AVIATION CAPITAL GROUP LLC
AND SUBSIDIARIES

Unaudited Condensed Consolidated Financial Statements
as of September 30, 2026 and December 31, 2025 and
for the nine months ended September 30, 2026 and 2025

Aviation Capital Group LLC and Subsidiaries

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In Thousands)	September 30, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	$263,817	$118,663
Flight equipment held for lease, net	12,574,484	12,014,225
Assets held for sale	846,820	297,700
Prepayments on flight equipment	1,227,718	833,335
Investment in finance leases, net	140,326	143,842
Notes receivable, net	90,050	101,238
Other assets, net	320,885	182,169
TOTAL ASSETS	$15,464,100	$13,691,172
LIABILITIES AND EQUITY		
Liabilities:		
Debt financings, net	$9,825,425	$8,469,603
Accounts payable, accrued expenses and other liabilities	603,280	385,672
Maintenance reserves	591,436	527,998
Security deposits	135,055	131,936
TOTAL LIABILITIES	11,155,196	9,515,209
Commitments and contingencies (Note 10)		
Equity:		
Member's equity	4,276,934	4,186,841
Accumulated other comprehensive income (loss)	31,970	(10,878)
TOTAL EQUITY	4,308,904	4,175,963
TOTAL LIABILITIES AND EQUITY	$15,464,100	$13,691,172

See Notes to Condensed Consolidated Financial Statements

Aviation Capital Group LLC and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(Unaudited)

	Nine Months Ended September 30,	
(In Thousands)	2026	2025 As Adjusted
REVENUES		
Operating lease revenue	$851,171	$782,813
Amortization of lease incentives and premiums, net	(26,729)	(31,719)
Maintenance revenue	82,672	54,982
Gain on sale of flight equipment, net	78,901	87,616
Other income	43,471	44,194
TOTAL REVENUES	1,029,486	937,886
EXPENSES		
Depreciation	409,217	384,512
Interest, net	339,624	288,124
Asset impairment and provision for credit losses	20,520	53,862
Recoveries related to Russia exposure	—	(544,796)
Selling, general and administrative, net	90,156	86,478
TOTAL EXPENSES	859,517	268,180
Income before provision for income taxes	169,969	669,706
Provision for income taxes	14,081	39,074
NET INCOME	155,888	630,632
OTHER COMPREHENSIVE INCOME (LOSS)		
Change in fair value of interest rate swap contracts	42,848	(15,583)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	42,848	(15,583)
TOTAL COMPREHENSIVE INCOME	$198,736	$615,049

See Notes to Condensed Consolidated Financial Statements

Aviation Capital Group LLC and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY

(Unaudited)

(In Thousands)	Member's Equity	Accumulated Other Comprehensive Income (Loss)	Total Equity
BALANCES, DECEMBER 31, 2024	$3,565,152	$5,011	$3,570,163
Cumulative effect of accounting policy change (Note 2)	(15,995)	—	(15,995)
BALANCES, DECEMBER 31, 2024 (AS ADJUSTED)	$3,549,157	$5,011	$3,554,168
Net income	630,632	—	630,632
Distribution	(63,097)	—	(63,097)
Other comprehensive loss	—	(15,583)	(15,583)
BALANCES, SEPTEMBER 30, 2025 (AS ADJUSTED)	$4,116,692	($10,572)	$4,106,120
BALANCES, DECEMBER 31, 2025	$4,186,841	($10,878)	$4,175,963
Net income	155,888	—	155,888
Distribution	(65,795)	—	(65,795)
Other comprehensive income	—	42,848	42,848
BALANCES, SEPTEMBER 30, 2026	$4,276,934	$31,970	$4,308,904

See Notes to Condensed Consolidated Financial Statements

Aviation Capital Group LLC and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine Months Ended September 30,	
(In Thousands)	2026	2025 As Adjusted
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$155,888	$630,632
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	409,217	384,512
Asset impairment and provision for credit losses	20,520	53,862
Gain on sale of flight equipment, net	(78,901)	(87,616)
Maintenance reserves, security deposits and lease incentives included in earnings	(52,699)	(12,614)
Amortization of lease incentives and premiums, net	26,729	31,719
Amortization of debt acquisition costs and original issuance discounts	20,668	22,618
Recoveries related to Russia exposure	—	(544,796)
Other operating activities, net	20,996	17,944
Change in other assets	(13,195)	1,329
Change in accounts payable, accrued expenses, and other liabilities	37,133	4,630
NET CASH PROVIDED BY OPERATING ACTIVITIES	546,356	502,220
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of flight equipment and related assets	(1,893,545)	(2,439,793)
Proceeds from sale of flight equipment and related assets and investment in finance leases	960,298	888,918
Prepayments on flight equipment	(840,241)	(139,274)
Refunded prepayments on flight equipment	100,629	—
Advance payments for major maintenance	(88,173)	—
Capitalized interest on prepayments on flight equipment	(31,851)	(21,974)
Proceeds from sale and receipts of notes receivable	12,577	14,104
Proceeds from insurance claim settlements	—	544,796
Issuance of notes receivable	—	(8,289)
Other investing activities, net	11,741	17,390
NET CASH USED IN INVESTING ACTIVITIES	(1,768,565)	(1,144,122)

See Notes to Condensed Consolidated Financial Statements

Aviation Capital Group LLC and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine Months Ended September 30,	
(In Thousands)	2026	2025 As Adjusted
(Continued)		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt financings	$2,498,329	$1,530,624
Repayment of debt financings	(1,132,720)	(884,201)
(Repayment of) proceeds from revolving credit facilities and commercial paper, net	(15,500)	230,000
Receipts of maintenance reserves, net of payments	86,160	116,012
Distributions paid	(65,795)	(63,097)
Receipts of security deposits, net of payments	12,201	2,541
Other financing activities, net	(15,312)	(6,769)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,367,363	925,110
Net change in cash and cash equivalents	145,154	283,208
Cash and cash equivalents, beginning of year	118,663	167,635
CASH AND CASH EQUIVALENTS, END OF PERIOD [(1)]	$263,817	$450,843
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid, net of capitalized interest	$265,463	$241,399
Non-cash transfer from prepayments on flight equipment to flight equipment held for lease, net	$362,774	$181,796
Flight equipment held for lease, net reclassified to flight equipment held for sale	$1,077,933	$1,203,791
Maintenance reserves and security deposits offset in sale of flight equipment	$34,223	$65,539
Non-cash transfer from aircraft to finance lease	$—	$59,188

[(1)] Includes restricted cash of $0.8 million and zero as of September 30, 2026 and 2025, respectively.

