LISTING PARTICULARS

SWISSPORT FINANCING S.À R.L.

€363,522,000 6.750% Senior Secured Notes due 2021
€264,644,000 9.750% Senior Notes due 2022

These listing particulars (the "**Listing Particulars**") relate to the issuance of €363,522,000 in principal amount of 6.750% Senior Secured Notes due 2021 (the "**New Senior Secured Notes**") and €264,644,000 in principal amount of 9.750% Senior Notes due 2022 (the "**New Senior Notes**," and together with the New Secured Notes, the "**New Notes**"), each issued by Swissport Financing S.à r.l. (the "**New Issuer**"). The New Notes will be issued in connection with an exchange (the "**Exchange Offer**") by Swissport Investments S.A. ("**Swissport Investments**" or the "**Existing Issuer**") of its (A) 6.750% Senior Secured Notes due 2021 with an original aggregate principal amount of €400,000,000 (the "**Existing Senior Secured Notes**") for New Senior Secured Notes, and (B) 9.750% Senior Notes due 2022 with an original aggregate principal amount of €290,000,000 (the "**Existing Senior Notes**," and together with the Existing Senior Secured Notes, the "**Existing Notes**") for New Senior Notes. The New Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

An investment in the New Notes involves a high degree of risk. See "Risk Factors" beginning on page 28 of these Listing Particulars.

The New Issuer has applied for the New Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market.

The New Issuer has not registered the New Notes or the guarantees of the New Notes described herein (the "**New Guarantees**," and together with the New Notes, the "**New Securities**") under the U.S. Securities Act of 1933, as amended (the "**U.S Securities Act**"), or the securities laws of any other jurisdiction. The New Securities may not be offered or sold in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Exchange Offer has been made only to, and the New Securities are being offered and will be issued only to, eligible holders of Existing Notes ("**Eligible Holders**") (i) in the United States, "qualified institutional buyers" ("**QIBs**") in private transactions in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof or (ii) outside the United States, persons other than "U.S. persons," as that term is defined in Rule 902 of Regulation S under the U.S. Securities Act, in offshore transactions in reliance upon Regulation S. The Exchange Offer shall not give rise to or require a prospectus in a Member State of the European Economic Area ("**EEA**") which has implemented Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, and any relevant implementing measure in a relevant member state, the "**Prospectus Directive**").

None of the Exchange Offer, the New Notes or the New Guarantees has been recommended or approved by the U.S. Securities and Exchange Commission (the "**SEC**") or any other federal or state securities commission or regulatory authority, nor has any commission or regulatory authority passed upon the accuracy or adequacy of these Listing Particulars. Any representation to the contrary is a criminal offense.

Joint Global Coordinators, Joint Bookrunners and Dealer Managers

Barclays **J.P. Morgan**

The date of these Listing Particulars is August 11, 2017.

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IMPORTANT INFORMATION

You should rely only on the information contained in these Listing Particulars. None of the Existing Issuer, the Existing Notes Trustee, the Trustee, the New Issuer, the New Guarantors (as defined below), or Barclays Bank PLC or J.P. Morgan Securities plc (collectively, the "Dealer Managers") have authorized anyone to provide prospective investors with any information or represent anything about the Existing Issuer, the New Issuer, the New Guarantors, the Dealer Managers or the Exchange Offer that is not contained in these Listing Particulars, and you should not rely on any such information. None of the Existing Issuer, the New Issuer, the New Guarantors or the Dealer Managers are making an offer of the New Notes in any jurisdiction where such an offer would not be permitted. The information in these Listing Particulars is current only as of the date on the cover, and our business or financial condition and other information in these Listing Particulars may change after that date.

The New Securities have not been and will not be registered under the U.S. Securities Act, and the Exchange Offer has been made only (i) to QIBs, in private transactions in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, or (ii) to persons other than "**U.S. persons**," as that term is defined in Rule 902 of Regulation S under the U.S. Securities Act, in offshore transactions in reliance upon Regulation S. The Exchange Offer shall not give rise to or require a prospectus in an EEA Member State which has implemented the Prospectus Directive. **Holders or beneficial owners of Existing Notes who have certified that they are eligible to participate in the Exchange Offer pursuant to the foregoing conditions are referred to as "Eligible Holders." The New Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the U.S. Securities Act and other applicable securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. See "*Notice to Investors*."**

These Listing Particulars have been prepared by the Existing Issuer, the New Issuer and the New Guarantors solely for application for listing on the Official List of the Luxembourg Stock Exchange and admission to trading on the Euro MTF Market. These Listing Particulars do not constitute an offer to the public generally to subscribe for or otherwise acquire the New Notes.

In addition, none of the Existing Issuer, the Existing Notes Trustee, the Trustee, the New Issuer, the New Guarantors, the Dealer Managers, nor any of its or their respective representatives is making any representation to you regarding the legality of an investment in the New Notes, and you should not construe anything in these Listing Particulars as legal, business or tax advice. You should consult your own legal, tax and business advisors regarding an investment in the New Notes. You are responsible for making your own examination of the New Issuer and your own assessment of the merits and risks of investing in the New Notes. You must comply with all laws applicable in any jurisdiction (and obtain all applicable consents and approvals) in which you buy, offer or sell the New Notes or possess or distribute these Listing Particulars. None of the Existing Issuer, the Existing Notes Trustee, the Trustee, the New Issuer, the New Guarantors or the Dealer Managers shall have any responsibility for any of the foregoing legal requirements.

The information contained in these Listing Particulars has been furnished by the Existing Issuer and the New Issuer and other sources they believe to be reliable. These Listing Particulars contain summaries, believed to be accurate, of some of the terms of specific documents, but reference is made to the actual documents, copies of which will be made available upon request, for the complete information contained in those documents. You should contact the Existing Issuer, the New Issuer or the Dealer Managers if you require additional information to verify the information contained in these Listing Particulars. All summaries are qualified in their entirety by this reference.

By receiving these Listing Particulars, you acknowledge that you have not relied on the Dealer Managers, the Existing Notes Trustee or the Trustee in connection with your investigation of the accuracy of this information or your decision as to whether or not to invest in the New Notes.

The information set out in those sections of these Listing Particulars describing clearing and settlement is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg currently in effect. Investors wishing to use this clearing system are advised to confirm the continued applicability of its rules, regulations and procedures. While each of the Existing Issuer and the New Issuer accepts responsibility for accurately summarizing the information concerning Euroclear and Clearstream, Luxembourg, it will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book-entry interests.

No person is authorized in connection with any offering made by these Listing Particulars to give any information or to make any representation not contained in these Listing Particulars and, if given or made, any other information or representation must not be relied upon as having been authorized by the New Issuer, the Existing Issuer, the Existing Notes Trustee, the Trustee, the New Guarantors or the Dealer Managers. The information contained in these Listing Particulars is accurate as of the date hereof. Neither the delivery of these Listing Particulars at any time nor any commitment to tender Existing Notes in the Exchange Offer shall, under any circumstances, create any implication that there has been no change in the information set forth in these Listing Particulars or in the New Issuer's business since the date of these Listing Particulars.

The Existing Issuer and the New Issuer each accept responsibility for the information contained in these Listing Particulars. Each of the Existing Issuer and the New Issuer has made all reasonable inquiries and confirmed to the best of its knowledge, information and belief that the information contained in these Listing Particulars is true and accurate in all material respects, that the opinions and intentions expressed in these Listing Particulars are honestly held, and neither the Existing Issuer nor the New Issuer is aware of any facts the omission of which would make these Listing Particulars or any statement contained herein misleading in any material respect.

The information contained under the heading "*Exchange Rate Information*" includes extracts from information and data publicly released by official and other sources. While each of the New Issuer and the Existing Issuer accepts responsibility for accurately summarizing the information concerning exchange rate information, it accepts no further responsibility in respect of such information.

The Dealer Managers, the Existing Notes Trustee and the Trustee make no representation or warranty, express or implied, as to, and assume no responsibility for, the accuracy or completeness of the information contained in these Listing Particulars. Nothing contained in these Listing Particulars is, or shall be relied upon as, a promise or representation by the Dealer Managers, the Existing Notes Trustee or the Trustee as to the past or the future.

Neither the Existing Notes Trustee nor the Trustee provide the Eligible Holders with any legal, business, tax or other advice in connection with these Listing Particulars.

No dealer, salesperson or other person has been authorized to give any information or to make any representation or warranty not contained in these Listing Particulars and, if given or made, such information or representation or warranty may not be relied upon as having been authorized by the Existing Issuer and the New Issuer, the Existing Notes Trustee, the Trustee or the Dealer Managers.

Neither the Existing Notes Trustee nor the Trustee (or their respective affiliates, directors, officers, employees and agents) has separately verified the information contained herein and neither the Existing Notes Trustee nor the Trustee (or their affiliates, directors, officers, employees or agents) makes any representations, warranties, undertakings or recommendations whatsoever (express or implied) regarding these Listing Particulars or the Exchange Offer and none of such persons accepts any liability or responsibility as to the accuracy or completeness of the information contained in these Listing Particulars or any other information provided by the Existing Issuer and the New Issuer in connection with or in relation to the Exchange Offer.

Neither the Existing Notes Trustee nor the Trustee shall have any liability whatsoever to the Existing Issuer and the New Issuer, the Eligible Holders or any other party in respect of any matter relating to these Listing Particulars. Neither the Existing Notes Trustee nor the Trustee makes any representation that all relevant information has been disclosed to Eligible Holders in these Listing Particulars.

None of the SEC, any state securities commission or any other regulatory authority has approved or disapproved of the New Securities, nor have any of the foregoing authorities passed upon or endorsed the merits of the Exchange Offer or the accuracy or adequacy of these Listing Particulars. Any representation to the contrary is a criminal offence in the United States and could be a criminal offense in other countries.

The New Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the U.S. Securities Act and applicable securities laws. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. See "*Notice to Investors.*"

The distribution of these Listing Particulars and the Exchange Offer are restricted by law in some jurisdictions. These Listing Particulars do not constitute an offer to sell or an invitation to tender, subscribe for or purchase any of the Existing Notes or New Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Existing Notes or New Notes or possesses or distributes these Listing Particulars, and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of the New Issuer, the Existing Issuer or the Dealer Managers shall have any responsibility therefor. See "*Notice to Investors*."

SELLING RESTRICTIONS

THE NEW SECURITIES MAY NOT BE OFFERED TO THE PUBLIC WITHIN ANY JURISDICTION. BY ACCEPTING DELIVERY OF THESE LISTING PARTICULARS, YOU AGREE NOT TO OFFER, SELL, RESELL, TRANSFER OR DELIVER, DIRECTLY OR INDIRECTLY, ANY NOTES TO THE PUBLIC.

United States

The Exchange Offer has been made in the United States in reliance upon an exemption from registration under the U.S. Securities Act for an offer and sale of the New Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations, warranties and agreements that are described in these Listing Particulars. See "*Notice to Investors.*"

The Exchange Offer has been made only to, and the New Securities are being offered and will be issued only to, Eligible Holders of Existing Notes that are (i) QIBs in private transactions in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, or (ii) persons other than "**U.S. persons**," as that term is defined in Rule 902 of Regulation S under the U.S. Securities Act, in offshore transactions in reliance upon Regulation S.

The New Securities described in these Listing Particulars have not been registered with, recommended by or approved by the SEC, any state securities commission in the United States or any other securities commission or regulatory authority, nor has the SEC, any state securities commission in the United States or any such securities commission or authority passed upon the accuracy or adequacy of these Listing Particulars. Any representation to the contrary is a criminal offence.

European Economic Area

These Listing Particulars have been prepared on the basis that all offers of the New Notes will be made pursuant to an exemption under Article 3 of the Prospectus Directive (as defined below), as implemented in member states of the EEA, from the requirement to produce a prospectus for offers of the New Notes. Accordingly, any person making or intending to make any offer within the EEA of the New Notes should only do so in circumstances in which no obligation arises for us or any of the Dealer Managers to produce a prospectus for such offer. Neither the New Issuer nor the Dealer Managers have authorized, nor do we authorize, the making of any offer of New Notes through any financial intermediary, other than offers made by the Dealer Managers, which constitute the final placement of the New Notes contemplated in these Listing Particulars.

Each of the Dealer Managers has represented and agreed that in addition to what is set out above, in relation to each Relevant Member State of the EEA that has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, it has not made and will not make an offer of Notes which are the subject of the offering contemplated by these Listing Particulars to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer Manager or Dealer Managers nominated by the New Issuer for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes shall require the New Issuer or any New Guarantor to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this restriction, the expression an "**offer of Notes to the public**" in relation to the New Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Notes to be offered so as to enable an investor to decide to purchase or subscribe the New Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

Each subscriber for, or purchaser of, the New Notes in the offering located within a member state of the EEA will be deemed to have represented, acknowledged and agreed that it is a "**qualified investor**" within the meaning of Article 2(1)(e) of the Prospectus Directive. We, each Dealer Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgment and agreement.

Belgium

The New Notes are not intended to be offered, sold to or otherwise made available to and should not be offered, sold or otherwise made available in Belgium to any "consumer" (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit economique*) of February 28, 2013, as amended from time to time.

Grand Duchy of Luxembourg

These Listing Particulars constitute a prospectus to be approved by the Luxembourg Stock Exchange for the purpose of part IV of the Luxembourg law dated July 10, 2005 on prospectuses for securities, as amended (the "**Luxembourg Prospectus Law**"), and for the purpose of the rules and regulations of the Luxembourg Stock Exchange. The terms and conditions of these Listing Particulars have however not been approved by and will not be submitted for approval to the Luxembourg Financial Services Authority (*Commission de Surveillance du Secteur Financier*) for purposes of public offering or sale in the Grand-Duchy of Luxembourg ("**Luxembourg**"). Accordingly, the New Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither these Listing Particulars nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in or from, or published in Luxembourg, except in circumstances which, pursuant to the Luxembourg Prospectus Law, constitutes (i) an offer of securities which benefits from an exemption to or (ii) a transaction not subject to, the requirement to publish a prospectus in accordance with the Luxembourg Prospectus Law.

The Netherlands

Each Dealer Manager has represented and agreed that any New Notes will only be offered in the Netherlands to qualified investors (as defined in the Prospectus Directive (as defined under *"—European Economic Area*" above).

Switzerland

These Listing Particulars, as well as any other material relating to the New Notes which are the subject of the offering contemplated by these Listing Particulars, do not constitute an issue prospectus pursuant to article 652a and/or article 1156 of the Swiss Code of Obligations and may not comply with the Directive for Notes of Foreign Borrowers of the Swiss Bankers Association. The New Notes will neither be publicly offered nor listed on the SIX Swiss Exchange Ltd., or any other Swiss stock exchange or regulated trading facility and, therefore, the documents relating to the New Notes, including, but not limited to, these Listing Particulars, do not claim to comply with the disclosure standards of the Swiss Code of Obligations and the listing rules of SIX Swiss Exchange Ltd. and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange Ltd or the listing rules of any other Swiss stock exchange or regulated trading facility. Neither these Listing Particulars nor any other material relating to the New Notes may be publicly distributed or otherwise made publicly available in Switzerland. The New Notes are being offered in Switzerland by way of a private placement to a limited number of selected investors only, without any public advertisement and only to investors who do not purchase the New Notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. Neither these Listing Particulars nor any other offering or marketing material relating to the offering or the New Notes have been or will be filed with or approved by any Swiss regulatory authority. These Listing Particulars, as well as any other material relating to the New Notes, may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without the New Issuer's express consent. These Listing Particulars, as well as any other material relating to the New Notes, may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

United Kingdom

In the United Kingdom, each Dealer Manager has represented and agreed that: (a) (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business, and (ii) it has not offered or sold and will not offer or sell the New Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the New Notes would otherwise constitute a contravention of Section 19 of Financial Services and Markets Act 2000 (the "**FSMA**") by the New Issuer; (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the New Notes in circumstances in which Section 21(1) of the FSMA does not apply to the New Issuer; and (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the New Notes in, from or otherwise involving the United Kingdom.

CERTAIN DEFINITIONS

- "**Adjusted Swissport EBITDA**" means Swissport EBITDA *minus* the portion contributed by our Unrestricted Subsidiaries to Swissport EBITDA.
- "**Amended and Restated Credit Agreement**" refers to the amended and restated Credit Agreement to be entered into prior to the Settlement Date, among, *inter alios*, the New Primary Obligor, the New Parent Guarantor, Swissport International Ltd. and Swissport Group (USA) LLC as borrowers, and Barclays Bank PLC as agent and security agent, as described under "*Description of Certain Financing Arrangements*."
- "**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme*.
- "**Collateral**" has the meaning ascribed to it under the "*Description of the New Senior Secured Notes*."
- "**Contract Renewal Rate**" means, in any given period, the total aggregate revenue of all contracts successfully renewed as a percentage of the total aggregate revenue of all contracts coming up for renewal over such period.
- "**Credit Agreement**" refers to the credit agreement dated January 20, 2016, among, *inter alios*, the Existing Primary Obligor, the Swissport Parent Entity, Swissport International Ltd. and Swissport Group (USA) LLC as borrowers, and Barclays Bank PLC as agent and security agent.
- "**Dealer Managers**" means Barclays Bank PLC and J.P. Morgan Securities plc.
- "**DSO**" refers to day sales outstanding, which is the measure of the average number of days after a sale has been made until the revenue associated with that sale is collected.
- "**EBITDA**" means earnings before interest, tax, depreciation and amortization.
- "**EEA**" means European Economic Area.
- "**Eligible Holders**" has the meaning set forth on the cover page to these Listing Particulars.
- "**Euroclear**" means Euroclear Bank SA/NV.
- "**Euro MTF Market**" means the Euro MTF Market of the Luxembourg Stock Exchange.
- "**Exchange Offer**" has the meaning set forth on the cover page to these Listing Particulars.
- "**Existing Guarantors**" means the Existing Parent Guarantor and the Existing Subsidiary Guarantors.
- "**Existing Indentures**" means the Existing Senior Secured Notes Indenture and the Existing Senior Notes Indenture.
- "**Existing Issuer**" means Swissport Investments S.A., a *société anonyme* organized under the laws of the Grand Duchy of Luxembourg.
- "**Existing Notes**" means the Existing Senior Secured Notes and the Existing Senior Notes.
- "**Existing Notes Guarantors**" refers to Swissport Group S.à r.l. and those subsidiaries of Swissport Investments S.A. that currently guarantee the Existing Notes.
- "**Existing Notes Trustee**" means U.S. Bank Trustees Limited as trustee under each of the Existing Indentures.
- "**Existing Parent Guarantor**" means Swissport Group S.à r.l., a *société à responsibilité limitée* organized under the laws of the Grand Duchy of Luxembourg, in its capacity as parent guarantor of the Existing Notes.
- "**Existing Primary Obligor**" means Swissport Investments S.A., a *société anonyme* organized under the laws of the Grand Duchy of Luxembourg.
- "**Existing Senior Secured Notes**" means the €400,000,000 6.750% Senior Secured Notes issued by the Existing Issuer on December 14, 2015, all of which remained outstanding as of the commencement of the Exchange Offer.
- "**Existing Senior Secured Noteholders**" means holders of Existing Senior Secured Notes.
- "**Existing Senior Secured Notes Indenture**" means the indenture dated December 14, 2015, governing the Existing Senior Secured Notes.
- "**Existing Subsidiary Guarantors**" mean Aguila 2 S.à r.l., Swissport Cargo Services Belgium NV, Swissport Brazil Ltda., Swissport Canada Inc., Swissport Canada Fuel Services Inc., Swissport Canada

Handling Inc., Swissport Canada Deicing Inc., Aguila Bid AG, Swissport Group Services GmbH, Swissport International Ltd., Swissport Cargo Services Deutschland GmbH, Swissport Germany Holding GmbH, Swissport Handling S.A.U., Swissport Holding Spain, S.L., Swissport Ireland Limited, Cargo Service Center de México S.A. de C.V., Swissport Mexico Holding, S. de R.L. de C.V., Swissport Amsterdam B.V., Swissport Cargo Services The Netherlands B.V., Swissport Holding B.V., Cargo Service Center East Africa B.V., Swissport Nederland B.V., Swissport Trinidad and Tobago Ltd., Flightcare Multiservices UK Limited, Servisair Group Ltd, Swissport GB Limited, Swissport Cargo Services UK Ltd., Swissport Fuelling Ltd., Swissport Ltd., Swissport UK Holding Limited, Servisair Americas LLC, Servisair Fuel Leasing Corporation, Swissport Cargo Services Inc., Swissport Cargo Holdings Inc., Swissport Fueling Inc., Swissport North America Holdings, Inc., Swissport Holdings Inc., Swissport North America Inc., Swissport SA Fuel Services, LLC, Swissport SA, LLC, Swissport SA USA, LLC, Swissport USA Inc., Swissport Group (USA) LLC and Swissport Kenya Limited.

- "**Existing Senior Notes**" means the €290,000,000 9.750% Senior Notes issued by the Existing Issuer on December 14, 2015, €280,500,000 of which remained outstanding as of the commencement of the Exchange Offer.
- "**Existing Senior Noteholders**" means holders of Existing Senior Notes.
- "**Existing Senior Notes Indenture**" means the indenture dated December 14, 2015, governing the Existing Senior Notes.
- "**FATCA**" means:
  - (a) sections 1471 to 1474 of the U.S. Internal Revenue Code and the Treasury regulations and official guidance issued thereunder, each as amended from time to time ("**U.S. FATCA**");
  - (b) any inter-governmental agreement between the United States and any other jurisdiction entered into in connection with U.S. FATCA (an "**IGA**");
  - (c) any treaty, law, regulation or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of U.S. FATCA or an IGA ("**Implementing Law**"); and
  - (d) any agreement entered into with the U.S. Internal Revenue Service, the U.S. government or any governmental or tax authority in any other jurisdiction in connection with U.S. FATCA, an IGA or any Implementing Law.
- "**FSMA**" means the United Kingdom's Financial Services and Markets Act 2000.
- "**HNA Acquisition**" means the acquisition of Aguila 2 S.A. (now Aguila 2 S.à r.l.) by the Existing Issuer, an indirect subsidiary of HNA Group, on February 10, 2016.
- "**HNA Acquisition Target**" means Aguila 2 S.A. (now Aguila 2 S.à r.l.), a company organized under the laws of the Grand Duchy of Luxembourg.
- "**HNA Group**" refers to HNA Group Co., Ltd., a company organized under the laws of the People's Republic of China.
- "**IFRS**" means International Financial Reporting Standards as adopted by the European Union.
- "**Intercreditor Agreement**" refers to the intercreditor agreement dated January 20, 2016, among, *inter alios*, the Existing Issuer, the Swissport Parent Entity, Swissport Group (USA) LLC, U.S. Bank Trustees Limited as Existing Notes Trustee, and Barclays Bank PLC as security agent and administrative agent, as described under "*Description of Certain Financing Arrangements*," which will be amended and restated on or about the Settlement Date as part of the Transactions.
- "**Listing Particulars**" means these Listing Particulars.
- "**Net Contract Wins**" means, in any given period, the total aggregate annualized revenue of all contracts successfully won over such period, less the total aggregate annualized revenue of all contracts lost during such period.
- "**New Guarantees**" collectively refers to the New Senior Secured Notes Parent Guarantee, the New Senior Secured Notes Subsidiary Guarantees, the New Senior Notes Parent Guarantee and the New Senior Notes Subsidiary Guarantees to be issued by the New Guarantors guaranteeing the New Notes.
- "**New Guarantors**" means the New Parent Guarantor and the New Subsidiary Guarantors.
- "**New Indentures**" collectively refers to the New Senior Secured Notes Indenture and the New Senior Notes Indenture

- "**New Issuer**" means Swissport Financing S.à r.l. (formerly Aguila 3 S.A.), a *société à responsibilité limitée* organized under the laws of the Grand Duchy of Luxembourg.
- "**New Notes**" has the meaning set forth on the cover page to these Listing Particulars.
- "**New Parent Guarantor**" refers to Swissport Holding International S.à r.l., a *société à responsibilité limitée* organized under the laws of the Grand Duchy of Luxembourg, which is the direct parent company of the New Issuer.
- "**New Primary Obligor**" means Swissport Financing S.à r.l. (formerly Aguila 3 S.A.), a *société à responsibilité limitée* organized under the laws of the Grand Duchy of Luxembourg.
- "**New Senior Secured Notes**" has the meaning set forth on the cover page to these Listing Particulars.
- "**New Senior Secured Notes Guarantees**" refers to the guarantees issued by the New Guarantors guaranteeing the New Senior Secured Notes.
- "**New Senior Secured Notes Indenture**" means the indenture governing the New Senior Secured Notes.
- "**New Senior Secured Notes Parent Guarantee**" refers to the guarantee provided on a senior basis by the New Parent Guarantor in relation to the New Senior Secured Notes.
- "**New Senior Secured Notes Subsidiary Guarantees**" refers to the guarantees provided on a senior basis by the New Subsidiary Guarantors.
- "**New Subsidiary Guarantees**" refers to the guarantees given by the New Subsidiary Guarantors in respect of the New Notes.
- "**New Subsidiary Guarantors**" refers the Existing Subsidiary Guarantors, excluding Aguila 2 S.à r.l. and Swissport Brazil Ltda.
- "**New Senior Notes**" has the meaning set forth on the cover page to these Listing Particulars.
- "**New Senior Notes Guarantees**" refers to the guarantees issued by the New Guarantors guaranteeing the New Senior Notes.
- "**New Senior Notes Indenture**" means the indenture governing the New Senior Notes.
- "**New Senior Notes Parent Guarantee**" refers to the guarantee provided on a senior subordinated basis by the New Parent Guarantor in relation to the New Senior Notes.
- "**New Senior Notes Subsidiary Guarantees**" refers to the guarantees provided on a senior subordinated basis by the New Subsidiary Guarantors in relation to the New Senior Notes.
- "**Non-Eligible Holders**" has the meaning set forth on the cover page to these Listing Particulars.
- "**OECD**" means the Organization for Economic Co-operation and Development.
- "**Principal Paying Agent**" refers to Elavon Financial Services DAC, UK Branch.
- "**Registrar**" refers to Elavon Financial Services DAC, a company incorporated under the laws of the Republic of Ireland.
- "**Revolving Credit Facility**" refers to the senior secured revolving credit facility available under the Credit Agreement.
- "**SEC**" means the U.S. Securities and Exchange Commission.
- "**Security Agent**" refers to Barclays Bank PLC, as security agent under the New Senior Secured Notes Indenture.
- "**Security Documents**" has the meaning ascribed to it under the "*Description of the New Senior Secured Notes*."
- "**Senior Facilities**" refers to the Term Loan B Facility and the Revolving Credit Facility.
- "**Sponsor Facility**" means the facility agreement dated January 26, 2016 and made between, amongst others, HNA Aviation (Hong Kong) Ground Handling Holdings Co., Limited as borrower and Industrial and Commercial Bank of China Limited, Yangpu Branch as agent and security agent.
- "**Sponsor Facility Liens**" means the pledges over the share capital of the Existing Parent Guarantor, the Existing Issuer and the HNA Acquisition Target dated January 27, 2016.

- “**Sponsor Facility Violations**” means violations of the Sponsor Facility arising from the Specified Credit Agreement Events of Defaults that will be cured if the Exchange Offer and the amendment and restatement of the Credit Agreement are completed successfully as more specifically described elsewhere in these Listing Particulars.
- “**Swissport**” refers to the Swissport Parent Entity and its subsidiaries.
- “**Swissport Belgium**” refers to Swissport Belgium NV, a limited liability company (*Naamloze Vennootschap*) organized under the laws of the Kingdom of Belgium.
- “**Swissport Brazil**” refers to Swissport Brasil Ltda., a limited liability company (*limitada*) organized under the laws of the Federative Republic of Brazil.
- “**Swissport Cargo Services Brazil**” refers to Cargo Service Center Brasil S.A.T.A. Ltda., a limited liability company (*limitada*) organized under the laws of the Federative Republic of Brazil.
- “**Swissport Cargo Services France**” refers to Swissport Cargo Services France S.à r.l., a *société à responsibilité limitée* organized under the laws of the Republic of France.
- “**Swissport Cargo Services Israel**” refers to Swissport Cargo Services Israel Ltd., a limited liability company organized under the laws of the State of Israel.
- “**Swissport EBITDA**” means operating profit for the period before acquisition and integrations costs, as included in the consolidated income statement and before depreciation, amortization, restructuring and onerous contract charges, non-cash pension expenses and other long-term employee benefits, unallocated other income and reporting adjustments.
- “**Swissport Group**” refers to the Swissport Parent Entity and its subsidiaries.
- “**Swissport International Ltd.**,” “**Swissport International AG**” and “**Swissport International SA**” refer to Swissport International Ltd., a corporation incorporated under the laws of Switzerland. Under Swiss law, the abbreviations “Ltd,” “AG” and “SA” may be used interchangeably when referring to this company.
- “**Swissport Parent Entity**” refers to Swissport Group S.à r.l., a *société à responsibilité limitée* organized under the laws of the Grand Duchy of Luxembourg, which is a direct parent of the Existing Issuer.
- “**Swissport Saudi**” refers to Swissport Saudi Arabia Ltd., a company organized under the laws of the Kingdom of Saudi Arabia.
- “**Term Loan B Facility**” refers to the six-year senior secured term loan B facility available under the Credit Agreement.
- “**Trustee**” means U.S. Bank Trustees Limited, as trustee under the New Senior Secured Notes Indenture and the New Senior Notes Indenture.
- “**Unrestricted Subsidiaries**” refers, collectively, to Swissport Cargo Services Israel Ltd, Swissport Belgium NV, Swissport Cargo Services France S.à r.l., Swissport Saudi Arabia Ltd., Cargo Service Center Brazil S.A.T.A. Ltda., Swissport Brasil Ltda., and their respective subsidiaries.
- “**U.S. Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.
- “**U.S. Securities Act**” means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.
- “**we**” “**us**” “**our**” refer to the Swissport Parent Entity and its subsidiaries.

TAX CONSIDERATIONS

Prospective purchasers of the New Notes are advised to consult their own tax advisors as to the consequences of purchasing, holding and disposing of the New Notes, including, without limitation, the application of U.S. federal tax laws to their particular situations, as well as any consequences to them under the laws of any other taxing jurisdiction, and the consequences of purchasing the New Notes. See "*Certain Tax Considerations.*"

FORWARD-LOOKING STATEMENTS

These Listing Particulars contain forward-looking statements within the meaning of the U.S. federal securities laws regarding future financial performance and results and other statements that are not historical facts ("**forward-looking statements**"). These forward-looking statements include, but are not limited to, statements other than statements of historical facts contained in these Listing Particulars, including, but without limitation, those regarding our future financial condition, results of operations and business, our product, acquisition, disposition and finance strategies, our capital expenditure priorities, subscriber growth and retention rates, competitive and economic factors, the maturity of our markets, anticipated cost increases, liquidity, credit risk and target leverage levels. In some cases, you can identify these statements by terminology such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will" and similar words used in these Listing Particulars.

By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Many of these assumptions, risks and uncertainties are beyond our control. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate. We caution readers not to place undue reliance on such forward-looking statements, which speak only as of the date of these Listing Particulars, and expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based.

Where, in any forward-looking statement, an expectation or belief is expressed as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished.

Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in these Listing Particulars include those described in the section entitled "*Risk Factors.*"

The following include some, but not all, of the factors that could cause actual results or events to differ materially from those anticipated results or events:

- general economic trends and trends in the aviation industries;
- increasing pricing pressure;
- the competitive environment in which we operate;
- airline consolidation and the increase of low-cost carriers;
- competition from other means of transportation, including rail travel;
- airport deregulation;
- terrorist attacks, epidemics and natural calamities;
- damage to aircraft, airports or cargo and injuries to individuals;
- deterioration of demand due to the global economic crisis;
- fluctuations in exchange rates;
- ability to expand successfully through acquisitions and to integrate acquired businesses;
- ability to penetrate new markets;

- availability of funds;
- economic downturns or disruptions;
- changes in tax laws;
- ability to obtain required certifications;
- pension obligations;
- legal and regulatory proceedings;
- environmental liabilities; and
- the interests of shareholders not being aligned with the interests of the noteholders.

We urge you to read the sections of these Listing Particulars entitled "*Risk Factors*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Industry Overview*" and "*Business*" for a more complete discussion of the factors that could affect our future performance and the markets in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in these Listing Particulars may not occur. These forward-looking statements speak only as of the date on which the statements were made. The New Issuer undertakes no obligation to update or revise any forward-looking statement or risk factor, whether as a result of new information, future events or developments or otherwise.

The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Existing Issuer, the New Issuer or persons acting on their behalf may issue. Each of the Existing Issuer and the New Issuer undertakes no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of these Listing Particulars.

These Listing Particulars disclose important factors that could cause our actual results to differ materially from the expectations set out in these Listing Particulars. These cautionary statements qualify all forward-looking statements attributable to the Existing Issuer, the New Issuer or persons acting on their behalf. When we indicate that an event, condition or circumstance could or would have an adverse effect on the Existing Issuer or the New Issuer, it means to include effects upon our business, financial and other conditions, results of operations and the New Issuer's ability to make payments on the New Notes.

TRADEMARKS AND TRADE NAMES

Swissport owns or has rights to certain trademarks or trade names that it uses in conjunction with the operation of its businesses. Each trademark, trade name or service mark of any other company appearing in these Listing Particulars belongs to its holder.

MARKET, INDUSTRY AND STATISTICAL DATA

Unless otherwise expressly indicated or noted below, all information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to our business contained in these Listing Particulars is based on estimates prepared by us based on certain assumptions and our knowledge of the industry in which we operate, as well as data from various market research, publicly available information and industry publications, including reports published by various third-party sources. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data.

In some cases there is no readily available external information (whether from trade and business organizations and associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring us to rely on our own internally developed estimates regarding the industry in which we operate, our position in the industry, our market share and the market shares of various industry participants based on experience, our own investigation of market conditions and our review of industry publications, including information made available to the public by our competitors. While we have examined and relied upon certain market or other industry data from external sources as the basis of our estimates, neither we nor the

Dealer Managers have verified that data independently. We and the Dealer Managers cannot assure you of the accuracy and completeness of, and take no responsibility for, such data. Similarly, although we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and we cannot assure you as to their accuracy or that a third party using different methods to assemble, analyze or compute market data would obtain the same result.

Historical and current market data used throughout these Listing Particulars were obtained from internal company analyses and industry publications, including the report of Roland Berger Strategy Consultants ("**Roland Berger**") described below. Industry surveys and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy and completeness of the information contained in industry surveys and publications is not guaranteed. In addition, the information set forth in the "*Industry*" section of these Listing Particulars has been derived from a report prepared by Roland Berger dated June 27, 2017 that was commissioned in connection with the Exchange Offer. The report states that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We believe that this report is reliable but we have not independently verified the report and cannot guarantee its accuracy or completeness. The projections and forward-looking statements in the "*Industry*" section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See "*Forward-Looking Statements*" and "*Risk Factors*." We have not independently verified any of this market data. While we are not aware of any misstatements regarding any industry or similar data presented herein, such data involve risks and uncertainties and is subject to change based on various factors, including those discussed under the "*Risk Factors*" section in these Listing Particulars.

Internal company analyses as described above, while believed by us to be reliable, have not been verified by any independent sources, and neither we nor any of the Dealer Managers make any representation as to the accuracy of such information. In these Listing Particulars, we present estimates of Swissport's market share for its ground handling and cargo handling services. Swissport estimates its market share within each line of service in which it operates by making adjustments to data obtained from industry publications. Such adjustments are based on assumptions that may not be accurate, and, as a result, Swissport's actual market share may differ from the estimates presented in these Listing Particulars.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

The New Parent Guarantor is a newly formed company, incorporated in the Grand Duchy of Luxembourg as an indirect subsidiary of the Swissport Parent Entity and the direct subsidiary of Aguila 2 S.à r.l. ("**Aguila 2**") for the purpose of facilitating the Exchange Offer, and, as such, has no operating or financial reporting history. The Swissport Parent Entity and the Existing Issuer were incorporated on November 4, 2015 for the purpose of facilitating the acquisition of Aguila 2 and its subsidiaries (including the New Issuer) by HNA Group on February 10, 2016 (the "**HNA Acquisition**"). Consequently, limited historical financial information relating to the New Parent Guarantor, the Swissport Parent Entity and the Existing Issuer is available.

Following the HNA Acquisition, for financial reporting purposes, the financial statements of the Existing Issuer and the Existing Subsidiary Guarantors have been consolidated, together with the Existing Issuer's financial statements, into the financial statements of the Swissport Parent Entity. Following the consummation of the Exchange Offer, the financial statements of the New Parent Guarantor will continue to be consolidated and reported at the level of the Swissport Parent Entity. Each of the Swissport Parent Entity, the Existing Issuer, the New Parent Guarantor and the New Issuer is a holding company, and none of them has material operations.

These Listing Particulars include: the audited consolidated financial statements of the New Issuer (formerly Aguila 3 S.A.) as of and for each of the two years respectively ended December 31, 2014 (the "**2014 Audited Consolidated Financial Statements**") and 2015 (the "**2015 Audited Consolidated Financial Statements**"); the audited consolidated balance sheet of the Swissport Parent Entity as of December 31, 2016, and the audited consolidated income statement, the audited consolidated statement of other comprehensive income, the audited consolidated statement of changes in equity and the audited consolidated statement of cash flows of the Swissport Parent Entity for the period from November 4, 2015 (date of incorporation) to December 31, 2016 (together, the "**2016 Audited Consolidated Financial Statements**," and together with the 2014 Audited Consolidated Financial Statements and the 2015 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"); and the unaudited condensed consolidated interim financial statements of the Swissport Parent Entity as of and for the period from November 4, 2015 to March 31, 2016 and as of and for the three months ended March 31, 2017 (the "**Unaudited Consolidated Interim Financial Statements**").

These Listing Particulars also include unaudited consolidated information for the Swissport Parent Entity for the twelve months ended March 31, 2017, calculated by adding the results of operations for the three months ended March 31, 2017 to the results of operations for the period from November 4, 2015 to December 31, 2016 and subtracting from that result the results of operations for the period from November 4, 2015 to March 31, 2016.

The Audited Consolidated Financial Statements have been audited by KPMG Luxembourg Société coopérative, independent auditors of the New Issuer and the Swissport Parent Entity. The 2016 Audited Consolidated Financial Statements includes an emphasis of matter for certain events that occurred after the reporting period due to a technical breach of the lien covenant provisions of the senior secured credit agreement dated January 20, 2016. Neither the New Issuer's nor the Swissport Parent Entity's consolidated historical results necessarily indicate results that may be expected for any future period. The consolidated financial results of the New Issuer are reported in Swiss francs. The consolidated financial statements of the Swissport Parent Entity are presented in euros.

The Audited Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). The Unaudited Consolidated Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the European Union ("**IAS 34**").

Unaudited Pro Forma Financial Information

The 2016 Audited Consolidated Financial Statements represent the period from November 4, 2015 (the date of incorporation of the Swissport Parent Entity) to December 31, 2016. The Swissport Parent Entity acquired the New Issuer on February 10, 2016, and the results of the New Issuer are consolidated in the 2016 Audited Consolidated Financial Statements from February 1, 2016. Prior to the HNA Acquisition, the Swissport Parent Entity was a shell company that did not conduct any operating activities of its own with the exception of certain administrative and financing activities and did not have any material assets or liabilities.

In order to provide comparisons for the years ended December 31, 2015 and 2016, we are also presenting in these Listing Particulars unaudited pro forma condensed financial information of the Swissport Parent Entity for the year ended December 31, 2016 (the "**2016 Unaudited Pro Forma Condensed Financial Information**"), which have been derived from the 2016 Audited Financial Statements with the following adjustments: (i) the mathematical subtraction of acquisition and financing expenses associated with the HNA Acquisition of the New Issuer by the Swissport Parent Entity during the period from November 4, 2015 to December 31, 2015; (ii) the mathematical addition of the results of operations of the New Issuer for the month ended January 31, 2016; and (iii) the mathematical addition of the pro forma amortization, interest and tax impacts as if the HNA Acquisition had occurred on January 1, 2016, as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three-month period ended March 31, 2017, we are also presenting in these Listing Particulars the unaudited pro forma condensed financial information of the Swissport Parent Entity for the three months ended March 31, 2016 (the "**Unaudited Pro Forma Condensed Interim Financial Information**," and together with the 2016 Unaudited Pro Forma Condensed Financial Information, the "**Unaudited Pro Forma Financial Information**"), which have been derived from the Unaudited Consolidated Interim Financial Statements with the following adjustments: (i) the mathematical subtraction of acquisition and financing expenses associated with the HNA Acquisition of the New Issuer by the Swissport Parent Entity during the period from November 4, 2015 to December 31, 2015; (ii) the mathematical addition of the results of operations of the New Issuer for the month ended January 31, 2016; and (iii) the mathematical addition of the pro forma amortization, interest and tax impacts as if the HNA Acquisition had occurred on January 1, 2016, as set forth "*Unaudited Pro Forma Condensed Combined Financial Information*."

The results of operations of the New Issuer for the month ended January 31, 2016 have been derived from the internal management accounts of the New Issuer and have not been audited or reviewed by any independent accounting firm. The information provided for this period is not indicative of the results of operations that would have occurred if the acquisition by the Swissport Parent Entity of the New Issuer had occurred on January 1, 2016, and, as a result, the 2016 Unaudited Pro Forma Condensed Financial Information and the Unaudited Pro Forma Condensed Interim Financial Information are not comparable to other financial information included in these Listing Particulars. The 2016 Unaudited Pro Forma Condensed Financial Information is based on, derived from and should be read in conjunction with the 2016 Audited Financial Statements included in these Listing Particulars. The Unaudited Pro Forma Condensed Interim Financial Information is based on, derived from and should be read in conjunction with the Unaudited Consolidated Interim Financial Statements included in these Listing Particulars. The Unaudited Pro Forma Financial Information should also be read in conjunction with "*Use of Proceeds*," "*Capitalization*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

The Unaudited Pro Forma Financial Information has not been prepared by management in accordance with the regulations of the SEC or any other regulations and is not necessarily indicative of the condensed consolidated income statement that would have been realized had the HNA Acquisition occurred as of the dates indicated. The Unaudited Pro Forma Financial Information was not prepared in accordance with the requirements of Rule 11-02 of Regulation S-X under the U.S. Securities Act or with the requirements of the Prospectus Directive. Neither the assumptions underlying the pro forma adjustments nor the resulting pro forma financial information have been audited or reviewed.

Basis of preparation

The Unaudited Pro Forma Financial Information is based on the historical financial information of the Swissport Parent Entity and the New Issuer and the adjustments have been made based on the acquisition method of accounting. The acquisition method of accounting is based on IFRS 3 "Business Combinations" ("**IFRS 3**"). The historical consolidated financial information has been adjusted in the Unaudited Pro Forma Financial Information to give effect to pro forma events that are (i) directly attributable to the HNA Acquisition, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed combined income statement, are expected to have a continuing impact on the combined results.

IFRS 3 requires, among other things, that most assets acquired and liabilities assumed in a business combination be recognized at their fair values as of the acquisition date. For purposes of the Unaudited Pro Forma Financial Information, significant assumptions have been made by management regarding the estimated fair values of assets acquired and liabilities assumed in the HNA Acquisition. Fair value measurements can be highly subjective and it is possible that the application of a reasonable judgment could develop different assumptions resulting in a range of alternative estimates using the same facts and circumstances.

Accounting Policies

The historical financial information of the Swissport Parent Entity and the New Issuer are based on IFRS. Please refer to the accounting policies of each entity in the 2016 Audited Consolidated Financial Statements and the 2015 Audited Consolidated Financial Statements.

Non-IFRS Measures

These Listing Particulars contain non-IFRS measures and ratios, including Swissport EBITDA, Swissport EBITDA Margin, Adjusted Swissport EBITDA, Adjusted Swissport EBITDA Margin and net capital expenditures that are not required by, or presented in accordance with, IFRS. We present non-IFRS measures because we believe that they and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

We define "**Swissport EBITDA**" as operating profit for the period before acquisition and integrations costs, as included in the consolidated income statement and before depreciation, amortization, restructuring and onerous contract charges, non-cash pension expenses and other long-term employee benefits, unallocated other income and reporting adjustments. We define "**Adjusted Swissport EBITDA**," as Swissport EBITDA *minus* the portion contributed by our Unrestricted Subsidiaries to Swissport EBITDA. We define each of "**Swissport EBITDA Margin**" and "**Adjusted Swissport EBITDA Margin**," respectively, as Swissport EBITDA and Adjusted Swissport EBITDA divided, in each case, by total revenue and other operating income. We define "**net capital expenditure**" as capital expenditure less proceeds from sale of property, vehicles and equipment. Non-IFRS measures and ratios such as Swissport EBITDA, Swissport EBITDA Margin, Adjusted Swissport EBITDA, Adjusted Swissport EBITDA Margin and capital expenditures are not measurements of financial performance or liquidity under IFRS or any other generally accepted accounting principles. In particular, you should not consider Swissport EBITDA, Swissport EBITDA Margin, Adjusted Swissport EBITDA, Adjusted Swissport EBITDA Margin or capital expenditures as alternatives to (a) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of Swissport's operating performance, (b) cash flows from operating, investing and financing activities as a measure of Swissport's ability to meet its cash needs, or (c) any other measures of performance under generally accepted accounting principles. The non-IFRS measures may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the operating results of Swissport as reported under IFRS. Some of these limitations are:

- they do not reflect Swissport's cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, Swissport's working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments, on outstanding debt;
- although depreciation, amortization and impairment are non-cash charges, the assets being depreciated and amortized will generally need to be replaced in the future and such non-IFRS measures do not reflect any cash requirements that would be required for such replacements; and
- some of the items eliminated in the calculation of such non-IFRS measures reflect cash payments that were made, or will in the future be made.

Other Data

Certain numerical figures set out in these Listing Particulars, including financial data presented in millions or thousands, and certain operating and market data have been subject to rounding adjustments and, as a result, the totals of the data in these Listing Particulars may vary slightly from the actual arithmetic totals of such information. Percentages and amounts reflecting changes over time periods relating to financial and other data set forth in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" are calculated using the numerical data in the Audited Consolidated Financial Statements or the Unaudited Consolidated Interim Financial Statements, as applicable, or the tabular presentation of other data (subject to rounding) contained in these Listing Particulars, as applicable, and not using the numerical data in the narrative description thereof.

Currency Presentation

In these Listing Particulars, all references to "**Euro**," "**euro**," "**EUR**" and "**€**" are to the single currency of the member states of the European Union ("**EU**" or "**European Union**") participating in the third stage of economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended or supplemented from time to time; all references to "**CHF**" are to Swiss francs, the lawful currency of Switzerland; all references to "**pounds sterling**" and "**£**" are to the lawful currency of the United Kingdom and all references to "**dollars**," "**USD**," "**U.S. dollars**," "**US$**" and "**$**" are to the lawful currency of the United States of America.

EXCHANGE RATE INFORMATION

The financial statements for the Swissport Parent Entity included in these Listing Particulars are presented in euros. Set forth below, for the periods and dates indicated, are the period high, low, average and end exchange rates as published by Bloomberg of euros expressed as U.S. dollars per EUR 1.00. The exchange rate of the euro on August 8, 2017 was USD 1.1752 = EUR 1.00.

	USD per EUR 1.00			
	High	Low	Average(1)	Period End
Year				
2012	1.3463	1.2053	1.2911	1.3197
2013	1.3804	1.2772	1.3300	1.3789
2014	1.3925	1.2100	1.3209	1.2100
2015	1.2010	1.0492	1.1032	1.0866
2016	1.1527	1.0384	1.1034	1.0547
2017 (through August 8, 2017)	1.1869	1.0427	1.1064	1.1752
	High	Low	Average(2)	Period End
Month				
January 2017	1.0784	1.0427	1.0637	1.0784
February 2017	1.0788	1.0544	1.0640	1.0608
March 2017	1.0864	1.0506	1.0684	1.0697
April 2017	1.0949	1.0599	1.0711	1.0901
May 2017	1.1237	1.0867	1.1055	1.1237
June 2017	1.1430	1.1125	1.1236	1.1413
July 2017	1.1811	1.1338	1.1522	1.1811
August 2017 (through August 8, 2017)	1.1869	1.1752	1.1806	1.1752

(1) The average of the exchange rates on the last business day of each month during the relevant period.

(2) The average of the exchange rates for each business day during the relevant period.

The financial statements for the New Issuer included in these Listing Particulars are presented in Swiss francs. Set forth below, for the periods and dates indicated, are the period high, low, average and end exchange rates as published by Bloomberg of Swiss francs expressed as U.S. dollars per CHF 1.00. The exchange rate of the Swiss franc on August 8, 2017 was USD 1.0258 = CHF 1.00.

	USD per CHF 1.00			
	High	Low	Average(1)	Period End
Year				
2012	1.1181	1.0036	1.0723	1.0934
2013	1.1299	1.0198	1.0823	1.1239
2014	1.1462	1.0063	1.0892	1.0063
2015	1.1626	0.9713	1.0369	1.0003
2016	1.0501	0.9699	1.0124	0.9822
2017 (through August 8, 2017)	1.0571	0.9754	1.0175	1.0258
	High	Low	Average(2)	Period End
Month				
January 2017	1.0092	0.9754	0.9920	1.0092
February 2017	1.0090	0.9882	0.9982	0.9969
March 2017	1.0149	0.9850	0.9980	1.0000
April 2017	1.0079	0.9920	0.9989	1.0063
May 2017	1.0329	0.9913	1.0139	1.0329
June 2017	1.0454	1.0247	1.0331	1.0427
July 2017	1.0571	1.0323	1.0410	1.0345
August 2017 (through August 8, 2017)	1.0361	1.0258	1.0301	1.0258

(1) The average of the exchange rates on the last business day of each month during the relevant period.

(2) The average of the exchange rates for each business day during the relevant period.

Set forth below, for the periods and dates indicated, are the period high, low, average and end exchange rates as published by Bloomberg of Swiss francs expressed as euros per CHF 1.00. The exchange rate of the Swiss franc on August 8, 2017 was EUR 0.8729 = CHF 1.00.

	EUR per CHF 1.00			
	High	Low	Average[(1)]	Period End
Year				
2012	0.8329	0.8206	0.8306	0.8283
2013	0.8274	0.7927	0.8138	0.8161
2014	0.8327	0.8083	0.8248	0.8315
2015	1.0099	0.8319	0.9400	0.9202
2016	0.9358	0.8976	0.9178	0.9326
2017 (through August 8, 2017)	0.9402	0.8684	0.9204	0.8729

	High	Low	Average[(2)]	Period End
Month				
January 2017	0.9392	0.9306	0.9332	0.9361
February 2017	0.9402	0.9351	0.9382	0.9398
March 2017	0.9398	0.9278	0.9341	0.9349
April 2017	0.9377	0.9205	0.9326	0.9232
May 2017	0.9237	0.9112	0.9172	0.9192
June 2017	0.9222	0.9136	0.9195	0.9136
July 2017	0.9140	0.8760	0.9036	0.8760
August 2017 (through August 8, 2017)	0.8777	0.8684	0.8725	0.8729

(1) The average of the exchange rates on the last business day of each month during the relevant period.

(2) The average of the exchange rates for each business day during the relevant period.

The rates in each of the foregoing tables may differ from the actual rates used in the preparation of the financial statements and other financial information appearing in these Listing Particulars. These exchange rates are solely for your convenience. The rates should not be construed as a representation that euro or Swiss franc amounts could have been, or could be, converted into U.S. dollars or euros, respectively, at the rates set forth herein or at any other rate.

SUMMARY

This summary contains information about the New Issuer and the Existing Issuer. It does not contain all the information that may be important to you. Before making an investment decision, you should read these entire Listing Particulars carefully, including the financial statements and the notes thereto and the other financial information contained in these Listing Particulars, as well as the risks described under "Risk Factors." Certain defined terms used herein are defined elsewhere in these Listing Particulars.

Overview

We are the world's leading independent provider of ground and cargo handling services to the aviation industry based on revenue and number of airports served. In 2016, we were the number one provider of ground and cargo handling services with an estimated 12% of the total global ground and cargo handling market accessible to independent ground and cargo handlers by revenue, which is almost twice as large as the market share of our nearest competitor. We offer our customers a full-range of ground and cargo handling services, which by their nature are a critical element of our customers' own businesses, and we aim to provide, as we already do in some airports, a one-stop shop range of services. Our personnel can be found throughout the airports in which we operate, both in passenger-facing roles, such as counter check-in, gate check-in and boarding, security screening and lounge services, and in logistical roles, such as baggage handling, ramp handling, aircraft maintenance, de-icing, cargo office and warehousing, and fueling. As of March 31, 2017, we provide our ground-handling and cargo services at 279 airports in 48 countries and to over 800 customers, of which approximately 62% are airline and approximately 38% are non-airline clients such as airports and freight-forwarders. For the last twelve months ended March 31, 2017, our total revenue and other operating income was €2,726.2 million, our operating profit before acquisition and integration costs was €86.5 million and our Adjusted Swissport EBITDA was €211.7 million.

For operating and reporting purposes, we group the services we provide in the following categories:

- *Ground Handling*. Our ground handling services include core services such as ramp and passenger handling and baggage services, as well as higher value add and higher yielding services such as lounge and ticketing operations, airport management and control, crew administration, cabin cleaning and de/anti-icing. Ground handling also includes complementary specialty services such as fueling, aircraft maintenance, executive aviation and aviation security. During the last twelve months ended March 31, 2017, ground handling operations contributed 82.4% and 79.8% to our total revenue and other operating income and our Swissport EBITDA for the period, respectively.
- *Cargo Handling*. Our cargo handling services include physical import and export handling of freight, warehousing and storage of cargo, document handling, trucking, mail handling and e-freight services. During the last twelve months ended March 31, 2017, cargo handling operations contributed 17.7% and 24.6% to our total revenue and other operating income and our Swissport EBITDA for the period, respectively.

As of March 31, 2017, we had operations at 279 airports in 48 countries, spanning 92 airports in 17 countries in Europe, 58 airports in the United States and Canada, 45 airports in nine countries in Central America (including the Caribbean), 20 airports in five countries in South America, 47 airports in nine countries in Africa and 17 airports in six countries in Asia and the Middle East. By number of airports serviced, we are ranked number one in North America, Central America (including the Caribbean) and South America, Africa and the Middle East, and Europe. By the same measure, we are ranked number three in the Asia-Pacific region. We operate at some of the busiest airports in the world, including Chicago O'Hare International Airport ("**ORD**"), Los Angeles International Airport ("**LAX**"), London Heathrow Airport ("**LHR**"), Tokyo Haneda Airport ("**HND**"), Paris Charles de Gaulle Airport ("**CDG**"), Dallas/Fort Worth International Airport ("**DFW**") and Hartsfield-Jackson Atlanta International Airport ("**ATL**"). For the pro forma year ended December 31, 2016, our top ten airports accounted for 37% of our total revenue and other operating income. For the last twelve months ended March 31, 2017, our European and North American operations contributed, respectively, 49% and 36% of our total revenue and other operating income from ground handling operations; the remaining 15% was derived from our ground handling operations in Africa, Central and South America, Asia and the Middle East.

Our integrated service offering and global presence allows us to offer a comprehensive range of services in each of the regions in which we operate. We offer a full suite of ground and cargo handling services, as well as more bespoke, customized services for clients such as low-cost carriers. Our services are complemented by sophisticated hub management capabilities, which allow us to respond to outsourcing by airlines at their home bases. Our services are designed to meet our customers' needs on both a local and global scale throughout our network. In addition, we are flexible to our customers' needs and to changes in the aviation landscape. We believe that we are consistently at the forefront of technological advancements in our industry. For example, we were one of the first independent global aviation service providers to offer web check-in, mobile check-in, real-time operations labor management, advanced integrated security procedures and various other innovative aviation services.

Our more than 800 customers are major full-service airlines, regional air carriers, low-cost carriers, air cargo carriers, freight forwarders and airports and, include Swiss International Air Lines, Lufthansa, United Airlines, Qatar Airways, Delta Air Lines, Emirates, American Airlines, Lufthansa Cargo, easyJet and Ryanair, among others. For the last twelve months ended March 31, 2017, our top ten customers represented 30.1% of our consolidated annual revenue and accounted for 11% of our individual contracts. We have a long service history and established contractual agreements in place with many of our customers, including Swiss International Air Lines, Lufthansa, British Airways, United Airlines, Air France, South African Airways, Virgin Atlantic Airways, Qatar Airways, Flybe, Ryanair and easyJet.

We believe that our strong reputation and loyal customer base have been achieved because of our global presence, integrated service offerings and local management expertise. Because of our global presence, we are able to utilize best practices from each of the regions in which we operate in order to deliver service that consistently applies Swissport quality across all of our global locations. Our local management expertise allows us to apply our global and integrated services and key performance indicators (KPIs) offerings in a manner that is specifically tailored to the needs of our customers in each of those regions. This local expertise also allows us to respond quickly to changes in local market conditions and adapt our business accordingly. We believe that our global presence, integrated service offerings and local management expertise aid us in attracting and maintaining a strong and loyal customer base.

Our Strengths

We are a global leader in our industry

We are the largest independent ground handler in the world based on revenue and number of airports and one of the largest cargo handlers in the world based on metric tons of cargo handled, making us a leader in ground and cargo handling. Compared to other independent ground and cargo handling service providers, our market share by revenue has increased from an estimated 7% in 2006 to an estimated 12% in 2016 of the total global ground and cargo handling market accessible to independent providers. We estimate that we provided our services to more than 800 customers in 2016, including ground handling services for approximately 249 million passengers on approximately 4.1 million flights and handling approximately 4.3 million metric tons of cargo. We also believe that we are the number one independent provider of ground handling and cargo handling services to the aviation industry in several countries in which we operate, and at many of the airports at which we operate. We believe that none of our competitors has a service offering as broad as ours with a similar degree of combined strength in both ground handling and cargo handling.

We believe that our position as a global provider of ground and cargo handling services makes us well placed to offer network-wide coverage to our airline clients and to provide them with the type of hub and base services, including hub management (where we provide all of an airline's ground handling requirements at a certain hub), that we believe we are uniquely able to provide. This puts us in a strong position to bid for and capture new licenses and contracts, whether arising through deregulation or airline restructuring, leading to new opportunities or tender renewals. We believe that our global scale, overall service quality, and comprehensive product offering give us unique competitive advantage and positioning vis-à-vis our competitors. We are increasingly being contracted to manage the ground handling and/or cargo needs of customers at the major airports in which they operate. As of the date of these Listing Particulars, we provide services at the hubs or bases of Swiss International Air Lines in Zurich, Lufthansa in Munich, Brussels Airlines in Brussels, easyJet in Geneva, Ryanair in London (Stansted), Bulgaria Air in Sofia, Finnair in Helsinki, South African Airways in Johannesburg, FedEx Express in Incheon and Osaka (Kansai), as well as United Airlines in Los Angeles, Washington, D.C. (Dulles) and San Francisco.

We have high quality service offerings and an established and loyal customer base

We have an established reputation for high quality service among our customers in the aviation industry. Quality of service and on-time performance is critical in the aviation services industry as airlines entrust their handling services to external parties, and high quality of service requires a high level of skill and technical know-how. Poor handling can lead to damaged aircraft, late check in, lost luggage and delayed schedules, all of which can be costly for airlines, both from a financial and reputational point of view, partially because many customers view handling personnel as airline employees instead of third-party employees. We set for ourselves a target of 98% for on-time performance. In the last twelve months ended March 31, 2017, we achieved on-time performance of 97.9%.

We recognize the importance of quality in our services and strive to ensure that our clients feel confident that their customers will have positive experiences with our services. Our focus on providing a high level of service together with our technical know-how, the wide range of services we offer globally, and our local expertise in addressing the varied and demanding needs of our customers, has earned us a strong reputation for high quality service offerings, for which we have been recognized.

For instance, we were recently named "*Ground Handler of the Year 2016*" by Air Transport News, after having won the inaugural prize in 2012. The STAT Times, an international specialist trade magazine for the cargo and logistics sector, named Swissport as "*African Cargo Handler of the Year*" in 2011, 2013 and 2015 and as "*International Ground Handler of the Year for Cargo Services*" in 2017. Swissport received an award for the "*Best Cargo Handler of the Year 2014*" at Airports Company South Africa's Feather Awards. At the World Air Cargo Awards, Air Cargo Week named our cargo services division the "*Air Cargo Handling Agent of the Year for 2014*" for the sixth year in a row. Swissport was also honored with the "*Ground Handling Award*" at the Cargo Airline of the Year Awards in 2013. The National Petroleum Management Association in the United States awarded us with the "*Silver Nozzle Trophy*" for the most outstanding airport fueling organization for 2013. Additionally, third-party consultants have confirmed, through interviews with industry experts and our customers, our high quality reputation and the favorable perception of our value-added services.

We believe that our high quality service offerings make us well-placed to bid for and capture new licenses and contracts, whether as a result of deregulation creating new opportunities or tender renewals, as evidenced by our Net Contract Wins, which amounted to €65.8 million for the twelve month period ended December 31, 2016 and which amounted to €21.3 million for the three months ended March 31, 2017. In addition, we believe that the sophistication of our global knowledge and services allows us to integrate our systems into each new location more quickly and easily. We therefore have a competitive advantage with respect to new customers looking to outsource or switch providers, particularly in relation to airline hubs and bases where aviation service providers need to be fully integrated into the daily activities of the airline.

Our high quality services, combined with the wide range of services we offer globally and our ability to custom tailor a service package for the individual needs of our customers, have allowed us to build a loyal and diverse customer base and mean that we enjoy strong Contract Renewal Rates, as well as being well positioned to win new contracts and new customers. For 2016, our combined Contract Renewal Rate across Europe was 92%, across Africa was 84%, across Asia was 0%, across North America was 69% and across Latin America was 88%, giving a global combined Contract Renewal Rate of 78%. As of March 31, 2017, our combined Contract Renewal Rate for the last twelve months across Europe was 81%, across Africa was 95%, across Asia was 60%, across North America was 90% and across Latin America was 100%, giving a global combined Contract Renewal Rate of 91%. In the second quarter of 2017, we have 29 contracts due for renewal that exceed €1 million in value (by annual revenue). We have maintained long-term relationships with many of our customers, some of whom have been our customers since our inception and others since their inception. For example, we have provided services to British Airways and Flybe for more than 25 years and Ryanair for more than 20 years. Swiss International Air Lines and Lufthansa have been customers since we were founded. Where ground-handling services are highly integrated with airlines' own operations, which is especially the case for hub or base operations, there can be high switching costs for clients in changing service providers.

Our global footprint complemented by local expertise allows us to compete effectively in a very competitive market

With operations at 279 airports in 48 countries worldwide as of March 31, 2017, spanning Europe, Asia, Middle East, Africa and the Americas, we believe that we have a larger global footprint and offer a wider range of services than any of our competitors on a global basis. Our global network allows us to maximize resource utilization across the network and minimize costs, and enables us to share and deploy our global knowledge and best practices across our vast international network, which has led to consistency in the services provided to our customers and made us more competitive.

Our global scale provides an extensive equipment and personnel base from which we can draw, allowing for cross functional equipment and staff utilization, and cost advantages and the sharing of best practices. Our global scale also affords us procurement efficiencies, which can lower the costs of new equipment purchases. The operational effectiveness of our services is actively monitored at all levels by the use of standard key performance indicators, which we believe improve our financial and operational performance. Our global scale and operational effectiveness allow us to reduce certain of the cost burdens associated with entering new markets, such as Saudi Arabia and Ghana, which include significant start-up costs.

Our global presence has afforded us the capability to deliver the full spectrum of our high quality services on a global level, and the capability to offer "one-stop shop" services at the primary locations at which we operate. Our capability to offer a broad range of services drives resource utilization at the airports at which we operate. The services we offer can be individually tailored to the needs of our specific customers in each region in which we operate, giving us the flexibility to meet each of our customers' individual needs. We have strengthened our global network by having a key account management team that provides service consistency to our customers across locations and local expert management teams that have the ability to respond quickly to changes in local market conditions. The combination of our global network and local expertise has allowed us to compete effectively in a very competitive market by allowing us both to guide our existing customers as they expand, where we have existing operations, into new locations and to capture new customers at a local level, including in new locations such as Saudi Arabia and Oman. We also believe we have the breadth and quality of service offering, and the necessary experience and knowledge, required to enable us to successfully expand our global footprint further into key emerging markets such as Ghana, which we entered in late 2015, and China, where we intend to strengthen our presence in the future.

Our diverse and resilient business model helps to mitigate cyclical trends in the aviation industry

We have a diverse business model with a global presence in various economic markets, a diversified customer base and a range of service offerings within the aviation industry, which spans the full range of ground-handling activities from de-icing and fueling to airport lounges, and includes what we believe is our unique ability to offer one-stop shop services at a hub level. Our business model also allows us to diversify market risks that are specific to certain regions and to mitigate the cyclical nature of the aviation industry.

As we have operations across a wide variety of emerging markets, where we see strong growth potential, including Eastern Europe, Africa, Asia and the Middle East, we believe we have been able, and will continue to be able, to mitigate the negative impact of regional downturns in the developed markets in which we operate, such as during the recent global economic crisis. We also have a well-diversified customer base consisting of more than 800 customers worldwide ranging from established multi-national airlines to low-cost carriers, regional carriers and airports. For the last twelve months ended March 31, 2017, our top ten customers represented 30.1% of our consolidated annual revenue, with no single customer exceeding 5% of our consolidated annual revenue other than Swiss International Air Lines which represented 7.1% of our consolidated annual revenue during this period. Moreover, we are not typically reliant on a small number of large contracts with specific customers. As of March 31, 2017, we had 359 contracts in place with our top ten customers. As part of our business model, we also seek to leverage our strong relationships with our airline clients to enter into framework agreements with various airlines to provide them with a full range of ground and cargo handling services when these airlines enter into new markets in which we operate.

The diversity of our service offerings within the aviation industry allows us to mitigate the negative impact suffered by any specific line of service within the aviation industry. In our core ground-handling division, the key driver of revenue is the number of flights and aircraft movements, i.e. turnaround, rather than passenger numbers. While a prolonged and lengthy reduction in passenger volume may cause airlines to close routes, thereby reducing flights, we can often foresee and mitigate this risk by downsizing our operations appropriately because there will generally be a delay between the reduction of passengers and the closing of routes. We believe that our ground handling revenues have proven to be more stable than revenues in other aviation related sectors that suffer as result of the cyclical nature of the aviation industry. For example, although the aviation industry suffered a significant downturn in 2009, the overall value of the independent ground and cargo handling sectors only decreased from approximately €16.5 billion in 2008 to approximately €15.8 billion in 2009, and has since recovered to reach approximately €20.8 billion in 2016. Moreover, when the air cargo industry as a whole suffered more than the passenger airline industry through the financial crisis, our ground handling and specialty services, which fared better at the time, mitigated this decline. Likewise, certain events that may cause a decline in the number of flights, such as terrorist attacks or epidemics, thereby affecting our ground handling revenue stream, will not necessarily affect cargo volume as adversely. Equally, changes in cargo volumes have historically shown an early cycle recovery, largely because air cargo is primarily comprised of finished products that businesses need to restock at the early stages of their inventory cycles. Passenger growth, which exhibits later cycle recovery, generally recovers following improved economic sentiment and consumer confidence.

Our business model affords us a significant cost and service advantage. In particular, we seek to build on our existing relationships to create closer partnerships with key clients to enable us to move from providing single airport or network packages to providing integrated hub and base management services with an eye to full outsourcing. Our business model also benefits from a secure source of underlying revenue from providing services that are critical to our clients' own business operations and reputations. By their nature, our services, particularly our ground handling services, including hub management, are a critical part of the efficient and effective operation of our airline clients' own businesses. Cargo handling services are also critical to passenger airlines as they rely significantly on freight shipping to improve the profitability of their routes.

We are well positioned to take advantage of current trends in the global aviation industry

We believe we are well positioned to take advantage of the anticipated increase in demand for air travel as economic growth around the globe gains momentum, and of certain trends in the aviation industry that include local deregulation of aviation services, outsourcing of airport services by airlines and airports, an increased presence of low-cost carriers, the increasing use of technology, including the automation of passenger, ground handling and cargo services, and an increase in aircraft cargo capacity. We believe that our large size, global presence and wide variety of service offerings will enable us to capitalize on these trends.

- *Increasing demand for air travel*. Global demand for both passenger and cargo air travel is increasing and is expected to continue to increase, with some estimates indicating a potential doubling in aircraft numbers globally between 2015 and 2035. This will lead to more flights, more pressure on turnarounds and greater demand for outsourced ground handling services, with forecasted annual growth in market value during the period from 2017 to 2021 expected to be 4.6% for the ground handling market, and 5.8% for the cargo handling market (see "*Industry*"). Equally, although year-on-year changes in both passenger volumes and aircraft movements follow changes in GDP, aircraft movements (which principally drive revenue in the ground handling industry and are more insulated from changes in GDP than passenger volumes) are forecast to follow an upward trend, notwithstanding a general trend towards increasing average aircraft sizes. We believe we are well positioned to capitalize on this predicted market growth, both at a global and regional level, due to the global reach of our business operations and our extensive network of relationships with carriers and airports.
- *Deregulation of aviation services*. The deregulation of local airport services in many countries and regions has opened new markets to independent handlers and afforded us the opportunity to expand our network and utilize our global knowledge to improve aviation service processes at selected airports. For example, any EU airport where traffic exceeds two million passengers or 50,000 metric tons of freight per year is currently required to have at least two handling operators, at least one of which must be independent from the airport or any dominant carrier at the airport. Additionally, the EU is considering proposals for further deregulation in respect of ground handling, the outcome and scope of which is currently uncertain (see "*Business—Regulation*"). As a global independent operator, we benefit from such deregulation because more markets will become open to us. For example, we have benefited from deregulation in Saudi Arabia, Algeria and Morocco that has enabled us to enter these new markets.
- *Outsourcing of airport services*. Many airlines have sought to reduce their cost centers and focus on their core business of passenger transportation, particularly in the wake of the rise of the low-cost carriers, which seek to provide a less expensive alternative to consumers by operating more efficiently and at a lower cost. We estimate that airlines on average are able to save 15-25% of their costs by outsourcing their airport services. Outsourcing therefore has and will continue to play an important role

in the aviation and airport services industry. Many airlines that previously handled their own ground operations and cargo are in the process of outsourcing those services, including, by way of example, United Airlines Express and Frontier in the United States, which have already outsourced some of these services. Airlines have also started to outsource services at large hubs to benefit from greater product flexibility and lower operating costs, as well as to allow themselves to focus on their core business. With our leading experience at 279 airports and in thirteen hubs around the globe, we believe we offer an attractive service offering, including hub management, to airlines looking to outsource service offerings. In particular, we believe that we are the sole independent provider of global and cargo handling services able to offer one-stop shop services when required by airlines at their main hubs. As of the date of these Listing Particulars, we estimate that 60% of ground handling services are still carried out by airlines for their own account rather than being outsourced to third-party providers such as Swissport.

- *Increased presence of low-cost carriers*. Low-cost carriers, such as Ryanair and easyJet, are gaining market share worldwide and have achieved significant growth in recent years. Low-cost carriers are heavily focused on efficient and low-cost operations and have therefore been at the forefront of outsourcing handling needs to third-party handlers. We believe we have the necessary infrastructure, resources and operational excellence, as well as the flexibility, to serve the growing number of low-cost carriers and capitalize on these outsourcing opportunities by offering these clients bespoke, customized services, as is already evidenced by the fact that Ryanair (4th largest) and easyJet (5th largest) were two of our largest customers by revenue in the last twelve months ended March 31, 2017. Our ability to cater to low-cost carriers is underscored by our renewal in April 2017 of a multi-year agreement with easyJet at its Geneva hub.
- *Increasing use of technology*. The dependence on technology in the wider aviation industry, including the automation of passenger, ground and cargo handling services, continues to increase. Accordingly, technology use and development have been and remain a core priority of our business, and we consider ourselves to be an industry leader in the development and implementation of technological advancements within our business. Such advances have included self-service applications, such as kiosks, web, mobile and off-airport check-in and common and self-bag drops.

