

29 January 2008

**Capital Lease Aviation PLC
("CLA")**

INTERIM RESULTS

The Board of CLA is pleased to announce the unaudited consolidated results for the interim period from the 1 July 2007 to the 31 December 2007.

HIGHLIGHTS:

- **Revenues for the period:** **GBP 573,149 ;**
- **Profit before tax:** **GBP 362,190 ;**
- **Earnings per share (pre tax):** **0.38 pence**

Jeff Chatfield, Chairman said "The initial results that we now report indicate that the Company has commenced profitable operations. The profit is entirely satisfactory. The results were achieved with only two aircraft in the portfolio for three months of the financial period. This was at a time when the management was concentrating its efforts upon admitting the Company's shares to AIM."

The directors take responsibility for the contents of this announcement.

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Review of Operations and Strategy

The Company's results were achieved with only two aircrafts acquired at the end of September 2007. Given the early stage of the Company, the profits were entirely satisfactory.

After admission to trading on AIM on 14 December 2007, a further US\$7.57m aviation finance facility was secured to ready CLA for more acquisitions in 2008. CLA is in the process of securing more aircraft and indeed has paid a deposit of US \$0.5m for the purchase of its next plane.

We are focussed on growing the business by expanding our potential customer base, as well as diversifying the type of aircraft assets that we hold.

The risks to the business include, but are not limited to, a general downturn in the global aviation industry, which may lower lease rates or reduce our ability to lease or sell aircraft. The business also relies on its ability to source finance on favourable terms. Should this prove difficult, it may limit our fleet expansion and therefore growth.

Richard Sinclair
Chief Executive Officer
London

**CAPITAL LEASE AVIATION PLC
CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD 1 July 2007 - 31 December 2007**

	GBP
<u>From Continuing operations</u>	
Lease rental income	332,054
Other operating income	<u>241,095</u>
Total Income	573,149
Selling, general and administrative expenses	<u>(137,916)</u>
Profit before depreciation and finance costs	435,233
Depreciation	(58,798)
Interest expense	<u>(14,245)</u>
Profit before taxation	362,190
Profit before taxation from continuing operations	<u>362,190</u>
Profit attributable to the shareholders	<u>362,190</u>
Pre Tax Earnings per share	
- Basic	<u>0.38 pence</u>
- Fully Diluted	<u>0.38 pence</u>

**CAPITAL LEASE AVIATION PLC
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2007**

2007
GBP

ASSETS

Current assets:

Cash and cash equivalents	9,452,278
Trade and other receivables	<u>598,187</u>
Total current assets	<u>10,050,465</u>

Non-current assets:

Plant and Equipment	<u>5,249,523</u>
Total non-current assets	<u>5,249,523</u>

Total assets

15,299,988

LIABILITIES AND EQUITY

Current liabilities:

Trade and other payables	<u>308,240</u>
Total current liabilities	<u>308,240</u>

Non-current liabilities:

Loan and borrowings	<u>3,793,967</u>
Total non-current liabilities	<u>3,793,967</u>

Capital and reserves:

Share capital	97,808
Share premium	10,737,735
Foreign Currency Translation Reserve	60
Retained earnings	<u>362,178</u>
Net equity	<u>11,197,781</u>

Total liabilities and equity

15,299,988

**CAPITAL LEASE AVIATION PLC
CONSOLIDATED CASH FLOW
AS AT 31 DECEMBER 2007**

	<u>2007</u> GBP
<u>Operating activities</u>	
Profit for the interim period	362,190
<i>Adjustments for:</i>	
Depreciation	58,798
Interest expense	14,245
Interest income	<u>(195,150)</u>
	240,083
<i>Changes in working capital:</i>	
Trade and other receivables	(598,187)
Trade and other payables	<u>293,995</u>
Cash used in operating activity	<u>(64,109)</u>
<u>Investing activities:</u>	
Interest received	195,150
Purchase of plant and equipment	<u>(5,248,482)</u>
Cash from investing activities	<u>(5,053,332)</u>
<u>Financing activities:</u>	
Proceeds from issue of new shares, net of expenses	10,785,443
Proceeds from borrowings	<u>3,793,967</u>
Cash from financing activities	<u>14,579,410</u>
Net effect of exchange rates on consolidating subsidiaries	(59,779)
Net increase in cash and cash equivalents	9,402,190
Cash and Cash equivalents at the beginning of the period	<u>50,088</u>
Cash and Cash equivalents at the end of the period	<u>9,452,278</u>

Approved by the board on 28th January 2008.

The above information has been extracted from the management accounts and has not been audited. No provision for taxation has been made for the half year.