See Notes to Condensed Consolidated Financial Statements

1. ORGANIZATION

Aviation Capital Group LLC, a Delaware limited liability company (ACG LLC), together with its subsidiaries (collectively ACG, we, us, or our) is a full service aircraft asset manager. Our business consists primarily of the acquisition, leasing, and disposition of commercial jet aircraft and our principal activity is to invest in and lease commercial jet aircraft pursuant to operating leases. In addition to our leasing activities, we sell aircraft from our portfolio to other leasing companies, financial services companies, airlines and other investors. We also provide certain aircraft asset management services and aircraft financing solutions (AFS) for third parties. Our lessee customers are primarily commercial airlines operating across the globe.

ACG LLC is a wholly owned subsidiary of TC Skyward Aviation U.S., Inc. (TCSA), a Delaware corporation and direct subsidiary of Tokyo Century Corporation (Tokyo Century), a Japanese corporation.

On September 2, 2026, Tokyo Century and ITOCHU Corporation (ITOCHU), a Japanese corporation, entered into a Sale and Purchase Agreement (the SPA), pursuant to which Tokyo Century agreed to sell 50.0% of the total number of issued shares of TCSA to ITOCHU (the Share Transfer). Upon closing of the Share Transfer, Tokyo Century and ITOCHU will each own 50.0% of the equity interests of TCSA. The Share Transfer is expected to close in November 2026, but this timing is subject to the fulfillment of customary closing conditions, including the receipt of certain regulatory approvals. As of the date hereof, ITOCHU holds approximately 30% of Tokyo Century's voting rights.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION

The accompanying condensed consolidated financial statements (consolidated financial statements) are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for interim reporting. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The information presented reflects all adjustments, consisting of normal recurring adjustments, that in the opinion of management, are necessary to fairly state the consolidated financial statements for the periods indicated. The condensed consolidated statements of income and comprehensive income for the interim periods presented are not necessarily indicative of the results of operations for the full year. The condensed consolidated balance sheet as of December 31, 2025 was derived from the audited consolidated financial statements as of December 31, 2025. Therefore, the information included in these consolidated financial statements should be read in conjunction with our audited consolidated financial statements as of and for the year ended December 31, 2025.

Our consolidated financial statements include the accounts of all entities in which we have a controlling financial interest, including the accounts of any variable interest entity (VIE) where we are the primary beneficiary.

All intercompany transactions and balances have been eliminated in consolidation.

We manage, operate, and present our business as a single segment.

Certain line items have been expanded or combined in the presentation of the 2025 condensed consolidated statements of cash flows and footnotes to conform to the 2026 presentation. In addition, certain reclassifications have been made to Note 6 in the 2025 geographic concentration disclosure to align with the 2026 presentation.

RISK AND UNCERTAINTIES

In the normal course of business, we encounter several significant types of economic risk including, but not limited to, credit, market, aviation industry, and capital market risks. Credit risk is the risk of a counterparty’s inability or unwillingness to make contractually required payments and to fulfill its other contractual obligations. Market risk reflects the change in the value of financings, guarantees, and derivatives due to changes in interest rate spreads, including the value of collateral underlying financings or other market factors. Aviation industry risk is the risk of a downturn in the commercial aviation industry that could adversely affect a lessee’s ability to make payments, increase the risk of unscheduled lease terminations, depress lease rates, and depress the value of our aircraft. Capital market risk is the risk that we are unable to obtain capital at reasonable rates to fund the growth of our business or to refinance existing debt.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires that we make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. While we believe that the estimates and related assumptions used in the preparation of the consolidated financial statements are reasonable, actual results could differ from those estimates. The use of estimates is or could be a significant factor affecting the reported carrying values of flight equipment, acquired contractual rights, accruals, asset valuation, guarantee reserves, and allowance for credit losses. In developing these estimates, we are required to make subjective and complex decisions that are inherently uncertain and subject to material changes as facts and circumstances change. Actual results may differ from our estimates under different conditions.

FUTURE ADOPTION OF ACCOUNTING PRONOUNCEMENTS

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09 Income Taxes (Topic 740) Improvements to Income Tax Disclosures. ASU 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The new requirements will be effective for annual periods beginning after December 15, 2025. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. We are currently evaluating the impact of this guidance on our consolidated financial statements.

UPDATE TO SIGNIFICANT ACCOUNTING POLICIES

During fiscal year 2025, we elected to change our accounting policy related to the subsequent measurement of maintenance right assets initially recognized in connection with asset acquisitions. Previously, we accounted for these assets as non-amortizing intangible assets. We reevaluated the nature of the expected economic benefits and determined that the assets provide benefits over a determinable period aligned with the life of the related aircraft.

As a result, maintenance right assets are now amortized over the remaining useful life of the related aircraft. Once the related maintenance work is performed, any unamortized amount is capitalized as aircraft cost. If the work is not performed during the term of the lease, the amount will be derecognized.

We believe the new policy is preferable because it aligns the depreciation curve of our used aircraft purchased in the secondary markets with our aircraft purchased from original equipment manufacturers (OEM) and provides more consistent alignment between our revenue and depreciation. In accordance with ASC 250, we have applied the change in accounting principle retrospectively to all prior periods presented. The condensed consolidated statements of income and comprehensive income, condensed consolidated statements of equity, and condensed consolidated statements of cash flows for the nine months ended September 30, 2025 have been adjusted to reflect this change to our accounting policy.