We have strong cash generation and a successful financial track record

Our business has a strong record of cash flow generation, even during periods of economic downturn. Our total revenue and other operating income grew from €2,416.7 million (CHF 2,933.9 million) in 2014 to €2,673.7 million (CHF 2,872.9 million) in 2015 and €2,469.6 million for the period from November 4, 2015 to December 31, 2016 (€2,681.7 million for the pro forma year ended 2016). Our operating profit before acquisition and integration costs amounted to €84.8 million (CHF 103.0 million) for the year ended December 31, 2014, €115.5 million (CHF 124.1 million) for the year ended December 31, 2015, €95.9 million for the period from November 4, 2015 to December 31, 2016 (€95.9 million for the pro forma year ended December 31, 2016) and €86.5 million for the twelve months ended March 31, 2017. We generated Swissport EBITDA of €194.1 million (CHF 235.6 million) for the year ended December 31, 2014, €217.1 million (CHF 233.3 million) for the year ended December 31, 2015 and €198.7 million for the period from November 4, 2015 to December 31, 2016 (€206.4 million for the pro forma year ended December 31, 2016). For the last twelve months ended March 31, 2017, we generated Adjusted Swissport EBITDA of €211.7 million. Our Swissport EBITDA Margin, for the year ended December 31, 2014 was 8.0%, for the year ended December 31, 2015 was 8.1%, for the period from November 4, 2015 to December 31, 2016 was 8.0% (7.7% for the pro forma year ended December 31, 2016) and the last twelve months ended March 31, 2017 was 7.5%.

By virtue of the asset-light nature of our business, we also benefit from low capital expenditure requirements which are closely monitored and managed to ensure they remain low. In 2014, 2015 and 2016, our net capital expenditure amounted to 1.6%, 2.1% and 2.8% respectively, of total revenue and including other operating income for the relevant year. Our profitability and increased focus on working capital management has led to improved cash flow generation. We managed to reduce our DSO from 64 days in February 2008 to 40 days in March 2017 and continue to manage our working capital closely to maximize our cash flow generation. We generated cash flow from operating activities of €128.4 million (CHF 155.9 million) in 2014, €104.3 million (CHF 112.1 million) in 2015 and €135.7 million for the period from November 4, 2015 to December 31, 2016 (€138.4 million in the pro forma year ended December 31, 2016). We generated cash flow from operating activities of €5.8 million for the three months ended March 31, 2017, compared to negative €7.7 million for the period from November 4, 2015 to March 31, 2016 (negative €5.0 million for the pro-forma three months ended March 31, 2016).

We analyze our performance on a monthly basis by reference to our Net Contract Wins and the Contract Renewal Rate. We also take into consideration a pipeline ratio defined as the annualized revenue of active sales projects per total annual revenue for the previous fiscal year and a success ratio that corresponds to the annualized revenue of sales projects won per revenue of total sales projects submitted. Over the three month-period ended March 31, 2017, we achieved on average higher monthly retention, pipeline and actual success ratios than during the twelve-month period ended December 31, 2016. Our Net Contract Wins as of March 31, 2017 totaled €21.3 million.

We have an experienced and stable management team with a successful track record and strong shareholder support

We have an internationally diverse senior management team with extensive industry expertise and a proven track record in the air services and logistics operation industries. The international diversity of our management team, which is represented by five nationalities, reflects the global approach of the company, which we believe has aided us in growing our total revenues, managing costs, introducing new products and acquiring and successfully integrating new businesses. We believe that the collective industry knowledge and leadership of our senior management team and their record of accomplishment in responding to challenging economic conditions and achieving profitable revenue growth will enable them to continue to execute our strategy profitably.

Our independent management team also benefits from the support of HNA Group, which, through direct and indirect subsidiaries, wholly owns Swissport. Aviation and airport management form a core part of HNA Group, a Fortune 500 company whose interests also encompass financial services, real estate, retail, tourism and logistics sectors. We believe that the HNA Group is the fourth largest aviation group in China. Following our acquisition by HNA Group in February 2016, we have continued to function as an independently managed part of the HNA Group, while benefiting from the strategic support offered by the strength and connections of the wider HNA Group.

Our Strategy

The key components of our strategy are to:

Maintain and further develop our leading market position by developing new products and service offerings in new locations

We seek to maintain and further develop our positions within our existing network by continuing to focus on our brand and our core strengths. We opened our doors with three locations in Switzerland in 1996 and, as of March 31, 2017, we operated at 279 airports globally. We believe we have achieved such growth primarily due to the strong brand name and quality of our services. We constantly seek to adapt to market changes by offering state-of-the-art services and products and moving into new markets and regions, an approach that we will continue to pursue. For example, we were one of the first aviation services providers to offer technological innovations such as web and mobile check-in, and we have also been quick to adapt to changes in the aviation industry, including the increased presence of low-cost carriers. As of the date of these Listing Particulars, we have a number of strategic greenfield projects in our pipeline, which aim to capitalize on the trends in, amongst other things, outsourcing and deregulation, and which we believe will yield a positive revenue impact in the next few years. The majority of these projects consist of opportunistic start-ups based around new tender prospects arising from outsourcing and deregulation, such as our new operations in Saudi Arabia. We believe our leading market share and our constant focus towards adding customer value make us well-positioned to continue capitalizing on such opportunities. On an on-going basis, we review and adjust our risk management policies for entering into ground and cargo handling contracts with airlines with the goal of minimizing the potential for entry into unprofitable contracts. These adjustments have included adopting a more centralized approach to approvals by lowering the threshold of contracts required to be reviewed by our management team. Significant contracts are also reviewed at an earlier stage of negotiations to enable our management to review, negotiate and amend certain conditions of such contracts if necessary.

Continue to implement the Swissport Formula throughout our businesses to further improve operational efficiency

The "Swissport Formula" is a ten-point initiative focused on operational efficiency and standardization of processes and procedures across all of our operations. This initiative has yielded tangible results, and we believe it helps us maintain a competitive edge in our industry. The Swissport Formula is based on lean management principles, pursuant to which we have introduced standard management practices throughout our businesses in order to achieve operational excellence as well as a leaner cost structure. This initiative is built on the principles of centralized planning, daily operational key performance indicator monitoring and steering, establishment of common best-practice standards across our businesses, active management and monitoring of customer and network relationships, and lean organizational structures optimized to each airport's size and operational complexity. The Swissport Formula provides for optimized solutions for both the global and local requirements of our customers and for interoperability and compatibility of services between multiple airports. These standard practices enable us to provide our customers with consistent quality, reliability and well-trained management and staff which drives our financial and operational performance, by, among other things, allowing us to provide superior service to our customers. These standard practices also allows us to streamline our workforce best practices to create a leaner cost structure, which further drives our financial and operational performance.

The Swissport Formula aims to change the company culture from a local understanding of the "Swissport way of doing things" to a global approach. The result is an efficient, safe, and secure operation forming a sustainable basis for our development, while providing customer confidence and peace of mind, in addition to reducing costs. With the Swissport Formula, we aim to provide our customers and employees with the benefits of global alignment, standardization and consistency.

Continue to grow in key existing markets and expand into new locations

Our business has grown consistently since its foundation and continues to grow profitably. This growth has principally been driven by expansion of our existing operations in certain of our key markets and the expansion of our relationships with key customers at all of our locations. As airlines continue to outsource a broad range of services at their main hubs to benefit from lower operating costs, we believe we are the sole independent provider of global and cargo handling services able to offer the one-stop shop services meeting their requirements. Another strategy we have adopted for promoting expansion in existing locations has been to focus on entering into framework agreements with airline clients which contain pre-agreed terms for the provision of a range of ground and cargo handling services that apply whenever these airlines expand into new locations where we already offer our services and have customer infrastructure in place. Likewise, we continue to selectively close the gaps in our existing network in an effort to offer more complete coverage to our customers and to offer a wide portfolio of services at each airport at which we operate.

In addition to our continued focus on growth in locations where we are already active, we also from time to time seek to enter new markets or further develop our existing business in certain locations through greenfield projects or selected acquisitions, while maintaining a disciplined and risk-based approach to evaluating the commercial logic and benefit of all potential expansions. To this end, we continue to focus on developing existing expansion projects, including market entries in selected locations in Western and Eastern Europe, Africa, Latin America, the Middle East and East Asia. On occasion, where joint venture structures are required by local regulations or deemed beneficial from a business perspective (as is often the case in emerging markets such as Ghana and Morocco), we will seek to expand our presence through joint ventures provided attractive margins are expected to be achievable. Entering into joint ventures in new markets can be beneficial from a de-risking perspective as it can enable us to take advantage of the local knowledge of our joint venture partners, as we did in April 2017 when we started operations in the Oman market through a joint venture. We have stringent risk management policies in place in terms of analysis and decision-making in respect of new contracts and expansion opportunities, with a centralized approach whereby our senior management reviews key contracts at an early stage of the negotiations to mitigate against potential risks. For example, every contract with a value in excess of €3.0 million requires sign-off from our CEO. Throughout our advancements and expansions, we aim to meet and exceed the expectations of our customers with a continuous focus on quality.

Given HNA Group's core focus on aviation and airport services, we seek to leverage our connection to HNA Group to strengthen our presence in Asia and, in particular, China. We believe that our position as an independently managed business within HNA Group provides us with the necessary platform with which to enter into the large and fast-growing Chinese aviation market, due to a combination of the wider HNA Group's regional knowledge and presence, and our market leading service offering. We also expect to be well-placed to win new contracts from the airlines, airports and operational bases in China that form part of HNA Group. As of December 2016, based on publicly available information, the aviation division of HNA Group had a fleet of over 1,250 aircraft, flying 1,100 inbound and outbound routes, reaching more than 270 destinations, with annual passenger volume of approximately 92 million. Airlines with fleets operated and managed by HNA Group include Hainan Airlines, Tianjin Airlines, Capital Airlines, Deer Jet, Lucky Air, West Air, Fuzhou Airlines, Urumqi Air, Beibu Gulf Airlines, Yangtze River Airlines, Guilin Airlines, Chang'an Airlines, Africa World Airlines, and Aigle Azur. Many of HNA Group's airlines are joint ventures with local governments for whom they are strategically important. HNA Group also owns and operates a number of airports in China and has operational bases at a range of other airports in China.

Maintain a strong cash flow

We continuously focus on maintaining and improving our strong cash flow generation by maximizing the utilization of existing assets, leveraging existing resources and maintaining a disciplined approach to growth-oriented capital expenditure. We already benefit from an asset-light business model that requires relatively low levels of capital expenditure and maximizes flexibility. Moreover, our greenfield projects are financed through operating leases when available, allowing us to maintain low capital requirements. Going forward, we expect to support this through further optimization and management of working capital and tax outflows as well as the implementation of cash pooling structures. We maintain our DSO at a low level, which was around 40 days in March 2017, down from 64 days in February 2008. We also intend to further leverage our leading market position at the procurement stage to achieve better prices and conditions in our contracts with airlines.

In April 2017, we received a €718 million of equity in cash from our principal shareholder, €200 million of which we intend to use to partially repay the Term Loan B Facility. We intend to use the remainder of this equity injection, substantially all of which will be contributed to our new credit group, in full or in part to help finance select acquisitions in key existing markets as well as strategic new locations. In addition, we expect to benefit from an interest rate reduction of the Term Loan B Facility under the Amended and Restated Credit Agreement, which we expect to have a favorable impact on our future interest expenses.

Focus on human resources management

Ground handling and cargo handling are relatively labor intensive businesses. We have over 64,000 employees globally and believe that our workforce management is a key differentiating factor among aviation services operators. We believe that our efforts have resulted in tangible results such as constructive labor relationships globally and strong local human resources relationships with a proven track record, evidenced by very few union and labor related issues. We intend to continue to focus on our human resources management to further differentiate our service offerings from those of our competitors and better service the needs of our customers.

Human resources management is at the core of our business, and the Swissport human resources strategy builds upon our global business strategy. Both the Swissport business and human resources strategies are based on our shared corporate vision and mission "to provide the aviation industry with consistent and tailor-made solutions around the globe, for a better customer experience" and our commitment to our corporate core values of "People, Professionalism and Partnership." The corporate human resources team works closely with line management and the worldwide human resources community to develop and implement valuable programs, tools, processes and procedures to support Swissport managers in their daily work for more efficiency, better management and leadership in order to achieve our shared goal of excellence.

Swissport is dedicated to supporting all employees in reaching their full potential through a wide variety of training and development techniques and continuous performance management. The Swissport training program provides level-adequate training from base to top. We have also implemented a global performance development review system to be used across our business. In addition, we offer targeted training programs at every level of employment, from standardized technical training for our operations staff to our own Active Leadership and Advanced Active Leadership programs for members of first-line and middle management. Further, we recently launched a global corporate compensation strategy to support the growth of our business by closely aligning compensation and benefits to standardized performance matrices. The new compensation and benefits model envisions the creation of global polices and frameworks for different processes, including regular communications and supporting documents for the regions, as well as trainings to cascade corporate process top down through the organization. Our strong compensation and benefits foundation is a key element to support management decisions and business expansion.

We also seek to maintain a flexible workforce by outsourcing certain of our ground and cargo handling needs to third parties, a move which we believe allows us to remain flexible throughout cyclical trends in the aviation industry, thereby allowing us to maximize productivity and workforce utilization.

Our Shareholders

As of the date of these Listing Particulars, we are wholly owned by direct or indirect subsidiaries of HNA Group. HNA Group has the ability to nominate the majority of the directors of our board of directors. HNA Group is a Fortune Global 500 Corporation which was founded in 1993 and has its primary group headquarters in Beijing, Haikou, Shanghai and Hong Kong. HNA Group is a multinational conglomerate with global interests encompassing aviation, airport management, financial services, real estate, retail, tourism and logistics. According to the website of Fortune Global 500, as of the end of its last fiscal year, HNA Group had consolidated revenues of US$29.6 billion and consolidated assets of US$95.3 billion.

Aviation forms the core of HNA Group, and we believe that HNA Group is the fourth largest aviation group in China. As of December 2016, based on publicly available information, the aviation division of HNA Group had a fleet of over 1,250 aircraft, flying 1,100 inbound and outbound routes, reaching more than 270 destinations, with annual passenger volume of approximately 92 million. Airlines with fleets operated and managed by HNA Group include Hainan Airlines, Tianjin Airlines, Capital Airlines, Deer Jet, Lucky Air, West Air, Fuzhou Airlines, Urumqi Air, Beibu Gulf Airlines, Yangtze River Airlines, Guilin Airlines, Chang'an Airlines, Africa World Airlines, and Aigle Azur. Many of HNA Group's airlines are joint ventures with local governments for whom they are strategically important. HNA Group also owns and operates a number of airports in China and has operational bases at a range of other airports in China.

Recent Developments

In February 2017, we signed an agreement with flydubai for the provision of the airline's ground handling services at Muscat International Airport in Oman. In May, we began delivering our services, including passenger and ramp handling, baggage services, operations coordination and load control.

Also in February 2017, we announced that we had been selected by Emirates SkyCargo to provide the airline with cargo handling services at three airports in France. On April 1, 2017, we began delivering our services, including full freighter and warehouse handling.

In April 2017, we announced the renewal of a multi-year agreement with easyJet for the provision of comprehensive ground handling services at its hub at Geneva Airport.

In April 2017, we received €718 million of equity in cash from HNA Group to improve our current capital structure. We intend to use €200 million of the amount contributed to reduce the amount of our Credit Agreement which we are refinancing as part of the Transactions. As part of the Transactions, the remainder (less fees and expenses related to the Transactions) will be contributed in cash to our new credit group. Following the Transactions, we intend to use the remainder in full or in part for selected acquisitions in key existing markets as well as strategic new locations. We are presently in discussions in connection with one of these opportunities but we provide no assurances that it will proceed to signing and completion.

Trading Update

Our financial performance in the second quarter of 2017 was in line with expectations. Our quarterly financial statements for the three months ended June 30, 2017 are expected to be finalized and made available to noteholders by the end of August 2017.

Background to the Transactions

On May 3, 2017, we informed holders of the Existing Notes that we had notified the lender group under the Credit Agreement of a default arising out of a breach of, among other things, the lien covenant of the Credit

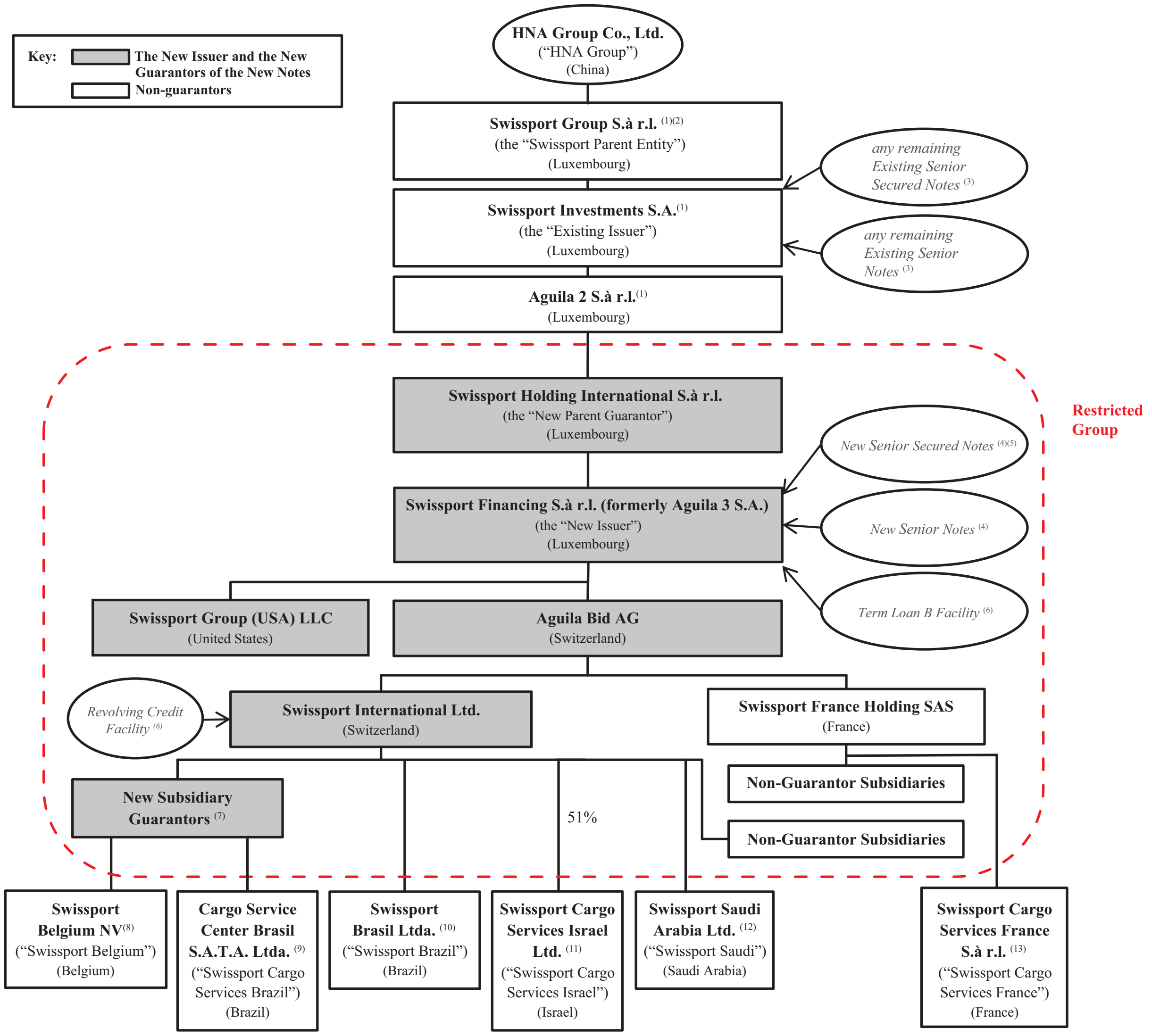
Agreement. We also informed holders of the Existing Notes that as a result of the default under the Credit Agreement, we had decided to delay publication of our audited consolidated financial statements for the year ended December 31, 2016, which resulted in a default under our reporting requirements under the Existing Indentures. On June 8, 2017, we released our audited consolidated financial statements for the year ended December 31, 2016, thereby curing the reporting default under the Existing Indentures.

Transactions

Our proposed solution is to novate the obligations of Swissport Investments, as the Existing Primary Obligor under the Credit Agreement, and the obligations of Swissport Investments, as the Existing Issuer under the Existing Indentures, to Swissport Financing S.à r.l. by means of refinancing our Term Loan B Facility pursuant to an amendment and restatement in so far as the obligations under the Credit Agreement are concerned and by means of the Exchange Offer in so far as the Existing Notes are concerned, and, in connection therewith, adjust the covenant perimeter of our obligations to apply solely to a newly incorporated parent holding company of Swissport Financing S.à r.l., to Swissport Financing S.à r.l. as the New Primary Obligor and the New Issuer and to the restricted subsidiaries thereof.

Concurrently with the amendment and restatement of the Credit Agreement and the Exchange Offer, we will amend and restate the Intercreditor Agreement. The amendment and restatement of the Credit Agreement, the Exchange Offer, including the issuance of the New Senior Secured Notes and the New Senior Notes, the amendment and restatement of the Intercreditor Agreement, the related corporate reorganization and transactions and the contribution of substantially all the remainder of the equity contribution to our new credit group are herein referred to as the "**Transactions**."

Corporate and Financing Structure



(1) On January 27, 2016, pledges over the share capital of these entities were granted for the benefit of the lenders of the Sponsor Facility.

(2) The Swissport Parent Entity is controlled by HNA Group.

(3) As of the date of these Listing Particulars, €36,478,000 aggregate principal amount of the Existing Senior Secured Notes remain outstanding and €15,856,000 aggregate principal amount of the Existing Senior Notes remain outstanding. These amounts represent the Existing Notes not tendered and accepted for exchange in the Exchange Offer.

(4) €363,522,000 6.750% New Senior Secured Notes due 2021 and €264,644,000 9.750% New Senior Notes due 2022 will be issued by the New Issuer upon consummation of the Exchange Offer. The New Notes will be senior obligations of the New Issuer. Upon issuance, the New Guarantors will guarantee the New Senior Secured Notes on a senior basis and the New Senior Notes on a senior subordinated basis. See "*Description of the New Senior Secured Notes—The New Guarantees*" and "*Description of the New Senior Notes—The New Guarantees*" for further information on the New Guarantees. The New Guarantees of the New Notes will be subject to certain limitations under applicable law, as described under "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

(5) The New Senior Secured Notes and the New Senior Secured Notes Guarantees will be secured by the same assets that secure the Senior Facilities. See note (6).

(6) On the Settlement Date, the Existing Issuer will repay its Term Loan B Facility in full and the New Issuer will enter into the Amended and Restated Credit Agreement for a new term loan in aggregate principal amount of €460,000,000 and a Revolving Credit Facility that we expect will provide borrowings for up to an aggregate principal amount of CHF 110,000,000. Upon execution of the Amended and Restated Credit

Agreement, it is expected that the Senior Facilities will be secured on a first-ranking basis by a first and/or second lien over material assets (other than shares in subsidiaries) of the New Issuer and the New Guarantors, shares in certain New Subsidiary Guarantors, and certain other assets of the New Issuer and the New Guarantors. See "*Description of Certain Financing Arrangements*."

(7) The New Subsidiary Guarantors represented 61.0% of Swissport's total assets (excluding goodwill) as of March 31, 2017 and 77.0% of the consolidated Swissport EBITDA for the twelve-month period ended March 31, 2017, in each case excluding intercompany transactions. For purposes of the minimum guarantor coverage threshold under the Credit Agreement, the loan parties represented 93.5% of the "Consolidated EBITDA" (as defined in the Credit Agreement (which definition disregards Unrestricted Subsidiaries), excluding the contributions of non-wholly-owned subsidiaries that are not New Guarantors and negative contributions of individual companies) for the twelve-month period ended March 31, 2017, and 89.6% of "Total Assets" (as defined in the Credit Agreement (which definition disregards goodwill and assets of Unrestricted Subsidiaries)) excluding the assets of non-wholly owned subsidiaries that are not New Guarantors as of March 31, 2017.

(8) As of the date of these Listing Particulars, the New Issuer, through wholly-owned subsidiaries, owns 100% of Swissport Belgium, an organization existing under the laws of Belgium. Swissport Belgium will not be a New Guarantor of the New Notes and will be an Unrestricted Subsidiary of the New Parent Guarantor under the New Indentures. For the twelve months ended March 31, 2017, Swissport Belgium represented 3.0% of Swissport's consolidated revenue and other operating income. As of March 31, 2017, Swissport Belgium represented 0.4% of Swissport's total assets.

(9) As of the date of these Listing Particulars, the New Issuer, through wholly-owned subsidiaries, owns 100% of Swissport Cargo Services Brazil, an organization existing under the laws of Brazil. Swissport Cargo Services Brazil will not be a New Guarantor of the New Notes and will be an Unrestricted Subsidiary of the New Parent Guarantor under the New Indentures. For the twelve months ended March 31, 2017, Swissport Cargo Services Brazil represented 0.1% of Swissport's consolidated revenue and other operating income. As of March 31, 2017, Swissport Cargo Services Brazil represented 0.1% of Swissport's total assets.

(10) As of the date of these Listing Particulars, the New Issuer, through wholly-owned subsidiaries, owns 100% of Swissport Brazil, an organization existing under the laws of Brazil. Swissport Brazil will not be a New Guarantor of the New Notes and will be an Unrestricted Subsidiary of the New Parent Guarantor under the New Indentures. For the twelve months ended March 31, 2017, Swissport Brazil represented 2.8% of Swissport's consolidated revenue and other operating income and did not make a positive contribution to Swissport EBITDA. As of March 31, 2017, Swissport Brazil represented 0.8% of Swissport's total assets.

(11) As of the date of these Listing Particulars, the New Issuer, through wholly-owned subsidiaries, owns 51% of Swissport Cargo Services Israel, an organization existing under the laws of Israel. Swissport Cargo Services Israel will not be a New Guarantor of the New Notes and will be an Unrestricted Subsidiary of the New Parent Guarantor under the New Indentures. For the twelve months ended March 31, 2017, Swissport Cargo Services Israel represented 0.7% of Swissport's consolidated revenue and other operating income and did not make a positive contribution to Swissport EBITDA. As of March 31, 2017, Swissport Cargo Services Israel represented 0.9% of Swissport's total assets.

(12) As of the date of these Listing Particulars, the New Issuer, through wholly-owned subsidiaries, owns 100% of Swissport Saudi, an organization existing under the laws of the Kingdom of Saudi Arabia. Swissport Saudi will not be a New Guarantor of the New Notes and will be an Unrestricted Subsidiary of the New Parent Guarantor under the New Indentures. For the twelve months ended March 31, 2017, Swissport Saudi represented 0.2% of Swissport's consolidated revenue and other operating income and did not make a positive contribution to Swissport EBITDA. As of March 31, 2017, Swissport Saudi represented 0.8% of Swissport's total assets.

(13) As of the date of these Listing Particulars, the New Issuer, through wholly-owned subsidiaries, owns 100% of Swissport Cargo Services France, an organization existing under the laws of France. Swissport Cargo Services France will not be a New Guarantor of the New Notes and will be an Unrestricted Subsidiary of the New Parent Guarantor under the New Indentures. For the twelve months ended March 31, 2017, Swissport Cargo Services France represented 0.6% of Swissport's consolidated revenue and other operating income and did not make a positive contribution to Swissport EBITDA. As of March 31, 2017, Swissport Cargo Services France represented 0.1% of Swissport's total assets.

SUMMARY OF THE NEW NOTES

The following summary contains basic information about the New Notes and is not intended to be complete. It may not contain all the information that is important to you. For a more complete understanding of the New Notes, you should read the section of these Listing Particulars entitled "*Description of the New Senior Secured Notes*" and "*Description of the New Senior Notes.*"

New Issuer	Swissport Financing S.à r.l. (formerly Aguila 3 S.A.)
New Guarantors	The New Parent Guarantor and the Existing Subsidiary Guarantors, excluding Aguila 2 and Swissport Brazil.
New Notes	
New Senior Secured Notes	€363,522,000 6.750% Senior Secured Notes due 2021 issued under the New Senior Secured Notes Indenture.
New Senior Notes	€264,644,000 9.750% Senior Notes due 2022 issued under the New Senior Notes Indenture.
Settlement Date	August 11, 2017
Maturity Date	
New Senior Secured Notes	December 15, 2021.
New Senior Notes	December 15, 2022.
Interest Payment Dates	
New Senior Secured Notes	Semi-annually in arrears on each June 15 and December 15, commencing on December 15, 2017. Interest will accrue from the Settlement Date.
New Senior Notes	Semi-annually in arrears on each June 15 and December 15, commencing on December 15, 2017. Interest will accrue from the Settlement Date.
Denomination	
New Senior Secured Notes	Each New Secured Note will have a minimum denomination of €100,000 and integral multiples of €1,000 in excess thereof.
New Senior Notes	Each New Unsecured Note will have a minimum denomination of €100,000 and integral multiples of €1,000 in excess thereof.
Ranking of the New Notes	
New Senior Secured Notes	The New Senior Secured Notes: • will be a general obligation of the New Issuer; • will be guaranteed on a senior basis by the New Guarantors; • will be secured on a first-priority basis by the Collateral, as described under "—*Security*"; • will be effectively subordinated to any existing and future Indebtedness of the New Issuer that is secured by property or assets that do not secure the New Senior Secured Notes, to the extent of the value of the property and assets securing such Indebtedness;

- will be *pari passu* in right of payment to any future Indebtedness (as defined in "*Description of the New Senior Secured Notes*") of the New Issuer that is not subordinated in right of payment to the New Senior Secured Notes (including the Senior Facilities);
- will be senior to any future Indebtedness of the New Issuer that is subordinated in right of payment to the New Senior Secured Notes, including any subordinated shareholder debt; and
- will be effectively subordinated to any existing and future Indebtedness of the Subsidiaries of the New Parent Guarantor (other than the New Issuer) that do not guarantee the New Senior Secured Notes.

New Senior Notes .... The New Senior Notes:

- will be a general senior subordinated obligation of the New Issuer;
- will be guaranteed on a senior subordinated basis by each of the New Guarantors;
- will be *pari passu* in right of payment to any future Indebtedness (as defined in "*Description of the New Senior Notes*") of the New Issuer that is not subordinated in right of payment to the New Senior Notes;
- will be senior to any future Indebtedness of the New Issuer that is subordinated in right of payment to the New Senior Notes, including any subordinated shareholder debt;
- will be effectively subordinated to any existing and future Indebtedness of the Subsidiaries of the New Parent Guarantor (other than the New Issuer) that do not guarantee the New Senior Notes; and
- will be effectively subordinated to any existing and future Indebtedness of the New Issuer that is secured by property or assets that do not secure the New Senior Notes, to the extent of the value of the property and assets securing such Indebtedness, including the Senior Facilities and the New Senior Secured Notes.

Guarantees

New Senior Secured Notes .... The New Senior Secured Notes will be guaranteed on a senior basis by the New Guarantors. The New Senior Secured Notes Guarantees of certain New Guarantors will be limited as described under "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—The New Guarantees of the New Notes and the Collateral of the New Senior Secured Notes, along with any future guarantees of the New Notes and future Collateral of the New Senior Secured Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability*" and "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

New Senior Notes .... The New Senior Notes will be guaranteed on a senior subordinated basis by the New Guarantors. The New Senior Notes Guarantees of certain New Guarantors will be limited as described under "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—The New Guarantees of the New Notes and the Collateral of the New Senior Secured Notes, along with any future guarantees of* *the New Notes and future Collateral of the New Senior Secured Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability*" and "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

Ranking of the New Guarantees of the New Notes

New Senior Secured Notes . . . . The New Senior Secured Notes Guarantee of each New Guarantor:

- will be a general obligation of the New Guarantor;
- will be secured on a first-priority basis by the Collateral, as described below under "—*Security*";
- will be effectively subordinated to any existing and future Indebtedness of the relevant New Guarantor that is secured by property or assets that do not secure such New Guarantee, to the extent of the value of the property and assets securing such Indebtedness;
- will be *pari passu* in right of payment with all existing and future Indebtedness of such New Guarantor that is not subordinated in right of payment to such New Guarantee (including Indebtedness under or guarantees of the Senior Facilities); and
- will be senior in right of payment to all existing and future Indebtedness of such New Guarantor that is subordinated in right of payment to such New Guarantee, including the new Senior Notes Guarantee.

The New Senior Secured Notes Guarantees will be subject to the terms of the Intercreditor Agreement. See "*Description of Certain Financing Arrangements—Intercreditor Agreement*."

The New Senior Secured Notes Guarantees will be subject to release under certain circumstances. See "*Description of the New Senior Secured Notes—The Guarantees—Release of the Guarantees*."

New Senior Notes . . . . The New Senior Notes Guarantee of each New Guarantor:

- will be a general senior subordinated obligation of that New Guarantor;
- will be subordinated in right of payment to all existing and future senior Indebtedness of such New Guarantor, including indebtedness under or guarantees of the Senior Facilities and the New Senior Secured Notes Guarantees;
- will rank senior in right of payment to all existing and future Indebtedness of the New Guarantor that is expressly subordinated to the relevant Senior Notes Guarantee; and
- will be effectively subordinated to any existing and future Indebtedness of the relevant New Guarantor that is secured by property or assets that do not secure such New Senior Notes Guarantee, to the extent of the value of the property and assets securing such Indebtedness, including the Senior Facilities and the New Senior Secured Notes.

The New Senior Notes Guarantees will be subject to the terms of the Intercreditor Agreement. See "*Description of Certain Financing Arrangements—Intercreditor Agreement*."

	The New Senior Notes Guarantees will be subject to release under certain circumstances. See "*Description of the New Senior Notes—The Guarantees—Release of the Guarantees*."
Security	The New Senior Secured Notes and the New Senior Secured Notes Guarantees will be secured on a first-ranking priority basis by a first or second lien on material assets (other than shares in subsidiaries) of the New Issuer and the New Guarantors, the shares in certain New Subsidiary Guarantors, and certain other assets of the New Issuer and the New Guarantors.
	Any security granted by the New Issuer and the New Guarantors will be limited as described under "*Risk Factors—The New Guarantees of the New Notes and the Collateral of the New Senior Secured Notes, along with any future guarantees of the New Notes and future Collateral of the New Senior Secured Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability*" and "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."
	The assets securing the New Senior Secured Notes will also secure the Senior Facilities on an equal and ratable basis and may be released under certain circumstances. See "*Risk Factors—The New Guarantors and the other security providers will have control over the Collateral securing the New Senior Secured Notes, and the sale of particular assets could reduce the pool of assets securing the New Senior Secured Notes*," "*Description of Certain Financing Arrangements—Intercreditor Agreement*" and "*Description of the New Senior Secured Notes—Security*."
Optional Redemption	
New Senior Secured Notes	Prior to June 15, 2018, the New Issuer will be entitled at its option to redeem all or a portion of the New Senior Secured Notes at a redemption price equal to 100% of the principal amount of the New Senior Secured Notes, plus the applicable "make-whole" premium described in these Listing Particulars and accrued and unpaid interest to the redemption date.
	On or after June 15, 2018, the New Issuer will be entitled at its option to redeem all or a portion of the New Senior Secured Notes at the redemption prices set forth under the caption "*Description of the New Senior Secured Notes—Optional Redemption*" plus accrued and unpaid interest to the redemption date.
	Prior to June 15, 2018, the New Issuer will be entitled at its option on one or more occasions to redeem up to 40% of the aggregate principal amount of the New Senior Secured Notes with the net cash proceeds from certain equity offerings at a redemption price equal to 106.750% of the principal amount of the outstanding New Senior Secured Notes plus accrued and unpaid interest to the redemption date.
New Senior Notes	Prior to December 15, 2018, the New Issuer will be entitled at its option to redeem all or a portion of the New Senior Notes at a redemption price equal to 100% of the principal amount of the New Senior Notes plus the applicable "make-whole" premium described in these Listing Particulars and accrued and unpaid interest to the redemption date.

On or after December 15, 2018, the New Issuer will be entitled at its option to redeem all or a portion of the New Senior Notes at the redemption prices set forth under the caption "*Description of the New Senior Notes—Optional Redemption*" plus accrued and unpaid interest to the redemption date.

Prior to December 15, 2018, the New Issuer will be entitled at its option on one or more occasions to redeem up to 40% of the aggregate principal amount of the New Senior Notes with the net cash proceeds from certain equity offerings at a redemption price equal to 109.750% of the principal amount of the outstanding New Senior Notes plus accrued and unpaid interest to the redemption date.

Change of Control . . . . If the New Issuer experiences a change of control, it will be required to offer to repurchase the New Notes at 101% of their aggregate principal amount plus accrued interest to the date of such repurchase. See "*Description of the New Senior Secured Notes—Repurchase at the Option of Holders—Change of Control*" and "*Description of the New Senior Notes—Repurchase at the Option of Holders—Change of Control.*"

Redemption for Taxation Reasons

New Senior Secured Notes . . . . If certain changes in the law of any relevant taxing jurisdiction become effective that would impose withholding taxes or other deductions on the payments of the New Senior Secured Notes, we may redeem the New Senior Secured Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, and additional amounts, if any, to the date of redemption. See "*Description of the New Senior Secured Notes—Redemption for Changes in Taxes.*"

New Senior Notes . . . . If certain changes in the law of any relevant taxing jurisdiction become effective that would impose withholding taxes or other deductions on the payments on the New Senior Notes, we may redeem the New Senior Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, and additional amounts, if any, to the date of redemption. See "*Description of the New Senior Notes—Redemption for Changes in Taxes.*"

Additional Amounts . . . . Any payments made with respect to the New Notes will be made without withholding or deduction for taxes unless required by law. If withholding or deduction for such taxes is required to be made in any relevant taxing jurisdiction with respect to a payment under the New Notes, subject to certain exceptions, we will pay the additional amounts necessary so that the net amount received by the holders of New Notes after the withholding is not less than the amount that they would have received in the absence of the withholding. See "*Description of the New Senior Notes—Additional Amounts.*"

Certain Covenants . . . . The New Indentures, among other things, provide for the ability of the New Parent Guarantor and its restricted subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;

- make certain payments, including dividends or other distributions, with respect to the shares of the New Issuer or its restricted subsidiaries;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the New Issuer or any of its restricted subsidiaries;
- sell, lease or transfer certain assets, including stock of restricted subsidiaries;
- engage in certain transactions with affiliates;
- consolidate or merge with other entities; and
- in the case of the New Senior Secured Notes Indenture, impair the security.

Each of these covenants is subject to significant exceptions and qualifications. See "*Description of the New Senior Secured Notes—Certain Covenants*" and "*Description of the New Senior Notes—Certain Covenants.*"

Transfer Restrictions	None of the New Notes or the New Guarantees has been, or will be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction. The New Notes are subject to restrictions on transfer and may only be offered or sold in transactions that are exempt from or not subject to the registration requirements of the U.S. Securities Act. See "*Notice to Investors*" and "*Plan of Distribution.*"
No Established Market for the New Notes	The New Notes will be new securities for which there is currently no market. Although the Dealer Managers have informed us that they intend to make a market in the New Notes, they are not obligated to do so and they may discontinue market-making at any time without notice. Accordingly, we cannot assure you that a liquid market for the New Notes will develop or be maintained.
Listing and Trading	Application has been made to list the New Notes on the Official List of the Luxembourg Stock Exchange and to admit the New Notes for trading on the Luxembourg Stock Exchange's Euro MTF Market.
Trustee	U.S. Bank Trustees Limited.
Principal Paying Agent and Transfer Agent	Elavon Financial Services Limited, UK Branch.
Registrar	Elavon Financial Services Limited.
Governing Law of the New Notes, the New Guarantees and the New Indentures	New York law. For the avoidance of doubt, articles 84 to 94-8 of the Luxembourg law of 1915 on commercial companies are hereby excluded.
Governing Law for the Security Documents	Applicable jurisdictions for the Security Documents.

SUMMARY CONSOLIDATED HISTORICAL FINANCIAL, OPERATIONAL AND PRO FORMA DATA

The tables below set forth the summary consolidated historical financial information of the New Issuer as of and for the years ended December 31, 2014 and 2015, and of the Swissport Parent Entity as of December 31, 2016 and for the period from November 4, 2015 to December 31, 2016, as of March 31, 2016 and for the period from November 4, 2015 to March 31, 2016, as of and for the three months ended March 31, 2017 and for the twelve-month period ended March 31, 2017.

The summary consolidated historical financial information for the New Issuer set forth below as of and for the years ended December 31, 2014 and 2015 was extracted from the 2015 Audited Consolidated Financial Statements prepared in accordance with IFRS and included elsewhere in these Listing Particulars. The summary consolidated historical financial information for the Swissport Parent Entity set forth below as of December 31, 2016 and for the period from November 4, 2015 to December 31, 2016 was extracted from the 2016 Audited Consolidated Financial Statements prepared in accordance with IFRS and included elsewhere in these Listing Particulars. The summary consolidated historical financial information for the Swissport Parent Entity set forth below as of and for the period from November 4, 2015 to March 31, 2016 and as of and for the three months ended March 31, 2017 was extracted from the Unaudited Consolidated Interim Financial Statements, prepared in accordance with IAS 34 and included elsewhere in these Listing Particulars.

Consolidated information for the Swissport Parent Entity for the twelve months ended March 31, 2017 has been calculated by adding the results of operations for the three months ended March 31, 2017 to the results of operations for the period from November 4, 2015 to December 31, 2016 and subtracting from that result the results of operations for the period from November 4, 2015 to March 31, 2016.

The financial information for the three months ended March 31, 2017 is not necessarily indicative of the results that may be expected for the year ending on December 31, 2017, and should not be used as the basis for or prediction of an annualized calculation.

The summary pro forma condensed financial information of the Swissport Parent Entity for the year ended December 31, 2016 and for the three months ended March 31, 2016 have been derived from the 2016 Audited Financial Statements and the Unaudited Consolidated Interim Financial Statements, respectively, with certain adjustments as described in "*Unaudited Pro Forma Condensed Combined Financial Information.*"

The following information is only a summary and should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," the Audited Consolidated Financial Statements and the Unaudited Consolidated Interim Financial Statements, including the notes thereto.

Summary Financial Information

Income Statement Data

	New Issuer				Swissport Parent Entity					
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016[1]	Pro forma January 1, 2016 to December 31, 2016[3]	November 4, 2015 to March 31, 2016[4]	Pro forma January 1, 2016 to March 31, 2016[5]	Three months ended March 31, 2017	Twelve months ended March 31, 2017[6]
	(CHF in millions)[1]	(EUR in millions)[2]	(CHF in millions)[1]	(EUR in millions)[2]	(EUR in millions)		(EUR in millions)		(EUR in millions)	(EUR in millions)
Operations										
Revenue	2,831.3	2,332.2	2,766.2	2,574.4	2,384.9	2,586.8	410.3	612.2	655.2	2,629.8
Other operating income	102.6	84.5	106.7	99.3	84.7	94.9	14.0	24.2	25.7	96.4
Total revenue and other operating income	**2,933.9**	**2,416.7**	**2,872.9**	**2,673.7**	**2,469.6**	**2,681.7**	**424.3**	**636.4**	**680.9**	**2,726.2**
Goods and services purchased	(484.8)	(399.3)	(456.8)	(425.1)	(349.8)	(382.0)	(63.9)	(96.1)	(104.3)	(390.2)
Personnel expenses	(1,823.8)	(1,502.3)	(1,837.0)	(1,709.6)	(1,617.6)	(1,761.1)	(279.8)	(423.3)	(463.5)	(1,801.3)
Other operating expenses	(440.4)	(362.8)	(373.8)	(347.9)	(338.6)	(369.0)	(61.1)	(91.5)	(96.6)	(374.1)
Depreciation and impairment of property, vehicles and equipment	(64.0)	(52.7)	(62.6)	(58.3)	(51.3)	(55.9)	(8.9)	(13.5)	(14.2)	(56.6)
Amortization and impairment of intangible assets	(23.1)	(19.0)	(22.0)	(20.5)	(21.5)	(23.4)	(3.9)	(5.8)	(6.3)	(23.9)
Total operating expenses (excluding acquisition and integration costs)	**(2,836.1)**	**(2,336.1)**	**(2,752.2)**	**(2,561.4)**	**(2,378.8)**	**(2,591.4)**	**(417.6)**	**(630.2)**	**(684.9)**	**(2,646.1)**
Share of results of associates and joint ventures	5.2	4.2	3.4	3.2	5.1	5.6	0.6	1.1	1.9	6.4
Operating profit (loss) (before acquisition and integration costs)	**103.0**	**84.8**	**124.1**	**115.5**	**95.9**	**95.9**	**7.3**	**7.3**	**(2.1)**	**86.5**
Acquisition costs	—	—	—	—	(2.6)	0.0	(2.7)	0.0	—	0.1
Integration costs	(27.2)	(22.4)	(27.8)	(25.9)	(0.3)	(0.3)	(0.2)	(0.2)	—	(0.1)
Operating profit (loss)	**75.8**	**62.4**	**96.3**	**89.6**	**93.0**	**95.6**	**4.4**	**7.1**	**(2.1)**	**86.5**
Finance expense	(192.8)	(158.8)	(281.4)	(261.9)	(306.8)	(341.7)	(146.1)	(181.0)	(54.4)	(215.1)
Finance income	50.3	41.4	123.3	114.8	98.2	117.9	7.1	26.8	24.7	115.8
Net finance expense	**(142.5)**	**(117.4)**	**(158.1)**	**(147.1)**	**(208.6)**	**(223.8)**	**(139.0)**	**(154.2)**	**(29.7)**	**(99.3)**
Loss on sale of subsidiary	(12.2)	(10.0)	(19.4)	(18.1)	—		—		—	
Loss on disposal	—	—	(28.6)	(26.6)	—		—		—	
Profit/(loss) before income tax	**(78.9)**	**(65.0)**	**(109.8)**	**(102.2)**	**(115.6)**	**(128.2)**	**(134.6)**	**(147.1)**	**(31.8)**	**(12.8)**
Income tax (expense)/credit	(41.2)	(33.9)	(34.0)	(31.6)	(24.8)	(27.1)	(5.8)	(8.1)	(6.2)	(25.2)
Loss for the period	**(120.1)**	**(98.9)**	**(143.8)**	**(133.8)**	**(140.4)**	**(155.3)**	**(140.4)**	**(155.2)**	**(38.0)**	**(38.0)**

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(3) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(4) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected income statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not conduct any operating activities of its own with the exception of certain administrative and financing activities and did not have any material assets or liabilities. As a result, the selected income statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected income statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(5) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(6) Consolidated information for the Swissport Parent Entity for the twelve months ended March 31, 2017 has been calculated by adding the results of operations for the three months ended March 31, 2017 to the results of operations for the period from November 4, 2015 to December 31, 2016 and subtracting from that result the results of operations for the period from November 4, 2015 to March 31, 2016, as set forth in the following table.

	Swissport Parent Entity			
		Addition	Subtraction	
	November 4, 2015 to December 31, 2016[(1)]	Three months ended March 31, 2017	November 4, 2015 to March 31, 2016	Twelve months ended March 31, 2017
	(EUR in millions)	(EUR in millions)	(EUR in millions)	(EUR in millions)
Operations				
Revenue	2,384.9	655.2	410.3	2,629.8
Other operating income	84.7	25.7	14.0	96.4
Total revenue and other operating income	**2,469.6**	**680.9**	**424.3**	**2,726.2**
Goods and services purchased	(349.8)	(104.3)	(63.9)	(390.2)
Personnel expenses	(1,617.6)	(463.5)	(279.8)	(1,801.3)
Other operating expenses	(338.6)	(96.6)	(61.1)	(374.1)
Depreciation and impairment of property, vehicles and equipment	(51.3)	(14.2)	(8.9)	(56.6)
Amortization and impairment of intangible assets	(21.5)	(6.3)	(3.9)	(23.9)
Total operating expenses (excluding acquisition and integration costs)	**(2,378.8)**	**(684.9)**	**(417.6)**	**(2,646.1)**
Share of results of associates and joint ventures	5.1	1.9	0.6	6.4
Operating profit (loss) (before acquisition and integration costs)	**95.9**	**(2.1)**	**7.3**	**86.5**
Acquisition costs	(2.6)	—	(2.7)	0.1
Integration costs	(0.3)	—	(0.2)	(0.1)
Operating profit (loss)	**93.0**	**(2.1)**	**4.4**	**86.5**
Finance expense	(306.8)	(54.4)	(146.1)	(215.1)
Finance income	98.2	24.7	7.1	115.8
Net finance expense	**(208.6)**	**(29.7)**	**(139.0)**	**(99.3)**
Loss on sale of subsidiary	—	—	—	
Loss on disposal	—	—	—	
Profit/(loss) before income tax	**(115.6)**	**(31.8)**	**(134.6)**	**(12.8)**
Income tax (expense)/credit	(24.8)	(6.2)	(5.8)	(25.2)
Loss for the period	**(140.4)**	**(38.0)**	**(140.4)**	**(38.0)**

(1) Figures have been extracted from the respective audited financial statements.

Balance Sheet Data

	New Issuer				Swissport Parent Entity	
	As of December 31, 2014		As of December 31, 2015		As of December 31, 2016	As of March 31, 2017
	(CHF in millions)[(1)]	(EUR in millions)[(2)]	(CHF in millions)[(1)]	(EUR in millions)[(2)]	(EUR in millions)[(1)]	(EUR in millions)
Total non-current assets	1,889.5	1,571.0	1,751.3	1,617.6	3,175.0	3,156.7
Total current assets	647.3	538.2	613.9	567.1	624.4	618.2
Total assets	**2,536.8**	**2,109.2**	**2,365.2**	**2,184.7**	**3,799.4**	**3,774.9**
Total equity/(deficit)	176.9	147.1	(62.1)	(57.4)	1,347.0	1,272.8
Total non-current liabilities	1,759.2	1,462.7	1,839.9	1,699.6	1,215.8	1,248.7
Total current liabilities	600.7	499.4	587.4	542.5	1,236.6	1,253.4
Total equity and liabilities	**2,536.8**	**2,109.2**	**2,365.2**	**2,184.7**	**3,799.4**	**3,774.9**

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information as of December 31, 2014 has been translated from Swiss franc to euro at the year-end exchange rate of EUR 1 = CHF 1.202730781, and the financial information as of December 31, 2015 has been translated from Swiss franc to euro at the year-end exchange rate of EUR 1 = CHF 1.082631527. These rates may differ from actual rates used in the

preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at this or any other rate.

Cash Flow Statement Data

	New Issuer				Swissport Parent Entity				
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016[1]	Pro forma January 1, 2016 to December 31, 2016[3]	November, 4, 2015 to March 31, 2016[4]	Pro forma January 1, 2016 to March 31, 2016[5]	Three months ended March 31, 2017
	(CHF in millions)[1]	(EUR in millions)[2]	(CHF in millions)[1]	(EUR in millions)[2]	(EUR in millions)		(EUR in millions)		(EUR in millions)
Total cash flow from operating activities	155.9	128.4	112.1	104.3	135.7	138.4	(7.7)	(5.0)	5.8
Total cash flow used in investing activities	(50.9)	(41.9)	(46.3)	(43.2)	(1,340.2)	(1,444.3)	(1,282.6)	(1,386.7)	(12.9)
Total cash flow from (used in) financing activities	(129.0)	(106.3)	(32.9)	(30.6)	1,340.1	1,312.1	1,450.2	1,422.2	(0.6)
Net increase/(decrease) in cash and cash equivalents	**(24.0)**	**(19.8)**	**32.9**	**30.5**	**135.6**	**6.2**	**159.9**	**30.5**	**(7.7)**

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(3) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(4) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected cash flow statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not incur significant cash flows with the exception of certain administrative and financing activities. As a result, the selected cash flow statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected cash flow statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(5) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

Other Financial Data

	New Issuer				Swissport Parent Entity					
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016	Pro forma January 1, 2016 to December 31, 2016[2]	November 4, 2015 to March 31, 2016[3]	Pro forma January 1, 2016 to March 31, 2016[4]	Three months ended March 31, 2017	Twelve months ended March 31, 2017
	(CHF in millions)	(EUR in millions)[1]	(CHF in millions)	(EUR in millions)[1]	(EUR in millions)		(EUR in millions)		(EUR in millions)	(EUR in millions)
Change in net working capital	(13.4)	(11.0)	(18.4)	(17.2)	0.1	(3.3)	(17.5)	(20.9)	(8.9)	8.7
Net capital expenditure (tangible and intangible)[5]	46.8	38.6	59.9	55.8	70.1	75.5	9.7	15.1	15.2	75.6
Swissport EBITDA[6][7]	**235.6**	**194.1**	**233.3**	**217.1**	**198.7**	**206.4**	**22.6**	**30.3**	**27.2**	**203.3**
Ground handling	185.0	152.4	179.7	167.2	157.0	165.1	17.4	25.5	22.7	162.3
Cargo handling	56.1	46.2	48.5	45.1	46.0	45.9	4.8	4.7	8.8	50.0
Other/eliminations	(5.5)	(4.5)	5.1	4.7	(4.3)	(4.6)	0.4	0.1	(4.3)	(9.0)
Swissport EBITDA Margin[8]	8.0%	8.0%	8.1%	8.1%	8.0%	7.7%	5.3%	4.8%	4.0%	7.5%
Adjusted Swissport EBITDA[7][9]										211.7
Adjusted Swissport EBITDA Margin[8]										7.8%
Total revenue and other operating income	**2,933.9**	**2,416.7**	**2,872.9**	**2,673.7**	**2,469.6**	**2,681.7**	**424.3**	**636.4**	**680.9**	**2,726.2**
Ground handling	2,402.6	1,979.0	2,369.6	2,205.3	2,033.2	2,210.7	347.9	525.4	560.6	2,245.9
Cargo handling	537.0	442.3	506.3	471.2	438.4	472.8	76.7	111.1	120.5	482.2
Other/eliminations and unallocated other income and reported adjustments	(5.7)	(4.6)	(3.0)	(2.8)	(2.0)	(1.8)	(0.3)	(0.1)	(0.2)	(1.9)

(1) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars . You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(2) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(3) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected income statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not conduct any operating activities of its own with the exception of certain administrative and financing activities. As a result, the selected income statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected income statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(4) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(5) Net capital expenditure (tangible and intangible) is capital expenditure less proceeds from sale of property, vehicles and equipment.

(6) Swissport EBITDA is operating profit before acquisition and integration costs, as included in the consolidated income statement, before depreciation, amortization, restructuring and onerous contract charges, non-cash pension expenses and unallocated other income and reporting adjustments. Swissport EBITDA is not a uniformly or legally defined financial measure and is not a measurement of performance under IFRS, and you should not consider Swissport EBITDA as an alternative to (a) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of Swissport's operating performance, (b) cash flows from operating, investing and financing activities as a measure of Swissport's ability to meet its cash needs, or (c) any other measures of performance under generally accepted accounting principles. We believe that Swissport EBITDA is a useful indicator of Swissport's ability to incur and service its indebtedness and can assist securities analysts, investors and other parties to evaluate Swissport's results of operations. You should exercise caution in comparing Swissport EBITDA as presented in these Listing Particulars to similar measures used by other companies. See "*Presentation of Financial and Other Information—Non-IFRS Measures*." The following is a reconciliation of net profit / (loss) for the period to Swissport EBITDA for the periods presented:

	New Issuer				**Swissport Parent Entity**					
	Year ended December 31, 2014	**Year ended December 31, 2014**	**Year ended December 31, 2015**	**Year ended December 31, 2015**	**November 4, 2015 to December 31, 2016**	**Pro forma January 1, 2016 to December 31, 2016[(2)]**	**November 4, 2015 to March 31, 2016[(3)]**	**Pro forma January 1, 2016 to March 31, 2016[(3)]**	**Three months ended March 31, 2017**	**Twelve months ended March 31, 2017**
	(CHF in millions)	**(EUR in millions)[(1)]**	**(CHF in millions)**	**(EUR in millions)[(1)]**	**(EUR in millions)**		**(EUR in millions)**		**(EUR in millions)**	**(EUR in millions)**
Net profit/(loss) for the period	(120.1)	(98.9)	(143.8)	(133.8)	(140.4)	(155.2)	(140.4)	(155.2)	(38.0)	(38.0)
Income tax expense/ (credit)	(41.2)	(33.9)	(34.0)	(31.6)	(24.8)	(27.1)	(5.8)	(8.1)	(6.2)	(25.2)
Net profit/(loss) before income tax	(78.9)	(65.0)	(109.8)	(102.2)	(115.6)	(128.1)	(134.6)	(147.1)	(31.8)	(12.8)
Finance income	50.3	41.4	123.3	114.8	98.2	117.9	7.1	26.8	24.7	115.8
Finance expense	(192.8)	(158.8)	(281.4)	(261.9)	(306.8)	(341.7)	(146.1)	(181.0)	(54.4)	(215.1)
Depreciation of property, vehicles and equipment	(64.0)	(52.7)	(62.6)	(58.3)	(51.3)	(55.9)	(8.9)	(13.5)	(14.2)	(56.6)
Amortization and impairment of intangible assets	(23.1)	(19.0)	(22.0)	(20.5)	(21.5)	(23.4)	(3.9)	(5.8)	(6.3)	(23.9)
EBITDA	**150.7**	**124.1**	**132.9**	**123.7**	**165.8**	**175.0**	**17.2**	**26.4**	**18.4**	**167.0**
Loss on disposal	—	—	(28.6)	(26.6)	—	—	—	—	—	—
Loss on sale of subsidiary	(12.2)	(10.0)	(19.4)	(18.1)	—	—	—	—	—	—
Integration costs[(4)]	(27.2)	(22.4)	(27.8)	(25.9)	(0.3)	(0.3)	(0.2)	(0.2)	—	(0.1)
Acquisition costs[(5)]	—	—	—	—	(2.6)	0.1	(2.7)	0.0	—	0.1
Non-cash pension expenses	(5.0)	(4.1)	(4.8)	(4.5)	(17.9)	(18.9)	(1.8)	(2.8)	(8.5)	(24.6)
Restructuring and onerous contract charge[(6)]	(38.6)	(31.8)	(11.3)	(10.5)	(11.8)	(12.1)	(0.9)	(1.2)	(0.5)	(11.4)
Unallocated other income and reporting adjustments[(7)]	(1.9)	(1.7)	(8.5)	(7.8)	(0.3)	(0.2)	0.2	0.3	0.2	(0.3)
Swissport EBITDA	**235.6**	**194.1**	**233.3**	**217.1**	**198.7**	**206.4**	**22.6**	**30.3**	**27.2**	**203.3**

(1) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(2) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "Unaudited Pro Forma Condensed Combined Financial Information."

(3) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three-month period ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "Unaudited Pro Forma Condensed Combined Financial Information."

(4) In 2014 and 2015, we incurred integration costs in connection with the Servisair Acquisition mainly in respect of onerous contracts charges, professional fees, staff costs, equipment rent and maintenance, uniforms and protective clothing, and information technology.

(5) Relates mainly to the HNA Acquisition.

(6) The onerous contract charge in 2014 relates mainly to the termination of our operation at Gatwick airport. The restructuring costs 2015 and 2016 were mainly staff driven and occurred in the ground handling businesses in Brazil, North America, Central Europe, the UK, and Belgium.

(7) Includes unallocated other income and reporting adjustments.

(7) Swissport EBITDA and Adjusted Swissport EBITDA as presented here differ from the definition of "Consolidated EBITDA" contained in "*Description of the New Senior Secured Notes*" and "*Description of the New Senior Notes*" and other financing documents of our group.

(8) Swissport EBITDA Margin and Adjusted Swissport EBITDA Margin are respectively defined as Swissport EBITDA and Adjusted Swissport EBITDA divided, in each case, by total revenue and other operating income.

(9) Adjusted Swissport EBITDA is Swissport EBITDA minus the portion contributed by our Unrestricted Subsidiaries to Swissport EBITDA. The following is a reconciliation of Swissport EBITDA to Adjusted Swissport EBITDA for the period presented:

	Twelve months ended March 31, 2017
	(EUR in millions)
Swissport EBITDA	203.3
Unrestricted Subsidiaries portion	8.4
Adjusted Swissport EBITDA	**211.7**

Pro Forma Financial Data of the New Restricted Group (1)

	As of or for the twelve months ended March 31, 2017
	(EUR in millions)
Pro forma senior secured debt(2)	860.0
Pro forma senior unsecured debt(3)	280.5
Other existing indebtedness(4)	48.3
Finance leases(5)	21.7
Pro forma total debt	**1,210.5**
Pro forma cash and cash equivalents(6)	624.5
Pro forma net debt(7)	**586.0**
Pro forma cash interest expense(8)	88.4
Ratio of pro forma total debt to Adjusted Swissport EBITDA(9)	5.7x
Ratio of pro forma net debt to Adjusted Swissport EBITDA(7)(9)	2.8x
Ratio of Adjusted Swissport EBITDA to pro forma cash interest expense(8)(9)	2.4x

(1) The new restricted group is comprised of the New Parent Guarantor and its restricted subsidiaries under the New Indentures. Excludes Unrestricted Subsidiaries.

(2) Pro forma senior secured debt is total senior secured indebtedness assuming that all outstanding Existing Senior Secured Notes are exchanged for New Senior Secured Notes in the Exchange Offer and the Term Loan B Facility has been reduced to €460.0 million.

(3) Pro forma aggregate principal balance of the New Senior Notes assuming that all outstanding Existing Senior Notes are exchanged for New Senior Notes in the Exchange Offer.

(4) Other existing debt and minority shareholder loans (pro forma for €20 million HNA loan converted into equity in April 2017) for working capital purposes, warehouse construction and equipment purchases at Unrestricted Subsidiaries.

(5) Finance leases primarily related to equipment.

(6) Pro forma cash and cash equivalents is defined as cash and cash equivalents assuming that all outstanding Existing Senior Secured Notes are exchanged for New Senior Secured Notes in the Exchange Offer and the Term Loan B Facility has been reduced to €460.0 million. Excludes cash held by the Unrestricted Subsidiaries. Pro forma cash and cash equivalents includes €518 million from the €718 million equity received in cash from HNA Group in April 2017 which is intended to be used in full or in part to help finance selected acquisitions in key existing markets as well as strategic locations, and excludes €43.0 million of restricted cash of restricted subsidiaries comprising cash deposits for existing bank guarantees, performance-related bonds and other short-term bank deposits that we are required to maintain in lieu of bank guarantees.

(7) Pro forma net debt is defined as pro forma total debt less pro forma cash and cash equivalents.

(8) Pro forma cash interest expense represents the annual interest expense that would be incurred on the pro forma total debt assuming no change to the TLB margin.

(9) Adjusted Swissport EBITDA as presented here differs from the definition of "Consolidated EBITDA" contained in "*Description of the New Senior Secured Notes*" and "*Description of the New Senior Notes*" and other financing documents of our group. See reconciliation of Adjusted Swissport EBITDA in footnote (9) of the table above in "*—Other Financial Data*."

Operational Data

	Year ended December 31,			Three months ended March 31,	
	2014	2015	2016	2016	2017
Ground handling data					
Total turnarounds serviced (millions)	2.3	2.3	2.2	0.5	0.5
Cargo handling data					
Total tons handled (million tonnes)	4.1	4.1	4.3	1.0	1.1
Other					
Total Net Contract Wins (EUR million)	76.9(1)	84.8(1)	65.8	22.2	21.3

(1) These two figures were originally reported in Swiss francs. For your convenience, these figures have been translated from Swiss francs to euros at the average month-end exchange rate of EUR 1 = CHF 1.214022218 for 2014 and EUR 1 = CHF 1.07450053 for 2015.

RISK FACTORS

Your decision to invest in the New Notes involves substantial risks, and you should consider carefully the following risk factors and all information contained in these Listing Particulars. Additional risks and uncertainties of which we are not aware or that we believe are immaterial may also adversely affect our business, financial condition, liquidity, results of operations or prospects. If any of these events occurs, our business, financial condition, liquidity, results of operations or prospects could be materially and adversely affected, the New Issuer may not be able to pay interest or principal on the New Notes when due and you could lose all or part of your investment.

These Listing Particulars also contain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in these Listing Particulars.

Risks Relating to the Industry and our Business

The aviation industry is highly susceptible to adverse economic developments, which may result in a decline in the demand for flights and consequently a decline in the demand for airline services.

The worldwide aviation industry is susceptible to adverse economic developments, with weak or negative economic growth or economic shocks often having a significant effect on the airline industry. Adverse economic conditions tend to reduce the number of business and leisure travelers as well as the volume of cargo being shipped by air. Since our customers consist predominantly of passenger airlines and freight carriers, the overall condition of the airline industry has a substantial impact on our business. Generally, when economic factors adversely affect the airline industry, they tend to reduce the overall demand for airline services, including maintenance and repair and cargo handling, causing downward pressure on pricing and increasing the credit risks associated with doing business with airlines. Such price pressure typically extends along the entire value chain, including the prices we can charge for ground handling, cargo handling, maintenance, fueling and other specialty services that we provide to our customers. All of these effects exacerbate the negative impact of reduced demand for our services on our business, results of operations and financial condition.

In particular, the global aviation industry, in common with nearly all industries, was adversely affected by the financial crisis which occurred in 2008 and 2009, and led to a worldwide economic crisis, the after-effects of which lasted for many years and are still continuing in some economies. Demand for air cargo transport decreased considerably from mid-2008 to mid-2009, resulting in a significant decrease in utilization of cargo handling services, before demand began to improve again in 2010. More recently, continued volatility in world markets and fiscal austerity measures, particularly in Europe, have resulted in slower economic growth and, in some countries, a possible return to recession. This is particularly the case across many leading emerging market economies such as Russia and Brazil, both of which have seen significant worsening in both their current economic situation and outlook. Any sustained decline in passenger traffic could lead to closure of certain routes by airlines, thereby reducing the number of flights and in turn negatively affecting the demand for our ground handling services. The uneven nature of economic growth worldwide has also led to shifting trade patterns, reducing demand for cargo transportation in certain markets. If current conditions deteriorate, including in certain emerging markets, and, in particular, China, or if an economic crisis re-occurs, it could negatively affect the demand for ground handling and cargo handling services, which would have an adverse effect on our business, financial condition and results of operations.

Increasing price pressure from airlines can have a significant adverse effect on us.

In addition to a decline in passenger traffic and demand for cargo shipment, and consequently a decline in the demand for airline services, economic volatility typically causes our customers to seek ways to cut costs. One way in which our airline customers have sought to reduce their costs is by reducing the amount they spend on outsourced ground handling services, including the services that we provide. As a result of the on-going uncertain economic climate, certain of our customers have sought to renegotiate lower prices for our services, both under existing contracts and when our contracts are up for renewal. This trend could continue or even intensify in the future, which could lead to a drop in profitability or result in losses. In addition, the measures we have taken to optimize income by adjusting prices and reducing operating costs may not be successful if market conditions change. All of these factors could have a material adverse effect on our business, financial condition and results of operations.

We face high levels of competition in the airport services industry generally and at many of the airports at which we operate.

The airport and aviation services industry and the markets for our products and services are extremely competitive, and we face competition from a number of sources. The decision to opt for an outsourced provider for ground handling, cargo handling, maintenance, fueling and other specialty services that we provide is often based on the circumstances and strategic plans of a particular potential customer, which we cannot necessarily influence with our value propositions. Our competitors include various well-capitalized companies, which offer a broad range of services (including food catering), a large number of smaller, specialized companies and subsidiaries established by major airlines or the airport operators themselves to provide certain services. The level of competition in our markets depends primarily on the number and size of the other airport services providers operating at the airports at which we operate. At some of these airports, the service market is highly competitive and we compete against a number of operators. In addition, there is a trend in the industry of certain passenger handling services, including check-in and boarding services, becoming automated. There is a risk, therefore, that we will face competition in these areas from specialist technology companies, who will be able to provide such automated services to airports and put pressure on our market share. There can be no assurance that competitive pressures will not materially change and adversely affect our business, financial condition or results of operations.

If a significant number of our existing airline customers or one or more of our larger airline customers were to begin purchasing the services we currently provide to them from our competitors or were to self-handle their ground support operations and other aviation services, our cash flows, financial condition and results of operations could be adversely affected. In addition, if the level of competition we face increases significantly, our business, financial condition and results of operations could be adversely affected.

An increase in the number of low-cost carriers could lead to a reduction in our profit margins.

The airline industry has seen a trend in the increase in the number of operators, and frequency of flights, of low-cost carriers, including carriers such as Ryanair and easyJet. Low-cost carriers seek to reduce costs by simplifying the services they offer. Therefore, they often have fewer ground handling needs, which means we may not be able to offer the full range of our services to them. If this trend continues, and if we do not adequately adapt to this trend by adapting our cost base to match it, or if the low-cost carriers' focus on cost-paring leads to excessive pricing pressure on the services provided by us, then there could be a material adverse effect on our business, financial condition or results of operations.

The aviation industry faces competition from alternative means of transportation, in particular rail travel.

High-speed trains offer an alternative form of transport on many routes that have traditionally been served by airlines. With the opening of additional high-speed train routes, particularly within Europe, competitive pressure from railway operators will increase. The further loss of air passengers to rail transport could have a material adverse effect on our business, financial condition and results of operations. In addition, certain European countries are supporting the expansion of rail transport, particularly in the high-speed sector. It is possible that rail transport will receive more support at the European Union and/or national level in the future. This support could result from direct or indirect subsidies for rail travel or other direct or indirect discrimination against air travel (for example, due to changes in tax or environmental laws and regulations), and could have a material adverse effect on our business, financial condition and results of operations.

Deregulation of airports and airline service operators could negatively affect our business.

The airline services industry has traditionally benefited from strict public regulation of access to airports and airline service operators. Although the cargo handling sector in Europe has been fully open to competition since 1999, ground handling activities, from which we generate the majority of our revenue, are still protected at many airports. Recently, airports and the airline service industry have been subject to increased deregulation, which opens up the possibility of an increased number of market participants which may increase competition and force downward pressure on the fees we can charge for our services. Such a decrease in the fees we are able to charge for our services may have a material adverse effect on our business, financial condition and results of operations.

Terrorist attacks, threats of attacks, geopolitical instability, epidemics, threats of epidemics, natural calamities or other "Acts of God" may unexpectedly disrupt our operations and revenues.

Any attack, military action, threat of an attack, epidemic or perception that an epidemic could occur could have a negative impact on the number of airline passengers, the availability of airports and the state of the aviation industry as a whole and could therefore have a material adverse effect on our business, financial condition and results of cargo volumes operations. Our ground handling services business is especially exposed to the risk of airport closures and variations in passenger volumes as a result of unexpected events. For example, as a result of a terrorist attack in March 2016, the Brussels Airport sustained significant damage. It took several weeks before the airport was able to reopen at full capacity, which had a negative impact on our operations in Belgium and on our financial results.

Terrorism and war (and the increasing threat of terrorism and war) and civil/political strife may also contribute to a fear of travelling by air, or visiting particular destinations, resulting in a potentially significant fall in demand for air travel and correspondingly cause an adverse impact on our business. We are particularly exposed to this risk due to our growing presence in developing countries, where the risk of a terrorist attack and civil/political unrest is comparably higher. Similarly, the outbreak of any contagious disease with human-to-human airborne or contact propagation effects that escalates into a regional or global pandemic may have an adverse impact on all airlines that operate to/from the affected areas/regions. Our business would be adversely affected even though international and national response plans to address such events have been developed or are in development.

Other natural disasters such as earthquakes, volcanoes, floods or tsunamis may devastate destinations and significantly reduce travel to those areas for a period of time thereby causing our business to be adversely affected. We cannot give any assurance that natural calamities will not have a material adverse effect on our business, financial condition and results of operations in the future.

The occurrence of such events, or civil unrest in a country, may also result in the closure or restriction of access to airspace or airports. Given that our services depend on the availability of these facilities, our cash flows, financial condition and results of operations could be adversely affected by the occurrence of such events. If an airport at which we carry out a significant portion of our business were to be shut down, nationalized or experience a catastrophic property loss as a result of terrorism, war, natural disaster, political instability or other events, we could face financial losses and a significant and potentially permanent disruption to our business. Even after the airport resumes operations, we may be unable to win back lost business or re-establish our market share in the affected region.

Unusual or extreme weather conditions may unpredictably disrupt our operations and revenues, and we may not be able to remedy any negative incidents caused or precipitated by such weather conditions.

The aviation sector is exposed to the impact of unexpected or unusually extreme weather conditions, which can result in disruption to timetables and fall in passenger demand and as a result decreased demand for certain ground-handling services offered by us. For example, unusually mild winter weather conditions in 2014 resulted in a significant decrease in our revenues from de-icing activity compared to budget forecasts. Disruptions to aircraft timetabling due to extreme weather conditions can also have a knock-on effect on a ground-handler’s ability to fully service its clients.

Other weather related disruptions that had an adverse impact on our operations were, for example, Hurricane Sandy in October 2012, which led to the closure of airspace and airports along the U.S. East Coast causing, amongst other things, La Guardia Airport in New York to be flooded almost completely, and the extreme winter storms (blizzards) in the United States caused by an unusual shift in the polar vortex in late January 2016, which led to airports and air traffic being shut down for several hours or days because of the heavy snowfall, very low temperatures and high wind speeds. In December 2010, the severe winter weather with heavy snowfall led to a number of airports in the United Kingdom and elsewhere in Europe running out of de-icing fluid due to insufficient stock and lack of supply.

