

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT No.: 500-11-039418-104

SUPERIOR COURT
Commercial Division

**IN THE MATTER OF THE JUDICIAL
REORGANIZATION PROCEEDINGS OF:**

COMPANÍA MEXICANA DE AVIACIÓN, S.A. DE C.V., a legal person incorporated under the laws of Mexico, having its head office at av. Xola 535 Col., Del Valle, Mexico D.F., Mexico 03100 and a place of business at 975 Romeo-Vachon Street North, Suite 413, Dorval, Quebec, H4Y 1H1

Debtor

– and –

SAMSON BÉLAIR/DELOITTE & TOUCHE INC., having a place of business at 1 Place Ville Marie, Suite 3000, Montreal, Quebec, H3B 4T9

Information Officer

EIGHTH INFORMATION OFFICER'S REPORT

INTRODUCTION

1. On August 2, 2010, Compañía Mexicana de Aviación, S.A. de C.V. ("**Mexicana**" or the "**Company**") commenced proceedings under Mexico's *Ley de Concursos Mercantiles* ("**Mexican Proceedings**").
2. On August 2, 2010, Maru E. Johansen (the "**Foreign Representative**") sought certain protections in the United States pursuant to Chapter 15 of Title 11 of the United States Bankruptcy Code ("**Bankruptcy Code**"). On August 3, 2010, the U.S. Bankruptcy Court granted an interim recognition order recognizing the Foreign Representative and the Mexican Proceedings as a foreign main proceeding pursuant to Chapter 15 of the U.S. Bankruptcy Code ("**Chapter 15 Proceedings**").
3. On August 5, 2010, the Foreign Representative brought an application (the "**CCAA Proceedings**") before the Canadian Court pursuant to Part IV of the *Companies Creditors Arrangement Act*, R.S.C. 195, c. C-36, as amended ("**CCAA**"), and obtained an order (the "**Canadian Recognition Order**"), which among other things: (i) recognized the Mexican Proceedings as a "foreign main proceedings"; (ii) recognized Maru E. Johansen as a foreign

representative as defined in section 45 of the amended CCAA; (iii) granted a stay of proceedings against the Company until November 10, 2010; (iv) appointed Samson Bélair/Deloitte & Touche Inc. (“**Deloitte**”) as Information Officer; and (v) declared an administrative charge of \$250,000.

4. On November 5, 2010, in accordance with the Canadian Recognition Order of August 5, 2010, the Information Officer filed a First Report to the Court. A copy of the First Report was made available on the Information Officer’s website.
5. On November 10, 2010, Mexicana obtained an interim first stay period extension order (the “**Interim First Stay Extension Order**”) until November 16, 2010. A copy of the Interim First Stay Extension Order was made available on the Information Officer’s website.
6. On November 16, 2010, in accordance with the Canadian Recognition Order of August 5, 2010, the Information Officer filed a Second Report to the Court. A copy of the Second Report was made available on the Information Officer’s website.
7. On November 16, 2010, Mexicana obtained a first stay period extension order (the “**First Stay Extension Order**”) until January 14, 2011. A copy of the First Stay Extension Order was made available on the Information Officer’s website.
8. On January 13, 2011, Mexicana obtained a second stay of period extension order (the “**Second Extension Order**”) until April 15, 2011. A copy of the Second Extension Order was made available on the Information Officer’s website.
9. On April 14, 2011, Mexicana obtained a third stay of period extension order (the “**Third Extension Order**”) until July 15, 2011. A copy of the Third Extension Order was made available on the Information Officer’s website.
10. On July 8, 2011, Mexicana obtained a fourth stay of period extension order (the “**Fourth Extension Order**”) until September 20, 2011. A copy of the Fourth Extension Order was made available on the Information Officer’s website.
11. On July 27, 2011, the Mexican Court overseeing the Mexican Proceedings suspended, temporarily, the 90-day stay period. Consequently, a Sixth Report was filed and was made available on the Information Officer’s website.
12. On September 20, 2011, Mexicana obtained a fifth stay of period extension order (the “**Fifth Extension Order**”) until November 30, 2011. A copy of the Fifth Extension Order was made available on the Information Officer’s website.
13. The Canadian Recognition Order requires that the Information Officer deliver a report to the Court at such times and intervals as it deems appropriate and, in any event, at least once every three months on the status of the proceedings, the foreign proceedings and such other information that the Information Officer deem to be material. This report is filed pursuant to the requirements of the Canadian Recognition Order.
14. This eighth report of the Information Officer (the “**Eighth Report**”) has been prepared in view of providing the Canadian Court with information on the status of the Mexican Proceedings. The purpose of this Eighth Report is to provide the Canadian Court and Mexicana’s stakeholders with an update on the Mexican Proceedings since the filing of the Information Officer’s Seventh

