

Capital Lease Aviation Plc

("CLA" or "the Company")

Final Results Announcement for the Year Ended 30 June 2009

Highlights:

- Revenues increased to £10,145,412
- Group Net post tax profits of £3,251,204
- Total assets of £64,614,478
- EPS (fully diluted) 3.15 pence

Chairman's Statement:

Dear Fellow Shareholder,

We are pleased to report that your company, CLA, has continued to prosper and has weathered the turbulence in the aviation industry. Our consolidated net profit after tax has increased 400% to GBP 3.2m. Earnings per share are 3.32 pence and the Balance Sheet of the group has been strengthened with an augmentation in total assets to GBP 64.6m and Net Assets increasing to GBP20.4m.

In light of the economic conditions, especially in regards to bank liquidity, CLA maintained a conservative approach and used our substantial positive cashflow to repay GBP 6.1m of group debt during the year. This places CLA in a strong position to pursue growth in 2010 when it is possible that selling pressure on some aircraft vendors will create aircraft acquisition opportunities. CLA remains in the market to acquire aircraft and with its improved balance sheet this may be possible in the first half of the 2010 financial year.

The group's strategy is to acquire leased new generation narrow body jet aircraft. We target aircraft operated by reputable airlines with good credit histories. The group currently owns six narrow body jet aircraft. The current fleet comprises two new generation Airbus A321, one Airbus A320 and three Fokker F100 jets.

Given the economic climate of 2009, which was clearly a difficult operating environment for the Aviation industry, our board operated in a conservative manner. The key performance objectives for the group were to reduce debt, not expose ourselves to weak credit risks, remain profitable, cash flow positive and to protect the value of our assets. We have been successful on all counts.

Our strategy as the global economy rebounds is to responsibly grow and diversify our aircraft portfolio. We have an excellent working relationship with two European banking

partners and maintain a strong presence in the Asian region where the highest growth in the aviation sector is predicted.

The company requires a combination of debt and equity to fund most transactions and although we have been successful in the past, it remains a risk that such funding may be difficult to raise in the future. Other risks to the company include credit and general risk relating to the aviation industry. The company seeks to minimize these risks by the continued diversification of our customer base with creditworthy airlines.

I commend you for your support of CLA as we continue to grow and remain solely focused on the creation of value for you, our shareholders, the owners of our company. We remain your servants.

Jeff Chatfield,
Chairman

--ENDS--

Enquiries:

Capital Lease Aviation Plc **07783 942 553**
Jeff Chatfield, Executive Chairman

Nominated Adviser
James Joyce/David Porter, W H Ireland Limited **0207 220 1666**

Company Stockbroker
W H Ireland Limited **0207 220 1690**

Share Register
Computershare Investor Services Plc **0870 702 0003**

Website
www.capitallleaseaviation.com

Audited Consolidated Group Income Statement

	<u>2009</u>	<u>2008</u>
<i>In Great Britain Pounds</i>		
<u>Continuing operations and acquisitions</u>		
Revenue	10,145,412	1,751,816
Cost of sales	<u>-</u>	<u>-</u>
Gross profit	10,145,412	1,751,816
Other operating income	1,217,547	407,093
Administrative expenses	(624,914)	(416,921)
Other operating expenses	(4,001,851)	(499,784)
Finance expense	<u>(3,104,529)</u>	<u>(130,847)</u>
Profit before taxation	3,631,665	1,111,357
Taxation	<u>(380,461)</u>	<u>(296,918)</u>
Profit after tax for continuing operations	3,251,204	814,439
Profit for the period from continuing operations	<u>3,251,204</u>	<u>814,439</u>
Attributable to the shareholders	<u>3,251,204</u>	<u>814,439</u>
Earnings per share		
- Basic	<u>3.32 pence</u>	<u>0.84 pence</u>
- Fully Diluted	<u>3.15 pence</u>	<u>0.81 pence</u>

Audited Consolidated Group Balance Sheet

	<u>2009</u>	<u>2008</u>
<i>In Great Britain Pounds</i>		
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	860,520	554,457
Trade and other receivables	<u>636,952</u>	<u>76,460</u>
Total current assets	<u>1,497,472</u>	<u>630,917</u>
Non-current assets:		
Property, plant and equipment	<u>63,117,006</u>	<u>55,871,044</u>
Total assets	<u>64,614,478</u>	<u>56,501,961</u>
<u>LIABILITIES AND EQUITY</u>		
Current liabilities:		
Trade and other payables	2,851,710	2,305,160
Provision for taxation	266,950	108,899
Loan and borrowings	6,230,626	4,931,395
Short term provisions	<u>757,396</u>	<u>110,308</u>
Total current liabilities	<u>10,106,682</u>	<u>7,455,762</u>
Non-current liabilities:		
Loan and borrowings	33,072,696	31,952,517
Deferred tax liabilities	<u>1,081,439</u>	<u>875,641</u>
Total non-current liabilities	<u>34,154,135</u>	<u>32,828,158</u>
Capital and reserves:		
Share capital	97,808	97,808
Share premium	10,743,621	10,743,621
Asset revaluation reserve	4,534,153	4,536,088
Share option reserve	24,968	24,968
Foreign currency translation reserve	887,480	1,129
Retained earnings	<u>4,065,631</u>	<u>814,427</u>
Net equity	<u>20,353,661</u>	<u>16,218,041</u>
Total liabilities and equity	<u>64,614,478</u>	<u>56,501,961</u>

Audited Consolidated Group Cash Flow Statements

	<u>2009</u>	<u>2008</u>
<i>In Great Britain Pounds</i>		
Cash flows from operating activities:		
Total profit	3,251,204	814,439
Adjustments for:		
Income tax	380,461	296,918
Share option expense	-	24,968
Claim on maintenance reserves	818,271	110,308
Depreciation expense	3,148,565	389,958
Interest expense	2,876,483	130,847
Interest income	<u>(6,252)</u>	<u>(311,349)</u>
Operating profit before working capital changes	10,468,732	1,456,089
Trade and other receivables	(560,492)	(76,460)
Trade and other payables	<u>364,087</u>	<u>2,305,160</u>
Cash from operations	10,272,327	3,684,789
Interest paid	(2,694,020)	(130,847)
Interest received	6,252	311,349
Corporation tax paid	<u>(134,137)</u>	<u>-</u>
Net cash from operating activities	<u>7,450,422</u>	<u>3,865,291</u>
Cash flows used in investing activities:		
Purchase of property, plant and equipment	<u>(11,033)</u>	<u>(50,973,873)</u>
Net cash used in investing activities	<u>(11,033)</u>	<u>(50,973,873)</u>
Cash flows from financing activities:		
Net proceeds from issuance of ordinary shares	-	10,791,329
Proceeds from borrowings	-	37,490,014
Repayment of borrowings	<u>(6,137,033)</u>	<u>(606,102)</u>
Net cash from financing activities	<u>(6,137,033)</u>	<u>47,675,241</u>
Net effect of exchange rate changes in consolidating subsidiaries	<u>(996,293)</u>	<u>(62,290)</u>
Net increase in cash	306,063	504,369
Cash and cash equivalent at beginning of financial year	<u>554,457</u>	<u>50,088</u>
Cash and cash equivalent at end of financial year	<u>860,520</u>	<u>554,457</u>

Notes :

1. The results for the financial period are derived from continuing activities.
2. The audited results have been prepared on a going concern basis and on the basis of the accounting policies adopted in the audited accounts for the year ended 30 June 2009.