In July 2014, we were exposed to negative national press coverage in the United Kingdom in relation to our operations at London’s Gatwick airport when staffing levels among baggage handlers were deemed to be insufficient to cope with unusually concentrated flight arrivals occasioned by bad weather across Europe during the summer peak season that led to severe luggage delays to weekend commercial passenger flights operated by British Airways. We subsequently lost our tender to British Airways at Gatwick airport, in August 2015. Although we resolved the problems associated with the operations at Gatwick airport within a couple of days, there is no assurance that we will always be able to remedy any negative impact caused or precipitated by unexpected or unusually extreme weather conditions.

We are exposed to the risk of losses from damage caused to aircraft, airports or cargo and from injury to individuals.

We operate in and around aircraft airports and, as such, we face the inherent risk that we may inadvertently damage aircraft or aircraft equipment that could lead to flight delays or possibly crashes. For example, the improper de-icing of an aircraft, unbalanced loading of cargo within an aircraft, or any other damage to an aircraft caused by our employees could result in delays or accidents resulting in the loss of an aircraft or a loss of life. If we mishandle cargo or baggage, or otherwise cause damage to equipment or facilities, or cause injury to individuals in the course of carrying out our activities, we could be liable for that damage or injury. Although we maintain what we believe to be adequate liability insurance, any claim as a result of such damage could exceed our insurance coverage, fall outside the scope of our insurance coverage or could result in the cancellation of our insurance coverage. Moreover, there can be no assurance that we would not be forced to bear substantial losses irrespective of insurance coverage. In particular, it is possible that losses could occur that are not limited to losses covered by our insurance or that our reputation or standing could be harmed. An aircraft accident could tarnish our reputation, thus resulting in a significant, and possibly sustained, decline in demand. Any of these events could have a material adverse effect on our business, cash flows, financial condition and results of operations.

In addition, some of the services we offer put our employees and others in close proximity with heavy equipment, moving vehicles and combustible materials (namely airline fuel). Applicable law generally renders us responsible for the safety and wellbeing of our personnel and imposes a duty of care on us for third parties who may be nearby. If we fail to implement safety procedures or if the procedures we implement are ineffective, our employees and others may be injured. Unsafe work sites also have the potential to increase employee turnover, increase the cost of service to our customers and raise our operating costs. Many of our customers require that we meet certain safety criteria to be eligible to bid for contracts. The introduction of new technology, procedures, services, tools and machinery may have unforeseen negative effects on the working conditions of our employees and may subject us to liability based on allegations of illness or injury resulting from exposure. Any of the foregoing could result in financial losses, which could have a material adverse effect on our business, financial condition and results of operations.

Our global operations in diverse locations expose us to various political, social and economic risks that are beyond our control.

As of March 31, 2017, we operated in 48 countries at 279 airports. Due to the international scope of our operations, we are subject to a number of political, social and economic risks and challenges, many of which are beyond our control.

We face political and social risks and uncertainties, particularly in developing countries in which we operate that have been undergoing substantial political transformations. There can be no assurance that the political reforms necessary to complete such transformations will continue. The political systems in these countries may be vulnerable to the public's dissatisfaction with reforms, social and ethnic unrest and other factors that are beyond our control. Any disruption or volatility in the political or social environment in these countries may have a material adverse effect on our business, financial condition and results of operations.

We also face economic risks and uncertainties in the countries in which we operate. Any slowdown in the development of the economies of the countries in which we operate or any deterioration of currencies or disruption of the economic environment or reduction in government or private sector spending in the countries in which we operate may have a material adverse effect on our cash flows, financial condition and results of operations. Furthermore, certain incidents could lead to international tensions that could result in boycotts or otherwise restrict our ability to perform and render our services, which may have a material adverse effect on our cash flows, financial condition and results of operations.

In addition to political, social and economic instability, we face a series of other risks associated with operating in foreign countries, including:

- war, civil disturbance or acts of terrorism;
- natural disasters, including tsunamis, earthquakes, fires, floods, drought and similar events;
- taking of property by nationalization or expropriation without fair compensation;
- changes in government policies and regulations;
- currency fluctuations or other disruptions of the economic environment;

- devaluation and fluctuations in currency exchange rates;
- imposition of limitations on conversions of foreign currencies or remittance of dividends and other payments by foreign subsidiaries;
- imposition or increase of withholding and other taxes on remittance and other payments by foreign subsidiaries;
- boycotts or other restrictions on our ability to perform and render our services;
- hyperinflation in certain foreign countries;
- political considerations that may affect contract bidding, particularly in countries where aviation services are not liberalized; and
- imposition or increase of investment and other restrictions or requirements by foreign governments.

Our operations may also be impacted by adverse decisions by foreign courts and disputes with local partners or other stakeholders. For example, in 2012, based on a dispute with a minority local shareholder in Ukraine, we were forced to sell our 70.6% holding in Swissport Ukraine LLC. Despite mounting a lengthy legal challenge, the Ukrainian Supreme Economic Court eventually made a final decision in 2014 in favor of the minority shareholder, reversing an earlier decision it had made in our favor. We may encounter similar disputes with foreign partners in the future, which may have a material adverse impact on our cash flows, financial condition and results of operations.

The United Kingdom's impending departure from the European Union may adversely affect economic conditions and may result in a decline in demand for flights and airline services, or in available route connections.

Following a national referendum in June 2016, the United Kingdom formally notified the European Council on March 29, 2017 of its intention to withdraw from the European Union ("**Brexit**"). Negotiations have recently commenced to determine the future terms of the United Kingdom's relationship with the European Union, including, among other things, the terms of trade between the United Kingdom and the European Union. However, the timing of the United Kingdom's exit from the European Union, the terms of any agreement governing the future relationship between the United Kingdom and the European Union, as well as the legal and economic consequences of those terms, remain unclear.

Prolonged uncertainty during Brexit negotiations may adversely affect economic or market conditions in the United Kingdom, the rest of Europe and worldwide, and could contribute to on-going instability in global financial and foreign exchange markets, including volatility in the value of the euro and pound sterling. This economic uncertainty may lead to a reduction in commercial activity and may have a negative impact on the demand for air travel within and to the United Kingdom as well as other parts of Europe. In addition, if the United Kingdom leaves the European Union's single aviation market without any replacement arrangements, the legal consequences may be complex and the commercial consequence may be a decline in the route connections available to be served between the United Kingdom and the remaining member states of the European Union. In addition, a significant number of the staff we employ in the United Kingdom airports are citizens of the remaining member states of the European Union. As at the date of these Listing Particulars, it remains uncertain whether these staff will be able to continue working in the United Kingdom following Brexit. Any loss of these staff could lead to increased labor costs and difficulties in recruitment going forward. With operations at 24 airports in the United Kingdom and 68 airports in the rest of Europe as of March 31, 2017, these effects could materially and adversely affect our business, result of operations and financial conditions.

We rely upon our subsidiaries and regional management to comply with various laws and intercompany policies.

We delegate considerable operational responsibility to our subsidiaries. We believe that this has the advantage of allowing our management to remain close to clients and abreast of market developments. However, as a result of this decentralized model and the global scale of our operations, we are more susceptible to internal procedural failures and problems that occur may not be detected as readily or as quickly as they would be in a more centralized organization. Some fraudulent acts leading to misappropriation of our funds or assets may not be covered in whole or in part by our crime insurance. In addition, the tender process for new licenses or contracts involves risks associated with fraud, bribery and corruption. Despite monitoring compliance with our internal policies and updating such policies to comply with applicable legislation, we may nonetheless be unable to detect or prevent all instances of fraud, bribery and corruption involving our employees, agents or franchisees in the future, which could subject us to civil, administrative or criminal penalties as well as reputational damage. As such, there can be no assurance that we will not experience future instances of our local, regional and national managers not complying with our policies, making unintended accounting misstatements or breaches of local and national regulations and legislation or committing fraud, any of which could, individually or collectively, have a material adverse effect on our cash flows, financial condition and results of operations.

We are exposed to customer concentration risk and the risk that the consolidation of airlines may disrupt relations with existing customers or lead to larger customers with increased bargaining power.

Although we have a diversified customer portfolio, we nevertheless generate a notable portion of our revenue from a comparatively small number of customers. Our ten highest revenue generating customers for the year ended December 31, 2016 accounted for 30.1% of our revenue. Moreover, a number of our individual customers form part of bigger aviation groups. For example, subsidiaries of the Lufthansa Group collectively accounted for 11.8% of our revenue in 2016.

In addition, the airline industry has recently been subject to a number of airline consolidations and this trend is expected to continue. Additional consolidations in the airline industry could potentially reduce both the number of our customers and the number of flights we handle. If any of our customers consolidates with another airline, especially with an airline that is not our customer, we risk losing that customer's business. Similarly, if any of our customers consolidates with another airline that offers similar services to ours, such as ground and cargo handling, that customer may no longer require our services and we may lose that customer's business. Airline consolidation could also reduce the number of overall flights as the airlines eliminate redundant flight schedules and routes, or result in large airlines with dominant buying positions in the markets where we operate. Either of these occurrences could have a material adverse effect on our business, financial condition and results of operations.

We perform the majority of our work for customers under contracts without a fixed term, and the International Air Transport Association ("**IATA**") standard contract, upon which the majority of our customer contracts are based, provides that the contract may be cancelled at any time by the customer upon an agreed notice period. While we strive to maintain long-term ties with our customers, they may exercise their rights to terminate their contracts and we may not obtain compensation under applicable laws for terminated contracts or replace the lost revenue through new contracts with customers. Contract terminations or dissatisfaction with our services may damage our reputation and make it more difficult for us to obtain similar contracts with other customers. A reduction or elimination of demand for our services by a key customer or at a key location could have a material adverse effect on our cash flows, financial condition and results of operations.

We are exposed to the risk of payment default by our contractual partners.

In our businesses, the advance performance of services to customers is significant. The result is that total receivables in respect of individual customers, banks and financial institutions sometimes accrue in considerable amounts. There is a risk that these receivables could be uncollectable, in whole or in part, if contractual partners fail to pay or experience a temporary inability to pay or become insolvent. In addition, a reduction or elimination of demand for our services by a key customer due to insolvency could lead to a fall in revenue. In the future, if contractual partners who owe considerable amounts to us were to become insolvent, including due to an economic crisis, or if key customers were to halt or curtail their business operations, this could have a material adverse effect on our cash flows, financial condition and results of operations.

We may not be able to obtain new licenses and leases or renew or retain our existing licenses and leases that we require to conduct our business at various airports.

We operate our businesses under licenses usually granted by local civil aviation authorities and occasionally the operators of various airports. We also lease from such operators land and other facilities, such as warehouses, necessary to conduct our businesses. If we are unable to maintain or renew our existing licenses and/or leases or obtain new licenses and/or leases from those operators on acceptable terms, we may be unable to provide our services for our customers at those airports and our business, financial condition and results of operations would be adversely affected. For example, in November 2014, we were required to tender for a renewal of our licenses to operate ground handling services at a number of airports in Spain, including Madrid-Barajas airport and while we were successful in obtaining eight new airports, we were not successful in obtaining a renewal at Madrid-Barajas and three other existing airports, resulting in a loss of revenue from ground handling services at these airports.

Even if we are successful in obtaining, maintaining or renewing a license or concession, we may not achieve the results we had expected from our operations under such license or concession, and in some cases these licenses or concessions may require us to make minimum payments to the aviation authority or airport even when our activities there are not profitable. In addition, if we were to fail to comply with the performance standards required by operators over an extended period of time, our reputation could be harmed and we could lose existing customers or fail to attract new customers or our licenses from such operators could be revoked. Any failure to retain existing customers or attract new customers in these circumstances would have a material adverse effect on our cash flows, financial conditions and result of operations.

To win new licenses or contracts, we must dedicate time and financial resources to complex tender procedures with uncertain outcomes.

Licenses or contracts for ground handling and other services we provide are often awarded following a competitive tender procedure based on lengthy evaluation periods and highly specific requests for proposal. To secure such licenses or contracts, we are required to invest significant resources, in both time and money, to prepare a tender offer. It is generally very difficult to predict whether or when we will be awarded such licenses or contracts because of the complexity of the bidding and selection process. This process is affected by a number of factors, such as operational capabilities, market conditions, financing arrangements and governmental approvals. If, after the competitive tender process, we are not awarded the license or contract, we cannot recover this cost and may fail to increase, or maintain, our market share and revenue, which may have a material adverse effect on our cash flows, financial condition and results of operations.

Our business requires the work of many employees and any major disruption in our workforce could adversely affect our cash flows, financial condition and results of operations.

Our business is labor intensive and requires adequately trained ground handling and cargo handling personnel. If we are unable to hire additional employees to meet our requirements or to retain existing employees, our cash flows, financial condition and results of operations could be adversely affected. We estimate that approximately half of our employees are subject to collective bargaining agreements. These agreements may in the future limit our ability to contain increases in labor costs and our ability to control our future labor costs depends on the outcome of our wage negotiations with our staff. Any strike of our employees could have a material adverse effect on our cash flows, financial condition and results of operations. Further, our performance depends, in part, upon the continued service and performance of certain key staff members. These key personnel may leave in the future and compete with us. The loss of any of these individuals could have a material adverse effect on our business, financial condition and results of operations.

We rely upon aviation industry personnel, and labor strikes, work stoppages and other labor disputes could impact our operations.

Our operations and services rely heavily upon our workforce and any labor strikes, work stoppages and other labor disputes affecting our workforce could have a negative impact on our operations. For example, in the summer of 2014, the employees of Swissport Spain went on strike for several consecutive days over the course of a two-week period, which caused a disruption of our operations at eight Spanish airports. Equally, we are also reliant on a range of other aviation industry personnel who are not employed by us, such as pilots, flight crews and air traffic controllers. Labor strikes or stoppages by such non-employees, or which affect ground-handling personnel more widely, can also cause cancellations and delays, such as the recent strike by air traffic controllers in France, in March 2017, that resulted in the cancellation of large numbers of flights throughout Europe, or for example the labor strike by Spanish air traffic controllers in December 2010 when most air traffic controllers in Spanish airports walked out in a coordinated wildcat strike leading to a complete closure of Spanish airspace. Such labor strikes, work stoppages and other labor disputes are beyond our control and they could have a material adverse effect on our cash flows, financial condition and results of operations.

We could be adversely affected by a failure or disruption of our computer, communications or other technology systems. Any delay in implementing our IT transformation may have an adverse effect on our business.

We are heavily and increasingly dependent on technology to operate our business. The computer and communications systems on which we rely could be disrupted due to various events, some of which are beyond our control, including natural disasters, power failures, terrorist attacks, equipment failures, software failures and computer viruses and hackers. There can be no assurance that the measures we have taken are adequate to prevent or remedy disruptions or failures of these systems. Any substantial or repeated failure of these systems could impact our operations and customer service, result in the loss of important data, loss of revenues, increased costs, and generally harm our business.

We are currently in the process of implementing a significant IT transformation with a view to improving the operating security, speed, function and cost of our business operations. This transformation will involve a large portion of our staff and impact all our activities. There is no assurance that this IT transformation will be as successful as desired, which could have a material adverse effect on our business, financial condition and results of operation.

Our reliance on technology means we could be adversely affected by cyber security breaches.

We use IT systems across our global network to store and process our data. We therefore face both external cyber threats and internal risks to our data and systems. Our data and systems may be vulnerable to theft, loss, damage and interruption due to unauthorized access, security breaches, cyber-attacks, computer viruses, power loss, or other disruptive events. A security breach could have a negative impact on customer confidence in our systems and our reputation in the industry such that it has a material adverse effect on our cash flows, financial condition and results of operations.

We are subject to exchange rate fluctuations.

Our revenue, costs, debts, capital expenditure and investments are mainly denominated in euros, Swiss francs, U.S. dollars and pounds sterling. We are also exposed to currencies such as the South African rand, the Japanese yen, the Korean won, the Canadian dollar, the Brazilian real and the Mexican peso, among others. Consequently, portions of our costs, profit margins and asset values are affected by fluctuations in the exchange rates among the above-mentioned currencies. We do not generally engage in foreign exchange hedging because we believe that a significant portion of the revenues of our subsidiaries are denominated in the same currencies as their operating costs; however, at times we may enter into foreign exchange forward contracts to remove the foreign exchange risk on transactions (e.g., loans) with other group companies. In addition, where possible, our subsidiaries enter into local funding and/or leasing arrangements denominated in their functional currency. Our corporate treasury department ("**Corporate Treasury**") may enter into foreign exchange hedge contracts to attempt to remove the foreign exchange risk on a loan to or from our companies.

To the extent balances change in the future, or foreign currency exchange rates fluctuate significantly in the future, our cash flows, financial condition and results of operations could be materially adversely affected. Some of the currencies may not be convertible or exchangeable or may be subject to exchange controls. As of the date of these Listing Particulars, our reporting currency is the euro. Exchange rate gains or losses arise when assets and liabilities in foreign currencies are translated or exchanged into euro for financial reporting or repatriation purposes. If any relevant foreign currencies depreciate against the euro, our reported consolidated financial results could be adversely affected. For example, Brexit negotiations may cause instability in global financial and foreign exchange markets, with potential volatility in the value of the euro against our other operating currencies. This volatility may have a material adverse effect on our reported consolidated financial results.

We may not be successful expanding through acquisitions, and future acquisitions may result in significant transaction expenses and integration risks.

We have historically expanded our business through organic and external growth. We plan to continue this strategy by selectively identifying acquisition candidates such as our acquisition of Servisair in 2013, our acquisition of a majority stake in AFS Aviation Fuel Services GmbH in September 2015, the acquisition of AGN Aviation Services in Mexico in October 2015 and, more recently, our acquisition of Skylink Handling Services ("**Skylink**") in October 2016. We cannot assure you that we will be able to identify attractive acquisition candidates or complete the acquisition of any identified candidates at favorable prices and upon advantageous terms. We expect to face competition for acquisition candidates, which may limit the number of acquisition opportunities and lead to higher acquisition costs. We may not have the financial resources necessary to consummate any acquisitions or the ability to obtain the necessary funds on satisfactory terms. Furthermore, general economic conditions or unfavorable global capital and credit markets could affect the timing and extent to which we successfully acquire new businesses.

Risks associated with acquisitions, which could materially adversely affect our business, cash flows, financial condition and results of operations, include the following:

- we may lose sales and incur substantial costs, delays or other operational or financial problems in integrating acquired businesses and integration may take longer than expected;
- we may not achieve financial and operational synergies on a timely basis, if at all;
- acquisitions may divert our management's attention from the operation of existing businesses;
- the assumptions underlying the business plans supporting the valuations may prove inaccurate, in particular with respect to the future performance of the acquired businesses;
- we may be forced to divest or reduce the scope of certain businesses so as to obtain the necessary regulatory authorizations, in particular with respect to anti-trust authorizations;
- we may need to write down goodwill and certain other intangible assets from our balance sheet if our initial estimate of the value of an acquired business is higher than actual results;
- we may acquire assets required for our operation, in particular ground support equipment, which is in a less adequate than anticipated condition compared with the values they are accounted for or which require higher than anticipated investments and costs to remedy the inadequate condition of the acquired fleet of ground support equipment;
- we may not be able to retain key personnel or customer contracts of acquired businesses; and
- we may encounter unanticipated events, circumstances or legal liabilities related to the acquired businesses.

In the short term, the disruptive effects of an acquisition can result in lower employee productivity and an increase in the efforts of competitors to lure away customers, which may cause a drop in revenues from the acquired business. In the longer term, there can be no assurance that, following integration into the Swissport group, an acquired business will be able to maintain its customer base consistent with expectations or generate the expected margins or cash flows. Although we thoroughly analyze each acquisition target, our assessments are subject to a number of assumptions concerning profitability, growth, interest rates and company valuations. In addition, we may have difficulties in implementing our business model within an acquired company due to various factors, including corporate culture. Our assessments of and assumptions regarding acquisition targets may not prove to be correct and actual developments may differ significantly from our expectations.

Furthermore, acquisitions of companies expose us to the risk of unforeseen obligations with respect to employees, customers, suppliers and subcontractors of acquired businesses, public authorities and other parties. Although we engage in diligence while analyzing an acquisition opportunity, we cannot ensure that there will not be unexpected risks, liabilities or obligations that could have a material adverse effect on our cash flows, financial condition and results of operations.

Our ability to manage our growth and integrate operations, technologies, services and personnel depends on our administrative, financial and operational controls and our ability to create the infrastructure necessary to exploit market opportunities, as well as our financial resources. For example, our results in the first half of 2015 were adversely affected by integration problems experienced in our U.S. operations in connection with the transfer of U.S. billing operations from the legacy Servisair billing platform to our billing platform. While we subsequently resolved these integration issues, there can be no assurance that similar or analogous integration issues would not occur in the future in relation to any acquisition and such integration issues could have a material adverse effect on our cash flows, financial condition and results of operations. In order to compete effectively and to grow the business profitably, we will need, on a timely basis, to maintain and improve our financial and management controls, reporting systems and procedures, implement new systems as necessary, attract and retain adequate management personnel, and hire, retain and train a highly qualified workforce. Furthermore, we expect that as we continue to enter new markets, we will be required to manage an increasing number of relationships with various customers and other third parties. The failure or delay of our management in responding to these challenges could have a material adverse effect on our cash flows, financial condition and results of operations.

We may experience limited success in penetrating new markets.

Our business strategy includes expanding into new markets as and when new opportunities are identified. Since the HNA Acquisition, we have sought to achieve a better position to achieve penetration of the Chinese market and other fast-growing markets within Southeast Asia where we have not historically had a presence. We are also seeking to achieve greater penetration in the Middle East, as evidenced by our recent entry into Saudi Arabia and Oman. There can be no assurance that we will be successful in winning the tenders or attracting the new customers in these or any other new markets necessary for these markets to develop into significant revenue generating businesses for us. Our failure to enter, or delay in entering, such new markets could have a material adverse effect on our expected cash flows, financial condition or results of operations.

We intend to continue operating through strategic partnerships, including joint ventures, and are exposed to risks associated with such partnerships.

On occasion, where joint ventures are required by local regulations (as is often the case in emerging markets) we will seek to expand our presence through joint ventures. The success of our joint ventures is subject to risks, including our inability to maintain a good relationship with current and future business partners, the reliance on the local expertise of our joint venture partner, and divergent economic and commercial interests between us and our business partners. Moreover, our partners may be unable, or unwilling, to honor or fulfill their obligations under the relevant joint venture agreements or may experience financial or other difficulties that may adversely impact our investment in a particular joint venture. Our partners may also have different strategies or priorities in executing projects than we do, and, as a result, their interests may not be aligned with our interests or with your interests as a noteholder. Additionally, our partners may fail to fulfill their obligations and/or terminate their agreements with us for cause or for convenience. If a partner does not fulfill its obligations, we may be subject to unexpected costs, project delays or other losses. Moreover, liability in concessions contracts may be joint and several, and we could become liable in the event of a default by one of our partners. Despite our best efforts in selecting appropriate partners, it is possible that the partners chosen for these joint venture agreements may not be the most appropriate or qualified for the market in question. In the event that any of these partners turns out to be inadequate, our joint ventures may not be successful. Additionally, even if we conduct rigorous due diligence and background checks on potential partners, we may not be able to ascertain whether our potential partners or their affiliated companies have material hidden liabilities, especially with respect to tax, employment and environmental issues. Any of these risks could affect the success of current and future partnerships and consortia. If any of the foregoing were to occur, our business, results of operations and financial condition may be materially adversely affected.

We may experience limited availability of funds.

We may require additional financing to fund working capital requirements, to support the future growth of our business and/or to refinance debt obligations. There can be no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favorable to us. Factors that could affect our ability to procure financing include the cyclical nature of the aviation industry and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. In addition, any consolidation in the banking industry may also reduce the availability of credit as the merged banks seek to reduce their combined exposure to one company or sector.

Economic downturns or disruptions in the financial markets could adversely affect our liquidity and our ability to access capital markets.

Our business depends on access to capital funding and the success of financial markets. Financial markets have recently experienced extreme disruptions, including, among other things, volatility in security prices, diminished liquidity and credit availability, rating downgrades on certain investments and declining valuations of others. In addition to the impact that the recent global economic downturn has already had on us, we may face significant challenges if conditions in the financial markets do not improve or if they worsen. There is a risk that Brexit may cause financial markets within and outside Europe to constrict, thereby negatively impacting our access to capital funding. In addition, our ability to access the capital markets may be restricted at a time when we would like, or need, to do so, which could have an impact on our flexibility to react to changing economic and business conditions.

Significant concerns also exist regarding the suitability of a single currency to appropriately deal with specific fiscal management and sovereign debt issues in individual euro zone countries. The realization of these concerns could lead to the exit of one or more countries from the Eurozone and the re-introduction of individual currencies in these countries or, in more extreme circumstances, the possible dissolution of the euro entirely, which could result in the redenomination of a portion or, in an extreme case, all of our euro-denominated assets, liabilities and cash flows to the new currency of the country in which they originated.

The financial market disruption that would likely accompany any such exit and, in particular, any such redenomination event could have a material adverse impact on our liquidity and financial condition. Furthermore, any redenomination event would likely be accompanied by significant economic dislocation, particularly within the Eurozone countries, which in turn could have an adverse impact on demand for our services, and accordingly, on our revenue and cash flows. Moreover, any changes from euro to non-euro currencies within the countries in which we operate would require us to modify our billing and other financial systems. No assurance can be given that any required modifications could be made within a timeframe that would allow us to timely bill our customers or prepare and file required financial reports. In light of the significant exposure that we have to the euro through our euro-denominated cash balances and cash flows, a redenomination event could have a material adverse impact on our company.

Changes in tax laws or challenges to our tax position could adversely affect our results of operations and financial condition.

We are subject to complex tax laws. Changes in tax laws could adversely affect our tax position, including our effective tax rate or tax payments. We often rely on generally available interpretations of applicable tax laws and regulations. We cannot be certain that the relevant tax authorities are in agreement with our interpretation of these laws. If our tax positions are challenged by the relevant tax authorities, the imposition of additional taxes could require us to pay taxes that we currently do not collect or pay or increase the costs of our services to track and collect such taxes, which could increase our costs of operations and have a negative effect on our cash flows, financial condition and results of operations.

We rely on certifications from industry standards-setting bodies.

Applicable law and certain airport authorities and customers require us to obtain and maintain certifications from internationally-recognized organizations, such as ISAGO (IATA Safety Audit for Group Operations), an assessment for ground handling companies, and ISO 9001, an international certification for quality management systems. We may also obtain such certifications on a voluntary basis because the terms of public tenders confer advantages on bidders who are so certified. We incur significant expenses in maintaining these certifications, including training and upgrades to our fixed assets. If we fail to maintain any such certifications, customers that prefer or require them may terminate existing contracts or fail to award new contracts, which in turn could have a material adverse effect on our cash flows, financial condition and results of operations.

Our pension obligations could substantially exceed the provisions we currently recognize for these obligations in our accounts.

We have certain pension obligations toward our employees. As a business with global operations, these pension obligations accrue at national levels and are subject to national legislation and regulation in each relevant jurisdiction. Such pension obligations are covered partly by provisions, but for the most part we cover them by pension funds or insurance. The amount of these provisions is based on certain actuarial assumptions, including discounting factors, demographic trends, pension trends, future salary trends and expected returns on plan assets. If actual results, particularly in relation to discounting factors, were to deviate from these assumptions, or if actuarial assumptions change, there could be a substantial increase in pension obligations and a resulting increase in the provisions for pensions on our balance sheet.

We have also identified funding deficits in certain of our existing pension schemes, particularly in the United Kingdom and Belgium.

In the United Kingdom, following our acquisition of Servisair in 2013, we are liable for Servisair's legacy pension obligations, including three defined benefit pension plans (the "**UK DB Plans**"), and we also have a participation through one of our UK subsidiaries in a notional sub fund of the Air France (UK) Pension Scheme (the "**Air France Scheme**"). As of November 2016, the notional sub fund of the Air France Scheme had a funding deficit of £0.6 million which, in common with the UK DB Plans, has the potential to expose us to the UK Pensions Regulator's powers to impose contribution notices and financial support directions (the so-called "moral hazard powers") in relation to underfunded UK defined benefit pension schemes. As a result of past valuations for Servisair's primary UK DB Plan, a funding deficit was assessed. Servisair currently funds the deficit with agreed contributions up to 2028.

In Belgium, our subsidiary Swissport Belgium, which we intend to designate as an Unrestricted Subsidiary under the New Indentures, and Swissport Cargo Services Belgium NV, a restricted subsidiary, operate various complementary pension schemes. Based on pension scheme regulations, we are responsible for a statutory guaranteed rate of return which is higher than the available rate of return that has prevailed since 2012. The Belgian national social partners (representatives of the nation-wide employee and employer representative bodies that are recognized and given prescribed negotiating powers under Belgian statute), following a request by the Belgian government and Ministry of Pensions, have passed a regulation to revise/reduce the statutory guaranteed rate of return, which entered into effect in 2016.

We are also susceptible to financial market risk of below-average portfolio performance and of errors in investment choices. All the above factors could have material adverse effects on our cash flows, financial condition and results of operations.

We are exposed to litigation risks.

We are involved in a number of lawsuits, both as plaintiff and as defendant. These lawsuits relate to claims that arise in the ordinary course of our business and include, but are not limited to, allegations of breach of contract, breach of warranty, property damage, and violation of employment rights and similar causes of action. A large number of these lawsuits relate to employment-related issues. We are also subject to risks that our activities and records may be audited by the competent regulatory authorities in the jurisdictions in which we do business, including tax authorities. As of the date of these Listing Particulars, there are several proceedings pending against us in connection with compensation disputes. Our Brazilian subsidiaries, which we intend to designate as Unrestricted Subsidiaries under the New Indentures, have experienced and continue to experience multiple employment claims of current employees, former employees and unions (individual claims and collective claims) based on several legal grounds, including hazardous working conditions, insalubrious working conditions, moral damage, health and safety, overtime, night shift and others. It is generally not possible to predict the outcome of pending or threatened legal proceedings. This is particularly true of lawsuits in the United States, in light of the large amounts of damages which can be claimed in some of these proceedings. See "*Business—Legal Proceedings*."

There is no guarantee that we will not be found liable and ordered to make substantial payments in one or more of the lawsuits in which we are or may be involved. A negative outcome in one or more of the pending or threatened high-value lawsuits, or in several relatively low-value lawsuits, could have a material adverse effect on our cash flows, financial condition and results of operations.

We are exposed to liability risks arising from the handling and storage of highly valuable cargo.

Consignments of valuables, such as precious metals, watches, jewelry or notes and coins, as well as other consignments of high value, such as notebooks, tablets, smartphones or pharmaceuticals, which are entrusted to us for handling and storage as part of our services to our customers, are exposed to theft or are attractive targets for robbery by criminals. As a result, we are exposed to third-party claims and litigation arising from the disappearance of highly valuable cargo while such consignments were in our custody and control. Although our exposure to third-party claims is limited by the applicable international conventions governing the carriage of cargo by air as well as by the individual contracts with our customers and insurance policies, a negative outcome in one or more third-party claims or lawsuits could have a material adverse effect on our insurance premiums going forward, business, financial condition and results of operation. In addition, such events could negatively impact our business relationship with certain of our customers or cause damage to our reputation as a reliable air cargo handler.

We are exposed to liability risks relating to possible environmental damage.

In our operations, especially in fueling services, environmental damage can occur due to spills or releases of harmful or hazardous substances, including de-icing fluid, aviation fuel, or other oil products, that could contaminate real estate owned by us or by third-parties, or pollute waterways or groundwater. This is particularly applicable with regard to the facilities where hazardous substances are used, transported, stored, processed, discharged, managed and disposed, as well as the other facilities and storage areas used by us. Such contamination or pollution could result not only in possible fines or other public law sanctions, but also in considerable costs for removal, restoration and disposal, as well as further liability risks which may not be covered in whole or in part by the environmental liability insurance policies we have taken out to protect our business against this exposure. Public knowledge of such environmental damage caused by us could also damage our reputation significantly. These events could therefore have material adverse effects on our cash flows, financial condition and results of operations. Although our exposure to activities relating to hazardous materials is limited because certain substances, including explosives, are not allowed to be transported by aircraft, we may also be subject to environmental liability in relation to our cargo handling services, such as when we are requested to handle radioactive materials or substances in line with international air transport regulations.

We are subject to laws and regulations, especially in relation to the environment, that could impose significant costs on us and the failure to comply with such requirements could subject us to administrative, civil and criminal sanctions and material fines and expenses.

Air transport and aircraft ground handling activities are subject to a high degree of regulation, notably with regard to maintenance, security and operating standards. Additional laws and regulations and tax increases (aeronautical, shipping and airport) could lead to an increase in operating expenses or reduce our revenues. For example, the U.S. Federal Aviation Administration and the European Aviation Safety Agency, from time to time, issue directives and other regulations relating to the management, maintenance and operation of aircraft and facilities. Furthermore, each of the airports at which we operate has its own rules and standards which may differ significantly from other airports. Compliance with those requirements may cause us to incur significant expenditures and the failure to comply with such requirements could subject us to administrative, civil and criminal sanctions and material fines and expenses. The ability of carriers to operate international routes is likely to be affected by amendments to bilateral agreements between governments. As such, future laws or regulations could have a negative impact on our activities and we cannot provide assurance that any such future law or regulations will not adversely affect our cash flows, financial condition and results of operations. See "*Business—Regulation*."

We are subject to a broad range of international, national and local environmental laws and regulations, including those governing the discharge of pollutants into the air or water, the use, transport, storage, processing, discharge, management and disposal of hazardous substances and waste and the responsibility to investigate and clean-up contaminated sites that are or were owned, leased, operated or used by us or our predecessors. Some of these laws and regulations require us to obtain permits, which can contain terms and conditions that impose limitations on our ability to emit and discharge hazardous materials into the environment and periodically may be subject to modification, renewal and revocation by issuing authorities. Substantial fines and penalties may be imposed for non-compliance with applicable environmental laws and regulations and the failure to have or to comply with the terms and conditions of required permits. We periodically review our procedures and policies for environmental compliance.

Historically, the costs of achieving and maintaining such compliance, and curing any non-compliance, have not been material; however, the operation of our business entails risks in these areas, and a failure by us to comply with applicable environmental laws, regulations, or permits could result in civil or criminal fines, penalties, enforcement actions, third-party claims for property damage and personal injury, requirements to clean up property or to pay for the costs of cleanup, or regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures. Moreover, if applicable environmental laws and regulations, or the interpretation or enforcement thereof, become more stringent in the future, we could incur capital or operating costs beyond those currently anticipated. See "*Business—Environmental*."

Our business is subject to compliance risks under applicable anti-corruption laws and export control, import and economic sanctions laws. Although we are not aware of any material violations of these laws, should there be any future investigations, prosecutions, and/or criminal or civil sanctions and/or penalties imposed under these laws they could have a material adverse effect on our business.

We are subject to various anti-corruption laws, including the United States Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), and the United Kingdom Bribery Act 2010 (the "**Bribery Act**"). These laws generally prohibit direct or indirect payments or offers of financial or other advantages to (a) government officials (including officers or employees of majority state-owned or controlled entities) with the intent of influencing any act or decision of the official or inducing the official to use his influence to affect an act or decision of a government entity for the purpose of obtaining or retaining business, or (b) any person, where the payment is intended to, or does influence that person to act or reward that person for acting in breach of an expectation of good faith, impartiality or trust or where the payment would otherwise be improper for the recipient to accept.

We have implemented policies and procedures designed to prevent and detect violations of applicable anticorruption and sanctions laws. It is possible that allegations of corrupt conduct may arise in the future, irrespective of these policies, given that we frequently conduct business with governmental or quasigovernmental entities (such as airport authorities) and we operate in countries and regions that have a reputation for heightened corruption risk.

We are also subject to all applicable import laws, export controls and economic sanctions laws and regulations. Changes in import, export control or trade sanctions laws may restrict our business practices, including the cessation of business activities in sanctioned countries or with sanctioned entities, and may result in modifications to compliance programs. Any investigation, enforcement action and/or judgment under the FCPA, Bribery Act or other anti-corruption laws or under applicable export control, import or economic sanctions laws and regulations may carry high financial and reputational costs and could result in severe criminal or civil sanctions and penalties, including fines, loss of authorizations needed to conduct aspects of our international business and may harm our ability to enter into contracts with our customers who have contracts with the U.S. and other governments. A violation of the laws and regulations set out above could have a material adverse effect on our cash flows, financial condition and results of operations.

Our success depends on our ability to attract and retain employees.

Our future success will be heavily dependent on the performance of our executive management team and other key personnel. In addition, our future success depends in part on our ability to continue to recruit, train, motivate and retain employees. The downsizing measures that we have taken in the past could make it more difficult for us to retain employees. We can give no assurance that we will be successful in obtaining, recruiting and retaining key personnel in sufficient numbers to increase revenue, attain profitability, or successfully implement our growth strategy. The loss of, or diminution in, service of any of our executive management team or other key personnel, or our inability to attract and retain new employees, could have a material adverse effect on our business, financial condition and results of operations.

If we do not maintain effective internal controls, accounting policies, practices, and information systems necessary to ensure reliable reporting of our results, our ability to comply with our legal obligations could be negatively affected.

If we do not maintain effective internal controls, accounting policies, practices, and information systems necessary to ensure reliable reporting of our results, our ability to comply with our legal obligations could be negatively affected. Our internal controls, accounting policies and practices, and internal information systems enable us to capture and process transactions in a timely and accurate manner in compliance with applicable accounting standards, laws and regulations, taxation requirements and federal securities laws and regulations. While we believe these controls, policies, practices and systems are adequate to ensure data integrity, unanticipated and unauthorized actions of employees or contractors (both domestic and international), temporary lapses in internal controls due to shortfalls in transition planning and oversight, or resource constraints, could lead to improprieties and undetected errors that could impact our financial condition, results of operations, or compliance with legal obligations. Moreover, due to their inherent limitations, such controls may not prevent or detect misstatements in our reported financial statements. Such limitations include, among other things, the potential for human error or circumvention of controls. Further, our internal control over financial reporting is subject to the risk that controls may become inadequate because of a failure to remediate control deficiencies, changes in conditions or a deterioration of the degree of compliance with established policies and procedures.

The interests of our principal shareholder may be inconsistent with the interests of the holders of New Notes.

HNA Group indirectly owns 100% of the New Issuer's shares. As a result, HNA Group has, directly or indirectly, the power to affect, among other things, our legal and capital structure and our day-to-day operations, as well as the ability to elect and change our management, to appoint and change a majority of our board of directors and to approve other changes to our operations. The interests of HNA Group and its affiliates could conflict with your interests, particularly if we encounter financial difficulties or are unable to pay our debts when due. Affiliates of HNA Group may have an interest in pursuing divestitures, financings or other transactions that in their judgment could enhance their equity investments, although such transactions might involve risks to you as a holder of New Notes. See "*We have limited knowledge of the actions taken by other companies in HNA Group and this may impact our ability to comply with our covenants in the Revolving Credit Facility, the Term Loan B Facility and the New Indentures*." In addition, HNA Group or its affiliates may, in the future, own businesses that directly compete with us or do business with us.

We have limited knowledge of the actions taken by other companies in HNA Group, and this may impact our ability to comply with our covenants in the Revolving Credit Facility, the Term Loan B Facility and the New Indentures.

HNA Group is a large global conglomerate with companies across many jurisdictions which each have their own distinct corporate needs and interests. As such, our management may not always be aware of operations and financing arrangements entered into at other levels of the HNA Group. For example, in May 2017, we notified the lender group under the Credit Agreement of a default arising out of a breach of, among other things, the lien covenant of the Credit Agreement ("**Specified Credit Agreement Events of Default**") after becoming aware that HNA Group had granted pledges over the share capital of the Existing Parent Guarantor, the Existing Issuer and the HNA Acquisition Target pursuant to a facility agreement entered into between HNA Aviation (Hong Kong) Ground Handling Holdings Co., Limited, a parent company of the Existing Parent Guarantor, as borrower, and the Existing Parent Guarantor and the Existing Issuer, with, amongst others, Industrial and Commercial Bank of China Limited, Yangpu Branch prior to the HNA Acquisition. Our limited knowledge of such actions taken means that we cannot guarantee that we will not discover other breaches of covenant provisions resulting from agreements that HNA Group has entered into, or will enter in the future ("**HNA Group Facilities**"), which conflict with the terms of the Senior Facilities, the Existing Indentures and the New Indentures. If we were to incur an event of default under any of our debt instruments, including the Existing Notes, the New Notes or the Senior Facilities, that is not cured or waived, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be declared due and payable immediately. In addition, any conflict between the Sponsor Facility and any other HNA Group Facilities and the terms of the Senior Facilities, the Existing Indentures or the New Indentures could result in the incurrence of events of default under the Sponsor Facility or any such other HNA Group Facilities that could include enforcement action being taken, which could result in us experiencing a Change of Control (as defined in the New Indentures). We are not aware of any notice of enforcement in relation to Sponsor Facility Violations or any other HNA Group Facilities. See "*—Risks Relating to Our Indebtedness and the New Notes—We may not be able to obtain sufficient funds to finance an offer to repurchase the New Notes upon the occurrence of certain events constituting a change of control as required by the New Indentures*," "*Description of New Senior Secured Notes—Repurchase at the Option of Holders—Change of Control*" and "*Description of New Senior Notes—Repurchase at the Option of Holders—Change of Control*."

Risks Relating to our Indebtedness and the New Notes

Our ability to repay our debt is dependent on our ability to obtain cash from our subsidiaries.

The New Issuer is a holding company that conducts no business operations of its own and has no significant assets other than the shares it holds in its direct subsidiary. Repayment of our indebtedness, including under the New Notes, is dependent on the ability of our subsidiaries to make such cash available to the New Issuer, by dividend distributions, debt repayment, loans or otherwise, and ability of our joint ventures to make distributions to their parent companies. Our subsidiaries may not be able to, or may be restricted by the terms of their existing or future indebtedness, or by law, in their ability to make distributions or advance upstream loans to enable us to make payments in respect of our indebtedness, including the New Notes. In particular, Swissport International Ltd., a company incorporated under the laws of Switzerland, which holds a large part of our operational business and revenue streams is subject to certain restrictions under Swiss law, such as that dividends may only be distributed out of distributable reserves, and, in principle, interim dividends are not allowed under Swiss law. Following a recent decision by the Swiss Federal Supreme Court, the distributable reserves of our Swiss subsidiaries may be reduced by, *inter alia*, the amount of any upstream or cross-stream intercompany loan provided which is not at arm's length terms. It is uncertain under Swiss law whether interim dividends may be allowed in certain circumstances, subject to strict conditions. Each subsidiary of ours is a distinct legal entity and, under certain circumstances, legal and contractual restrictions, or the inability to convert local currency such as in the case of Venezuela, may limit our ability to obtain cash from our subsidiaries. Our joint ventures are also subject to contractual restrictions on the amount of cash they may distribute.

While the Revolving Credit Facility, the Term Loan B Facility and the New Indentures limit the ability of our subsidiaries to incur contractual restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain significant qualifications and exceptions. In the event that we do not receive distributions or other payments from our subsidiaries, we may be unable to make the required principal and interest payments on our indebtedness, including the New Notes. We do not expect to have any other sources of funds that would allow us to make payments to holders of the New Notes.

Our significant leverage may make it difficult for us to service our debt, including the New Notes, and operate our business.

Swissport has a substantial amount of outstanding indebtedness with significant debt service requirements. As of March 31, 2017, our total borrowings were €1,476.2 million (converting non-euro debt into euros at the March 31, 2017 exchange rate).

Our significant leverage could have important consequences for you as a holder of the New Notes, including:

- making it more difficult for us to satisfy our obligations with respect to the New Notes and our other debt and liabilities, including under the Senior Facilities, or to refinance our debt, depends on our future operating and financial performance;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thus reducing the availability of our cash flow to fund internal growth through working capital and capital expenditures and for other general corporate purposes;
- increasing our vulnerability to a downturn in our business or economic or industry conditions;
- placing us at a competitive disadvantage compared to our competitors that have less debt in relation to cash flow;
- limiting our flexibility in planning for or reacting to changes in our business and our industry;
- restricting us from exploiting certain business opportunities; and
- limiting, among other things, our and our subsidiaries' ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings.

If we are not able to refinance any of our debt, obtain additional financing or sell assets on commercially reasonable terms or at all, we may not be able to satisfy our debt obligations, including the New Notes. In that event, borrowings under other debt agreements or instruments that contain cross-default or cross-acceleration provisions may become payable on demand and we may not have sufficient funds to repay all of our debts, including the New Notes. See "*Description of Certain Financing Arrangements*."

Any of these other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including under the New Notes.

Despite our high level of indebtedness, we and our subsidiaries will still be able to incur significant additional amounts of debt, which could further exacerbate the risks associated with our substantial indebtedness.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future. Although the Revolving Credit Facility, the Term Loan B Facility and the New Indentures contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. If new debt is added to our and our subsidiaries' existing debt levels, the related risks that we now face would increase. In addition, none of the Revolving Credit Facility, the Term Loan B Facility or the New Indentures currently prevent or will prevent us from incurring obligations that do not constitute indebtedness under those agreements.

Restrictive covenants in the Revolving Credit Facility, the Term Loan B Facility and the New Indentures may restrict our ability to operate our business. Our failure to comply with these covenants or other agreements relating to our outstanding indebtedness, including as a result of events beyond our control, could result in an event of default that could materially and adversely affect our cash flow, financial condition and results of operations, or the New Issuer's ability to repay its debts, including the New Notes.

The Revolving Credit Facility requires us to comply with certain affirmative covenants and one financial covenant. See "*Description of Certain Financing Arrangements—Revolving Credit Facility*."

In addition, the Revolving Credit Facility, the Term Loan B Facility and the New Indentures contain negative covenants restricting, among other things, our ability to:

- incur or guarantee additional debt or issue preferred stock;

- pay dividends and make other restricted payments;
- create or incur liens;
- make certain investments;
- agree to limitations on the ability of our subsidiaries to pay dividends or make other distributions;
- engage in sales of assets and subsidiary stock;
- enter into transactions with affiliates; and
- transfer all or substantially all of our assets or enter into merger or consolidation transactions.

The restrictions contained in the Revolving Credit Facility, the Term Loan B Facility and the New Indentures could affect our ability to operate our business and may limit our ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect our ability to finance our operations, make strategic acquisitions, investments or alliances, restructure our organization or finance our capital needs. Additionally, our ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If we breach any of these covenants or restrictions, we could be in default under the Revolving Credit Facility, the Term Loan B Facility and the New Indentures.

If there were an event of default under any of our debt instruments, including the Senior Facilities, that is not cured or waived, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. We cannot assure you that our assets or cash flow would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. Further, if we are unable to repay, refinance or restructure our secured debt, the holders of such debt could proceed against the collateral securing that debt. In addition, any event of default or declaration of acceleration under one debt instrument could also result in an event of default under one or more of our other debt instruments, including the New Notes. Any such actions could force us into bankruptcy or liquidation, and we may not be able to repay our obligations under the New Notes in such an event.

We are exposed to interest rate risks. Shifts in such rates may adversely affect our debt service obligations.

We are exposed to the risk of fluctuations in interest rates, primarily under the Revolving Credit Facility and the Term Loan B Facility, which are both indexed to LIBOR and/or EURIBOR. As of March 31, 2017, on a pro forma basis for the Transactions, we would have had €671.7 million of floating rate debt. We also expect to regain access to CHF 110 million of availability under the Revolving Credit Facility, and, to the extent that we utilize the facility for cash drawings, we are exposed to interest rate risk. We believe that borrowing at variable rates is cheaper over the long run and accept the risk that interest rates will fluctuate and are likely to increase above their current low level in the future. Although we plan on hedging against interest rate changes, there can be no assurance that hedging will continue to be available on commercially reasonable terms. Hedging itself carries certain risks, including that we may need to pay a significant amount (including costs) to terminate any hedging arrangements. Sustained increases in interest rates would materially adversely affect our business, financial condition and results of operations.

The New Notes will be structurally subordinated to the indebtedness and other obligations of our non-guarantor subsidiaries.

Some, but not all, of the New Parent Guarantor's subsidiaries will guarantee the New Notes. The New Parent Guarantor's subsidiaries (other than the New Issuer) will not have any obligations to pay amounts due under the New Notes or to make funds available for that purpose unless they guarantee the New Notes. Generally, creditors under indebtedness and trade creditors, and preferred shareholders (if any), of the New Parent Guarantor's non-guarantor subsidiaries (other than the New Issuer) are entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to any guarantor, as direct or indirect shareholder. The Intercreditor Agreement will regulate priority of claims and payments.

Accordingly, in the event that any non-guarantor subsidiary becomes subject to any foreclosure, dissolution, winding-up, liquidation, recapitalization, administrative or other bankruptcy or insolvency proceedings:

- the creditors of the New Issuer (including holders of the New Notes) will have no right to proceed against the assets of such subsidiary; and

- creditors of such non-guarantor subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before any guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary.

As such, the New Notes and each New Guarantee will be structurally subordinated to the claims of the creditors (including trade creditors) and any preferred stockholders of our non-New Guarantor subsidiaries. For the twelve months ended March 31, 2017, the non-New Guarantor subsidiaries represented 23.0% of Swissport EBITDA, and, as of March 31, 2017, the non-New Guarantor subsidiaries represented 39.0% of Swissport's total assets (excluding goodwill). As of March 31, 2017, the New Issuer's non-New Guarantor subsidiaries (excluding Unrestricted Subsidiaries) had total debt, excluding shareholder debt, of €42.0 million, all of which would have ranked structurally senior to the New Notes and the New Guarantees. Any of the debt that the New Issuer's non-New Guarantor subsidiaries incur in the future in accordance with the New Indentures will rank structurally senior to the New Notes and the New Guarantees.

The New Senior Notes Guarantees will be subordinated to our existing and future senior debt, and the New Senior Notes are subject to restrictions on payment and enforcement.

The New Senior Notes Guarantees will be senior subordinated obligations of the New Guarantors, and each:

- will be a general senior subordinated obligation of the relevant New Guarantor;
- will be subordinated in right of payment to all existing and future senior Indebtedness of such New Guarantor, including Indebtedness under, or guarantees of, the Senior Facilities and the New Senior Secured Notes Guarantors;
- will rank senior in right of payment to all existing and future Indebtedness of the New Guarantor that is expressly subordinated to the relevant New Senior Notes Guarantee; and
- will be effectively subordinated to any existing and future Indebtedness of the relevant New Guarantor that is secured by property or assets that do not secure such New Senior Notes Guarantee, to the extent of the value of the property and assets securing such Indebtedness, including the Senior Facilities and the New Senior Secured Notes Guarantees.

In addition, until the Senior Secured Discharge Date (as defined in the Intercreditor Agreement), except with the prior consent of or as required by the Security Agent (acting on the instructions of the Majority Senior Secured Creditors (as defined in the Intercreditor Agreement)), no enforcement action in relation to the New Senior Notes Guarantees may be taken, unless: (i) an event of default under the Senior Facilities or the New Senior Secured Notes (a "**Senior Event of Default**" and such Senior Event of Default, the "**Relevant Senior Default**") is continuing; (ii) the Security Agent, the Administrative Agent and the Trustee have received a notice of the Relevant Senior Default (a "**Senior Enforcement Notice**") specifying the event or circumstance in relation to the Relevant Senior Default from the Senior Debt Representative (as defined in the Intercreditor Agreement); (iii) a Senior Standstill Period (as defined in "*Description of Certain Financing Arrangements—Intercreditor Agreements*") has elapsed; and (iv) the Relevant Senior Default is continuing at the end of the relevant Senior Standstill Period.

Upon any distribution to the creditors of a New Senior Notes Guarantor in a liquidation, administration, bankruptcy, moratorium of payments, dissolution or other winding-up of such New Senior Notes Guarantor, the holders of senior debt of such New Senior Notes Guarantor will be entitled to be paid in full before any payment may be made with respect to its New Senior Notes Guarantee. As a result, holders of the New Senior Notes may receive less, ratably, than the holders of senior debt of the New Senior Notes Guarantors, including the lenders under the Senior Facilities and holders of the New Senior Secured Notes.

The Intercreditor Agreement also contains significant restrictions with respect to payments of the New Senior Notes, including payments by the New Issuer. If there is a payment default under the Senior Facilities or the New Senior Secured Notes, or if a senior payment stop notice is issued following an event of default other than a payment default under the Senior Facilities or the New Senior Secured Notes, then payments will not be permitted to be made in respect of the New Senior Notes. In some circumstances, for instance where payments were received on the New Senior Notes in breach of the Intercreditor Agreement, holders would be required to turn over such payments to the Security Agent for redistribution. In addition, although the holders of the New Senior Notes are generally entitled to enforce their claims against the New Issuer pursuant to the terms of the New Senior Notes Indenture, nevertheless the Intercreditor Agreement places limits on enforcement by senior creditors of their security granted by the New Issuer. See *"Description of Certain Financing Arrangements—Intercreditor Agreement."*

As of March 31, 2017, on a pro forma basis assuming the Term Loan B Facility has been reduced to €460.0 million, we would have had an aggregate principal amount of outstanding financial liabilities that ranked senior to the New Senior Notes Guarantees of EUR 860 million and up to CHF 110 million is expected to be available for borrowing under the committed and undrawn portion of the Revolving Credit Facility.

Our indebtedness under the Term Loan B Facility and Revolving Credit Facility is, and the New Senior Secured Notes will be, secured on a first-priority basis by certain of our assets and as a result this indebtedness is senior to the New Senior Notes to the extent of the value of such assets.

The Term Loan B Facility, the Revolving Credit Facility and the New Senior Secured Notes are secured on a first-ranking priority basis by a first and/or second lien on material assets (other than shares in subsidiaries) of the New Issuer and the New Guarantors, the shares in certain New Subsidiary Guarantors and certain other assets of the New Issuer and the New Guarantors. We may also incur additional future indebtedness permitted under the New Indentures that is secured by such assets or other assets. Upon execution of the Amended and Restated Credit Agreement, we expect to have €460.0 million outstanding under the Term Loan B Facility and expect to regain access to borrowings of CHF 110 million under the Revolving Credit Facility. Holders of the indebtedness under the Term Loan B Facility, the Revolving Credit Facility, the New Senior Secured Notes Indenture and any other indebtedness secured by the same assets or other assets are entitled to receive proceeds from the realization of value of such assets to repay such indebtedness in full before the holders of the New Senior Notes will be entitled to any recovery from such assets. Accordingly, holders of the New Senior Notes will only be entitled to receive proceeds from the realization of value of such assets after all indebtedness and other obligations under the Term Loan B Facility, the Revolving Credit Facility New Senior Secured Notes and any other obligations secured by such assets are repaid in full. As a result, the New Senior Notes and the New Senior Notes Guarantees will be effectively subordinated to indebtedness under the Term Loan B Facility, the Revolving Credit Facility, the New Senior Secured Notes and any other indebtedness secured by such assets to the extent of the realizable value of such assets.

The New Guarantees of the New Notes and the Collateral of the New Senior Secured Notes, along with any future guarantees of the New Notes and future Collateral of the New Senior Secured Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability.

The New Issuer's obligations under the New Notes will be guaranteed by the New Guarantors. In addition, the New Issuer and the New Guarantors will secure the payment of the New Senior Secured Notes by granting security over the Collateral under the relevant Security Documents. The New Notes, the New Guarantees and the security interests granted under the Security Documents may be subject to claims that they should be limited or subordinated in favor of the New Issuer's or New Guarantors' existing and future creditors under the laws of Belgium, Canada, England and Wales, Germany, Ireland, Kenya, Luxembourg, Mexico, the Netherlands, Spain, Switzerland, Trinidad & Tobago and the United States of America, as applicable, or any other applicable jurisdiction. There is no guarantee that the value of the New Guarantees and the Collateral will be sufficient to satisfy claims under the New Notes.

The obligations of the New Guarantors, the security interests granted by them or a security provider and the enforcement of their New Guarantees and security interests granted by them or a security provider will, where applicable, be limited to the extent of the amount which can be guaranteed or secured by a particular New Guarantor or a security provider without rendering the New Guarantee or security interest, as it relates to that New Guarantor or a security provider, voidable or otherwise ineffective under, or not compliant with, applicable law and without rendering the New Guarantor or a security provider insolvent or subject to any legal cause that would require it to be dissolved. These laws and defenses include those that relate to corporate benefit, fraudulent conveyance or transfer, insolvency, voidable preference, financial assistance, corporate purpose or benefit, preservation of share capital, thin capitalization and defenses affecting the rights of creditors generally.

Although laws differ among various jurisdictions, in general, under fraudulent conveyance and similar laws, a court could subordinate or void any guarantee or security interest provided by such New Guarantor or security provider or any other person and if payment had already been made under a New Guarantee or enforcement proceeds applied under a security document, require that the recipient return the payment to the relevant New Guarantor or security provider if it found that:

a) the relevant New Guarantee or security interest in the Collateral was incurred with actual intent to hinder, delay or defraud creditors or shareholders of the New Guarantor or security provider or other person or to prefer one creditor over another or, in certain jurisdictions, even when the recipient was simply aware or should have been aware that the New Guarantor or security provider or other person was insolvent when it issued the New Guarantee;

b) the New Guarantor or security provider or other person did not receive fair consideration or reasonably equivalent value for the guarantee or security interest, and the New Guarantor or security provider or other person:

   i) was insolvent, subsequently became insolvent or was rendered insolvent because of the guarantee or security interest;

   ii) was undercapitalized or became undercapitalized because of the guarantee or security interest; or

   iii) intended to incur, or believed that it would incur, debts beyond its ability to pay at maturity;

c) the relevant New Guarantees or security interest in the Collateral were held to exceed the corporate objects/corporate purposes of the New Guarantor or security provider or the guarantee or security interest was not in the best interests or for the benefit of the New Guarantor or security provider or other person; or

d) the amount paid or payable in respect of such guarantee was in excess of the maximum amount permitted under applicable law.

The measure of insolvency for purposes of fraudulent conveyance and similar laws varies depending on the law applied. Generally, however, a New Guarantor or security provider or other person would be considered insolvent if it could not pay its obligations as they became due. In such circumstances, if a court voided such New Guarantee or Collateral, or held it unenforceable, holders of the New Notes would cease to have any claim in respect of the New Guarantor or security provider or other person and would be a creditor solely of the New Issuer and the remaining New Guarantors or security provider. Please see "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*" on specific local law considerations, which may deviate from the above. If a court decides a guarantee was a fraudulent conveyance and voids the guarantee, or holds it unenforceable for any other reason, you may cease to have any claim in respect of the New Guarantor or security provider or other person and would be a creditor solely of the New Issuer and any remaining New Guarantors. The holders of the New Notes may also be required to repay any amounts received with respect to such New Guarantee or Collateral. See "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

These or similar laws may also apply to any future guarantees or security interests granted by other subsidiaries pursuant to the New Indentures. Limitations on the enforceability of judgments obtained in New York courts in such jurisdictions could limit the enforceability of any New Guarantee against any New Guarantor. See "*Enforcement of Judgments*."

Corporate benefit and financial assistance laws and other limitations on the obligations under the New Guarantees may adversely affect the validity and enforceability of the New Guarantees.

The New Guarantees for the New Notes and the security interests in the Collateral for the New Senior Secured Notes provide the holders of the respective New Notes with a right of recourse against the assets of the relevant New Guarantors and the Collateral. Each of the New Guarantees and security interests in the Collateral and the amounts recoverable thereunder will be limited to the maximum amount that can be guaranteed or secured by a particular New Guarantor or security provider without rendering the New Guarantee or security interest, as it relates to that New Guarantor, unlawful voidable or otherwise ineffective under applicable law, i.e., to the extent that the grant or the enforcement of the New Guarantee or security interest in the Collateral, would result in a breach of capital maintenance rules or other statutory laws or would cause the directors of such New Guarantor or security provider to contravene its duties to incur civil or criminal liability or to contravene any legal prohibition. Enforcement of the obligations under the New Notes against the New Issuer, enforcement of a guarantee against a New Guarantor and enforcement of a security interest against a New Guarantor or security provider will be subject to certain defenses available to the New Issuer or the relevant New Guarantor or security provider, as the case may be, or, in some cases, to limitations designed to ensure full compliance with statutory requirements applicable to the relevant New Guarantor or security provider. These laws and defenses may include those that relate to fraudulent conveyance or transfer, financial assistance, voidable preference, unfair consideration, corporate benefit, capital maintenance and regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, the New Issuer, a New Guarantor or security provider may have no liability or decreased liability under the New Notes or its New Guarantee or Security Documents or the New Guarantees or Collateral may be unenforceable. It is possible that a New Guarantor or security provider, a creditor of a New Guarantor or security provider or the bankruptcy trustee, in the case of a bankruptcy of a New Guarantor or security provider, may contest the validity and enforceability of the New Guarantee and the collateral and that the applicable court may determine that the New Guarantee and the Collateral should be limited or voided. In the event that any New Guarantee or security interest in the Collateral is no longer valid or enforceable, in whole or in part, the New Notes would effectively be subordinated to all liabilities of the applicable Guarantor or security provider, including trade payables of such New Guarantor or security provider. See "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Consideration.*"

New Secured Subsidiary Notes Guarantees by the New Subsidiary Guarantors and security interests in the assets held by the New Subsidiary Guarantors that will constitute Collateral may not be granted until after the Settlement Date.

The New Subsidiary Guarantors will not guarantee or provide security for the New Senior Secured Notes prior to the Settlement Date. Even after the Settlement Date, although the New Issuer will be obligated to procure that the New Subsidiary Guarantors guarantee the New Senior Secured Notes and, within 60 days following the Settlement Date, grant security in favor of the holders of the New Senior Secured Notes, such guarantees and security may be subject to significant limitations and exceptions. A failure to grant security interests over the assets of the New Subsidiary Guarantors on or prior to the date that is 60 days following, the Settlement Date would not itself constitute an event of default under the New Senior Secured Notes Indenture.

New Senior Secured Notes Guarantees by the New Subsidiary Guarantors may not be granted until after the Settlement Date.

The New Subsidiary Guarantors will not provide security for the New Senior Secured Notes prior to the Settlement Date. Even after the Settlement Date, although the New Issuer will be obligated to procure that the New Subsidiary Guarantors guarantee the New Senior Secured Notes on the Settlement Date, such guarantees may be subject to significant limitations and exceptions. A failure to grant security interests over the assets of the New Subsidiary Guarantors on or prior to the date that is 60 days following the Settlement Date would not itself constitute an event of default under the New Senior Secured Notes Indenture.

The Collateral may not be sufficient to secure the obligations under the New Senior Secured Notes.

The New Senior Secured Notes and the New Senior Secured Notes Guarantees will be secured by security interests in the Collateral described in these Listing Particulars, which Collateral also secures, or will secure, the obligations under the Senior Facilities. The Collateral securing the New Senior Secured Notes and the New Senior Secured Notes Guarantees may also secure additional debt to the extent permitted by the terms of the New Senior Secured Notes Indenture and the Intercreditor Agreement. Your rights to the Collateral may be diluted by any increase in the first-priority debt secured by the Collateral or a reduction of the Collateral securing the New Senior Secured Notes.

The value of the Collateral and the amount to be received upon an enforcement of such Collateral will depend upon many factors, including, among others, the ability to sell the Collateral in an orderly sale, the condition of the economies in which operations are located and the availability of buyers. The book value of the Collateral should not be relied on as a measure of realizable value for such assets. All or a portion of the Collateral may be illiquid and may have no readily ascertainable market value. Likewise, we cannot assure you that there will be a market for the sale of the Collateral, or, if such a market exists, that there will not be a substantial delay in its liquidation. In addition, the share pledges of an entity may be of no value if that entity is subject to an insolvency or bankruptcy proceeding. The Collateral is located in a number of countries, and the multijurisdictional nature of any foreclosure on the Collateral may limit the realizable value of the Collateral. For example, the bankruptcy, insolvency, administrative and other laws of the various jurisdictions may be materially different from, or conflict with, each other, including in the areas of rights of creditors, priority of government and other creditors, ability to obtain post-petition interest and the duration of the proceedings.

It may be difficult to realize the value of the Collateral securing the New Senior Secured Notes.

The Collateral securing the New Senior Secured Notes will be subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the New Senior Secured Notes Indenture and/or the

Intercreditor Agreement and accepted by other creditors that have the benefit of first-priority security interests in the Collateral securing the New Senior Secured Notes from time to time, whether on or after the date the New Senior Secured Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral securing the New Senior Secured Notes, as well as the ability of the Security Agent to realize or foreclose on such Collateral. Furthermore, the first-priority ranking of security interests can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or recharacterization under the laws of certain jurisdictions.

The security interests of the Security Agent will be subject to practical problems generally associated with the realization of security interests in Collateral. For example, under the laws of many jurisdictions, the enforcement of security interests over shares, whether by means of a sale or an appropriation, may be subject to certain specific requirements. Under bankruptcy laws in certain jurisdictions, secured creditors are prohibited from repossessing their security from a debtor during a bankruptcy proceeding or from disposing of security repossessed from such debtor without the approval of a bankruptcy court, and a court appointed insolvency or bankruptcy administrator may have the sole right to grant such authority. It is impossible to predict how long payments under the New Senior Secured Notes could be delayed following commencement of a bankruptcy proceeding, whether or when the Security Agent could repossess or dispose of the Collateral or whether or to what extent a holder of the New Senior Secured Notes may be compensated for any delay in payment or loss of value of the Collateral. In some jurisdictions, the Security Agent may also need to obtain the consent of a third party to enforce a security interest. We cannot assure you that the Security Agent will be able to obtain any such consents. We also cannot assure you that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Accordingly, the Security Agent may not have the ability to foreclose upon those assets, and the value of the Collateral may significantly decrease.

Holders of the New Senior Secured Notes may not control certain decisions regarding the Collateral.

The New Senior Secured Notes will be secured by the same Collateral securing the obligations under the Credit Agreement, certain cash management obligations (the "**Cash Management Obligations**"), certain ancillary facilities (the "**Ancillary Facilities**") and certain hedging obligations (the "**Hedging Obligations**"). In addition, under the terms of the New Senior Secured Notes Indenture, we will be permitted to incur significant additional indebtedness and other obligations that may be secured by the same Collateral (such additional indebtedness, together with the indebtedness under the New Senior Secured Notes, the indebtedness under the Credit Agreement, the Cash Management Obligations, the Ancillary Facilities, the Hedging Obligations and certain other indebtedness specified in the Intercreditor Agreement, the "**Senior Secured Creditor Obligations**" and the creditors being owed Senior Secured Creditor Obligations, the "**Senior Secured Creditors**").

Only the Majority Senior Secured Creditors (as defined below) will be entitled to instruct the Security Agent to enforce the Collateral and the holders of the New Senior Secured Notes will not have separate rights to enforce the Collateral. Disputes may occur between the holders of the New Senior Secured Notes and other Senior Secured Creditors as to the appropriate manner of pursuing enforcement remedies and strategies with respect to the Collateral.

"**Majority Senior Secured Creditors**" means, at any time, those Senior Secured Creditors (other than Cash Management Providers in their capacity as such) whose Senior Secured Creditor Obligations (other than Cash Management Obligations) at that time aggregate more than 50% of the total Senior Secured Creditor Obligations (excluding Cash Management Obligations) at that time.

The holders of the New Senior Secured Notes will be bound by any decisions of the Majority Senior Secured Creditors, which may result in enforcement action in respect of the Collateral, whether or not such action is approved by the holders of the New Senior Secured Notes or may be adverse to such holders. Certain Senior Secured Creditors may have interests that are different from the interest of holders of the New Senior Secured Notes and they may elect to pursue their remedies under the Security Documents at a time when it would otherwise be disadvantageous for the holders of the New Senior Secured Notes to do so. See "*Description of Certain Financing Arrangements—Intercreditor Agreement.*"

The security interests in the Collateral will be granted to the Security Agent rather than directly to the holders of the New Senior Secured Notes. The ability of the Security Agent to enforce certain of the Collateral may be restricted by local law.

The security interests in the Collateral that will secure our obligations under the New Senior Secured Notes and the obligations of the New Guarantors under the New Senior Secured Notes Guarantees will not be granted directly to the holders of the New Senior Secured Notes but will be granted only in favor of the Security Agent. The New Senior Secured Notes Indenture (along with the Intercreditor Agreement) provides that only the Security Agent has the right to enforce the Security Documents. As a consequence, holders of the New Senior Secured Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the New Senior Secured Notes, except through the Trustee, who will (subject to the provisions of the New Senior Secured Notes Indenture) provide instructions to the Security Agent in respect of the Collateral. In addition, the ability of the Security Agent to enforce the security is subject to mandatory provisions of the laws of each jurisdiction in which security over the Collateral is granted. There is some uncertainty under the laws of certain jurisdictions as to whether obligations to beneficial owners of the New Senior Secured Notes that are not identified as registered holders in a security document will be validly secured.

In certain jurisdictions, the security interests in the Collateral will not be granted directly to the holders of New Senior Secured Notes but only in favor of the Security Agent, as beneficiary of parallel debt obligations (the "**Parallel Debt**"). This Parallel Debt is typically created by way of an abstract acknowledgment of debt to satisfy a requirement under the laws of the relevant jurisdiction that the Security Agent, as grantee of certain types of Collateral, be a creditor of the relevant debtor of the secured obligations. The Parallel Debt is in the same amount and payable at the same time as the obligations of the New Issuer under the New Senior Secured Notes Indenture and the New Senior Secured Notes (the "**Principal Obligations**"). Any payment in respect of the Principal Obligations will discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt will discharge the corresponding Principal Obligations. Although the Security Agent will have, pursuant to the Parallel Debt, a claim against the New Issuer for the full principal amount of the New Senior Secured Notes, holders of the New Senior Secured Notes bear some risks associated with a possible insolvency or bankruptcy of the Security Agent. The Parallel Debt obligations referred to above are contained in the Intercreditor Agreement and will also be agreed and acknowledged under the New Senior Secured Notes Indenture, which are governed by English and New York law, respectively. In addition, the Parallel Debt construct has not been tested in a court of law in certain jurisdictions, including Switzerland, and to the extent that the security interests in the Collateral created under the Parallel Debt construct are successfully challenged by other parties, holders of the New Senior Secured Notes may not receive any proceeds from an enforcement of such security interests in the Collateral. There is no assurance that such a structure will be effective before the courts of the relevant jurisdiction, including Switzerland, and therefore the ability of the Security Agent to enforce the Collateral may be restricted. See "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

In other jurisdictions, such as Spain, where the concept of "parallel debt" does not exist, the perfection of the security interest on behalf of the Security Agent may need to be completed through a power of attorney.

Your rights in the Collateral for the New Senior Secured Notes may be adversely affected by the failure to perfect security interest in the Collateral.

Under applicable law, a security interest in certain tangible and intangible assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party and/or the grantor of the security. The liens on the Collateral securing the New Senior Secured Notes may not be perfected with respect to the claims of such notes if we fail or are unable to take the actions we are required to take to perfect any of these liens. In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest, such as real property, equipment subject to a certificate and certain proceeds, can only be perfected at or promptly following the time such property and rights are acquired and identified.

The Trustee or the Security Agent may not monitor, or we may not comply with our obligations to inform the Trustee or the Security Agent of, any future acquisition of property and rights by us, and the necessary action may not be taken to properly perfect the security interest in such after-acquired property or rights. Such failure may result in the invalidity of the security interest in the Collateral for the New Senior Secured Notes or adversely affect the priority of the security interest in favor of the New Senior Secured Notes against third parties. Neither the Trustee nor the Security Agent has any obligation to monitor the acquisition of additional property or rights by us or the perfection of any security interest.

Not all assets will be included in the Collateral.

The New Notes and the New Guarantees will be secured by a pledge over the Escrow Account. The New Senior Secured Notes and the New Senior Secured Notes Guarantees will be secured on a first-ranking priority basis by a first and/or second lien on material assets (other than shares in subsidiaries) of the New Issuer and the

New Guarantors, shares in certain New Subsidiary Guarantors, and certain other assets of the New Issuer and the New Guarantors. All or part of the Collateral may be released without the consent of holders of the New Senior Secured Notes under certain circumstances (see "—*The liens over the Collateral securing New Senior Secured Notes could be released in certain circumstances without the consent of the holders of the New Senior Secured Notes*."). If an event of default occurs and the New Senior Secured Notes are accelerated, the New Senior Secured Notes will rank equally with the holders of other unsubordinated and unsecured indebtedness with respect to any excluded assets not granted as Collateral. To the extent the claims of holders of the New Senior Secured Notes exceed the value of the Collateral securing the New Senior Secured Notes and other liabilities, claims of the holders of the New Senior Secured Notes related to any excluded assets will rank equally with the claims of the holders of any other unsecured indebtedness. As a result, if the value of the assets granted as security for the New Senior Secured Notes is less than the value of the claims of the holders of the New Senior Secured Notes together with any super senior claims and any claims of the holders of any *pari passu* additional indebtedness, those claims may not be satisfied in full before the claims of the unsecured creditors are paid.

