

# Analysis: ILFC enjoys Q2 profit rise

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International Lease Finance Corporation (ILFC) has reported net income for the second quarter of 2012 of \$223.1 million, compared to \$73.8 million for the same period last year. This marks a 202% rise in profits.

## ILFC's six month debt profile

During the first half of 2012, ILFC has been active in arranging a number of debt financing deals, both secured and unsecured, to fund its business operations.

In this period, ILFC entered into a [new \\$900 million senior secured](#) term loan through a non-restricted subsidiary. It also secured a \$203 million three-year facility specifically to finance the purchase of seven Boeing 737-800s, and increased the aggregate amount available under the credit facility of [AeroTurbine](#), ILFC's wholly owned subsidiary, by \$95 million to a total of \$430 million.

The US-based lessor issued [\\$750 million in 4.875% notes, and a further \\$750 million](#) of 5.875% notes.

ILFC has also worked on refinancing and paying off existing loan arrangements. The lessor prepaid the remaining \$456.9 million outstanding on a secured credit facility, terminating that arrangement. A [\\$750 million secured term loan](#) scheduled to mature in 2015 was also prepaid.

[A \\$550 million secured term](#) loan was refinanced during this period.

## Other news

ILFC says it has plans to increase the number of aircraft designated for part-out over the next year. This is a response to new technology on the horizon, and the potential negative impact on the residual value of some models.

In June of this year, ILFC named Laurette Koellner as new executive chairman whilst simultaneously [forcing Henri Croupon, CEO, to take a \\$1 million pay cut](#) following allegations of inappropriate behaviour.

As of the end of this financial quarter, ILFC owns a portfolio of 933 aircraft in its leased fleet.

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