-AG

EXPORT-IMPORT BANK OF THE UNITED STATES

EDC

BANK FOR
INTERNATIONAL
SETTLEMENTS

coface

AWG – the voice of our industry

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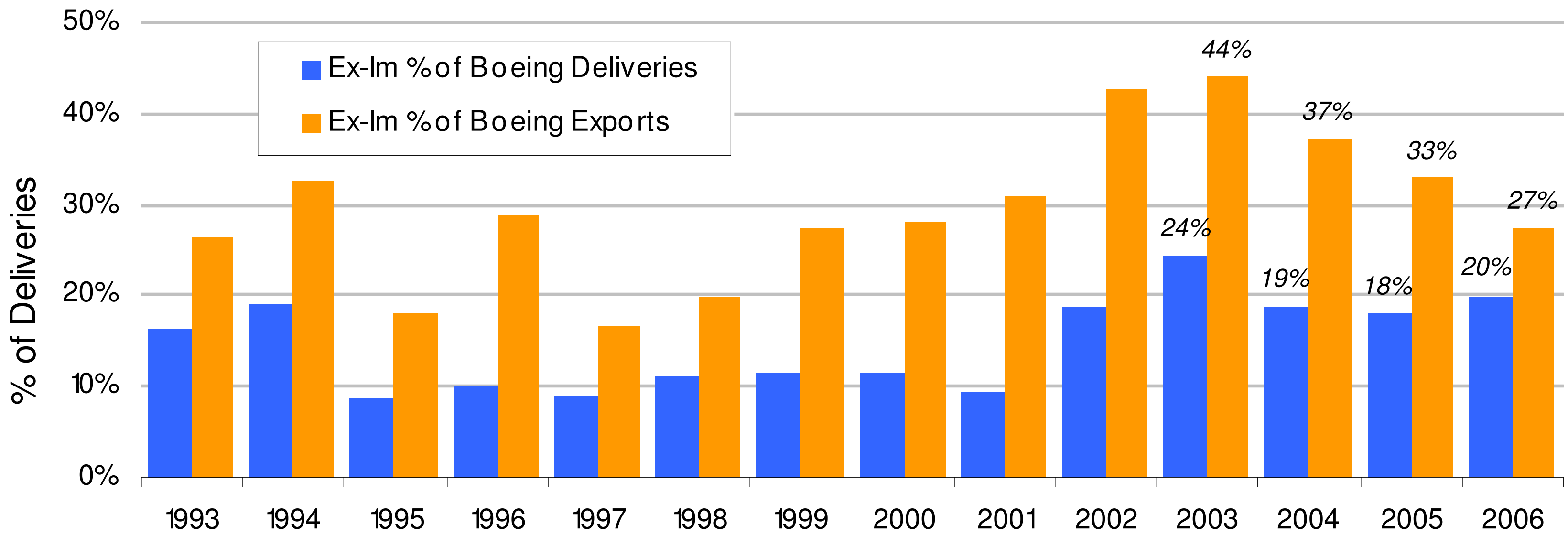
Ex-Im Bank is Crucial to Developing Markets