The New Guarantors and the other security providers will have control over the Collateral securing the New Senior Secured Notes, and the sale of particular assets could reduce the pool of assets securing the New Senior Secured Notes.

Certain of the Security Documents allow the New Guarantors and the other security providers to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from, the Collateral securing the New Senior Secured Notes. So long as no default or event of default under the Credit Agreement or the New Senior Secured Notes Indenture is occurring or would result therefrom, the New Guarantors and the other security providers may, among other things, without any release or consent by the Trustee or the Security Agent, conduct ordinary course activities with respect to the Collateral and making ordinary course cash payments, including repayments of indebtedness. Any of these activities could reduce the value of the Collateral, which could reduce the amounts payable to investors from the proceeds of any sale of Collateral in case of an enforcement.

The Collateral for the New Senior Secured Notes is subject to casualty risks.

Although we maintain insurance policies to insure against losses, there are certain losses that may be either uninsurable or not economically insurable, in whole or in part. As a result, it is possible that the insurance proceeds will not compensate us fully for our losses in the event of a catastrophic loss. We cannot assure you that any insurance proceeds received by us upon the total or partial loss of the pledged Collateral for the New Senior Secured Notes will be sufficient to satisfy all of our secured obligations, including the New Senior Secured Notes.

The granting of the New Guarantees in connection with the issue of the New Notes, the granting of the Collateral in connection with the issue of the New Senior Secured Notes, or the incurrence of permitted debt in the future, may create or restart hardening periods, and the New Guarantees may be challenged or voidable in accordance with the laws applicable in certain jurisdictions.

The granting of New Guarantees and security interests in the Collateral to secure the New Notes and the New Guarantees themselves may create hardening periods for such New Guarantees and security interests in certain jurisdictions. The applicable hardening period for New Guarantees and new security interests would typically run from the moment each New Guarantee and new security interest has been granted or perfected or any new indebtedness guaranteed by such New Guarantee or secured by such security interest has been incurred.

The New Guarantees and security interests in the Collateral may be voidable by the relevant New Guarantors or security provider or by an insolvency trustee, liquidator, receiver or administrator or by other creditors, or may be otherwise set aside by a court, if certain events or circumstances exist or occur, including, amongst others, if the grantor is deemed to be insolvent at the time of the grant, or if the grant permits the secured parties to receive a greater recovery than if the grant had not been given and an insolvency proceeding in respect of the grantor is commenced within a legally specified hardening period following the grant. At each time, if a New Guarantee or security interest granted or recreated is to be enforced before the end of the respective hardening period applicable in the relevant jurisdiction, it may be declared void or ineffective and/or it may not be possible to enforce it. To the extent that the issue of any New Guarantee or granting of any security interest is voided, the holders of the New Notes would lose the benefit of such New Guarantee or security interest and would be creditors solely of the New Issuer and any remaining New Guarantors and security providers and would therefore benefit only from any remaining New Guarantee or Collateral. The holders of the New Notes may also be required to repay any amounts received with respect to such New Guarantee or Collateral or release such New Guarantee or Collateral.

In order to effectively secure future indebtedness, including additional New Senior Secured Notes, that is permitted to share in the Collateral, and effectively guarantee future indebtedness, including additional notes, it may be necessary in some or all jurisdictions to create additional, junior-ranking security over the Collateral or to release and retake the Collateral at the time such indebtedness is incurred or to create additional New Guarantees or to amend the relevant New Guarantee at the time such indebtedness is incurred. The New Senior Secured Notes Indenture permits the release and retaking of security granted in favor of the New Senior Secured Notes in certain circumstances, including in connection with the incurrence of future indebtedness. Any such new or retaken security as well as any security interests for future indebtedness arising under the existing Security Documents over the Collateral and any such New Guarantee or New Guarantee amendments will likely be subject to new hardening periods and, consequently, to potential insolvency challenges as described under "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations.*"

A successful challenge of any new junior ranking or any security interest arising for future indebtedness under the existing Security Documents would reduce the amount of enforcement proceeds available for distribution to the holders of the New Senior Secured Notes and the other secured creditors that share in the Collateral. In addition, if the New Issuer issues additional notes with the same securities identification numbers as the New Notes, a receiver, insolvency administrator or similar person may seek to challenge the enforceability of the New Guarantees and Collateral securing both the additional notes and the initial New Notes even if the hardening period with respect to the New Guarantees and Collateral securing the initial New Notes has expired, based on the fact that the initial New Notes and the additional notes are fungible and not distinguishable. Any such successful challenge would further reduce the proceeds available to the holders of the New Notes.

A summary description of certain aspects of the insolvency laws of certain jurisdictions where the New Guarantors are organized or incorporated and have their center of main activities is set out in "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*" and does not purport to be complete or to discuss all of the limitations or considerations that may affect the validity and enforceability of the New Notes and the New Guarantees.

Relevant insolvency and administrative laws may not be favorable to creditors, including holders of New Notes, as the case may be, as insolvency laws of the jurisdictions in which you are familiar and may limit your ability to enforce your rights under the New Notes or the New Guarantees or the security interests in the Collateral.

The New Issuer is incorporated in Luxembourg and the New Guarantors and security providers are incorporated or organized in Belgium, Canada, Quebec (Canada), England and Wales, Germany, Ireland, Kenya, Luxembourg, Mexico, the Netherlands, Spain, Switzerland and Trinidad & Tobago. The insolvency of some of our subsidiaries, including the New Guarantors, may be subject to the insolvency laws of such jurisdictions, including those referred herein. Some of our subsidiaries are incorporated or organized in jurisdictions other than those listed above and are subject to the insolvency laws of such jurisdictions. The insolvency laws of these jurisdictions may not be as favorable to your interests as creditors as the bankruptcy laws of the United States or certain other jurisdictions. In addition, there can be no assurance as to how the insolvency laws of these jurisdictions will be applied in relation to one another. In the event that any one or more of the New Issuer or the New Guarantors or the New Issuer's other subsidiaries experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the validity and enforceability of the obligations and the security granted by the New Issuer, the New Guarantors and security providers. Please see "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*" for a summary of certain insolvency law considerations in some of the jurisdictions in which the New Issuer and the New Guarantors are or may be organized. Prospective investors in the New Notes should consult their own legal advisors with respect to such limitations and considerations. See "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

Enforcement of the New Guarantees and Collateral across multiple jurisdictions may be difficult.

Although the New Guarantees are governed by New York law, the enforcement of such guarantees against the New Issuer and the New Guarantors organized and having their center of main activities in countries other than the United States would be subject to the laws of multiple jurisdictions. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in any of these jurisdictions. The rights of holders of the New Notes under the New Guarantees will thus be subject to the laws of a number of jurisdictions. In addition, the Collateral securing the New Senior Secured Notes will be governed by the laws of multiple jurisdictions and the rights under the Collateral will thus be subject to the laws of the respective jurisdiction. It may be difficult to enforce such rights and Collateral in multiple bankruptcy, insolvency and other similar proceedings. Moreover, such multi-jurisdictional proceedings are typically complex and costly for creditors' rights. In addition, the bankruptcy, insolvency, administration and other laws of the New Issuer's jurisdiction of organization and the jurisdiction of organization of the New Guarantors and security providers may be materially different from, or in conflict with, one another, including creditor's rights, priority of creditors, the ability to obtain post-petition interest and the duration of the insolvency proceeding. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdictions' law should apply and could adversely affect the ability to realize any recovery under the New Notes, the New Guarantees and the Collateral and security providers. A summary description of certain aspects of the insolvency laws of certain jurisdictions in which the New Guarantors are organized or have their center of main activities are set out in "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*." Therefore, even if a holder of the New Notes obtains a favorable judgment from a New York court against a New Guarantor or security provider organized and/or having its center of main activities in countries other than the United States, such holder of the New Notes will have to enforce such judgment in such foreign jurisdiction, which is likely to result in additional costs and a further delay of the enforcement action. See "*—Risks Relating to our Indebtedness, including the New Notes—You may be unable to recover in civil proceedings for U.S. securities law violations*" and "*Enforcement of Judgments*."

You may be unable to recover in civil proceedings for U.S. securities laws violations.

The New Issuer is organized under the laws of Luxembourg and the New Guarantors are organized under the laws of Belgium, Canada, Quebec (Canada), England and Wales, Germany, Ireland, Kenya, Luxembourg, Mexico, the Netherlands, Spain, Switzerland and Trinidad & Tobago. It is anticipated that some or all of the directors and executive officers of the New Issuer and each of the New Guarantors will be non-residents of the United States and that some or all of their assets will be located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the New Issuer, the New Guarantors or its or their respective directors and executive officers, or to enforce any judgments obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, neither the New Issuer nor the New Guarantors assure you that civil liabilities predicated upon the federal securities laws of the United States will be enforceable in any of the above mentioned jurisdictions, other than the United States. There is also doubt that a court in Belgium, Canada (Quebec), England and Wales, Germany, Ireland, Kenya, Luxembourg, Mexico, the Netherlands, Spain, Switzerland or Trinidad & Tobago would have the requisite power or authority to grant remedies sought in an original action brought in such jurisdictions on the basis of U.S. securities laws violations. See "*Enforcement of Judgments*."

The liens over the Collateral securing New Senior Secured Notes could be released in certain circumstances without the consent of the holders of the New Senior Secured Notes.

The New Senior Secured Notes Indenture and the Intercreditor Agreement will provide that the Security Agent is authorized to release the liens over the Collateral and, in the case of the Collateral consisting of shares in the capital of the New Issuer or a New Guarantor, the guarantee of the New Senior Secured Notes provided by the relevant New Guarantor, in certain circumstances, including in connection with the disposal of an asset:

- where such disposal is permitted under the New Senior Secured Notes Indenture;
- in connection with the enforcement of the Collateral in accordance with the Intercreditor Agreement; and
- upon the designation of such New Guarantor as an Unrestricted Subsidiary.

Certain covenants may be suspended upon the occurrence of a change in our ratings.

The New Indentures provide that certain covenants will not be applicable to the New Notes during any period of time that the New Notes have received a rating of Baa3 (or the equivalent) or better by Moody's Investors Service, Inc. and BBB- (or the equivalent) or better by Standard & Poor's Ratings Group and no default or event of default has occurred and is continuing. See "*Description of New Senior Secured Notes—Certain*

Covenants—Suspension of Covenants When Notes Rated Investment Grade" and "*Description of the New Senior Notes—Certain Covenants—Suspension of Covenants when Notes Rated Investment Grade*." If these covenants were to cease to be applicable, we would be able to incur additional indebtedness or make payments, including dividends or investments, which may conflict with the interests of holders of the New Notes. There can be no assurance that either the New Senior Notes or the New Senior Secured Notes will ever achieve an investment grade rating or that any such rating will be maintained.

We may not be able to obtain sufficient funds to finance an offer to repurchase the New Notes upon the occurrence of certain events constituting a change of control as required by the New Indentures.

Upon the occurrence of certain events constituting a change of control (as defined in the New Indentures), including as the result of any enforcement action under the Sponsor Facility, for example, any enforcement action that may result from Sponsor Facility Violations, or any future financing arrangement into which our parent companies may enter into, the New Issuer is required to offer to repurchase all outstanding New Notes issued by it at a purchase price in cash equal to 101% percent of the principal amount thereof on the date of purchase plus accrued and unpaid interest to the date of purchase. If a change of control were to occur, we cannot assure you that the New Issuer would have sufficient funds available at such time to pay the purchase price of the outstanding New Notes or that the restrictions in the Term Loan B Facility, the Revolving Credit Facility or other then-existing contractual obligations of the New Issuer would allow the New Issuer to make such required repurchases. A change of control may trigger a similar obligation to offer to repurchase loans or notes under the Term Loan B Facility, the Revolving Credit Facility, the New Notes and other indebtedness. The repurchase of the New Notes pursuant to such an offer could also cause a default under such indebtedness, even if the change of control itself does not. The New Issuer's ability to pay cash to the holders of the New Notes following the occurrence of a change of control may be limited by our then-existing financial resources. Sufficient funds may not be available when necessary to make any required repurchases. If an event constituting a change of control occurs at a time when the New Issuer is prohibited from repurchasing New Notes, we may seek the consent of the lenders under such indebtedness to the purchase of New Notes or may attempt to refinancing the borrowings that contain such prohibition. If we do not obtain such a consent or repay such borrowings, the New Issuer will remain prohibited from repurchasing any tendered New Notes. In addition, we expect that we would require third-party financing to make an offer to repurchase the New Notes upon a change of control. We cannot assure you that we would be able to obtain such financing. Any failure by the New Issuer to offer to purchase New Notes would constitute a default under each of the New Indentures, which would, in turn, constitute a default under the Term Loan B Facility, the Revolving Credit Facility and the New Notes.

The change of control provision contained in each of the New Indentures may not necessarily afford you protection in the event of certain important corporate events, including reorganization, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "change of control" as defined in the New Indentures, as applicable. Except as described under "*Description of the New Senior Secured Notes—Repurchase at the Option of Holders—Change of Control*" and "*Description of the New Senior Notes—Repurchase at the Option of Holders—Change of Control*," the New Indentures do not contain provisions that require us to offer to repurchase or redeem the New Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction. Moreover, an event of default under, or acceleration of any direct or indirect parent company of the New Issuer could trigger a change of control.

The definition of "change of control" contained in each of the New Indentures includes a disposition of all or substantially all of the assets of the New Issuer and its restricted subsidiaries taken as whole to any person. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the New Issuer and its restricted subsidiaries taken as a whole. As a result, it may be unclear whether a change of control has occurred and whether the New Issuer is required to make an offer to repurchase the New Notes issued by it.

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the New Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the New Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. A credit rating may not remain constant for any given period of time and may be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the New Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the New Notes.

Transfers of the New Notes are restricted, which may adversely affect the value of the New Notes.

The Exchange Offer has been made only to, and the New Securities are being offered and will be issued only to holders of Existing Notes in private transactions pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws of the United States. The New Notes have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws. You may not transfer or sell the New Notes in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act, or pursuant to an effective registration statement. As a result, you may be required to bear the risk of your investment in the New Notes for an indefinite period of time. The New Notes and the New Indentures contain provisions that restrict the New Notes from being offered, sold or otherwise transferred except pursuant to the exemptions available pursuant to Rule 144A and Regulation S under the U.S. Securities Act, or other exemptions under the U.S. Securities Act. In addition, by acceptance of delivery of any New Notes, the holder thereof agrees on its own behalf and on behalf of any investor accounts for which it has purchased the New Notes that it shall not transfer the New Notes in an aggregate principal amount of less than €100,000. Furthermore, we have not registered the New Notes under any other country's securities laws. It is your obligation to ensure that your offers and sales of the New Notes within the United States and other countries comply with applicable securities laws. See "*Notice to Investors*."

The New Notes will initially be held in book-entry form, and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The New Notes will initially only be issued in global certificated form and held through Euroclear or Clearstream, Luxembourg.

Interests in the global notes will trade in book-entry form only. Unless and until New Notes in definitive registered form are issued in exchange for Book-Entry Interests (ownership interests in the Global Note), owners of Book-Entry Interests will not be considered owners or holders of the New Notes. The common depositary for Euroclear and Clearstream, Luxembourg, or its nominee, will be the registered holder of each Regulation S Global Note and each Rule 144A Global Note. After payment by the Principal Paying Agent to Euroclear and Clearstream, Luxembourg, we will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of Book-Entry Interests. Accordingly, if you own a Book-Entry Interest, you must rely on the procedures of Euroclear or Clearstream, Luxembourg, as applicable, and if you are not a participant in Euroclear or Clearstream, Luxembourg, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of the New Notes under the New Indentures. Please see "*Book-Entry; Delivery and Form*."

Unlike the holders of the New Notes themselves, owners of Book-Entry Interests will not have the direct right to act upon our solicitations for consents, requests for waivers or other actions from holders of the New Notes, as the case may be. Instead, if you own a Book-Entry Interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg or, if applicable, from a participant. The procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on any request actions on a timely basis.

Similarly, upon the occurrence of an event of default under either New Note Indenture, unless and until the relevant definitive registered New Notes are issued in respect of all Book-Entry Interests, if you own a Book-Entry Interest, you will be restricted to acting through Euroclear or Clearstream, Luxembourg. The procedures to be implemented through Euroclear or Clearstream, Luxembourg may not be adequate to ensure the timely exercise of your rights under the New Notes. See "*Book-Entry, Delivery and Form*."

There may not be an active trading market for the New Notes in which case your ability to sell the New Notes will be limited.

We cannot assure you as to:

- the liquidity of any market in the New Notes;

- your ability to sell your New Notes; or
- the prices at which you would be able to sell your New Notes.

Future trading prices of the New Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the New Notes. The liquidity of a trading market for the New Notes may be adversely affected by a general decline in the market for similar securities and is subject to disruptions that may cause volatility in prices. It is possible that the market for the New Notes will be subject to disruptions. Any such disruption may have a negative effect on you, as a holder of New Notes, regardless of Swissport's prospects and financial performance. As a result, there may not be an active trading market for the New Notes. If no active trading market develops, you may not be able to resell your New Notes at a fair value, if at all.

Although the New Issuer will agree to use its reasonable best efforts to maintain the listing of the New Notes on the Official List of the Luxembourg Stock Exchange and admission to trading on the Euro MTF Market of that exchange as long as the New Notes are outstanding, the New Issuer cannot assure you that the New Notes will remain listed. If the New Issuer can no longer maintain the listing on the Official List of the Luxembourg Stock Exchange and the admission to trading on the Euro MTF Market of that exchange or it becomes unduly burdensome to maintain such listing, the New Issuer may cease to maintain such listing on the Official List of the Luxembourg Stock Exchange, provided that it will use reasonable best efforts to obtain and maintain the listing of the New Notes on another stock exchange although there can be no assurance that the New Issuer will be able to do so. Although no assurance is made as to the liquidity of the New Notes as a result of listing on the Official List of the Luxembourg Stock Exchange or another recognized listing exchange for high yield issuers in accordance with the New Indentures, failure to be approved for listing or the delisting of the New Notes from the Official List of the Luxembourg Stock Exchange or another listing exchange in accordance with the New Indentures may have a material adverse effect on a holder's ability to resell New Notes in the secondary market.

The liquidity of the market for the New Notes may be diminished if the proposed financial transactions tax ("FTT") or any similar tax were adopted.

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the New Notes (including secondary market transactions) in certain circumstances. In December 2015, Estonia withdrew from the group of states willing to introduce the FTT.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the New Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including: (a) by transacting with a person established in a Participating Member State; or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. Prospective holders of the New Notes are advised to seek their own professional advice in relation to the FTT.

FATCA withholding may apply to payments on the New Notes.

While the New Notes are in global form and held within Euroclear or Clearstream, Luxembourg (together the "**ICSDs**"), in all but the most remote circumstances, it is not expected FATCA will affect the amount of any payment received by the ISCDs (see the section dealing with FATCA below under "*Certain Tax Considerations—United States Federal Income Tax Considerations for U.S. Holders*"). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax advisor to obtain a more detailed explanation of FATCA and how FATCA may affect them. The New Issuer's obligations under the New Notes are discharged once it has paid the common depository for the ICSDs (as registered holder) of the New Notes, and the New Issuer has therefore no responsibility for any amount thereafter transmitted through the hands of ICSDs and custodians or intermediaries.

USE OF PROCEEDS

Any Existing Notes that were validly tendered and exchanged pursuant to the Exchange Offer will be retired and cancelled. Accordingly, the Exchange Offer will not result in any cash proceeds to the Existing Issuer or the New Issuer.

CAPITALIZATION

The following table sets forth certain information on the consolidated capitalization of the Swissport Parent Entity on a historical basis as of March 31, 2017 and of the New Parent Guarantor on an as adjusted basis after giving effect to the Transactions, including the €718.0 million equity contribution made by HNA Group into our group in April 2017.

You should read this table in conjunction with "*Use of Proceeds*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Certain Financing Arrangements," "Description of the New Senior Secured Notes," "Description of the New Senior Notes*" and the Audited Consolidated Financial Statements and the Unaudited Consolidated Interim Financial Statements appearing elsewhere in these Listing Particulars.

	As of March 31, 2017		
	Actual[(1)]	Adjustments	As Adjusted[(2)]
		(€ in millions)	
Cash and cash equivalents[(3)]	106.5	518.0	624.5[(4)]
Existing Senior Secured Notes	400.0	(400.0)	—
Existing Senior Notes	280.5	(280.5)	—
Term Loan B Facility	660.0	(200.0)	460.0
Revolving Credit Facility[(5)]	14.6	(14.6)	—
New Senior Secured Notes	—	400.0	400.0
New Senior Notes	—	280.5	280.5
Finance leases	21.7	—	21.7
Other existing indebtedness[(6)]	68.3	(20.0)	48.3
Total equity[(7)]	1,272.8	738.0	2,010.8
Total capitalization	2,717.9	503.4	3,221.3

(1) Shown at the level of the Swissport Parent Entity.

(2) Shown at the level of the New Parent Guarantor.

(3) Excludes cash and cash equivalents held by Unrestricted Subsidiaries and excludes cash and cash equivalents of €43.0 million of restricted cash in Restricted Subsidiaries as of March 31, 2017, comprising cash deposits for existing bank guarantees, performance-related bonds and other short-term bank deposits that we are required to maintain in lieu of bank guarantees.

(4) Includes €518.0 million from the €718.0 million equity cash received from HNA Group in April 2017, which we intend to use in full or in part to help finance select acquisitions in key existing markets as well as strategic new locations. A portion of the equity received was used to repay the Revolving Credit Facility (See footnote 5). We intend to use €200.0 million of the €718.0 million equity received to be used to reduce the amount of Credit Agreement as part of the Transactions.

(5) €14.6 million of the Revolving Credit Facility was drawn as at March 31, 2017. It was subsequently repaid in April 2017 with a portion of the equity contribution.

(6) This amount comprises amounts local facilities, minority shareholder loans (as adjusted for €20 million conversion from HNA loan into equity in April 2017) and other loans, primarily for working capital purposes, warehouse construction and equipment purchases at an amount of €31.3 million as of March 31, 2017.

(7) Includes Unrestricted Subsidiaries and €718 million equity cash received from HNA Group in April 2017 and as adjusted €20 million conversion from HNA loan into equity in April 2017.

SELECTED HISTORICAL CONSOLIDATED AND PRO FORMA FINANCIAL INFORMATION

The tables below set forth the summary consolidated historical financial information of the New Issuer (formerly Aguila 3 S.A.) as of and for the years ended December 31, 2014 and 2015, and of the Swissport Parent Entity as of December 31, 2016 and for the period from November 4, 2015 to December 31, 2016, as of and for the period from November 4, 2015 to March 31, 2016, as of and for the three months ended March 31, 2017 and for the twelve-month period ended March 31, 2017.

The summary consolidated historical financial information for the New Issuer set forth below as of and for the years ended December 31, 2014 and 2015 was extracted from the 2015 Audited Consolidated Financial Statements prepared in accordance with IFRS and included elsewhere in these Listing Particulars. The summary consolidated historical financial information for the Swissport Parent Entity set forth below as of December 31, 2016 and for the period from November 4, 2015 to December 31, 2016 was extracted from the 2016 Audited Consolidated Financial Statements prepared in accordance with IFRS and included elsewhere in these Listing Particulars. The 2016 Audited Consolidated Financial Statements includes an emphasis of matter for certain events that occurred after the reporting period about a technical breach of the lien covenant provisions of the senior secured credit agreement dated January 20, 2016. The summary consolidated historical financial information for the Swissport Parent Entity set forth below as of and for the period from November 4, 2015 to March 31, 2016 and as of and for the three months ended March 31, 2017 was extracted from the Unaudited Consolidated Interim Financial Statements, prepared in accordance with IAS 34 and included elsewhere in these Listing Particulars.

The summary pro forma condensed financial information of the Swissport Parent Entity for the year ended December 31, 2016 and for the three months ended March 31, 2016 have been derived from the 2016 Audited Financial Statements and the Unaudited Consolidated Interim Financial Statements, respectively, with certain adjustments as described in "*Unaudited Pro Forma Condensed Combined Financial Information.*"

The financial information for the three months ended March 31, 2017 is not necessarily indicative of the results that may be expected for the year ending on December 31, 2017, and should not be used as the basis for or prediction of an annualized calculation. Consolidated information for the Swissport Parent Entity for the twelve months ended March 31, 2017 has been calculated by adding the results of operations for the three months ended March 31, 2017 to the results of operations for the period from November 4, 2015 to December 31, 2016 and subtracting from that result the results of operations for the period from November 4, 2015 to March 31, 2016.

The following information is only a summary and should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," the Audited Consolidated Financial Statements and the Unaudited Consolidated Interim Financial Statements, including the notes thereto.

Selected Income Statement Information

	New Issuer				Swissport Parent Entity					
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016[(1)]	Pro forma January 1, 2016 to December 31, 2016[(3)]	November 4, 2015 to March 31, 2016[(4)]	Pro forma January 1, 2016 to March 31, 2016[(5)]	Three months ended March 31, 2017	Twelve months ended March 31, 2017[(6)]
	(CHF in millions)[(1)]	(EUR in millions)[(2)]	(CHF in millions)[(1)]	(EUR in millions)[(2)]	(EUR in millions)		(EUR in millions)		(EUR in millions)	(EUR in millions)
Operations										
Revenue	2,831.3	2,332.2	2,766.2	2,574.4	2,384.9	2,586.8	410.3	612.2	655.2	2,629.8
Other operating income	102.6	84.5	106.7	99.3	84.7	94.9	14.0	24.2	25.7	96.4
Total revenue and other operating income	**2,933.9**	**2,416.7**	**2,872.9**	**2,673.7**	**2,469.6**	**2,681.7**	**424.3**	**636.4**	**680.9**	**2,726.2**
Goods and services purchased	(484.8)	(399.3)	(456.8)	(425.1)	(349.8)	(382.0)	(63.9)	(96.1)	(104.3)	(390.2)
Personnel expenses	(1,823.8)	(1,502.3)	(1,837.0)	(1,709.6)	(1,617.6)	(1,761.1)	(279.8)	(423.3)	(463.5)	(1,801.3)
Other operating expenses	(440.4)	(362.8)	(373.8)	(347.9)	(338.6)	(369.0)	(61.1)	(91.5)	(96.6)	(374.1)
Depreciation and impairment of property, vehicles and equipment	(64.0)	(52.7)	(62.6)	(58.3)	(51.3)	(55.9)	(8.9)	(13.5)	(14.2)	(56.6)
Amortization and impairment of intangible assets	(23.1)	(19.0)	(22.0)	(20.5)	(21.5)	(23.4)	(3.9)	(5.8)	(6.3)	(23.9)
Total operating expenses (excluding acquisition and integration costs)	**(2,836.1)**	**(2,336.1)**	**(2,752.2)**	**(2,561.4)**	**(2,378.8)**	**(2,591.4)**	**(417.6)**	**(630.2)**	**(684.9)**	**(2,646.1)**
Share of results of associates and joint ventures	5.2	4.2	3.4	3.2	5.1	5.6	0.6	1.1	1.9	6.4
Operating profit (loss) (before acquisition and integration costs)	**103.0**	**84.8**	**124.1**	**115.5**	**95.9**	**95.9**	**7.3**	**7.3**	**(2.1)**	**86.5**
Acquisition costs	—	—	—	—	(2.6)	0.0	(2.7)	0.0	—	0.1
Integration costs	(27.2)	(22.4)	(27.8)	(25.9)	(0.3)	(0.3)	(0.2)	(0.2)	—	(0.1)
Operating profit (loss)	**75.8**	**62.4**	**96.3**	**89.6**	**93.0**	**95.6**	**4.4**	**7.1**	**(2.1)**	**86.5**
Finance expense	(192.8)	(158.8)	(281.4)	(261.9)	(306.8)	(341.7)	(146.1)	(181.0)	(54.4)	(215.1)
Finance income	50.3	41.4	123.3	114.8	98.2	117.9	7.1	26.8	24.7	115.8
Net finance expense	**(142.5)**	**(117.4)**	**(158.1)**	**(147.1)**	**(208.6)**	**(223.8)**	**(139)**	**(154.2)**	**(29.7)**	**(99.3)**
Loss on sale of subsidiary	(12.2)	(10.0)	(19.4)	(18.1)	—		—		—	
Loss on disposal	—	—	(28.6)	(26.6)	—		—		—	
Profit/(loss) before income tax	**(78.9)**	**(65.0)**	**(109.8)**	**(102.2)**	**(115.6)**	**(128.2)**	**(134.6)**	**(147.1)**	**(31.8)**	**(12.8)**
Income tax (expense)/credit	(41.2)	(33.9)	(34.0)	(31.6)	(24.8)	(27.1)	(5.8)	(8.1)	(6.2)	(25.2)
Loss for the period	**(120.1)**	**(98.9)**	**(143.8)**	**(133.8)**	**(140.4)**	**(155.3)**	**(140.4)**	**(155.2)**	**(38.0)**	**(38.0)**
Attributable to:										
Owners of the parent	(141.1)	(116.2)	(162.8)	(151.5)	(160.9)	(176.5)	(141.8)	(157.3)	(42.2)	(61.3)
Non-controlling interest	21.0	17.3	19.0	17.7	20.5	21.2	1.4	2.1	4.2	23.3

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(3) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information.*"

(4) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected income statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not conduct any operating activities of its own with the exception of certain administrative and financing activities and did not have any material assets or liabilities. As a result, the selected income statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected income statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(5) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information.*"

(6) Consolidated information for the Swissport Parent Entity for the twelve months ended March 31, 2017 has been calculated by adding the results of operations for the three months ended March 31, 2017 to the results of operations for the period from November 4, 2015 to December 31, 2016 and subtracting from that result the results of operations for the period from November 4, 2015 to March 31, 2016, as set forth in the following table.

	Swissport Parent Entity			
		Addition	Subtraction	
	November 4, 2015 to December 31, 2016[1] (EUR in millions)	Three months ended March 31, 2017 (EUR in millions)	November 4, 2015 to March 31, 2016 (EUR in millions)	Twelve months ended March 31, 2017 (EUR in millions)
Operations				
Revenue	2,384.9	655.2	410.3	2,629.8
Other operating income	84.7	25.7	14.0	96.4
Total revenue and other operating income	**2,469.6**	**680.9**	**424.3**	**2,726.2**
Goods and services purchased	(349.8)	(104.3)	(63.9)	(390.2)
Personnel expenses	(1,617.6)	(463.5)	(279.8)	(1,801.3)
Other operating expenses	(338.6)	(96.6)	(61.1)	(374.1)
Depreciation and impairment of property, vehicles and equipment	(51.3)	(14.2)	(8.9)	(56.6)
Amortization and impairment of intangible assets	(21.5)	(6.3)	(3.9)	(23.9)
Total operating expenses (excluding acquisition and integration costs)	**(2,378.8)**	**(684.9)**	**(417.6)**	**(2,646.1)**
Share of results of associates and joint ventures	5.1	1.9	0.6	6.4
Operating profit (loss) (before acquisition and integration costs)	**95.9**	**(2.1)**	**7.3**	**86.5**
Acquisition costs	(2.6)	—	(2.7)	0.1
Integration costs	(0.3)	—	(0.2)	(0.1)
Operating profit (loss)	**93.0**	**(2.1)**	**4.4**	**86.5**
Finance expense	(306.8)	(54.4)	(146.1)	(215.1)
Finance income	98.2	24.7	7.1	115.8
Net finance expense	**(208.6)**	**(29.7)**	**(139.0)**	**(99.3)**
Loss on sale of subsidiary	—	—	—	
Loss on disposal	—	—	—	
Profit/(loss) before income tax	**(115.6)**	**(31.8)**	**(134.6)**	**(12.8)**
Income tax (expense)/credit	(24.8)	(6.2)	(5.8)	(25.2)
Loss for the period	**(140.4)**	**(38.0)**	**(140.4)**	**(38.0)**
Attributable to:				
Owners of the parent	(160.9)	(42.2)	(141.8)	(61.3)
Non-controlling interest	20.5	4.2	1.4	23.3

(1) Figures have been extracted from the respective audited financial statements.

Selected Balance Sheet Information

	New Issuer				Swissport Parent Entity	
	As of December 31, 2014		As of December 31, 2015		As of December 31, 2016	As of March 31, 2017
	(CHF in millions)(1)	(EUR in millions)(2)	(CHF in millions)(1)	(EUR in millions)(2)	(EUR in millions)(1)	(EUR in millions)
Assets						
Non-current assets						
Property, vehicles and equipment	291.1	242.0	284.8	263.1	273.6	276.2
Goodwill	1,088.8	905.3	1,010.1	933.0	2,299.8	2,283.8
Other intangible assets	324.5	269.8	308.8	285.2	480.0	477.6
Investments in associates and jointly controlled entities	40.4	33.6	40.8	37.7	35.9	36.5
Available for sale financial assets	4.4	3.7	2.2	2.0	2.0	2.0
Deferred tax assets	82.3	68.4	49.4	45.6	26.7	24.5
Prepayments and receivables	58.0	48.2	55.2	51.0	57.0	56.1
Total non-current assets	**1,889.5**	**1,571.0**	**1,751.3**	**1,617.6**	**3,175.0**	**3,156.7**
Current assets						
Inventories	14.6	12.1	13.1	12.1	11.6	11.2
Trade and other receivables	488.7	406.4	462.7	427.4	474.0	485.1
Current tax assets	15.6	13.0	6.9	6.4	4.6	5.7
Available-for-sale financial assets	1.5	1.2	2.5	2.3	2.1	—
Derivative financial instruments	9.5	7.9	0.1	0.1	—	—
Cash and cash equivalents	117.4	97.6	128.6	118.8	132.1	116.2
Total current assets	**647.3**	**538.2**	**613.9**	**567.1**	**624.4**	**618.2**
Total assets	**2,536.8**	**2,109.2**	**2,365.2**	**2,184.7**	**3,799.4**	**3,774.9**
Equity						
Equity/(deficit) attributable to holders of the company's equity	127.7	106.2	(86.1)	(79.6)	1,309.1	1,231.2
Non-controlling interest	49.2	40.9	24.0	22.2	37.9	41.6
Total equity/(deficit)	**176.9**	**147.1**	**(62.1)**	**(57.4)**	**1,347.0**	**1,272.8**
Liabilities						
Non-current liabilities						
Borrowings	1,381.1	1,148.3	1,475.6	1,363.1	733.7	755.4
Provisions	89.7	74.6	79.4	73.3	136.2	124.4
Employee benefit obligations	223.4	185.8	230.4	212.8	274.9	298.3
Derivatives	—	—	0.2	0.2	—	—
Deferred tax liabilities	65.0	54.0	54.3	50.2	71.0	70.6
Total non-current liabilities	**1,759.2**	**1,462.7**	**1,839.9**	**1,699.6**	**1,215.8**	**1,248.7**
Current liabilities						
Borrowings	33.7	28.0	55.7	51.4	728.4	720.8
Provisions	54.7	45.5	42.1	38.9	56.1	66.9
Current tax liabilities	21.1	17.5	14.5	13.4	19.0	17.2
Trade and other payables	491.2	408.4	475.1	438.8	433.1	448.5
Total current liabilities	**600.7**	**499.4**	**587.4**	**542.5**	**1,236.6**	**1,253.4**
Total liabilities	**2,359.9**	**1,962.1**	**2,427.3**	**2,242.1**	**2,452.4**	**2,502.1**
Total equity and liabilities	**2,536.8**	**2,109.2**	**2,365.2**	**2,184.7**	**3,799.4**	**3,774.9**

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information as of December 31, 2014 has been translated from Swiss franc to euro at the year-end exchange rate of EUR 1 = CHF 1.202730781, and the financial information as of December 31, 2015 has been translated from Swiss franc to euro at the year-end exchange rate of EUR 1 = CHF 1.082631527. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at this or any other rate.

Selected Cash Flow Statement Information

	New Issuer				Swissport Parent Entity				
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016[(1)]	Pro forma January 1, 2016 to December 31, 2016[(3)]	November, 4, 2015 to March 31, 2016[(4)]	Pro forma January 1, 2016 to March 31, 2016[(5)]	Three months ended March 31, 2017
	(CHF in millions)[(1)]	(EUR in millions)[(2)]	(CHF in millions)[(1)]	(EUR in millions)[(2)]	(EUR in millions)		(EUR in millions)		(EUR in millions)
Total cash flow from operating activities	155.9	128.4	112.1	104.3	135.7	138.4	(7.7)	(5.0)	5.8
Total cash flow used in investing activities	(50.9)	(41.9)	(46.3)	(43.2)	(1,340.2)	(1,444.3)	(1,282.6)	(1,386.7)	(12.9)
Total cash flow from (used in) financing activities	(129.0)	(106.3)	(32.9)	(30.6)	1,340.1	1,312.1	1,450.2	1,422.2	(0.6)
Net increase/ (decrease) in cash and cash equivalents	**(24.0)**	**(19.8)**	**32.9**	**30.5**	**135.6**	**6.2**	**159.9**	**30.5**	**(7.7)**

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(3) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(4) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected cash flow statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not incur significant cash flows with the exception of certain administrative and financing activities. As a result, the selected cash flow statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected cash flow statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(5) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

In order to provide comparisons of the years ended December 31, 2015 and 2016 and comparisons of the three months ended March 31, 2016 and 2017, the Unaudited Pro Forma Financial Information presented in these Listing Particulars has been prepared assuming that the HNA Acquisition of the New Issuer by the Swissport Parent Entity had occurred on January 1, 2016.

The Unaudited Pro Forma Financial Information was not prepared in accordance with the requirements of Rule 11-02 of Regulation S-X under the U.S. Securities Act or the Prospectus Directive or any other regulations of the SEC or any other regulator. We have prepared the Unaudited Pro Forma Financial Information in accordance with the basis of preparation described below under "—*Basis of Preparation of Unaudited Pro Forma Financial Information*."

Basis of Preparation

The Unaudited Pro Forma Financial Information has been prepared taking into consideration the significant accounting policies applied to prepare our 2016 Audited Consolidated Financial Statements included elsewhere in these Listing Particulars.

We have adjusted the historical combined financial information to give effect to pro forma events that are:

- directly attributable to these business combinations;
- factually supportable; and
- with respect to the pro forma combined income statement, expected to have a continuing impact on our combined results following the business combinations.

The unaudited pro forma combined income statement does not reflect any operating efficiencies and cost savings or synergies that we may achieve or any additional expenses that we may incur with respect to the combined operations. The Unaudited Pro Forma Financial Information set forth in these Listing Particulars is based on available information and certain assumptions and estimates that we believe are reasonable. The amounts shown may differ materially from the actual amounts that would have been achieved had the events above occurred on the dates indicated.

The details of the purchase consideration and purchase price allocation to net identifiable assets acquired and goodwill used in the pro forma financial information are set out in Note 27 of the 2016 Audited Consolidated Financial Statements.

Pro Forma Income Statement Information

Pro Forma Period Ended December 31, 2016

In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma income statement information presented in these Listing Particulars has been derived from the 2016 Audited Financial Statements with the following adjustments: (i) the mathematical subtraction of acquisition and financing expenses associated with the HNA Acquisition of the New Issuer by the Swissport Parent Entity during the period from November 4, 2015 to December 31, 2015; (ii) the mathematical addition of the results of operations of the New Issuer for the month ended January 31, 2016; and (iii) the mathematical addition of the pro forma amortization, interest and tax impacts as if the HNA Acquisition had occurred on January 1, 2016, as set forth in the table below. The results of operations of the New Issuer for the month ended January 31, 2016 have been derived from the internal management accounts of the New Issuer and have not been audited or reviewed by any independent accounting firm. The pro forma figures for the period from January 1, 2016 to December 31, 2016 have not been audited or reviewed by any independent accounting firm. The information provided for this period is not indicative of the results of operations that would have occurred if the acquisition of the New Issuer by the Swissport Parent Entity had occurred on January 1, 2016, and is not comparable to any other annual financial information included in these Listing Particulars.

	Swissport Parent Entity	Swissport Parent Entity	New Issuer	Swissport Parent Entity	
		Subtraction	Addition	Addition	
	November 4, 2015 to December 31, 2016(1)	November 4, 2015 to December 31, 2015(2)	January 1, 2016 to January 31, 2016	Other Pro forma Adjustments(3)	Pro forma January 1, 2016 to December 31, 2016
	(EUR in millions)				
Operations					
Revenue	2,384.9	—	201.9	—	2,586.8
Ground handling	2,033.2	—	177.5	—	2,210.7
Cargo handling	438.4	—	34.4	—	472.8
Other	(2.0)	—	0.2	—	(1.8)
Other operating income	84.7	—	10.2	—	94.9
Total revenue and other operating income	**2,469.6**	**—**	**212.1**	**—**	**2,681.7**
Goods and services purchased	(349.8)	—	(32.2)	—	(382.0)
Personnel expenses	(1,617.6)	—	(143.5)	—	(1,761.1)
Other operating expenses	(338.6)	—	(30.4)	—	(369.0)
Depreciation and impairment of property, vehicles and equipment	(51.3)	—	(4.6)	—	(55.9)
Amortization and impairment of intangible assets	(21.5)	—	(1.5)	(0.4)	(23.4)
Total operating expenses (excluding acquisition and integration costs)	**(2,378.8)**	**—**	**(212.2)**	**(0.4)**	**(2,591.4)**
Share of results of associates and joint ventures	5.1	—	0.5	—	5.6
Operating profit (before acquisition and integration costs)	**95.9**	**—**	**0.4**	**(0.4)**	**95.9**
Acquisition costs	(2.6)	2.6	—	—	0.0
Integration costs	(0.3)	—	—	—	(0.3)
Operating profit	**93.0**	**2.7**	**0.4**	**(0.4)**	**95.6**
Finance expense	(306.8)	2.7	(32.9)	(4.7)	(341.7)
Finance income	98.2	—	19.7	—	117.9
Net finance expense	**(208.6)**	**2.7**	**(13.2)**	**(4.7)**	**(223.8)**
Loss on sale of subsidiary	—	—	—	—	
Loss on disposal	—	—	—	—	
Profit/(loss) before income tax	**(115.6)**	**5.3**	**(12.8)**	**(5.1)**	**(128.2)**
Income tax (expense)/credit(4)	(24.8)	—	(2.4)	0.1	(27.1)
Profit/(loss) for the period	**(140.4)**	**5.3**	**(15.2)**	**(5.0)**	**(155.3)**
Attributable to:					
Owners of the parent	(160.9)	**5.3**	(15.9)	(5.0)	(176.5)
Non-controlling interest	20.5	—	0.7	—	21.2

(1) Figures have been extracted from the respective audited financial statements.

(2) Relates to acquisition and interest expense incurred in 2015 in connection with the HNA Acquisition and its related refinancing.

(3) Reflects the full-year impact of amortization related to intangibles acquired as part of the HNA Acquisition and the full-year impact of the interest expense on the Term Loan B Facility.

(4) Swissport's average tax rate for the year ended December 31, 2016 of 25.73% was applied on the amortization of intangible assets to determine the deferred tax impact of this pro-forma adjustment. There was no deferred tax impact on the pro-forma adjustment of finance expense.

Pro Forma Period Ended March 31, 2016

In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the pro forma income states information presented in these Listing Particulars has been derived from the Unaudited Consolidated Interim Financial Statements with the following adjustments: (i) the mathematical subtraction of acquisition and financing expenses associated with the HNA Acquisition of the New Issuer by the Swissport Parent Entity during the period from November 4, 2015 to December 31, 2015; (ii) the mathematical addition of the results of operations of the New Issuer for the month ended January 31, 2016; and (iii) the mathematical addition of the pro forma amortization, interest and tax impacts as if the HNA Acquisition had occurred on January 1, 2016, as set forth in the table below. The results of operations of the New Issuer for the month ended January 31, 2016 have been derived from the internal management accounts of the New Issuer and have not been audited or reviewed by any independent accounting firm. The pro forma figures for the period from January 1, 2016 to March 31, 2016 have not been audited or reviewed by any independent accounting firm. The information provided for this period is not indicative of the results of operations that would have occurred if the acquisition of the New Issuer by the Swissport Parent Entity had occurred on January 1, 2016 and is not comparable to any other quarterly financial information included in these Listing Particulars.

	Swissport Parent Entity		New Issuer	Swissport Parent Entity	
		Subtraction	Addition	Addition	
	November 4, 2015 to March 31, 2016	**November 4, 2015 to December 31, 2015(1)**	**January 1, 2016 to January 31, 2016**	**Other Pro forma Adjustments(2)**	**Pro forma January 1, 2016 to March 31, 2016**
	(EUR in millions)				
Operations					
Revenue	410.3	—	201.9	—	612.2
Ground handling	347.9	—	177.5	—	525.4
Cargo handling	76.7	—	34.4	—	111.1
Other	(0.3)	—	0.2	—	(0.1)
Other operating income	14.0	—	10.2	—	24.2
Total revenue and other operating income	**424.3**	**—**	**212.1**	**—**	**636.4**
Goods and services purchased	(63.9)	—	(32.2)	—	(96.1)
Personnel expenses	(279.8)	—	(143.5)	—	(423.3)
Other operating expenses	(61.1)	—	(30.4)	—	(91.5)
Depreciation and impairment of property, vehicles and equipment	(8.9)	—	(4.6)	—	(13.5)
Amortization and impairment of intangible assets	(3.9)	—	(1.5)	(0.4)	(5.8)
Total operating expenses (excluding acquisition and integration costs)	**(417.6)**	**—**	**(212.2)**	**(0.4)**	**(630.2)**
Share of results of associates and joint ventures	0.6	—	0.5	—	1.1
Operating profit (before acquisition and integration costs)	**7.3**	**—**	**0.4**	**(0.4)**	**7.3**
Acquisition costs	(2.7)	2.7	—	—	0.0
Integration costs	(0.2)	—	—	—	(0.2)
Operating profit	**4.4**	**2.7**	**0.4**	**(0.4)**	**7.1**
Finance expense	(146.1)	2.7	(32.9)	(4.7)	(181.0)
Finance income	7.1	—	19.7	—	26.8
Net finance expense	**(139)**	**2.7**	**(13.2)**	**(4.7)**	**(154.2)**
Loss on sale of subsidiary	—	—	—	—	
Loss on disposal	—	—	—	—	
Profit/(loss) before income tax	**(134.6)**	**5.4**	**(12.8)**	**(5.1)**	**(147.1)**
Income tax (expense)/credit(3)	(5.8)	—	(2.4)	0.1	(8.1)
Profit/(loss) for the period	**(140.4)**	**5.4**	**(15.2)**	**(5.0)**	**(155.2)**
Attributable to:					
Owners of the parent	(141.8)	**5.4**	(15.9)	(5.0)	(157.3)
Non-controlling interest	1.4	—	0.7	—	2.1

(1) Relates to acquisition and interest expense incurred in 2015 in connection with the HNA Acquisition and its related refinancing.

(2) Reflects the full-year impact of amortization related to intangibles acquired as part of the HNA Acquisition and the full-year impact of the interest expense on the Term Loan B Facility.

(3) Swissport's average tax rate for the year ended December 31, 2016 of 25.73% was applied on the amortization of intangible assets to determine the deferred tax impact of this pro-forma adjustment. There was no deferred tax impact on the pro-forma adjustment of finance expense.

Pro Forma Cash Flow Statement Information

Pro Forma Period Ended December 31, 2016

In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma cash flow information presented in these Listing Particulars has been derived from the 2016 Audited Financial Statements with the following adjustments: (i) the mathematical subtraction of cash flows associated with the acquisition of the New Issuer by the Swissport Parent Entity during the period from November 4, 2015 to December 31, 2015, (ii) the mathematical addition of the cash flows of the New Issuer for the month ended January 31, 2016; and (iii) the mathematical addition of the pro forma interest impacts as if the HNA Acquisition had occurred on January 1, 2016 as set forth in the table below. The cash flows of the New Issuer for the month ended January 31, 2016 have been derived from the internal management accounts of the New Issuer and have not been audited or reviewed by any independent accounting firm. The pro forma figures for the period from January 1, 2016 to December 31, 2016 have not been audited or reviewed by any independent accounting firm. The information provided for this period is not indicative of the cash flows that would have occurred if the acquisition of the New Issuer by the Swissport Parent Entity had occurred on January 1, 2016, and is not comparable to any other annual financial information included in these Listing Particulars.

	Swissport Parent Entity		New Issuer	Swissport Parent Entity	
		Subtraction	Addition		
	November 4, 2015 to December 31, 2016[1]	November 4, 2015 to December 31, 2015	January 1, 2016 to January 31, 2016	Other Pro forma Adjustments[2]	Pro forma January 1, 2016 to December 31, 2016
	(EUR in millions)				
Total cash flow from operating activities	135.7	—	2.7	—	138.4
Total cash flow used in investing activities	(1,340.2)	—	(104.1)	—	(1,444.3)
Total cash flow from (used in) financing activities	1,340.1	—	(28.0)	(4.7)	1,307.4
Net increase/(decrease) in cash and cash equivalents	**135.6**	**—**	**(129.4)**	**(4.7)**	**1.5**

(1) Figures have been extracted from the respective audited financial statements.

(2) Pro forma interest impact as if the HNA Acquisition had occurred on January 1, 2016.

Pro Forma Period Ended March 31, 2016

In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three-month period ended March 31, 2017, the pro forma cash flow information presented in these Listing Particulars has been derived from the Unaudited Consolidated Interim Financial Statements with the following adjustments: (i) the mathematical subtraction of cash flows associated with the acquisition of Aguila 2, the sole parent company of the New Issuer, by the Swissport Parent Entity during the period from November 4, 2015 to December 31, 2015; (ii) the mathematical addition of the cash flows of the New Issuer for the month ended January 31, 2016; and (iii) the mathematical addition of the pro forma interest impacts as if the HNA Acquisition had occurred on January 1, 2016 as set forth in the table below. The cash flows of the New Issuer for the month ended January 31, 2016 have been derived from the internal management accounts of the New Issuer and have not been audited or reviewed by any independent accounting firm. The pro forma figures for the period from January 1, 2016 to March 31, 2016 have not been audited or reviewed by any independent accounting firm. The information provided for this period is not indicative of the cash flows that would have occurred if the acquisition of the New Issuer by the Swissport Parent Entity had occurred on January 1, 2016 and is not comparable to any other quarterly financial information included in these Listing Particulars.

	Swissport Parent Entity		New Issuer	Swissport Parent Entity	
		Subtraction	Addition		
	November 4, 2015 to March 31, 2016	November 4, 2015 to December 31, 2015	January 1, 2016 to January 31, 2016	Other Pro forma Adjustments[(1)]	Pro forma January 1, 2016 to March 31, 2016
			(EUR in millions)		
Total cash flow from operating activities	(7.7)	—	2.7	—	(5.0)
Total cash flow used in investing activities . . .	(1,282.6)	—	(104.1)	—	(1,386.7)
Total cash flow from (used in) financing activities	1,450.2	—	1,312.1	(4.7)	1,417.5
Net increase/(decrease) in cash and cash equivalents	**159.9**	**—**	**6.2**	**(4.7)**	**25.8**

(1) Pro forma interest impact as if the HNA Acquisition had occurred on January 1, 2016.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the financial condition and results of operations of the Existing Issuer and the Swissport Parent Entity as of and for the years ended December 31, 2014, 2015 and 2016 and the three months ended March 31, 2016 and 2017. You should note that the financial information for certain periods has, where so indicated below, been prepared on an unaudited pro forma basis for comparative purposes and that therefore not all discussion below is based on actual historical numbers. You should refer to "Presentation of Financial and Other Information—Unaudited Pro Forma Financial Information" for a further explanation of this.

Some of the information contained in this discussion, including information with respect to our plans and strategies for our business and our plans for future capital expenditures, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" for a discussion of the risks related to those statements. You should also read "Business" and "Risk Factors" for more information about us, including a discussion of certain factors that may affect our business, results of operations and financial condition.

Overview

We are the world's leading independent provider of ground and cargo handling services to the aviation industry based on revenue and number of airports served. In 2016, we were the number one provider of ground and cargo handling services with an estimated 12% of the total global ground and cargo handling market accessible by independent ground and cargo handlers by revenue, which is almost twice as large as the market share of our nearest competitor. We offer our customers a full-range of ground and cargo handling services, which by their nature are a critical element of our customers' own businesses, and we aim to provide, as we already do in some airports, a one-stop shop range of services. Our personnel can be found throughout the airports in which we operate, both in passenger-facing roles, such as counter check-in, gate check-in and boarding, security screening and lounge services, and in logistical roles, such as baggage handling, ramp handling, aircraft maintenance, de-icing, cargo office and warehousing, and fueling. As of March 31, 2017, we provide our ground-handling and cargo services at 279 airports in 48 countries and to over 800 customers, of which approximately 62% are airline and approximately 38% are non-airline clients such as airports and freight-forwarders. For the last twelve months ended March 31, 2017, our total revenue and other operating income was €2,726.2 million, our operating profit before acquisition and integration costs was €86.5 million and our Adjusted Swissport EBITDA was €211.7 million.

For operating and reporting purposes, we group the services we provide in the following categories:

- *Ground Handling*. Our ground handling services include core services such as ramp and passenger handling and baggage services, as well as higher value add and higher yielding services such as lounge and ticketing operations, airport management and control, crew administration, cabin cleaning and de/anti-icing. Ground handling also includes complementary specialty services such as fueling, aircraft maintenance, executive aviation and aviation security. During the last twelve months ended March 31, 2017, ground handling operations contributed 82.4% and 79.8% to our total revenue and other operating income and our Swissport EBITDA for the period, respectively.
- *Cargo Handling*. Our cargo handling services include physical import and export handling of freight, warehousing and storage of cargo, document handling, trucking, mail handling and e-freight services. During the last twelve months ended March 31, 2017, cargo handling operations contributed 17.7% and 24.6% to our total revenue and other operating income and our Swissport EBITDA for the period, respectively.

As of March 31, 2017, we had operations at 279 airports in 48 countries, spanning 92 airports in 17 countries in Europe, 58 airports in the United States and Canada, 45 airports in nine countries in Central America (including the Caribbean), 20 airports in five countries in South America, 47 airports in nine countries in Africa and 17 airports in six countries in Asia and the Middle East. By number of airports serviced, we are ranked number one in North America, Central America (including the Caribbean) and South America, Africa and the Middle East, and Europe. By the same measure, we are ranked number three in the Asia-Pacific region. We operate at some of the busiest airports in the world, including Chicago O'Hare International Airport ("**ORD**"), Los Angeles International Airport ("**LAX**"), London Heathrow Airport ("**LHR**"), Tokyo Haneda Airport ("**HND**"), Paris Charles de Gaulle Airport ("**CDG"**), Dallas/Fort Worth International Airport ("**DFW"**) and

Hartsfield-Jackson Atlanta International Airport ("**ATL**"). For the pro forma year ended December 31, 2016, our top ten airports accounted for 37% of our total revenue and other operating income. For the last twelve months ended March 31, 2017, our European and North American operations contributed, respectively, 49% and 36% of our consolidated total revenue and other operating income from ground handling operations; the remaining 15% was derived from our ground handling operations in Africa, Central and South America, Asia and the Middle East.

Our integrated service offering and global presence allows us to offer a comprehensive range of services in each of the regions in which we operate. We offer a full suite of ground and cargo handling services, as well as more bespoke, customized services for clients such as low-cost carriers. Our services are complemented by sophisticated hub management capabilities, which allow us to respond to outsourcing by airlines at their home bases. Our services are designed to meet our customers' needs on both a local and global scale throughout our network. In addition, we are flexible to our customers' needs and to changes in the aviation landscape. We believe that we are consistently at the forefront of technological advancements in our industry. For example, we were one of the first independent global aviation service providers to offer web check-in, mobile check-in, real-time operations labor management, advanced integrated security procedures and various other innovative aviation services.

Our more than 800 customers are major full-service airlines, regional air carriers, low-cost carriers, air cargo carriers, freight forwarders and airports and, include Swiss International Air Lines, Lufthansa, United Airlines, Qatar Airways, Delta Air Lines, Emirates, American Airlines, Lufthansa Cargo, easyJet and Ryanair, among others. For the last twelve months ended March 31, 2017, our top ten customers represented 30.1% of our consolidated annual revenue and accounted for 11% of our individual contracts. We have a long service history and established contractual agreements in place with many of our customers, including Swiss International Air Lines, Lufthansa, British Airways, United Airlines, Air France, South African Airways, Virgin Atlantic Airways, Qatar Airways, Flybe**,** Ryanair and easyJet.

We believe that our strong reputation and loyal customer base have been achieved because of our global presence, integrated service offerings and local management expertise. Because of our global presence, we are able to utilize best practices from each of the regions in which we operate in order to deliver service that consistently applies Swissport quality across all of our global locations. Our local management expertise allows us to apply our global and integrated services and key performance indicators (KPIs) offerings in a manner that is specifically tailored to the needs of our customers in each of those regions. This local expertise also allows us to respond quickly to changes in local market conditions and adapt our business accordingly. We believe that our global presence, integrated service offerings and local management expertise aid us in attracting and maintaining a strong and loyal customer base.

Key Factors Affecting the Ground and Cargo Handling Businesses

Overview

We generate substantially all of our revenue through customer service contracts pursuant to which we provide a range of services comprising two lines of business: ground handling and cargo handling. Our operating and financial results are affected by a number of factors, including the state of the aviation industry, the effect of specific events that affect the aviation industry, the increase of low-cost carriers ("**LCCs**") in the market, the increase of deregulation in the aviation industry and the trend within the aviation services industry of outsourcing ground handling and cargo handling services.

Results of Operations Highly Correlated to the State of the Aviation Industry

Our results of operations are highly correlated to the state of the aviation industry and are impacted by the cyclical trends in the aviation industry. The state of the aviation industry is highly correlated to general economic conditions, which cause cyclical trends in the aviation industry.

Despite the positive correlation between the performance of the ground handling industry and the airline industry, the ground handling industry and the airline industry have different revenue growth drivers. Airlines rely on passenger growth, as well as seat load factors and booking class mix, whereas ground handlers rely on aircraft movements/turnarounds. As such, it is the number of take-offs and landings of aircraft at an airport that primarily drives revenue in the ground handling industry. Although year-on-year changes in passenger volumes and aircraft movements follow changes in GDP, aircraft movements are more insulated from changes in GDP than passenger movements, primarily because airlines are often reluctant to cancel routes (which may sometimes result in the forfeiture of gate space), and may instead utilize smaller aircraft to adapt to lower passenger volume.

While a reduction in airline passengers may cause airlines to cancel routes, this risk can often be foreseen because there is generally a delay between the reduction of passengers and the cancelling of routes. Once such a risk is evident, ground handlers can seek to mitigate its potential adverse consequences by appropriate downsizing and other measures. In contrast, there is no similar delay between an increase in passenger numbers and the need to provide additional ground handling personnel to accommodate higher passenger and aircraft volumes. Nevertheless, we seek to quickly respond to these increased needs by outsourcing certain ground and cargo handling services to third parties, which allows us to remain flexible throughout any cyclical trends in the aviation industry, thereby maximizing productivity and workforce utilization.

In contrast with aircraft movements, which as explained above are relatively insulated from the economic cycle, cargo volumes closely follow changes in GDP and world trade. Changes in cargo volumes have historically shown an early cycle recovery, largely because air cargo is primarily comprised of finished products that businesses need to restock at the early stage of their inventory cycles. Passenger growth, which has an indirect effect on ground handling activity through airlines' management of flight numbers and routes, exhibits later cycle recovery, as it generally recovers following improved economic sentiment and consumer confidence.

Certain Events can have a Direct Impact on the Aviation Industry

Certain events, ranging from economic crises, to terrorist attacks, like the recent attacks in London, Berlin, Brussels and Paris, to natural disasters and other phenomena like volcanic ash clouds, floods and forest fires, to epidemics such as SARS and swine flu, to employment issues, including airport and air traffic personnel strikes, can have a direct impact on the aviation industry. As mentioned above, our results of operations are highly correlated to the state of the aviation industry and thus any negative impact on the aviation industry caused by these events can adversely affect our business. See "*Risk Factors—Risks Relating to the Industry and our Business—Terrorist attacks, threats of attacks, geopolitical instability, epidemics, threats of epidemics, natural calamities or other "Acts of God" may unexpectedly disrupt our operations and revenues"* and *"Risk Factors—Risks Relating to the Industry and our Business—Unusual or extreme weather conditions may unpredictably disrupt our operations and revenues."*

The global economic crisis that began in 2008 had a negative impact on the aviation industry during several of the past few years, particularly 2009. Not all geographic areas suffered to the same degree during the global economic crisis. For instance, certain emerging markets fared better on the whole and appeared to recover more quickly than more seasoned markets. Our global diversified presence, which includes operations in a variety of emerging markets in South America, Africa, Asia and the Middle East, helped mitigate some of the effects of the global economic crisis.

The Increase of Low-Cost Carriers

LCCs are gaining market share worldwide and have achieved significant growth in recent years. We capitalized on this trend by entering into contracts with, and offering ground handling services to, such LCCs. Our top ten LCC customers for the period ended December 31, 2016 were Ryanair, easyJet, Flybe, Spirit Airlines, GOL, Frontier Airlines, Air Transat, WestJet Airlines, Southwest Airlines and Sunwing Airlines. For the twelve month periods ended December 31, 2014, 2015 and 2016 and March 31, 2017, contracts with our top ten LCC customers accounted for 14.3%, 15.3%, 15.2% and 15.3%, respectively, of our total ground handling revenue and other operating income.

Contracts with LCCs tend to involve somewhat higher risks due to low base prices, the typically limited scope of services required (as compared to the services requested by more traditional multinational carriers) and relatively stricter performance demands, such as shorter turnaround times. They frequently result, however, in higher returns because of the high volumes involved, lower costs due to their limited scope and bonuses if quality demands are met. In addition, the business model of many LCCs often creates new revenue streams on which we have been and expect to continue to be able to capitalize. Most LCCs' models are based on commissions which aim to increase indirect revenue per passenger through various additional charges related to check-in, boarding and baggage. For example, LCCs may charge additional fees for checked baggage, additional carryon baggage or failure to check in electronically prior to arriving at the airport. We provide personnel such as gate agents to various LCCs to administer and collect these additional fees and in many instances are eligible to retain a percentage of these fees in the form of a commission. Therefore, the ancillary charges charged by the LCCs have become a new and sizeable revenue stream for us. We believe that the lean organizational structure of LCCs coupled with our customizable service offering and high productivity achievements are a very good match. As a global airport and aviation service provider with operations in 279 airports and 48 countries worldwide as of

March 31, 2017, we are well positioned to offer our services to any new LCCs that may begin operations in any of the countries in which we have a presence. We have in the past been able to benefit from their entrance into markets where we have excess capacity available, and expect to be able to continue to do so in the future.

Deregulation in the Aviation Industry

Deregulation within the aviation industry has opened up new markets for aviation service providers, like Swissport, which has resulted in increased competition in the industry. For example, new markets were opened in the EU as a result of regulations that required EU airports where traffic exceeds 2 million passengers or 50,000 metric tons of freight per year to have at least two handling operators, at least one of which must be independent from the airport or any dominant carrier at the airport. We believe that we are well positioned to take advantage of new markets because many of our customers already operate in those new markets and their strong customer relationship with us should allow us to follow those customers into those markets. Further, we believe that our global scale and wide range of services also allow us to easily integrate into new markets.

By opening up new markets, deregulation has also played an important role in changing the competitive landscape of the air services industry since the beginning of 2007. In particular, deregulation has increased competition by paving the way for an increase in the number of independent ground and cargo handlers. Such increase is accompanied by a corresponding decrease in the number of airlines and airports that service their own handling needs internally. Although deregulation has led to more competition, we believe we are well placed to capitalize on such deregulation because of our strong reputation as an independent handler as well as our global scale.

Outsourcing

Outsourcing of ground handling and cargo handling services has played an important role in the aviation services industry in recent years. Major international airlines have traditionally serviced their own ground handling and cargo handling operations. Recent data, however, shows that more airlines are outsourcing these operations. Outsourcing has increased in recent years primarily because of deregulation, which has resulted in increased competition. This increased competition has resulted in lower cost of ground handling and cargo handling provided by third parties.

Ground and cargo handling services are also generally non-core functions of airlines and are considered cost centers, which Roland Berger estimates account for 3.5% and 0.5% respectively of airline operating revenue. A carrier servicing its own ground handling operations needs to purchase or lease expensive equipment such as push back tractors and loading lifts that may lay redundant between that carrier's flights, resulting in underutilization and unnecessary costs. Many airlines have sought to reduce these costs and focus on their core business of passenger transportation, thereby increasing their productivity and efficiency. Some of these airlines have outsourced their handling needs to third-party handlers that, by operating more efficiently and at a lower cost because they are able to fully utilize their equipment to service several airlines operating at the same airport, provide a less expensive alternative.

In 2016, the global outsourcing rate for ground handling was approximately 40% and expected to increase at a compound annual growth rate ("**CAGR**") of 1.8% per annum until 2021. In cargo handling, the outsourcing rate was approximately 42% in 2016 and was higher in more mature regions than in emerging markets. In North America and Europe, outsourcing is expected to grow at a CAGR of 1.4% and 1.9%, respectively, until 2021. See "*Industry*."

We believe we are well positioned to capitalize on the outsourcing trend because of our ability to provide current and potential customers with a global array of services and to provide them with local expertise and knowledge in many of the regions in which they operate. These services are complemented by sophisticated hub management capabilities, which allow us to respond to airlines outsourcing at their home bases. Further, some of our largest clients are LCCs, most of whom outsource their ground handling services.

Human Resources

In recent years, in order to improve our productivity and as part of our policy of cost savings initiatives, we have dedicated substantial focus to human resources and personnel management, which has increased our ability to effectively manage costs by maintaining a flexible workforce, incentivizing productivity and thus improving employee performance. We have sought to maintain a more flexible workforce by outsourcing certain ground and cargo handling needs to third parties, including cabin cleaning and ramp handling services, a move which allows us to remain flexible throughout any cyclical trends in the aviation industry, thereby maximizing productivity and workforce utilization. The diversity of our global operations also enhances our ability to remain flexible, since certain jurisdictions in which we operate have less stringent labor laws, which allows for more ready right-sizing in response to changing economic conditions.

We have sought to incentivize productivity by recently implementing a global corporate compensation and benefits policy that creates a global broad band salary system within the group that seeks to value and accurately compensate for each job category. We dedicate a substantial amount of resources toward personnel expenses, which include wages and salary, social security costs, pension costs, staff allowance and other staff costs. Personnel expenses amounted to €1,502.3 million (CHF 1,823.8 million), or 62.2% of total revenue and other operating income, for the year ended December 31, 2014, amounted to €1,709.6 million (CHF 1,837.0 million), or 63.9% of total revenue and other operating income, for the year ended December 31, 2015, amounted to €1,617.6 million, or 60.5% of total revenue and other operating income, for the period from November 4, 2015 to December 31, 2016 (€1,761.1 million, or 65.7% of total revenue and other operating income, for the pro forma year ended December 31, 2016), amounted to €279.8 million, or 65.9% of total revenue and other operating income, for the period from November 4, 2015 to March 31, 2016 (€423.3 million, or 66.5% of total revenue and other operating income, for the pro forma three-month period ended March 31, 2016) and amounted to €463.5 million, or 68.1% of total revenue and other operating income, for the three months ended March 31, 2017. We believe that these figures reflect our dedication and willingness to invest in our employees and that these efforts have resulted in a strong and loyal employee base and have put us in a favorable position with unions, as evidenced by our strong local human resources relationships and the limited occurrences of union actions. In addition, a "Performance Development Review System" has been adopted for over 1,200 management positions and we are in the process of expanding this system to cover our support functions and operational supervision.

Labor Issues

Personnel expenses represent the single largest line item contributing to our total operating expenses (excluding acquisition and integration costs). As such, factors affecting our labor costs have a direct effect on our operating profit. Any increase in the aggregate amount of salaries and other staff costs results in a corresponding increase in our total operating expenses.

Counterbalancing the appeal of minimizing personnel expenses is the importance of quality in the services we provide to our customers. To meet the demands of our customers, it is imperative that we attract, train, motivate and retain employees in sufficient numbers and with the necessary skills to execute our service offering. We pride ourselves on the quality and loyalty of our employee base and seek to compensate our employees at a level that incentives excellence. We believe we have a strong relationship with our employees, as demonstrated by the limited occurrences of union actions in recent years. Nevertheless, we face competition from other companies in the airline service industry for recruiting and maintaining a sufficient employee base.

Our operations and services rely heavily upon the continuous service of personnel not only in our workforce but also those of third parties. Any labor strikes, work stoppages and other labor disputes affecting our own employees and non-employees in the aviation industry, such as pilots, flight crews and air traffic controllers could disrupt our operations and impact our ability to earn revenue.

Presentation of Financial Statements

Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of our activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within Swissport Group. Revenue is recognized when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Services are recognized in the accounting period the services are provided, as a proportion of the stage of completion of the total services to be provided. Any estimates are based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Ground Handling

The primary source of revenue in ground handling services is earned through contracts with passenger airlines, many of which follow the standard IATA Standard Handling Agreement. Revenues from ground handling services are primarily derived from passenger handling, baggage handling, ramp handling, lounge services, de-icing services and cleaning services. The primary metric under our contracts used to determine revenue for ground handling services is flight volume rather than passenger volume. As a result, ground handling revenues are somewhat insulated from fluctuations in passenger volumes, although sustained significant decreases in passenger volumes generally lead to a reduced number of flights or changes to aircraft configurations that could lead to a decrease in revenues. Additionally, we seek some level of protection from flight cancellations by including in many of our contracts provisions for the payment of cancellation fees for any flight that is cancelled.

We also offer specialty services, which include fueling, aircraft line maintenance and aviation security to complement our core ground handling and cargo services. Revenues from specialty services are generally tied to fueling services, maintenance and aviation security, which includes travel document verification, access control, passenger interviewing, baggage reconciliation, aircraft guarding, cargo and hold and hand baggage screening, security training, and threat and vulnerability assessments. These services benefit from airline outsourcing, as more and more airlines are beginning to rely on external providers for ancillary services. Security services are growing with new requirements to fulfill governmental obligations on the back of recent terrorist threats, as well as the aviation industry's expansion into new destinations, primarily in emerging markets in Africa and Middle East. The expansion of new destinations in Africa that are serviced by U.S., Canadian and European passenger airlines and cargo carriers has increased the need for well-trained security personnel.

Cargo Handling

Cargo handling revenues primarily consist of physical handling of cargo within warehouses, storage charges, documentation fees and income from labor contracts. As of March 31, 2017, we provided cargo handling services for over 372 customers, including 228 airlines. In 2014, 2015 and 2016, we handled 4.1 million, 4.1 million and 4.3 million metric tons of cargo, respectively. In the three months ended March 31, 2016 and 2017, we handled 1.0 million and 1.1 million metric tons of cargo, respectively.

We seek to utilize state of the art technology in our cargo handling line of operations, including Automated Dimension Scanning ("**ADS**") and Hand Held Terminals ("**HHT**") to streamline the cargo handling process. "Automated Dimension Scanning" provides a dimensioning system that captures measurements and calculates dimensional weight of cargo items without interfering with workflow. This product automates the process of quickly and accurately gathering dimensional and chargeable weight data, which increases productivity and turnaround times for collecting and organizing cargo. HHT offers mobile software products that create real-time tracking and enhanced monitoring of our people, assets and cargo.

We believe that such automation creates value by decreasing the time needed to measure cargo, thereby streamlining the cargo handling process and allowing us to handle a larger volume of cargo in a shorter period.

Other operating income

Other operating income consists of expenses recharged to customers, income from service concession arrangements, rental income, consultancy services and any other services provided to customers.

Goods and services purchased

Goods and services purchased consists of subcontracting ground and cargo handling services to third-party providers, equipment rental costs and related maintenance, product purchases (primarily de-icing fluids) and airport and concession fees.

Personnel expenses

Personnel expenses consists of salaries, social security costs, personnel insurance, bonuses, pension costs, staff allowance funds, uniforms and protective clothing costs and training costs.

Other operating expenses

Other operating expenses consists of facility rental costs, information technology costs, professional fees, travel costs, insurance costs, office-related expenses, shareholder disbursements, marketing and bad debt.

Depreciation and impairment of property, vehicles and equipment

Depreciation and impairment of property, vehicles and equipment consists of the depreciation and impairment of tangible assets owned or held under finance leases.