The following table summarizes the impact of the accounting policy change on our previously issued condensed consolidated statements of income and comprehensive income for the nine months ended September 30, 2025.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

	Nine Months Ended September 30, 2025		
(In Thousands)	As Previously Reported	Effect of Change	As Adjusted
REVENUES			
Operating lease revenue	$782,813	$—	$782,813
Amortization of lease incentives and premiums, net	(31,719)	—	(31,719)
Maintenance revenue	52,244	2,738	54,982
Gain on sale of flight equipment, net	87,188	428	87,616
Other income	44,194	—	44,194
TOTAL REVENUES	934,720	3,166	937,886
EXPENSES			
Depreciation	381,714	2,798	384,512
Interest, net	288,124	—	288,124
Asset impairment and provision for credit losses	54,396	(534)	53,862
Recoveries related to Russia exposure	(544,796)	—	(544,796)
Selling, general and administrative, net	86,478	—	86,478
TOTAL EXPENSES	265,916	2,264	268,180
Income before provision for income taxes	668,804	902	669,706
Provision for income taxes	39,444	(370)	39,074
NET INCOME	629,360	1,272	630,632
OTHER COMPREHENSIVE LOSS			
Change in fair value of interest rate swap contracts	(15,583)	—	(15,583)
TOTAL OTHER COMPREHENSIVE LOSS	(15,583)	—	(15,583)
TOTAL COMPREHENSIVE INCOME	$613,777	$1,272	$615,049

3. FLIGHT EQUIPMENT HELD FOR LEASE, NET

The following table presents the components of flight equipment held for lease, net *(In Thousands)*:

	September 30, 2026	December 31, 2025
Cost of flight equipment held for lease	$15,239,233	$14,831,185
Less: accumulated depreciation	(2,664,749)	(2,816,960)
Flight equipment held for lease, net	$12,574,484	$12,014,225

As of September 30, 2026 and December 31, 2025, maintenance right assets of $285.7 million and $166.3 million, respectively, were included in flight equipment held for lease, net.

As of September 30, 2026 and December 31, 2025, flight equipment held for lease, net, with carrying values of $1,384.1 million and $756.9 million, respectively, were pledged as collateral for our secured loans (Note 9).

The following table presents the future minimum lease rentals we are due under operating leases as of September 30, 2026 *(In Thousands)*:

Years Ending December 31:	
Remainder of 2026	$312,963
2027	1,163,199
2028	1,110,950
2029	1,061,173
2030	975,065
Thereafter	3,397,803
Total	$8,021,153

As of September 30, 2026, we continue to monitor developments and assess our exposure related to tariffs and other trade restrictions that could impact both ACG and our customers.

RUSSIA-UKRAINE CONFLICT

In February 2022, Russia launched a large-scale military invasion of Ukraine and remains engaged in a broad military conflict with Ukraine. In response, the United States, European Union, United Kingdom, and other countries imposed broad, far-reaching sanctions and export controls against Russia, certain Russian persons and certain activities involving Russia or Russian persons. We have complied and will continue to comply with all applicable sanctions. In compliance with the sanctions, we terminated all of our leasing activities in Russia. As a result, we recorded losses of $574.7 million related to our Russia exposure during fiscal year 2022 and we recorded proceeds from insurance claim settlements of $551.0 million during fiscal year 2025. For the nine months ended September 30, 2026, we did not record any additional insurance proceeds related to our Russia exposure or enter into any new settlement agreements. Additional details relating to this conflict, our aircraft detained in Russia and the related insurance claim settlements can be found in our previously issued annual financial statements.

ASSET IMPAIRMENT

We test for potential impairment whenever events or changes in circumstances indicate that the carrying value of our flight equipment may not be recoverable. Factors we consider include significant world events, significant under-performance relative to historic results or projected future operating results, significant negative industry or economic trends, reductions to our future minimum lease rentals, a decline in the market values of our aircraft for potential sale transactions, the maintenance condition of our flight equipment, and the intended use of our aircraft. We may be required to record a significant charge to earnings during the period in which any impairment is determined. Such charges could have a material adverse effect on our business, financial condition, results of operations and cash flows.

For the nine months ended September 30, 2026 and 2025, impairments related to flight equipment held for lease, net and lease related assets were $23.9 million and $52.6 million, respectively, which are included in asset impairment and provision for credit losses. Impairment amounts may be derived from maintenance adjusted estimated values, estimated sale prices, and/or present value of estimated future cash flows (Note 8).

4. CREDIT LOSSES

We are exposed to credit losses on our notes receivable, repayment guarantees, investment in finance leases, and deferral and restructuring receivables (collectively, guarantees and financed receivables). The majority of our guarantees and financed receivables are collateralized by rights to an aircraft or cash collateral, including letters of credit, collected in the form of security deposits or maintenance reserves. We estimate the expected risk of loss over the remaining life of our guarantees and financed receivables using a probability of default and net exposure analysis using historical information, current conditions, and reasonable and supportable forecasts. The probability of default is based on historical cumulative default data published by a third-party servicer, adjusted for current conditions, of similarly risk-rated counterparties over the contractual term. The net exposure is estimated based on the guarantees and financed receivables balance exposure, net of the estimated aircraft value and other cash collateral over the contractual term.

In order to manage risk, we have developed an internal credit rating model for airlines in our portfolio. Internal credit ratings are based on both quantitative and qualitative factors of the airlines and the environment in which they operate. The frequency of rating updates is established by our credit risk policy, which requires periodic monitoring and at least an annual review. Our internal risk rating process is an important source of information in determining our expected credit losses.

As it relates to our notes receivable, repayment guarantees and investment in finance leases, the expected loss provision for each individual contractual exposure is calculated by multiplying the probability of default by the net exposure over the contractual term. We then determine the present value of such expected loss amount over the contractual term using a discount rate equal to the financial asset's effective interest rate, when applicable. Credit exposure related to our investment in finance leases reflects the risk that our finance lease lessees fail to meet their payment obligations.

Our deferral and restructuring receivables credit exposure reflects the risk that our customers fail to meet their payment obligations. We record an allowance for credit losses at the inception of any new deferral or restructuring receivable based on our estimate of expected credit losses over the lease term. We record our deferral and restructuring receivables, net of an allowance for credit losses, in other assets, net.

We record the adjustment for expected credit losses related to guarantees and financed receivables in asset impairment and provision for credit losses.

