

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

## NINTH 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 of 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 of 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. On November 28, 2011, Mexicana obtained a sixth stay of period extension order (the “**Sixth Extension Order**”) until February 20, 2012. A copy of the Fifth Extension Order was made available on the Information Officer’s website.
14. 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.

15. This ninth report of the Information Officer (the “**Ninth Report**”) has been prepared in view of providing the Canadian Court with information on the status of the Mexican Proceedings. The purpose of this Ninth 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 Eighth Report. This Ninth 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, the Seventh Report and the Eighth Report of the Information Officer.

## **TERMS OF REFERENCE**

16. In preparing the Ninth 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.
17. Some of the information referred to in this Ninth 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.
18. 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 Ninth Report is based solely on the information (financial or otherwise) made available to Deloitte.
19. All references to dollars in this Ninth Report are in Canadian currency unless otherwise noted. Capitalized terms not defined in this Ninth Report are defined in the Initial Order, the Gonzales Affidavit, the First Report, the Second Report, the Third Report, the Fourth Report, the Fifth Report, the Sixth Report, the Seventh Report or the Eighth Report.

## **UPDATE ON THE MEXICAN PROCEEDINGS**

20. On November 14, 2011, the Mexican Court rendered an order to establish an expiration date for Mexicana to conclude a transaction with a potential investor. As a consequence, the expiration date for Mexicana to restructure its operations had been extended to February 10, 2012.
21. On February 7, 2012, Mexicana issued a press release to announce that Group Med Atlantica had deposited more than US\$250M in a trust account, representing the necessary funds to recapitalize Mexicana’s operations. However, Group Med Atlantica has yet demonstrated to the Mexican Court that the funds were deposited. A copy of the press release is attached in Exhibit “A”.
22. On February 8, 2012, the Mexican Court announced it has temporarily suspended the expiration date for Mexicana to conclude a transaction with a potential investor. The suspension will allow, amongst others, Group Med Atlantica to demonstrate to the Mexican Court that the funds were deposited and allow the Minister of Finance to complete its due diligence on the provenance of the funds. The Information Officer requested documentation in regard to the potential transaction

with Group Med Atlantica but, for confidentiality purposes, has not been provided with any documents. A copy of the Mexican Court resolution is attached in Exhibit "B".

23. Also on February 8, 2012, the Conciliator announced he has obtained debt reduction agreements with 65.2% of the creditors qualified to vote, which together result in an average debt reduction of 82.4%. Although Mexicana has yet to provide the Information Officer with the said agreements or any documentation in that regard, the Company's representatives have indicated that the foreign creditors should receive equal treatment. The Information Officer will report on the treatment of Canadian creditors as soon as the information is provided by Mexicana.
24. Mexicana informed the Information Officer that ongoing negotiations are still taking place with Group Med Atlantica and that they are confident that all of the conditions to close a transaction could be met within few weeks.
25. 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**

26. 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

27. 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.
28. The Company notified the Information Officer of its intention to request a further extension of the Stay Period until May 21, 2012 or for an indefinite time period ending ten (10) days following the new termination date to be established by the Mexican Court, to allow the Company to conclude a transaction.

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

DATED AT MONTREAL, this 14<sup>th</sup> day of  
February, 2012.

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

## ESTADO DEL CONCURSO MERCANTIL DE COMPAÑÍA MEXICANA DE AVIACIÓN

**México, D.F. a 7 de febrero de 2012.-** Mexicana de Aviación informa acerca del estado que guarda el Concurso Mercantil en el que está inmersa la aerolínea y los avances con el Grupo Med Atlantica, derivado del pronunciamiento hecho la semana pasada por el Juez Décimo Primero de Distrito en Materia Civil, Felipe Consuelo Soto.

- El día de hoy se inició la entrega formal de la documentación solicitada por la Dirección General de Aeronáutica Civil (DGAC), para la emisión del Certificado de Operador Aéreo (AOC).
- Para la elaboración del Acuerdo Concursal, se han logrado acuerdos superiores al 51%, cifra mayor a la requerida por la ley para levantar el Concurso Mercantil. A la fecha, aún se realizan ajustes a los acuerdos con algunos acreedores a fin de incrementar el porcentaje obtenido.
- Se tiene ya un acuerdo para la transferencia de acciones por parte de Tenedora K al Grupo Inversionista.
- La semana pasada se depositó en un fideicomiso de una institución financiera mexicana, un cheque por un monto muy superior a los 250 millones de dólares requeridos para la capitalización de Nuevo Grupo Aeronáutico (NGA), empresa holding de las acciones de Compañía Mexicana de Aviación.
  - El Juez Felipe Consuelo Soto, tuvo a la vista el cheque que se depositó en el fideicomiso y lo informó de manera oportuna a la SCT.
  - En este momento se está realizando el proceso de verificación de procedencia de dichos fondos por parte de las autoridades correspondientes.
  - Se espera contar con la notificación de las autoridades y del fideicomiso, esta misma semana.