Amortization and impairment of intangible assets

Amortization and impairment of intangible assets consists of amortization and impairment of customer portfolios, licensing agreements, software and other intangible assets (including; for example, amortization and impairment related to contracts in Israel, Kenya and Tanzania under the application of IFRIC 12 (*Service Concession Arrangements*) as adopted by the EU, which is the International Financial Reporting Interpretations Committee's interpretation of certain service concession arrangements, whereby a government or other body grants contracts for the supply of public services in exchange for the construction of infrastructure), as well as impairment of goodwill.

Net finance expense

Net finance expense consists of interest expense/income, unrealized and realized foreign exchange gains and losses, guarantee fees, bank charges, net interest cost of defined benefit plans and valuation adjustments of financial assets.

Income tax credit/(expense)

Income tax credit/(expense) consists of current income taxes and deferred taxes.

Net profit

Net profit/(loss) for the period is the remaining profit after consideration of income tax expenses/(credit) and represents the results that belongs to the shareholder(s) of the Swissport Parent Entity as well as to the minority shareholder(s) of direct and indirect subsidiaries of the New Issuer.

Impact of Acquisitions

The financial results of the periods covered by the financial statements included in these Listing Particulars reflect the impact of several acquisitions by entities included in the Swissport Group and, ultimately, the acquisition of Aguila 2 and its subsidiaries by HNA Group consummated on February 10, 2016. Each acquisition entails additional costs (acquisition costs, integration cost, etc.), goodwill allocations, increases in revenues and financial expenses and other charges that have an impact on future reporting periods even though they are not directly related to or arise from the operation of the core business activities of the reporting entities. Because of the cumulative impact of these extraneous factors, period-to-period comparisons may be less meaningful that they would have been in the absence of such acquisitions.

The Acquisition of the Swissport Group by HNA Group

Upon the closing of the HNA Acquisition on February 10, 2016, HNA Group acquired all of the shares of Aguila 2, an indirect shareholder of the New Issuer, for an aggregate consideration of €1,319.0 million. In connection with the HNA Acquisition, the Swissport Parent Entity recorded acquisition costs of €2.6 million. See note 11 to the 2016 Audited Consolidated Financial Statements ("*Acquisition Costs*"). The acquisition was accounted for using the acquisition method of accounting, and the purchase price of the acquisition was allocated to the tangible and intangible assets acquired and liabilities assumed based upon their respective fair values as of the date of the acquisition.

The excess of the purchase price over these allocations (€2,299.3 million) was assigned to goodwill, which is not amortized for accounting purposes but is subject to testing for impairment at least annually. The allocation of the purchase price of the assets acquired in the acquisition resulted in an increase in amortization relating to acquired intangible assets because the acquired intangible assets were recorded at fair value. Intangible assets are amortized over their estimated useful lives. See note 27 to the 2016 Audited Consolidated Financial Statements ("*Business Combinations*").

In connection with the HNA Acquisition, the Existing Issuer issued the Existing Notes in the month of December 2015 and, consequently, interest expense increased following the issuance. Additional finance expenses related to the HNA Acquisition include the settlement of a forward contract to set the foreign exchange rate for the acquisition and the need to cover bond prepayment penalties in connection with the refinancing of pre-existing indebtedness.

The Servisair Acquisition

On December 23, 2013, Swissport closed the acquisition of the former Servisair group from Derichebourg SA for CHF 372.9 million (the "**Servisair Acquisition**"). Immediately prior to the acquisition, Servisair was a global independent ground handling company operating in several countries around the world. The Servisair Acquisition allowed us to expand our footprint in North America, the United Kingdom, Ireland, Latin America and the Caribbean, strengthen our relationship with global customers and expand our product offering. Servisair did not contribute revenue or profit or loss to our consolidated revenues or losses from the date of acquisition to December 31, 2013. The acquisition of Servisair was accounted for using the acquisition method of accounting, and the purchase price of the acquisition was allocated to the tangible and intangible assets acquired and liabilities assumed based upon their respective fair values as of the date of the acquisition.

The excess of the purchase price over these allocations (CHF 222.4 million) was assigned to goodwill, which is not amortized for accounting purposes but is subject to testing for impairment at least annually. The allocation of the purchase price of the assets acquired in the acquisition resulted in an increase in amortization relating to acquired intangible assets because the acquired intangible assets were recorded at fair value. Intangible assets are amortized over their estimated useful lives. See note 3.1 to the 2014 Audited Consolidated Financial Statements ("*Basis of Preparation—Impact of acquisition accounting in relation to the acquisition of the former Servisair group*").

New, Revised or Amended Accounting Standards and Interpretations

Our financial statements for the year ended December 31, 2017 will apply for the first time the amendments to IAS 7 (*Statement of Cash Flow*) as adopted by the EU and to IAS 12 (*Recognition of Deferred Taxes for Unrealized Losses*) as adopted by the EU. Based on a preliminary assessment by management, no or no significant impacts on the consolidated financial statements are expected from such application. See note 3.1 to the 2016 Audited Consolidated Financial Statements ("*Basis of Preparation—Adoption of standards and interpretations in 2017 and later*").

Results of Operations

The following table sets forth items of revenue, expense and other financial information for the periods indicated.

	New Issuer				Swissport Parent Entity				
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016(1)	Pro forma January 1, 2016 to December 31, 2016(3)	November 4, 2015 to March 31, 2016(4)	Pro forma January 1, 2016 to March 31, 2016(5)	Three months ended March 31, 2017
	(CHF in millions)(1)	(EUR in millions)(2)	(CHF in millions)(1)	(EUR in millions)(2)	(EUR in millions)		(EUR in millions)		(EUR in millions)
Operations									
Revenue	2,831.3	2,332.2	2,766.2	2,574.4	2,384.9	2,586.8	410.3	612.2	655.2
Other operating income	102.6	84.5	106.7	99.3	84.7	94.9	14.0	24.2	25.7
Total revenue and other operating income	**2,933.9**	**2,416.7**	**2,872.9**	**2,673.7**	**2,469.6**	**2,681.7**	**424.3**	**636.4**	**680.9**
Goods and services purchased	(484.8)	(399.3)	(456.8)	(425.1)	(349.8)	(382.0)	(63.9)	(96.1)	(104.3)
Personnel expenses	(1,823.8)	(1,502.3)	(1,837.0)	(1,709.6)	(1,617.6)	(1,761.1)	(279.8)	(423.3)	(463.5)
Other operating expenses	(440.4)	(362.8)	(373.8)	(347.9)	(338.6)	(369.0)	(61.1)	(91.5)	(96.6)
Depreciation and impairment of property, vehicles and equipment	(64.0)	(52.7)	(62.6)	(58.3)	(51.3)	(55.9)	(8.9)	(13.5)	(14.2)
Amortization and impairment of intangible assets	(23.1)	(19.0)	(22.0)	(20.5)	(21.5)	(23.4)	(3.9)	(5.8)	(6.3)
Total operating expenses (excluding acquisition and integration costs)	**(2,836.1)**	**(2,336.1)**	**(2,752.2)**	**(2,561.4)**	**(2,378.8)**	**(2,591.4)**	**(417.6)**	**(630.2)**	**(684.9)**
Share of results of associates and joint ventures	5.2	4.2	3.4	3.2	5.1	5.6	0.6	1.1	1.9
Operating profit (loss) (before acquisition and integration costs)	**103.0**	**84.8**	**124.1**	**115.5**	**95.9**	**95.9**	**7.3**	**7.3**	**(2.1)**
Acquisition costs	—	—	—	—	(2.6)	0.0	(2.7)	0.0	—
Integration costs	(27.2)	(22.4)	(27.8)	(25.9)	(0.3)	(0.3)	(0.2)	(0.2)	—
Operating profit (loss)	**75.8**	**62.4**	**96.3**	**89.6**	**93.0**	**95.6**	**4.4**	**7.1**	**(2.1)**
Finance expense	(192.8)	(158.8)	(281.4)	(261.9)	(306.8)	(341.7)	(146.1)	(181.0)	(54.4)
Finance income	50.3	41.4	123.3	114.8	98.2	117.9	7.1	26.8	24.7
Net finance expense	**(142.5)**	**(117.4)**	**(158.1)**	**(147.1)**	**(208.6)**	**(223.8)**	**(139.0)**	**(154.2)**	**(29.7)**
Loss on sale of subsidiary	(12.2)	(10.0)	(19.4)	(18.1)	—		—		—
Loss on disposal	—	—	(28.6)	(26.6)	—		—		—
Profit/(loss) before income tax	**(78.9)**	**(65.0)**	**(109.8)**	**(102.2)**	**(115.6)**	**(128.2)**	**(134.6)**	**(147.1)**	**(31.8)**
Income tax (expense)/credit	(41.2)	(33.9)	(34.0)	(31.6)	(24.8)	(27.1)	(5.8)	(8.1)	(6.2)
Loss for the period	**(120.1)**	**(98.9)**	**(143.8)**	**(133.8)**	**(140.4)**	**(155.3)**	**(140.4)**	**(155.2)**	**(38.0)**
Attributable to:									
Owners of the parent	(141.1)	(116.2)	(162.8)	(151.5)	(160.9)	(176.5)	(141.8)	(157.3)	(42.2)
Non-controlling interest	21.0	17.3	19.0	17.7	20.5	21.2	1.4	2.1	4.2
Other Financial Information									
Swissport EBITDA(6)	235.6	194.1	233.3	217.1	198.7	206.4	22.6	30.3	27.2
Swissport EBITDA Margin	8.0%	8.0%	8.1%	8.1%	8.0%	7.7%	5.3%	4.8%	4.0%

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015

has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(3) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(4) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected income statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not conduct any operating activities of its own with the exception of certain administrative and financing activities and did not have any material assets or liabilities. As a result, the selected income statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected income statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(5) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(6) See reconciliation of Swissport EBITDA in "*Summary Consolidated Historical Financial, Operational and Pro Forma Data—Other Financial Information*." Swissport EBITDA is operating profit before acquisition and integration costs, as included in the consolidated income statement, before depreciation, amortization, restructuring and onerous contract charges, non-cash pension expenses and unallocated other income and reporting adjustments.

Three Months Ended March 31, 2017 Compared to the Period from November 4, 2015 to March 31, 2016 and the Pro Forma Three Months Ended March 31, 2016

Revenue

Revenue increased by €244.9 million, or 59.7%, to €655.2 million for the three months ended March 31, 2017 from €410.3 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017.

On a pro forma basis, revenue increased by €43.0 million, or 7.0%, to €655.2 million for the three months ended March 31, 2017 from €612.2 million for the pro forma three months ended March 31, 2016. This increase is mainly attributable to higher cargo volumes across the network, the gain of the ex-Aviator ground handling business in the UK after their exit from most of this market, a sizeable revenue expansion in Japan, volume growth in the ground handling business in Europe, the acquisition of Skylink in the Netherlands, additional ground handling business in Canada, and the start-ups in Saudi Arabia and Ghana. These revenue increases were partially offset by the exit from London Heathrow's Terminal 4 in late 2016, the termination of the loss-making Frontier contract in Denver in September 2016 and volume reduction in some larger US stations.

Ground Handling

In the ground handling segment, revenue increased by €212.7 million, or 61.1%, to €560.6 million for the three months ended March 31, 2017 from €347.9 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017. On a pro forma basis, ground handling revenue increased by €35.2 million, or 6.7%, to €560.6 million for the three months ended March 31, 2017 from €525.4 million for the pro forma three months ended March 31, 2016.

Ground handling revenue increased, mainly driven by strong growth in Europe, especially in the UK, Cyprus, Bulgaria and Belgium, and the Middle-East with its ramping up of operations in Saudi Arabia. This was largely offset by North America due to the termination of the loss-making Frontier contract in Denver and volume reductions in larger stations.

Cargo

In the cargo handling segment, revenue increased by €43.8 million, or 57.1%, to €120.5 million for the three months ended March 31, 2017 from €76.7 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017. On a pro forma basis, cargo revenue increased by €9.4 million, or 8.5%, to €120.5 million for the three months ended March 31, 2017 from €111.1 million for the pro forma three months ended March 31, 2016.

Cargo volumes increased with a significant growth in Europe, where nearly all countries exceeded their 2016 volumes and where we successfully completed the acquisition of Skylink in the Netherlands in 2016. In Japan, an important contract was won and a competitor went into receivership.

Other operating income

Other operating income increased by €11.7 million, or 83.6%, to €25.7 million for the three months ended March 31, 2017 from €14.0 million for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, other operating income increased by €1.5 million, or 6.2%, to €25.7 million for the three months ended March 31, 2017 from €24.2 million for the pro forma three months ended March 31, 2016.

Goods and services purchased

Goods and services purchased increased by €40.4 million, or 63.2%, to €104.3 million for the three months ended March 31, 2017 from €63.9 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017.

On a pro forma basis, goods and services purchased increased by €8.2 million, or 8.5%, to €104.3 million for the three months ended March 31, 2017 from €96.1 million for the pro forma three months ended March 31, 2016. The increase mainly reflects increased material costs, operating lease of ground support equipment, and subcontracted cargo handling in the United Kingdom.

Personnel expenses

Personnel expenses increased by €183.7 million, or 65.7%, to €463.5 million for the three months ended March 31, 2017 from €279.8 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017.

On a pro forma basis, personnel expenses increased by €40.2 million, or 9.5%, to €463.5 million for the three months ended March 31, 2017 from €423.3 million for the pro forma three months ended March 31, 2016. This increase is mainly attributable to the strengthening of certain central functions, increased staff costs to handle the increased cargo volumes, mandatory salary increases, the start-up of operations in Saudi Arabia and Ghana and productivity issues at certain airports. The acquisition of Skylink in the Netherlands also contributed to the increase.

Other operating expenses

Other operating expenses increased by €35.5 million, or 58.1%, to €96.6 million for the three months ended March 31, 2017 from €61.1 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017.

On a pro forma basis, other operating expenses increased by €5.1 million, or 5.6%, to €96.6 million for the three months ended March 31, 2017 from €91.5 million for the pro forma three months ended March 31, 2016. This increase reflects higher property costs, third-party workforce and travel costs, the growth of the recently started operations in Saudi Arabia and Ghana, the acquisition of Skylink and new warehouses in the United States and Japan. The increase is partially mitigated by savings due to the discontinuation of operations at Terminal 4 at London Heathrow Airport.

Depreciation and impairment of property, vehicles and equipment

Depreciation and impairment of property, vehicles and equipment increased by €5.3 million, or 59.6%, to €14.2 million for the three months ended March 31, 2017 from €8.9 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017.

On a pro forma basis, depreciation and impairment of property, vehicles and equipment increased by €0.7 million, or 5.2%, to €14.2 million for the three months ended March 31, 2017 from €13.5 million for the pro forma three months ended March 31, 2016. This increase is primarily due to the start-up activities in Saudi Arabia and Ghana.

Amortization and impairment of intangible assets

Amortization and impairment of intangible assets increased by €2.4 million, or 61.5%, to €6.3 million for the three months ended March 31, 2017 from €3.9 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017. On a pro forma basis, amortization and impairment of intangible assets increased by €0.9 million, or 16.7%, to €6.3 million for the three months ended March 31, 2017 from €5.4 million for the pro forma three months ended March 31, 2016.

Share of results of associates and joint ventures

Share of results of associates and joint ventures increased by €1.3 million, or 216.7%, to €1.9 million for the three months ended March 31, 2017 from €0.6 million for the period from November 4, 2015 to March 31, 2016. This increase is mainly attributable to the fact that the three months ended March 31, 2016 included one month less of operating activities compared to the period in 2017.

On a pro forma basis, share of results of associates and joint ventures increased by €0.8 million, or 72.7%, to €1.9 million for the three months ended March 31, 2017 from €1.1 million for the pro forma three months ended March 31, 2016. This increase is attributable to positive contribution throughout the network.

Acquisition costs

There were no acquisition costs during the three months ended March 31, 2017. The €2.7 million in acquisition costs for the period from November 4, 2015 to March 31, 2016 predominantly relate to the HNA Acquisition.

Integration Costs

There were no integration costs during the three months ended March 31, 2017 and only €0.2 million for the period from November 4, 2015 to March 31, 2016 and for pro forma three months ended March 31, 2016.

Net finance expense

Net finance expenses decreased by €109.3 million, or 78.6%, to €29.7 million for the three months ended March 31, 2017 from €139.0 million for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, net finance expense decreased by €124.5 million, or 80.7%, to €29.7 million for the three months ended March 31, 2017 from €154.2 million for the pro forma three months ended March 31, 2016.

The three months ended March 31, 2016 were impacted by high net foreign exchange losses driven by a forward contract to set the foreign exchange rate for the acquisition price in connection with the HNA Acquisition, a penalty for early termination of financing, a full expense of the transaction costs related to the Term Loan B Facility (as explained in the note 9 of the Unaudited Consolidated Interim Financial Statements) and double interests in relation to the closing of the HNA Acquisition and the refinancing. The rest of the variance is driven by regular net foreign exchange losses in the three months ended March 31, 2016 mainly in relation to intercompany loans and intercompany payables.

Loss before income tax

Loss before income tax decreased by €102.8 million, or 76.4%, to €31.8 million for the three months ended March 31, 2017 from €134.6 million for the period from November 4, 2015 to March 31, 2016.

On a pro forma basis, loss before income tax decreased by €115.6 million, or 78.4%, to €31.8 million for the three months ended March 31, 2017 from €147.4 million for the pro forma three months ended March 31, 2016. The decrease was primarily attributable to the lower finance expenses described above.

Income tax expense

Income tax expense increased by €0.4 million, or 6.9%, to €6.2 million for the three months ended March 31, 2017 from €5.8 million for the period from November 4, 2015 to March 31, 2016.

On a pro forma basis, income tax expense decreased by €1.9 million, or 23.5%, to €6.2 million for the three months ended March 31, 2017 from €8.1 million for the pro forma three months ended March 31, 2016. The decrease was primarily attributable to the change in deferred taxes generated by the repayment of intercompany positions by our UK subsidiaries to Swissport International Ltd.

Loss for the period

Loss for the period decreased by €102.4 million, or 72.9%, to €38.0 million for the three months ended March 31, 2017 from €140.4 million for the period from November 4, 2015 to March 31, 2016.

On a pro forma basis, loss for the period decreased by €117.6 million, or 75.6%, to €38.0 million for the three months ended March 31, 2017 from €155.6 million for the pro forma three months ended March 31, 2016. The decrease was primarily attributable to the lower finance expenses described above.

Other financial information

Swissport EBITDA

Swissport EBITDA increased by €4.6 million, or 20.4% to €27.2 million for the three months ended March 31, 2017 from €22.6 million for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, Swissport EBITDA decreased by €3.1 million, or 10.2%, to €27.2 million for the three months ended March 31, 2017 from €30.3 million for the pro forma three months ended March 31, 2016, reflecting the factors mentioned under "*Revenue*" above as well as the costs of strengthening certain central functions, losses from our start-ups in the Middle East (Saudi Arabia and Oman), and the recession in Brazil. This is partially mitigated by positive EBITDA impacts from the exit of Terminal 4 at London Heathrow and the termination of the loss-making Frontier contract in Denver.

Swissport EBITDA Margin

Swissport EBITDA Margin decreased by 24.5%, to 4.0% for the three months ended March 31, 2017 from 5.3% for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, Swissport EBITDA Margin decreased by 16.7% to 4.0% for the three months ended March 31, 2017 from 4.8% for the three months ended March 31, 2016.

Period from November 4, 2015 to December 31, 2016 and Pro Forma Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

The results for the period ended December 31, 2016 reflect the impact of the HNA Acquisition, which closed on February 10, 2016 and was directly related to a 41.8% (52.1% on a pro forma basis) increase in net finance expense with respect to the prior year, as well as the first full-year impact of the acquisitions by the Swissport Group of (i) a 66.7% interest in AFS Aviation Fuel Services GmbH, the German market leader in aircraft fueling services and airport tank storage facility management ("**AFS**"), which closed on July 16, 2015 (the "**AFS Acquisition**") and (ii) a 51% interest in AGN Aviation Services S.A. de C.V., the third biggest ground handling services provider in Mexico ("**AGN**"), which closed on September 11, 2015 (the "**AGN Acquisition**" and, together with the AFS Acquisition, the "**2015 Swissport Acquisitions**").

Revenue

Revenue decreased by €189.5 million, or 7.4%, to €2,384.9 million for the period from November 4, 2015 to December 31, 2016 from €2,574.4 million (CHF 2,766.2 million) for the year ended December 31, 2015.

On a pro forma basis, revenue increased by €12.4 million, or 0.5%, to €2,586.8 million for the pro forma year ended December 31, 2016 from €2,574.4 million (CHF 2,766.2 million) for the year ended December 31, 2015. This increase is mainly attributable to increased cargo handling volumes, the acquisitions of AFS in Germany and AGN in Mexico, net contract wins, and the start-up of operations in Saudi Arabia and Ghana. Main negative impacts include foreign currency fluctuations against the euro, the loss of licenses due to an unsuccessful tender offer in Spain and the exit from the ground handling business at London Gatwick. Other factors having a negative impact include the loss of a low-margin de-icing contract in North America and the temporary closure of the airport in Brussels following the terrorist attack in March 2016.

Ground handling

Ground handling revenue increased during 2016, mainly driven by a good performance through the network, and in particular in the United States, Algeria, Japan, Ireland and United Kingdom, as well as the impact of the acquisition of AFS and the start-up of operations in Saudi Arabia. This was partly offset by the loss of licenses in Spain, the exit from the ground handling business in London Gatwick, the loss of a de-icing contract in North America and the temporary closure of the airport in Brussels.

Cargo handling

Cargo handling revenue increased during 2016, mainly driven by new customers and volume increases across the network, but especially in Spain, the United States, Germany and Belgium. Start-up of Ghana activities also contributed to the growth.

Other operating income

Other operating income decreased by €14.6 million, or 14.7%, to €84.7 million for the period from November 4, 2015 to December 31, 2016 from €99.3 million (CHF 106.7 million) for the year ended December 31, 2015.

On a pro forma basis, other operating income decreased by €4.4 million, or 4.4%, to €94.9 million for the pro forma year ended December 31, 2016 from €99.3 million (CHF 106.7 million) for the year ended December 31, 2015. The decrease reflects lower gains on sales of fixed assets, lower concession and rental income, third-party management fee income and sales of fuel, partially offset by an increase in expenses recharged to customers.

Goods and services purchased

Goods and services purchased decreased by €75.3 million, or 17.7%, to €349.8 million for the period from November 4, 2015 to December 31, 2016 from €425.1 million (CHF 456.8 million) for the year ended December 31, 2015.

On a pro forma basis, goods and services purchased decreased by €43.1 million, or 10.1%, to €382.0 million for the pro forma year ended December 31, 2016 from €425.1 million (CHF 456.8 million) for the year ended December 31, 2015. The decrease is mainly attributed to lower ground handling and cargo handling services subcontracted to third parties and a decrease in maintenance costs and operating lease equipment. This cost decrease reflects also the lower de-icing activity in North America, the loss of licenses in Spain, and the exit from the ground handling business in London Gatwick.

Personnel expenses

Personnel expenses decreased by €92.0 million, or 5.4%, to €1,617.6 million for the period from November 4, 2015 to December 31, 2016 from €1,709.6 million (CHF 1,837.0 million) for the year ended December 31, 2015.

On a pro forma basis, personnel expenses increased by €51.5 million, or 3.0%, to €1,761.1 million for the pro forma year ended December 31, 2016 from €1,709.6 million (CHF 1,837.0 million) for the year ended December 31, 2015. This increase is mainly attributable to increased staff costs related to the increase in ground and cargo handling activities in North America, Europe and Asia, the acquisitions of AGN in Mexico and AFS in Germany, the strengthening of certain central functions in the Head Office, the start-up of operations in Saudi Arabia and Ghana, as well as mandatory salary increases. This increase is partially offset by the exit from London Gatwick, the loss of licenses in Spain, and cost optimization measures.

Other operating expenses

Other operating expenses decreased by €9.3 million, or 2.7%, to €338.6 million for the period from November 4, 2015 to December 31, 2016 from €347.9 million (CHF 373.8 million) for the year ended December 31, 2015.

On a pro forma basis, other operating expenses increased by €21.1 million, or 6.1%, to €369.0 million for the pro forma year ended December 31, 2016 from €347.9 million (CHF 373.8 million) for the year ended December 31, 2015. The increase was mainly attributable to amounts paid to third-party workforces to handle higher volumes and shifts between own and third-party workforces, property and travel costs to handle the start-up of operations in Saudi Arabia and Ghana, and hosting and application expense related to changes in the IT landscape. This has partially been offset by higher restructuring costs in 2015.

Depreciation and impairment of property, vehicles and equipment

Depreciation and impairment of property, vehicles and equipment decreased by €7.0 million, or 12.0%, to €51.3 million for the period from November 4, 2015 to December 31, 2016 from €58.3 million (CHF 62.6 million) for the year ended December 31, 2015.

On a pro forma basis, depreciation and impairment of property, vehicles and equipment decreased by €2.4 million, or 4.1%, to €55.9 million for the pro forma year ended December 31, 2016 from €58.3 million (CHF 62.6 million) for the year ended December 31, 2015. This was mainly attributable to lower depreciation in the United Kingdom (exit from London Gatwick) and Canada, as well as a 2015 impairment related to assets in a warehouse in London Heathrow, partially mitigated by ground support equipment and other equipment related to the start-up of operations in Saudi Arabia and Ghana.

Amortization and impairment of intangible assets

Amortization and impairment of intangible assets increased by €1.0 million, or 4.9%, to €21.5 million for the period from November 4, 2015 to December 31, 2016 from €20.5 million (CHF 22.0 million) for the year ended December 31, 2015.

On a pro forma basis, amortization and impairment of intangible assets increased by €2.9 million, or 14.1%, to €23.4 million for the pro forma year ended December 31, 2016 from €20.5 million (CHF 22.0 million) for the year ended December 31, 2015. The increase reflects mainly amortizations of the increased intangible asset values that resulted from the purchase price allocation following the HNA Acquisition.

Share of results of associates and joint ventures

Share of results of associates and joint ventures increased by €1.9 million, or 59.4%, to €5.1 million for the period from November 4, 2015 to December 31, 2016 from €3.2 million (CHF 3.4 million) for the year ended December 31, 2015.

On a pro forma basis, share of results of associates and joint ventures increased by €2.4 million, or 75.0%, to €5.6 million for the pro forma year ended December 31, 2016 from €3.2 million (CHF 3.4 million) for the year ended December 31, 2015. The increase was primarily attributable to increased performances from joint ventures and associates in Europe and the Middle East.

Acquisition costs

There were virtually no acquisition costs during the year ended December 31, 2015. The €2.6 million acquisition costs for the period from November 4, 2015 to December 31, 2016 relate to the HNA Acquisition. On a pro forma basis, there are no acquisition costs.

Integration Costs

Integration costs decreased by €25.6 million, or 98.8%, to €0.3 million for the period from November 4, 2015 to December 31, 2016 from €25.9 million (CHF 27.8 million) for the year ended December 31, 2015.

On a pro forma basis, integration costs decreased by €25.6 million, or 98.8%, to €0.3 million for the pro forma year ended December 31, 2016, from €25.9 million (CHF 27.8 million) for the year ended December 31, 2015, mainly as a result of the completion in 2015 of the integration of prior-year acquisitions and lower acquisition activity during 2016.

Net finance expense

Net finance expense increased by €61.5 million, or 41.8%, to €208.6 million for the period from November 4, 2015 to December 31, 2016 from €147.1 million (CHF 158.1 million) for the year ended December 31, 2015.

On a pro forma basis, net finance expense increased by €76.7 million, or 52.1%, to €223.8 million for the pro forma year ended December 31, 2016 from €147.1 million (CHF 158.1 million) for the year ended December 31, 2015. The increase is primarily attributable to higher interest payments on the increased indebtedness incurred in connection with the refinancing of the obligations of Aguila 2 and its subsidiaries following the HNA Acquisition, prepayment penalties for €24 million incurred in connection with such refinancing, double interest paid while both the bonds issued to refinance pre-existing indebtedness and such indebtedness were simultaneously outstanding, and net foreign exchange losses arising from a forward contract to set the foreign exchange rate for the HNA Acquisition.

Loss before income tax

Loss before income tax increased by €13.4 million, or 13.1%, to €115.6 million for the period from November 4, 2015 to December 31, 2016 from €102.2 million (CHF 109.8 million) for the year ended December 31, 2015.

On a pro forma basis, loss before income tax increased by €26.0 million, or 25.4%, to €128.2 million for the pro forma year ended December 31, 2016 from €102.2 million (CHF 109.8 million) for the year ended December 31, 2015. The increase was primarily attributable to the higher finance expenses described above as well as losses on sale of subsidiaries and disposals, partially offset significantly lower acquisition costs.

Income tax expense

Income tax expense decreased by €6.8 million, or 21.5%, to €24.8 million for the period from November 4, 2015 to December 31, 2016 from €31.6 million (CHF 34.0 million) for the year ended December 31, 2015.

On a pro forma basis, income tax expense decreased by €4.5 million, or 14.2%, to €27.1 million for the year ended December 31, 2016 from €31.6 million (CHF 34.0 million) for the pro forma year ended December 31, 2015. The decrease was primarily attributable to deferred tax expenses related to revaluations of deferred tax assets.

Loss for the period

Loss for the period increased by €6.6 million, or 4.9%, to €140.4 million for the period from November 4, 2015 to December 31, 2016 from €133.8 million (CHF 143.8 million) for the year ended December 31, 2015.

On a pro forma basis, loss for the period increased by €21.5 million, or 16.1%, to €155.3 million for the pro forma year ended December 31, 2016 from €133.8 million (CHF 143.8 million) for the year ended December 31, 2015. The increase was a reflection of the higher loss before income tax, partially offset by lower income tax expense.

Other financial information

Swissport EBITDA

Swissport EBITDA decreased by €18.4 million, or 8.5%, to €198.7 million for the period from November 4, 2015 to December 31, 2016 from €217.1 million (CHF 233.3 million) for the year ended December 31, 2015.

On a pro forma basis, Swissport EBITDA decreased by €10.7 million, or 4.9%, to €206.4 million for the pro forma year ended December 31, 2016 from €217.1 million (CHF 233.3 million) for the year ended December 31, 2015. On a constant currency basis, the decrease of the Swissport EBITDA reduces to €3.8 million. This decrease was mainly driven by start-up activities in Saudi Arabia and Ghana, the negative impact from the March 2016 terrorist attacks in Brussels, higher personnel costs due to the strengthening of certain central functions from which we expect future benefits across the group, lower de-icing revenues, mainly in North America, and the loss of licenses in Spain. This was partially mitigated by the acquisitions of AGN and AFS, better cargo volumes and good ground handling performance in certain areas, particularly in the United Kingdom where we have increased the profitability of our operations, and cost reduction initiatives. A major focus in the year was the reduction of exposure to loss making contracts. After allocation of our head-office costs, ground handling accounted for 80.0% of consolidated Swissport EBITDA for the year ended December 31, 2016, compared to 77.0% for the year ended December 31, 2015. Cargo handling accounted for 22.2% of consolidated Swissport EBITDA for the year ended December 31, 2016, compared to 20.8% for the year ended December 31, 2015. The difference to 100% is attributable mainly to head office results. See footnote (9) to "*Summary Consolidated Historical Financial, Operational and Pro Forma Data—Other Financial Data*" above for a reconciliation of Swissport EBITDA to loss before income tax.

Swissport EBITDA Margin

Swissport EBITDA Margin decreased to 8.0% for the period from November 4, 2015 to December 31, 2016 from 8.1% for the year ended December 31, 2015.

On a pro forma basis, Swissport EBITDA Margin decreased to 7.7% for the pro forma year ended December 31, 2016 from 8.1% for the year ended December 31, 2015.

Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Revenue

Revenue increased by €242.2 million, or 10.4%, to €2,574.4 million (CHF 2,766.2 million) for the year ended December 31, 2015 from €2,332.2 million (CHF 2,831.3 million) for the year ended December 31, 2014. This increase reflects a weakening of the euro against the Swiss franc, U.S. dollar, pound sterling and several other currencies, stronger performance in some areas of the ground handling segment, coming mainly from new business with domestic U.S. carriers, that overall resulted in net contract wins, higher de-icing activity mainly in Europe (particularly in Switzerland, the United Kingdom and Belgium) and North America during the first quarter, the 2015 Swissport Acquisitions of AFS in Germany and AGN in Mexico, price indexations and higher cargo volumes. This development was partially offset by the disposal of ground handling operations in France, the discontinuation of ground handling operations in London Gatwick, the loss of several licenses in Spain, the discontinuation of cargo operations in New York (JFK airport) and Denmark during the second half of 2014, lower cargo volumes in several locations across the network, lower ground handling activity in other parts of the network, partially driven by contract losses in the United Kingdom and Canada.

Ground handling

Ground handling revenue increased by €226.3 million, or 11.4%, to €2,205.3 million (CHF 2,369.6 million) for the year ended December 31, 2015, from €1,979.0 million (CHF 2,402.6 million) for the year ended December 31, 2014. This increase reflects stronger performance mainly from new business with domestic U.S. carriers that resulted in net contract wins, higher de-icing activity mainly in Europe (particularly in Switzerland, the United Kingdom and Belgium) and North America during the first quarter, the 2015 Swissport Acquisitions of AFS in Germany and AGN in Mexico, as well as price indexations. These positive developments were partially offset by the effects of the disposal of ground handling operations in France, the loss of licenses in Spain, the discontinuation of ground handling operations in London Gatwick, lower ground handling activity in some parts of the network, partially driven by contract losses in the United Kingdom and Canada. Ground handling revenue accounted for 82.5% of total consolidated revenues for the year ended December 31, 2015, compared to 81.9% for the year ended December 31, 2014.

Cargo handling

Cargo handling revenue increased by €28.9 million, or 6.5%, to €471.2 million (CHF 506.3 million) for the year ended December 31, 2015, from €442.3 million (CHF 537.0 million) for the year ended December 31, 2014. This increase is mainly attributable to the weakening of the euro against the Swiss franc, U.S. dollar, pound sterling and several other currencies. This development was partially offset by the discontinuation of cargo operations in New York (JFK airport) and Denmark during the second half of 2014, and lower cargo volumes in multiple locations across the network. Cargo handling revenue accounted for 17.6% of total consolidated revenues for the year ended December 31, 2015, compared to 18.3% for the year ended December 31, 2014.

Other operating income

Other operating income increased by €14.8 million, or 17.5%, to €99.3 million (CHF 106.7 million) for the year ended December 31, 2015 from €84.5 million (CHF 102.6 million) for the year ended December 31, 2014. This increase is mainly attributable to increases in concession and rental income and expenses recharged to customers, partially offset by decreases in management and trademark fees and fuel sales.

Goods and services purchased

Goods and services purchased increased by €25.8 million, or 6.5%, to €425.1 million (CHF 456.8 million) for the year ended December 31, 2015 from €399.3 million (CHF 484.8 million) for the year ended December 31, 2014. The increase was primarily attributable to increased purchases in the United Kingdom of cargo handling services subcontracted to third parties and increases in operating lease equipment rentals and airport and concession fees.

Personnel expenses

Personnel expenses increased by €207.3 million, or 13.8%, to €1,709.6 million (CHF 1,837.0 million) for the year ended December 31, 2015 from €1,502.3 million (CHF 1,823.8 million) for the year ended December 31, 2014. The increase was primarily attributable to higher volumes and new business in the ground handling segment, operational challenges in some North American ground handling stations, mandatory salary increases, efforts to ensure an adequate operational performance, higher labor cost in Brazil and the 2015 Swissport Acquisitions.

Other operating expenses

Other operating expenses decreased by €14.9 million, or 4.1%, to €347.9 million (CHF 373.8 million) for the year ended December 31, 2015 from €362.8 million (CHF 440.4 million) for the year ended December 31, 2014. The decrease was primarily attributable to the impact of cost-reduction measures implemented during 2014, the impact of synergies implemented during 2014, the disposal of ground handling operations in France, the discontinuation of ground handling operations in London Gatwick, the loss of several licenses in Spain, the discontinuation of cargo operations in New York (JFK) and Denmark and the use and partial release of onerous contract provisions.

Depreciation and impairment of property, vehicles and equipment

Depreciation and impairment of property, vehicles and equipment increased by €5.6 million, or 10.6%, to €58.3 million (CHF 62.6 million) for the year ended December 31, 2015 from €52.7 million (CHF 64.0 million) for the year ended December 31, 2014. The increase was primarily attributable to increased depreciation charges as a result of the 2015 Swissport Acquisitions, partially offset by the strengthening of the Swiss franc against other currencies, the discontinuation of cargo operations in New York (JFK) and Denmark, and the disposal of ground handling operations in France.

Amortization and impairment of intangible assets

Amortization and impairment of intangible assets increased by €1.5 million, or 7.9%, to €20.5 million (CHF 22.0 million) for the year ended December 31, 2015 from €19.0 million (CHF 23.1 million) for the year ended December 31, 2014.

Share of results of associates and joint ventures

Share of results of associates and joint ventures decreased by €1.0 million, or 23.8%, to €3.2 million (CHF 3.4 million) for the year ended December 31, 2015 from €4.2 million (CHF 5.2 million) for the year ended December 31, 2014.

Net finance expense

Net financial expenses increased by €29.7 million, or 25.3%, to €147.1 million (CHF 158.1 million) for the year ended December 31, 2015 from €117.4 million (CHF 142.5 million) for the year ended December 31, 2014. The increase was primarily attributable to the revised assumption regarding the timing of repayment of the existing bonds and super-senior revolving credit facility which was triggered by the imminent closing of the HNA Acquisition and resulted in an early amortization of capitalized transactions costs and bond premium related to the existing bonds and super-senior revolving credit facility. The increase in U.S. dollar-denominated interest payments resulting from the strengthening of the U.S. dollar also contributing to the increase of net finance expense, as did the lower net unrealized gains from derivatives in 2015.

Loss before income tax

Losses before income taxes increased by €37.2 million, or 57.2%, to €102.2 million (CHF 109.8 million) for the year ended December 31, 2015, from €65.0 million (CHF 78.9 million) for the year ended December 31, 2014. The loss was the result of the increase in net finance expense described above that offset the 36.2% increase in operating profit before acquisition and integration cost, which went from €84.8 million (CHF 103.0 million) for the year ended December 31, 2014, to €115.5 million (CHF 124.1 million) for the year ended December 31, 2015.

Income tax expense

Income tax expense decreased by €2.3 million, or 6.8%, to €31.6 million (CHF 34.0 million) for the year ended December 31, 2015 from €33.9 million (CHF 41.2 million) for the year ended December 31, 2014. The decrease was primarily attributable to the results of operations during the year ended December 31, 2015.

Other financial information

Swissport EBITDA

Swissport EBITDA increased by €23 million, or 11.8%, to €217.1 million (CHF 233.3 million) for the year ended December 31, 2015 from €194.1 million (CHF 235.6 million) for the year ended December 31, 2014. Ground handling accounted for 77.0% of consolidated Swissport EBITDA for the year ended December 31, 2015, compared to 78.5% in 2014. Cargo handling accounted for 20.8% of consolidated Swissport EBITDA for the year ended December 31, 2015, compared to 23.8% in 2014. The difference to 100% is attributable to head office results.

Swissport EBITDA Margin

Swissport EBITDA Margin increased to 8.1% for the year ended December 31, 2015 from 8.0% for the year ended December 31, 2014.

Liquidity and Capital Resources

Our principal sources of cash are cash generated from operations and external financings, which include local credit facilities at certain subsidiaries and finance leases. In addition, we expect to gain access to additional liquidity through borrowings under the Revolving Credit Facility upon execution of the Amended and Restated Credit Agreement. Cash is used for capital expenditure, for maintenance of equipment and facilities, to service debt, to meet general operating expenses and for other purposes in the ordinary course of business. Our ability to generate cash from operations depends on our future operating performance, which is in turn dependent, to some extent, on general economic, financial, competitive, market, legislative, regulatory and other factors, many of which are beyond the company's control, as well as the other factors discussed in the section entitled "*Risk Factors*."

The New Issuer is a holding company that conducts no business operations of its own, has no significant assets other than the shares it holds in its direct subsidiary and has no significant liabilities other than inter-company loans. Our subsidiaries may not be able to, or may be restricted by the terms of their existing or future indebtedness, or by law, in their ability to make distributions or advance upstream loans to enable us to make payments in respect of our indebtedness, including the New Notes. Each subsidiary of ours is a distinct legal entity and, under certain circumstances, legal and contractual restrictions, or the inability to convert local currency, such as is the case of Venezuela, may limit our ability to obtain cash from our subsidiaries. Our joint ventures are also subject to contractual restrictions on the amount of cash they may distribute. See "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—Our ability to repay our debt is dependent on our ability to obtain cash from our subsidiaries*."

Our companies regularly monitor and manage their liquidity to ensure all obligations are met. According to our investment policy, excess cash, which is regularly monitored by Corporate Treasury, is maintained in highly liquid and highly rated investments. The principal methods of managing liquidity and investments is the real time reporting of cash and cash equivalents, investments, borrowing commitments and the provision of a monthly detailed cash flow forecast.

Cash Flow

The table below summarizes certain cash flow information for the periods indicated.

	New Issuer				Swissport Parent Entity				
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016(1)	Pro forma January 1, 2016 to December 31, 2016 (3)	November, 4, 2015 to March 31, 2016 (4)	Pro forma January 1, 2016 to March 31, 2016 (5)	Three months ended March 31, 2017
	(CHF in millions)(1)	(EUR in millions) (2)	(CHF in millions)(1)	(EUR in millions)(2)	(EUR in millions)		(EUR in millions)		(EUR in millions)
Total cash flow from operating activities	155.9	128.4	112.1	104.3	135.7	138.4	(7.7)	(5.0)	5.8
Total cash flow used in investing activities	(50.9)	(41.9)	(46.3)	(43.2)	(1,340.2)	(1,444.3)	(1,282.6)	(1,386.7)	(12.9)
Total cash flow from (used in) financing activities	(129.0)	(106.3)	(32.9)	(30.6)	1,340.1	1,307.4	1,450.2	1,417.5	(0.6)
Net increase/(decrease) in cash and cash equivalents	**(24.0)**	**(19.8)**	**32.9**	**30.5**	**135.6**	**1.5**	**159.9**	**25.8**	**(7.7)**

(1) Figures have been extracted from the respective audited financial statements.

(2) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(3) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(4) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected cash flow statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not incur significant cash flows with the exception of certain administrative and financing activities. As a result, the selected cash flow statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected cash flow statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(5) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

Three Months Ended March 31, 2017 Compared to the Period from November 4, 2015 to March 31, 2016 and the Pro Forma Three Months Ended March 31, 2016

Total cash flow from operating activities

Total cash flow from operating activities increased by €13.5 million to an inflow of €5.8 million for the three months ended March 31, 2017 from an outflow of €7.7 million for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, total cash flow from operating activities increased by €10.8 million to an inflow of €5.8 million for the three months ended March 31, 2017 from an outflow of €5.0 million for the pro forma three months ended March 31, 2016. The increase is primarily attributable to an improved working capital management.

Total cash flow from investing activities

Total cash outflow from investing activities decreased by €1,269.7 million to €12.9 million for the three months ended March 31, 2017 from €1,282.6 million for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, total cash outflow from investing activities decreased by €1,373.8 million to €12.9 million for the three months ended March 31, 2017 from €1,386.7 million for the pro forma three months ended March 31, 2016.

The variance is primarily the result of the HNA Acquisition in 2016 (the consideration for which amounted to €1,319.0 million), an increase in restricted cash in 2016 that resulted from the cash collateralization of certain letters of credit after the HNA Acquisition and a payment made in relation to the sale of the French ground handling business in 2014.

Total cash flow from financing activities

Total cash flow from financing activities decreased by €1,450.8 million to an outflow of €0.6 million for the three months ended March 31, 2017 from an inflow of €1,450.2 million for the period from November 4, 2015 to March 31, 2016. On a pro forma basis, total cash flow from financing activities decreased by €1,418.1 million to an outflow of €0.6 million for the three months ended March 31, 2017, from an inflow of €1,417.5 million for the pro forma three months ended March 31, 2016.

Most of the cash inflow for the period from November 4, 2015 to March 31, 2016 and the pro forma three months ended March 31, 2016 arose from shareholders' loans, converted into share capital by the end of the period, and net proceeds that resulted from the refinancing of the acquired debt. This inflow was offset by payments of financing fees, on the settlement of the foreign exchange forward contracts referred to above, and penalties for early termination of acquired debt. In addition, the semi-annual coupon of the pre-HNA Acquisition financing was paid in the first quarter of 2016.

Period from November 4, 2015 to December 31, 2016 and Pro Forma Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Total cash flow from operating activities

Total cash flow from operating activities increased by €31.4 million, or 30.1%, to €135.7 million for the period from November 4, 2015 to December 31, 2016 from €104.3 million (CHF 112.1 million) for the year ended December 31, 2015. On a pro forma basis, total cash inflow from operating activities increased by €34.1 million, or 32.7%, to €138.4 million for the pro forma year ended December 31, 2016 from €104.3 million (CHF 112.1 million) for the year ended December 31, 2015. The increase mainly reflects a strong working capital management and significant 2015 integration costs, partially offset by a lower Swissport EBITDA and higher tax payments.

Total cash flow from investing activities

Total cash outflow from investing activities increased by €1,297.0 million to €1,340.2 million for the period from November 4, 2015 to December 31, 2016 from €43.2 million (CHF 46.3 million) for the year ended December 31, 2015. On a pro forma basis, total cash outflow from investing activities increased by €1,401.1 million to €1,444.3 million for the pro forma year ended December 31, 2016 from €43.2 million (CHF 46.3 million) for the year ended December 31, 2015. The increase is almost exclusively the result of the HNA Acquisition (for which the consideration amounted to €1,319.0 million), coupled with higher purchases of property, vehicles and equipment driven by capital expenditure related to the start-up of operations in Saudi Arabia, an increase in restricted cash due to the cash collateralization of certain letters of credit after the HNA Acquisition and payment made in relation to the sale of the French ground handling business of 2014.

Total cash flow from financing activities

Total cash flow from financing activities increased to an inflow of €1,340.1 million for the period from November 4, 2015 to December 31, 2016 from an outflow of €30.6 million (CHF 32.9 million) for the year ended December 31, 2015. On a pro forma basis, total cash flow from financing activities increased to an inflow of €1,307.4 million for the pro forma year ended December 31, 2016, from an outflow of €30.6 million (CHF 32.9 million) for the year ended December 31, 2015. Most of the inflow arose from shareholders' loans, converted into share capital by the end of the period. An additional contributor to the inflow was the net proceeds from borrowings. Significant outflows from financing activities included interest payments that included the payment of a semi-annual coupon of the pre-HNA Acquisition financing, financing and retainer fees, the settlement of the foreign exchange forward referred to above and a penalty from early termination of financing.

Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Total cash flow from operating activities

Total cash inflow from operating activities decreased by €24.1 million, or 18.8%, to €104.3 million (CHF 112.1 million) for the year ended December 31, 2015 from €128.4 million (CHF 155.9 million) for the year ended December 31, 2014. The decrease was primarily attributable to the costs of exiting onerous customer and warehouse contracts in the United Kingdom coupled with lower working capital performance. This was partially offset by lower tax payments and higher dividends received from joint ventures and associates.

Total cash flow from investing activities

Total cash outflow from investing activities increased by €1.3 million, or 3.1%, to €43.2 million (CHF 46.3 million) for the year ended December 31, 2015 from €41.9 million (CHF 50.9 million) for the year ended December 31, 2014. The increase is primarily attributable to a decrease in restricted cash, compared to an increase in 2014 and cash inflows from derivatives transactions, partially offset by higher purchases of property vehicles and equipment in 2015 as well as the acquisitions of AGN and AFS in 2015 and the sale of remedy stations in 2014.

Total cash flow from financing activities

Total cash outflow from financing activities decreased by €75.7 million, or 71.2%, to €30.6 million (CHF 32.9 million) for the year ended December 31, 2015 from €106.3 million (CHF 129.0 million) for the year ended December 31, 2014. The decrease was primarily attributable to a capital contribution and higher net proceeds from borrowings in 2015, as well as financing and retained fees paid in 2014, partially offset by higher interest payments.

Contractual Obligations

The following table summarizes the financial payments that we will be obligated to make, including under debt instruments as of March 31, 2017, on an as adjusted basis after giving effect to the Transactions, assuming that all outstanding Existing Notes are exchanged for New Notes in the Exchange Offer.

The information presented in the table below reflects management's estimates of interest payments and the contractual maturities of the respective obligations. These maturities may differ significantly from the actual maturity of these obligations.

	Payments due by period				
	Less than 1 Year	1-2 Years	2-5 Years	More than 5 Years	Total
	(€ in millions)				
As of March 31, 2017					
New Term Loan B	28.8	28.8	542.4	0.0	600.0
New Senior Secured Notes	27.0	27.0	473.2	0.0	527.2
New Senior Notes	27.3	27.3	362.5	19.4	436.5
Revolving Credit Facility(1)	0.0	0.0	0.0	0.0	0.0
Other debt obligations(2)	34.4	29.6	28.7	30.2	122.9
Finance lease obligations(3)	10.6	6.9	8.8	0.0	26.4
Operating lease obligations(4)	106.3	67.1	110.6	48.3	332.3
Purchase obligations(5)	12.0	0.0	0.0	0.0	12.0

(1) As of March 31, 2017, CHF 110.0 million of the Revolving Credit Facility has been committed and CHF 42.9 million (€40.2 million) was utilized for standby letters of credit and CHF 15.6 million (€14.6 million) for cash drawn downs (refer to note 7 of the Unaudited Consolidated Interim Financial Statements). Prior to the date of these Listing Particulars, we were not able to access borrowings under the Revolving Credit Facility pending resolution of certain events of default under the Credit Agreement.

(2) Includes local facilities and minority shareholder loans (excluding the €20 million shareholder loan from HNA that was converted to equity in April 2017).

(3) Mainly in respect of equipment financing.

(4) Mainly in respect of equipment and warehouse leasing.

(5) Mainly in respect of equipment purchases.

We may from time to time in the ordinary course of business repurchase some of our notes.

Capital Expenditure and Investments

The following table shows our capital expenditures (defined as cash outflows on purchases of property, vehicles and equipment as well as purchases of intangible assets) for the periods indicated.

	New Issuer				Swissport Parent Entity				
	Year ended December 31, 2014		Year ended December 31, 2015		November 4, 2015 to December 31, 2016	Pro forma January 1, 2016 to December 31, 2016(2)	November, 4, 2015 to March 31, 2016(3)	Pro forma January 1, 2016 to March 31, 2016(4)	Three months ended March 31, 2017
	(CHF in millions)	(EUR in millions)(1)	(CHF in millions)	(EUR in millions)(1)	(EUR in millions)		(EUR in millions)		(EUR in millions)
Property, vehicles and equipment	44.7	36.8	58.4	54.4	68.3	73.5	9.5	14.7	15.1
Intangible assets	4.7	3.9	6.8	6.3	12.3	14.0	1.5	3.2	3.4
Total capital expenditure(5)	**49.4**	**40.7**	**65.2**	**60.7**	**80.6**	**87.5**	**11.0**	**17.9**	**18.5**
Proceeds from sale of property, vehicles and equipment	(2.6)	(2.1)	(5.3)	(4.9)	(10.5)	(12.0)	(1.3)	(2.8)	(3.3)
Net capital expenditure (tangible and intangible)(6)	46.8	38.6	59.9	55.8	70.1	75.5	9.7	15.1	15.2
% of total revenue and other operating income	1.6%	1.6%	2.1%	2.1%	2.8%	2.8%	2.3%	2.4%	2.2%

(1) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information relating to the year ended December 31, 2014 has been translated from Swiss franc to euro at the average month-end exchange rate for 2014 of EUR 1 = CHF 1.214022218, and the financial information relating to the year ended December 31, 2015 has been translated from Swiss franc to euro at the average month-end exchange rate for 2015 of EUR 1 = CHF 1.07450053. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at these or any other rates.

(2) In order to provide comparisons of the years ended December 31, 2015 and 2016, the pro forma financial information in this column has been derived from the 2016 Audited Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(3) We acquired Aguila 2 and its subsidiaries (including the New Issuer) on February 10, 2016, and the results of the New Issuer are consolidated in the selected cash flow statement information of the Swissport Parent Entity for the two month period from February 1, 2016 to March 31, 2016. Prior to the Swissport Parent Entity's acquisition of the New Issuer, the Swissport Parent Entity was a shell company that did not incur significant cash flows with the exception of certain administrative and financing activities. As a result, the selected cash flow statement information of the Swissport Parent Entity for the period from November 4, 2015 to March 31, 2016 is not directly comparable to the selected cash flow statement information of the Swissport Parent Entity for the three months ended March 31, 2017. Figures for the period from November 4, 2015 to March 31, 2016 have been restated to mainly reflect the finalization of acquisition accounting related to the HNA Acquisition and the impact of subsequent events (see note 3 to the Unaudited Consolidated Interim Financial Statements).

(4) In order to provide comparisons of the period from November 4, 2015 to March 31, 2016 and the three months ended March 31, 2017, the unaudited pro forma condensed financial information in this column has been derived from the Unaudited Consolidated Interim Financial Statements with certain adjustments as set forth in "*Unaudited Pro Forma Condensed Combined Financial Information*."

(5) Capital expenditures reported here includes cash paid for purchases of property, vehicles and equipment and purchases of intangible assets, which excludes capitalized interest.

(6) Net capital expenditure (tangible and intangible) is capital expenditures less proceeds from sale or property, vehicles and equipment.

In the three months ended March 31, 2017, our main capital expenditure for property, vehicles and equipment related to new business gained following the exit of Aviator from most of their stations in the United Kingdom, warehouse constructions in Algeria and the United States, investments into equipment across Europe, and the start-up in Oman. As the table indicates, our capital expenses have grown steadily during the past two full fiscal years reflecting the expansion of the group into new countries as well as the need to replace the equipment that had come to the end of its economic life.

We estimate that our capital expenditure for the full year ending December 31, 2017 will be approximately €80.0 million to €90.0 million, representing an increase above historical levels. We expect capital expenditure to trend toward a level slightly above long term average in later years of projections as a result of our growth.

Unrestricted Subsidiaries

Swissport Cargo Services Israel is a 51% owned subsidiary of Swissport International Ltd. in Israel that provides cargo handling services at the Ben-Gurion International Airport in Tel Aviv. The New Issuer's partners in respect of Swissport Cargo Services Israel are C.A.L Cargo Airlines Ltd., IIF Israel Transportation Infrastructure Ltd. and Elad Israel Residence Ltd. For the purpose of financing the construction of a cargo warehouse, Swissport Cargo Services Israel entered into a new Israeli shekel credit facility with Harel Insurance Company Ltd. on December 28, 2016, to replace the previous financing facility, of which €25.5 million was outstanding as of March 31, 2017. Swissport Cargo Services Israel also entered into shareholder loans with third parties, which amounted to €9.7 million as of March 31, 2017. We provide performance guarantees to counterparties of Swissport Cargo Services Israel, including a construction guarantee with respect to its warehouse and a guarantee for early termination of its concession, in an aggregate amount of up to €9.8 million. Our subsidiaries provided €11.6 million in inter-company funding to Swissport Cargo Services Israel as of March 31, 2017. Neither Swissport nor any of our other subsidiaries are guarantors under Swissport Cargo Services Israel's shekel credit facility. Swissport Cargo Services Israel has been ring-fenced for purposes of our existing debt and is considered an "Unrestricted Subsidiary" under the Existing Indentures. Consistent with our historical treatment of Swissport Cargo Services Israel under our financing arrangements, Swissport Cargo Services Israel will be an "Unrestricted Subsidiary" for purposes of the New Indentures.

Swissport Belgium, formerly Flightcare Belgium NV, is an indirect wholly-owned subsidiary of Swissport International Ltd. in Belgium that provides ground handling services at the Brussels airport. The New Issuer acquired Swissport Belgium through its subsidiary in September 2012. Due to many external factors at Brussels airport, Swissport Belgium has incurred negative financial performance. For the twelve months ended March 31, 2017, Swissport Belgium represented 3.0% of Swissport's consolidated revenue and other operating income. As of March 31, 2017, Swissport Belgium represented 0.4% of the assets of Swissport. Swissport Belgium is considered an "Unrestricted Subsidiary" under the Existing Indentures and will also be an "Unrestricted Subsidiary" under the New Indentures to provide flexibility for the purposes of restructuring and bringing Swissport Belgium into a financially viable position within our group.

Swissport Cargo Services France is a wholly-owned subsidiary of Swissport France Holding SAS that provides cargo handling services in several locations in France. For the twelve months ended March 31, 2017, Swissport Cargo Services France represented 0.6% of Swissport's consolidated revenue and other operating income and did not contribute to Swissport EBITDA. As of March 31, 2017, Swissport Cargo Services France represented 0.1% of the assets of Swissport. Our subsidiaries provided €6.8 million in inter-company funding to

Swissport Cargo Services France as of March 31, 2017. Swissport Cargo Services France is considered an "Unrestricted Subsidiary" under the Existing Indentures and will also be an "Unrestricted Subsidiary" under the New Indentures to provide flexibility for the purposes of possibly disposing of Swissport Cargo Services France in due course.

Swissport Saudi is an indirect wholly-owned subsidiary of Swissport International Ltd. In March 2015, Swissport Saudi won the second license to provide ground handling services to airlines at three airports: Riyadh, Jeddah and Dammam. This project requires significant additional investment in equipment and other start-up costs, which we have provided €44.8 million in the form of inter-company loans as of March 31, 2017. The majority of the investment is expected to be re-financed by third parties in due course. As of March 31, 2017, Swissport Saudi represented 0.8% of the assets of Swissport and did not contribute to Swissport EBITDA. Swissport Saudi is considered an "Unrestricted Subsidiary" under the Existing Indentures and will also be an "Unrestricted Subsidiary" under the New Indentures until it generates sufficient Swissport EBITDA so as not to negatively impact the financial covenant.

Swissport Brazil is a wholly-owned subsidiary of Swissport International Ltd. that provides ground handling in several locations in Brazil. For the twelve months ended March 31, 2017, Swissport Brazil represented 2.8% of Swissport's consolidated revenue and other operating income. As of March 31, 2017, Swissport Brazil represented 0.8% of the assets of Swissport. Our subsidiaries have provided €10.7 million in inter-company funding to Swissport Brazil as of March 31, 2017. Swissport Brazil has outstanding local bank facilities of €3.3 million as of March 31, 2017. Due to the potential risks associated with labor costs and the economic crisis in Brazil, Swissport Brazil will be designated as an "Unrestricted Subsidiary" under the New Indentures to provide flexibility for the purposes of restructuring and bringing Swissport Brazil into a financially viable position within our group.

Swissport Cargo Services Brazil is an indirect wholly-owned subsidiary of Swissport International Ltd. that provides cargo handling services at several locations in Brazil. For the twelve months ended March 31, 2017, Swissport Cargo Services Brazil represented 0.1% of Swissport's consolidated revenue and other operating income. As of March 31, 2017, Swissport Cargo Services Brazil represented 0.1% of the assets of Swissport. Our subsidiaries provided €2.3 million in inter-company funding to Swissport Cargo Services Brazil as of March 31, 2017. Due to the potential risks associated with labor costs and the economic crisis in Brazil, Swissport Cargo Services Brazil will be designated as an "Unrestricted Subsidiary" under the New Indentures to provide flexibility for the purposes of restructuring and bringing Swissport Cargo Services Brazil into a financially viable position within our group.

Finance Leases

A number of our subsidiaries have entered into finance leases with respect to equipment. As of March 31, 2017, we had indebtedness under finance leases of €23.4 million.

Off-Balance Sheet Arrangements

Certain third parties require our and various of our subsidiaries' banks to issue guarantees and letters of credit in the ordinary course of business, primarily related to rental payments, licenses, customs and other performance obligations. As of March 31, 2017, these guarantees and letters of credit amounted to €94.4 million. These letters of credit guarantee contingent liabilities that will crystallize to the extent that the letters of credit are drawn or the guarantees enforced and the bank enforces its right to recover the amount drawn.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to a variety of financial risks, namely market risk, including currency and interest rate risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Financial risk management at the Swissport level is measured, monitored and hedged according to Group Treasury foreign exchange and Interest Rate Risk Management Policies, and continues to be carried out by the Corporate Treasury, which applies the below principles and policies.

Interest rate risk

We have significant exposure to interest rate risk as a result of our floating rate indebtedness. If as of December 31, 2016 the interest rates had been 100 basis points lower or higher, our annual interest would have been €0.4 million lower or €6.4 million higher, with all other variances held constant. To mitigate such risk, and other financial risks arising from the Financing, the New Issuer may enter into one or more hedging arrangements.

Foreign exchange risk

We operate internationally and are exposed to foreign exchange risk arising from future commercial transactions, recognized assets and liabilities and investments in foreign operations that are denominated in a currency other than the respective functional currencies of the New Issuer and its subsidiary companies. The functional currencies of the subsidiary companies are primarily the Swiss franc, U.S. dollar and euro. Our currency exposures primarily arise with respect to the U.S. dollar, euro, British pound sterling, Brazilian real, South African rand and Swiss franc. Individual companies of our group rarely enter into transactions with third parties that are not denominated in their functional currency. Where they do, the foreign exchange risk has historically been monitored and managed through natural hedges and/or assessed not material. At the Corporate Treasury level, foreign exchange exposures are prevalent and thereby monitored and actively hedged.

Although transactions between group companies are generally not hedged, our Corporate Treasury may nevertheless enter into foreign exchange forward contracts to remove the foreign exchange risk on transactions with other group companies (such as a loan to or from group companies). The net assets of investments in foreign operations are also a source of foreign exchange risk. Our policy is to reduce this risk by:

- funding acquisitions using local rather than central borrowings, where possible, to provide a natural cash flow hedge in that the subsidiaries are mainly financed in the currency in which they generate the majority of their operational cash flows; and
- otherwise having external borrowings denominated in the functional currencies of the Swissport Group companies concerned (principally U.S. dollar and euro). Where appropriate, these borrowings are designated as hedges of the net investments in foreign entities and the exchange gains and losses arising on the translation of these borrowings are recognized in other comprehensive income.

If, with all other factors remaining constant, during the year ended on December 31, 2016,

- the Swiss franc had strengthened by 1% against the euro, our loss for the year would have been €0.3 million lower;
- the pound sterling had strengthened by 1% against the euro, our loss for the year would have been €0.1 million lower; and
- the U.S. dollar had strengthened by 1% against the euro, our loss for the year would have been €0.6 million higher.

Cash flow and fair value interest rate risk

Our interest rate risk arises primarily from external borrowings and cash and cash equivalents. Borrowings and cash and cash equivalents at variable rates expose us to cash flow interest rate risk. Our exposure to interest rate risk is limited as the majority of our borrowings (bonds) have fixed interest rates (*i.e.*, the interest expense is not subject to changes in market interest rates).

The table below shows the balances for cash and cash equivalents with the banks and financial institutions at the balance sheet date:

	New Issuer				Swissport Parent Entity	
	As of December 31, 2014		As of December 31, 2015		As of December 31, 2016	As of March 31, 2017
	(CHF in millions)	(EUR in millions)(1)	(CHF in millions)	(EUR in millions)(1)	(EUR in millions)	(EUR in millions)
Cash and Cash Equivalents						
Counterparties external credit rating (Standard and Poor's)						
Investment Grade A—and above	62.8	52.2	87.5	80.8	95.8	69.1
Investment grade BBB+, BBB, BBB—	26.8	22.3	22.4	20.7	20.6	25.6
Non-investment grade BB+ and below	17.9	14.9	13.9	12.8	7.2	13.7
Not Rated	9.9	8.2	4.8	4.4	8.5	7.8
Total(2)	**117.4**	**97.6**	**128.6**	**118.8**	**132.1**	**116.2**

(1) The New Issuer's functional and reporting currency was the Swiss franc at the time of preparation of the financial statements. For your convenience, the financial information as of December 31, 2014 has been translated from Swiss franc to euro at the year-end exchange rate of EUR 1 = CHF 1.202730781, and the financial information as of December 31, 2015 has been translated from Swiss franc to euro at the year-end exchange rate of EUR 1 = CHF 1.082631527. These rates may differ from actual rates used in the preparation of the consolidated financial statements and other financial information appearing elsewhere in these Listing Particulars. You should not construe the presented rates as a representation that Swiss franc amounts could have been, or could be, converted into euro at this or any other rate.

(2) The cash and cash equivalents presented above are excluding any restricted cash. Restricted cash in the amounts of €26.6 million, €14.1 million, €49.9 million and €51.1 million are included under prepayments, trade and other receivable in the consolidated balance sheets of Swissport as of December 31, 2014, 2015 and 2016 and March 31, 2017, respectively.

The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets.

Liquidity risk and investing excess liquidity

All Swissport companies regularly monitor and manage their liquidity to ensure all obligations are met. According to our investment policy, excess cash, which is regularly monitored by Corporate Treasury, is maintained in highly liquid and highly rated investments. The principal methods of managing liquidity and investments is the real time reporting of cash and cash equivalents, investments, borrowing commitments and the provision of a monthly detailed cash flow forecast.

Critical Accounting Estimates

The preparation of financial statements requires management to make estimates and judgments concerning the future that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the future such estimates and judgments will be modified as appropriate in the year in which the circumstances change. The Swissport Parent Entity's significant accounting policies are set forth in note 3 to the 2016 Audited Consolidated Financial Statements.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimated impairment of goodwill

In accordance with our accounting policies, goodwill is tested annually to determine whether it has suffered any impairment. Goodwill is tested for impairment on an operating segment level, which reflects the lowest level at which goodwill is monitored for internal reporting purposes. The impairment tests are normally based on value in use calculations. These calculations involve a variety of assumptions such as estimates of future cash flows in and outflows and choice of an appropriate discount rate. Actual cash flows might for example differ significantly from management's current best estimate. Changes in assessed presence of competitors, customers under contract, technological obsolescence etc. might impact the future cash flows and result in recognition of impairment losses (see note 16 to the 2016 Audited Consolidated Financial Statements).

Income taxes

Companies of the Swissport Group are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes and assessing the extent to which deferred tax assets are recoverable, particularly those in connection with tax losses carried forward. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Swissport recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made (see notes 14 and 18 to the 2016 Audited Consolidated Financial Statements).

Litigation

The current nature of our business exposes us to a number of proceedings and civil lawsuits. These proceedings take, in some cases, years to be resolved and management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such proceedings. Claim-related provisions are presented in note 24 to the 2016 Audited Consolidated Financial Statements.

Insurance and workers compensation provisions

We have recognized insurance provisions in relation to aviation liabilities and workers compensation provisions in relation to injuries that occurred on the job. Both the insurance and workers compensation provisions are partially offset by receivables from insurance companies. In some cases, claim amounts may take years to be agreed upon. As such, management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such claims. Insurance- and workers' compensation-related provisions are presented in note 24 to the 2016 Audited Consolidated Financial Statements.

Actuarial valuation

Assumptions are used in the preparation of the defined benefit schemes calculations. Management uses the services of external actuaries to perform these calculations. The assumptions used in these calculations are presented in note 19 to the 2016 Audited Consolidated Financial Statements.

Acquisition accounting

Intangible assets acquired in business combinations are required to be recognized separately from goodwill if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated. The assumptions used in these calculations are presented in note 27 to the 2016 Audited Consolidated Financial Statements.

The fair value of these acquired intangible assets is based on valuation techniques. The valuation models require input based on assumptions about the future. Management uses its best knowledge to estimate fair value as of the acquisition date. Intangible assets with finite useful lives are tested for impairment when there is an indication that they might be impaired while intangible assets with indefinite useful lives are tested for impairment annually. Management also makes assumptions about the useful life of the acquired other intangible assets which might be affected by external factors such as increased competition.

Overview

We are the world's leading independent provider of ground and cargo handling services to the aviation industry based on revenue and number of airports served. In 2016, we were the number one provider of ground and cargo handling services with an estimated 12% of the total global ground and cargo handling market accessible by independent ground and cargo handlers by revenue, which is almost twice as large as the market share of our nearest competitor. We offer our customers a full-range of ground and cargo handling services, which by their nature are a critical element of our customers' own businesses, and we aim to provide, as we already do in some airports, a one-stop shop range of services. Our personnel can be found throughout the airports in which we operate, both in passenger-facing roles, such as counter check-in, gate check-in and boarding, security screening and lounge services, and in logistical roles, such as baggage handling, ramp handling, aircraft maintenance, de-icing, cargo office and warehousing, and fueling. As of March 31, 2017, we provide our ground-handling and cargo services at 279 airports in 48 countries and to over 800 customers, of which approximately 62% are airline and approximately 38% are non-airline clients such as airports and freight-forwarders. For the last twelve months ended March 31, 2017, our total revenue and other operating income was €2,726.2 million, our operating profit before acquisition and integration costs was €86.5 million and our Adjusted Swissport EBITDA was €211.7 million.

For operating and reporting purposes, we group the services we provide in the following categories:

- *Ground Handling*. Our ground handling services include core services such as ramp and passenger handling and baggage services, as well as higher value add and higher yielding services such as lounge and ticketing operations, airport management and control, crew administration, cabin cleaning and de/anti-icing. Ground handling also includes complementary specialty services such as fueling, aircraft maintenance, executive aviation and aviation security. During the last twelve months ended March 31, 2017, ground handling operations contributed 82.4% and 79.8% to our total revenue and other operating income and our Swissport EBITDA for the period, respectively.

- *Cargo Handling*. Our cargo handling services include physical import and export handling of freight, warehousing and storage of cargo, document handling, trucking, mail handling and e-freight services. During the last twelve months ended March 31, 2017, cargo handling operations contributed 17.7% and 24.6% to our total revenue and other operating income and our Swissport EBITDA for the period, respectively.

As of March 31, 2017, we had operations at 279 airports in 48 countries, spanning 92 airports in 17 countries in Europe, 58 airports in the United States and Canada, 45 airports in nine countries in Central America (including the Caribbean), 20 airports in five countries in South America, 47 airports in nine countries in Africa and 17 airports in six countries in Asia and the Middle East. By number of airports serviced, we are ranked number one in North America, Central America (including the Caribbean) and South America, Africa and the Middle East, and Europe. By the same measure, we are ranked number three in the Asia-Pacific region. We operate at some of the busiest airports in the world, including Chicago O'Hare International Airport ("**ORD**"), Los Angeles International Airport ("**LAX**"), London Heathrow Airport ("**LHR**"), Tokyo Haneda Airport ("**HND**"), Paris Charles de Gaulle Airport ("**CDG"**), Dallas/Fort Worth International Airport ("**DFW"**) and Hartsfield-Jackson Atlanta International Airport ("**ATL**"). For the pro forma year ended December 31, 2016, our top ten airports accounted for 37% of our total revenue and other operating income. For the last twelve months ended March 31, 2017, our European and North American operations contributed, respectively, 49% and 36% of our total revenue and other operating income from ground handling operations; the remaining 15% was derived from our ground handling operations in Africa, Central and South America, Asia and the Middle East.

Our integrated service offering and global presence allows us to offer a comprehensive range of services in each of the regions in which we operate. We offer a full suite of ground and cargo handling services, as well as more bespoke, customized services for clients such as low-cost carriers. Our services are complemented by sophisticated hub management capabilities, which allow us to respond to outsourcing by airlines at their home bases. Our services are designed to meet our customers' needs on both a local and global scale throughout our network. In addition, we are flexible to our customers' needs and to changes in the aviation landscape. We believe that we are consistently at the forefront of technological advancements in our industry. For example, we were one of the first independent global aviation service providers to offer web check-in, mobile check-in, real-time operations labor management, advanced integrated security procedures and various other innovative aviation services.

Our more than 800 customers are major full-service airlines, regional air carriers, low-cost carriers, air cargo carriers, freight forwarders and airports and, include Swiss International Air Lines, Lufthansa, United Airlines, Qatar Airways, Delta Air Lines, Emirates, American Airlines, Lufthansa Cargo, easyJet and Ryanair, among others. For the last twelve months ended March 31, 2017, our top ten customers represented 30.1% of our consolidated annual revenue and accounted for 11% of our individual contracts. We have a long service history and established contractual agreements in place with many of our customers, including Swiss International Air Lines, Lufthansa, British Airways, United Airlines, Air France, South African Airways, Virgin Atlantic Airways, Qatar Airways, Flybe**,** Ryanair and easyJet.

