

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

**FORM 10-K/A
Amendment No. 1**

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2012

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 001-15369

WILLIS LEASE FINANCE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

68-0070656
(IRS Employer Identification No.)

773 San Marin Drive, Suite 2215, Novato, CA
(Address of principal executive offices)

94998
(Zip Code)

Registrant's telephone number, including area code **(415) 408-4700**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of each exchange on which registered
Common Stock	NASDAQ

Securities registered pursuant to Section 12(g) of the Act: **None.**

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of voting stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2012) was approximately \$74.9 million (based on a closing sale price of \$12.32 per share as reported on the NASDAQ National Market).

The number of shares of the registrant's Common Stock outstanding as of March 14, 2013 was 8,692,743.

Documents Incorporated by Reference

The registrant's 2012 Annual Report on Form 10K, Reports of Independent Registered Public Accounting Firms, and the Definitive Proxy Statement on Schedule 14A, is incorporated by reference into Part IV hereof.

EXPLANATORY NOTE

This Amendment No. 1 (“Amendment”) to Form 10-K amends the Annual Report on Form 10-K for the fiscal year ended December 31, 2012, originally filed with the Securities and Exchange Commission on March 18, 2013 (the “Original 10-K”), of Willis Lease Finance Corporation (the “Registrant”, the “Company”, “we” and “our”). We are filing this Amendment with respect to Item 15 of the Original 10-K to include the separate condensed financial schedules for fiscal years ended December 31, 2012, 2011 and 2010, respectively, as Schedule I, which should be read in conjunction with the Company’s consolidated financial statements and notes to the consolidated financial statements of the Original 10-K. Additionally, this Amendment corrects XBRL rendering that was incorrect at the time of the Original 10-K filing.

In connection with the filing of this Amendment, the currently dated certifications from our Chief Executive Officer, our Chief Financial Officer and consent of the independent registered public accounting firm are attached as exhibits hereto.

Except as described above, this Amendment does not amend, update or change the financial statements of the Company or any other items or disclosures contained in the Original 10-K and does not otherwise reflect events occurring subsequent to the original filing date of the Original 10-K on March 18, 2013.

**WILLIS LEASE FINANCE CORPORATION
2012 FORM 10-K ANNUAL REPORT**

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PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Item 15 of the Original 10-K is amended by the addition of the following:

(a) (2) Financial Statement Schedule

Schedule I, Parent Company Financial Statements, are submitted as a separate section of this report starting on page 7.

All other financial statement schedules have been omitted as the required information is not pertinent to the Registrant or is not material or because the required information is included in the Financial Statements and Notes thereto.

(a) (3), (b) and (c): Exhibits: The response to this portion of Item 15 is submitted below.

EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
23.1	Consent of KPMG LLP.
31.1	Certification of Charles F. Willis, IV, pursuant to Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Bradley S. Forsyth, pursuant to Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101+	The following materials from the Company's report on Form 10-K for the fiscal year ended December 31, 2012, formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Shareholder's Equity and Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, and (v) Notes to Consolidated Financial Statements.

+ Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 3, 2013

Willis Lease Finance Corporation

By: /s/ CHARLES F. WILLIS, IV
Charles F. Willis, IV
Chairman of the Board and
Chief Executive Officer

<u>Dated:</u>	<u>Title</u>	<u>Signature</u>
Date: April 3, 2013	Chief Executive Officer and Director (Principal Executive Officer)	<u>/s/ CHARLES F. WILLIS, IV</u> Charles F. Willis, IV
Date: April 3, 2013	Chief Financial Officer and Senior Vice President (Principal Finance and Accounting Officer)	<u>/s/ BRADLEY S. FORSYTH</u> Bradley S. Forsyth

**WILLIS LEASE FINANCE CORPORATION
AND SUBSIDIARIES
SCHEDULE I — CONDENSED BALANCE SHEETS
Parent Company Information
December 31, 2012 and 2011
(In thousands, except share data)**