Report. This Eighth Report is to be read in conjunction with the First Report, the Second Report, the Third Report, the Fourth Report, the Fifth Report, the Sixth Report and the Seventh Report of the Information Officer.

TERMS OF REFERENCE

15. In preparing the Eighth Report, Deloitte has relied upon unaudited financial information, the Company's books and records, financial information prepared by the Company and its advisors, discussions with management of Mexicana and its representatives and advisors. In addition, Deloitte has reviewed the publicly available information filed in the Mexican Proceedings and the CCAA Proceedings. Deloitte has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information and, accordingly, Deloitte expresses no opinion or other form of assurance on the information contained in this report.
16. Some of the information referred to in this Eighth Report may consist of or include forecasts and/or projections. An examination or review of financial forecasts and projections, as outlined in the Canadian Institute of Chartered Accountants Handbook, has not been performed. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
17. Deloitte has requested that Mexicana bring to its attention any significant matters that were not addressed in the course of its specific inquiries. Accordingly, this Eighth Report is based solely on the information (financial or otherwise) made available to Deloitte.
18. All references to dollars in this Eighth Report are in Canadian currency unless otherwise noted. Capitalized terms not defined in this Eighth Report are defined in the Initial Order, in the Gonzales Affidavit, in the First Report, in the Second Report, in the Third Report, in the Fourth Report, in the Fifth Report, in the Sixth Report or in the Seventh Report.

UPDATE ON THE MEXICAN PROCEEDINGS

19. The Mexican Court had established November 11, 2011 as the new expiration date for Mexicana to conclude a transaction with a potential investor since there was a possibility of closing a transaction with one of the potential investors. The Mexican Court came to this conclusion after it had reviewed the Revised Final Potential Investors' bids and interviewed the representatives of each party.
20. On November 14, 2011, the Mexican Court rendered an order to establish a new expiration date for Mexicana to conclude a transaction with a potential investor. The reasoning behind this new expiration date is that the initial 185-day stay period established by the Mexican Court under the Mexican Proceedings was counted in calendar days while the additional stay of period extension, the 90-day additional stay period, was counted in business days. In order to be consistent, the Mexican Court ruled that the initial 185-day stay period should have been counted in business days instead of calendar days. As a consequence, the expiration date for Mexicana to restructure its operations has been extended to February 10, 2012 (refer to Exhibit A for a copy of the Mexican Court order).
21. Mexicana informed the Information Officer that ongoing negotiations are still taking place with some of the Revised Final Potential Investors but none of the interested parties has fully satisfied

all of the conditions to close a transaction yet which, amongst other things, include a good faith deposit of US\$1M and the ability of financing a transaction of US\$250M.

22. Mexicana was not able to confirm that it presently has the financial capabilities to pay the Post-filing debt and ongoing costs. Mexicana was not able to advise the Information Officer that the Company is processing payments to suppliers presently, providing post-filing goods and services.

ACTIVITIES OF THE INFORMATION OFFICER

23. Since August 5, 2010, the Information Officer's activities have included:

- Reviewing the draft materials for the CCAA Proceedings and communicating with Mexicana's Canadian counsel, BLG, regarding same;
- Posting a copy of the Court-filed documents in these CCAA Proceedings to the Information Officer's website at <http://www.deloitte.com/ca/mexicana-airlines>;
- Various discussions and correspondence with BLG;
- Responding to inquiries of Mexicana's stakeholders;
- Preparing and mailing a notice to creditors entitled *Supplemental Disclosure regarding the Credit Recognition Application Process*;
- Preparing and updating the service list and posting same to the Information Officer's website;
- Participating in conference calls with management of the Company, BLG, the Foreign Representative and the Company's management and advisors to discuss matters relevant to the Mexican Proceedings and CCAA Proceedings;
- Preparing the Information Officer's reports and communicating with BLG regarding the same; and
- Attending at Court hearings.