We believe that our strong reputation and loyal customer base have been achieved because of our global presence, integrated service offerings and local management expertise. Because of our global presence, we are able to utilize best practices from each of the regions in which we operate in order to deliver service that consistently applies Swissport quality across all of our global locations. Our local management expertise allows us to apply our global and integrated services and key performance indicators (KPIs) offerings in a manner that is specifically tailored to the needs of our customers in each of those regions. This local expertise also allows us to respond quickly to changes in local market conditions and adapt our business accordingly. We believe that our global presence, integrated service offerings and local management expertise aid us in attracting and maintaining a strong and loyal customer base.

Our Strengths

We are a global leader in our industry

We are the largest independent ground handler in the world based on revenue and number of airports and one of the largest cargo handlers in the world based on metric tons of cargo handled, making us a leader in ground and cargo handling. Compared to other independent ground and cargo handling service providers, our market share by revenue has increased from an estimated 7% in 2006 to an estimated 12% in 2016 of the total global ground and cargo handling market accessible by independent providers. We estimate that we provided our services to more than 800 customers in 2016, including ground handling services for approximately 249 million passengers on approximately 4.1 million flights and handling approximately 4.3 million metric tons of cargo. We also believe that we are the number one independent provider of ground handling and cargo handling services to the aviation industry in several countries in which we operate, and at many of the airports at which we operate. We believe that none of our competitors has a service offering as broad as ours with a similar degree of combined strength in both ground handling and cargo handling.

We believe that our position as a global provider of ground and cargo handling services makes us well placed to offer network-wide coverage to our airline clients and to provide them with the type of hub and base services, including hub management (where we provide all of an airline's ground handling requirements at a certain hub), that we believe we are uniquely able to provide. This puts us in a strong position to bid for and capture new licenses and contracts, whether arising through deregulation or airline restructuring, leading to new opportunities or tender renewals. We believe that our global scale, overall service quality, and comprehensive product offering give us unique competitive advantage and positioning vis-à-vis our competitors. We are increasingly being contracted to manage the ground handling and/or cargo needs of customers at the major airports in which they operate. As of the date of these Listing Particulars, we provide services at the hubs or bases of Swiss International Air Lines in Zurich, Lufthansa in Munich, Brussels Airlines in Brussels, easyJet in Geneva, Ryanair in London (Stansted), Bulgaria Air in Sofia, Finnair in Helsinki, South African Airways in Johannesburg, FedEx Express in Incheon and Osaka (Kansai), as well as United Airlines in Los Angeles, Washington, D.C. (Dulles) and San Francisco.

We have high quality service offerings and an established and loyal customer base

We have an established reputation for high quality service among our customers in the aviation industry. Quality of service and on-time performance is critical in the aviation services industry as airlines entrust their handling services to external parties, and high quality of service requires a high level of skill and technical know-how. Poor handling can lead to damaged aircraft, late check in, lost luggage and delayed schedules, all of which can be costly for airlines, both from a financial and reputational point of view, partially because many customers view handling personnel as airline employees instead of third-party employees. We set for ourselves a target of 98% for on-time performance. In the last twelve months ended March 31, 2017, we achieved on-time performance of 97.9%.

We recognize the importance of quality in our services and strive to ensure that our clients feel confident that their customers will have positive experiences with our services. Our focus on providing a high level of service together with our technical know-how, the wide range of services we offer globally, and our local expertise in addressing the varied and demanding needs of our customers, has earned us a strong reputation for high quality service offerings, for which we have been recognized.

For instance, we were recently named "*Ground Handler of the Year 2016*" by Air Transport News, after having won the inaugural prize in 2012. The STAT Times, an international specialist trade magazine for the cargo and logistics sector, named Swissport as "*African Cargo Handler of the Year*" in 2011, 2013 and 2015 and as "*International Ground Handler of the Year for Cargo Services*" in 2017. Swissport received an award for the "*Best Cargo Handler of the Year 2014*" at Airports Company South Africa's Feather Awards. At the World Air Cargo Awards, Air Cargo Week named our cargo services division the "*Air Cargo Handling Agent of the Year for 2014*" for the sixth year in a row. Swissport was also honored with the "*Ground Handling Award*" at the Cargo Airline of the Year Awards in 2013. The National Petroleum Management Association in the United States awarded us with the "*Silver Nozzle Trophy*" for the most outstanding airport fueling organization for 2013. Additionally, third-party consultants have confirmed, through interviews with industry experts and our customers, our high quality reputation and the favorable perception of our value-added services.

We believe that our high quality service offerings make us well-placed to bid for and capture new licenses and contracts, whether as a result of deregulation creating new opportunities or tender renewals, as evidenced by our Net Contract Wins, which amounted to €65.8 million for the twelve month period ended December 31, 2016 and which amounted to €21.3 million for the three months ended March 31, 2017. In addition, we believe that the sophistication of our global knowledge and services allows us to integrate our systems into each new location more quickly and easily. We therefore have a competitive advantage with respect to new customers looking to outsource or switch providers, particularly in relation to airline hubs and bases where aviation service providers need to be fully integrated into the daily activities of the airline.

Our high quality services, combined with the wide range of services we offer globally and our ability to custom tailor a service package for the individual needs of our customers, have allowed us to build a loyal and diverse customer base and mean that we enjoy strong Contract Renewal Rates, as well as being well positioned to win new contracts and new customers. For 2016, our combined Contract Renewal Rate across Europe was 92%, across Africa was 84%, across Asia was 0%, across North America was 69% and across Latin America was 88%, giving a global combined Contract Renewal Rate of 78%. As of March 31, 2017, our combined Contract Renewal Rate for the last twelve months across Europe was 81%, across Africa was 95%, across Asia was 60%, across North America was 90% and across Latin America was 100%, giving a global combined Contract Renewal Rate of 91%. In the second quarter of 2017, we have 29 contracts due for renewal that exceed €1 million in value (by annual revenue). We have maintained long-term relationships with many of our customers, some of whom have been our customers since our inception and others since their inception. For example, we have provided services to British Airways and Flybe for more than 25 years and Ryanair for more than 20 years. Swiss International Air Lines and Lufthansa have been customers since we were founded. Where ground-handling services are highly integrated with airlines' own operations, which is especially the case for hub or base operations, there can be high switching costs for clients in changing service providers.

Our global footprint complemented by local expertise allows us to compete effectively in a very competitive market

With operations at 279 airports in 48 countries worldwide as of March 31, 2017, spanning Europe, Asia, Middle East, Africa and the Americas, we believe that we have a larger global footprint and offer a wider range of services than any of our competitors on a global basis. Our global network allows us to maximize resource utilization across the network and minimize costs, and enables us to share and deploy our global knowledge and best practices across our vast international network, which has led to consistency in the services provided to our customers and made us more competitive.

Our global scale provides an extensive equipment and personnel base from which we can draw, allowing for cross functional equipment and staff utilization, and cost advantages and the sharing of best practices. Our global scale also affords us procurement efficiencies, which can lower the costs of new equipment purchases. The operational effectiveness of our services is actively monitored at all levels by the use of standard key performance indicators, which we believe improve our financial and operational performance. Our global scale and operational effectiveness allow us to reduce certain of the cost burdens associated with entering new markets, such as Saudi Arabia and Ghana, which include significant start-up costs.

Our global presence has afforded us the capability to deliver the full spectrum of our high quality services on a global level, and the capability to offer "one-stop shop" services at the primary locations at which we operate. Our capability to offer a broad range of services drives resource utilization at the airports at which we operate. The services we offer can be individually tailored to the needs of our specific customers in each region in which we operate, giving us the flexibility to meet each of our customers' individual needs. We have strengthened our global network by having a key account management team that provides service consistency to our customers across locations and local expert management teams that have the ability to respond quickly to changes in local market conditions. The combination of our global network and local expertise has allowed us to compete effectively in a very competitive market by allowing us both to guide our existing customers as they expand, where we have existing operations, into new locations and to capture new customers at a local level, including in new locations such as Saudi Arabia and Oman. We also believe we have the breadth and quality of service offering, and the necessary experience and knowledge, required to enable us to successfully expand our global footprint further into key emerging markets such as Ghana, which we entered in late 2015, and China, where we intend to strengthen our presence in the future.

Our diverse and resilient business model helps to mitigate cyclical trends in the aviation industry

We have a diverse business model with a global presence in various economic markets, a diversified customer base and a range of service offerings within the aviation industry, which spans the full range of ground-handling activities from de-icing and fueling to airport lounges, and includes what we believe is our unique ability to offer one-stop shop services at a hub level. Our business model also allows us to diversify market risks that are specific to certain regions and to mitigate the cyclical nature of the aviation industry.

As we have operations across a wide variety of emerging markets, where we see strong growth potential, including Eastern Europe, Africa, Asia and the Middle East, we believe we have been able, and will continue to be able, to mitigate the negative impact of regional downturns in the developed markets in which we operate, such as during the recent global economic crisis. We also have a well-diversified customer base consisting of more than 800 customers worldwide ranging from established multi-national airlines to low-cost carriers, regional carriers and airports. For the last twelve months ended March 31, 2017, our top ten customers represented 30.1% of our consolidated annual revenue, with no single customer exceeding 5% of our consolidated annual revenue other than Swiss International Air Lines which represented 7.1% of our consolidated annual revenue during this period. Moreover, we are not typically reliant on a small number of large contracts with specific customers. As of March 31, 2017, we had 359 contracts in place with our top ten customers. As part of our business model, we also seek to leverage our strong relationships with our airline clients to enter into framework agreements with various airlines to provide them with a full range of ground and cargo handling services when these airlines enter into new markets in which we operate.

The diversity of our service offerings within the aviation industry allows us to mitigate the negative impact suffered by any specific line of service within the aviation industry. In our core ground-handling division, the key driver of revenue is the number of flights and aircraft movements, i.e. turnaround, rather than passenger numbers. While a prolonged and lengthy reduction in passenger volume may cause airlines to close routes, thereby reducing flights, we can often foresee and mitigate this risk by downsizing our operations appropriately because there will generally be a delay between the reduction of passengers and the closing of routes. We believe that our ground handling revenues have proven to be more stable than revenues in other aviation related sectors that suffer as result of the cyclical nature of the aviation industry. For example, although the aviation industry suffered a significant downturn in 2009, the overall value of the independent ground and cargo handling sectors only decreased from approximately €16.5 billion in 2008 to approximately €15.8 billion in 2009, and has since recovered to reach approximately €20.8 billion in 2016. Moreover, when the air cargo industry as a whole suffered more than the passenger airline industry through the financial crisis, our ground handling and specialty services, which fared better at the time, mitigated this decline. Likewise, certain events that may cause a decline in the number of flights, such as terrorist attacks or epidemics, thereby affecting our ground handling revenue stream, will not necessarily affect cargo volume as adversely. Equally, changes in cargo volumes have historically shown an early cycle recovery, largely because air cargo is primarily comprised of finished products that businesses need to restock at the early stages of their inventory cycles. Passenger growth, which exhibits later cycle recovery, generally recovers following improved economic sentiment and consumer confidence.

Our business model affords us a significant cost and service advantage. In particular, we seek to build on our existing relationships to create closer partnerships with key clients to enable us to move from providing single airport or network packages to providing integrated hub and base management services with an eye to full outsourcing. Our business model also benefits from a secure source of underlying revenue from providing services that are critical to our clients' own business operations and reputations. By their nature, our services, particularly our ground handling services, including hub management, are a critical part of the efficient and effective operation of our airline clients' own businesses. Cargo handling services are also critical to passenger airlines as they rely significantly on freight shipping to improve the profitability of their routes.

We are well positioned to take advantage of current trends in the global aviation industry

We believe we are well positioned to take advantage of the anticipated increase in demand for air travel as economic growth around the globe gains momentum, and of certain trends in the aviation industry that include local deregulation of aviation services, outsourcing of airport services by airlines and airports, an increased presence of low-cost carriers, the increasing use of technology, including the automation of passenger, ground handling and cargo services, and an increase in aircraft cargo capacity. We believe that our large size, global presence and wide variety of service offerings will enable us to capitalize on these trends.

- *Increasing demand for air travel*. Global demand for both passenger and cargo air travel is increasing and is expected to continue to increase, with some estimates indicating a potential doubling in aircraft numbers globally between 2015 and 2035. This will lead to more flights, more pressure on turnarounds and greater demand for outsourced ground handling services, with forecasted annual growth in market value during the period from 2017 to 2021 expected to be 4.6% for the ground handling market, and 5.8% for the cargo handling market (see "*Industry*"). Equally, although year-on-year changes in both passenger volumes and aircraft movements follow changes in GDP, aircraft movements (which principally drive revenue in the ground handling industry and are more insulated from changes in GDP than passenger volumes) are forecast to follow an upward trend, notwithstanding a general trend towards increasing average aircraft sizes. We believe we are well positioned to capitalize on this predicted market growth, both at a global and regional level, due to the global reach of our business operations and our extensive network of relationships with carriers and airports.
- *Deregulation of aviation services*. The deregulation of local airport services in many countries and regions has opened new markets to independent handlers and afforded us the opportunity to expand our network and utilize our global knowledge to improve aviation service processes at selected airports. For example, any EU airport where traffic exceeds two million passengers or 50,000 metric tons of freight per year is currently required to have at least two handling operators, at least one of which must be independent from the airport or any dominant carrier at the airport. Additionally, the EU is considering proposals for further deregulation in respect of ground handling, the outcome and scope of which is currently uncertain (see "*Business—Regulation*"). As a global independent operator, we benefit from such deregulation because more markets will become open to us. For example, we have benefited from deregulation in Saudi Arabia, Algeria and Morocco that has enabled us to enter these new markets.
- *Outsourcing of airport services*. Many airlines have sought to reduce their cost centers and focus on their core business of passenger transportation, particularly in the wake of the rise of the low-cost carriers, which seek to provide a less expensive alternative to consumers by operating more efficiently and at a lower cost. We estimate that airlines on average are able to save 15-25% of their costs by outsourcing their airport services. Outsourcing therefore has and will continue to play an important role in the aviation and airport services industry. Many airlines that previously handled their own ground operations and cargo are in the process of outsourcing those services, including, by way of example, United Airlines Express and Frontier in the United States, which have already outsourced some of these services. Airlines have also started to outsource services at large hubs to benefit from greater product flexibility and lower operating costs, as well as to allow themselves to focus on their core business. With our leading experience at 279 airports and in thirteen hubs around the globe, we believe we offer an attractive service offering, including hub management, to airlines looking to outsource service offerings. In particular, we believe that we are the sole independent provider of global and cargo handling services able to offer one-stop shop services when required by airlines at their main hubs. As of the date of these Listing Particulars, we estimate that 60% of ground handling services are still carried out by airlines for their own account rather than being outsourced to third-party providers such as Swissport.
- *Increased presence of low-cost carriers*. Low-cost carriers, such as Ryanair and easyJet, are gaining market share worldwide and have achieved significant growth in recent years. Low-cost carriers are heavily focused on efficient and low-cost operations and have therefore been at the forefront of outsourcing handling needs to third-party handlers. We believe we have the necessary infrastructure, resources and operational excellence, as well as the flexibility, to serve the growing number of low-cost

carriers and capitalize on these outsourcing opportunities by offering these clients bespoke, customized services, as is already evidenced by the fact that Ryanair (4th largest) and easyJet (5th largest) were two of our largest customers by revenue in the last twelve months ended March 31, 2017. Our ability to cater to low-cost carriers is underscored by our renewal in April 2017 of a multi-year agreement with easyJet at its Geneva hub.

- *Increasing use of technology*. The dependence on technology in the wider aviation industry, including the automation of passenger, ground and cargo handling services, continues to increase. Accordingly, technology use and development have been and remain a core priority of our business, and we consider ourselves to be an industry leader in the development and implementation of technological advancements within our business. Such advances have included self-service applications, such as kiosks, web, mobile and off-airport check-in and common and self-bag drops.

We have strong cash generation and a successful financial track record

Our business has a strong record of cash flow generation, even during periods of economic downturn. Our total revenue and other operating income grew from €2,416.7 million (CHF 2,933.9 million) in 2014 to €2,673.7 million (CHF 2,872.9 million) in 2015 and €2,469.6 million for the period from November 4, 2015 to December 31, 2016 (€2,681.7 million for the pro forma year ended 2016). Our operating profit before acquisition and integration costs amounted to €84.8 million (CHF 103.0 million) for the year ended December 31, 2014, €115.5 million (CHF 124.1 million) for the year ended December 31, 2015, €95.9 million for the period from November 4, 2015 to December 31, 2016 (€95.9 million for the pro forma year ended December 31, 2016) and €86.5 million for the twelve months ended March 31, 2017. We generated Swissport EBITDA of €194.1 million (CHF 235.6 million) for the year ended December 31, 2014, €217.1 million (CHF 233.3 million) for the year ended December 31, 2015 and €198.7 million for the period from November 4, 2015 to December 31, 2016 (€206.4 million for the pro forma year ended December 31, 2016). For the last twelve months ended March 31, 2017, we generated Adjusted Swissport EBITDA of €211.7 million. Our Swissport EBITDA Margin, for the year ended December 31, 2014 was 8.0%, for the year ended December 31, 2015 was 8.1%, for the period from November 4, 2015 to December 31, 2016 was 8.0% (7.7% for the pro forma year ended December 31, 2016) and the last twelve months ended March 31, 2017 was 7.5%.

By virtue of the asset-light nature of our business, we also benefit from low capital expenditure requirements which are closely monitored and managed to ensure they remain low. In 2014, 2015 and 2016, our net capital expenditure amounted to 1.6%, 2.0% and 2.8% respectively, of total revenue and including other operating income for the relevant year. Our profitability and increased focus on working capital management has led to improved cash flow generation. We managed to reduce our DSO from 64 days in February 2008 to 40 days in March 2017 and continue to manage our working capital closely to maximize our cash flow generation. We generated cash flow from operating activities of €128.4 million (CHF 155.9 million) in 2014, €104.3 million (CHF 112.1 million) in 2015 and €135.7 million for the period from November 4, 2015 to December 31, 2016 (€138.4 million in the pro forma year ended December 31, 2016). We generated cash flow from operating activities of €5.8 million for the three months ended March 31, 2017, compared to negative €7.7 million for the period from November 4, 2015 to March 31, 2016 (negative €5.0 million for the pro-forma three-month period ended March 31, 2016).

We analyze our performance on a monthly basis by reference to our Net Contract Wins and the Contract Renewal Rate. We also take into consideration a pipeline ratio defined as the annualized revenue of active sales projects per total annual revenue for the previous fiscal year and a success ratio that corresponds to the annualized revenue of sales projects won per revenue of total sales projects submitted. Over the three month-period ended March 31, 2017, we achieved on average higher monthly retention, pipeline and actual success ratios than during the twelve-month period ended December 31, 2016. Our Net Contract Wins as of March 31, 2017 totaled €21.3 million.

We have an experienced and stable management team with a successful track record and strong shareholder support

We have an internationally diverse senior management team with extensive industry expertise and a proven track record in the air services and logistics operation industries. The international diversity of our management team, which is represented by five nationalities, reflects the global approach of the company, which we believe has aided us in growing our total revenues, managing costs, introducing new products and acquiring and successfully integrating new businesses. We believe that the collective industry knowledge and leadership of our senior management team and their record of accomplishment in responding to challenging economic conditions and achieving profitable revenue growth will enable them to continue to execute our strategy profitably.

Our independent management team also benefits from the support of HNA Group, which, through direct and indirect subsidiaries, wholly owns Swissport. Aviation and airport management form a core part of HNA Group, a Fortune 500 company whose interests also encompass financial services, real estate, retail, tourism and logistics sectors. We believe that the HNA Group is the fourth largest aviation group in China. Following our acquisition by HNA Group in February 2016, we have continued to function as an independently managed part of the HNA Group, while benefiting from the strategic support offered by the strength and connections of the wider HNA Group.

Our Strategy

The key components of our strategy are to:

Maintain and further develop our leading market position by developing new products and service offerings in new locations

We seek to maintain and further develop our positions within our existing network by continuing to focus on our brand and our core strengths. We opened our doors with three locations in Switzerland in 1996 and, as of March 31, 2017, we operated at 279 airports globally. We believe we have achieved such growth primarily due to the strong brand name and quality of our services. We constantly seek to adapt to market changes by offering state-of-the-art services and products and moving into new markets and regions, an approach that we will continue to pursue. For example, we were one of the first aviation services providers to offer technological innovations such as web and mobile check-in, and we have also been quick to adapt to changes in the aviation industry, including the increased presence of low-cost carriers. As of the date of these Listing Particulars, we have a number of strategic greenfield projects in our pipeline, which aim to capitalize on the trends in, amongst other things, outsourcing and deregulation, and which we believe will yield a positive revenue impact in the next few years. The majority of these projects consist of opportunistic start-ups based around new tender prospects arising from outsourcing and deregulation, such as our new operations in Saudi Arabia. We believe our leading market share and our constant focus towards adding customer value make us well-positioned to continue capitalizing on such opportunities. On an on-going basis, we review and adjust our risk management policies for entering into ground and cargo handling contracts with airlines with the goal of minimizing the potential for entry into unprofitable contracts. These adjustments have included adopting a more centralized approach to approvals by lowering the threshold of contracts required to be reviewed by our management team. Significant contracts are also reviewed at an earlier stage of negotiations to enable our management to review, negotiate and amend certain conditions of such contracts if necessary.

Continue to implement the Swissport Formula throughout our businesses to further improve operational efficiency

The "Swissport Formula" is a ten-point initiative focused on operational efficiency and standardization of processes and procedures across all of our operations. This initiative has yielded tangible results, and we believe it helps us maintain a competitive edge in our industry. The Swissport Formula is based on lean management principles, pursuant to which we have introduced standard management practices throughout our businesses in order to achieve operational excellence as well as a leaner cost structure. This initiative is built on the principles of centralized planning, daily operational key performance indicator monitoring and steering, establishment of common best-practice standards across our businesses, active management and monitoring of customer and network relationships, and lean organizational structures optimized to each airport's size and operational complexity. The Swissport Formula provides for optimized solutions for both the global and local requirements of our customers and for interoperability and compatibility of services between multiple airports. These standard practices enable us to provide our customers with consistent quality, reliability and well-trained management and staff which drives our financial and operational performance, by, among other things, allowing us to provide superior service to our customers. These standard practices also allows us to streamline our workforce best practices to create a leaner cost structure, which further drives our financial and operational performance.

The Swissport Formula aims to change the company culture from a local understanding of the "Swissport way of doing things" to a global approach. The result is an efficient, safe, and secure operation forming a sustainable basis for our development, while providing customer confidence and peace of mind, in addition to reducing costs. With the Swissport Formula, we aim to provide our customers and employees with the benefits of global alignment, standardization and consistency.

Continue to grow in key existing markets and expand into new locations

Our business has grown consistently since its foundation and continues to grow profitably. This growth has principally been driven by expansion of our existing operations in certain of our key markets and the expansion of our relationships with key customers at all of our locations. As airlines continue to outsource a broad range of services at their main hubs to benefit from lower operating costs, we believe we are the sole independent provider of global and cargo handling services able to offer the one-stop shop services meeting their requirements. Another strategy we have adopted for promoting expansion in existing locations has been to focus on entering into framework agreements with airline clients which contain pre-agreed terms for the provision of a range of ground and cargo handling services that apply whenever these airlines expand into new locations where we already offer our services and have customer infrastructure in place. Likewise, we continue to selectively close the gaps in our existing network in an effort to offer more complete coverage to our customers and to offer a wide portfolio of services at each airport at which we operate.

In addition to our continued focus on growth in locations where we are already active, we also from time to time seek to enter new markets or further develop our existing business in certain locations through greenfield projects or selected acquisitions, while maintaining a disciplined and risk-based approach to evaluating the commercial logic and benefit of all potential expansions. To this end, we continue to focus on developing existing expansion projects, including market entries in selected locations in Western and Eastern Europe, Africa, Latin America, the Middle East and East Asia. On occasion, where joint venture structures are required by local regulations or deemed beneficial from a business perspective (as is often the case in emerging markets such as Ghana and Morocco), we will seek to expand our presence through joint ventures provided attractive margins are expected to be achievable. Entering into joint ventures in new markets can be beneficial from a de-risking perspective as it can enable us to take advantage of the local knowledge of our joint venture partners, as we did in April 2017 when we started operations in the Oman market through a joint venture. We have stringent risk management policies in place in terms of analysis and decision-making in respect of new contracts and expansion opportunities, with a centralized approach whereby our senior management reviews key contracts at an early stage of the negotiations to mitigate against potential risks. For example, every contract with a value in excess of €3.0 million requires sign-off from our CEO. Throughout our advancements and expansions, we aim to meet and exceed the expectations of our customers with a continuous focus on quality.

Given HNA Group's core focus on aviation and airport services, we seek to leverage our connection to HNA Group to strengthen our presence in Asia and, in particular, China. We believe that our position as an independently managed business within HNA Group provides us with the necessary platform with which to enter into the large and fast-growing Chinese aviation market, due to a combination of the wider HNA Group's regional knowledge and presence, and our market leading service offering. We also expect to be well-placed to win new contracts from the airlines, airports and operational bases in China that form part of HNA Group. As of December 2016, based on publicly available information, the aviation division of HNA Group had a fleet of over 1,250 aircraft, flying 1,100 inbound and outbound routes, reaching more than 270 destinations, with annual passenger volume of approximately 92 million. Airlines with fleets operated and managed by HNA Group include Hainan Airlines, Tianjin Airlines, Capital Airlines, Deer Jet, Lucky Air, West Air, Fuzhou Airlines, Urumqi Air, Beibu Gulf Airlines, Yangtze River Airlines, Guilin Airlines, Chang'an Airlines, Africa World Airlines, and Aigle Azur. Many of HNA Group's airlines are joint ventures with local governments for whom they are strategically important. HNA Group also owns and operates a number of airports in China and has operational bases at a range of other airports in China.

Maintain a strong cash flow

We continuously focus on maintaining and improving our strong cash flow generation by maximizing the utilization of existing assets, leveraging existing resources and maintaining a disciplined approach to growth-oriented capital expenditure. We already benefit from an asset-light business model that requires relatively low levels of capital expenditure and maximizes flexibility. Moreover, our greenfield projects are financed through operating leases when available, allowing us to maintain low capital requirements. Going forward, we expect to support cash flow generation through further optimization and management of working capital and tax outflows as well as the implementation of cash pooling structures. We seek to maintain our DSO at a low level, which was around 40 days in March 2017, down from 64 days in February 2008. We also intend to further leverage our leading market position at the procurement stage to achieve better prices and conditions in our contracts with airlines.

In April 2017, we received a €718 million equity injection from our principal shareholder, €200 million of which we intend to use to partially repay the Term Loan B Facility. We intend to use the remainder of this equity injection, substantially all of which will be contributed to our new credit group, in full or in part to help finance select acquisitions of restricted subsidiaries and/or Unrestricted Subsidiaries in key existing markets as well as strategic new locations. In addition, we expect to benefit from an interest rate reduction of the Term Loan B Facility under the Amended and Restated Credit Agreement, which we expect to have a favorable impact on our future interest expenses.

Focus on human resources management

Ground handling and cargo handling are relatively labor intensive businesses. We have over 64,000 employees globally and believe that our workforce management is a key differentiating factor among aviation services operators. We believe that our efforts have resulted in tangible results such as constructive labor relationships globally and strong local human resources relationships with a proven track record, evidenced by very few union and labor related issues. We intend to continue to focus on our human resources management to further differentiate our service offerings from those of our competitors and better service the needs of our customers.

Human resources management is at the core of our business, and the Swissport human resources strategy builds upon our global business strategy. Both the Swissport business and human resources strategies are based on our shared corporate vision and mission "to provide the aviation industry with consistent and tailor-made solutions around the globe, for a better customer experience" and our commitment to our corporate core values of "People, Professionalism and Partnership." The corporate human resources team works closely with line management and the worldwide human resources community to develop and implement valuable programs, tools, processes and procedures to support Swissport managers in their daily work for more efficiency, better management and leadership in order to achieve our shared goal of excellence.

Swissport is dedicated to supporting all employees in reaching their full potential through a wide variety of training and development techniques and continuous performance management. The Swissport training program provides level-adequate training from base to top. We have also implemented a global performance development review system to be used across our business. In addition, we offer targeted training programs at every level of employment, from standardized technical training for our operations staff to our own Active Leadership and Advanced Active Leadership programs for members of first-line and middle management. Further, we recently launched a global corporate compensation strategy to support the growth of our business by closely aligning compensation and benefits to standardized performance matrices. The new compensation and benefits model envisions the creation of global polices and frameworks for different processes, including regular communications and supporting documents for the regions, as well as trainings to cascade corporate process top down through the organization. Our strong compensation and benefits foundation is a key element to support management decisions and business expansion.

We also seek to maintain a flexible workforce by outsourcing certain of our ground and cargo handling needs to third parties, a move which we believe allows us to remain flexible throughout cyclical trends in the aviation industry, thereby allowing us to maximize productivity and workforce utilization.

Swissport's History

Swissport Milestones

- *1996-1999*: We opened our doors with three locations in Switzerland and within three years expanded our global footprint to South Africa, Turkey, the United Kingdom, Germany and Brazil, and we acquired DynAir in the United States and the ground and ramp handling operations of Aer Lingus in London.
- *2000-2003*: We further expanded our global footprint to 130 locations in 25 countries and acquired Cargo Service Center B.V.
- *2004-2007*: We won a key tender process in Spain for licenses at six locations, acquired Protectas and Groundstar and expanded our global footprint by offering additional services or services for the first time at numerous airports globally. We also had a successful entry into Madrid with Ryanair, as well as Bulgaria.
- *2008-2010*: We built and opened new cargo facilities in Israel and Kenya, won a ground handling license at the Munich Airport, and were awarded the "Cargo 2000" certification across the cargo business. We also further expanded our global footprint by offering additional services for the first time at numerous airports globally.

- *2011-2013*: We were acquired by affiliates of PAI in February 2011. Our headquarters and location in Zurich were registered as ISAGO providers, a key IATA Safety Audit Certificate. We received numerous accolades, including being named "*Best Ground Handling Company*" by the Institute of Transport Management in 2012 for the twelfth consecutive year. Through a number of acquisitions, we increased our network in Spain, Belgium, Finland, Costa Rica and beyond. We also expanded cargo handling services in Japan, won licenses for international airports in Morocco and won a ground handling license for Oran International Airport in Algeria. In addition, in December 2013, we acquired 100% of the share capital and voting rights of Servisair SAS, including all its operating subsidiaries, associates and joint ventures. Servisair was another global operator in the airport services sector that had a particular focus on the United Kingdom, the United States, Canada and Ireland.
- *2014-2016*:
  - In 2014, we signed an agreement for a global strategic partnership with Cargolux, and we joined the German Aviation Association.
  - Swissport was again named "*Air Cargo Handling Agent of the Year*" 2014 award from Air Cargo Week, for the sixth consecutive year, the "*African Cargo Handler of the Year*" 2015 award from STAT Times and the "*Ground Handler of the Year 2016*" award by Air Transport News.
  - In 2015, we completed the acquisition of Air BP's share in AFS as a result of which we now own a majority stake of 66.6% (through direct and indirect shareholding) in AFS. At the time, AFS was the largest provider of into-plane-fuelling services in Germany with operations at ten German as well as two Austrian airports.
  - In 2015, we signed an agreement with the shareholders of AGN, to purchase the entire share capital of AGN through an earn-out mechanism. At the time, AGN was Mexico's third largest provider of ground handling services operating at 28 airports in Mexico, including some of Mexico's biggest airports.
  - With the closing of the acquisition of Swissport by HNA Group in February 2016, we became a stand-alone business within HNA Group.
  - In October 2016, we announced the acquisition of Skylink, a cargo handling company specialized in air cargo handling based at Amsterdam Airport Schiphol. As a result the acquisition, we increased our warehouse capacities in Amsterdam by approximately 10,000 square meters.
- *2017*:
  - We were again named "*African Cargo Handler of the Year*" by STAT Times, for the fourth year in a row.
  - In April 2017, we started operations in Oman, providing flydubai and Air Arabia with comprehensive ground handling services at Muscat International Airport.

Services and Business Operations

We provide ground handling services as well as cargo handling.

Ground Handling

Our ground handling services are divided into three categories, aircraft servicing and ramp handling, airport management and administration, and passenger services. In 2016, we were one of the largest independent ground handlers in the world based on revenue and number of airports, providing passenger and ramp handling at 279 airports worldwide and serving approximately 249 million passengers per annum. During the last twelve months ended March 31, 2017, our ground handling operations contributed 79.8% to Swissport EBITDA for the period. For the last twelve months ended March 31, 2017, our ground handling operations in Europe amounted to 49% of our consolidated ground handling revenues and other operating income, in North America to 36% of our consolidated total revenue and other operating income, and in Africa, Latin America and Asia to 15% of our consolidated total revenues and other operating income.

We provide individual or combinations of ground handling services to our customers at the majority of the airports at which we operate. We provide certain of our customers with ground handling services at multiple airports across their networks or on a regional basis. Some of our customers employ us to provide all of their ground handling requirements at certain of their hubs and bases, referred to as "hub management." We perform hub management services for Swiss International Air Lines in Zurich, Lufthansa in Munich, Brussels Airlines in

Brussels, easyJet in Geneva, Ryanair in London (Stansted), Bulgaria Air in Sofia, Finnair in Helsinki, South African Airways in Johannesburg, and United Airlines in Washington, D.C. (Dulles). We believe that the variety of services we offer benefits our customers by allowing us to provide a customized approach and individually tailor our services to each of their needs. The variety of services we offer also allows us to act as a "one-stop shop" where all of a customer's needs can be met through a single provider. As of March 31, 2017, our ground handling services division had over 58,000 personnel and we provided ground handling services in 36 countries worldwide. We estimate that during 2016 we served over 249 million passengers and approximately 4.1 million flights across the regions in which we operate.

Aircraft Servicing and Ramp Handling consists of both aircraft serving and baggage/ramp handling services. Aircraft serving consists of properly cleaning and preparing aircraft for flight by offering cabin cleaning, crew transport to and from aircraft, de/anti-icing, aircraft push-back and toilet and water services. Our de/anti-icing services consist of ensuring each plane is prepared for flight during cold weather by spraying a mixture of heated water and either propylene glycol or ethylene glycol onto an aircraft, which aids in melting ice on the aircraft. Our toilet and water services empty and properly dispose of the waste from aircraft lavatories. Baggage/ramp handling services consists of loading and unloading baggage from aircraft and ensuring that all baggage is sorted and organized appropriately through our unit load device control process. Unit load devices are large containers used to load luggage or freight into aircraft. These devices allow a large quantity of cargo to be bundled into a single unit, thus reducing the number of units to load, which aids in reducing the likelihood of delayed flights by saving ground handling time.

Airport Management and Administration consists of flight operations assistance, irregularity operations support, which is necessary when flights are delayed or other abnormal flight disruptions occur, liaising with port authorities, load control, airport control, airport representation and supervision, airline flight plan filings and weather briefings. These services aid our customers by offering our expertise in all areas of airport and flight logistics, as well as offering up-to-date information on flight plans and weather. Our load control services are provided through centralized load planning teams at numerous locations; significant synergies are created by centralizing this function into regional centers which provides additional service benefits for the customer. Notable recent examples of centralized load planning include the expansion of our load control services through the building of serviced centers in Manchester, United Kingdom and Marrakech, Morocco. Load control involves creating data by calculating the weight and balance of an aircraft to ensure the aircraft flies safely and efficiently while maintaining payload opportunities. This data is then forwarded directly to the aircraft flight deck, wherever the aircraft is at the time.

Passenger Services consists of airport ticketing sales desk services, arrival and transfer services, check-in services, dedicated passenger services, gate services, lost and found services, services for passengers with reduced mobility, lounge services and special passenger and VIP services. These services allow us to interact directly with the passengers that we provide services for annually throughout their traveling experience. A recent example of how we continue to develop our passenger services is the expansion of Aspire executive lounges open to all travelers, regardless of airline or travel class. We have opened new Aspire lounges at numerous airports in recent years, including London Heathrow Airport in April 2015 and Zurich Airport in June 2016.

Ground Handling Services by Region

Europe

As of March 31, 2017, we provided ground handling services at 57 airports in Europe, servicing approximately one million turnarounds during 2016. At these airports, we provided ground handling services for 275 airlines as of March 31, 2017. In addition to traditional ramp and passenger services, we provide hub management services under long-term framework agreements to Swiss International Air Lines in Zurich, Lufthansa in Munich, Brussels Airlines in Brussels, easyJet in Geneva, Ryanair in London (Stansted), Bulgaria Air in Sofia and Finnair in Helsinki.

In Europe, we offer our ground handling services at the vast majority of the airports in which we operate. As of March 31, 2017 we offered specialized services for passengers with reduced mobility at 12 airports, two of which are operated through joint ventures.

Asia and the Middle East

In Asia, as of March 31, 2017, we offered ground handling services at the seven airports where we have operations in South Korea, Hong Kong and Japan.

In the Middle East, we started operations in Saudi Arabia on June 1, 2016 after having been awarded licenses from Jazeera Airways and Gulf Air at Jeddah, Riyadh and Dammam international airports. Under the agreements with these airlines, we will provide a full scope of ground handling services, including passenger, baggage, ramp and aircraft services for a period of ten years. We consider that our entry into Saudi Arabia was a major milestone in our business strategy and marked our market entry into the Middle East. Continuing on this path, we were awarded a ten-year ground handling license in Oman in June 2016 and began operations at Muscat International Airport in Oman in April 2017.

Africa

In Africa, we offer ground handling services at all airports within the main countries in which we operate, including South Africa, Tanzania, Kenya, Morocco and Algeria. As of March 31, 2017, we provided ground handling services at 25 airports in Africa, and we serviced 139,678 turnarounds in these airports during 2016. At these airports, we provided ground handling services for 80 airlines as of March 31, 2017. In addition, we provide hub management services under a long-term framework agreement to South African Airlines in Johannesburg.

Americas

As of March 31, 2017, we had ground handling operations at 58 airports across North America, 45 airports across Central America (including the Caribbean) and 20 airports across South America. At these airports, we serviced 1,016,008 turnarounds in 2016 and currently provide passenger and ramp handling services for 244 airlines. In addition to traditional ramp and passenger handling in many locations across the Americas, we also handle the hub of United Airlines at Dulles International Airport in Washington, D.C.

Across Latin America, our key markets are Mexico, Brazil and Chile, and we are focused on the development of strategic alliances with key regional carriers such as Avianca, GOL and Copa to take advantage of the rapid emergence of a middle class which is expected to drive air travel growth in the region. In this region volumes have increased by 10.4% in 2016 as compared to 2015.

In 2015, we signed an agreement with the shareholders of AGN to purchase the entire share capital of AGN through an earn-out mechanism. At the time, AGN was Mexico's third largest provider of ground handling services operating at 28 airports in Mexico, including some of Mexico's biggest airports at Mexico City, Cancun, Monterrey and Chihuahua. We believe that this local combination provides us with a strong platform for growth in the Mexican market.

Customers and Sales

As of March 31, 2017, we had 474 ground handling customers, and we believe that we have a strong and loyal customer base and favorable brand recognition in the aviation services industry. Other than Swiss International Airlines, which represented 7.1% of our consolidated revenue for the last twelve months ended March 31, 2017, no other customer represented over 5% of our consolidated revenue during this period. Our top ten ground handling customers by revenues, which accounted for 30.3% of our ground handling revenue for the last twelve months ended March 31, 2017, were:

- Swiss International Air Lines
- Ryanair
- United Airlines
- easyJet
- Finnair
- Lufthansa
- Delta Air Lines
- American Airlines
- Emirates
- Brussels Airlines

We have a long service history and established contractual agreements in place with each of these customers. We also have an experienced international ground handling sales team with expertise in our business and services. Key account managers are responsible for managing the relationship with and developing business with our larger customers. Our key account managers play a crucial role in maintaining long-term business relationships with our larger customers such as Swiss, Lufthansa, British Airways, Ryanair and easyJet.

Our sales policy also includes local and regional sales representatives who are on site to deal with customers' local needs and expectations in terms of service and delivery. They are supported by our global account management teams who can deal with customers at a global level and protect their needs over their entire network.

Specialty Services

We provide a number of complementary aviation services, including maintenance, fueling, executive aviation and aviation security. Many of the specialty services are provided as a complement to our pre-existing ground handling locations and the revenues for specialty services are included under our ground handling division to prevent any distortion to our historical reporting of revenue development.

Maintenance Services. As of March 31, 2017, we provided aircraft maintenance services at 19 airports, of which seven were located in North America, six in Central America, one in Europe and five in Asia and the Middle East. Our aircraft maintenance services include repair work, engineering support, warranty administration, transit/turnaround services and aircraft checks. We also provide ground support equipment unit and unit load device maintenance services at various airports worldwide, and we manage and maintain a substantial ground support equipment fleet worldwide.

Fueling Services. We provide into-plane fueling services and ground support fueling services as well as the maintenance and operation of on- and off-airport fuel storage and distribution systems. As of March 31, 2017, we provide fueling services at 44 airports, of which 28 were located in North America, two in Africa and 14 in Europe. We refuel all types of aircraft with fixed hydrant carts, hydrant trucks and tankers utilizing electronic data capture providing customers with real-time information.

Executive Aviation. We provide executive aviation services to the international community of corporate operators and private high net worth individuals who rely on corporate or private jets. Our executive aviation services include domestic and international handling, fast turnarounds, passenger and crew assistance, flight planning and weather, catering, hotel and restaurant reservations, limousine and car rental, aircraft charter reservation, customs and immigration assistance, traffic rights and landing permits, airport and airway slot coordination and fueling. As of March 31, 2017, we provided certain executive aviation services in 97 airports of which 11 were located in Central America, eight in South America, 34 in Europe, 32 in Africa and 12 in Asia and the Middle East.

Aviation Security. We provide aviation security services consisting of general surveillance, travel documentation verification, access control, passenger screening, cabin searches, aircraft guarding, cargo and baggage screening, high-risk security operations for U.S. carriers, security training and threat and vulnerability assessments. Due to the large scale of our operations, we are also able to integrate our service offerings with our ground handling and cargo handling operations. As of March 31, 2017, we provide aviation security services at 34 airports of which six were located in Central America, two in South America, six in Europe, 19 in Africa and one in Asia and the Middle East.

Cargo Handling Services

We are the world's largest air cargo handling company based on metric tons of cargo handled. Our cargo handling services accounted for 17.7% and 17.7% of our total revenue and other operating income for the twelve-month period ended March 31, 2016 and the twelve-month period ended March 31, 2017, respectively. During the three months ended March 31, 2017, cargo handling operations contributed 24.6% to our Swissport EBITDA for the period. Our cargo handling services include physical import and export handling of freight, warehousing and storage of cargo, document handling, trucking, mail handling and e-freight services. Our major cargo bases are Seoul Incheon in South Korea, Los Angeles, Washington Dulles International, San Francisco in the United States and Osaka's Kansai International Airport in Japan.

The list below sets forth the main cargo handling services that we offer:

- freight handling (on/off airport)
- document handling (import/export)
- cargo handling in a third-party facility
- network handling services (off-line)
- special cargo handling
- trucking services
- e-freight services
- mail handling
- integrator handling
- freighter ramp services / transportation
- call center and airline customer services
- warehousing
- outsourced hub operations and management

As of March 31, 2017, our cargo handling services division had over 5,000 personnel and we provided cargo handling services at 105 airports in 34 countries, handling in excess of 4.3 million metric tons of cargo via approximately 133 warehouses and offering a total of approximately 415,000 square meters of global storage capacity.

Integrator Handling Management

We provide integrator handling management to integrators worldwide. Integrators are premium shipping providers that provide door-to-door transportation of freight, such as Federal Express, UPS, DHL and TNT in addition to general freight. Integrator handling management differs from traditional handling management because integrator handling management uses automated conveyor belts, capable of handling higher volumes and different types of packages that cannot typically be handled as efficiently by traditional handling management. Additionally, the operational cargo handling peaks that occur throughout a given day differ for traditional handling management compared to integrator handling management and by merging the two forms of management, we are able to better utilize staffing. Integrators also have strict deadlines to meet as they offer a high value delivery product with guaranteed short delivery times. When they outsource their handling they select vendors who they can trust to meet their strict delivery requirements as a delay at one location can disrupt their whole network of deliveries. Due to the high quality demands of their business, they seldom change handling partners and often have long term relationships with their third-party suppliers.

Customers and Sales

As of March 31, 2017, we had 372 cargo handling customers, including 228 airlines. Our top ten cargo handling customers, which accounted for 37.5% of our cargo handling revenue for the last twelve months ended March 31, 2017, were:

- United Airlines
- Qatar Airways
- KLM Royal Dutch Airlines
- Swiss International Air Lines
- Cargolux Airlines International
- Etihad Airways
- Turkish Airlines
- DHL Global Forwarding
- China Airlines
- Air France

As of the date of these Listing Particulars, we have cargo framework agreements with the following customers:

- Oman Air (multi-station agreement for four airports)
- Air France Cargo/KLM/Martinair (global framework agreement for over 50 airports)
- Swiss World Cargo (global framework agreement for over 25 airports)
- Virgin Atlantic Airways (global framework agreement for approximately ten airports)
- Finnair Cargo (global frame agreement for over 15 airports)
- EVA Airlines (global framework agreement for two airports)
- Cargolux (global framework agreement for 48 airports)
- Aer Lingus (global framework agreement for five airports)
- Cathay Pacific (global framework agreement for 23 airports)
- Germanwings & Eurowings
- easyJet (global framework agreement for 20 airports)
- TUI (global framework agreement for 12 airports)
- Qatar Airways—Cargo (global framework agreement for 15 airports)

These framework agreements generally range in duration from two to five years and payment for our services is typically based upon volume of cargo tonnage handled by our operations.

Our direct cargo handling sales force consists of approximately 16 regional sales executives and approximately five global account managers, who account for our primary sales channel to our customers. We also have a number of key sales representatives for each region in which we operate. These representatives have extensive knowledge of our global product offerings as well as local expertise, which we believe puts them in a position to offer our existing and potential customers tailored cargo service offerings that meet their individual needs.

Customer Relationship Management

In order to further differentiate our cargo handling services from our competitors and bring value-added benefits to our customers, we have implemented a customer relationship management ("**CRM**") initiative. This CRM initiative is focused on customer retention by providing extra reporting and information services to customers to help them monitor the services that we are offering against Cargo 2000 standards. A dedicated team works closely with our key customers to ensure we cover their needs in terms of product offering and service delivery and supports this with suitable tools.

Finance leases and capital expenditure

Based on availability, condition of existing equipment and operational considerations, Swissport either leases or purchases its equipment. When entering into greenfield projects, Swissport aims to target a short payback period and only enters into finance or operating leases after securing at least one anchor client.

Material Contracts

Customer Contracts

Most of our airline customer contracts follow the IATA's Standard Ground Handling Agreement ("**SGHA**"), which includes standard provisions related to passenger services, ramp services, load control, flight operations, cargo and mail services, support services, security and aircraft maintenance, and which regulates standards of work, subcontracting, remuneration and liability and indemnity, among other things. Across all contracts smaller variations exist for some contracts, but generally the aim is to closely follow the IATA standards. This contract is an internationally recognized agreement that provides the basis for contracts between a commercially scheduled aviation operator and its ground handling agent. Any amendments and modifications to the SGHA are recorded in separate annexes to each individual customer contract. While the duration of the contract can vary, most contracts are three years in duration and usually provide for a termination clause with two to three months' notice by either party.

Our longer-term contracts are generally adjusted annually in line with the consumer price index, where others can be adjusted through other alternatives. Generally we seek to take into account inflation and/or other economic changes. Our short term contracts are generally not adjusted by one single approach, but these may generally be terminated and renegotiated depending on the situation in each case.

Many of our contracts with our key customers are longer-term contracts, typically with a duration of three years and some with a duration of up to five years. We also have a number of multi-stational and global framework agreements in which we provide services at more than one airport or location for the same customer, many of which are with our larger customers, including Swiss International Air Lines and United Airlines. A global framework agreement allows both contracting parties to quickly negotiate future opportunities or contracts, because they can rely on the terms of the framework agreement, so that the same terms need not be repeatedly negotiated, allowing focused negotiation on the location-specific terms and services only. The preferred contractual development with specific customers would be to start with a single contract that develops into a broader work relationship with handling operations across multiple locations and ultimately have full hub outsourcing to Swissport. The more extensive a work relationship is, the less likely the customers might be prone to terminate it.

We price our contracts by conducting a full cost analysis, depending on the scope of services and specific requirements of our customers. The cost analysis conducted by our finance team includes a calculation of the unit cost (per hour) for each specific component of the requested services, such as personnel costs, required equipment cost or allocated overhead expenses. The analysis is further based on our experience and historical database. After further assessing whether the specific contract is operationally viable, we also conduct a marginal cost analysis to assess how the new contract fits into our current and future operations at the airport. Whereas the development, delivery and implementation of a pricing strategy by product, service and customer segment is the responsibility of each local commercial team, all pricing strategies are determined and set at the global commercial level. Contract payments eventually vary between pricing per service or aircraft turnaround and "all-in rates" with bi-weekly payments as target for new contracts. Wherever practicable we utilize our own costing tool to validate the profitability of contracts and new business. Loss-making and/or customer contracts whose profitability is below those levels as mandated in the Group Directives must be assessed and approved through the Commercial Steering Committee. Swissport Global Commercial collates and manages a register of the financial data that has been presented to the Commercial Steering Committee and focuses on the commercial key performance indicators as well as on important financial metrics.

While new contracts and renewals are methodically evaluated to meet our financial and commercial targets, committees comprising of both local management and global group management have to approve every single contract. We have stringent risk management policies in place in terms of analysis and decision-making in respect of new contracts and expansion opportunities, with a centralized approach whereby our senior management review key contracts at an early stage of the negotiations to mitigate against potential risks. All commercial contracts with annual revenue of €3.0 million or more require approval by our CEO via the Commercial Steering Committee and are regulated by the Swissport Group Directives. If the contract's annual revenue exceeds €20.0 million, approval must also be obtained from the board of directors of Swissport International Ltd. (the "**Board of Directors**"). Throughout our advancements and expansions, we aim to meet and exceed the expectations of our customers with a continuous focus on quality and to do so it is important that we aim for a positive margin across all contracts.

We aim to reduce our exposure to our contractual counterparties through contractual limitations on liability. To this end, our commercial contracts either contain a specific limitation of liability clause based on the formulation in IATA's standard contract or directly incorporate the relevant section of IATA's standard contract. Our policies dictate that the contracted limitation of liability shall never exceed USD 1.5 million nor contain any consequential or indirect damages nor materially deviate from the language in the relevant section of IATA's standard contact.

Competition

Aviation service industries are highly competitive, and we face significant competition from established and new competitors in these areas. Primarily, we face high competition from other independent ground handlers, as well as from airlines and airports that carry out their ground handling needs internally, and often as well from third parties. Our primary but not only independent ground handling competitors are Menzies, WFS and Dnata, each of which has ground and cargo handling services on a global scale. See "*Risk Factors—We face high levels of competition in the airport services industry generally and at many of the airports at which we operate*" and "*Industry—Competitive Dynamics*."

Information Technology

We have a significant number of state-of-the art information technology applications and infrastructures, including hand-held terminals in the ground handling and cargo businesses, which allow for faster scanning of cargo and luggage, mobile offices with wireless internet equipped cars and mobile/web check-in platforms and common language facilities. We also hold a license to use the software "Cargospot." Cargospot offers a comprehensive cargo operating system that seeks to capitalize on the fact that most carriers now outsource their cargo sales and services. Cargospot fully integrates the processing of all cargo management activities, is easy to integrate with existing or new third-party systems and improves speed and accuracy of invoicing and reporting. In addition, our software "Freightfinder" uses the latest technology to allow our customers to track and trace their freight in any of our warehouses worldwide.

Intellectual Property and Trademarks

We have also developed and maintain a portfolio of registered trademarks. In addition, we have our own proprietary trade secrets and know-how, and we are a party to certain licensing arrangements and other agreements authorizing us to use trade secrets, know-how and related technology and/or operate within the scope of certain patents owned by other entities. We have licensed or sub-licensed intellectual property rights to third parties.

Because of the breadth and nature of our intellectual property rights and our business, we do not believe that any single intellectual property right (other than certain trademarks for which we intend to maintain the applicable registrations) is material to our business. Moreover, we do not believe that the termination of intellectual property rights expected to occur over the next several years, either individually or in the aggregate, will materially adversely affect our business, financial condition or results of operations.

We are not aware of any threatened, proposed or actual proceedings that have or will be brought against us for infringement of third-party intellectual property and trademark rights or any infringement of its intellectual property and trademark rights by third parties that if successfully prosecuted would have a materially adverse effect on our business.

Employees

The table below sets forth the headcount across various regions as of the dates indicated. As of December 31, 2016, approximately 89.2% of our employees were permanently employed, whereas approximately 10.8% of our employees worked on a temporary basis.

	As of December 31, 2016	As of March 31, 2017
Region		
Germany, Austria and Switzerland	6,089	6,105
United Kingdom & Ireland	9,128	9,887
Rest of Europe	6,261	6,479
Middle East and Africa	7,321	7,400
United States	17,511	17,559
Canada	4,959	5,030
Asia	1,424	1,376
Central America (including the Caribbean) and South America	10,160	10,280
Headquarters	155	158
Total	**63,011**	**64,274**

Human Resources Management

Swissport's human resources department aims to cultivate a culture that allows people to perform at their best. The human resources department enables the execution of our business strategy by enhancing capabilities and fostering leadership and culture. We have implemented a global performance development review system to achieve and maintain management excellence. This focuses on performance objective planning, performance evaluations with reviews against competency skills, performance improvement plans and aligning career aspirations and personal development plans. In addition, we have designed and implemented targeted training programs at every level of employment, from standardized technical training for our operations staff to our own Active Leadership and Advanced Active Leadership programs for members of first-line and middle management. Further, we recently launched a global corporate compensation strategy to support the growth of our business by closely aligning compensation and benefits to standardized performance matrices.

Labor Unions

Swissport's labor relations department aims to establish an open and stable employer-employee working relationship. We proactively manage our biggest investment through better employee relationship management. We pursue constructive negotiations and regular open exchange with unions. We also have a number of collective bargaining agreements in place with various unions in many of the jurisdictions in which we operate. We trust in our employee relations. However, we have experienced a number of smaller-scale strikes throughout the years, in addition to a large scale strike in Spain in 2014 although none of these strikes has materially impacted our overall operations and financial results. Other examples of recent strikes include an industry-wide strike in Finland, a strike affecting between three and four airports in Spain, and an illegal strike which took place in South Africa.

Long Term Incentive Plan

We have in place a Long Term Incentive Plan ("**LTIP**") under which key management employees can be granted shares in Swissport to incentivize them and to reward them for the value added to our business. The LTIP is currently offered by Swissport Parent Entity, but will be offered by the New Issuer. Only those who are active employees are eligible to be awarded shares under LTIP. Shares granted only vest and become payable on the fourth anniversary of the grant date. The stated value of the shares granted is linked to a multiple of EBITDA minus the net debt of the relevant company. If a person leaves the relevant company as a 'good leaver' before the fourth anniversary, they will be entitled to a pro-rata portion of the shares that they would have been granted. If a person leaves as a 'bad leaver,' they will lose their entitlement to these shares.

Employee Pension and Retirement Programs

We cooperate with third-party pension insurance organizations across a number of the jurisdictions in which we have operations. Under these programs, we have no obligation for pension plan deficits other than higher future pension insurance premiums. We also operate defined benefit pension plans in certain jurisdictions in which we operate, including notably in Switzerland, the United Kingdom and Belgium.

Since January 1, 2004, we have had an independent pension scheme in Switzerland covering the following Swiss entities: Swissport International AG, Swissport Baggage Sorting AG, PrivatPort S.A., Careport AG, GVAssistance SA and Swissport Group Services GmbH. The scheme received assets from "*Allgemeine Pensionskasse der SAirGroup*" ("**APK**"), the pension trust of the former SAirGroup (in liquidation), corresponding to the sum of individual vested benefits of its current employees. All the pensions already in payment remained the liability of APK.

Under Swiss law, the scheme is considered a defined contribution scheme; however, under IAS 19 (*Employee Benefits*) as adopted by the EU it is considered a defined benefit scheme and therefore an independent actuarial valuation has been performed using the projected unit credit method.

In the United Kingdom, we sponsor four defined benefit pension plans in the United Kingdom (the "**UK DB Plans**") in relation to our legacy Servisair business and also have a participation through one of our UK subsidiaries in a notional sub fund of the Air France (UK) Pension Scheme (the "**Air France Scheme**"), and we also administer defined contributions pension plans, including those governed by UK auto-enrolment regulations. Our most significant UK DB Plan is a legacy plan inherited from Servisair's UK operations which has been closed to new entrants for several years and is a CARE (Career Average Revalued Earnings) salary pension plan (the "**CARE Plan**"). We are required to contribute assets to the CARE Plan on an annual basis depending on the value of the plan assets compared to the projected plan liabilities. We are also required by United Kingdom law to fund over a recovery period any deficit in the CARE Plan in accordance with a scheme funding valuation performed by the relevant plan trustee board every three years and agreed by the employer. In April 2016, an actuarial valuation of the CARE Plan identified a funding shortfall of £54.6 million. To eliminate this funding shortfall, we agreed to pay deficit contributions to the CARE Plan of £4,667,960.04 per annum, increasing at a rate of 3% per annum, payable for a period of 12 years from April 5, 2016.

In Belgium, our subsidiary Swissport Belgium, which we intend to designate as an Unrestricted Subsidiary under the New Indentures, and Swissport Cargo Services Belgium NV, a restricted subsidiary, operate various complementary pension schemes. Based on pension scheme regulations, we are responsible for a statutory guaranteed rate of return which is higher than the available rate of return that has prevailed since 2012. As of the date of these Listing Particulars, these schemes are adequately funded. The Belgian national social partners (representatives of the nation-wide employee and employer representative bodies that are recognized and given prescribed negotiating powers under Belgian statute), following a request by the Belgian government and Ministry of Pensions, have passed a regulation to revise/reduce the statutory guaranteed rate of return, which entered into effect in 2016. The official retirement age is 65 years but is also set to be raised by two years in order to deal with an increasing pensions bill as a result of an ageing population.

In the United States, we offer a 401k retirement plan through Prudential Financial in which employees are eligible to contribute from 1% to 100% of their pay per pay period on a pre-tax basis, up to the government imposed contribution limits. To be eligible for this program, employees must be at least 21 years of age and have a minimum of six months of service with Swissport. We will also match 100% of contributions up to 1% of compensation plus 50% of contributions between 1% and 6% of compensation.

Government Approvals

We operate on a global scale and in certain locations that are government-owned. Accordingly, at times we need to obtain consents or approvals from government entities to enable us to provide our services and operations, even if the properties on which we operate are not government-owned. These consents vary from jurisdiction to jurisdiction, but are typically in the form of lease agreements or concession agreements. While we take every step that we believe is necessary to ensure we obtain any necessary government consents, there can be no assurance that we will be able to obtain further consents on favorable terms.

Licenses, Permits, Authorizations, Concessions and Certifications

As a global company, we are subject to a number of licenses, permits, authorizations, concessions and certifications in each of the jurisdictions in which we operate, and such certifications can vary widely between jurisdictions. We believe that we hold all licenses, permits, authorizations, concessions and certifications necessary to operate our business. See "— *Regulation*." We are also committed to maintaining the highest quality of management systems and we seek to be in compliance with both voluntary and mandatory certification programs. As of the date of these Listing Particulars, we are ISO 9001 certified in many jurisdictions in which we operate, which means that we have been formally audited by the International Organization for Standardization and that such organization found our management systems to demonstrate our ability to consistently provide a product that meets customer, statutory and regulatory requirements, and that we satisfactorily address customer satisfaction through effective application of our management systems. We are also Cargo iQ compliant. Cargo iQ is an initiative in the air freight industry aimed at implementing a quality management system for the worldwide air cargo industry. To implement quality management systems, Cargo iQ has created a master operating plan that reduces the number of individual processes in the air cargo supply chain, which is meant to improve processing time for managing shipments. The Cargo iQ group operates as an industry group through IATA and is composed of approximately 80 major airlines, freight forwarders, ground handling agents, trucking companies and information technology providers at over 350 sites.

Our "Swissport Aviation Security" (Checkport) product also complies with the U.S. Transportation Security Administration's requirements, which allows us to work within the European security market for U.S. carriers. This certification has aided us by allowing us to offer more of our services to U.S. carriers outside of the United States.

Regulation

The aviation and airline services industry is highly regulated on the local, national and international (including bilateral and multilateral) level. In the EU, the ground handling services market is covered by Directive 96/67/EC dating from October 1996 ("**Directive 96/67/EC**") which gradually opened up the services to competition. Directive 96/67/EC stipulates that at the larger EU airports access to the market by suppliers of ground handling services must be free and that for certain categories of services the number of suppliers must be no fewer than two for each category of service. Moreover, at least one of these suppliers must be entirely independent of the airport or the dominant air carrier at that airport. Similar provisions exist with regard to self-handling. For these services, there must be no fewer than two air carriers. In March 2015, the European Commission withdrew a proposal for an EU Regulation on ground handling services at EU airports that would have replaced Directive 96/67/EC. The Commission intends to begin an evaluation of Directive 96/67/EC in 2018, to be followed by the publication of a roadmap summarizing the issues that will be addressed in a future policy review, as well as various policy options including 1) no revision, 2) amendments to the existing directive, 3) a new attempt to substitute Directive 96/67/EC with a directly applicable EU regulation, or 4) interpretative guidelines. The roadmap is expected to be published in 2019, and stakeholders will be able to submit their comments. Afterwards a study will be commissioned by the Commission before it decides on the course of action.

Further regulations apply to the airline services industry in each of the other jurisdictions where we operate, which regulations can vary substantially from location to location. As of the date of these Listing Particulars, we believe that we comply with these regulations in all material respects.

The aviation industry in general is regulated by a number of agencies worldwide, including the European Aviation Safety Agency and the Joint Aviation Authorities in Europe and the Federal Aviation Administration and other agencies in the United States of America and by similar agencies in other countries. While the aviation services industry is not, as of the date of these Listing Particulars, directly and materially regulated by these agencies, there can be no assurance that the aviation industry in general or our business in particular will not be regulated by these agencies in the future and that any such regulation, if enacted, will not materially adversely affect our business, financial condition or results of operations.

Environmental

We are subject to a broad range of environmental laws and regulations in each of the jurisdictions in which we operate, including those governing the discharge of pollutants into the air or water, the uses, transport, storage, processing, discharge, management and disposal of hazardous substances and wastes and the responsibility to investigate and clean-up contaminated sites that are or were owned, leased, operated or used by us or our predecessors. Such laws and regulations impose increasingly stringent environmental obligations regarding, among other things, fuel handling, zoning and the protection of employee health and safety. We could therefore be exposed to costs and liabilities, including liabilities associated with past activities. Our operations are subject to obligations to obtain environmental permits, licenses and/or authorizations, or to provide notification to the appropriate authorities.

Our objective is to comply in all material respects, and we believe that our operations generally are in material compliance, with applicable environmental and health control laws and regulations, and all related permit requirements. Historically, the costs of achieving and maintaining such compliance, and curing any non-compliance, have not been material; however, the operation of our business entails risks in these areas, and a failure by us to comply with applicable environmental laws, regulations, or permits could result in civil or criminal fines, penalties, enforcement actions, third-party claims for property damage and personal injury, requirements to clean up property or to pay for the costs of cleanup, or regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures. We believe that the principal environmental risks arising from our current operations relate to the potential for pollution and for damage to cultural and environmental assets. In extreme cases, the penalty for repeat violations of the applicable environmental laws in most jurisdictions could result in administrative sanction, suspension and even revocation of one or more of our licenses.

In the United States, some environmental laws and regulations, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("**CERCLA**"), provide for strict, joint and several strict liability related to spills and releases of hazardous substances for damages to the environment and natural resources or threats to public health and safety, although such liability is often allocated among multiple responsible parties. Under CERCLA and similar state laws, a potentially responsible party can be liable for damages without regard to negligence or fault on the part of the party at property currently or formerly owned or operated by the party or to which the party may have sent waste for recycling.

Health & Safety

We have a global internal health and safety management system that is applicable to each location in which we operate. In addition to our internal health and safety management system, we are also subject to additional local and country-specific laws and regulations. Our policy is to ensure we adhere to local and country-specific laws and regulations in relation to health and safety, and our local management teams have responsibility for ensuring such compliance. As of the date of these Listing Particulars, we believe that we comply in all material respects both with our internal health and safety guidelines as well as any local regulations, but we cannot assure you that new and more stringent health and safety regulations will not be adopted in the future or that any such new regulations, if enacted, will not materially adversely affect our business, financial condition or results of operations.

Insurance

We have insurance coverage under various liability, property, marine transport and environmental insurance policies for, among other things, damage to our property, business interruptions, war and terrorism, aviation general third-party liability, aviation war, hi-jacking and other perils liability, employer's practice liability, professional indemnity, commercial crime, business travel and environmental liability, each of which is with insurance companies based in Switzerland or having a branch in Switzerland that we believe to be reputable. Our aviation liability insurance program, which covers property and personal injury claims of third parties, is our most prominent insurance program and the program under which we experience the greatest number of claims. Our international insurance programs consist of master policies, which define the coverage that applies worldwide, along with local supplemental policies where necessary. All insurance policies protecting our employees for work-related accidents, loss of life or disability are entered into on a local level in accordance with applicable law.

We also provide directors' and officers' liability insurance to all members of the Board of Directors of Swissport International Ltd., as well as certain other persons within the Swissport group. See "*Management*."

We believe that our existing insurance coverage, including the amounts of coverage and the terms and conditions, provides reasonable protection for all our business activities, taking into account the nature of our business operations and potential risks arising therefrom.

Property

As of the date of these Listing Particulars, we do not own any material real property except for Swissport's United Kingdom headquarters which is located outside of Manchester, as well as other property in Caracas. We lease the vast majority of our facilities, including warehouses, and rely on "build own operate transfer," or "BOT," contracts in certain of our facilities, such as in Israel, Kenya and Tanzania. "BOT" contracts are a type of arrangement in which a private entity builds an infrastructure project, operates it and transfers ownership of the project to the government. In both Israel and Kenya, we have transferred ownership of the facilities we built, but we have retained the right to use such facilities for 20 years from the time of transfer. In Tanzania, the facilities we built will be transferred to the airport authorities upon ending of a 12-year service concession agreement.

Legal Proceedings

We are involved in a number of legal proceedings that have arisen in the ordinary course of our business. These claims include, but are not limited to, allegations of breach of contract, breach of warranty, property damage, and violation of employment rights and similar causes of action. Below is a description of the pending legal proceedings we consider material.

The potential damages associated with these types of claims can be substantial and can include actual damages, attorneys' fees and punitive damages. We believe that many of these claims will likely be unsuccessful, but we still may incur costs to manage, defend and/or settle such matters. The outcome of legal proceedings can be extremely difficult to predict with certainty, and we can offer no assurance in this regard. There are various cases outstanding and provisions have been made where the Group expects an outflow to result from such proceedings (see note 24 to the 2016 Audited Consolidated Financial Statements). It is possible that these provisions will prove to be inadequate, but the Group is not aware of any case where amounts not provided for could be material. There are no other matters from which it is anticipated that a material liability could arise.

Litigation with Liberty Mutual and Wortham

We have been involved in US proceedings in which Liberty Mutual had demanded payment of premium owed for a worker's compensation policy issued to Servisair for the policy period of June 2012 to June 2013 in the amount of US$3,641,962 plus costs and fees. Allegedly this increase is primarily due to the wrong categorization of employees as "clericals" rather than high-risk categories. A US Court of Appeal ruled against Servisair in June 2017, upholding a previous first instance ruling in favour of Liberty Mutual. The aggregated amount which Servisair owes to Liberty Mutual amounts to approximately US$5,000,000 (consisting of principal, interest, costs and fees). Since Servisair had already paid out US$4,815,875.16 on an escrow account as a security for a court bond, only a limited cash-out of approximately US$176,000 is to be expected. This further cash-out has been fully provisioned for. In relation to this ruling, Servisair will have recourse against its broker Wortham for malpractice. Wortham is contractually liable up to US$2,000,000.

Litigation with Finnish customs

We are involved in proceedings involving a claim by Finnish customs authorities for unpaid VAT due to discrepant descriptions of commodities in Swissport Cargo Finland's incoming and outgoing shipping documentation to Kazakhstan. The court of first instance ruled against Swissport, and Swissport has appealed. The amount at dispute in the proceeding is approximately €4 million plus interest.

Litigation with Derichebourg

In 2013, Swissport France Holding SAS purchased Servisair SAS and its subsidiaries ("**Servisair**") from Derichebourg on the basis of a share purchase agreement (the "**Servisair SPA**").

Swissport had notified Derichebourg of numerous claims (the material ones are mentioned herein above and below: Finnish customs, Liberty Mutual and Jose Oakley class action) filed against Servisair subsidiaries which constituted breaches of the representations and warranties given by Derichebourg under the Servisair SPA (the "**R&W**"). Pursuant to its obligations under the Servisair SPA, Derichebourg then conducted the defense of these claims at its own expense. However, Derichebourg has subsequently claimed that its breaches under the Servisair SPA expired as a result of the sale of Swissport to HNA on February 10, 2016, as of which date Derichebourg is allegedly no longer obligated to conduct or pay for the defense of the claims against Servisair, including claims notified to Derichebourg before February 10, 2016.

The litigation is pending before the French commercial court in Paris. Although the amount of Derichebourg's claim is relatively insignificant, if the French commercial court ruled in favor of Derichebourg, Derichebourg could argue that this ruling implies that the R&W are invalid as such and thus Swissport has forfeited all its indemnification rights arising from breaches of the R&W in the Servisair SPA, which are contractually capped at €30 million with a €4 million deductible.

Employment Related Claims

We are party to numerous employment-related claims, particularly in the United Kingdom and the United States.

Class action Jose Oakley et al. v. Servisair LLC

In July 2013, Jose Oakley, Douglas Levy, William Myers and other opt-in plaintiffs brought a suit against Servisair alleging failure to pay overtime compensation in violation of the U.S. Fair Labor Standards Act and various state laws. The claim has since been amended to include 151 current and former employees and to add Swissport as a party. The case is currently pending before the U.S. District Court for the Eastern District of New York.

Fesaitu Mario, on his own behalf and on behalf of all similarly situated others v. Swissport USA Inc. and Swissport Cargo Services, LP.

On April 14, 2017, a Swissport employee in California filed suit in U.S. federal court against Swissport USA Inc. and Swissport Cargo Services, LP. The plaintiff has alleged missed meal and rest break and paystub violations, among other claims, in violation of California wage and hour law as well as the U.S. Fair Labor Standards Act. The scope of the claim includes all of Swissport's cargo operations in California, as well as all U.S. operations by Swissport USA Inc. and Swissport Cargo Services, LP.

Holmes v. Swissport Fueling Inc.

We are also party to a potential class action claim in Fort Myers, Florida, alleging auto-deduction for meal breaks and improper rounding. The plaintiff has filed a motion for class certification of all fuelers in Fort Myers, as well as potentially throughout Florida and the rest of the United States. As of the date of these Listing Particulars, we are unable to estimate our potential exposure.

INDUSTRY

The information set forth in this section relies on a report provided by Roland Berger Strategy Consultants based on third-party analyses and information from the public domain from industry and trade associations, and industry expert interviews. For purposes of the analyses presented in this report, Roland Berger Strategy Consultants has relied upon, and considered accurate and complete data obtained from third-party sources, but has not independently verified the completeness or accuracy of that data. No representation or claim is made that the market forecast will actually be achieved. It is expected that the recipient will conduct its own independent analysis. All estimates and projections are based on data obtained from third-party sources and involve significant elements of subjective judgments and analyses which may or may not be correct.

Market Overview and Characteristics

Market Definition

The aviation handling services industry encompasses a wide range of different service lines which can be broadly divided into ground handling services and cargo handling services.

Ground handling consists of:

- ramp services related to aircraft handling (loading and unloading, aircraft towing, pushback, repositioning and cleaning);
- passenger services (passenger check-in, ticketing, boarding and transportation); and
- other ancillary services (aircraft maintenance, fueling, de-icing, security, executive aviation, lounges and IT services). These ancillary revenues are not included in market size calculations below.

