



Terra Firma and Canada Pension Plan Investment Board Agree to Sell Portfolio of AWAS Aircraft to Macquarie Group

London, UK and Toronto, Canada (March 3, 2015): Terra Firma and Canada Pension Plan Investment Board (CPPIB) announced today that AWAS, a Dublin-based aircraft lessor, has signed an agreement to sell a portfolio of 90 aircraft to Macquarie Group Limited (ASX; MQG; ADR: MQBKY) for a total consideration of US\$4 billion. The sale is expected to close within 12 months and is subject to customary closing conditions.

Terra Firma owns a 75% stake in AWAS with the remaining 25% stake owned by CPPIB. Terra Firma and CPPIB are long-time investors in AWAS, both first investing in the company in 2006, and have worked closely to secure the optimal result in this deal.

The portfolio being sold comprises a fleet of 90 young, predominantly narrow-body aircraft. AWAS, one of the world's leading aircraft leasing companies, will continue to own and maintain the core of its remaining diversified portfolio of more than 200 modern aircraft and plans to continue to grow its fleet through sale-leaseback transactions with airlines and secondary market aircraft purchases.

"We have transformed AWAS since buying it nine years ago, making it one of the top aircraft leasing companies in the world," said Guy Hands, Chairman and Chief Investment Officer of Terra Firma. "AWAS has gone from having 156 aircraft with an average age of 12.1 years in 2006 to 314 aircraft with an average age of 4.9 years in 2014; the book value of aircraft has risen from \$2.3 billion to \$10.7 billion. Meanwhile, EBITDA has risen from \$256 million in 2006 to \$1,081 million in 2014."

"Given the nature of the AWAS portfolio and current market conditions, we saw a good opportunity to generate value for our investors through the sale of these 90 young, predominantly narrow-body aircraft. We will continue to grow AWAS in anticipation of our plans to explore appropriate exit opportunities for the remaining business in the coming years," added Mr. Hands.

"As a longstanding investor in AWAS, we believe this sale is an excellent opportunity to realize the embedded value in this portfolio of aircraft while still retaining an attractive fleet to serve the needs of AWAS' airline customers around the world," said Mark Jenkins, Senior Managing Director and Global Head of Private Investments, CPPIB. "Together with Terra Firma, we look forward to working with the management team to continue growing the AWAS business."

Ray Sisson, President & CEO AWAS, commented on the transaction, "Terra Firma and CPPIB have worked with us to reengineer AWAS into a world-class commercial aircraft leasing platform with over 100 airline customers in over 45 countries. Today our business is known around the globe for innovation and a dedication to customer service delivering customized solutions. The sale of this 90 aircraft portfolio is part of our strategic plan and will allow us to move into our next phase of planned growth."



Goldman Sachs and Deutsche Bank acted as financial advisors to AWAS. Milbank acted as legal advisors to AWAS.

Forward Looking Statements

Certain items in this press release may constitute forward-looking statements including, but not necessarily limited to, statements relating to future operations. Words such as "expect(s)" and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of factors that could lead to actual results materially different from those described in the forward-looking statements. AWAS can give no assurance that its expectations will be attained. There are important factors that could cause actual results, level of activity, performance or achievements to differ from the results, level of activity, performance or achievements expressed or implied in the forward-looking statements. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this press release may not occur. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. Such forward-looking statements speak only as of the date of this press release. AWAS expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in AWAS's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

About Terra Firma

Terra Firma is a leading private equity firm which specializes in buy-outs of asset-rich and complex businesses that are under-performing or in need of a change in direction. It creates value for those businesses and its investors by delivering improved strategy, operations and management. Since being set up in 1994, Terra Firma has invested over €13 billion of equity and completed transactions with an aggregate enterprise value of €43 billion. For further information about Terra Firma, please visit www.terrafirma.com

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 18 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, New York City and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At December 31, 2014, the CPP Fund totalled C\$238.8 billion. For more information, please visit www.cppib.com.

About AWAS

AWAS is a global leader in commercial aircraft leasing, with the scale, expertise, and dedication to deliver innovative solutions for its customers around the world. AWAS's team of industry professionals serves every major and developing commercial aviation market around the globe from



CPP
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terra firma

its Dublin headquarters and offices in New York, Miami, and Singapore. For 30 years AWAS has been providing flexible, customized and competitive aviation finance solutions to airlines worldwide. Our staff is known throughout the industry for providing an unmatched level of knowledge and consultative expertise to our customers, helping them to meet their business goals.

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