

High finance

RBS Aviation Capital marks a decade of success in commercial airplane leasing and financing **By Bill Seil**

Since its founding 10 years ago, RBS Aviation Capital has forged a strong niche in a changing commercial airplane market.

The Dublin-based company is one of the world's top five commercial airplane lessors by fleet value and a global leader in aircraft finance. Its leasing business focuses on providing advanced, investor-friendly narrow-body aircraft to robust low-cost carriers.

RBS Aviation Capital's transactions include both Boeing and Airbus airplanes. It has purchased 63 Next-Generation 737-800s directly from Boeing, with deliveries scheduled through 2015. RBS also has shown an interest in expanding its investments to include the 787 Dreamliner.

Peter Barrett, the company's CEO, notes that when he entered the aviation

RBS Aviation Capital has customers in 38 countries, and in addition to leasing aircraft to 100 airlines, the company sells airplanes to 40 investor customers. Over the past seven years, the company has profitably sold 170 commercial aircraft valued at more than \$6.4 billion. Marlin Dailey, Boeing's senior vice president, Sales and Marketing, said the RBS Aviation Capital team's deep understanding of the leasing business and the global finance environment is a great benefit to its airline customers.

"RBS has successfully established itself in the leasing market for low-cost carriers by specializing on the unique needs of that segment," Dailey said. "By leasing to some of the world's leading single-aisle low-cost carriers,



Boeing has "a great team that is very customer-focused."

— Peter Barrett, chief executive officer of RBS Aviation Capital

PHOTO: RBS AVIATION CAPITAL

PHOTO ILLUSTRATION: A Boeing Next-Generation 737 in RBS livery. BOEING

finance business more than 20 years ago, leased airplanes made up roughly 10 percent of airline fleets. It has since passed 30 percent and is continuing to grow at a steady pace.

In challenging economic times, airlines are finding new ways to manage their balance sheets and manage their fleets, Barrett said. Leasing has emerged as an attractive option.

"Rather than making a commitment to buying an aircraft for 25 years, airlines are leasing planes for five years or more, then reviewing the market," Barrett said. "Leasing companies are in a much better position to manage risks involved in ownership because we have teams that fan out around the world looking for new opportunities to place aircraft."

RBS has grown into one of the top five commercial airline leasing companies. Boeing 737s have played a major role in its success."

Barrett said RBS Aviation Capital is looking ahead as design improvements add value to commercial airplanes. The 787, he said, is a great example of new technology and ideas. Beyond its history of investment in Next-Generation 737s, RBS Aviation Capital is looking to the company's future advancements in single-aisle airplanes.

"I'm a big fan of The Boeing Company," Barrett said. "They make great airplanes. They also have a great team that is very customer-focused, proactive and has a long-term view of relationships." ■

william.j.seil@boeing.com