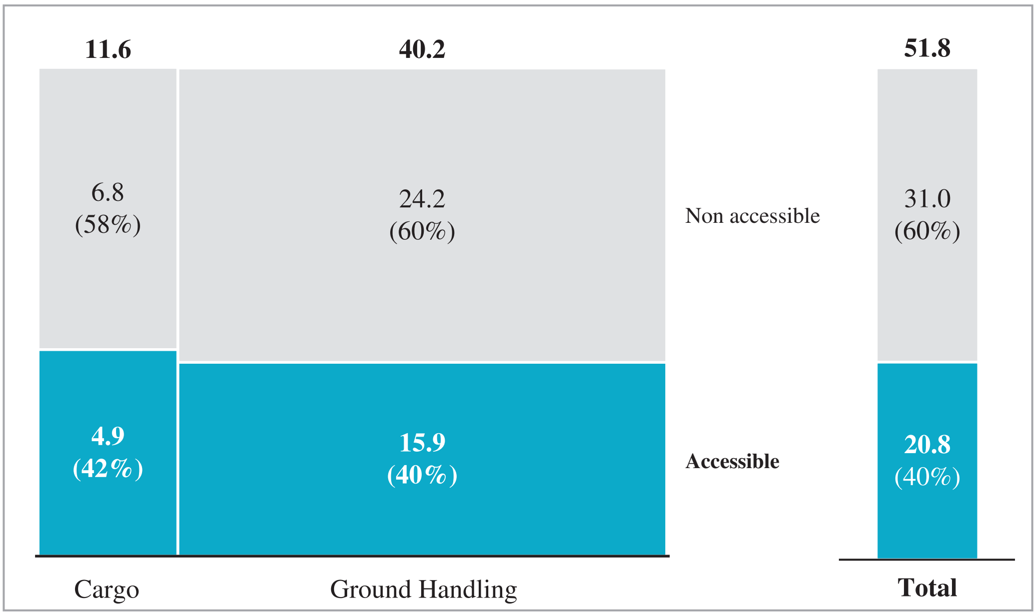
Cargo handling services consist of air freight trucking and handling, reception, warehousing, aircraft loading and unloading and delivery to trucks (‘airside’ and ‘landside’ handling), and documentation and logistical support for air cargo.

For the year ended December 31, 2016, the global combined ground handling and cargo handling services market is estimated to have been worth €51.8 billion. The industry is fragmented as handling services can be provided by either:

- Airlines themselves, express players (cargo only) or airports—Self-handling and insourcing, which currently accounts for approximately 60% of the global market by value and is considered as “non-accessible” for independent player (even though airports and self-handlers often compete with independent operators, as they do third-party handling as well); or
- Independent operators such as Swissport—Outsourcing, which currently accounts for approximately 40% of the global market by value. There is a wide range of independent operators from global operators such as Swissport through larger regional operators to small local players.

Therefore, accessible market value for independent players is estimated to be €20.8 billion, and is on the rise due to an increasing and global trend towards more outsourcing.

Aviation Handling—Accessible and Non-accessible Markets per Activity (2016; EUR billion)



Sources: Albatross, expert interviews, third-party analysis (market model)

Scope of Services

Ground Handling

Ground handling services comprise a range of activities that facilitate the rapid turnaround of an aircraft upon landing. These activities consist of core ramp and passenger services as well as a range of other related services.

Core ramp services relate to aircraft handling, which includes activities such as loading, unloading and sorting of passenger baggage, aircraft towing, pushback, repositioning, as well as cabin cleaning. Core passenger services consist of managing the inward and outward flow of passengers during each turnaround, and include services related to check-in and gate assistance, as well as passenger transportation.

In addition to core ramp and passenger services, ground handlers also offer a range of other services such as aircraft maintenance, fueling, de-icing, security, executive aviation, lounges and IT services.

Industry-Specific Features

The ground handling business is characterized by constant time pressure, complex processes and variable load profiles which require close cooperation with airlines, airports and other service providers:

- *Time pressure*. Ground handlers have a considerable influence on punctuality, turnaround time, and minimum connecting time, which puts them under constant time pressure from their customers and the airlines. Each of these factors has a strong impact on aircraft utilization as well as direct financial implications.

- *Complex processes*. Ground handling involves numerous actors, including airport operators, airlines, air traffic control as well as other various service providers (these include catering, fueling, cleaning and baggage handling), which results in a range of logistical and coordination challenges to ensuring that all the necessary personnel and equipment are provided where and when needed.

- *Variable load profile*. Ground handling is a labor-intensive business with personnel costs typically accounting for more than 50% of total costs. In addition, ground handlers must deal with waves of peak and off-peak productivity times on a daily, weekly, and seasonal basis.

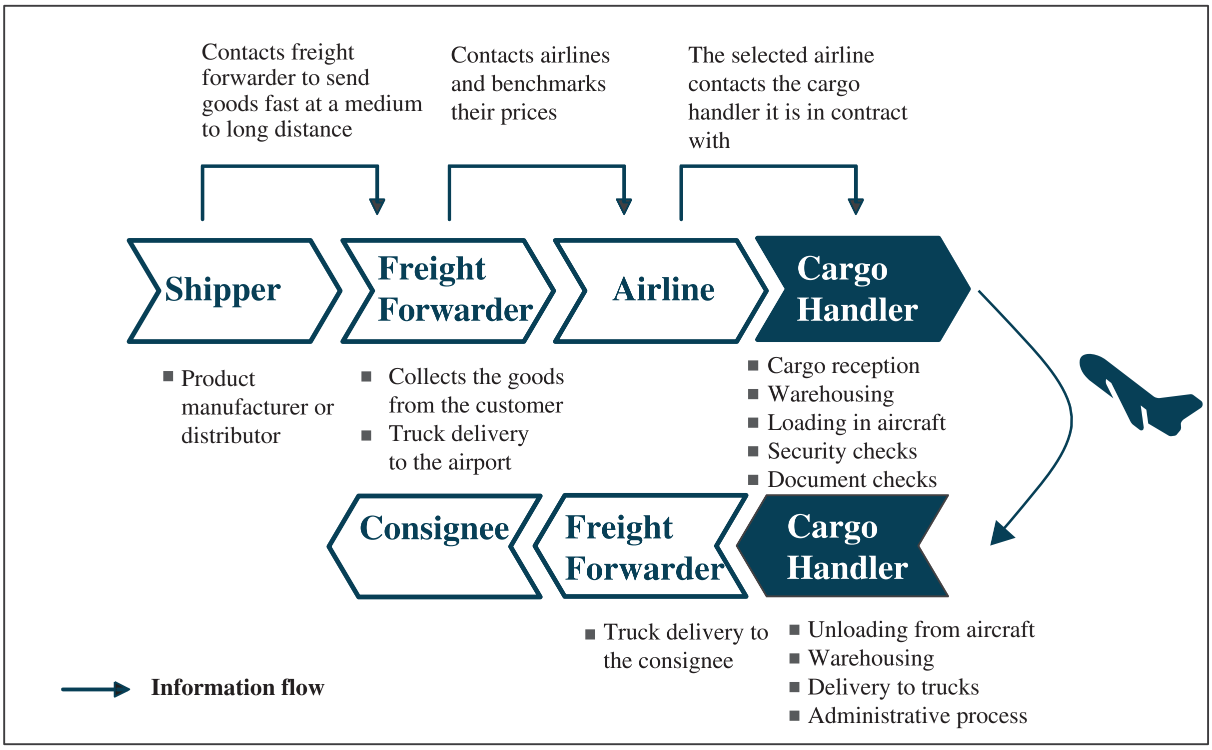
These specific features and challenges of the ground handling sector are particularly true in large airports such as hubs and tend to favor in these places large and experienced players such as Swissport. However, regional airports are still likely to resort to local low-cost players, notably in the United States, Latin America or even in countries such as Germany. There will always be some competitive threats on these small networks of stations, for which local niche players are sometimes even more flexible (due to factors such as younger staff and fewer union issues).

Cargo Handling

Cargo handling services comprise a range of activities, including (see graph below):

- reception, warehousing, aircraft loading and unloading, delivery to trucks;
- global logistics for air cargo shipping;
- cargo facilities management;
- Dangerous Goods Regulation training and safety;
- cargo documentation and handling;
- load planning services, which includes matching cargo shipment needs to available space on flights;
- security processing; and
- global cargo tracking.

Role of the Cargo Handler within the Cargo Value Chain



Aviation Handling Market Dynamics

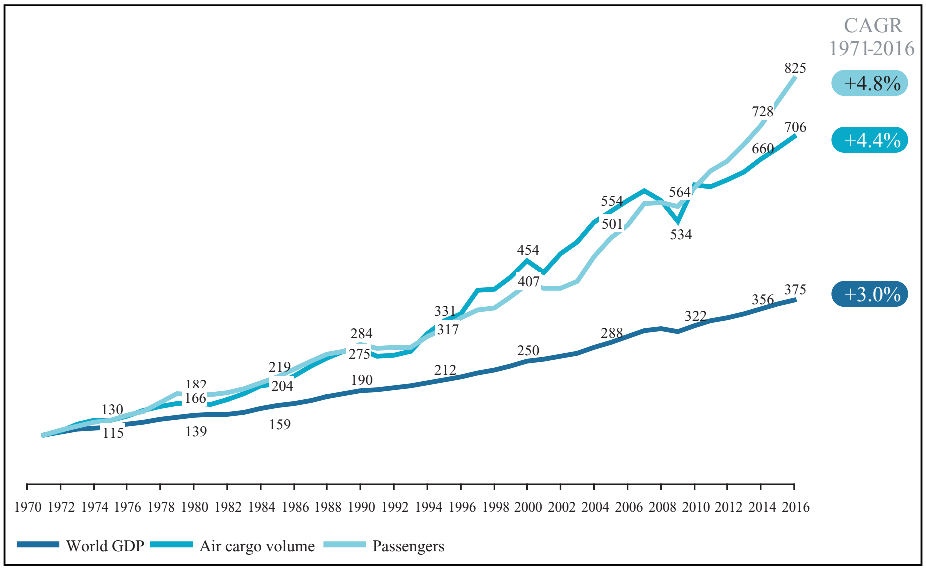
Synthesis and Industry Trends

Key Industry Drivers

The aviation handling industry is intrinsically linked to the airline industry and tends to follow its long-term upward trend. The aviation handling industry is also sensitive to the business cycle with higher revenue during periods of economic prosperity and expansion, and lower revenue in periods of economic downturn and contraction. However, while the aviation handling sector and the airline industry are correlated, they have different revenue growth drivers. Airlines rely on passenger growth as well as seat load factors and booking class mix, whereas the main drivers for the aviation handling industry are air traffic movements (i.e., number of turnarounds irrespective of seat load factors) for ground handling and air cargo tonnage for cargo handling, as well as the evolution of the outsourcing rate, which is a key driver for both segments.

Ground handling and cargo handling services are therefore highly correlated to year-on-year gross domestic product ("**GDP**") evolution, even though both industries are expected to continue growing quicker than GDP, as both air cargo volume and passenger traffic demonstrate a tendency to outperform real GDP evolution, as illustrated below in respect of the past 45 years.

Air Cargo and Passenger Traffic vs. GDP Growth (base 100 in 1971, 1971-2016)



Sources: IATA, ACI, DKMA, ICAO, World Bank, EIU, Albatros, Roland Berger analysis

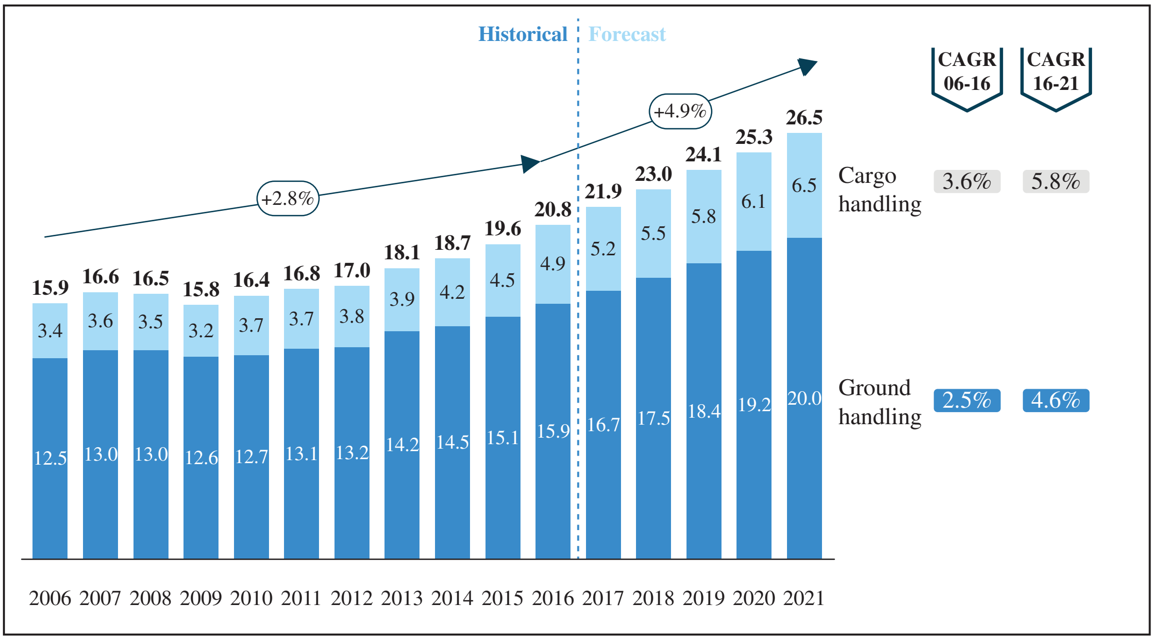
The continued positive trends in both number of passengers (correlated to number of aircraft movements and turnarounds) and air cargo tonnage, combined with the trend towards increased outsourcing by airlines and airports (especially for ground handling services), are expected to drive a combined 4.9% annual market growth over the period from 2016 to 2021 for the overall aviation handling services, consisting of an increase of 4.6% per annum for the ground handling market and 5.8% per annum for the cargo handling market.

This estimated higher than historical market growth for ground handling and cargo handling is supported by:

- GDP recovery, driving a rebound in the number of turnarounds (+2.9% per annum over the 2016-2021 period) and more importantly, in air cargo freight volumes (+3.5% per annum);
- with respect to the ground handling segment, a stabilization of the increase in average number of passengers per flight (+1.5% per annum over the 2016 to 2021 period compared to +3.4% per annum over the 2006-2016 period), a negative historical sub-driver; and
- slightly higher price realization, due to ongoing consolidation and potential for partial wage inflation pass-through (variable by region).

In terms of geographical dynamics, over the 2006-2016 period, accessible aviation handling market growth has been strongly driven by the Asia Pacific region (+7.1% per annum) and other emerging countries (+5.6% per annum). Europe has also contributed to growth but to a lesser extent, with +2.0% average annual growth, while North America remained rather flat over the period. Over the 2016 to 2021 period, however, North America and Europe are expected to revive growth with forecasted annual growth of +4.5% and +4.6% respectively. Emerging countries should still fuel global growth with above-market CAGR, despite a slight slowdown in the Asia Pacific region (+5.8% per annum) while other developing countries are expected to maintain a +5.7% per annum growth.

Accessible Aviation Handling Market Dynamics (EUR billion, 2006-2021)



Source: Third party analysis (market model)

Focus on Outsourcing and Deregulation

Outsourcing has played, and continues to play, an important role in the aviation handling industry. Airlines continue to concentrate on their core businesses and on the elimination of non-core components of their businesses, due to an ever-increasing focus on cost control and profitability that stems from exposure to increased competition (including from LCCs). Outsourcing of aviation services enables an airline to remove the need to purchase specific ground support equipment, including load control devices, mobile ramps and other expensive goods. This equipment may go unused between flights, resulting in underutilization and inefficient costs. Independent ground handlers, however, are able to fully utilize their equipment because they can allocate it among different airlines and maximize profitability from such services. The same rationale applies to the higher utilization rate of handling staff, which can be allocated across contracts, reducing time inefficiencies between landings and take-offs or aircraft cargo loading periods.

The outsourcing trend is supported by increasing airport deregulation, which has played an important role in changing the competitive landscape of the air services industry. While the cargo handling sector has been largely liberalized since the late 1990s, the ground handling sector has increasingly been liberalized in recent years, with a contrasted situation country per country. De-regulation has had two important effects on the aviation handling industry. First, deregulation has opened up new markets in which independent handling service providers, such as Swissport, may operate. Second, deregulation of the aviation handling industry has resulted in increased competition in the industry. For example, EU regulations required airports with traffic exceeding two million passengers or 50,000 metric tons of freight per year to have at least two ground handling operators. At least one of them must be independent from the airport or any dominant carrier at the airport. This is implemented by the granting of licenses, frequently renewed, to a shortlist of qualified independent handlers. As of today, Europe, North America and Australia represent the main accessible markets to independent handlers. In some of these countries (notably in Europe), independent handlers are required to be licensed by authorities. By contrast, the aviation services markets in Africa and China (as well as, to a lesser extent, the rest of Asia and Latin America) appear relatively difficult to access for independent handlers with the progressive opening of these markets representing a potential long-term market driver.

In the past, airlines have sometimes proved reluctant to outsource large hub operations due to concerns that outsourcing could potentially put the safety, efficiency and quality of their flagship operations at risk. At present, the main barriers come from labor unions which have also been a historic impediment to the outsourcing of services, although in North America for example, many U.S.-based airlines which underwent Chapter 11 insolvency proceedings following the global economic crisis have since emerged with more flexible labor agreements in terms of outsourcing. As airlines are increasingly focused on controlling their aviation services costs, partial outsourcing at large hubs or full outsourcing in mid-sized hubs may represent an opportunity for independent operators in the short to medium term.

The increasing size of the accessible market compared to the in-sourced market has also been driven by market share gains of LCCs compared to the legacy carriers. LCCs tend to fully outsource handling services. Moreover, while LCCs tend to purchase a narrower range of services than legacy carriers, due to the smaller range of services that they provide to their passengers, LCCs also tend to operate a higher number of turnarounds per day, resulting in an overall positive effect on ground handling market growth.

High Barriers to Entry

The aviation handling industry is marked by high barriers to entry for new participants, a trend expected to persist and which typically results in limited market share fluctuations among leading handlers in a given region.

In the ground handling sector, the ability of service providers to operate often requires licenses (especially in the European Union; North America being more liberalized), the development of know-how, low churn rates and high contract retention rates at renewal (which are typically above 70%), and security constraints (favoring established brands and the largest handlers).

The cargo handling segment also presents high barriers to entry. These include the high capital expenditure needed to invest in warehouse capacity (a particularly high barrier, given the scarcity of available space at mid-size and large airports, especially in Europe, Asia and some airports in North America), the operational expertise necessary for service providers to work effectively with airlines and airports to handle cargo efficiently and minimize turnaround time for aircraft, the experience in integrating the service provider's processes with an airline's own internal processes requiring time for adjustment and optimized cooperation, and airport network density (this refers to the capacity to develop and coordinate airport-to-airport deliveries).

Moreover, across the two service lines, significant scale effects drive cost advantages and efficiencies for players already active in a given airport as those providers that are already present benefit from an ability to optimize resource allocation and utilization of both staff and equipment.

Ground Handling

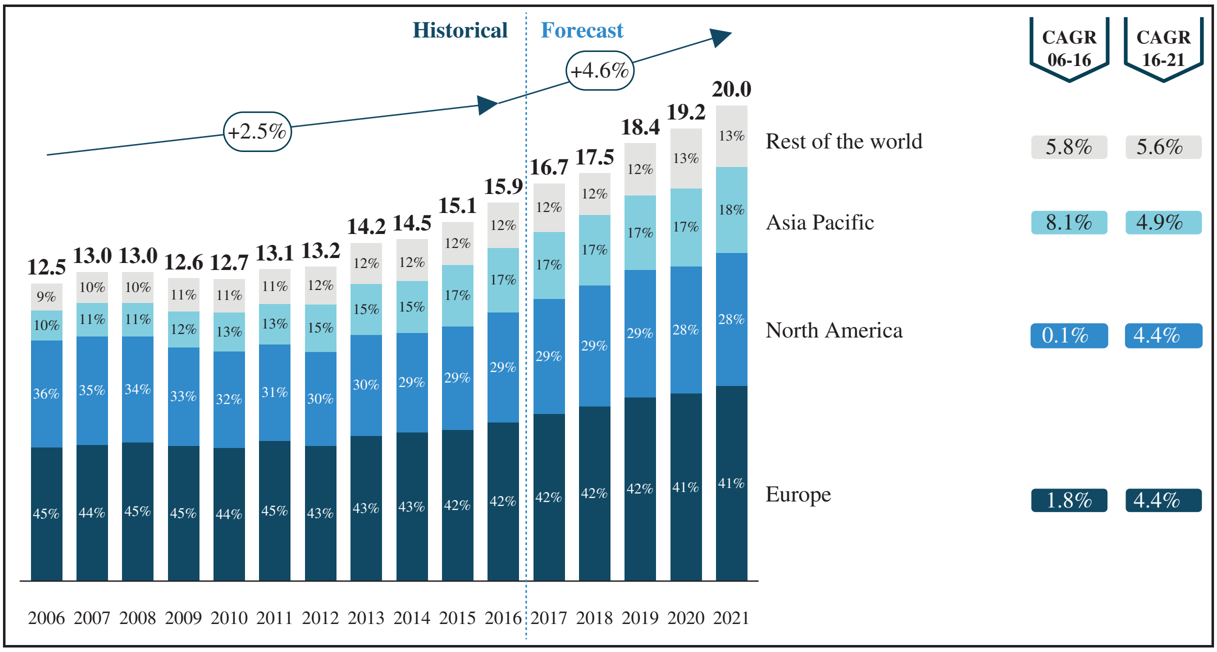
Ground Handling Market Size and Forecast

According to third-party market research, the value of the total accessible core ground handling business is estimated to have been €15.9 billion in 2016 representing approximately 40% of the global ground handling market value. Over the past ten years, this accessible market has grown by 2.5% per annum, mainly driven by turnarounds volume (+1.3% annual growth contribution) and outsourcing trends. This dynamic is expected to accelerate in years to come, with a +4.6% annual growth forecast over the 2016 to 2021 period, due to:

- 2.9% annual growth in turnarounds as a result of:
    - — Significant and continuous increase in passenger traffic (+4.4% per annum), resulting from improving purchasing power in emerging regions and general GDP recovery in mature economies; and
    - — A slowdown in the increase in average number of passengers per flight (+1.5% per annum compared to +3.4% per annum over the past ten years)—as the share of large and wide-body aircrafts is expected to stabilize, and as load factors reach a ceiling—which used to be a negative historical driver, as it tends to reduce demand for handling services.
- Continued outsourcing trends across regions (+1.8% per annum globally) for ground handling services.
- Slightly more favorable price dynamics, driven by progressive consolidation of the independent handlers' landscape as well as potential for partial pass-through of wage inflation.

In terms of geographical dynamics, accessible ground handling market growth is expected to be rather balanced across regions, despite being slightly more dynamic in emerging regions (+4.9% per annum growth in Asia over the 2016 to 2021 period and a +5.6% per annum in other emerging markets), and despite significant rebounds in mature economies (approximately +4.4% annual growth in both Europe and North America). As a result, market shares should remain rather stable, with emerging regions accounting for 31% in 2021 (18% for Asia Pacific alone) compared to 29% in 2016.

Ground Handling Accessible Market Breakdown by Region (EUR billion, 2006-2021)

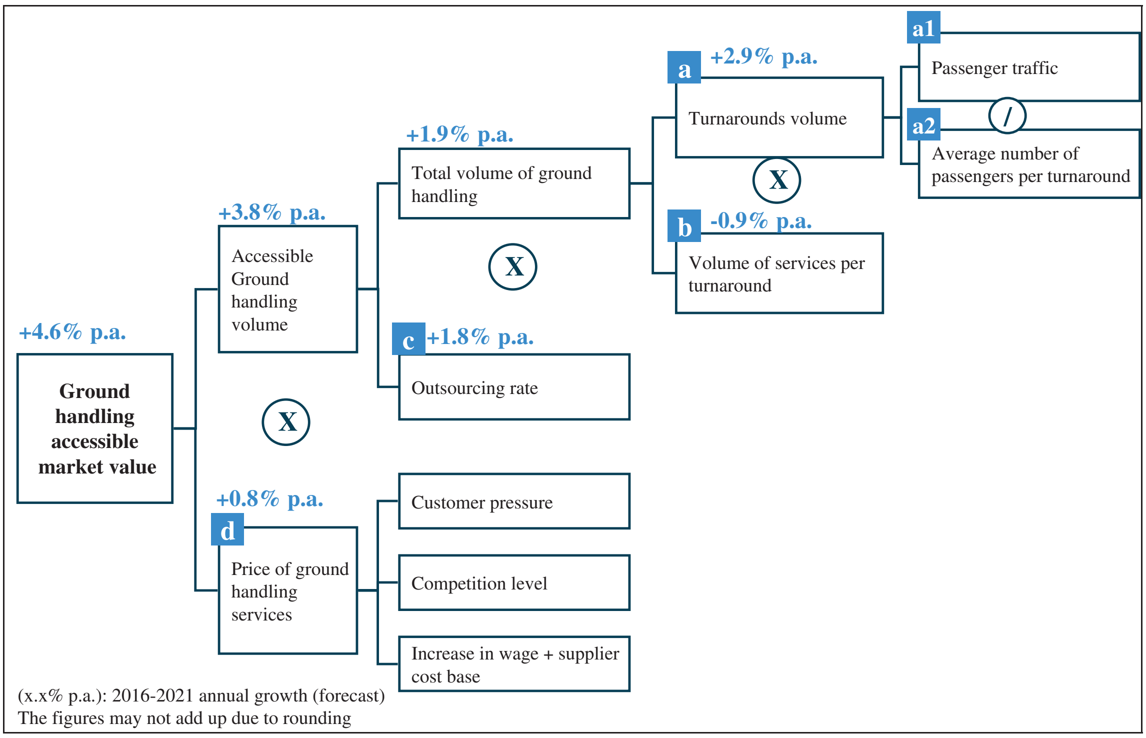


Source: Third party analysis (market model)

Ground Handling Market Drivers

As outlined above, ground handling accessible market growth should mainly be fueled by volume drivers (+3.8% CAGR impact), including the number of aircraft turnarounds as well as the outsourcing rate for handling services. Price dynamics should also support market growth, though to a lesser extent (+0.8% per annum). The relative contribution of each specific driver is detailed below, in terms of CAGR over the period from 2016 to 2021.

Accessible Ground Handling Market Drivers (2016-2021)

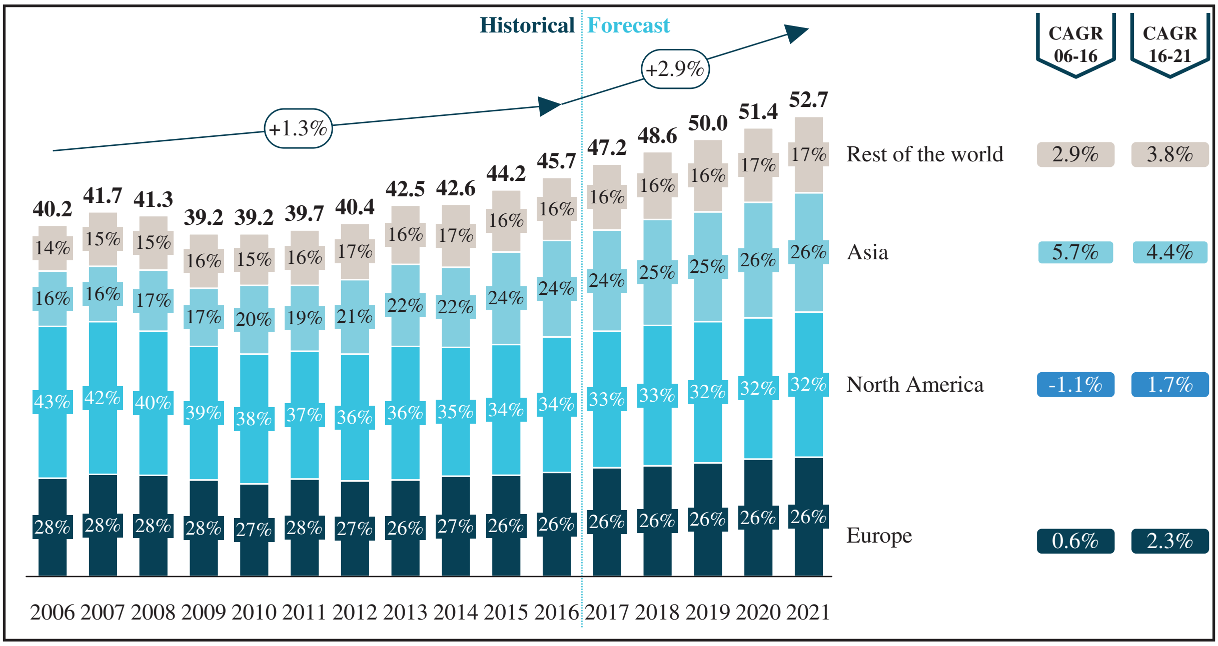


Source: DKMA Global Traffic Forecast 2016-2021, expert interviews, third party analysis (market model)

Turnarounds Volume

The volume of turnarounds is equivalent to half of the number of aircraft movements (takeoffs and landings). Based on the latest DKMA forecast released in September 2016 (Source: *DKMA—Global Traffic Forecast 2016-2035*), turnaround volume is expected to grow by 2.9% per annum over the period from 2016 to 2021, driven by steady passenger growth and a stabilization of the share of large aircraft and passenger load factors. While passenger growth is expected to be around 4.4% per annum over the next five years, the number of passengers per aircraft is expected to increase more modestly than in the past, based on stabilization of the share of large aircraft in airline fleets (the share of wide body aircraft is expected to remain at approximately 24 to 25% of the global aircraft fleet over the next 20 years (Source: *Boeing—Current Market Outlook 2015-2035*)) and due to the reaching of ceiling and maximum levels for load factors across most regions (approximately 80% increase in 2014 (Source: *IATA data*) with Africa as the only exception with a 69% load, while accounting for 3% of the total market). The stabilization of the number of passengers per aircraft is the clear driver of differentiated turnaround dynamics in Europe and North America in the forecast period compared to the historical periods, as passenger traffic dynamic should remain rather stable.

Aircraft Turnarounds Breakdown by Geography (millions; 2006-2021)



Source: Albatross, DKMA Global Traffic Forecast 2016-2034, third party analysis (market model)

Note: Figures are based on Albatross database, therefore capturing all aircraft movements recorded in airports. They notably include unscheduled flights, charters or executive flights, which are sometimes excluded from other databases (e.g. OAG). However, a discount rate of 5% has been applied to Albatross figures to exclude non-commercial flights with no consumption of ground services (e.g. executive flights).

Volume of Services per Turnaround

The average volume of services per turnaround is expected to modestly impact ground handling market growth, with a negative 0.9% annual contribution. This is mostly resulting from productivity improvements expected on ground handling activities, notably on passenger-related tasks. Indeed, the increasing number of automated services (including, among others, e-ticketing, e-check-in, staff-less boarding etc.) is the main negative driver of core ground handling services, in addition to restrictive policies imposed by airlines (such as restrictions on baggage).

Outsourcing Rate

The outsourcing rate is the share of the market which is accessible to independent ground handlers. It is expected to keep increasing across regions—despite regional variation due to different maturity levels—to reach a global weighted average of 43% in 2021 (compared to 40% in 2016). This increase of three percentage points would yield a global CAGR impact of +1.8% per annum. on the ground handling market, and should mainly be driven by:

- cost benefits as independent handlers' economies of scale make outsourcing price-competitive (outsourcing can typically reduce ground handling costs by 10% for an airline internally managing this activity);
- higher quality of services, as ground handlers develop superior capabilities due to their specialization and investment; and
- regulatory evolutions and liberalization opening markets to independent handlers (notably in emerging regions).

The U.S. market offers great potential for outsourcing growth as legacy carriers, (including American Airlines, United and Delta) are facing fewer constraints than they did previously from labor unions due to regulatory evolutions and consolidation. By contrast, Europe is a more mature market in terms of outsourcing; however there nevertheless remains room for growth at a series of relatively large stations such as Madrid, Paris and Stockholm, where ground handling activities are still largely insourced.

In emerging markets, outsourcing is expected to grow progressively as well, as several airports in North Africa and the Middle East (such as Algeria and Saudi Arabia) are starting to liberalize. In Asia, where ground handling is primarily performed by airlines and/or airport authorities, the growth of LCCs as well as growing awareness of the cost advantages of outsourcing are pushing specific airlines and airports to increasingly rely on outsourcing. Nevertheless, Latin America stands as the most dynamic continent in terms of the outsourcing trend, due to a clear trend towards liberalization.

Note: Figures presented above include incremental outsourcing trends at play, but exclude the potential for growth linked to the future outsourcing of specific large hubs, that would significantly impact outsourcing rates at local/regional level, but are hard to predict in terms of timing (hence their exclusion from the outsourcing growth forecast, which can present potential for upside). Also, current outsourcing figures have been cross-checked in interviews, but can vary depending on sources and/or selected perimeter.

Price

After years of relative decline (post-crisis effect), Europe and North America were first to stabilize prices between 2014 and 2016. They are now expected to benefit from various positive factors to experience a slight upward trend on prices: mainly the consolidation of the industry and the relative decrease in competitive pressure; as well as a growing inflation rate.

Consolidation is a persistent trend, driven by: (i) scale effects and cost synergies, particularly with respect to a relatively high fixed cost base, potential for cost improvement though increased utilization rates for equipment and staff at a given airport; (ii) potential for sales synergies with respect to growing the share of large-scale, multi-station contracts across regions with a given airline (i.e., managing handling operations for an airline in its domestic hub as well as its main destination airports in other regions); as well as (iii) a fragmented competitive landscape wherein the top nine players capture approximately 40% of accessible market (globally) and only approximately 16% of the total market, providing for various acquisition opportunities.

Relative reluctance from airlines to switch handling services providers enables a partial ability to pass through wage inflation in prices at contract renewal, even if contracts usually include indexation clauses. Inflation is expected to be higher in Europe and North America compared to recent years. More specifically, the United States is expected to benefit from the partial pass through of increasing labor costs due to the rise of minimum wages ("living wage" ordinances) in a number of states, including New York, California, Illinois and Massachusetts. Indeed, 19 states experienced a minimum wage increase in 2017 compared to 2016.

Nevertheless, price growth usually stands below inflation, because, despite their reluctance to switch providers, airlines are increasingly focusing on costs optimization, and would therefore go for new tenders in case of significant price increases from their current handling services provider(s). Indeed, operational performance among the largest ground handlers is relatively similar, and airline companies have defined clear processes and guidelines that must be implemented by any ground handler. The relatively uniform performance expectations for service providers emphasize the importance of price level in the overall price versus quality balance.

In emerging markets, prices are expected to remain flat, as the trend toward market liberalization should trigger a decrease in prices and therefore offset the positive effect of above-listed drivers such as higher than average regional inflation rates (+4% to +6% compared to +2% to +3% in mature markets).

Cargo Handling

Cargo Handling Market Size and Forecast

According to third-party market research, the total value of the accessible cargo handling market is estimated to have been € 4.9 billion in 2016 with an approximate 42% share of total cargo handling market value. This market segment is expected to grow by +5.8% per annum in value between 2016 and 2021.

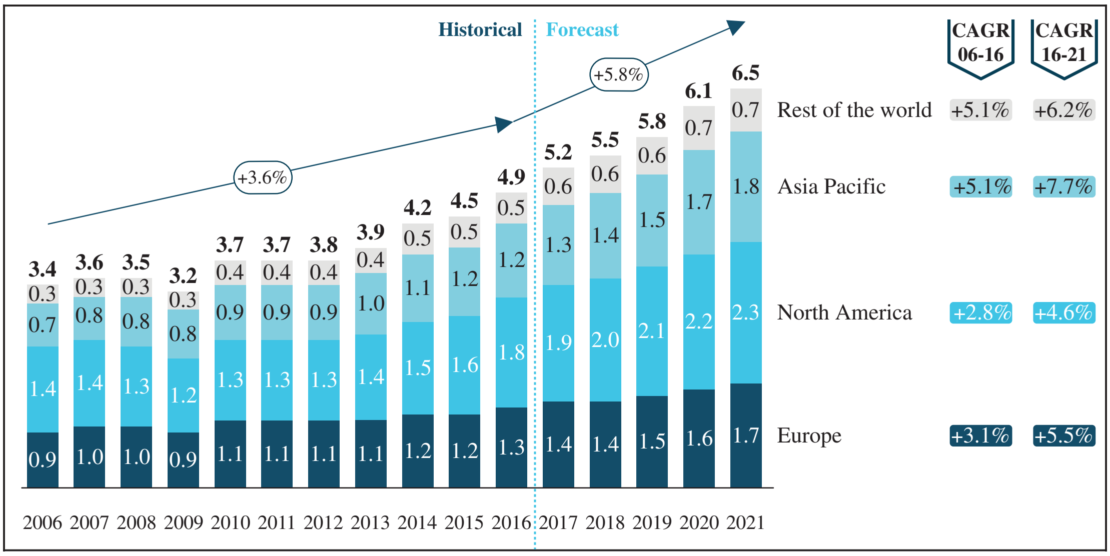
Over the past ten years, the accessible market has grown by +3.6% per annum, mainly driven by global air cargo volume (+2.0% annual growth) as well as a clear trend towards cargo handling outsourcing by airlines (+2.2% CAGR impact). However, those positive drivers were partially offset by:

- increased market shares for "integrators," i.e. integrated express carriers such as FedEx, DHL and UPS (reaching over 17% market share in 2016), largely insourcing cargo handling; and
- unfavorable price dynamics due to (i) strong drop in cargo volume in specific years (-3% in 2008, -7% in 2009, -1% in 2011), resulting in aggressive pricing by specific handlers in certain regions in attempts to capture contracts to cover their fixed cost base; and (ii) growing pressure on margins for cargo owners and logistics operators and airlines.

Over the next five years, accessible cargo handling market growth should globally accelerate, mainly due to (i) an increase in overall cargo volume, boosted by GDP recovery in Europe and North America and growing purchasing power in emerging markets; (ii) a continued trend towards more outsourcing; and (iii) a rebound in prices, after years of price decreases.

All in all, the accessible market growth should mainly be fueled by emerging regions, with a +7.2% CAGR from 2016 to 2021 (notably driven by a +7.7% annual growth in Asia Pacific), while Europe and North America should also grow, but at a slower pace (respectively, 5.5% per annum and 4.6% per annum).

Cargo Handling Accessible Market Breakdown by Region (EUR billion, 2006-2021)

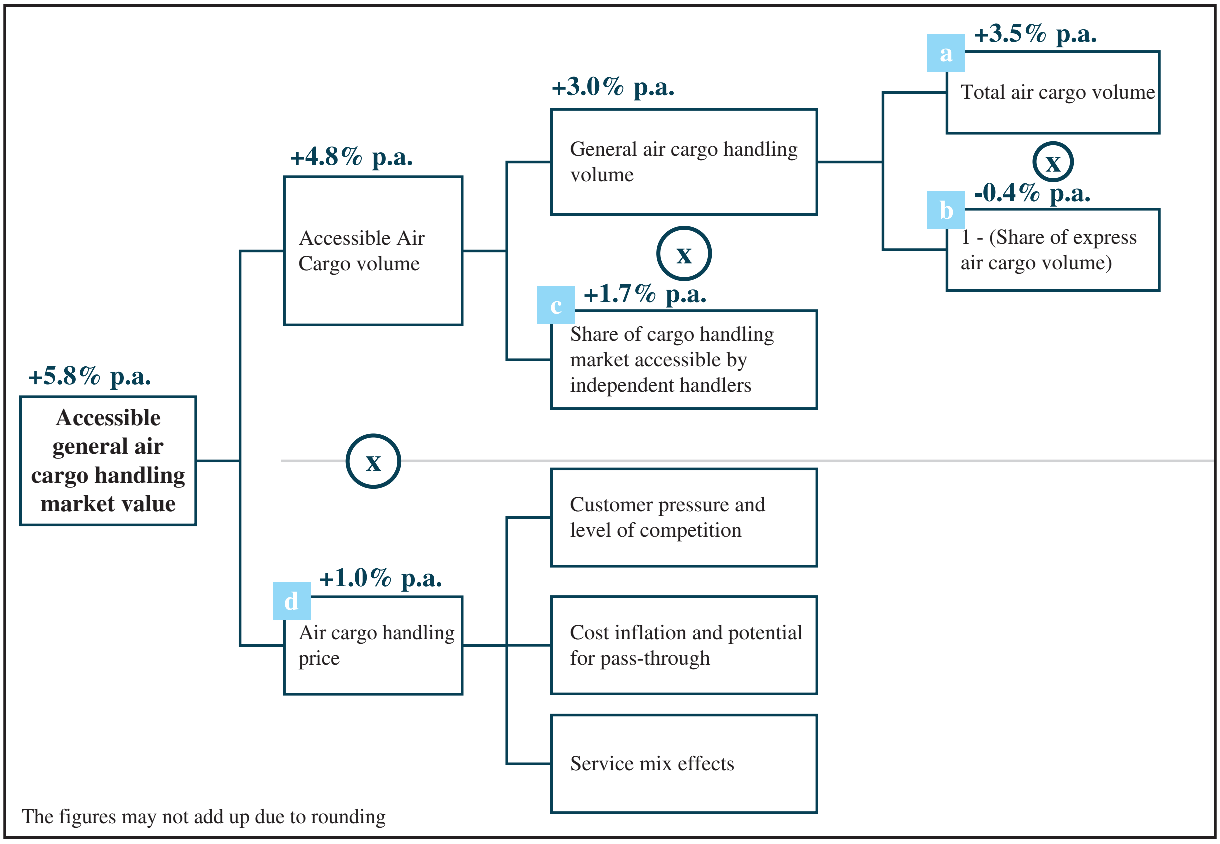


Sources: Albatross, DKMA Global Traffic Forecast 2016-2034, third party analysis (market model)

Cargo Handling Market Drivers

The main market driver of cargo handling is total air cargo volumes. The detailed impacts of market drivers are outlined below in CAGR during the period from 2016 to 2021.

Accessible General Air Cargo Handling Market Drivers (CAGR 2016-2021)

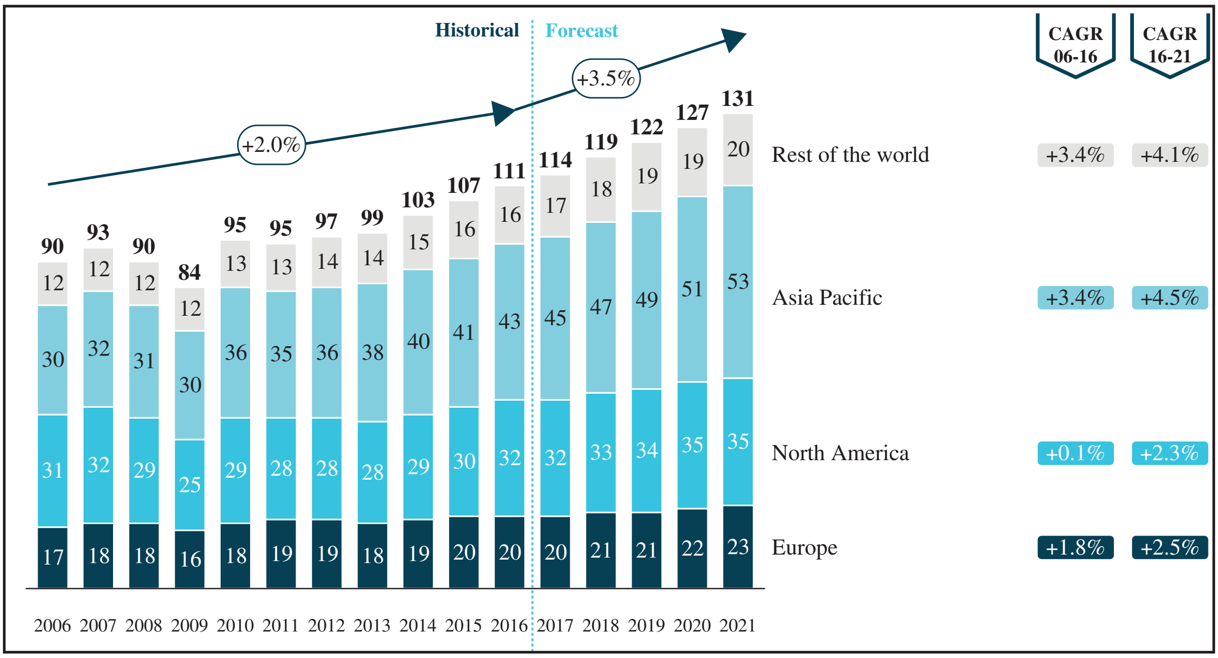


Sources: Albatross, DKMA Global Traffic Forecast 2016-2034, third party analysis (market model)

Air Cargo Volume

The total air cargo volume is the volume of loaded and unloaded cargo in metric tons. The chart below shows the evolution of air cargo volume in tons between 2006 and 2016, and for the forecast period.

Total Air Cargo Volume (millions of tons, 2006-2021)



Sources: Albatross, DKMA Global Traffic Forecast 2016-2034, third party analysis (market model)

Air cargo volumes are expected to grow 3.5% per annum between 2016 and 2019, driven by:

- Recovery in mature markets, with both Europe and North America volumes expected to increase by +2.5% and +2.3% per annum respectively;
- Acceleration in the Asia Pacific region, with the market expected to grow by +4.5% per annum, while it was increasing by 3.4% per annum between 2006 and 2016; and
- Sustained growth in emerging markets of approximately 4.1% until 2021.

Due to its relationship to world trade, air cargo volumes can display a high level of volatility in response to GDP shocks. Changes in cargo volumes have historically shown an early-cycle recovery, however, because air cargo is primarily comprised of finished products that businesses need for restocking at the early stage of their inventory cycles.

Share of express air cargo

A second driver for cargo handling market is the increasing size of the share of express air cargo volume. This segment represents the market volume held by integrators, which are cargo carriers providing complete services such as pick-up, airport-to-airport transport, delivery and other additional services. The integrators' share of air cargo volume is not accessible by independent ground handlers due to self-handling by integrators themselves and subcontracting to specialized express ground handlers with specific operations.

The market share of express air cargo (or integrators' market share) is expected to continue to grow over the next five years, with a negative 0.4% per annum CAGR impact on accessible volumes. In North America, integrators' share is expected to remain higher than in other regions, due to the large size of the domestic express market. Overall, the share captured by express carriers is expected to keep gradually increasing, and should reach 19% globally in 2021, compared to 17% in 2016 and 13% in 2006.

Outsourcing rate

The third driver of the cargo handling market is the outsourcing rate from airlines. Indeed, legacy carriers still realize cargo handling activities in their hubs, but they tend to increasingly outsource that activity to focus on their core capabilities.

The outsourcing rate from airlines is expected to increase by +1.7% per annum over the 2016 to 2021 period. In North America, outsourcing should grow slightly below market average (+1.4% per annum) as most national legacy carriers currently still keep cargo handling inhouse in their hubs. In Europe, outsourcing should grow by +1.9% to reach approximately 80% in 2021. Outsourcing rates remain quite low in developing countries—less than 40%—due to closed market conditions. Chinese airports are expected to gradually open in the next five years, hence cargo handling outsourcing is expected to grow by +3.0% per annum compared to +2.2% per annum in other geographies.

Price

Air cargo handling prices are expected to increase steadily in future years, after reaching all-time-low levels in 2012 and 2013.

Local competitive pressure, as well as volume capture from integrated express carriers, is expected to be offset by price realization potential driven by air cargo volume recovery, consolidation of the largest handlers and decreasing available capacity due to volumes dynamic growth.

Competitive Dynamics

General Competitive Landscape

Both the ground handling and cargo handling industries are fragmented with a large number of small players and few global or regional handlers. Concentration has accelerated in recent years with over 30 mergers and acquisitions since 2013 (Source: *Thomson*).

Ground Handlers Typology

Segments		Activities and geographical coverage	Main characteristics	Major players
Generalists	1 Global players	> Global footprint even though Europe remains a predominant part of their business > EUR 500 m of revenues > Mix of ramp & passenger and cargo handling services	> Investment capability (warehouses, manpower, GSE[1], IT and warranties) > Privileged long-term relationship with airlines (global contracts) > Strong regional cargo network with pre- and post- airport routing	WFS Worldwide Flight Services, swissport, dnata, Menzies
	2 Regional generalists	> Coverage of 1-2 geographies (e.g. Europe and/or North America) > Relatively large range of services	> Local market share with strong scale effects > Contracts and historical relations with local airlines, historical licenses > Strong freighter regional network with pre-and post-airport journey operations	Aviapartner, AVIATOR, DGS, Çelebi, Havaş
	3 "Focused" generalists	> Regional players > Full range of services with 1 or 2 specific areas of expertise > This(ese) area(s) of expertise typically representing 30 to 70% of their revenues	> Superior expertise in one field requires specific resources (manpower, equipment) > Complexity to develop a wide and balanced offer while focusing on one specific skill	sats, Hactl
Specialists	4 Specialists	> Areas of specialization: cargo, fuel and oil, catering > Coverage of one country / geography	> Strong competitive advantage in their area of specialization > Technical investments (skills and assets)	LSG Sky Chefs, Gategourmet, bp

1) Ground Support Equipment

Sources: Company websites and presentations, press reviews, interviews, third party analysis

Ground and cargo handlers are differentiated by their geographical presence and range of services offered. Players often specialize either in ground handling or in cargo handling. The four main categories of handlers are:

(1) Global players that are able to offer a comprehensive range of services across several continents, usually realizing more than €500 million in annual revenues. Global players benefit from strong investment capabilities and long-term relationships with airlines. Traditional global players include Swissport, Menzies and WFS. In recent years, Dnata, historically based in MEA, has completed multiple acquisitions of small ground handling players, gradually consolidating into a global actor.

(2) Regional generalists that cover one to two regions and provide a wide range of services. They are usually strong in their domestic markets, benefitting from local scale effects and historical relationships with local airlines. Regional generalists include Aviapartner, Fraport and Alyzia in Europe, DGS in the USA, and Aviator in Nordic countries. Historically, Celebi was a Turkish domestic player but it has recently started to expand in India and Europe.

(3) Focused generalists which are regional players with a similar market positioning to regional generalists, yet with a focus on a narrower range of services (such as catering or fueling) that typically

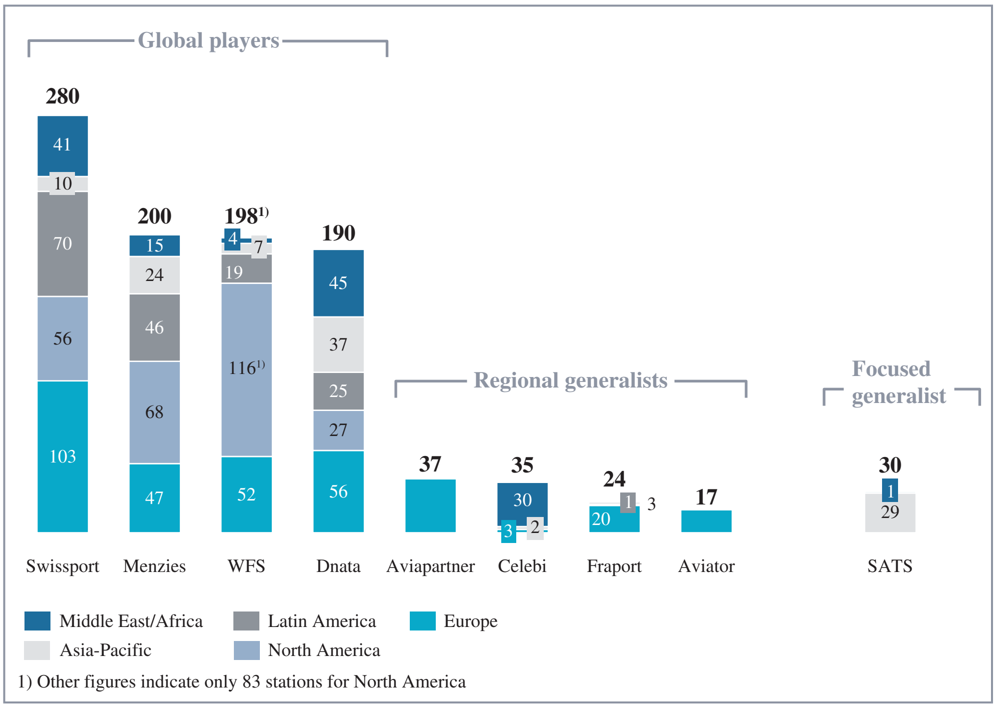
represent 50% to 70% of their revenue. Examples of focused generalists include SATS, a Singapore-based ground handler focused on catering and Hactl, focused on cargo related activities in Hong Kong.

(4) Specialists which provide a certain type of service that requires particular skills and resources (such as executive aviation), and usually have a limited geographical reach. Examples of such players include Signature Flight Support which specializes in executive aviation or gategroup which specializes in catering.

Large players benefit from their scale, experience and recognized ability to manage operations at the largest hubs. They usually have an advantage over smaller players in the market, driven by relatively large contracts, barely accessible by smaller peers. In addition, large hubs with a high share of international traffic require a significant level of investment in machinery necessary to handle wide-body aircraft, further reinforcing the edge of large players able to equip themselves with the required machinery. Nevertheless, in secondary airports all over the globe, large players experience strong competition from niche players operating in one or few airports.

Like other large players, Swissport has been able to realize the benefits of its size and scale, positioning itself as one of the leading independent handlers globally by revenue and number of stations.

Top Independent Handlers' Stations per Area (2016)



Sources: Company websites and presentations, press reviews, third party analysis

Consolidation Trend

The ground handling sector, while fully liberalized in North America, is still subject to some degree of regulation in Europe, which limits the number of active players. In Asia, the ongoing liberalization process is in an early phase, with the continued domination of a few airlines and airport authorities.

The cargo handling sector, which is fully liberalized, has been subject to intense competition for many years, particularly in Europe and North America. Asia has seen an increase in competition over the last ten years, with the arrival of large global cargo handlers across various locations.

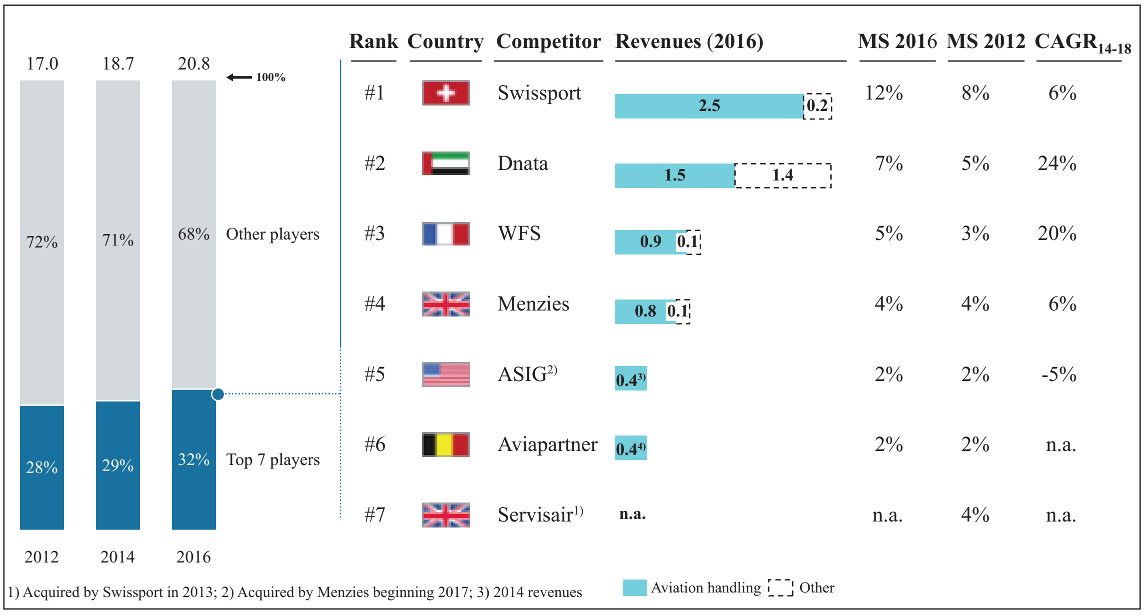
Despite fragmentation in the market, there has been a clear trend towards consolidation of the industry, particularly for the last three years, with nearly 30 mergers and acquisitions in ground and cargo handling over that period. Recent examples include:

- The acquisition, in May 2016, by Dnata of 100% of the equity in U.S. ground-handling company Ground Services International Inc (GSI), enabling the company to start operating in the North American market thanks to GSI's presence at 14 airports in the country. This acquisition followed multiple smaller acquisitions realized in the five years prior to that.

- The agreement, in October 2015, between Swissport and AGN Aviation services, on jointly providing ground handling services. With this agreement, Swissport expanded its network in Mexico to 28 stations; the combined company will offer its customers country—or multi-station—wide solutions for passenger and ramp handling services
- The acquisition in July 2015, by WFS of a 51% shareholding in Fraport Cargo services, building a strategic partnership with Fraport AG, for airfreight handling at Frankfurt airport.
- The acquisition in March 2016, by WFS of Consolidated Aviation Services (CAS) in order to strengthen its North American activities.
- Menzies takeover of Aircraft Service International Group (ASIG) in February 2017 in order to diversify its product portfolio.
- Swissport acquired majority stakes in Aviation Fuel Services (AFS) in order to expand its into-plane-fuelling services and to capitalize from the ongoing liberalization of the European into-plane-fuelling market.
- The acquisition by Celebi in 2013 of Fraport Ground Services Austria from Fraport AG Frankfurt Airport Services and Worldwide, and the German air cargo handling and warehousing business from Aviapartner in 2014 in order to strengthen its European position.

Despite multiple mergers and acquisitions that have contributed to increased concentration, the aviation handling market remains highly fragmented.

Top Seven Independent Handlers' Share of Accessible Cargo and Ground Handling Market (EUR millions, 2012-2016)—Excluding Fraport and Aviapartner



Sources: Company websites and presentations, press reviews, third party analysis

MANAGEMENT

The New Parent Guarantor

The New Parent Guarantor is a *société à responsibilité limitée* incorporated and existing under the laws of Luxembourg and registered with the Luxembourg Register of Commerce and Companies. The New Parent Guarantor is a wholly owned subsidiary of HNA Group and the direct parent company of the New Issuer. The directors of the New Parent Guarantor are set forth in the table below. The New Parent Guarantor's registered office is located at 9, Allée Scheffer, L-2520, Luxembourg, Grand Duchy of Luxembourg.

Name	Age
Eric Born	46
Dr. Thomas Staehelin (independent)	69
Peng Liu	38
Giuseppe Di Modica	43
Loïc Marion	41
Olivier Richaud	37

The business address for each of the directors and executive officers of the New Parent Guarantor is 9, Allée Scheffer, L-2520, Luxembourg, Grand Duchy of Luxembourg.

The biography of each of the directors is set out below under "*Management—The New Issuer.*"

The New Issuer

The New Issuer is a *société à responsibilité limitée* incorporated and existing under the laws of Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B157692. The New Issuer is a wholly-owned subsidiary of the New Parent Guarantor. The directors of the New Issuer are set forth in the table below and the New Issuer's registered office is located at 9, Allée Scheffer, L-2520, Luxembourg.

Name	Age
Eric Born	46
Dr. Thomas Staehelin (independent)	69
Peng Liu	38
Giuseppe Di Modica	43
Loïc Marion	41
Olivier Richaud	37

Eric Born became a member of the board of the New Issuer in April 2016. Eric Born joined Swissport as CEO of Swissport International Ltd. in August of 2015. Prior to joining Swissport, Eric Born spent six years at Wincanton Plc, a leading logistics company headquartered in the United Kingdom and listed on the London Stock Exchange. He joined Wincanton in 2009 as COO before he was promoted to CEO in 2010. From 2004 to 2009 Eric Born was President Europe West/South and Member of the Executive Management Board of aviation services provider gategroup. Prior to that Eric Born held several managing director positions in retail businesses in the United Kingdom as well as Switzerland, including with Migros and Accenture. Eric Born also served as Non-Executive Director at John Menzies Plc, a leading distribution and global aviation services business from 2010 until 2014. Eric Born is a Swiss national and holds a BBA from the University of Applied Science in Zürich and a MBA from Simon Business School at the University of Rochester N.Y.

Dr. Thomas Staehelin joined the board of the New Issuer in April 2016. Dr. Thomas Staehelin is a senior managing partner and Swiss corporate and tax attorney of Fromer Attorney and Notary Offices. Dr. Thomas Staehelin sits on the Board of Directors of Swissport International Ltd. and was formerly its chairman. Dr. Thomas Staehelin also serves on the boards of several Swiss companies and trusts. He is a board member and president of the tax and finance committee of the Association "*economie suisse*" and president of the combined Chamber of Commerce of the two Basel cantons. He formerly served as a member of the cantonal parliament of Basel. Dr. Thomas Staehelin holds a Ph.D. degree in law from the University of Basel.

Peng Liu became a member of the board of the New Issuer in February 2017. Peng Liu joined Swissport in August 2016 as EVP Business Development, Strategy & Projects. Prior to joining Swissport, he served as Corporate Executive Member of HNA Aviation Group Co. Ltd. Before that position he served as General

Manager of Strategy Planning Department of HNA Aviation Group Co. Ltd. Peng Liu holds a Master of Businesses Administration from Seattle University and Bachelor of International Finance from Wuhan University.

Giuseppe Di Modica, Director, became a member of the board of the New Issuer in July 2017. He has an extensive experience as board member and in the administration of private equity companies in Luxembourg. He has more than 15 years of experience in corporate and accounting services. Giuseppe Di Modica holds a master's degree in Economics and has Luxembourg Certified Chartered Accountant background.

Loïc Marion became a member of the board of the New Issuer in June 2016. He has more than fifteen years of experience in finance and advisory services. After ten years in audit, he became director for corporate services providers, dedicated to international private equity, multinationals and private clients. He has gained significant knowledge of the financial sector and regulatory challenges for regulated and unregulated entities in Luxembourg. He holds a master's degree in Finance and Management from the University of Nancy, France.

Olivier Richaud became a member of the board of the New Issuer in February 2016. He holds a master's degree in Management from Audencia Nantes in France and also studied at the University of Cincinnati in the United States. He has more than nine years' working experience in audit and accounting in Luxembourg. He sits on boards of corporates as a non-executive director, including entities of HNA Group.

The business address of Giuseppe Di Modica, Loïc Marion and Olivier Richaud is 9, Allée Scheffer, L-2520, Luxembourg. The business address of Eric Born, Dr. Thomas Staehelin and Peng Liu is 55, Flughofstrasse, 8152 Opfikon, Zurich, Switzerland.

Swissport International Ltd.

Board of Directors

The current Board of Directors of Swissport International Ltd. as of the date of these Listing Particulars consists of the following representatives:

Name	Age
Xiang Dong Tan (President)	50
Per H. Utnegaard (Vice-President) (independent)	57
Eric Born (Delegate)	46
Dr. Thomas Staehelin (independent)	69
Daoqi Liu	39
Charles Mobus	61
Stewart Smith	70
Gérard Houa	58
Jun Liang	49
Di Xin	49
Kin Ching Joseph Lo	61

The business address for each of the directors and executive officers of Swissport International Ltd. is Flughofstrasse 55, 8152 Opfikon, Zurich, Switzerland.

Executive Officers

Set forth below is information concerning certain of Swissport International Ltd.'s executive officers.

Name	Age	Position
Eric Born	46	President and Chief Executive Officer
Joseph Phelan	60	Chief Operating Officer
Dr. Christian Göseke	49	EVP Finance & Chief Financial Offer
Nils Pries Knudsen	57	Chief Commercial Officer
Luzius Wirth	43	EVP Swissport Group Services
Andreas Hugener	50	EVP Human Resources
Dr. Johannes C. Spindler	48	EVP Chief Legal Officer & General Secretary
Peng Liu	38	EVP Business Development, Strategy & Projects

The biographies of Eric Born and Peng Liu are set out above under "*Management—The New Issuer*."

Joseph Phelan joined Swissport in January 2012 as SVP Cargo for the Americas, and later that year, took over responsibility for both Ground Handling and Cargo Americas. As of January 2013, he was promoted to the position EVP GH & Cargo North America, Japan and South Korea and member of the Group Executive Management. Prior to joining Swissport, Joseph Phelan held several senior executive positions in American Airlines, and CEO positions at DHL and Sunbelt Rentals. Joseph Phelan graduated from California State University in business administration and holds an MBA from University of Dallas.

Dr. Christian Göseke is the Chief Financial Officer ("**CFO**") of Swissport. He started working at Swissport in September 2015 in a Business and Corporate Development role and was instrumental in the creation of the current Swissport strategy, before being promoted to his current role in May 2016. Dr. Christian Göseke started his career at the consultancy McKinsey & Company serving clients in financial institutions and automotive industry. He went on to develop his career in the service industry and logistics sector, gaining valuable experience over the last decade across Europe. He has worked for Delton AG, the strategic management holding of Stefan Quandt, where, in various CFO roles, he was tasked with turning one manufacturing division around, and with reorganizing their logistics business. Dr. Christian Göseke went on to work for Wincanton PLC within the continental European division and played an important role in the sales process when the division was acquired by Rhenus Logistics. Most recently he was responsible for the Central European catering business of Gate Group. Dr. Christian Göseke attended the business school at Otto-Beisheim School of Management where he secured an MBA equivalent (Dipl-Kfm.) and a Doctoral degree.

Nils Pries Knudsen joined Swissport International Ltd. in December 2008 and took over the responsibility of Executive Vice President and Head of Global Cargo Services in March 2015. Nils Pries Knudsen graduated from the Maersk Shipping Academy in 1983 and spent 13 years covering various management positions in Asia/Middle East and Europe for Maersk. After leaving Maersk in 1996, Nils Pries Knudsen worked for specialist forwarders Hangartner and J.F. Hillebrand as CEO for the Nordic area, before joining DHL Freight to lead the Danish operation. Nils Pries Knudsen spent two years with SAS as their global cargo commercial vice president before moving to Swissport in December 2008.

Luzius Wirth started at Swissport International Ltd. in January 2012 as Vice President Swissport Formula and later on as Vice President Corporate Operations & Quality focusing on standardizing Swissport's global operation. Mr. Wirth was appointed as SVP Group Services in April 2014. In October 2015, Luzius Wirth was appointed EVP Ground Handling & Group Services and in March 2017 he was appointed the Chief Executive Officer of Swissport UK and Ireland. Mr. Wirth also leads the Global IT and Global Procurement teams and focuses on aligning them with the company's business strategy and goals. Mr. Wirth received a degree in Mechanical Engineering at the Interstate University of Applied Science (NTB) in Buchs, Switzerland and an MBA from the Richard Ivey School of Business at the University of Western Ontario in Canada. Mr. Wirth has previously served at McKinsey & Company, IBM and PricewaterhouseCoopers.

Andreas Hugener joined Swissport International Ltd. in February 2017 as the Chief Human Resources Officer. He was previously the Global Head of Human Resources at Sulzer Ltd. Pumps Equipment and held the position of Chief Human Resources a.i. at Sulzer Management Ltd. Prior to this, he was the Head of HR and Quality, Environment, Safety and Health, Compliance and Risk Management at Sulzer Markets and Technology Ltd. before he became Head of HR and Shared Services at Sulzer Metco. Andreas Hugener holds a master's degree in Human Capital Management from ZHAW School of Management and Law, a BA in Business Administration from the Steinbeis-University in Berlin and an executive degree in Management from the University of St. Gallen.

Dr. Johannes C. Spindler, Chief Legal Officer & General Secretary, joined Swissport International Ltd. in March of 2010. Prior to joining Swissport, he served as Group General Counsel & Compliance Officer of Kuoni Travel Holding Ltd. (2006 to February 2010). Before that position, he served as Senior Legal Counsel at Swiss International Air Lines and Swissair Group from 2001 to 2005. Dr. Spindler studied at the Universities of Konstanz, Heidelberg (Germany) and at the University of Leeds (GB). He graduated from the University of Heidelberg in 1996 with a degree in legal studies and was after the 'second state exam' admitted to the bar as an Attorney at Law in Frankfurt a. M. (Germany) where he worked in an international law firm until 2001. He also received a PhD ("Dr. iur.") at the University of Heidelberg in 2001. He further holds an Executive Master in International and European Business Law (MBL HSG, University of St. Gallen, 2004). He also received an Executive Diploma in Management for Legal Profession (MLP HSG) from the University of St. Gallen in 2009.

Board of Directors' Practices

The Board of Directors of Swissport International Ltd. is entrusted with the ultimate direction of Swissport International Ltd., as well as the supervision and control of the management. The Board of Directors has historically convened approximately six times per year or as required. Meetings may also be called upon the request of any member of the Board of Directors setting forth the reasons for the request. A majority vote is required to pass a resolution.

Audit Committee

Swissport International Ltd. has an audit committee comprised of certain members of the Board of Directors, being as of the date of these Listing Particulars, Dr. Thomas Staehelin (Chairman), Stewart Smith, Di Xin and Kin Ching Joseph Lo. The terms of reference of the audit committee cover such issues as monitoring the effectiveness of internal control and risk management systems and operational controls, providing accurate and informative financial reporting and overseeing, reviewing fraud, theft and ethics compliance assessments and reporting of effective risk management. The audit committee is authorized by the Board of Directors of Swissport International Ltd. to investigate any activities within its terms of reference, including seeking any information it requires from any employee (and all employees are directed to cooperate with any request made by the audit committee) and obtaining legal or other professional advice from within the company or from outside advisors.

The audit committee also ensures that the external auditors remain independent of the Swissport Group and assesses the external auditors' independence and objectivity.

Compensation of Directors and Officers

From the completion of the HNA Acquisition to December 31, 2016, Swissport International Ltd.'s directors received fees of €0.1 million for their service as directors. Those directors who have executive positions within the Swissport Group receive salaries and other benefits as executive officers.

Swissport International Ltd. has no standard arrangements pursuant to which its executive offers receive compensation. Swissport International Ltd. provides bonuses to offer incentives to executive officers to achieve annual performance targets for it as a whole as well as within specific areas of responsibility of its executive officers. From the completion of the HNA Acquisition to December 31, 2016, it paid €6.0 million in salaries and other short-term employee benefits (including bonuses) to its executive officers. From the completion of the HNA Acquisition to December 31, 2016, Swissport International Ltd.'s executive directors received an additional €0.5 million in pension contributions, for a total compensation of €6.5 million from the completion of the HNA Acquisition to December 31, 2016. Officers of Swissport International Ltd. are expected to remain employed under their existing arrangements.

PRINCIPAL SHAREHOLDERS

Swissport International Ltd. is indirectly wholly-owned by the New Issuer. This Issuer is a direct subsidiary of the New Parent Guarantor, which is indirectly wholly-owned by HNA Group. HNA Group is a Fortune Global 500 Corporation which was founded in 1993 and has its primary group headquarters in Beijing, Haikou, Shanghai and Hong Kong. It is a multinational conglomerate whose core focus is aviation but whose global interests also encompass airport management, financial services, real estate, retail, tourism and logistics.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

We may enter into transactions with our shareholder and other entities owned by, or affiliated with our direct and indirect shareholder in the ordinary course of business and priced on an arm's length basis. In particular, we may enter into certain management agreements with HNA Group or an affiliated company, pursuant to which HNA Group or such affiliated company may be entitled to certain payments.

DESCRIPTION OF CERTAIN FINANCING ARRANGEMENTS

The following summarizes the existing terms of our principal financing arrangements in addition to the New Notes following the Transactions. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements. We recommend you refer to the actual agreements for further details, copies of which are available upon request to the Existing Issuer. As described in this summary, the terms of our principal financing arrangements are subject to change on the Settlement Date in line with the Amended and Restated Credit Agreement and Amended and Restated Intercreditor Agreement (as defined below).

Senior Facilities

The Existing Issuer and Swissport Group (USA) LLC, a limited liability company organized and existing under the laws of Delaware (the "**Co-Borrower**"), on January 20, 2016, entered into a six year senior secured term loan B facility agreement (the "**Term Loan B Facility**") with certain lenders (the "**TLB Lenders**"), Barclays Bank PLC, J.P. Morgan Limited and J.P. Morgan Securities as joint mandated lead arrangers and joint bookrunners (the "**Lead Arrangers**"), UBS Limited, as co-manager (the "**Co-Manager**"), Barclays Bank PLC, as administrative agent (the "**Administrative Agent**"), and Barclays Bank PLC, as security agent (the "**Security Agent**").

The Term Loan B Facility provided for a single tranche of term loans denominated in euros in an aggregate principal amount equal to €660 million.

The Credit Agreement provides for the CHF 110 million Revolving Credit Facility to be available to Swissport International Ltd. as borrower (the "**Revolving Borrower**") with certain lenders (the "**RCF Lenders**") to be used for general corporate and working capital purposes of the Revolving Borrower and the restricted subsidiaries (including certain permitted acquisitions and other investments) (each as defined in the Credit Agreement and together, the "**Borrower Group**"). As a result of the Specified Credit Agreement Events of Default, the Revolving Credit Facility is not currently available for drawdown.