The following tables present the movements in the allowance for credit losses during the nine months ended September 30, 2026 and 2025 *(In Thousands)*:

	September 30, 2026				
	Deferral and Restructuring Receivables	Notes Receivable, net	Repayment Guarantees	Investment in Finance Leases, net	Total
December 31, 2025 allowance for credit losses	$510	$3,422	$—	$2,784	$6,716
Allowance released in sales/ terminations	(468)	—	—	—	(468)
Current period adjustment for expected losses	(42)	(1,620)	—	(1,230)	(2,892)
September 30, 2026 allowance for credit losses	$—	$1,802	$—	$1,554	$3,356

	September 30, 2025				
	Deferral and Restructuring Receivables	Notes Receivable, net	Repayment Guarantees	Investment in Finance Leases, net	Total
December 31, 2024 allowance for credit losses	$—	$6,041	$—	$753	$6,794
Allowance released in sales/ terminations	—	—	—	(203)	(203)
Initial allowance	—	—	—	2,263	2,263
Current period adjustment for expected losses	570	(1,438)	—	74	(794)
September 30, 2025 allowance for credit losses	$570	$4,603	$—	$2,887	$8,060

5. INVESTMENT IN FINANCE LEASES, NET

If a lease meets specific criteria at lease commencement or at the effective date of a lease modification, we recognize the lease as a direct financing lease or a sales-type lease (collectively finance leases). In a direct financing lease, any profit equal to the difference between our net investment in the lease and the carrying value of our aircraft is deferred and recognized as interest income over the lease term while any loss is immediately recognized. In a sales-type lease, any profit or loss equal to the difference between our net investment in the lease and the carrying value of our aircraft is immediately recognized.

As of September 30, 2026, our investment in finance leases, net, is comprised of six aircraft on lease to four customers. The following table presents the components of investment in finance leases, net *(In Thousands)*:

	September 30, 2026	December 31, 2025
Total future minimum lease payments	$123,230	$133,819
Estimated unguaranteed residual value	67,100	67,100
Less: unearned income	(48,450)	(54,293)
Less: allowance for credit losses	(1,554)	(2,784)
Investment in finance leases, net	$140,326	$143,842

The following table presents the future minimum lease payments that we are due under finance leases as of September 30, 2026 *(In Thousands)*:

Years Ending December 31:	
Remainder of 2026	$3,161
2027	14,484
2028	14,484
2029	14,484
2030	13,212
Thereafter	63,405
Total	$123,230

We have credit exposure related to finance leases that reflects the risk that our finance lease customers fail to meet their payment obligations and the risk that the aircraft value is less than the unguaranteed residual value assumed in the investment in finance leases calculation. We record an allowance for credit losses at the initial recognition of a finance lease based on our estimate of expected credit losses over the lease term and the risk that the aircraft value is less than the unguaranteed residual value at lease end.

6. GEOGRAPHIC CONCENTRATION

The following table presents the regional concentration of our portfolio based on each lessee's principal place of business. The amounts presented include the carrying value of our aircraft held for lease, aircraft held for sale, finance leases, notes receivable and other lease-related assets and liabilities (including receivables) associated with lessees. *(Dollars In Thousands)*:

	September 30, 2026		December 31, 2025	
	Carrying Value	Percent of Total	Carrying Value	Percent of Total
Region:				
Western Europe	$3,038,560	22.4 %	$3,028,166	24.1 %
Asia Pacific (excluding China and Taiwan)	2,990,549	22.0 %	2,370,525	18.9 %
Emerging Europe	2,100,687	15.5 %	1,641,694	13.1 %
Central America, South America and Mexico	1,820,390	13.4 %	1,912,005	15.2 %
United States and Canada	1,535,212	11.3 %	1,465,124	11.7 %
Middle East and Africa	1,164,274	8.6 %	1,066,610	8.5 %
China and Taiwan	533,650	3.9 %	568,437	4.4 %
Sub-total	13,183,322	97.1 %	12,052,561	95.9 %
Aircraft assets on ground not subject to a signed lease or sales commitment	330,335	2.4 %	329,677	2.6 %
Aircraft assets in transition subject to a signed lease or sales commitment	67,558	0.5 %	187,117	1.5 %
Total	$13,581,215	100.0 %	$12,569,355	100.0 %

As of September 30, 2026 and December 31, 2025, no individual lessee or country accounted for more than 10% of our portfolio as calculated above.

We lease our aircraft to lessees located in every major geographical region. The following table presents our operating lease revenue by region based on each lessee's principal place of business. *(Dollars In Thousands)*:

	Nine Months Ended September 30,			
	2026		2025	
	Operating Lease Revenue	Percent of Total	Operating Lease Revenue	Percent of Total
Region:				
Western Europe	$196,855	23.1 %	$162,549	20.8 %
Asia Pacific (excluding China and Taiwan)	180,247	21.2 %	156,736	20.0 %
Emerging Europe	127,926	15.0 %	61,958	8.0 %
Central America, South America and Mexico	123,058	14.5 %	157,447	20.1 %
United States and Canada	108,035	12.7 %	123,795	15.8 %
Middle East and Africa	73,527	8.6 %	66,020	8.4 %
China and Taiwan	41,523	4.9 %	54,308	6.9 %
Total	$851,171	100.0 %	$782,813	100.0 %

For the nine months ended September 30, 2026 and 2025, no individual lessee accounted for more than 10% of our operating lease revenue. For the nine months ended September 30, 2026 and 2025, the U.S. accounted for 10.2% and 13.1%, respectively, of our operating lease revenue. No other individual country accounted for more than 10% of our operating lease revenue for the nine months ended September 30, 2026 or 2025.

7. VARIABLE INTEREST ENTITIES

In connection with certain of our financing structures, we have participated in the design and formation of certain special purpose vehicles (SPVs). The purpose of these SPVs is to enable the lenders and guarantors under these financing structures to perfect their security interest in certain aircraft that secure the related debt financings.

The SPVs have entered into secured loans with us, third parties, and/or financial institutions that are primarily guaranteed by ACG. The SPVs use the proceeds from these loans to purchase aircraft. The aircraft secure the loans and are leased, pursuant to capital leases, to an airline or to us. For loans in which ACG does not act as the lender, the loans are recourse to our general credit through ACG guarantees that are in place. These SPVs are considered VIEs because they do not have sufficient equity at risk.

In cases where we are the counter-party to the capital lease, we bear significant risk of loss and participate in gains through the leases, and we have the power to direct the activities that most significantly impact the economic performance of these SPVs. Therefore, we have determined we are the primary beneficiary of these types of SPVs and consolidate them into our consolidated financial statements as VIEs. We are not currently party to any such financing structures.

