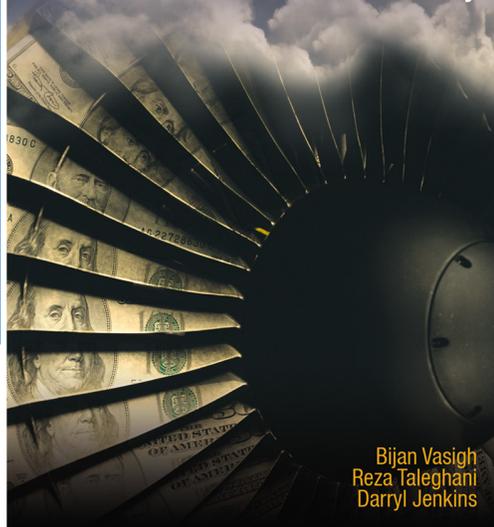


# AIRCRAFT FINANCE

Strategies for Managing Capital Costs in a Turbulent Industry



Bijan Vasigh  
Reza Taleghani  
Darryl Jenkins

Must Have!

An important reference for the airline industry

# AIRCRAFT FINANCE

## Strategies for Managing Capital

Bijan Vasigh, Reza Taleghani, and Darryl Jenkins

### About the Authors

**Bijan Vasigh** is professor of Economics and Finance in the College of Business at Embry-Riddle Aeronautical University. He has written extensively on the aviation industry, including one of North America's leading aviation textbooks, *An Introduction to Air Transport Economics*.

**Reza Taleghani** is currently a Managing Director with J.P. Morgan Securities in New York where he has spent the majority of his career as an investment banker to the air transport sector. He was formally President and CEO of Sterling Airlines, a leading Scandinavian low-cost carrier.

**Darryl Jenkins** has over 30 years experience in the industry, including extensive mergers and acquisitions dealings at United and Delta. He is a frequent commentator for major media outlets on aviation issues, a regular speaker at conferences and the author of several books.

"These authors know aviation, the airline industry, and aircraft finance. This book is a comprehensive description of the industry's entire food chain where readers will be able to understand where money is made and where value is so often destroyed in enormous quantities at so many airlines. It is definitely worth reading!"

—Robert A. Milton, *Chairman & C.E.O. Air Canada (Retired)*

Perhaps no worldwide industry has gone through a more turbulent decade than the airline industry. Now more than ever, it is critically important to develop a methodology that estimates an aircraft's value and determines efficient utilization to ensure an acceptable rate of return on this most-important asset. **Aircraft Finance** provides a comprehensive review of aircraft finance and valuation and presents a detailed methodology for accurate valuations. The methodology measures return on investment, improves the efficiency of managing operating costs, and more effectively determines revenue analysis.

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# Aircraft Finance: Strategies for Managing Capital Costs in a Turbulent Industry

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"In this insightful book, the authors bring the financial aspects of this highly capitalized and dynamic industry to life, giving the reader an understanding of the decisions that have led to the current state of aircraft production and the airlines that fly them. It begins by offering the reader a historical perspective of the aircraft landscape, providing case studies that help with an understanding of the significance of decisions on which aircraft were once built and which aircraft were once bought. The book highlights the financial sensitivities that contribute to the volatility we see inherent in the business today. The reader will be intrigued by the trade-offs airlines and aircraft manufacturers make and the impact these trade-offs have on the valuation of the aircraft asset and airlines' fleet and route decisions. The book also provides insight into different financing alternatives, as well as the structural ramifications of those decisions. It helps explain why the pace of change is so rapid, the need to change so important, and why those who don't will be as obsolete as the aircraft that sit in the desert today."

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Executive Vice President and Chief Financial Officer,  
United Airlines

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