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**BOC AVIATION LIMITED**  
**中銀航空租賃有限公司\***

*(Incorporated in the Republic of Singapore with limited liability)*

**Stock code: 2588**

**DISCLOSEABLE TRANSACTION**  
**IN RELATION TO THE SALE OF**  
**SIX AIRCRAFT**

The Board is pleased to announce that aircraft sale agreements for the sale of six aircraft have been entered into with a third-party buyer. Five of these aircraft sales closed in the first half of 2017 and the final sale is expected to close in the second half of 2017.

**1. Introduction**

The Board is pleased to announce that the Company or its wholly-owned subsidiary has entered into the Agreements with the Buyer, a third party principally engaged in aircraft leasing business, pursuant to which the Company or its wholly-owned subsidiary has sold or agreed to sell the Aircraft to the Buyer and to concurrently transfer the leases in respect of the Aircraft to the Buyer (the “**Transaction**”).

**2. Details of the Agreements**

**(a) The Aircraft**

One A330 family aircraft, two A320 family aircraft and three 737 family aircraft leased to six different Lessees (the “**Aircraft**”). The Aircraft have been or will

*\*For identification purpose only*

be sold to the Buyer and the leases in respect of the Aircraft have been or will also be transferred to the Buyer concurrently. Five of the aircraft sales closed in the first half of 2017 and the remaining aircraft sale is scheduled to close in the second half of 2017.

**(b) Consideration**

The aggregate consideration for the sale of the Aircraft is US\$257,400,000 before final closing adjustments. The consideration for the Transaction was established on an arm's length basis, taking into account the terms and conditions of the Transaction as a whole and with reference to market conditions.

The aggregate net book value and the aggregate gain or loss on the sale of the Aircraft are commercially sensitive information as is the aggregate net profits (both before and after tax) attributable to the Aircraft.

The gain or loss expected to accrue to the Company from the sale of the Aircraft subject to the Transaction will be disclosed on an aggregated basis together with any other aircraft sold by the Company in the Company's annual financial statements for the year ending 31 December 2017.

The Company has therefore applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with (i) Rule 14.58(6) of the Listing Rules requiring disclosure of the net book value of the Aircraft, (ii) Rule 14.58(7) of the Listing Rules requiring disclosure of the net profits attributable to the Aircraft for the two financial years immediately preceding the Transaction, and (iii) Rule 14.60(3)(a) of the Listing Rules requiring disclosure of details of the gain or loss expected to accrue to the Company from the Transaction and the basis for calculating such gain or loss.

**(c) Payment and delivery terms**

The consideration for the sale of each Aircraft is payable (or has been paid, as the case may be) in cash upon completion of the sale of such Aircraft.

### **3. Reasons for, and benefits of, the Transaction**

The Directors are of the view that the Transaction is in line with the strategy of the Group to sell our aircraft to mitigate risks in the Group's aircraft portfolio, to generate gains on sale and to reinvest the sale proceeds in new aircraft investments. The Transaction is conducted in the ordinary course of business of the Group.

The Directors confirm that the terms of the Transaction are fair and reasonable and in the interests of the shareholders of the Company as a whole and the Transaction will have no material adverse impact on the operations and financial position of the Group.

### **4. Use of proceeds**

The proceeds of the Transaction will be used by the Company to fund future aircraft investments and for general corporate purposes.

### **5. Information about the Buyer**

The Buyer is principally engaged in aircraft leasing business.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Buyer and its ultimate beneficial owner are third parties independent of the Company and of connected persons of the Company.

### **6. Information about the Company**

The Company is a leading global aircraft operating leasing company with a fleet of 493 aircraft owned, managed or on order as at 30 June 2017.

### **7. Listing Rules implications of the Transaction**

As one of the relevant percentage ratios under Rule 14.07 of the Listing Rules for the Transaction is more than 5% but all relevant percentage ratios are less than 25%, the Transaction constitutes a discloseable transaction for the Company, and is therefore subject to only the notification and announcement requirements under the Listing Rules.

## 8. Definitions

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

<b>“Agreements”</b>	collectively (a) the aircraft sale agreement dated 29 May 2017 between the Company as seller and the Buyer as purchaser in respect of one Airbus A320-200 aircraft which was sold on 8 June 2017, (b) the aircraft sale agreement dated 29 May 2017 between the Company as seller and the Buyer as purchaser in respect of one Airbus A321-200 aircraft which was sold on 22 June 2017, (c) the aircraft sale agreement dated 29 May 2017 between BOCA Ireland as seller and the Buyer as purchaser in respect of one Boeing 737-800 aircraft which was sold on 16 June 2017, (d) the aircraft sale agreement dated 6 June 2017 between BOCA USA as seller and the Buyer as purchaser in respect of one Boeing 737-800 aircraft which was sold on 27 June 2017, (e) the aircraft sale agreement dated 29 May 2017 between the Company as seller and the Buyer as purchaser in respect of one Boeing 737-700 aircraft which was sold on 21 July 2017 and (f) the aircraft sale agreement dated 14 September 2017 between BOCA Ireland as seller and the Buyer as purchaser in respect of one Airbus A330-300 aircraft, which is to be sold on or around 30 September 2017
<b>“Board”</b>	the board of Directors
<b>“BOCA Ireland”</b>	BOC Aviation (Ireland) Limited, a private limited company incorporated under the laws of the Republic of Ireland, and a wholly-owned subsidiary of the Company
<b>“BOCA USA”</b>	BOC Aviation (USA) Corporation, a corporation organised and existing under the laws of the State of Nevada, United States of America, and a wholly-owned subsidiary of the Company
<b>“Buyer”</b>	a third party aircraft leasing company

<b>“Company”</b>	BOC Aviation Limited, a company incorporated under the laws of Singapore with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
<b>“Directors”</b>	the directors of the Company
<b>“Group”</b>	the Company and its subsidiaries
<b>“Lessees”</b>	the airline customers of the Company which have leased the Aircraft
<b>“Listing Rules”</b>	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“US\$”</b>	United States dollars, the lawful currency of the United States of America

By Order of the Board  
**BOC Aviation Limited**  
**Zhang Yanqiu, Juliana**  
*Company Secretary*

Hong Kong, 14 September 2017

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Chen Siqing as Chairman and Non-executive Director, Mr. Robert James Martin and Mr. Wang Jian as Executive Directors, Mr. Gao Zhaogang, Mr. Li Mang, Mr. Liu Chenggang and Ms. Zhu Lin as Non-executive Directors and Mr. Dai Deming, Mr. Fu Shula, Mr. Antony Nigel Tyler and Dr. Yeung Yin Bernard as Independent Non-executive Directors.*