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
ASSETS		
Cash and cash equivalents	\$ 4,142	\$ 6,429
Equipment held for operating lease, less accumulated depreciation	266,302	320,240
Equipment held for sale	18,271	14,164
Operating lease related receivable, net of allowances	3,688	3,395
Notes receivable, net of allowances	-	5
Investments	21,831	15,239
Investment in subsidiaries	198,443	148,104
Due from subsidiaries, net	-	2,298
Deferred income taxes	3,164	-
Property, equipment & furnishings, less accumulated depreciation	5,989	6,901
Equipment purchase deposits	1,369	1,369
Other assets, net	9,257	9,722
Total assets	<u>\$ 532,456</u>	<u>\$ 527,866</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 11,313	\$ 11,375
Due to subsidiaries, net	2,648	-
Liabilities under derivative instruments	1,690	2,789
Deferred income taxes	-	9,555
Notes payable	301,671	252,006
Maintenance reserves	11,787	11,820
Security deposits	1,994	2,676
Unearned lease revenue	1,800	984
Total liabilities	<u>332,903</u>	<u>291,205</u>
Shareholders' equity:		
Preferred stock (\$0.01 par value, 5,000,000 shares authorized; 0 and 3,475,000 shares issued and outstanding at December 31, 2012 and 2011, respectively)	-	31,915
Common stock (\$0.01 par value, 20,000,000 shares authorized; 8,715,580 and 9,109,663 shares issued and outstanding at December 31, 2012 and 2011, respectively)	87	91
Paid-in capital in excess of par	47,785	56,842
Retained earnings	152,911	156,704
Accumulated other comprehensive loss, net of income tax benefit	(1,230)	(8,891)
Total shareholders' equity	<u>199,553</u>	<u>236,661</u>
Total liabilities and shareholders' equity	<u>\$ 532,456</u>	<u>\$ 527,866</u>

**WILLIS LEASE FINANCE CORPORATION
AND SUBSIDIARIES**
SCHEDULE I — CONDENSED STATEMENTS OF INCOME (LOSS)
Parent Company Information
Years Ended December 31, 2012, 2011 and 2010
(In thousands)

	Years Ended December 31,		
	2012	2011	2010
REVENUE			
Lease rent revenue	\$ 30,564	\$ 36,181	\$ 28,486
Maintenance reserve revenue	13,139	11,344	11,187
Gain on sale of leased equipment	3,605	7,895	3,782
Other revenue	10,809	12,487	14,586
Total revenue	<u>58,117</u>	<u>67,907</u>	<u>58,041</u>
EXPENSES			
Depreciation expense	18,764	17,783	14,800
Write-down of equipment	2,621	2,306	2,874
General and administrative	30,565	34,151	27,917
Technical expense	3,336	3,711	3,720
Net finance costs:			
Interest expense	11,471	14,328	15,039
Interest income	-	(40)	(25)
Loss on debt extinguishment	94	343	—
Total net finance costs	<u>11,565</u>	<u>14,631</u>	<u>15,014</u>
Total expenses	<u>66,851</u>	<u>72,582</u>	<u>64,325</u>
Loss from operations	(8,734)	(4,675)	(6,284)
Earnings from joint ventures	<u>1,759</u>	<u>1,295</u>	<u>1,109</u>
Loss before income taxes	(6,975)	(3,380)	(5,175)
Income tax benefit/(expense)	2,196	(628)	1,602
Equity in income of subsidiaries, net of tax of \$3,357, \$8,902, and \$9,232 at December 31, 2012, 2011 and 2010, respectively	<u>6,314</u>	<u>18,516</u>	<u>15,623</u>
Net income	\$ 1,535	\$ 14,508	\$ 12,050
Preferred stock dividends	2,493	3,128	3,128
Preferred stock redemption costs	<u>2,835</u>	<u>-</u>	<u>-</u>
Net income (loss) attributable to common shareholders	<u>\$ (3,793)</u>	<u>\$ 11,380</u>	<u>\$ 8,922</u>