CONCLUSION

24. Since the Company was not able to provide the Information Officer with any financial information, the Information Officer is not in a position to conclude on the financial and liquidity situation of the Company.

25. The Company notified the Information Officer of its intention to request a further extension of the Stay Period until February 20, 2012 to allow the Company to conclude a transaction.

The Information Officer respectfully submits to the Court, this, its Eighth Report.

DATED AT MONTREAL, this 28th day of
November, 2011.

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.
In its capacity as Information Officer of Compañía Mexicana De Aviación, S.A. de C.V.

Per:



Pierre Laporte, CA, CIRP
President



Jean-François Nadon, CA, CIRP
Senior Vice-President

Exhibit A

[CERTIFIED TRANSLATION]

[A seal at the left-hand margin: FEDERAL JUDICIAL SYSTEM. (Mexican coat of arms)]

IN THE BANKRUPTCY PROCEEDINGS 432/2010-B, FILED BY
COMPAÑÍA MEXICANA DE AVIACIÓN, VARIABLE STOCK CORPORATION, THE
FOLLOWING WAS ISSUED:

Mexico City, Federal District. November fourteenth, two-thousand
eleven.

Considering the certificate of the account stating that the reconciliation period
in these insolvency proceedings – i.e., the **one-hundred eighty five days** granted in
the judgment on September sixth, two-thousand ten, and **ninety days** granted as an
extension for said period in accordance with the judgment on September seventh,
two-thousand eleven, and with the procedure of September eleventh, the period from
**September twenty-ninth, two-thousand tenth, to February tenth, two-thousand
eleven**, has passed, with knowledge by the parties for whatever applicable legal
purposes.

In another context, regarding the proceedings, the documents of
Aeropuertos y Servicios Auxiliares, on behalf of its legal representative **Norma
Castelaza Martínez**, regarding folio **17622**, as she requests, the person mentioned
in the written requests provided is authorized to hear and receive notices, in
accordance with article 1069, penultimate paragraph of the Commercial Code, of
suppletory application to the Bankruptcy Proceedings Law.

On the other hand, regarding document **17623**, and its contents, prior
agreement on the request, **give notice for eight days** to the conciliator in its dual
character and merchant with the contents of said petition, with the warning that not
doing, so this judge shall release an opinion.

Then, incorporate into the proceedings the document of the **Tenth District
Court in the State of Puebla located in San Andrés Cholula**, which requests
receipt of letter rogatory **407/2011**, delivered in the matter, in those conditions,
without a ruling having to be issued whatsoever, since this court sent via fax
document **11845**, of the index of this court, received by Francisco Pérez, who said he
was an SISE legal analyst of said court, through which proof of receipt of said
communication was received.

On the other hand, annotate on the file the documents of **Grupo Hotelero
Empresarial, Nuevo Hotel Cozumel and Nuevo Hotel Ixtapa**, all variable stock
corporations, through its legal representative Antonio Villar Hernández, in which
they the latter two respond to the requirement created in the proceedings on the
eighth day of the same month and for that purpose show an additional set of
transferred copies. In addition, **Nuevo Hotel Cozumel, variable stock corporation**,



submits the document that files the **incident of separation of property**. In these conditions, pursuant to articles 70, 71, 72 and 73 of the Bankruptcy Proceedings Law, the incidents filed by **Nuevo Hotel Cozumel and Nuevo Hotel Ixtapa, both variable stock corporations, are admitted in the incidental proceedings**. Therefore, pursuant to paragraph 267 of said legal text, transmit to the merchant and **José Gerardo Badin Cherit**, in his dual personality as administrator of the insolvent debtor and conciliator, so that in five days beginning when the notice hereof takes effect, they make statements permissible by law and after said term or after said statements are made, the parties will agree pursuant to the law.

