

**Unofficial Translation
of German Original**

Wenger Plattner
Seestrasse 39 | Postfach
CH-8700 Küsnacht-Zürich

T +41 43 222 38 00
F +41 43 222 38 01
www.wenger-plattner.ch

To the creditors of Flightlease AG
in debt restructuring liquidation

Karl Wüthrich, lic. iur.
Rechtsanwalt | Attorney at Law
swissair@wenger-plattner.ch
Eingetragen im Anwaltsregister

Küsnacht, May 2018

Flightlease AG in debt restructuring liquidation; Circular no. 22

Dear Sir or Madam

This circular provides information on the progress of the debt restructuring liquidation of Flightlease as well as on the planned next steps in these proceedings.

I. REPORT ON ACTIVITIES AS AT 31 DECEMBER 2017

After having been acknowledged and approved by the Creditors' Committee, the 15th Liquidator's report on activities for 2017 was submitted to the debt restructuring judge at the District Court of Bülach on 6 March 2018. The report is available for inspection by creditors at the Liquidator's offices at Seestrasse 39, Goldbach Center, 8700 Küsnacht, until 22 May 2018. If you wish to inspect the report, please call the hotline at +41 43 222 38 50.

The following pages summarise the report on activities if the creditors have not already been provided with information by way of Circular no. 21 of June 2017.

II. OVERVIEW OF THE LIQUIDATION PROCEEDINGS

1. ACTIVITIES OF THE LIQUIDATOR

Last year, the Liquidator's main focus was the collection of claims against former Swissair Group companies that are in insolvency proceedings at home and abroad (see section III.2. below), on settling of the schedule of claims (see Circular no. 21, section. IV.4.) and on the issuance of the third interim payment to the creditors with third class claims (see Circular no. 21, section I.).

2. ACTIVITIES OF THE CREDITORS' COMMITTEE

The Creditors' Committee held no meetings in 2017. The Creditors' Committee made decisions on three proposals submitted by the Liquidator by circular.

III. STATUS OF ASSETS OF FLIGHTLEASE AG AS AT 31 DECEMBER 2017

1. INTRODUCTORY REMARKS

Enclosed is a report on the liquidation status of Flightlease as at 31 December 2017 (Enclosure 1). It contains a statement of the assets of Flightlease as at 31 December 2017 in accordance to the information currently available.

2. ASSETS

Assets that have not yet been realised consist of claims against former Swissair Group companies at home and abroad that are subject to insolvency or liquidation proceedings. These claims were carefully assessed based on our current knowledge. Any liability claims are listed pro memoria.

3. LIABILITIES OF THE ESTATE

The accounts payable reported as at 31 December 2017 relate to costs incurred during debt restructuring liquidation.

Provisions for the first three interim payments: Flightlease's liquidation status as of 31 December 2017 includes the following provisions for the first three interim payments:

Type of provision	1st interim payment in CHF	2nd interim payment in CHF	3rd interim payment in CHF
No payment instructions	93,750	52	28,336
Contingent claims where conditions have not yet been met	1,065,544	1,491,762	1,747,492
Total provisions	1,159,294	1,491,814	1,775,828

These provisions ensure that the maximum amounts for the three interim payments with respect to all unsettled claims are secured.

4. CLAIMS OF CREDITORS

The overview of the proceedings regarding the schedule of claims (Enclosure 2) shows that the Flightlease's schedule of claims is settled.

5. ESTIMATED DIVIDEND

The liquidation of assets has largely been completed. The liquidation status of Flightlease as at 31 December 2017 provides information on current disposable assets.

The disposable assets reported in the liquidation status result in a dividend of 11.6 %. Of this, 10.1 % has already been paid out by three previous interim payments. The future dividend still to be expected will therefore probably be in the range of 1.5 %.

