FTAI's Strategic Capital Initiative Secures Commitment for $2.5 Billion of Asset-Level Debt Financing

February 26, 2025

Financing to be Used to Fund Acquisitions of On-Lease 737NG and A320ceo Aircraft

NEW YORK, Feb. 26, 2025 (GLOBE NEWSWIRE) -- FTAI Aviation Ltd. (NASDAQ: FTAI) ("FTAI" or the "Company") today announced its Strategic Capital Initiative ("SCI") has obtained a commitment for $2.5 billion of asset-level debt financing led by global investment firm ATLAS SP Partners ("ATLAS SP"), the structured products business majority owned by Apollo funds, and Deutsche Bank AG, New York Branch. FTAI believes this debt financing will provide the SCI the ability to deploy $4.0+ billion of total capital into on-lease 737NG and A320ceo aircraft while allowing FTAI to maintain an asset-light business model. All engines owned by the SCI will be powered exclusively via engine and module exchanges with FTAI's Maintenance, Repair and Exchange ("MRE") business.

"We are thrilled that our Strategic Capital Initiative has secured this financing commitment," said Joseph P. Adams, CEO and Chairman of FTAI. "We believe this will allow the SCI to be one of the largest investors focused on mid-life, on-lease aircraft and we are grateful for the support of SCI capital partners and lenders, whose confidence in our business affirms and amplifies our strong momentum."

Mr. Adams continued, "This is an exciting time for FTAI as our MRE offering continues to penetrate the market and transform the way asset owners think about engine maintenance. With a $22 billion total addressable market and only 5% market share today[*], we believe we are in the early innings of growth for our Aerospace Products business. We are also grateful for our growing customer base, and we look forward to driving cost and time savings for more asset owners with our differentiated Maintenance, Repair and Exchange services."

John Zito, Co-President of Apollo Asset Management said, "We are excited for ATLAS SP to support FTAI's Strategic Capital Initiative in its inaugural asset-level debt financing. We believe this financing provides ATLAS SP clients with compelling, risk-adjusted returns, and demonstrates our continued leadership in leading inaugural issuances and financings for our clients. We are pleased to be partnering with the FTAI Strategic Capital Initiative team and their differentiated platform."

Carey Lathrop, CEO of ATLAS SP continued, "We are honored to have served as structuring agent and lead arranger and to have been able to commit $2 billion directly in support of FTAI's Strategic Capital Initiative. With global travel at record highs, the tailwinds for the aircraft finance industry are robust, and we look forward to building our relationship with FTAI through future bespoke financings. FTAI's newly launched Strategic Capital Initiative combined with its innovative approach to aircraft engine maintenance services will lead to numerous ways to partner in the future."

The financing commitment is subject to certain customary conditions.

* $22 billion total addressable market based on total maintenance dollars spent industrywide in 2024 on CFM56-5B/7B and V2500 engines, and FTAI's 5% of market share is based on total revenue from Aerospace Products in 2024.

Advisors

In connection with the launch of FTAI's Strategic Capital Initiative, Kirkland & Ellis LLP, McGuireWoods LLP and Gibson, Dunn & Crutcher LLP are serving as legal counsel and Lincoln International LLC is serving as financial advisor. Clifford Chance LLP is serving as counsel to the 2025 Partnership lenders.

ATLAS SP Partners served as the sole structuring agent and lead arranger on the financing, and Deutsche Bank served as an arranger.

Fourth Quarter and Full Year 2024 Earnings

As previously disclosed, the Company plans to announce its financial results for the fourth quarter and full year 2024 after the closing of Nasdaq on Wednesday, February 26, 2025. Management will host a conference call on Thursday, February 27, 2025 at 8:00 A.M. Eastern Time. The conference call may be accessed by registering via the following link https://register.vevent.com/register/BId401ec69ff8f491fb21444c5bbd87f54/. Once registered, participants will receive a dial-in and unique pin to access the call. A simultaneous webcast of the conference call will be available to the public on a listen-only basis at https://www.ftaiaviation.com/. The information contained on, or accessible through, any websites included in this press release is not incorporated by reference into, and should not be considered a part of, this press release.

ABOUT FTAI AVIATION

FTAI owns and maintains commercial jet engines with a focus on CFM56 and V2500 engines. FTAI's propriety portfolio of products, including the Module Factory and a joint venture to manufacture engine PMA, enables it to provide cost savings and flexibility to our airline, lessor, and maintenance, repair, and operations customer base. Additionally, FTAI owns and leases jet aircraft which often facilitates the acquisition of engines at attractive prices. FTAI invests in aviation assets and aerospace products that generate strong and stable cash flows with the potential for earnings growth and asset appreciation.

FORWARD-LOOKING STATEMENTS

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to, whether the SCI will be able to close on such committed financing, the SCI's ability to deploy $4.0+ billion of total capital into on-lease 737NG and A320ceo aircraft, whether FTAI's Aerospace Products business will continue to grow, the Company's ability to drive cost and time savings for more asset owners, and the SCI's ability to partner with ATLAS SP in the future. Forward-looking statements are not statements of historical fact but instead are based on the Company's present beliefs and assumptions and on information currently available to the Company. You can identify these forward-looking statements by the use of forward-looking words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "target," "projects," "contemplates" or the negative version of those words or other comparable words. Any forward-looking statements contained in this communication are based upon the Company's historical performance and on its current plans, estimates and expectations in light of information currently available to the Company. The inclusion of this forward-looking information should not be regarded as a representation by the Company that the future plans, estimates or expectations contemplated by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to the Company's operations, financial results, financial condition, business, prospects, growth strategy and liquidity. Accordingly, there are or will be important factors that could cause the Company's actual results to differ materially from those indicated in these statements, including, but not limited to, the risk factors set forth in Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2023 and the Company's Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2024, June 30, 2024, and September 30, 2024, as updated by annual, quarterly and other reports the Company files with the Securities and Exchange Commission.

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