On the other hand, after **Grupo Hotelero Empresarial**, variable stock corporation, shows a document through which it files the incident of merit, agreement shall be made in this regard.

In another context, incorporate into the file the petitions with folios **17704 and 17705** of the **merchant**. After having seen the contents, tell the petitioner that he must agree with the provisions of the eleventh of the same month and the certificate of this date; the foregoing is for whatever applicable legal purposes.

Likewise, regarding the proceedings, the document numbered **17712** of the **Mexican Social Security Institute**, through the person in charge of the Collections Office, **Juan Martín García Hernández**, after having seen its contents, **see the conciliator**, so that he states his corresponding function, for whatever applicable legal purposes.

Then, annotate the document of the **First District Labor Court in Mexico City**, which informs that the petitioner filed a review against the final judgment issued in the injunction (amparo) suit 1480/2011 of its index, filed by Aeropuerto de Monterrey, variable stock corporation, with knowledge by the parties, for whatever applicable purposes.

On another note, regarding the proceedings, the document of the **Thirteenth District Civil Court in Mexico City**, which informs that it deferred the constitutional hearing indicated in the injunction action **548/2011**, filed by Banco Mercantil del Norte, corporation, multiple banking institution, Banorte Financial Group, and in its place stated thirteen hours on December eighth, two-thousand eleven; the foregoing for whatever applicable legal purposes.

However, incorporate the petitions of **The National Union of Transportation, Manufacturing, Services and Related Workers**, through its general secretary **Miguel Ángel Yúdico Colín** and **Ricardo del Valle Solares**, who demonstrates to be general secretary of the Mexicana Flight Attendant Union, with folios **17726** and **17730**, respectively, through which they file the revocation remedy against that filed on November eighth of this year in those conditions, without possibility to proceed with the contestation measures, since the document filed on



September eleventh, this judge remedied the grievances that the challenged proceedings could have caused the petitioners. Therefore, pursuant to Federal Civil Procedural Code article 57, of suppletory application to the law in this matter, the **revocation remedies filed by the petitioners are dismissed for being openly ungrounded** for pertinent legal purposes.

Then, annotate the document of **Inprofe, variable stock corporation**, represented by attorney **Luis Serafin Fabián Castellanos, having seen its contents**, require the **conciliator** so that in an **eight-day** term, a statement is issued regarding the contract referred to by the petitioner, with the warning that not doing so, this judge shall agree on what is pertinent in this regard.

Likewise, annotate to the proceedings the petitions of **Latinoamericana de Hoteles, Hotelera Canco, and Servicios Modernos para Hoteles y Restaurantes**, all variable stock corporations, through **Rafael Agustín Martínez Rodríguez**, authorized under the terms of number 1069, third paragraph, of the Commercial Code, of suppletory enforcement to the Bankruptcy Proceedings Law, which requests that this court requires different documents from the Second Unitary Court in Civil and Administrative Matters, so that the separation of property incidents filed by said legal entities can be substantiated, without possibility to be in agreement, since this court cannot create the requirement to the appeal; therefore, the petitioners, where applicable, shall make said petition before said court; the foregoing is for whatever applicable legal purposes.

On the other hand, regarding the proceedings, a document from **Impceco, Constructora e Inmobiliaria Perinorte, Inmuebles Nuevo León, Inmobiliaria Rocheferre, Grupo Corporativo Amodher, Promotora Rio Baker and Inprone**, all **variable stock corporations**, on behalf of their authorized party pursuant to Commercial Code Article 1069 third paragraph, of suppletory enforcement to the law on the matter, **Antonio Silva Oropez**, as he requests, under Commercial Code Article 1067, issue at his cost a copy of the proofs that indicate and submit through the authorized person for such purposes, prior notation that is recorded in the proceedings, for pertinent purposes.

Finally, incorporate into the file the documents of the **General Department of Legal Matters of the Public Security Ministry**, through its director Juan Francisco Cortés Coronado, personality that the second accredits and is recognized in the terms of the certified appointment copy dated September sixteenth, two-thousand eight, and of **Victor Manuel Vera Sandoval**, who shows to be General Adjunct Director of the **Federal Police**. Though these, they intend to fulfill the requirement created in the proceedings of nine of the currents; however, said requirement is not satisfied due to the following:

The first of those mentioned states that this court lacks the authorities to create the requirement under the terms that it was made and the same lacks foundation and reason.