Mexicana de Aviación mantendrá oportunamente informada a la opinión pública, acerca de los avances que se alcancen en este proceso.

## Exhibit B



[TRANSLATION]

## RESOLUTION OF Feb. 8, 12. **CMA**

TABLE B. MEXICO CITY, FEDERAL DISTRICT, FEBRUARY EIGHT OF TWO THOUSAND TWELVE.

ADD TO THE PROCEEDINGS THE DOCUMENT SUBMITTED BY JOSE IVO CARABEZ TREJO, GENERAL DIRECTOR ADJUNCT OF LITIGIOUS PROCESSES OF THE **SECRETARIAT OF COMMUNICATIONS AND TRANSPORT** 'S UNIT OF LEGAL AFFAIRS, WHEREIN HE **REQUESTS TO BE ADVISED IF IT HAS BEEN COMPLETED THE CASHING OF THE CHECK DEPOSITED IN THE TRUST ACCOUNT OF THE INVESTMENT GROUP KNOWN AS MED ATLANTICA**, SAME THAT IS REFERENCED TO IN THE PROCEEDINGS OF THIS LAST JANUARY THIRTY FIRST; AS WELL AS TO THE VALIDATION OF THE SUBJECT FUNDS, AS PER THE TERMS OF ARTICLE 115 OF THE CREDIT INSTITUTIONS LAW.

UNDER THESE CONDITIONS, IN ORDER TO SATISFY SAID STATE SECRETARIAT 'S REQUIREMENT AND SINCE THE TRUST WAS CREATED FOR THE ACQUISITION OF NUEVO GRUPO AERONAUTICO, OWNER OF THE SHARES OF **MEXICANA DE AVIACION, S.A. DE C.V.** AND ITS AFFILIATES, THUS INTERESTED PARTY IN THE CURRENT REORGANIZATION PROCEDURE (CONCURSO MERCANTIL), BASED ON ARTICLE 115 AND 117 OF THE AFOREMENTIONED LAW, GIVE PERSONAL NOTICE TO THE TECHNICAL COMMITTEE OF SAID TRUST OF THIS REQUIREMENT IN ORDER THAT, AS SOON AS POSSIBLE AND WITH THE REQUIRED CONFIDENTIALITY, THE REQUESTED REPORT BE OBTAINED FROM THE FIDUCIARY INSTITUTION **BANCA MIFEL S.A. INSTITUTCION DE BANCA MULTIPLE**, AND IT INFORMS IF THE CHECK THAT WAS RECEIVED ON JANUARY TWENTY SEVEN OF THE PRESENT YEAR HAS BEEN CASHED AND THE MONEY DEPOSITED AND IF THE VERIFICATION OF THE LEGITIMATE SOURCES FOR THESE FUNDS HAS CONCLUDED, AS PER THE TERMS OF THE APPLICABLE LAWS AND THE FIDUCIARY DIVISION'S CERTIFIED RECEIPT PRESENTED TO THIS COURT BY THE AFOREMENTIONED TECHNICAL COMMITTEE. ADD TO THE PROCEEDINGS THE WRITING SIGNED BY THE CONCILIATOR JOSE GERARDO BADIN CHERIT, WHEREIN HE INFORMS THAT TO THIS DATE HE HAS OBTAINED DEBT REDUCTION (QUITAS) FROM SIXTY FIVE POINT TWO PERCENT OF THE CREDITORS WITH RIGHT TO VOTE, WHICH TOGETHER RESULT IN AN AVERAGE GENERAL DEBT REDUCTION OF EIGHTY TWO POINT FOUR PERCENT.

UNDER THESE CONDITIONS AND SINCE THE EXECUTION OF THE CREDITOR'S AGREEMENT (CONVENIO CONCURSAL) IS IMMINENT AND THAT THE CONCILIATION PERIOD IS ABOUT TO CONCLUDE, **THE INDEFINITE SUSPENSION OF THE DEADLINE OF SAID PERIOD IS ORDERED, WITH THE UNDERSTANDING THAT IT IS ONLY TO PUT INTO EFFECT WHAT WOULD BE STRICTLY NECESSARY TO COMPLETE THE EXECUTION AND APPROVAL OF THE CREDITOR'S AGREEMENT.**