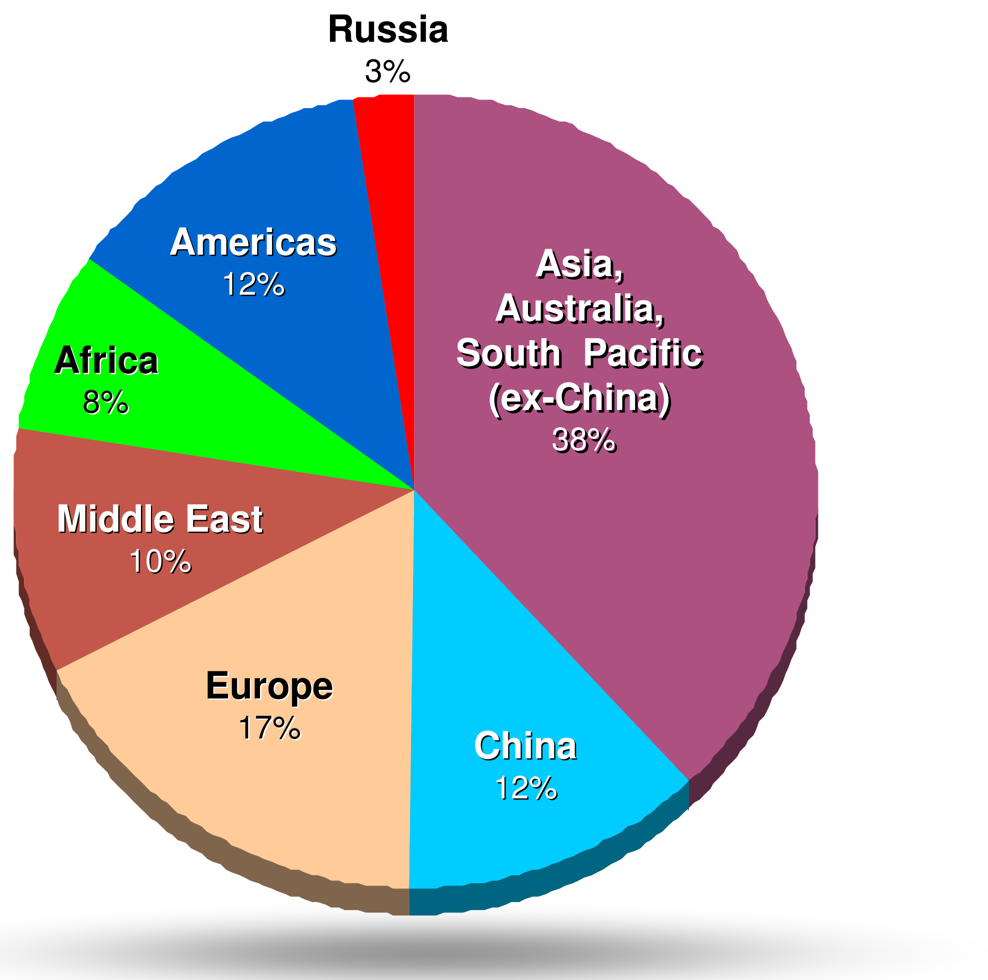


Units	54	52	18	22	34	62	72	56	49	72	68	53	52	88

Important safety valve

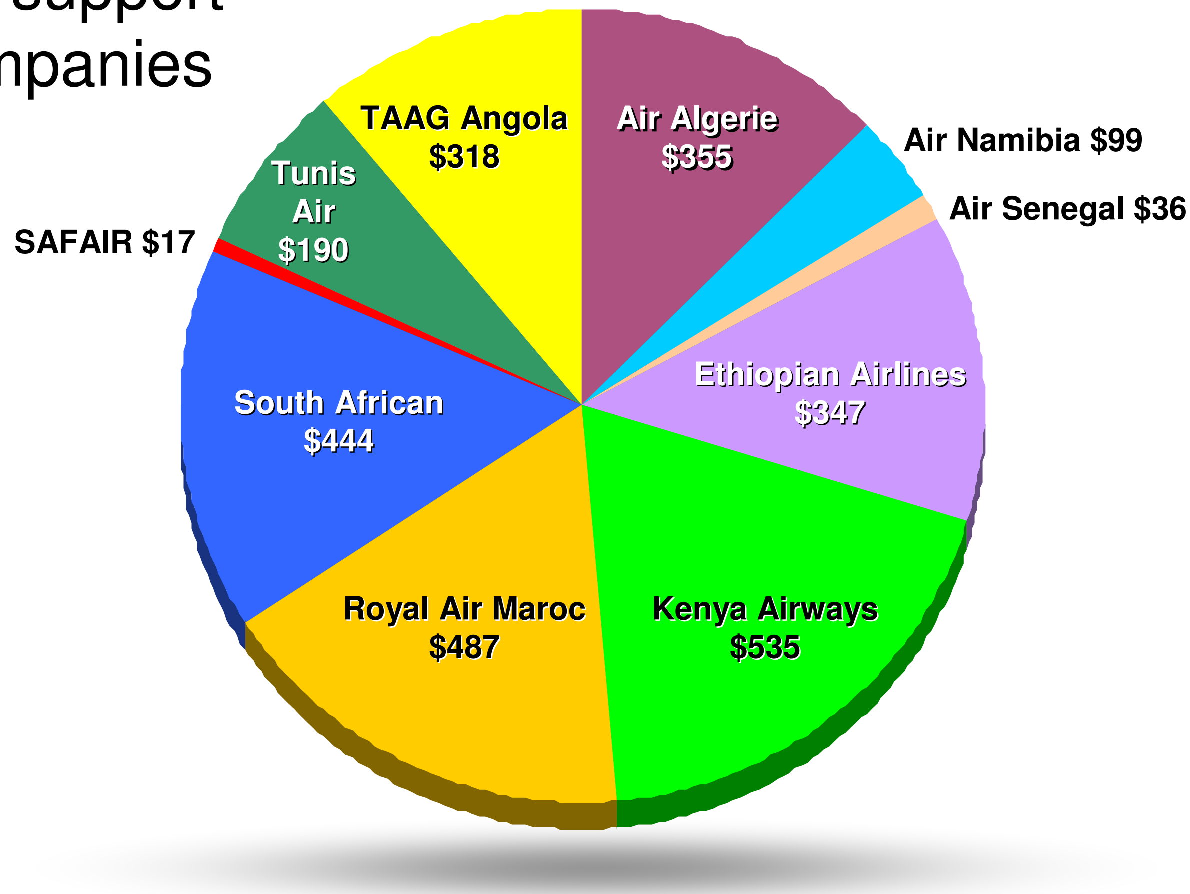
Ex-Im Bank Support by Region

1996-2005 (Dollar Percentage of Aircraft Portfolio)



Ex-Im Bank Financing in Africa
(US$M)

- More than $3B in support for 10 African companies since 1996



Additional Ex-Im Bank Support

- "Pre-owned" (or used) aircraft
  - U.S. manufactured aircraft
  - Not previously exported (with limited exceptions)
  - U.S. refurbishment, reconfiguration and overhaul work
- Cargo conversions
  - U.S. manufactured aircraft
  - U.S. design work
  - U.S. materials
  - U.S. labor

Support throughout value chain

Working Together