In cases where we are not the counter-party to the capital lease, we do not have the power to direct the activities that most significantly impact the economic performance of the SPVs. Therefore, we have determined that we are not the primary beneficiary of these types of SPVs and do not consolidate them into our consolidated financial statements. As of September 30, 2026, the only two SPVs in which we are not the counterparty to the capital lease involve two financing structures relating to our AFS activities.

The net carrying value of the AFS notes receivable owed to us by these non-consolidated SPVs as of September 30, 2026 and December 31, 2025 was $51.5 million and $56.4 million, respectively, which approximated its fair value at such dates, and is included in notes receivable, net. Our maximum exposure to loss approximates the net carrying value of the AFS notes receivable. As of September 30, 2026, based on our intent to sell the two remaining AFS notes receivable, we recorded the notes receivable at fair value less costs to sell.

8. FAIR VALUE

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. We determine fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

In some cases, the inputs used to measure fair value can fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument is based on the lowest level of input that is significant to the fair value measurement.

The valuation approaches that may be used to measure fair value are as follows:

Market	Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
Income	Uses valuation techniques to convert future amounts to a single current amount based on current market expectation about those future amounts.

Cost — Based on the amount that would be required currently to replace the service capacity of an asset (current replacement cost).

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

The objective of our hedging policy is to mitigate risk with respect to changes in interest rates. As of September 30, 2026 and December 31, 2025, we are party to several interest rate swap contracts designed to hedge current and future interest rate payments on some of our floating rate debt financings, and we have designated these swaps as hedging.

Interest rate swap contracts are agreements in which a series of interest rate cash flows are exchanged with a third party over a prescribed period. The notional amount on an interest rate swap contract is not exchanged. Interest rate swap contracts allow us to pay fixed amounts based on fixed interest rates and receive floating amounts based on SOFR rates, which converts our floating rate debt to fixed rate obligations to better match the largely fixed rate cash flows we receive from our rental payments.

As required for all qualifying and effective cash flow hedges, the change in fair value of the interest rate swap contracts is recorded in other comprehensive income (loss) (OCI). During the nine months ended September 30, 2026 and 2025, we recorded a pre-tax unrealized gain (loss) of $42.8 million and ($15.6) million, respectively, in OCI. During the nine months ended September 30, 2026 and 2025, our hedged forecasted transactions were determined to be probable of occurring.

No amounts were reclassified from accumulated other comprehensive income (AOCI) to earnings resulting from the discontinuance of cash flow hedges due to forecasted cash flows that were no longer probable of occurring for the nine months ended September 30, 2026 or 2025. Over the next twelve months, we do not anticipate that any net unrealized gains or losses on derivative instruments in AOCI that are reclassified to earnings will be material.

The fair value of the interest rate swap contracts is determined using market standard valuation methodologies using mid-market inputs that are observable in the market or that can be derived principally from or corroborated by observable market data (Level 2 in the fair value hierarchy) available to us as of September 30, 2026. The pricing models may utilize, among other things, relevant forward and spot rates.

Swap valuation procedures include both quantitative and qualitative analyses. Examples of procedures performed include, but are not limited to, obtaining third party valuations, reviewing internal calculations for reasonableness and review of changes in the market value of the derivative by accountants.

Credit risk arises from the potential failure of the counterparty to perform according to the terms of the swap contracts. Our exposure to credit risk at any point in time is represented by the fair value of the swap contracts when reported as an asset. Neither we nor our counterparty require collateral to support our swap contracts. As of September 30, 2026, the counterparties to our swap contracts were each rated investment grade by Standard and Poor’s, Moody's, and Fitch Ratings. A credit valuation analysis was performed for our positions to measure the risk that the counterparty to each transaction will be unable to perform under the contractual terms (nonperformance risk) and the risk was determined to be immaterial as of September 30, 2026.

Our swap contracts contain certain termination event clauses, including termination events related to specified changes in our ownership. If any such event occurs, our counterparty could choose to terminate the relevant swap contract with payment due based on the fair value of the underlying derivative. As of September 30, 2026, no such termination events have occurred.

From time to time we have received corporate securities from airlines as part of a bankruptcy settlement or a restructuring agreement. The corporate securities are valued using quoted prices in active markets for identical securities, when available, and are included in other assets, net.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. The following table presents our Level 1 and Level 2 assets and (liabilities) measured at fair value on a recurring basis and still held at period end (*In Thousands)*:

	Level	September 30, 2026	December 31, 2025
Securities and short-term investments	1	$13,166	$25,041
Interest rate swaps - derivative assets	2	$31,970	$—
Interest rate swaps - derivative liabilities	2	$—	($10,878)

As of September 30, 2026 and December 31, 2025, we did not have any material Level 3 assets or liabilities that we measured at fair value on a recurring basis.

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS

We test for impairment by measuring the fair value of our aircraft and related assets when events or changes to circumstances indicate that the carrying amounts of these assets may not be recoverable. The fair value measurements of our aircraft and related assets may be based on the estimated sales price, obtained from observable market inputs such as bids received or prices set forth in legal agreements, less selling costs (market approach) based on Level 2 inputs, maintenance adjusted estimated values (market approach) based on Level 3 inputs, or the present value of estimated future cash flows (income approach) based on Level 3 inputs.

The following table presents assets measured at fair value (at the relevant measurement date) on a non-recurring basis for the nine months ended September 30, 2026 and the year ended December 31, 2025 and still held at period end *(In Thousands):*

	September 30, 2026		December 31, 2025	
	Level 2	Level 3	Level 2	Level 3
Flight equipment held for lease, net	$10,678	$—	$141,732	$—
Assets held for sale	—	—	85,207	—
Notes receivable, net	51,482	—	—	—
Total	$62,160	$—	$226,939	$—

We used bids received or prices set forth in legal agreements, less selling costs, for all assets measured at fair value on a non-recurring basis during both the nine months ended September 30, 2026 and the year ended December 31, 2025.

