

**Unofficial Translation
of German Original**

To the creditors of Flightlease AG in
debt restructuring liquidation

Küsnacht, April 2009 WuK/fee

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**Flightlease AG in debt restructuring liquidation;
Circular no. 12**

Dear Sir or Madam,

This Circular provides information on the progress of the Flightlease AG debt restructuring proceedings since January 2009, as well as on the next steps planned in these proceedings over the coming months.

I. REPORT ON ACTIVITIES AS OF 31 DECEMBER 2008

Having been acknowledged and approved by the Creditors' Committee on 18 March 2009, the sixth of the Liquidator's reports on activities for 2008 has been submitted to the debt restructuring judge at the District Court of Bülach. The report is available for inspection by the creditors at the Liquidator's offices at Seestrasse 39, Goldbach Center, 8700 Küsnacht, until 24 April 2009. Appointments should be made in advance with Christian Rysler (phone +41 43 222 38 00).

The following is a summary of the content of the report on activities.

II. OVERVIEW OF THE LIQUIDATION PROCESS

1. Activities of the Liquidator

During the year just ended, the Liquidator concentrated on pursuing the actions to contest the schedule of claims that had been lodged by a number of creditors.

Enquiries were also pursued into responsibility issues in connection with the Flightlease AG annual financial statements as of 31 December 2000. There is no need for action at the present time.

2. Activities of the Creditors' Committee

The Creditors' Committee held two meetings in 2008. It also decided on various proposals from the Liquidator in a telephone conference and in the form of circulars resolutions.

III. ASSET STATUS OF FLIGHTLEASE AG AS OF 31 DECEMBER 2008

1. Introductory remark

Enclosed is a report on the liquidation status of Flightlease AG as of 31 December 2008, containing a statement of the assets of Flightlease AG in debt restructuring liquidation as of that date, according to present information.

2. Assets

As in the past, *as-yet unrealised assets* consist primarily of claims against former Swissair Group companies, and shareholdings held by Flightlease AG. Furthermore, any responsibility claims are carried pro memoria.

3. Debts incurred in the course of the liquidation process

The *accounts payable* reported as of 31 December 2008 relate to costs incurred during the debt restructuring liquidation.

Of the provision for the first interim payment, totalling 18,856,088 Swiss francs, 3,957 Swiss francs relate to payments for which creditors have not yet submitted their payment instructions to the Liquidator, and 1,311,467 Swiss francs relate to interim payments for conditional claims for which the relevant condition has not yet been met. Another 2,748,318 Swiss francs concern interim payments for claims for which an action to contest the schedule of claims is pending. The remainder of the provision – 14,792,346 Swiss francs – is for claims that are still suspended at present. The provision that has been made guarantees the maximum amount of the first interim payment for all claims that have not yet been settled.

4. Creditors' claims

There have been no changes in the actions to contest the schedule of claims since January 2009 (see Circular 11 dated 13 January 2009, section 1). The enclosed overview of the schedule of claims proceedings states the total of claims that have been registered in the respective classes, those claims which have been recognised, those which have ultimately been rejected, those which are in dispute (actions to contest the schedule of claims) and those for which schedule of claims entries are still suspended. The claim amounts in all classes are still subject to change as efforts to settle the schedule of claims proceed.

5. Estimated dividend

The realisation of assets is largely completed. The liquidation status of Flightlease AG as of 31 December 2008 provides information on current disposable assets. The successful enforcement of responsibility claims is now the only means of bringing about a significant improvement on the asset side. However, the complexities involved in the pending and prospective responsibility claims mean that their financial outcome is impossible to predict at the present time.

The disposable assets reported in the liquidation status result in a maximum dividend of 9.6%, providing all of the still pending actions to

contest the schedule of claims are unsuccessful and suspended claims are rejected. Should all of the actions be admitted and the suspended claims have to be recognised, however, the minimum dividend would be 7.1%. Of this, 6% has already been paid out via the previous two interim payments. The remaining dividend that may be expected, therefore, is between 1.1% and 3.6%.

