

AIRPLANES GROUP

New York, December 9, 2016

Update regarding recent decisions rendered in the Transbrasil litigation

Reference is made to the report for the quarter ended June 30, 2016 which was published by Airplanes Limited and Airplanes U.S. Trust (together, "**Airplanes Group**") on the Airplanes Group website www.airplanes-group.com on July 28, 2016 (the "**Quarterly Report**"). Capitalised terms used in this press release and not otherwise defined herein have the meaning given to such terms in the Quarterly Report.

Note 2. "Contingent Liabilities – Legal Proceedings – Transbrasil" to the unaudited financial statements contained in the Quarterly Report ("**Note 2**") sets out a summary of the ongoing legal proceedings in Brazil relating to Transbrasil to which Airplanes Holdings Limited ("**Airplanes Holdings**") is a party as one of the six "Lessor Companies".

On November 23, 2016 the 2nd Section of the Federal Court of Appeals of Brazil (the "**Court of Appeals**") considered the Divergence Appeal filed by Transbrasil as well as the residual portion of the Lessor Companies Divergence Appeal in connection with the Declaratory Case (namely the portion which had not already been considered, and denied admissibility, by the Special Court earlier this year). The Court of Appeals (by a unanimous vote) denied admissibility to the Divergence Appeal filed by Transbrasil as well as to the residual portion of the Lessor Companies Divergence Appeal. The result of these rulings (together, the "**November 2016 Decision**") is that, except as noted below, the October 2013 Decision has been upheld.

The November 2016 Decision is not yet final. It has not yet been published and, once published, Transbrasil will be entitled to file one or more motions to clarify within five business days of the publication date and, if such motions are denied, then Transbrasil will be entitled to file an extraordinary appeal against the decision rejecting the admissibility of the Divergence Appeal with the Supreme Court of Brazil. An extraordinary appeal may be filed by Transbrasil within 15 business days after the November 2016 Decision becomes final, namely when any motions to clarify which may be filed have been finally ruled upon. The Brazilian Superior Courts are effectively in recess from December 20, 2016 through January 31, 2017 and the time periods referred to above will be suspended during the recess.

As discussed in the Quarterly Report, an extraordinary appeal to the Supreme Court was filed by GECAS on behalf of Airplanes Holdings and the GE Lessors in 2010, which has been dormant pending the decision in the Divergence Appeal and the Lessor Companies Divergence Appeal. Note 2 in the Quarterly Report provides a summary outline of the possible next steps as a result of the November 2016 Decision, which will depend in part on whether Transbrasil files an extraordinary appeal with the Supreme Court as discussed above.

On November 23, 2016 the Court of Appeals also considered a divergence appeal which had been filed by Transbrasil challenging an earlier decision whereby the declaration of the bankruptcy of Transbrasil had been granted (the "**Bankruptcy Divergence Appeal**"). The Bankruptcy Divergence Appeal was decided on its merits and (by a unanimous vote) was denied. This decision is also not yet final. It has not yet been published and, once published, Transbrasil will be entitled to file one or more motions to clarify. Transbrasil has also previously filed an extraordinary appeal to the Supreme Court regarding the decision granting its bankruptcy, which extraordinary appeal has been dormant pending the decision in the Bankruptcy Divergence Appeal.

The Board of Airplanes Group is continuing to keep these matters under close review and Airplanes Holdings will continue to vigorously dispute liability in the litigation with Transbrasil. While the November 2016 Decision effectively preserves the October 2013 Decision, the November 2016 Decision is not yet final, thereby allowing for the possibility of reinstatement of the 2010 Judgment. As a result, there remains uncertainty as to the final outcome of this litigation, both as regards whether the October 2013 Decision becomes final as currently written and whether the Brazilian Courts ultimately rule in favour of Airplanes Holdings in other respects and, in the event they do not do so, as regards the amount which could ultimately be adjudged to be payable by

Airplanes Holdings. The Board has therefore determined that it is not appropriate to make any reduction in the level of the liquidity reserve at the current time.

Further updates will be provided in due course.

For further information about Airplanes Group, please see our periodic reports and other information published on our website at www.airplanes-group.com.