LEVEL 3 INPUTS FOR FLIGHT EQUIPMENT HELD FOR LEASE, NET MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS

The key inputs for the income approach include the current contractual lease payments, estimated future lease payments extended to the end of the aircraft's estimated holding period in its highest and best use configuration, maintenance related reimbursement rights from a third party other than lessees, estimated disposition value less selling costs, and the discount rate. The key inputs to the market approach include maintenance adjusted estimated values.

Current contractual lease payments are future payments that third parties are contractually obligated to pay us based on in-force lease rates. Estimated future lease payments are based on the aircraft's type, age, configuration, current contracted lease rates for similar aircraft, industry trends, and the estimated holding period. We generally assume a 25-year estimated economic useful life for aircraft. Shorter or longer holding periods may be used based on our assessment of the continued marketability of certain aircraft types or when a potential sale of an individual aircraft has been identified or is likely. The estimated cash flows are then discounted to present value. In the case of a potential sale, the holding period is based on the estimated sale date. The disposition value reflects an estimated residual value or estimated sales price less selling costs and is generally estimated based on aircraft type, condition, and contractual terms.

For the nine months ended September 30, 2026, we did not measure any flight equipment held for lease at fair value on a non-recurring basis using Level 3 inputs.

9. DEBT FINANCINGS, NET

The following tables present the components of debt financings, net *(Dollars In Thousands)*:

	September 30, 2026					
	Carrying Amount	Maturity Date	Interest Rate	Type	Interest Period	Currency
Unsecured debt obligations:						
Senior Notes	$5,500,000	April 2027 - January 2033	3.5%-6.8%	Fixed	Semi-Annually	USD
Term Loans	2,845,908	February 2028 - July 2031	4.2%-5.1%	Floating	Monthly, Quarterly, and Semi-Annually	USD
Commercial paper	479,500	October 2026	4.0%-4.1%	Fixed	Various	USD
Secured debt obligations:						
Secured loans	1,080,828	July 2028 - April 2036	4.4%-4.9%	Floating	Quarterly	USD
Debt acquisition costs	(55,721)					
Original issuance discounts	(25,090)					
Debt financings, net	$9,825,425					

	December 31, 2025					
	Carrying Amount	Maturity Date	Interest Rate	Type	Interest Period	Currency
Unsecured debt obligations:						
Senior Notes	$5,250,000	September 2026 - October 2030	2.0%-6.8%	Fixed	Semi-Annually	USD
Term Loans	2,198,181	February 2028 - December 2029	4.1%-5.6%	Floating	Monthly, Quarterly, and Semi-Annually	USD
Commercial paper	495,000	January 2026	3.9%	Fixed	Various	USD
Secured debt obligations:						
Secured loans	599,138	June 2027 - April 2036	4.5%-5.0%	Floating	Quarterly	USD
Debt acquisition costs	(49,423)					
Original issuance discounts	(23,293)					
Debt financings, net	$8,469,603					

SENIOR UNSECURED NOTES

In January 2026, we issued two series of senior unsecured notes (Senior Notes) compromised of $400.0 million of Senior Notes due April 2029 with a fixed interest rate of 4.250% and $600.0 million of Senior Notes due January 2033 with a fixed interest rate of 4.875%.

As of September 30, 2026 and December 31, 2025, we had $5.5 billion and $5.3 billion, respectively, in Senior Notes outstanding. These notes are issued in reliance on Rule 144A and Regulation S under the U.S. Securities Act of 1933, as amended.

UNSECURED REVOLVING CREDIT FACILITIES

In June 2026, we entered into a fourth amended and restated credit agreement with a syndicate of lenders, which amended and restated our existing revolving credit facility (as amended, the Revolving Credit Facility). The Revolving Credit Facility is a senior unsecured revolving credit facility with commitments totaling $3.1 billion that mature in June 2030. Borrowings under the Revolving Credit Facility bear interest at either (i) adjusted term SOFR plus a margin determined by reference to the credit ratings for our debt or (ii) an alternative base rate. As of both September 30, 2026 and December 31, 2025, no amounts were outstanding under the Revolving Credit Facility. The Revolving Credit Facility serves as a backstop for our commercial paper program.

In June 2020, we established a revolving line of credit with Tokyo Century, which was amended and restated in June 2025 (as amended, the TC Revolving Credit Facility). The TC Revolving Credit Facility has a borrowing capacity of $1.5 billion (or its equivalent in JPY) and a current maturity of December 31, 2027. On December 31, 2026 and December 31 of each subsequent year, the TC Revolving Credit Facility will automatically extend for an additional twelve month period unless either party notifies the other party of its intent not to so extend the facility prior to November 1 of the same year. As of both September 30, 2026 and December 31, 2025, we had not drawn any amounts available under the TC Revolving Credit Facility.

In October 2024, our wholly owned subsidiary, ACG Aircraft Financing Ireland DAC (AAFID), entered into a five-year senior unsecured facilities agreement with a syndicate of lenders in Asia that includes a $500.0 million revolving credit facility (the Asia Revolver) and a $500.0 million term loan facility, each of which is guaranteed by ACG LLC. Borrowings under this facility will bear interest at term SOFR plus a margin. As of both September 30, 2026 and December 31, 2025, no amounts are outstanding under the Asia Revolver.

COMMERCIAL PAPER PROGRAM

We have a $1.5 billion commercial paper program under which we may issue notes in minimum denominations of $250 thousand for periods ranging from one to 397 days. As of September 30, 2026 and December 31, 2025, we had commercial paper outstanding in the amount of $479.5 million and $495.0 million, respectively.

UNSECURED TERM LOANS

In December 2022, we entered into a seven-year senior unsecured term loan with JBIC that is guaranteed by Tokyo Century (JBIC Term Loan). We drew the full $300.0 million of commitments available under this loan in January 2023. Principal amounts due under the JBIC Term Loan are paid in semi-annual installments that began in December 2024, with final maturity in December 2029. As of September 30, 2026 and December 31, 2025, $190.9 million and $218.2 million, respectively, was outstanding under this loan.

In February 2024, we entered into a four-year senior unsecured term loan with BNP Paribas (acting through its Tokyo Branch) acting as agent for a syndicate of lenders from time to time party thereto (2024-1 Term Loan). We drew the full $350.0 million of commitments available under this loan in February 2024. The 2024-1 Term Loan was originally scheduled to mature in February 2028 and bore interest at term SOFR plus an applicable margin. As of December 31, 2025, $350.0 million was outstanding under this loan. In February 2026, we prepaid the full $350.0 million of the principal amount outstanding under the 2024-1 Term Loan and there are no longer any amounts outstanding under this loan.