**WILLIS LEASE FINANCE CORPORATION
AND SUBSIDIARIES**
SCHEDULE I – CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Parent Company Information
Years Ended December 31, 2012, 2011 and 2010
(In thousands)

	Twelve Months Ended December 31		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net income	\$ 1,535	\$ 14,508	\$ 12,050
Other comprehensive income (loss):			
Derivative instruments			
Unrealized losses on derivative instruments	(1,039)	(2,145)	(6,254)
Reclassification adjustment for losses included in net income	<u>1,901</u>	<u>3,356</u>	<u>5,781</u>
Net gain (loss) recognized in other comprehensive income	<u>862</u>	<u>1,211</u>	<u>(473)</u>
Tax benefit (expense) related to items of other comprehensive income (loss)	(406)	(420)	171
Other comprehensive income (loss) from parent	<u>456</u>	<u>791</u>	<u>(302)</u>
Other comprehensive income (loss) from subsidiaries	<u>7,205</u>	<u>787</u>	<u>(1,880)</u>
Total other comprehensive income (loss)	<u>7,661</u>	<u>1,578</u>	<u>(2,182)</u>
Total comprehensive income	<u>\$ 9,196</u>	<u>\$ 16,086</u>	<u>\$ 9,868</u>

**WILLIS LEASE FINANCE CORPORATION
AND SUBSIDIARIES**
SCHEDULE I — CONDENSED STATEMENTS OF CASH FLOWS
Parent Company Information
Years Ended December 31, 2012, 2011 and 2010
(In thousands)

	Years Ended December 31,		
	2012	2011	2010
Cash flows from operating activities:			
Net income	\$ 1,535	\$ 14,508	\$ 12,050
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in income of subsidiaries	(6,314)	(18,516)	(15,623)
Depreciation expense	18,764	17,783	14,800
Write-down of equipment	2,621	2,306	2,874
Stock-based compensation expenses	3,144	3,173	2,678
Amortization of deferred costs	2,215	1,360	2,719
Amortization of interest rate derivative cost	(236)	483	2,956
Allowances and provisions	34	(157)	(21)
Gain on sale of leased equipment	(3,605)	(7,895)	(3,782)
Gain on insurance settlement	(173)	—	—
Gain on sale of interest in joint venture	—	—	(2,020)
Other non-cash items	—	(1,113)	—
Income from joint ventures, net of distributions	(957)	(485)	(160)
Non-cash portion of loss on debt extinguishment	94	343	—
Deferred income taxes	(2,196)	4,325	(2,041)
Changes in assets and liabilities:			
Receivables	(292)	(1,037)	(908)
Notes receivable	5	78	259
Other assets	(1,329)	(910)	(2,146)
Accounts payable and accrued expenses	(2,421)	(9,066)	4,473
Due to / from subsidiaries	4,946	553	(546)
Maintenance reserves	2,898	3,008	(2,590)
Security deposits	(641)	759	379
Unearned lease revenue	335	(72)	144
Net cash provided by operating activities	<u>18,427</u>	<u>9,428</u>	<u>13,495</u>
Cash flows from investing activities:			
Increase in investment in subsidiaries	(100,649)	(1,800)	(21,814)
Distributions received from subsidiaries	106,183	22,851	39,314
Proceeds from sale of equipment held for operating lease (net of selling expenses)	21,371	61,309	13,520
Proceeds from sale of interest in joint venture	—	—	3,500
Investment in joint ventures	(5,636)	(8,943)	—
Purchase of equipment held for operating lease	(40,465)	(99,132)	(25,946)
Purchase of property, equipment and furnishings	(1,219)	(904)	(399)
Net cash provided by (used in) investing activities	<u>(20,415)</u>	<u>(26,619)</u>	<u>8,175</u>
Cash flows from financing activities:			
Proceeds from issuance of notes payable	236,392	132,409	120,466
Debt issuance cost	(516)	(3,565)	(268)
Preferred stock dividends	(2,493)	(3,128)	(3,128)
Proceeds from shares issued under stock compensation plans	1,725	672	1,268
Cancellation of restricted stock units in satisfaction of withholding tax	(1,194)	(968)	(775)
Excess tax benefit from stock-based compensation	—	779	422
Redemption of preferred stock	(34,750)	—	—
Repurchase of common stock	(12,736)	(5,661)	(4,156)
Cash settlement of stock options	—	(1,262)	—
Principal payments on notes payable	(186,727)	(97,858)	(135,309)
Net cash provided by (used in) financing activities	<u>(299)</u>	<u>21,418</u>	<u>(21,480)</u>
Increase/(Decrease) in cash and cash equivalents	(2,287)	4,227	190
Cash and cash equivalents at beginning of period	6,429	2,202	2,012
Cash and cash equivalents at end of period	<u>\$ 4,142</u>	<u>\$ 6,429</u>	<u>\$ 2,202</u>
Supplemental disclosures of cash flow information:			
Net cash paid for:			
Interest	\$ 8,105	\$ 9,307	\$ 7,462
Income Taxes	<u>\$ 101</u>	<u>\$ 155</u>	<u>\$ 541</u>
Supplemental disclosures of non-cash investing activities:			

