

**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 2019

Flightlease AG in debt restructuring liquidation; Circular no. 23

Dear Sir or Madam

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

I. REPORT ON ACTIVITIES AS AT 31 DECEMBER 2018

After having been acknowledged and approved by the Creditors' Committee, the 16th Liquidator's report on activities for 2018 was submitted to the debt restructuring judge at the district court of Bülach on 6 March 2019. The report on activities is available for inspection by creditors at the Liquidator's offices at Seestrasse 39, Goldbach Center, 8700 Küsnacht, until 31 May 2019. If you wish to inspect the report, please call the hotline at +41 43 222 38 50.

The following pages summarise the content of the report on activities.

II. OVERVIEW OF THE LIQUIDATION PROCEEDINGS

1. ACTIVITIES OF THE LIQUIDATOR

In the past year, the activities of the Liquidator focused mainly on the collection of claims against former Swissair Group companies involved in insolvency proceedings at home and abroad (see section III.2 below).

2. ACTIVITIES OF THE CREDITORS' COMMITTEE

The Creditors' Committee held no meetings in 2018. The Creditors' Committee decided on one proposal submitted by the Liquidator by circular.

III. ASSET STATUS OF FLIGHTLEASE AG AS AT 31 DECEMBER 2018

1. INTRODUCTORY REMARKS

Attached is a report on the liquidation status of Flightlease as at 31 December 2018 (Annex 1). This contains a statement of the assets of Flightlease as at 31 December 2018 in accordance with 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 have been assessed conservatively in accordance with the information currently available. Any liability claims are listed pro memoria.

3. DEBTS INCURRED IN THE COURSE OF THE LIQUIDATION PROCEEDINGS

The accounts payable reported as at 31 December 2018 relate to costs incurred during debt restructuring liquidation.

Provisions for the interim payments made: Flightlease's liquidation status as at 31 December 2018 includes the following provisions for the interim payments made:

Nature of provision	1st interim payment in CHF	2nd interim payment in CHF	3rd interim payment in CHF
No payment instructions		52	28,196
Contingent claims where conditions have not yet been met	1,065,544	1,491,762	1,747,492
Total provisions	1,065,544	1,491,814	1,775,688

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

4. CREDITORS' CLAIMS

The overview of the schedule of claims proceedings (Annex 2) shows that the Flightlease schedule of claims is settled. Third-class claims include conditional claims in the amount of approximately CHF 42.6 million for which it is not clear whether the conditions will still be met. It is therefore still possible that the total for the third-class claims may reduce.

5. ESTIMATED DIVIDEND

The realisation of assets is largely completed. The liquidation status of Flightlease as at 31 December 2018 provides information on current disposable assets.

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

IV. LIQUIDATION OF ASSETS

In 2018, the Liquidator was able to realise assets amounting to CHF 5,798,598. In 2018, Flightlease mainly received interim payments from SAirGroup Finance (NL) B.V. and SAirGroup AG in debt restructuring liquidation.

V. PURSUIT OF LIABILITY CLAIMS

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

VI. PLANNED NEXT STEPS IN THE PROCESS

The debt restructuring liquidation of Flightlease still mainly involves the collection of claims against former Swissair Group companies (see section II.2. above) as far as possible. In this connection, the conclusion of the pending insolvency and/or liquidation proceedings must be awaited. It is currently difficult to estimate how much longer this collection will take. Lastly, a decision will be taken on the steps that should be taken next with regard to liability claims.

It is envisaged that, depending on how the proceedings progress, creditors will continue to receive information about important developments through further circulars. A report on the progress of the liquidation process this year will be issued by early 2020 at the latest.

Kind regards

Flightlease AG in debt restructuring liquidation
The Liquidator:

Karl Wüthrich

- Annexes:
1. Liquidation status of Flightlease AG in debt restructuring liquidation as at 31 December 2018
 2. Overview of the schedule of claims proceedings for Flightlease AG in debt restructuring liquidation

LIQUIDATION STATUS AS OF 31 DECEMBER 2018

	31.12.2018 CHF	31.12.2017 CHF	Change CHF
ASSETS			
Liquid funds			
ZKB CHF	9'475'907	7'917'677	1'558'229
ZKB CHF fixed term deposit	9'000'000	5'000'000	4'000'000
ZKB CHF money market investment	0	0	0
Total liquid funds	18'475'907	12'917'677	5'558'229
Liquidation positions:			
Accounts receivable	183'867	3'289	180'578
Receivables from third parties	15'228'000	20'618'000	-5'390'000
Shareholdings	p.m.	p.m.	
Liability claims	p.m.	p.m.	
Total liquidation positions	15'411'867	20'621'289	-5'209'422
TOTAL ASSETS	33'887'774	33'538'966	348'808
LIABILITIES			
Debts of the estate			
Accounts payable	83'912	61'136	22'776
Provision, 1st interim payment	1'065'544	1'159'294	-93'750
Provision, 2nd interim payment	1'491'814	1'491'814	0
Provision, 3rd interim payment	1'775'688	1'775'828	-140
Provisions for liquidation costs	1'000'000	1'000'000	0
Total debts of the estate	5'416'957	5'488'072	-71'114
TOTAL DISPOSABLE ASSETS	28'470'816	28'050'894	419'922

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		
							min.	max	min.		max.	
Secured by right of lien	CHF -	CHF -	CHF -	CHF -	CHF -	-	-	-	-	-	-	-
First class	97'919'713.91	1'537'291.66	-	-	96'382'422.25	100%	-	-	100%	100%	100%	100%
Second class	45'381.79	45'867.80	-	-	-486.01	100%	-	-	100%	100%	100%	100%
Third class	18'776'586'367.25	1'931'665'598.89	-	-	16'844'920'768.36	10.1%	-	1.5%	1.6%	11.6%	11.7%	11.7%
Total creditors' claim	18'874'551'462.95	1'933'248'758.35	-	-	16'941'302'704.60							