In October 2024, AAFID entered into the $500.0 million term loan facility described above (2024-2 Term Loan) and drew the full $500.0 million of commitments available under this loan in November 2024. The 2024-2 Term Loan is guaranteed by ACG LLC and matures in October 2029. As of both September 30, 2026 and December 31, 2025, $500.0 million was outstanding under this loan.

In October 2024, we amended and restated a senior unsecured term loan (2024-3 Term Loan) that we had originally entered into with a syndicate of lenders in July 2022. In December 2025, we further amended the 2024-3 Term Loan, including extending the maturity date to January 2029. The 2024-3 Term Loan had initial commitments of $550.0 million, with the ability to increase the commitments by up to an additional $300.0 million in the aggregate via an accordion. In January 2026, we used the accordion to increase the total commitments by $25.0 million, resulting in $275.0 million remaining available under the accordion. The interest margin on the 2024-3 Term Loan is linked to our performance against two key performance indicators (KPIs) related to our sustainability initiatives. These KPIs were both achieved for fiscal year 2025. As of September 30, 2026 and December 31, 2025, $575.0 million and $550.0 million, respectively, was outstanding under this loan.

In October 2025, we amended and restated a senior unsecured term loan (2025-1 Term Loan) that we had originally entered into with a syndicate of lenders in December 2022. The 2025-1 Term Loan matures in full in October 2029 and has initial commitments of $230.0 million, with the ability to increase the commitments by up to an additional $70.0 million in the aggregate. The original loan was guaranteed by Tokyo Century, but Tokyo Century no longer acts as guarantor under the 2025-1 Term Loan. As of both September 30, 2026 and December 31, 2025, $230.0 million was outstanding under this loan.

In December 2025, we entered into a $350.0 million senior unsecured term loan with Wells Fargo Bank, National Association (2025-2 Term Loan). The 2025-2 Term Loan matures in February 2028 and bears interest at term SOFR plus an applicable margin. As of both September 30, 2026 and December 31, 2025, $350.0 million was outstanding under this loan.

In July 2026, our wholly owned subsidiary, ACG Aircraft Financing Ireland DAC, entered into a five-year senior unsecured facility agreement (the Facility Agreement) with a syndicate of lenders in Asia that provides for a term loan facility with commitments totaling approximately $1.48 billion. In September 2026, we drew $1.0 billion under the Facility Agreement. Borrowings under this facility are guaranteed by ACG LLC and bear interest at term SOFR plus a margin. Amounts under this facility are available to be drawn for a period of six months from the date of the Facility Agreement and mature in July 2031. As of September 30, 2026, $1.0 billion was outstanding under this facility. On November 3, 2026, we issued a utilization request for the remaining amount available under this facility.

SECURED DEBT OBLIGATIONS

In July 2024, we entered into two secured loans guaranteed by the export credit agencies (ECAs) of the United Kingdom, France, and/or Germany with an aggregate principal amount of $104.3 million and final maturity in April 2036. These loans were financed through wholly owned subsidiaries of ACG LLC, are secured by the financed aircraft and are also guaranteed by ACG LLC. As of September 30, 2026, two of our owned aircraft with an aggregate carrying value of $117.8 million were pledged as collateral. As of September 30, 2026 and December 31, 2025, $89.9 million and $95.4 million, respectively, was outstanding under these secured loans.

In June 2025, our wholly owned subsidiary, ACG Funding 2025-1 LLC, as borrower, entered into a $1.0 billion senior secured delayed draw term loan with Credit Agricole Corporate and Investment Bank, as administrative agent for a syndicate of lenders from time to time party thereto (Secured DDTL). During the funding period, which ended in June 2026, we could request advances by pledging eligible aircraft and related collateral, including the related lease. As of September 30, 2026, 21 of our owned aircraft with an aggregate carrying value of $1,266.3 million were pledged as collateral. Loans made under the facility are secured by mortgages over the financed aircraft and the equity interests in the borrower, and the obligations of the borrower under the Secured DDTL are guaranteed by ACG LLC. Borrowings under this facility bear interest at term SOFR plus a margin. In April 2026, we extended the maturity date of the facility from June 2027 to July 2028. As of September 30, 2026 and December 31, 2025, $990.9 million and $503.8 million, respectively, was outstanding under the Secured DDTL.

Except as noted above, our outstanding debt as of September 30, 2026 is recourse only to ACG and is not guaranteed by Tokyo Century.

As of September 30, 2026 and December 31, 2025, we were in compliance with all applicable debt covenants.

10. COMMITMENTS AND CONTINGENCIES

LEASE COMMITMENTS

We lease office facilities in Newport Beach, California; Dublin, Ireland; Singapore; and Miami, Florida under non-cancelable operating leases.

CAPITAL COMMITMENTS

As of September 30, 2026, we had purchase commitments for 183 aircraft scheduled for delivery through 2033. All of these commitments arise from fixed price purchase agreements with Boeing, Airbus and other third parties, and may include escalation provisions. Under certain circumstances, we have the right to alter the mix of aircraft types ultimately acquired from original equipment manufacturers (OEMs). The OEMs have informed us of expected delivery delays relating to certain aircraft, including as a result of disruption in their production systems. We remain in active discussions with Boeing and Airbus to determine the estimated impact and duration of continued delivery delays given the recent adjustments to their production systems. The commitment schedule below reflects our estimate of when the Boeing and Airbus deliveries will occur. Our leases contain lessee cancellation clauses related to aircraft delivery delays, typically for delays greater than one year. Our purchase agreements with Boeing and Airbus contain similar clauses.

In October 2026, we finalized an order with Airbus for 75 A320neo family aircraft that are scheduled to deliver through 2035. These commitments are not included in the table below.

The following table presents the estimated remaining payments for the purchase of aircraft as of September 30, 2026 *(In Thousands)*:

Years Ending December 31:	
Remainder of 2026	$1,215,585
2027	1,173,114
2028	2,217,815
2029	2,207,978
2030	763,792
Thereafter	2,661,808
Total	$10,240,092

As of September 30, 2026, deposits made related to our purchase agreements totaled $1,154.3 million and are included in prepayments on flight equipment.