IV. LIQUIDATION OF ASSETS

In 2017 the Liquidator was able to liquidate assets amounting to CHF 19,192,070. In 2017, Flightlease mainly received the five interim payments (around CHF 13.7m) on its claims against SAirGroup AG in debt restructuring liquidation, which were finally registered as third-class claims in connection with settlement of the reciprocal claims with SAirGroup (see Circular no. 20, section I). It further received the third interim payment (around CHF 5.5m) from Swissair Schweizerische Luftverkehr-AG in debt restructuring liquidation on its claim against this party which was finally registered as third-class claim.

V. PURSUIT OF LIABILITY CLAIMS

With regard to further liability issues, Flightlease reserves the right to submit claims against the responsible parties.

VI. PLANNED NEXT STEPS IN THE ONGOING PROCEEDINGS

To the extent possible, the debt restructuring liquidation of Flightlease now mainly focuses on the collection of claims against the former Swissair Group companies (see section II.2. above). In this connection, the conclusion of the pending insolvency or liquidation proceedings must be awaited. It is currently difficult to estimate how much longer these collection activities will take. A decision will then need to be rendered on the steps that should be taken next as regards the liability claims.

Depending on the course of the proceedings, Creditors will continue to receive information about important developments in the form of circulars. A report on the progress of the liquidation proceedings this year will be issued by spring 2019 at the latest.

Yours sincerely

Flightlease AG in debt restructuring liquidation
The Liquidator:

Karl Wüthrich

- Enclosure: 1. Liquidation status of Flightlease AG in debt restructuring liquidation as at 31 December 2017
2. Overview of the schedule of claims proceedings of Flightlease AG in debt restructuring liquidation

www.liquidator-swissair.ch

**Hotline Flightlease AG
in debt restructuring liquidation**

Deutsch: +41-43-222-38-30

Français: +41-43-222-38-40

English: +41-43-222-38-50

LIQUIDATION STATUS AS OF 31 DECEMBER 2017

	31.12.2017 CHF	31.12.2016 CHF	Change CHF
ASSETS			
Liquid funds			
ZKB CHF	7'917'677	12'037'807	-4'120'130
ZKB CHF fixed term deposit	5'000'000	0	5'000'000
ZKB CHF money market investment	0	59'753'417	-59'753'417
Total liquid funds	12'917'677	71'791'224	-58'873'547
Liquidation positions:			
Accounts receivable	3'289	0	3'289
Receivables from third parties	20'618'000	26'844'000	-6'226'000
Shareholdings	p.m.	p.m.	
Liability claims	p.m.	p.m.	
Total liquidation positions	20'621'289	26'844'000	-6'222'711
TOTAL ASSETS	33'538'966	98'635'224	-65'096'258
LIABILITIES			
Debts of the estate			
Accounts payable	61'136	51'606	9'530
Provision, 1st interim payment	1'159'294	2'332'618	-1'173'324
Provision, 2nd interim payment	1'491'814	1'840'595	-348'781
Provision, 3rd interim payment	1'775'828	0	1'775'828
Provisions for liquidation costs	1'000'000	2'000'000	-1'000'000
Total debts of the estate	5'488'072	6'224'819	-736'747
TOTAL DISPOSABLE ASSETS	28'050'894	92'410'405	-64'359'511

Overview of the schedule of claims proceedings of Flightlease AG

Category	Registered	Schedule of claims				Dividend				
		Recognised	Appeal lodged	Decision suspended	Rejected finally	interim payments	Future dividend		Total	
	CHF	CHF	CHF	CHF	CHF		min.	max.	min.	max.
Secured by right of lien	-	-	-	-	-	-	-	-	-	-
First class	97'919'713.91	1'537'291.66	-	-	96'382'422.25	100%	-	-	100%	100%
Second class	45'381.79	45'867.80	-	-	-486.01	100%	-	-	100%	100%
Third class	18'776'586'367.25	1'931'665'598.89	-	-	16'844'920'768.36	10.10%	1.5%	1.5%	11.6%	11.6%
Total creditors' claim	18'874'551'462.95	1'933'248'758.35	-	-	16'941'302'704.60					

www.liquidator-swissair.ch

**Hotline Flightlease AG
in debt restructuring liquidation**

Deutsch: +41-43-222-38-30

Français: +41-43-222-38-40

English: +41-43-222-38-50