During the years ended December 31, 2012, 2011, 2010, engines and equipment totaling \$14,156, \$17,067 and \$70, respectively, were transferred from Held for Operating Lease to Held for Sale but not settled.

During the years ended December 31, 2012, 2011, 2010, engines and equipment totaling \$56,562, \$2,448 and \$14,417, respectively, were transferred from the parent to its subsidiaries.

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Willis Lease Finance Corporation:

The audits referred to in our report dated March 18, 2013, included the related financial statement schedules as of December 31, 2012, and for each of the years in the three-year period ended December 31, 2012, included in the annual report on Form 10-K of Willis Lease Finance Corporation. These financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement schedules based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We consent to the incorporation by reference in the registration statements (No. 333-15343, 333-48258, 333-63830, 333-109140) on Form S-8 of Willis Lease Finance Corporation and subsidiaries of our reports dated March 18, 2013, with respect to the consolidated balance sheets of Willis Lease Finance Corporation and subsidiaries as of December 31, 2012 and 2011, and the related consolidated statements of income (loss), comprehensive income (loss), shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2012, and related financial statement schedules, and the effectiveness of internal control over financial reporting as of December 31, 2012, which reports appear in the December 31, 2012 annual report on Form 10-K of Willis Lease Finance Corporation.

/s/ KPMG LLP

San Francisco, California
April 3, 2013

CERTIFICATIONS

I, Charles F. Willis IV, certify that:

1. I have reviewed this report on Form 10-K of Willis Lease Finance Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 3, 2013

/s/ Charles F. Willis, IV
Charles F. Willis, IV
Chief Executive Officer
Chairman of the Board

CERTIFICATIONS

I, Bradley S. Forsyth, certify that:

1. I have reviewed this report on Form 10-K of Willis Lease Finance Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 3, 2013

/s/ Bradley S. Forsyth

Bradley S. Forsyth
Chief Financial Officer
Senior Vice President

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Each of the undersigned hereby certifies, in his or her capacity as an officer of Willis Lease Finance Corporation (the "Company"), for purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his or her knowledge:

- the Annual Report of the Company on Form 10-K for the year ended December 31, 2012 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in such report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: April 3, 2013

/s/ Charles F. Willis, IV
Charles F. Willis, IV
Chairman of the Board and Chief Executive Officer

/s/ Bradley S. Forsyth
Bradley S. Forsyth
Senior Vice President and Chief Financial Officer