GUARANTEES

In connection with our AFS activities, we provide repayment guarantees for loans for the benefit of airlines to finance new aircraft deliveries or to finance aircraft already owned by the airlines. These guarantees are limited to the borrower's failure to timely repay principal and interest on the amortizing senior secured loans to the third-party lenders. The guaranteed loans are collateralized by the financed aircraft and typically have a term of 12 years or less with a maximum term of up to 15 years. The guaranteed loans are denominated in USD or Euros. As of September 30, 2026 and December 31, 2025, the guarantee liability on our consolidated balance sheet was $5.8 million and $6.5 million, respectively, and is included in accounts payable, accrued expenses and other liabilities. As of September 30, 2026, if all of the airlines defaulted on their ACG guaranteed loans, our obligation and the estimated potential amount of future principal payments we could be required to make to third party lenders under the guarantees was $462.6 million. However, the guaranteed loans are collateralized by the financed aircraft to the extent of the outstanding loans and unpaid interest due to ACG and, to the extent possible, the guaranteed loans are cross-defaulted and cross-collateralized with other guaranteed aircraft loans and/or operating leases in our portfolio with that airline.

Our exposure related to repayment guarantees reflects the risk that the borrowers fail to meet their payment obligations. We record the allowance for credit losses related to our repayment guarantees in accounts payable, accrued expenses and other liabilities. We record an allowance for credit losses at the initial recognition of a repayment guarantee based on our estimate of expected credit losses over the contractual term. Our methodology for calculating the allowance for credit losses is described in Note 4 and is based on our estimate of expected credit losses over the term of the guaranteed loan.

GENERAL

In the ordinary course of business, as part of contractual agreements, we provide certain indemnifications related to debt financings, aircraft acquisitions, aircraft dispositions, and other transactions. Historically, we have not made payments for these types of indemnifications. There are currently no indemnifications from which a probable and reasonably estimable loss could arise. Therefore, as of September 30, 2026 and December 31, 2025, we had no related liabilities to disclose.

In the ordinary course of our business, we are a party to various legal proceedings, claims and litigation we believe are incidental to the operation of our business. Typically, these claims relate to incidents involving our aircraft and claims that involve the existence or breach of a lease, sale, or purchase contract. We regularly review the possible outcome of such legal actions and accrue for such legal actions at the time a loss is probable and the amount of the loss can be estimated. We also review all applicable indemnities and insurance coverage. Based on information currently available, we believe the potential outcome of these claims, and any reasonably possible losses exceeding amounts already recognized on an aggregated basis, are immaterial to our consolidated financial statements.

11. INCOME TAXES

For the nine months ended September 30, 2026 and 2025, our effective tax rates were 8.28% and 5.83%, respectively. The effective tax rates for the respective periods are based upon our expected annual tax expense and projected income for 2026 and 2025, as adjusted for discrete tax items. We are a disregarded entity for U.S. tax purposes and not subject to federal income tax. Instead, our sole member, TCSA, is responsible for income taxes on our U.S. federal and most state taxable income. Therefore, our annual effective tax rate is primarily driven by the operations of our foreign entities that remain subject to tax in their local jurisdiction.

The effective tax rates for the nine months ended September 30, 2026 and 2025 differ from the statutory rates due to our status as an entity disregarded as separate from our owner, permanent differences and the impact of expected annual foreign income or loss subject to lower statutory rates.

We have recorded valuation allowances to reduce deferred tax assets held by ACG Aircraft Leasing Ireland Ltd. and Aviation Capital Group Singapore Pte. Ltd., both of which are wholly owned subsidiaries of ACG LLC, to the extent we believe it is more likely than not that a portion of such assets will not be realized. In making such determinations, we considered all available positive and negative evidence and determined that a valuation allowance should be recorded against our deferred tax assets, net of deferred tax liabilities.

12. EMPLOYEE BENEFITS

We have defined contribution plans for our employees, including a retirement incentive savings plan, a deferred compensation plan and a supplemental executive retirement plan. As of September 30, 2026 and December 31, 2025, we had a liability associated with these plans of $12.2 million and $12.1 million, respectively, which is included in accounts payable, accrued expenses and other liabilities.

13. RELATED PARTY TRANSACTIONS

We have a servicing agreement with Tokyo Century to provide certain aircraft related management services for specified aircraft in Tokyo Century's fleet that expires in 2028. We also have entered into the TC Revolving Credit Facility directly with Tokyo Century and Tokyo Century serves as the guarantor for our JBIC Term Loan (Note 9).

In the ordinary course of business, we have entered into certain transactions with an affiliate of Tokyo Century, including engaging with the affiliate to provide certain aircraft maintenance and related services to us. All transactions with the affiliate are entered into at arm's length. From time to time, we have also engaged in aircraft trading transactions with ITOCHU. As disclosed above, Tokyo Century has entered into the SPA with ITOCHU, pursuant to which ITOCHU is expected to acquire a 50% ownership interest in TCSA, our direct parent company. As of September 30, 2026, our assets held for sale include approximately $130 million related to sale transactions with ITOCHU.

In March 2026, the Board of Representatives of ACG LLC (the “Board”) authorized and paid a distribution of $65.8 million in cash to TCSA, the sole member of ACG LLC. In October 2026, we paid a special distribution of $313.9 million in cash to TCSA, as authorized by the Board and contemplated by the SPA. The special distribution was made in connection with the Share Transfer as described in Note 1. The distribution will reduce our cash and member's equity and will be presented as a financing activity in our statement of cash flows in the fourth quarter of 2026. The timing and amount of any future distributions will be determined by the Board and will depend, among other things, upon our earnings, financial condition, cash requirements, and investment opportunities at the time any such payment is considered.

14. SUBSEQUENT EVENTS

We have evaluated events subsequent to September 30, 2026 and through November 9, 2026, the date these consolidated financial statements were available to be issued, and have concluded that, except for the events noted in Note 9, Note 10, and Note 13, no events or transactions have occurred subsequent to September 30, 2026 that require consideration as adjustments to, or disclosures in, the consolidated financial statements.