

KBRA Assigns Issuer Rating of BBB+ and Senior Unsecured Debt Rating of BBB to Dubai Aerospace Enterprise Ltd.

NEW YORK, NY (October 16, 2018) – Kroll Bond Rating Agency (KBRA) assigns issuer and senior unsecured debt ratings of BBB+ and BBB, respectively to Dubai Aerospace Enterprise Ltd. (“DAE” or “the Company”), an aerospace and aircraft leasing company headquartered in Dubai. The Outlook on the ratings is Stable.

Established in 2006, Dubai Aerospace Enterprise Ltd. (DAE) is a top-10 aircraft leasing company with a presence in key leasing and aircraft finance hubs around the world. In August 2017, DAE completed a transformative acquisition with its purchase of Dublin-based AWAS, quadrupling its fleet and adding significant portfolio diversification, infrastructure and management expertise. At Sept. 30, 2018, DAE’s fleet consisted of 365 aircraft with an average age of 6.3 years and a value of approximately \$15Bn.

The ratings reflect the Company’s strong market position, established track record (including the 30+ year history of AWAS), experienced management team and robust investment and risk management platform. The acquisition, now fully integrated, leverages AWAS’s strong investment infrastructure with DAE’s presence in the Gulf region, forming a truly global platform which has reported strong financial results. In addition, approximately 96% of DAE is owned by the Investment Corporation of Dubai (“ICD”), the investment arm of the Government of Dubai, which KBRA views positively. ICD’s significant financial resources, transparency and presence in the Gulf region provide DAE with franchise benefits and funding flexibility.

These strengths are balanced by moderately higher leverage and asset encumbrance compared to other highly-rated aircraft leasing companies. In addition, the Company has a single airline customer concentration to Emirates Airlines which is partially mitigated by Emirates’ strong credit profile. The ratings also consider the cyclical nature of the industry and potential credit issues of airline customers, and event risks in general. Given DAE’s relatively high level of asset encumbrance, the senior unsecured rating of BBB is one notch lower than the issuer rating.

The ratings are based on KBRA’s [Global Finance Company Rating Methodology](#), published November 28, 2017.

KBRA’s rating report for DAE is forthcoming.

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