IV. REALISATION OF ASSETS

In 2008, the Liquidator collected claims amounting to approximately 9.6 million Swiss francs. This primarily concerns a further interim payment on the Flightlease AG claim recognised in the bankruptcy of SAirGroup Finance (NL) B.V., Amsterdam, in the amount of approximately 46 million euros.

V. ASSERTION OF RESPONSIBILITY CLAIMS

In respect of the claim of approximately 63 million Swiss francs that Flightlease AG filed on 11 November 2005 against a number of former directors and officers before the District Court of Bülach (see Circulars 5 and 7) Flightlease AG submitted its reply at the end of June 2008. The respondents still have time to submit their rejoinder within the specified deadline.

The investigations concerning responsibility issues in connection with the Flightlease AG annual financial statements as of 31 December 2000 have been concluded for the present. It was decided not to initiate any further legal action at this time.

VI. PLANNED NEXT STEPS IN THE PROCESS

The next phase of the proceedings will involve finalising the schedule of claims and liquidating the last remaining assets. The liquidation bodies will focus on pursuing responsibility claims. It is not possible at present to estimate how long it will take before this issue is settled.

Creditors will continue to receive information about important developments in the form of circulars, depending on how things proceed. A report on the progress of the liquidation process will be distributed by not later than spring 2010.

Yours Faithfully,

Flightlease AG in debt restructuring liquidation

The Liquidator

Karl Wüthrich

Enclosures: - Liquidation status of Flightlease AG in debt restructuring liquidation as of 31 December 2008
- Overview of proceedings to draw up the schedule of claims relating to Flightlease AG

www.liquidator-swissair.ch

Hotline for Flightlease AG in debt restructuring liquidation

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LIQUIDATION STATUS AS OF 31 DECEMBER 2008

	31.12.2008	31.12.2007	Change
	CHF	CHF	CHF
ASSETS			
Liquid funds			
UBS CHF 803.530.01B	19'391	777'575	-758'184
UBS USD 803.530.60M	0	720'963	-720'963
ZKB CHF 1100-0974.031	3'208'004	847'595	2'360'409
Credit Suisse CHF 818720-81	12'033	526'099	-514'066
Cash deposits ¹⁾	133'000'000	123'000'000	10'000'000
Total liquid funds	136'239'428	125'872'232	10'367'196
Liquidation positions:			
Accounts receivable	844'729	621'562	223'167
Receivables from third parties	3'933'611	2'196'379	1'737'232
Shareholdings	3	3	0
Furnishings, spare parts	1	1	0
Responsibility claims	p.m.	p.m.	
Pauliana claims	0	0	
Total liquidation positions	4'778'344	2'817'945	1'960'399
TOTAL ASSETS	141'017'772	128'690'177	12'327'595
LIABILITIES			
Debts of the estate			
Accounts payable	327'528	48'998	278'530
Provision, 1st interim payment	18'856'088	39'053'056	-20'196'968
Provisions for liquidation costs	2'000'000	2'000'000	0
Total debts of the estate	21'183'616	41'102'054	-19'918'438
TOTAL DISPOSABLE ASSETS	119'834'156	87'588'123	32'246'033

Overview of proceedings to draw up the schedule of claims

Category	Registered	Schedule of claims				Dividend				
		Recognised	Appeal lodged	Decision suspended	Rejected finally	1st interim payment	Future dividend min.	Future dividend max.	Total min.	Total max.
Secured by right of lien	-	-	-	-	-	-	-	-	-	-
First class	97'919'713.91	1'258'541.66	-	1'350'389.68	95'310'782.57	100%	-	-	100%	100%
Second class	16'003.45	16'003.45	-	-	-	100%	-	-	100%	100%
Third class	18'776'586'367.25	1'941'502'511.39	109'932'705.38	537'678'278.77	16'187'472'871.71	2.50%	4.6%	7.1%	7.1%	9.6%
Total creditors' claim	18'874'522'084.61	1'942'777'056.50	109'932'705.38	539'028'668.45	16'282'783'654.28					