However, let it be known from said authority that the undersigned, as rector of the bankruptcy proceeding in which it is acting, and as governed by article 7 of the Bankruptcy Proceedings Law, has the sufficient authorities to issue agreements it deems pertinent in hopes of ensuring equal treatment and opportunities among the competing parties; among them, the pilot employees of the insolvent debtor. In addition, in harmony with the constitutional amendment published in the Federal Official Gazette on June tenth, two-thousand eleven, especially article 1, the most important and essential function within a State that boasts being a protector of human rights is that authorities, through whatever of their union powers and using their authority to exercise diffuse control of conventionality, supervise that the actions of their agents (riot police) adapts to or is compatible with International Human Rights Treaties, of whatever action or omission in which they incur. Especially if we take into consideration that the said institution does not deny the events, but rather recognizes them when stating that: *"... the events occurred in one demonstration of thousands that occur in Mexico City each year outside an office of the Federal Government, which in this case was blocking vehicle traffic on two main avenues of the Capital to the detriment of thousands of people, as well as the rendering of a public service – specifically, the 'Metrobús', a public transit service" ..."*

Likewise, regarding the Federal Public Security Ministry, notify the presiding party that the undersigned has within its institutional duties to safeguard the integrity of persons, ensure, maintain and reestablish public order and peace, as well as to prevent the commission of crimes. However, of the contents of the document in question, it is not warned to specify who the people are whose integrity should have been safeguarded, what order had to be restored, or what form of intervention the commission planned for some crime; in case there was, in against whom it would have been committed, above all if we consider that it is not an isolated event, but rather falls directly into the convention of the interested parties in this universal procedure, since the just demands of the protesting workers were suppressed with violence and fear.

Likewise, said police forces must be told that given the importance and transcendence the bankrupt company has for purposes stated in the filings of November ninth of this year, the association has the inalienable right to know the truth of what happened, as well as the reasons and circumstances that were taken into account to carry out those actions, since the events were broadcast on television and the radio and published in the press.

On that note, require said Ministries so that each within a **twenty-four hour term** re-notifies this court in the scope of its competency the requirements in the proceedings of November ninth of this year – i.e., who ordered the police removal of the persons who were demonstrating outside the Communications and Transportation Ministry in exercise of their fundamental right to demonstrate, enshrined in Mexican Constitution Article 9, as well as the presence of the federal police officers in the Mexicana MRO maintenance base. They are warned that not doing so under these terms, they will be sanctioned with a fine equal to **two-hundred fifty days** of general minimum wage valid in Mexico City, pursuant to the provisions of number 269, section I of the law on the matter.

[Seal at the left-hand margin: ELEVENTH DISTRICT CIVIL COURT IN MEXICO CITY (Mexican coat of arms)]

[Seal at the top left margin: FEDERAL JUDICIAL SYSTEM (Mexican coat of arms)]



In that order, let said circumstance be known to the Mexico City Mayor, the Federal Public Security Ministry and the Mexico City Public Security Department. The foregoing is within their scope of competence. Take the pertinent measures so that said requirement is fulfilled.

Let it be known to the parties: personally to the insolvent debtor and Gerardo Badin Cherit, in his double personality as administrator of the merchant and conciliator.

Provided and signed by Felipe V. Consuelo Soto, Eleventh Civil District Judge in Mexico City, before the authorizing Ministry. I attest.

I NOTIFY FOR ITS KNOWLEDGE AND WHATEVER APPLICABLE LEGAL PURPOSES.

COURT CLERK

[signature]

[Seal: Moises [illegible] Vargas Cruz]

[Seal: ELEVENTH DISTRICT CIVIL COURT IN MEXICO CITY. (Mexican coat of arms)]

I, Miguel Angel Cardenas C., Expert Translator, authorized by the Supreme Court of Justice of Mexico City, by resolution published in the Official Gazette dated February 9, 2010, DO HEREBY CERTIFY that the foregoing translation in 5 pages is, to the best of my knowledge, true and correct.

Mexico City, November 22, 2011

