

## Media Release



**Kahala  
Aviation**



## **AWAS and Kahala close \$260,750,000 Aircraft ABS Notes**

### **Leading global lessor agrees to sell a portfolio of 30 aircraft to Diamond Head Aviation 2015 Limited**

Dublin, 30th July 2015

Dublin based aircraft lessor, AWAS, announced today that Diamond Head Aviation 2015 Limited (the "Issuer") has closed a \$260.75m Fixed Rate Asset-Backed Notes offering, comprised of US\$199,250,000 of 3.81% Class A Fixed Rate Asset-Backed Notes ("Class A Notes") and US\$61,500,000 of 5.92% Class B Fixed Rate Asset Backed Notes ("Class B Notes"). The Issuer also offered subordinate Class E Notes representing the equity interest in the Issuer (together with Class A Notes and the Class B Notes, the "Notes"), which were purchased by Kahala Ireland Investments DAC, an affiliate of Kahala Aviation Holdings, LLC.

The Class A Notes and Class B Notes were rated A and BBB respectively by S&P and by Kroll. The Notes are backed by a portfolio of 30 aircraft (the "Aircraft") which the Issuer will acquire from AWAS. The Aircraft comprise a mix of narrowbody and widebody jet aircraft that, as of May 1, 2015, had an average age of 16.41 years and were leased to 16 lessees based in 14 countries. AWAS (Ireland) Limited will act as servicer with respect to the Aircraft.

Proceeds from the sale of the Aircraft to the Issuer will be used by AWAS to refinance existing indebtedness and for general corporate purposes.

"The breadth of distribution as well as the tight coupons on the Class A and Class B Notes is testimony of the success of this ABS debt placement. AWAS is very pleased to have concluded this portfolio disposition to the Kahala Group via our first ABS transaction at a price which provides our company with the opportunity to reinvest the proceeds, net of debt repayments, to fund further aircraft acquisitions" said Simon Glass Chief Financial Officer, AWAS.

"With new borrowing capacity from our two Unsecured Revolving Credit Facilities recently closed and this ABS transaction, we continue to proactively widen AWAS' sources of funding and to expand the company's investor base" added Frederic Mireur, Head of Corporate Finance."

Brad Smith, Managing Director of Kahala Aviation Ltd., commented: "the closing of Diamond Head represents a milestone in the 11 year history of Kahala providing us with a substantially larger balance sheet going forward, our first investment in widebody aircraft and increased exposure to some of the world's top flag carriers."

Wells Fargo Securities acted as sole structuring agent and joint bookrunner of the transaction. MUFG, RBC Capital Markets and Credit Agricole Securities acted as Joint-book runners.

Clifford Chance US LLP advised AWAS, Hughes Hubbard & Reed LLP acted as counsel to Wells Fargo and Vedder Price P.C. advised the Kahala Group.

### **Important Notice Regarding the Issue**

The Notes were offered only to qualified institutional buyers under Rule 144A and to persons outside the United States under Regulation S. The Notes were registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Notes were offered in conformity with Irish national law and with Directive 2003/71/EC as amended and implemented into relevant national laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state. This press release shall not constitute an offer of the Notes to the public in any member state of the European Economic Area.

### **Important Notice Regarding Forward Looking Statements**

Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not necessarily limited to, statements relating to future operations. Words such as "expect(s)" and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of factors that could lead to actual results materially different from those described in the forward-looking statements. AWAS can give no assurance that its expectations will be attained. There are important factors that could cause actual results, level of activity, performance or achievements to differ from the results, level of activity, performance or achievements expressed or implied in the forward looking statements. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this press release may not occur. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. Such forward-looking statements speak only as of the date of this press release. AWAS expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in AWAS's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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