The Revolving Credit Facility and the Term Loan B Facility (together, the "**Senior Facilities**") are documented in the same credit agreement (the "**Credit Agreement**").

Amended and Restated Credit Agreement

On the Settlement Date, the Existing Issuer, the TLB Lenders and the RCF Lenders (amongst others) intend to amend and restate the Credit Agreement. The Amended and Restated Credit Agreement is intended to create, and provide the TLB Lenders and RCF Lenders with, a different covenant perimeter, free and clear of any, covenants or pledges made pursuant to the Sponsor Facility. To effect these changes, the Amended and Restated Credit Agreement, will (amongst other changes): (i) replace the Existing Issuer (as borrower under the Credit Agreement) with the New Issuer (to become together with the Co-Borrower the new Term Borrowers (as currently defined in the Credit Agreement)); (ii) establish a newly incorporated Luxembourg company named Swissport Holding International S.à r.l. as the holding company of the New Issuer; (iii) redesignate the New Issuer from a *société anonyme* to a *société à responsabilité limitée*; (iv) transfer the entire shareholding of the Co-Borrower from the Swissport Parent Entity to the New Issuer; (v) extinguish all the obligations of the Swissport Parent Entity, the Existing Issuer and Aguila 2 pursuant to the original Loan Documents (as defined in the Credit Agreement); (vi) create a new group of restricted subsidiaries (starting from the New Parent Guarantor); (vii) reduce the applicable margin in respect of the Term Loan B Facility; (viii) various other technical changes to the Credit Agreement to reflect *inter alios* (x) payments to the Existing Notes Trustee for the Existing Notes of interest due on the Existing Notes after the Exchange Offer, (y) a reduction of the Borrowings of the Term Loan B Facility by up to EUR 200 million in principal; and (ix) a waiver of all existing defaults or events of default in connection with the Sponsor Facility under the Credit Agreement.

Notwithstanding the amendments described above, the Amended and Restated Credit Agreement is otherwise expected to generally reflect the existing provisions of the Credit Agreement and, as such, those described in this summary, unless otherwise indicated.

Repayments and Prepayments

The Term Loan B Facility matures on February 10, 2022 and will not be subject to scheduled amortization.

The Revolving Credit Facility is available on a revolving basis until July 10, 2021. Any amount still outstanding at that time will be due and payable on such date. We may reborrow amounts repaid under the Revolving Credit Facility, subject to certain conditions, until one month prior to its maturity.

Subject to certain conditions, we may voluntarily prepay all or a portion of the Term Loan B Facility and/ or permanently reduce our commitments under the Revolving Credit Facility in a minimum amount of €2.0 million in respect of the Term Loan B Facility and €2.0 million in respect of the Revolving Credit Facility by giving five business days' prior notice to the Administrative Agent.

In addition to voluntary prepayments, the Facilities require mandatory prepayment (or, as the case may be, an offer to do so) in full or in part in certain circumstances, including upon the occurrence of a change of control.

Interest and Fees

The Term Loan B Facility bears interest at a rate per annum equal to EURIBOR with a 1% floor plus a margin. Upon execution of the Amended and Restated Credit Agreement, it is expected that the Term Loan B Facility will bear interest at a rate per annum equal to EURIBOR with a 0% floor plus a margin.

The Revolving Credit Facility bears interest at a rate per annum equal to adjusted LIBOR for loans denominated in U.S. dollars, pounds sterling or Swiss franc, EURIBOR for loans denominated in Euro and CBOR for loans denominated in CAD, in each case plus a margin. We are also required to pay a commitment fee, quarterly in arrears, on available but unused commitments under the Revolving Credit Facility at a rate of 35% of the applicable margin.

Security and New Guarantees

The Senior Facilities are guaranteed by various guarantors and (subject to certain limitations and certain agreed security principles set out in the Credit Agreement) secured by a first lien security interest over the shares of certain subsidiaries held by such guarantor, and certain other assets of those same guarantors.

Upon execution of the Amended and Restated Credit Agreement it is expected that the Swissport Parent Entity, the Existing Issuer and Aguila 2 will be released from their guarantees and the security interests granted in connection with such guarantees will be released. Swissport Holding International S.à r.l., as the New Parent Guarantor, will guaranty the Senior Facilities and grant a first security interest over the shares of certain of its subsidiaries and certain of its other assets.

Covenants

The Credit Agreement contains customary positive and negative covenants (including restrictive covenants that largely follow those contained in the Existing Indentures), subject to certain agreed exceptions.

The Credit Agreement requires the Borrower Group to observe a "springing" leverage covenant in respect of the Revolving Credit Facility. The Borrower Group's financial and operating performance are monitored by a financial covenant, which requires us to ensure that the Group's Total Net Leverage Ratio (as defined in the Credit Agreement) does not exceed certain agreed levels. This financial covenant is tested quarterly on a rolling 12-month basis subject to the Revolving Credit Facility being utilized beyond a certain level (30% of the commitments threreunder).

Events of Default

The Credit Agreement contains customary events of default (subject in certain cases to agreed grace periods, thresholds and other qualifications), the occurrence of which allows the Required Lenders (as defined in the Credit Agreement) to accelerate all or part of the outstanding utilizations and/or declare all or part of their utilizations are payable on demand and/or instruct the Security Agent to enforce the transaction security.

Governing Law

The Credit Agreement is governed by and interpreted in accordance with New York law.

Intercreditor Agreement

In connection with entering into the Credit Agreement and the Existing Indentures, the Existing Issuer, the Co-Borrower, the Existing Parent Guarantor, the security providers and certain other subsidiaries of the New Guarantors and certain other entities, on January 20, 2016, entered into or, where relevant, acceded to after that date, an intercreditor agreement between, among others, the Existing Parent Guarantor, the Existing Issuer, the Revolving Credit Facility borrowers and the Existing Subsidiary Guarantors in their capacity as Debtors (as defined below) (the "**Intercreditor Agreement**") to govern the relationships and relative priorities among: (i) the RCF Lenders and TLB Lenders (the "**Senior Lenders**") and the other parties to the Credit Agreement; (ii) any persons that accede to the Intercreditor Agreement as counterparties to certain cash management agreements (collectively, the "**Cash Management Agreements**" and any persons that accede to the Intercreditor Agreement as counterparties to the Cash Management Agreements are referred to in such capacity as the "**Cash Management Providers**"); (iii) the Existing Notes Trustee on behalf of the holders of the Existing Senior Secured Notes; (iv) any persons that accede to the Intercreditor Agreement as counterparties to certain hedging agreements (the "**Hedging Agreements**," and such persons, which include the Senior Lenders and their affiliates acting in such capacity, the "**Hedge Counterparties**," and the Hedge Counterparties, together with the Senior Lenders, the holder of the Existing Senior Secured Notes, the Cash Management Providers, the Pari Passu Creditors (as defined below), the Security Agent, the Administrative Agent, the Arrangers (as defined in the Intercreditor Agreement) and each Pari Passu Debt Representative (as defined below under "*—Permitted Payments*"), the "**Senior Secured Creditors**"); (v) the Existing Notes Trustee under the Existing Senior Notes Indenture, on behalf of the holders of the Existing Senior Notes; (vi) the Administrative Agent; (vii) the Security Agent and (viii) certain intra-group creditors and debtors, including certain permitted re-financings and replacements of some or all of the foregoing. The Existing Notes are subject to the terms and conditions of the Intercreditor Agreement.

In addition, the Intercreditor Agreement regulates certain relationships between the Existing Issuer, its subsidiaries, the Existing Parent Guarantor and the Subordinated Creditors (as defined below under "*—Ranking and Priority*").

The Existing Parent Guarantor, the Existing Issuer and each of its subsidiaries that incur any liability or provide any guarantee under any Debt Document (as defined below under "*—Permitted Payments*") are referred to in this description as a "**Debtor**" and are referred to collectively as the "**Debtors**."

The Intercreditor Agreement sets out, among other things:

- the relative ranking of certain indebtedness of the Debtors (including pursuant to their guarantees of the Senior Secured Documents and the Senior Debt Documents (each as defined below under "*—Ranking and Priority*"));
- the ranking of certain security granted by the Debtors;
- when payments can be made in respect of certain indebtedness of the Debtors;
- when enforcement actions can be taken in respect of that indebtedness;
- the terms pursuant to which intra-group indebtedness and claims of the Subordinated Creditor are subordinated upon the occurrence of certain events;
- turnover provisions; and
- when security and guarantees will be released to permit a sale of certain collateral granted in favor of the Senior Secured Creditors.

The Intercreditor Agreement contains provisions relating to future indebtedness that may be incurred by the Debtors that (a) is permitted by the other debt documents evidencing the terms of various obligations governed by the Intercreditor Agreement to be incurred on a *pari passu* basis with the Senior Secured Obligations (as defined below under "*—Ranking and Priority*") and be secured by the Transaction Security, subject to the terms of the Intercreditor Agreement, such debt being "**Pari Passu Debt**," the creditors of such debt and any Pari Passu Debt Representative being "**Pari Passu Creditors**," the obligations thereunder, the "**Pari Passu Debt Obligations**" and the agreements creating Pari Passu Debt Obligations, the "**Pari Passu Debt Documents**") and (b) is permitted by the other debt documents evidencing the terms of various obligations governed by the Intercreditor Agreement to be incurred on an unsecured basis, such debt being "**Additional Unsecured Debt**," the creditors of such debt and their respective representatives being "**Additional Unsecured Debt Creditors**," the obligations thereunder, the "**Additional Unsecured Debt Obligations**" and the agreements creating Additional Unsecured Debt Obligations, the "**Additional Unsecured Debt Documents**."

Unless expressly stated otherwise in the Intercreditor Agreement, the provisions of the Intercreditor Agreement override anything in the Debt Documents to the contrary. The preceding sentence as between any Primary Creditor (as defined below) and any Debtor or any member of the Borrower Group does not cure, postpone, waive or negate any default or event of default (however described) under any debt document as provided for in the relevant debt document.

By accepting an Existing Senior Note or an Existing Senior Secured Note, holders of the Existing Senior Notes and Existing Senior Secured Notes are deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement and to have instructed the Existing Notes Trustee under the Existing Senior Secured Notes Indenture and the Existing Notes Trustee under the Existing Senior Notes Indenture, respectively, to enter into the Intercreditor Agreement on their behalf. The Existing Senior Secured Noteholders are Senior Secured Creditors. The Existing Senior Noteholders and the Existing Notes Trustee under the Existing Senior Notes Indenture are the "**Senior Creditors**," and the Senior Creditors together with the Senior Secured Creditors and the Additional Unsecured Debt Creditors are the "**Primary Creditors**."

Amended and Restated Intercreditor Agreement

As a result of the changes to reflect the new covenant perimeter, effected by the Amended and Restated Credit Agreement, it is intended that there will be an amended and restated Intercreditor Agreement (the "**Amended and Restated Intercreditor Agreement**"). The Swissport Parent Entity, the Existing Issuer and Aguila 2 S.à r.l. will no longer be Debtors under the Amended and Restated Intercreditor Agreement and the New Parent Guarantor will become a Debtor under the Amended and Restated Intercreditor Agreement. Notwithstanding the change in contracting parties, it is expected that the terms of the Amended and Restated Intercreditor Agreement will substantively reflect those in the existing Intercreditor Agreement, and as such, those described in this summary, unless otherwise indicated.

Terms of the Intercreditor Agreement

The following description is a summary of certain provisions, among others, contained in the Intercreditor Agreement. It does not restate the Intercreditor Agreement and you are advised to read that document in its entirety because it, and not the discussion that follows, defines certain rights of the holders of the Existing Notes.

Ranking and Priority

The Intercreditor Agreement provides, subject to the provisions in respect of permitted payments described below under "—*Permitted Payments*," that the obligations of the Debtors under, or in respect of, the Term Loan B Facility and the Revolving Credit Facility (the "**Senior Secured Facilities Obligations**"), the obligations of the Debtors under the Existing Senior Secured Notes (the "**Existing Senior Secured Notes Obligations**"), the obligations of the Debtors under the Hedging Agreements (the "**Hedging Obligations**"), the obligations of the Debtors under the Cash Management Agreements (the "**Cash Management Obligations**"), the Pari Passu Debt Obligations, the obligations of the Debtors to the Security Agent, the obligations of the Debtors to the Existing Notes Trustee and certain other representatives of the Senior Secured Creditors, Senior Creditors and Additional Unsecured Debt Creditors (collectively, the "**Representatives**" and such obligations, the "**Representative Obligations**," together with the Senior Secured Facilities Obligations, the Existing Senior Secured Notes Obligations, the Pari Passu Debt Obligations, the Hedging Obligations, the obligations to the Security Agent and the Cash Management Obligations, the "Senior Secured Obligations" and the agreements creating Senior Secured Obligations, the "**Senior Secured Documents**"), the obligations of the Debtors in respect of the Existing Senior Notes (the "**Senior Debt Obligations**" and the agreements creating Senior Debt Obligations (including the Existing Indenture), the "**Senior Debt Documents**") and the Additional Unsecured Debt Obligations rank in right and priority of payment in the following order:

- with respect to obligations owed by the Debtors other than the Existing Issuer (the "**Senior Subordinated Guarantor**," and the obligations of the Senior Subordinated Guarantor under each guarantee of the Senior Debt Obligations, the "**Senior Subordinated Guarantee Obligations**"):
  - *first*, the Senior Secured Obligations and the Additional Unsecured Debt Obligations *pari passu* between themselves and without any preference between them; and
  - *second*, the Senior Subordinated Guarantee Obligations *pari passu* between themselves and without any preference between them,

- with respect to obligations owed by the Existing Issuer, the Senior Secured Obligations, the Senior Debt Obligations and the Additional Unsecured Debt Obligations *pari passu* between themselves and without any preference between them.

The Intercreditor Agreement also provides that certain intra-group claims and claims of members of the Group (the "**Intra-Group Lenders**") and of any direct or indirect shareholder of the Existing Parent Guarantor (the "**Subordinated Creditors**," and together with the Intra-Group Lenders and the Primary Creditors, the "**Creditors**") are subordinated to the claims of the Primary Creditors.

The parties to the Intercreditor Agreement agree in the Intercreditor Agreement that the security provided by the Debtors and the other parties that provide security for the Senior Secured Creditors (the "**Transaction Security**" and the documents creating any Transaction Security, the "**Transaction Security Documents**") secure the Senior Secured Obligations *pari passu* and without any preference between them.

Under the Intercreditor Agreement, all proceeds from enforcement of the Transaction Security are applied as provided below under "—*Application of Proceeds*."

Permitted Payments

The Intercreditor Agreement permits, *inter alia*:

- in respect of Senior Secured Facilities Obligations, Debtors to make payments at any time under the Revolving Credit Facility and the Term Loan B Facility in accordance with the Senior Secured Documents;
- In respect of the Existing Senior Secured Notes Obligations, Debtors to make payments at any time in accordance with the Senior Secured Documents;
- in respect of Pari Passu Debt Obligations, Debtors to make payments at any time in accordance with the Senior Secured Documents;
- in respect of Hedging Liabilities, Debtors to make payments to Hedge Counterparties in accordance with the relevant Hedging Agreement; provided that no payment may be made to a Hedge Counterparty if any scheduled payment due from that Hedge Counterparty to that Debtor under a Hedging Agreement to which they are both party is due and unpaid;
- in respect of the Cash Management Obligations, to make payments to any Cash Management Provider then due to that provider under any Cash Management Agreement in accordance with the terms of that Cash Management Agreement unless an acceleration event has occurred;
- in respect of the Senior Debt Obligations, Debtors to make payments to Senior Creditors (a) prior to the Senior Secured Discharge Date (as defined in the Intercreditor Agreement) (i) if (A) the payment is of (I) any of the principal amount (including capitalized interest, if any) of the Senior Debt Obligations which is either (1) not prohibited from being paid by the Senior Secured Documents or (2) paid on or after the final maturity date of the relevant Senior Debt Obligations; or (II) any other amount (including, without limitation, interest, default interest, fees, and additional amounts) which is not an amount of principal or capitalized interest; (B) no Senior Debt Payment Blockage Notice (as defined below under "—Issue of Senior Debt Payment Blockage Notice") is outstanding; and (C) no payment default under the Senior Secured Documents (a "**Senior Secured Payment Default**") has occurred and is continuing; or (ii) if the Administrative Agent, the Existing Notes Trustee under the Existing Senior Secured Notes Indenture and each representative of Pari Passu Creditors (each a "**Pari Passu Debt Representative**") give prior consent to that payment being made; (iii) if the payment is of fees or expenses owed by a Debtor to a representative of the Senior Creditors; or (iv) if the payment is of costs, expenses, taxes and/or fees incurred in respect of, in relation to or reasonably incidental to the Senior Debt Document (including in relation to any reporting or listing requirements under the Senior Debt Documents); or (v) if the payment is of costs, taxes, premiums, expenses and fees incurred in respect of, in relation to or reasonably incidental to any refinancing of the Senior Debt not prohibited by the Senior Debt Documents; and (b) on or after the Senior Secured Discharge Date, any payments at any time (including, for the avoidance of doubt, payment of principal) (the payments in the foregoing clauses (a) and (b), the "**Permitted Senior Payments**");
- in respect of the Additional Unsecured Debt Obligations, Debtors to make payments to Additional Unsecured Debt Creditors (a) prior to the Senior Secured Discharge Date and the Senior Debt

Discharge Date (as defined in the Intercreditor Agreement) (the later of such dates, the "**Senior Discharge Date**"), (i) if (A) the payment is of: (I) any of the principal amount (including capitalized interest, if any) of the Additional Unsecured Debt Obligations which is either (1) not prohibited from being paid by the Senior Secured Documents (if the Senior Secured Discharge Date has not occurred) and the Senior Debt Documents (if the Senior Debt Discharge Date has not occurred), or (2) paid on or after the final maturity date of the relevant Additional Unsecured Debt Obligations, or (II) any other amount (including, without limitation, interest, default interest, fees, and additional amounts) which is not an amount of principal or capitalized interest; (B) no Additional Unsecured Debt Payment Blockage Notice (as defined in the Intercreditor Agreement) is outstanding; and (C) no Senior Secured Payment Default or payment default under the Senior Debt Documents (a "**Senior Debt Payment Default**") has occurred and is continuing; (ii) if the Administrative Agent, the Existing Notes Trustee under the Existing Senior Secured Notes Indenture, the Pari Passu Debt Representative(s) and the representative(s) of Senior Creditors (in each case, as applicable) give prior consent to that payment being made; (iii) if the payment is of fees or expenses owed by a Debtor to a representative of the Additional Unsecured Debt Creditors; (iv) if the payment is of costs, expenses, taxes and/or fees incurred in respect of, in relation to or reasonably incidental to the Additional Unsecured Debt Documents (including in relation to any reporting or listing requirements under the Additional Unsecured Debt Documents); or (v) if the payment is of costs, taxes, premiums, expenses and fees incurred in respect of, in relation to or reasonably incidental to any refinancing of the Additional Unsecured Debt not prohibited by the Additional Unsecured Debt Documents; and (b) on or after the Senior Discharge Date, make any payments in respect of the Additional Unsecured Debt Obligations at any time (including, for the avoidance of doubt, payment of principal);

- payments to lenders under any intra-group loan agreement (together, the "**Intra-Group Obligations**") if (a) at the time of payment no acceleration event has occurred in respect of any Senior Secured Obligations, Senior Debt Obligations or Additional Unsecured Debt Obligations or (b) if such an acceleration event occurs, (i) with the consent of (A) prior to the Senior Secured Discharge Date, the Majority Senior Secured Creditors (as defined below), (B) following the Senior Secured Discharge Date but prior to the Senior Debt Discharge Date, the Majority Senior Creditors (as defined below) and (C) following the Senior Discharge Date but prior to the Additional Unsecured Debt Discharge Date (as defined in the Intercreditor Agreement), the Majority Additional Unsecured Debt Creditors; or (ii) that payment is made solely to facilitate payment of the Senior Secured Obligations, the Senior Debt Obligations, the Representative Obligations or the Additional Unsecured Debt Obligations (in each case to the extent permitted to be paid by the Intercreditor Agreement by a member of the Group (as defined in the Intercreditor Agreement)); and

- payments in respect of liabilities owed by any Debtor to a Subordinated Creditor, which are subordinated in right of payment to the Senior Creditors ("**Subordinated Obligations**") if (a) that payment is (i) (if prior to the Senior Secured Discharge Date), permitted by the Senior Secured Documents; (ii) (if prior to the Senior Debt Discharge Date), permitted by the Senior Debt Documents and (iii) (if prior to the Additional Unsecured Debt Discharge Date), permitted by the Additional Unsecured Debt Documents (together with the Senior Secured Documents, the Senior Debt Documents and any documents evidencing Transaction Security, Intra-Group Obligations or Subordinated Liabilities, the "**Debt Documents"**) or (b)(i) prior to the Senior Secured Discharge Date, the prior consent of the Majority Senior Secured Creditors under any Senior Secured Documents pursuant to which such payment would result in a breach is obtained, (ii) prior to the Senior Debt Discharge Date, the prior consent of the Majority Senior Creditors under any Senior Debt Documents pursuant to which such payment would result in a breach is obtained and (iii) prior to the Additional Unsecured Debt Discharge Date, the prior consent of the Majority Additional Unsecured Debt Creditors under any Additional Unsecured Debt Documents pursuant to which such payment would result in a breach is obtained.

For the purposes of the Intercreditor Agreement, "**Majority Senior Secured Creditors**" means, at any time, those Senior Secured Creditors (other than Cash Management Providers in their capacity as such) whose Senior Secured Obligations (other than Cash Management Obligations) at that time aggregate more than 50% of the total Senior Secured Obligations (excluding Cash Management Obligations) at that time, "**Majority Senior Creditors**" means, at any time, those Senior Creditors whose Senior Debt Obligations at that time aggregate more than 50% of the total Senior Debt Obligations at that time and "**Majority Additional Unsecured Debt Creditors**" means, at any time, those Additional Unsecured Debt Creditors whose Additional Unsecured Debt Obligations at that time aggregate more than 50% of the total Additional Unsecured Debt Obligations at that time.

Issue of Senior Debt Payment Blockage Notice

Until the Senior Secured Discharge Date, except with the prior consent of the Administrative Agent (if the discharge of the Revolving Credit Facility and the Term Loan B Facility has not occurred), the Trustee (if the discharge of the Pari Passu Debt Obligations has not occurred) and the Pari Passu Debt Representative(s) (the Administrative Agent, the Trustee and the Pari Passu Debt Representative(s), the "**Senior Secured Representatives**") (if the discharge of the Pari Passu Debt Obligations has not occurred), the Existing Issuer and the Existing Parent Guarantor and the other members of the Group may not make and no Senior Creditor may receive from any member of the Group, any Permitted Senior Payments (other than any Permitted Senior Payment made pursuant to clauses (a)(ii), (a)(iii) and (a)(iv) of the definition of Permitted Senior Payments (as set forth above under "—*Permitted Payments*") and clause (a)(v) of such definition (other than any consent fees, and original issuance discount and upfront fees)) if (i) a Senior Secured Payment Default is continuing; or (ii) an event of default under any Senior Secured Document ("Senior Secured Event of Default") (other than a Senior Secured Payment Default) is continuing, from the date which is one Business Day after the date on which a Senior Secured Representative delivers a notice (a "**Senior Debt Payment Blockage Notice**") specifying the event or circumstance in relation to that Senior Secured Event of Default to, among others, the Existing Parent Guarantor, the Existing Notes Trustee under the Existing Senior Notes Indenture and the Security Agent until the earliest of (A) the date falling a hundred and seventy-nine (179) days after delivery of that Senior Debt Payment Blockage Notice; (B) if a Senior Standstill Period (as defined below under "—*Restrictions on Enforcement by Senior Creditors*") is in effect at any time after delivery of that Senior Debt Payment Blockage Notice, the date on which that Senior Standstill Period expires; (C) the date on which the relevant Senior Secured Event of Default has been remedied or waived or, if the relevant Senior Secured Obligations have been accelerated, such acceleration has been rescinded, in accordance with the Senior Secured Documents (as applicable); (D) the date on which the Senior Secured Representative which delivered the relevant Senior Debt Payment Blockage Notice delivers a notice to, among others, the Existing Parent Guarantor, the Existing Notes Trustee under the Existing Senior Notes Indenture and the Security Agent cancelling the Senior Debt Payment Blockage Notice; (E) the Senior Secured Discharge Date; and (F) the date on which the Security Agent takes enforcement action permitted under the Intercreditor Agreement against a Debtor.

Unless the Existing Notes Trustee under the Existing Senior Notes Indenture waives this requirement: (i) a new Senior Debt Payment Blockage Notice may not be delivered unless and until three hundred and sixty (360) days have elapsed since the delivery of the immediately prior Senior Debt Payment Blockage Notice; and (ii) no Senior Debt Payment Blockage Notice may be delivered in reliance on a Senior Secured Event of Default more than sixty (60) days after the date the Senior Secured Representatives received notice of that Senior Secured Event of Default.

The Administrative Agent, the Existing Notes Trustee under the Existing Senior Secured Notes Indenture and the Pari Passu Debt Representative(s) may only serve one Senior Debt Payment Blockage Notice with respect to the same event or set of circumstances.

No Senior Debt Payment Blockage Notice may be served by the Administrative Agent, an Existing Senior Secured Notes Representative or a Pari Passu Debt Representative in respect of a Senior Secured Event of Default which had been notified to the Administrative Agent, the Existing Notes Trustee under the Existing Senior Secured Notes Indenture or the Pari Passu Debt Representative(s), as relevant, at a time at which an earlier Senior Debt Payment Blockage Notice was issued.

For the avoidance of doubt, the issuance of a Senior Debt Payment Blockage Notice (i) acts as a suspension of payment and not as a waiver of the right to receive payment on the date such payments are due; (ii) does not prevent the accrual or capitalization of interest (including default interest) in accordance with the Senior Debt Documents; (iii) does not prevent the payment of any fees, costs and expenses and other indemnification amounts owed to a representative of the Senior Creditors (including the Existing Notes Trustee under the Existing Senior Notes Indenture); and (iv) does not prevent the payment of audit fees, directors' fees, taxes and other proper and incidental expenses required to maintain existence and any costs, taxes, fees and expenses incurred in respect of (or reasonably incidental to) any reporting or listing requirements under the Senior Debt Documents. Further, no event of default occurs under the Senior Debt Documents solely as the result of the issuance a Senior Debt Payment Blockage Notice.

Amendments

The Senior Creditors, the Existing Issuer and the Debtors may at any time amend or waive the terms of the Senior Debt Documents in accordance with their respective terms from time to time (and subject only to any consent required under them) provided that the terms of the Senior Debt Documents may not be amended or waived if such amendment or waiver is materially adverse to the interests of the Senior Secured Creditors taken as a whole.

Enforcement

Enforcement Instructions

The Security Agent may refrain from enforcing the Transaction Security or taking any other action as to enforcement unless instructed otherwise by the Majority Senior Secured Creditors. After the Transaction Security has become enforceable in accordance with its terms, the Majority Senior Secured Creditors may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as they see fit provided that the instructions as to Enforcement given by the Majority Senior Secured Creditors take into account the Security Enforcement Objective (as defined below).

"**Security Enforcement Objective**" means maximizing, so far as is consistent with a prompt and expeditious realization of value from an enforcement of the Transaction Security, the recovery by the Senior Secured Creditors.

Manner of Enforcement

If the Transaction Security is being enforced or other enforcement action is being taken, the Security Agent shall enforce the Transaction Security or take other action as to enforcement in such manner (including, without limitation, the selection of any administrator of any Debtor to be appointed by the Security Agent) as the Majority Senior Secured Creditors shall instruct or, in the absence of any such instructions, as the Security Agent sees fit, in each case, taking into account the Security Enforcement Objective and the requirements of each relevant Transaction Security Document. For the avoidance of doubt, in the absence of instructions from the Majority Senior Secured Creditors, the Security Agent is not required to take any action.

Exercise of Voting Rights

Subject to certain exceptions described in the Intercreditor Agreement, each Creditor (other than any Representative and the Senior Secured Creditors) casts its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group as instructed by the Security Agent; provided that this does not entitle any party to the Intercreditor Agreement to exercise or require any Primary Creditor to exercise such power of voting or representation to waive, reduce, discharge, extend the due date for (or change the basis for accrual of any) payment of, or reschedule any of, the obligations owed to that Primary Creditor. The Security Agent shall give such instructions in accordance with any instructions given to it by the Majority Senior Secured Creditors (provided such instructions have been given in accordance with the Intercreditor Agreement).

Restrictions on Enforcement by Senior Creditors

If the Security Agent has notified the representatives of the relevant Senior Secured Creditor that it is enforcing the security interests under the Transaction Security Documents, no Senior Creditor may take or require the taking of any enforcement action in relation to the Senior Subordinated Guarantee Obligations, except as set forth in the next paragraph.

The Senior Creditors are permitted to take enforcement action in relation to the Senior Subordinated Guarantee Obligations if (i) an event of default under the Senior Debt Documents (a "**Senior Event of Default**," and such Senior Event of Default, the "**Relevant Senior Default**") is continuing; (ii) the Security Agent and each Senior Secured Representative has received a notice of the Relevant Senior Default (a "**Senior Enforcement Notice**") specifying the event or circumstance in relation to the Relevant Senior Default from the Existing Notes Trustee under the Existing Senior Notes Indenture; (iii) a Senior Standstill Period (as defined below) has elapsed; and (iv) the Relevant Senior Default is continuing at the end of the relevant Senior Standstill Period. The Senior Creditors may take enforcement action under the preceding sentence in relation to a Relevant Senior Default even if, at the end of any relevant Senior Standstill Period or at any later time, a further Senior Standstill Period has begun as a result of any other Senior Event of Default.

In relation to a Relevant Senior Default, a Senior Standstill Period means the period beginning on the date (the "**Senior Standstill Start Date**") the Existing Notes Trustee under the Existing Senior Notes Indenture serves a Senior Enforcement Notice on each of the Senior Secured Representatives and the Security Agent in respect of such Relevant Senior Default and ending on the earliest to occur (being the "**Senior Standstill Period**") of (a) the date falling a hundred and seventy-nine (179) days after the Senior Standstill Start Date; (b) the date the Senior Secured Parties take any enforcement action in relation to a particular Senior Subordinated Guarantor, provided, however, that if a Senior Standstill Period ends pursuant to this clause (b), the Senior Creditors may only take the same enforcement action in relation to such Senior Subordinated Guarantor as the enforcement action taken by the Senior Secured Parties against such Senior Subordinated Guarantor; (c) the date of an Insolvency Event (as defined in the Intercreditor Agreement) (other than as a result of any action taken by any Senior Creditor) in relation to a particular Senior Subordinated Guarantor in which case enforcement action is to be taken only against such Senior Subordinated Guarantor; (d) the date on which the consent of the Majority Senior Secured Creditors to the termination of the Senior Standstill Period has been obtained; (e) the expiry of any other Senior Standstill Period outstanding at the date such first-mentioned Senior Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy); and (f) if a Senior Debt Payment Default has occurred resulting from a failure to pay the principal amount of the Senior Debt Obligations, at final maturity.

Insolvency Event

Without prejudice to certain set-off rights, including set-off rights in relation to multi-account overdraft balances, and close-out netting and payment-netting rights of hedge counterparties, after the occurrence of an Insolvency Event in relation to any member of the Group, each Creditor:

- entitled to receive a distribution out of the assets of such member of the Group (in respect of a Senior Secured Party and only to the extent that such amount constitutes proceeds of the enforcement of Transaction Security) in respect of obligations owed to that Creditor must, to the extent it is able to do so, direct the person responsible for the distribution of the assets of such Debtor to pay that distribution to the Security Agent until the obligations owing to the Senior Secured Parties have been paid in full;
- irrevocably authorizes the Security Agent (on the relevant instructions of the Majority Super Senior Creditors or in their absence as the Security Agent sees fit), on its behalf, to: take any enforcement action (in accordance with the terms of the Intercreditor Agreement) against that member of the Group; demand, sue, prove and give receipt for any or all of that member of the Group's liabilities; collect and receive all distributions on, or on account of, any or all of that member of the Group's liabilities; and file claims, take proceedings and do all other things the Security Agent considers reasonably necessary to recover that member of the Group's liabilities; and
- will do all things that the Security Agent (in each case on the relevant instructions referred to above or in their absence as the Security Agent sees fit) reasonably requests in order to give effect to this paragraph including, in certain cases, to grant a power of attorney to the Security Agent to enable the Security Agent to take the relevant action.

Turnover

The Intercreditor Agreement provides that if at any time prior to the Senior Discharge Date, subject to certain exceptions, any intra-group creditor, any Subordinated Creditor or any Primary Creditor receives or recovers:

- any payment or distribution of, or on account of or in relation to, any liability owed by a Debtor which is not a permitted payment under the Intercreditor Agreement or made in accordance with "—*Application of Proceeds*" below;
- (except with respect to certain set-off rights, including set-off rights in relation to multi-account overdraft balances, and close-out netting and payment-netting rights of hedge counterparties), any amount by way of set off in respect of any liability owed by a Debtor which does not give effect to a permitted payment under the Intercreditor Agreement;
- any amount (i) on account of or in relation to any liability owed by a Debtor after the occurrence of an acceleration event under any Senior Secured Document, Senior Debt Document or Additional Unsecured Debt Document or as a result of the enforcement of any Transaction Security in accordance with the Transaction Security Documents (each, a "**Distress Event**") or as a result of proceedings against a member of the Group (other than after the occurrence of an Insolvency Event in respect of that member of the Group), or (ii) by way of set off in respect of any liability of a Debtor after the occurrence of a Distress Event in each case, except in accordance with "—*Application of Proceeds*" below;

- the proceeds of any enforcement of any Transaction Security or the proceeds of any Distressed Disposal in each case, except in accordance with "—*Application of Proceeds*" below; or
- (other than in relation to certain set-off rights) any distribution in cash or in kind or payment of, or on account of or in relation to, any liability owed by any member of the Group which is not in accordance with "—*Application of Proceeds*" below and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of the Group,

then the intra-group creditor, Subordinated Creditor or Primary Creditor, as the case may be:

- in relation to receipts or recoveries not received or recovered by way of set off, must hold that amount on trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and
- in relation to receipts and recoveries received or recovered by way of set off, must promptly pay an amount equal to that receipt or recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Application of Proceeds

The Intercreditor Agreement provides that, subject to certain exceptions, amounts received or recovered by the Security Agent, including all amounts recovered by the Security Agent in connection with the realization or enforcement of all or any part of the Transaction Security or a transaction in lieu of the enforcement of Transaction Security are applied in the following order of priority:

- *first*, (A) in discharging any sums owing to the Security Agent and any receiver or any delegate appointed and (B) fees, costs and expenses and other indemnification amounts owed to the Representative(s) of Senior Secured Creditors, Senior Creditors and Additional Unsecured Debt Creditors, on a *pro rata* and *pari passu* basis;
- *second*, in payment or distribution to the Senior Secured Creditors of all costs and expenses incurred by any of them in connection with any realization or enforcement of the Transaction Security, in each case undertaken in accordance with the terms of the Intercreditor Agreement;
- *third*, in payment or distribution to (A) the Administrative Agent on its own behalf and on behalf of the Senior Secured Lenders (as defined in the Intercreditor Agreement) for which it is the representative; (B) the Hedge Counterparties and Cash Management Providers; (C) each Existing Senior Secured Notes Representative on behalf of the Existing Senior Notes Creditors it represents; and (D) each Pari Passu Debt Representative on behalf of Pari Passu Creditors it represents, for application towards the Senior Secured Obligations on a pro rata and *pari passu* basis;
- *fourth*, to the extent paid out of proceeds resulting from any enforcement action in relation to any (A) Additional Unsecured Debt Obligations, in payment or distribution to each representative of Additional Unsecured Debt Creditors on behalf of the Additional Unsecured Debt Creditors it represents for application towards the discharge of the Additional Unsecured Debt Obligations owed to the Additional Unsecured Debt Creditors (in accordance with the terms of the Additional Unsecured Debt Documents) and (B) Senior Debt Obligations, in payment or distribution to each representative of Senior Creditors on behalf of the Senior Creditors it represents for application towards the discharge of the Senior Debt Obligations owed to the Senior Creditors (in accordance with the terms of the Senior Debt Documents), on a *pro rata* and *pari passu* basis; and
- *fifth*, the balance, if any, in payment to the relevant Debtor.

Release of the New Guarantees and the Security upon a Distressed Disposal

If a Distressed Disposal (as defined below) is being effected the Security Agent is irrevocably authorized (at the cost of the relevant Debtor) without any consent, sanction, authority or further confirmation from any other party to the Intercreditor Agreement to (i) release the Transaction Security over the relevant asset; (ii) if the relevant asset consists of shares in the capital of a Debtor to release that Debtor and any of its subsidiaries from its liabilities in its capacity as a guarantor or a borrower (and certain other liabilities) under any Debt Document and, to release any Transaction Security granted by that Debtor and/or any subsidiary of that Debtor over any of its or their assets and/or the direct holding company of that Debtor over any of the shares in the capital of that Debtor; (iii) if the relevant asset consists of shares in the capital of a holding company of a Debtor, to release that holding company and any of its subsidiaries from their liabilities in their capacity as a guarantor or a borrower under any Debt Document, and certain other liabilities, and to release any Transaction Security granted by that holding company and any subsidiary of that holding company over any of its assets and the direct holding company of that holding company being disposed of over the shares on the capital of that holding company being disposed of; (iv) if the relevant asset consists of shares in the capital of a Debtor or holding company of a Debtor (the "**Disposed Entity**") and the Security Agent decides to dispose to another entity that is a Debtor (the "**Receiving Entity**") all or any part of the liabilities of that Disposed Entity, then the Security Agent shall enter into any relevant documentation provided that, if it is intended that the Receiving Entity should not be a Primary Creditor or Senior Secured Creditor, the Receiving Entity shall not be treated as a Primary Creditor or Senior Secured Creditor, and if it is intended that the Receiving Entity should be a Primary Creditor or Senior Secured Creditor, then all (and not part) of the liabilities owed to a Primary Creditor, and all or part of any other liabilities and liabilities owed to debtors shall be disposed of; and (v) if the relevant asset consists of shares in the capital of a Disposed Entity and the Security Agent decides to transfer to a Receiving Entity all or any part of the Disposed Entity's obligations or any obligations of any subsidiary of that Disposed Entity in respect of liabilities owed to a Debtor or intra-group lender, transfer all or part of such obligations on behalf of the person to which they are owed and accept the transfer of those obligations on behalf of the Receiving Entity.

In addition, if a Distressed Disposal (as defined below) is being effected such that any Senior Subordinated Guarantees or any Senior Debt Obligations will be released, it is a further condition to any such release that either (i) the Majority Senior Creditors have approved the release or (ii) where shares or assets of a Senior Subordinated Guarantor and/or the Existing Issuer are sold or disposed of (A) the proceeds of such sale or disposal are in cash (or substantially in cash); (B) all claims of the Primary Creditors against any member of the Group and any subsidiary of that member of the Group whose shares that are owned by a Debtor and are pledged in favor of any Primary Creditors are sold or disposed of pursuant to such Distressed Disposal, are unconditionally released and discharged concurrently with such sale (and are not assumed by the purchaser or one of its affiliates), and all Transaction Security in respect of the assets that are sold or disposed of are simultaneously and unconditionally released and discharged concurrently with such sale, provided that in the event that: (I) the Majority Senior Secured Creditors determine, acting reasonably and in good faith, that the Senior Secured Creditors (taken as a whole) will recover more through a sale of disposal of any such claim than if such claim was released or discharged; and (II) the representative(s) representing the Majority Senior Secured Creditors serve a notice on the Security Agent notifying the Security Agent of the same, the Security Agent is entitled instead to immediately sell and transfer such claim to such purchaser (or an affiliate of such purchaser); and (C) such sale or disposal is made: (I) pursuant to a Public Auction (as defined in the Intercreditor Agreement); or (II) where a Financial Adviser (as defined in the Intercreditor Agreement) confirms that the sale, disposal or transfer price is fair from a financial point of view after taking into account all relevant circumstances; provided that there is no obligation to postpone any such sale, disposal or transfer in order to achieve a higher price.

"**Distressed Disposal**" means a disposal of an asset of a member of the Group subject to the Transaction Security which is being effected (a) at the request of the Majority Senior Secured Creditors in circumstances where the Transaction Security has become enforceable in accordance with the terms of the relevant Transaction Security document, (b) by enforcement of the Transaction Security in accordance with the terms of the relevant Transaction Security document or (c) after the occurrence of a Distress Event, by or on behalf of a Debtor to a person or persons which is not a member of the Group.

Option to Purchase

Subject to certain conditions, one or more of the Senior Creditors may, after certain Distress Events, by giving not less than the specified number of days' notice to the Senior Secured Representatives, acquire or procure the acquisition by a person nominated by the purchasing Senior Creditors of all, but not part, of the rights, benefits and obligations in respect of the Senior Secured Obligations.

Amendment

The Intercreditor Agreement provides that it may only be amended, subject to certain exceptions as set forth therein with only the consent of the Existing Parent Guarantor, the Majority Senior Secured Creditors, the Security Agent, the Existing Notes Trustee under the Existing Indentures and other parties specified in the Intercreditor Agreement. If it is an amendment, waiver or consent that has the effect of changing or which relates to: (a) any amendment to the redistribution provisions, to the enforcement instructions provisions, to the application of proceeds provisions or the consents, amendments and override provisions; or (b) in the order of priority or subordination under the Intercreditor Agreement, such amendment, waiver or consent shall not be made without the consent of: (A) the Administrative Agent (acting on behalf of the adversely affected Senior Secured Lenders (as applicable)); (B) the Existing Notes Trustee under the Existing Senior Secured Notes Indenture (acting on behalf of the adversely affected holders of Existing Senior Secured Notes (as applicable)); (C) if any Pari Passu Debt has been incurred, the Pari Passu Debt Representative in respect of that Pari Passu Debt (acting on behalf of the adversely affected Pari Passu Creditors (as applicable)); (D) the Existing Notes Trustee under the Existing Senior Notes Indenture in respect of that Senior Debt (acting on behalf of the adversely affected Senior Creditors (as applicable)); (E) if any Additional Unsecured Debt has been incurred, the Additional Unsecured Debt Representative (as defined in the Intercreditor Agreement) in respect of that Additional Unsecured Debt (acting on behalf of the adversely affected Additional Unsecured Debt Creditors (as applicable)); (F) each Hedge Counterparty (to the extent that the amendment or waiver would adversely affect that Hedge Counterparty); (G) each Cash Management Provider (to the extent that the amendment or waiver would adversely affect that Cash Management Provider); (H) the Existing Parent Guarantor and (I) the Security Agent. No amendment or waiver of the Intercreditor Agreement may impose new or additional obligations on any Primary Creditor without their prior written consent other than in the case of Hedge Counterparties where the amendment does not adversely affect their rights or where the rights of the other Senior Creditors are also amended or waived to the same extent.

Governing Law

The Intercreditor Agreement is governed by New York law.

DESCRIPTION OF NEW SENIOR SECURED NOTES

You can find the definitions of certain terms used in this description under the subheading "*—Certain Definitions.*" In this description, references to (i) the "**Parent Guarantor**" refer only to Swissport Holding International S.à r.l. and not to any of its subsidiaries, (ii) the "**Issuer**" refer only to Swissport Financing S.à r.l. and not to any of its Subsidiaries, (iii) the "**Subsidiary Guarantors**" refer to the Subsidiaries of the Parent Guarantor (other than the Issuer) that will guarantee the New Notes, and (iv) "**we**," "**our**" and "**us**" refer to the Parent Guarantor and its Restricted Subsidiaries. Certain defined terms used in this description but not defined below under "*—Certain Definitions*" have the meanings assigned to them in the Indenture (as defined below).

The Issuer will issue an amount of euro-denominated senior secured notes (the "**New Notes**") under an indenture (the "**Indenture**") between, among others, the Issuer, the Parent Guarantor, U.S. Bank Trustees Limited, as trustee (the "**Trustee**"), and Barclays Bank PLC, as security agent (the "**Security Agent**"), in a private transaction that is not subject to the registration requirements of the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"). The Issuer will also issue New Senior Notes due 2022 (together with additional New Senior Notes issued under the relevant indenture, the "**New Senior Notes**") concurrently with the New Notes.

Unless the context otherwise requires, in this "*Description of New Senior Secured Notes*," references to the "**New Notes**" include the New Notes and any additional New Notes having identical terms and conditions as any series of the New Notes ("**Additional New Notes**") that are issued. The terms of the New Notes include those set forth in the Indenture. The Indenture will not incorporate or include any of the provisions of the U.S. Trust Indenture Act of 1939, as amended. The Security Documents referred to below under the caption "—Security" define the terms of the security that will secure the New Notes.

The following description is a summary of the material provisions of the Indenture, the New Notes and the Security Documents and refers to the Intercreditor Agreement. This does not restate those agreements in their entirety. We urge you to read the Indenture, the New Notes, the Security Documents and the Intercreditor Agreement because they, and not this description, define your rights as holders of the New Notes. Copies of the Indenture, the form of New Notes, the Security Documents and the Intercreditor Agreement are available as set forth below under "*—Additional Information*."

The registered holder of a New Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Brief Description of the New Notes and the New Guarantees

The New Notes

The New Notes:

- will be a general obligation of the Issuer;
- will be guaranteed on a senior basis by the Guarantors;
- will be secured on a first-priority basis by the Collateral, as described below under "—Security";
- will be effectively subordinated to any existing and future Indebtedness of the Issuer that is secured by property or assets that do not secure the New Notes, to the extent of the value of the property and assets securing such Indebtedness;
- will be *pari passu* in right of payment to any future Indebtedness of the Issuer that is not subordinated in right of payment to the New Notes (including the Term Loan B and the guarantee of the Revolving Credit Facility);
- will be senior to any future Indebtedness of the Issuer that is subordinated in right of payment to the New Notes, including any Subordinated Shareholder Debt; and
- will be effectively subordinated to any existing and future Indebtedness of the Subsidiaries of the Parent Guarantor (other than the Issuer) that do not guarantee the New Notes.

The New Guarantees

The New Notes will be guaranteed on a senior basis by the Guarantors.

The Guarantee of each Guarantor:

- will be a general obligation of that Guarantor;
- will be secured on a first-priority basis by the Collateral, as described below under "—*Security*";
- will be effectively subordinated to any existing and future Indebtedness of the relevant Guarantor that is secured by property or assets that do not secure such Guarantee, to the extent of the value of the property and assets securing such Indebtedness;
- will be *pari passu* in right of payment with all existing and future Indebtedness of such Guarantor that is not subordinated in right of payment to such Guarantee (including Indebtedness under or guarantees of the Senior Facilities); and
- will be senior in right of payment to all existing and future Indebtedness of such Guarantor that is subordinated in right of payment to such Guarantee, including the Guarantee of the New Senior Notes.

General

"**Restricted Subsidiary**" for purposes of the Indenture will be defined as any Subsidiary of the Parent Guarantor that is not an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not guarantee the New Notes. As of the Issue Date, only Cargo Service Center Brazil S.A.T.A. Ltda., Swissport Brasil Ltda, Swissport Israel Cargo Services Ltd., Swissport Belgium NV, Swissport Cargo Services France and Swissport Saudi Arabia Ltd. will be Unrestricted Subsidiaries. All of the Parent Guarantor's other Subsidiaries will be "Restricted Subsidiaries."

As of March 31, 2017, the Parent Guarantor's Restricted Subsidiaries that have not guaranteed the New Notes would have had approximately €42.0 million of Indebtedness outstanding, excluding shareholder debt.

Not all of the Restricted Subsidiaries will guarantee the New Notes. The New Subsidiary Guarantors represented 61.0% of Swissport's total assets (excluding goodwill) as of March 31, 2017 and 77.0% of the consolidated Swissport EBITDA for the twelve-month period ended March 31, 2017, in each case excluding intercompany transactions. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor Restricted Subsidiaries, the non-guarantor Restricted Subsidiaries will likely be required to repay financial and trade creditors before distributing any assets to the Issuer or a Guarantor.

The Issuer is a holding company without operations, and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet its obligations, including its obligation under the New Notes. Substantially all the operations of the Issuer will be conducted through its Subsidiaries, and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet its obligations. The New Notes will be effectively subordinated to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of its non-guarantor Subsidiaries.

Principal, Maturity and Interest

The Issuer may issue an unlimited principal amount of Additional New Notes under the Indenture from time to time after this offering. Any issuance of Additional New Notes is subject to all of the covenants in the Indenture, including the covenant described below under the caption "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock.*" The New Notes and any Additional New Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase, *provided* that, if the Additional New Notes are not fungible with the original New Notes for U.S. federal income tax purposes, such Additional New Notes, as applicable, will be issued with a separate identification number. The Issuer will issue the New Notes in denominations of €100,000 and integral multiples of €1,000 in excess thereof. The New Notes will mature on December 15, 2021 at a purchase price in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any.

Interest on the New Notes will accrue at the rate of 6.750% per annum. Interest on the New Notes will be payable semi-annually in arrears on June 15 and December 15, commencing on December 15, 2017. The Issuer will make each interest payment to the holders of record on the immediately preceding June 1 and December 1.

Interest on the New Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Paying Agent and Registrar for the New Notes

The Issuer will maintain one or more paying agents (each, a "**Paying Agent**") for the New Notes in the City of London (the "**Principal Paying Agent**"). The initial Principal Paying Agent will be Elavon Financial Services Limited, UK Branch, in London.

The Issuer will also maintain one or more registrars (each, a "**Registrar**") for so long as the New Notes are listed on the Luxembourg Stock Exchange and its rules so require. The Issuer will also maintain a transfer agent (each, a "**Transfer Agent**"). The initial Registrar will be Elavon Financial Services Limited in Dublin, Ireland. The initial Transfer Agent will be Elavon Financial Services Limited, UK Branch. The Registrar and the Transfer Agent will maintain a register reflecting ownership of Definitive Registered New Notes (as defined under "*Book-Entry, Delivery and Form*") outstanding from time to time and will make payments on and facilitate transfer of Definitive Registered New Notes on behalf of the Issuer.

The Issuer may change the Paying Agents, the Registrars or the Transfer Agents without prior notice to the holders of New Notes. For so long as the New Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or Transfer Agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Transfer and Exchange

New Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act will initially be represented by one or more global New Notes in registered form without interest coupons attached (the "**144A Global Notes**"), and New Notes sold outside the United States pursuant to Regulation S under the U.S. Securities Act will initially be represented by one or more global New Notes in registered form without interest coupons attached (the "**Regulation S Global Notes**" and together with the 144A Global Notes, the "**Global Notes**").

Ownership of interests in the Global Notes (the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear or Clearstream, Luxembourg or Persons that may hold interests through such participants. Ownership of interests in the Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Transfer Restrictions*." In addition, transfers of Book-Entry Interests between participants in Euroclear or Clearstream, Luxembourg will be effected by Euroclear or Clearstream, Luxembourg pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream, Luxembourg and their respective participants.

Book-Entry Interests in the 144A Global Note, or the "**Restricted Book-Entry Interest**," may be transferred to a person who takes delivery in the form of Book-Entry Interests in the 144A Global Note, as applicable, or the "**Regulation S Book-Entry Interests**," only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S under the U.S. Securities Act.

Prior to 40 days after the date of initial issuance of the New Notes, ownership of Book-Entry Interests in Regulation S Global Notes will be limited to persons that have accounts with Euroclear or Clearstream or persons who hold interests through Euroclear or Clearstream, and any sale or transfer of such interest to U.S. persons shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A under the U.S. Securities Act. Subject to the foregoing, Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of Restricted Book-Entry Interests only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "Notice to Investors" and in accordance with any applicable securities law of any other jurisdiction. Any Book-Entry Interest (as defined under "*Book-Entry, Delivery and Form*") that is transferred as described in the immediately preceding paragraphs will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it was transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Definitive Registered New Notes are issued, they will be issued only in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof, upon receipt by the applicable Registrar of instructions relating thereto and any certificates and other documentation required by the Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg, as applicable, from the participant that owns the relevant Book-Entry Interests. Definitive Registered New Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture or as otherwise determined by the Issuer in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under "*Notice to Investors*."

Subject to the restrictions on transfer referred to above, New Notes issued as Definitive Registered New Notes may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof, to persons who take delivery thereof in the form of Definitive Registered New Notes. In connection with any such transfer or exchange, the Indenture will require the transferring or exchanging holder to, among other things, furnish appropriate endorsements and transfer documents, furnish information regarding the account of the transferee at Euroclear or Clearstream where appropriate, furnish certain certificates and opinions and pay any Taxes in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the holder, other than any Taxes payable in connection with such transfer or exchange; *provided* that, if the Issuer or any Guarantor is a party to the transfer or exchange, the holder will not be required to pay such Taxes.

Notwithstanding the foregoing, the Issuer is not required to register the transfer of any Definitive Registered New Notes:

(1) for a period of 15 days prior to any date fixed for the redemption of the New Notes;

(2) for a period of 15 days immediately prior to the date fixed for selection of New Notes to be redeemed in part;

(3) for a period of 15 days prior to the record date with respect to any interest payment date; or

(4) which the holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Sale Offer.

The Issuer, the Trustee, the Transfer Agent, the Registrar and the Paying Agent will be entitled to treat the holder of a New Note as the owner of it for all purposes.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the New Notes or any of the Guarantors with respect to any Guarantee will be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of (1) any jurisdiction in which the Issuer or any Guarantor is then incorporated or organized, engaged in business for tax purposes or otherwise resident for tax purposes or any political subdivision thereof or therein or (2) any jurisdiction from or through which payment is made by or on behalf of the Issuer or any Guarantor (including the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a "**Tax Jurisdiction**") will at any time be required to be made from any payments made by or on behalf of the Issuer under or with respect to the New Notes or any of the Guarantors with respect to any Guarantee, including payments of principal, redemption price, interest or premium, the Issuer or the relevant Guarantor, as applicable, will pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received in respect of such payments by each holder or beneficial owner after such withholding, deduction or imposition (including any such withholding, deduction or imposition from such Additional Amounts) will equal the respective amounts that would have been received in respect of such payments in the absence of such withholding or deduction; *provided*, *however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes, to the extent such Taxes would not have been imposed but for the existence of any present or former connection between the holder or the beneficial owner of the New Notes (or between a

fiduciary, settlor, beneficiary, partner of, member or shareholder of, or possessor of a power over, the relevant holder, if the relevant holder is an estate, trust, nominee, partnership, limited liability company or corporation) and the relevant Tax Jurisdiction (including being or having been a citizen, resident, or national thereof or being or having been present or engaged in a trade or business therein or having or having had a permanent establishment therein), but excluding any connection arising merely from the holding of such New Note, the enforcement of rights under such New Note or under a Guarantee or the receipt of any payments in respect of such New Note or a Guarantee;

(2) any Taxes, to the extent such Taxes were imposed as a result of the presentation of a New Note for payment (where presentation is required) more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts had the New Note been presented on any day of such 30 day period);

(3) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

(4) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the New Notes or with respect to any Guarantee;

(5) any Taxes to the extent such Taxes are imposed or withheld by reason of the failure of the holder or beneficial owner of New Notes, following the Issuer's written request addressed to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request), to comply with any certification, identification, information or other reporting requirements, whether required by statute, treaty, regulation or administrative practice of a Tax Jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes imposed by the Tax Jurisdiction (including, without limitation, a certification that the holder or beneficial owner is not resident in the Tax Jurisdiction), but in each case, only to the extent the holder or beneficial owner is legally entitled to provide such certification or documentation);

(6) any Taxes imposed on or with respect to any payment by the Issuer or Guarantor to the holder if such holder is a fiduciary or partnership or any person other than the sole beneficial owner of such New Note to the extent that Taxes would not have been imposed on such payment had such holder been the sole beneficial owner of such New Note; or

(7) any combination of items (1) through (6) above.

In addition to the foregoing, the Issuer and the Guarantors will also pay and indemnify the holder for any present or future stamp, issue, registration, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and any other reasonable expenses related thereto) which are levied by any Tax Jurisdiction on the execution, delivery, issuance or registration of any of the New Notes, the Indenture, any Guarantee or any other document referred to therein (other than a transfer of the New Notes other than the initial resale by the initial purchasers) or the receipt of any payments with respect thereto (limited, solely in the case of taxes attributable to the receipt of any payments with respect thereto, to any such taxes imposed in a Tax Jurisdiction that are not excluded under clauses (1) through (3) or (5) and (6) above or any combination thereof), or any such taxes, charges or similar levies imposed by any jurisdiction as a result of, or in connection with, the enforcement of any of the New Notes or any Guarantee.

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the New Notes or any Guarantee, each of the Issuer or the relevant Guarantor, as the case may be, will deliver to the Trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises less than 45 days prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Trustee promptly thereafter) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officer's Certificates must also set forth any other information reasonably necessary to enable the Paying Agents to pay Additional Amounts to holders on the relevant payment date. The Trustee shall be entitled to rely solely on such Officer's Certificate without any liability as conclusive proof that such payments are necessary.

The Issuer or the relevant Guarantor will make all withholdings and deductions required by law and will timely remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor will furnish to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments (reasonably satisfactory to the Trustee) by such entity. If requested by the Trustee, the Issuer or the Guarantors will provide to the Trustee such information as may be in the possession of the Issuer or the Guarantors (and not otherwise in the possession of the Trustee) to enable the Trustee to determine the amount of withholding taxes attributable to any particular holder.

Whenever in the Indenture or in this "*Description of New Senior Secured Notes*" there is mentioned, in any context, the payment of amounts based upon the principal amount of the New Notes or of principal, interest or of any other amount payable under, or with respect to, any of the New Notes or any Guarantee, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligations will survive any termination, defeasance or discharge of the Indenture, any transfer by a holder or beneficial owner of its New Notes, and will apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is incorporated, engaged in business for tax purposes or resident for tax purposes or any jurisdiction from or through which such Person makes any payment on the New Notes (or any Guarantee) and any department or political subdivision thereof or therein.

The New Guarantees

The New Notes will be guaranteed on a senior basis by the Parent Guarantor (the "**Parent Guarantee**") and the Subsidiary Guarantors (the guarantee by the Subsidiary Guarantors together with the Parent Guarantee, the "**New Guarantees**"). The New Guarantees will be joint and several obligations of the Guarantors.

Each of the New Guarantees and the amounts recoverable thereunder will be limited to the maximum amount that can be guaranteed by a particular Guarantor without rendering its guarantee voidable or otherwise ineffective under applicable law, including laws relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally, or otherwise to reflect applicable laws, including laws relating to capital maintenance and the liability of directors and officers. See "*Risk Factors—Risks Relating to Our Indebtedness, including the New Notes—Corporate benefit and financial assistance laws and other limitations on the obligations under the New Guarantees may adversely affect the validity and enforceability of the New Guarantees*" and "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Notes Security and Certain Insolvency Law Considerations*."

The operations of the Parent Guarantor and the Issuer are conducted through its Subsidiaries, and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the New Notes. Not all of the Parent Guarantor's Subsidiaries will guarantee the New Notes. The New Notes will be effectively subordinated in right of payment to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of the Parent Guarantor's non-guarantor Subsidiaries (other than the Issuer). Any right of any Guarantor or the Issuer to receive assets of any of the Parent Guarantor's non-guarantor Subsidiaries (other than the Issuer) upon that non-guarantor Subsidiary's liquidation or reorganization (and the consequent right of the holders of the New Notes to participate in those assets) will be effectively subordinated to the claims of that non-guarantor Subsidiary's creditors, except to the extent that the Issuer or such Guarantor is itself recognized as a creditor of the non-guarantor Subsidiary, in which case the claims of the Issuer or such Guarantor, as the case may be, would still be subordinated in right of payment to any security over the assets of the non-guarantor Subsidiary and any Indebtedness of the non-guarantor Subsidiary senior to that held by the Issuer or such Guarantor. See "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—The New Notes will be structurally subordinated to the indebtedness and other obligations of the Parent Guarantor's non-guarantor subsidiaries*."

For a description of such contractual limitations, see "*Risk Factors—Risks Relating to Our Indebtedness, including the New Notes—Corporate benefit and financial assistance laws and other limitations on the obligations under the New Guarantees may adversely affect the validity and enforceability of the New Guarantees*."

Release of the Parent Guarantee

The Parent Guarantee will be released:

(1) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*";

(2) upon the full and final payment of the aggregate principal amount of all the New Notes and performance of all obligations of the Parent Guarantor under the Indenture and the New Notes; or

(3) in accordance with the provisions under "*—Amendment, Supplement and Waiver*."

Release of the Subsidiary New Guarantees

The Guarantee of a Subsidiary will be released:

(1) in connection with any sale, disposition, exchange or other transfer of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if the sale or other disposition does not violate the "*Asset Sale*" provisions of the Indenture;

(2) in connection with any sale, disposition, exchange or other transfer of Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture and the Guarantor ceases to be a Restricted Subsidiary as a result of the sale or other disposition;

(3) if the Parent Guarantor designates any Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture;

(4) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*";

(5) in accordance with an enforcement sale in compliance with the Intercreditor Agreement or any Additional Intercreditor Agreement, or as otherwise provided for under the Intercreditor Agreement or any Additional Intercreditor Agreement;

(6) upon the full and final payment of the aggregate principal amount of all the New Notes and performance of all obligations of the Issuer under the Indenture and the New Notes;

(7) in the case of any Restricted Subsidiary that after the Issue Date is required to guarantee the New Notes pursuant to the covenant described under "*—Certain Covenants—Limitation on Issuances of New Guarantees of Indebtedness*," upon the release or discharge of the guarantee of Indebtedness by such Restricted Subsidiary which resulted in the obligation to guarantee such New Notes; or

(8) as described under "*—Amendment, Supplement and Waiver*."

Upon any occurrence giving rise to a release as specified above, the Trustee or the Security Agent, as applicable, will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such guarantee. Neither the Issuer nor any Guarantor will be required to make a notation on the New Notes to reflect any such release, termination or discharge.

Security

Within 60 days of the Issue Date, the obligations of the Issuer under the New Notes and the obligations of the Guarantors under their respective New Guarantees will be secured, on a first-priority basis, by all assets that secure from time to time the Issuer's and the Guarantors' obligations under the Senior Facilities.

The Collateral (as defined below) will consist of a first lien on material assets of the Issuer and the Guarantors (other than shares in subsidiaries), the shares in the Subsidiary Guarantors, and certain other assets of the Issuer and the Guarantors subject to the agreed security principles.

The Liens securing the New Notes and the New Guarantees will also secure the obligations of the Issuer and the Guarantors under the Senior Facilities and certain hedging obligations. The assets and property of the Parent Guarantor and its subsidiaries that are from time to time subject to, or required to be subject to, a Lien pursuant to the Security Documents are referred to as the "Collateral." The security and other agreements in respect of the Collateral are referred to as the "Security Documents."

Under the Security Documents, the Collateral will be pledged by the Issuer and the Guarantors to secure the payment when due of the Issuer's and the Guarantors', as applicable, payment obligations under the New Notes, the New Guarantees and the Indenture. The Security Documents will be entered into by, *inter alios*, the Security Agent or its nominee(s), who will act as Security Agent for the lenders under the Senior Facilities and for the Trustee and the holders of New Notes.

Each holder of New Notes, by accepting a Note, shall be deemed (i) to have authorized the Trustee to enter into the Intercreditor Agreement and the Security Agent to enter into the Security Documents and the Intercreditor Agreement and (ii) to be bound thereby. Each holder of New Notes, by accepting a Note, appoints the Trustee or the Security Agent, as the case may be, as its agent under the Security Documents and the Intercreditor Agreement and authorizes it to act as such.

The holders of the New Notes are not a party to the Security Documents, and therefore holders may not, individually or collectively, take any direct action to enforce any rights in their favor under the Security Documents. The holders may only act through the Trustee or the Security Agent, as applicable. The Security Agent will agree to any release of the security interest created by the Security Documents that is in accordance with the Indenture and the Intercreditor Agreement without requiring any consent of the holders. Only the Majority Senior Secured Creditors (as defined below) will be entitled to instruct the Security Agent to enforce the collateral and the holders of the New Notes will not have separate rights to enforce the collateral. "Majority Senior Secured Creditors" means, at any time, those Senior Secured Creditors (other than cash management providers in their capacity as such) whose Senior Secured Creditor Obligations (other than cash management obligations) at that time aggregate more than 50% of the total Senior Secured Creditor Obligations (excluding cash management obligations) at that time. The holders of the Senior Secured New Notes will be bound by any decisions of the Majority Senior Secured Creditors, which may result in enforcement action in respect of the Collateral, whether or not such action is approved by the holders of the Senior Secured New Notes. See "Description of Certain Financing Arrangements—Intercreditor Agreement."

Subject to the terms of the Security Documents, the Issuer and the Guarantors, as the case may be, will be entitled to exercise any and all voting rights and to receive and retain any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares of stock resulting from stock splits or reclassifications, rights issue, warrants, options and other distributions (whether similar or dissimilar to the foregoing) in respect of the shares that are part of the Collateral.

The value of the Collateral securing the New Notes and the New Guarantees may not be sufficient to satisfy the Issuer's and the Guarantors' obligations under the New Notes and the New Guarantees, and the Collateral securing the New Notes and the New Guarantees may be reduced or diluted under certain circumstances, including the issuance of Additional New Notes and the disposition of assets comprising the Collateral, subject to the terms of the Indenture. Your ability to recover under the Collateral may also be limited. Please see "Risk Factors—Risks Relating to Our Indebtedness, including the New Notes—Risks related to the Collateral."

No appraisals of the Collateral have been prepared by or on behalf of the Issuer or the Guarantors in connection with this offering of the New Notes. There can be no assurance that the proceeds of any sale of the Collateral, in whole or in part, pursuant to the Indenture and the Security Documents following an Event of Default, would be sufficient to satisfy amounts due on the New Notes or the New Guarantees. By its nature, some or all the Collateral may be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral would be sold in a timely manner or at all.

The Security Documents are governed by the laws of the other jurisdictions to which the Collateral is subject and provide that the rights with respect to the New Notes and the Indenture must be exercised by the Security Agent and in respect of the entire outstanding amount of the New Notes. The term "Security Interests" refers to the Liens in the Collateral.

Release of the security

The Issuer and the Guarantors will be entitled to release the Liens in respect of the Collateral securing the New Notes and/or the New Guarantees under any one or more of the following circumstances:

(1) in connection with any sale, assignment, transfer, conveyance or other disposition of such property or assets to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or any of its Restricted Subsidiaries, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture;

(2) in the case of a Guarantor that is released from its Guarantee pursuant to the terms of the Indenture, the release of the property and assets, and Capital Stock, of such Guarantor;

(3) if the Parent Guarantor designates any of its Restricted Subsidiaries to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture, the release of the property and assets of such Restricted Subsidiary;

(4) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "—Legal Defeasance and Covenant Defeasance" and "—Satisfaction and Discharge";

(5) upon the full and final payment and performance of all obligations of the Parent Guarantor under the Indenture and the New Notes; or

(6) as described under "—Amendment, Supplement and Waiver."

In addition, the Liens created by the Security Documents will be released (a) in accordance with the Intercreditor Agreement or any Additional Intercreditor Agreement and (b) as may be permitted by the covenant described under "Certain Covenants—Impairment of Security Interest."

The Security Agent and the Trustee will take all necessary action required to effectuate any release of Collateral securing the New Notes and the New Guarantees, in accordance with the provisions of the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement and the relevant Security Document. Each of the releases set forth above shall be affected by the Security Agent without the consent of the holders or any action on the part of the Trustee.

Optional Redemption

At any time prior to June 15, 2018, the Issuer may on any one or more occasions redeem up to 40% of the aggregate principal amount of the New Notes issued under the Indenture at a redemption price equal to 106.750% of the principal amount of the New Notes redeemed, upon not less than 10 nor more than 60 days' notice, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption (subject to the rights of holders of New Notes on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of an Equity Offering of (i) the Parent Guarantor or (ii) any Parent Entity to the extent the proceeds from such Equity Offering are contributed to the Parent Guarantor's common equity capital or are paid to the Parent Guarantor as consideration for the issuance of ordinary shares of the Parent Guarantor; *provided* that:

(1) at least 60% of the aggregate principal amount of the New Notes (calculated after giving effect to any issuance of Additional New Notes but excluding New Notes held by the Parent Guarantor and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

At any time prior to June 15, 2018, the Issuer may on any one or more occasions redeem all or a part of the New Notes upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the New Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of the New Notes on the relevant record date to receive interest due on the relevant interest payment date.

Except pursuant to the preceding two paragraphs and except pursuant to "—*Redemption for Changes in Taxes,*" the New Notes will not be redeemable at the Issuer's option prior to June 15, 2018.

On or after June 15, 2018, the Issuer may on any one or more occasions redeem all or a part of the New Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Additional Amounts, if any, on the New Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period or the six-month period, as applicable, beginning as indicated below, subject to the rights of holders of New Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
Commencing June 15, 2018	105.063%
Commencing December 15, 2018	103.375%
Commencing December 15, 2019	101.688%
Commencing December 15, 2020 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the New Notes or portions thereof called for redemption on the applicable redemption date.

Any redemption or notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

Redemption for Changes in Taxes

The Issuer may redeem the New Notes, in whole but not in part, at its discretion at any time upon giving not less than 10 nor more than 60 days' prior notice to the holders of the New Notes (which notice will be irrevocable and given in accordance with the procedures described in "—*Selection and Notice*"), at a redemption price equal to 100% of the aggregate principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "**Tax Redemption Date**") and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of holders of the New Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the New Notes or any Guarantee, the Issuer under or with respect to the New Notes or any of the Guarantors with respect to any Guarantee, as the case may be, is or would be required to pay Additional Amounts (but, in the case of the relevant Guarantor, only if such amount cannot be paid by the Issuer or another Guarantor who can pay such amount without the obligation to pay Additional Amounts) and the Issuer or Guarantor, as applicable, cannot avoid any such payment obligation by taking reasonable measures available (including making payment through a paying agent located in another jurisdiction) and the requirement arises as a result of:

(1) any amendment to, or change in, the laws or any regulations or rulings promulgated thereunder of a relevant Tax Jurisdiction which change or amendment has not been publicly announced as formally proposed before and which becomes effective after the date of this offering memorandum (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the date of this offering memorandum, such later date); or

(2) any amendment to, or change in, an official written interpretation or application of such laws, regulations or rulings (including by virtue of a holding, judgment, order by a court of competent jurisdiction or a change in published administrative practice) which amendment or change has not been publicly announced as formally proposed before and which becomes effective after the date of this offering memorandum (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the date of this offering memorandum, such later date) (each of the foregoing clauses (1) and (2), a "**Change in Tax Law**").

The Issuer will not give any such notice of redemption earlier than 60 days prior to the earliest date on which the Issuer or the Guarantor, as applicable, would be obligated to make such payment or withholding if a payment in respect of the New Notes were then due, and the obligation to pay Additional Amounts must be in effect at the time such notice is given. Prior to the publication or, where relevant, mailing of any notice of redemption of the New Notes pursuant to the foregoing, the Issuer will deliver to the Trustee an opinion of independent tax counsel (the choice of such counsel to be subject to the prior written approval of the Trustee (such approval not to be unreasonably withheld)) to the effect that there has been such Change in Tax Law which would entitle the Issuer to redeem the New Notes hereunder. In addition, before the Issuer publishes or mails notice of redemption of the New Notes as described above, it will deliver to the Trustee an Officer's Certificate to the effect that it cannot avoid its obligation to pay Additional Amounts by the Issuer taking reasonable measures available to it.

Absent manifest error, the Trustee will accept and shall be entitled to rely without any liability on such Officer's Certificate and opinion of counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the holders.

The foregoing provisions shall apply (a) to a Guarantor only after such time as such Guarantor is obligated to make at least one payment on the New Notes and (b) *mutatis mutandis* to any successor Person, after such successor Person becomes a party to the Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to the Indenture.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the New Notes.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each holder of New Notes will have the right to require the Issuer or the Parent Guarantor to repurchase all or any part (equal to €100,000 or an integral multiple of €1,000 in excess thereof) of that holder's New Notes pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor will offer a payment in cash equal to 101% of the aggregate principal amount of New Notes repurchased, plus accrued and unpaid interest and Additional Amounts, if any, on the New Notes repurchased to the date of purchase (the "**Change of Control Payment**"), subject to the rights of holders of New Notes on the relevant record date to receive interest due on the relevant interest payment date.

Unless the Issuer or the Parent Guarantor has unconditionally exercised its right to redeem all the New Notes of a series as described under "—*Optional Redemption*" or all conditions to such redemption have been satisfied or waived, within 30 days following any Change of Control, the Issuer or the Parent Guarantor will mail a notice to each holder of the New Notes at such holder's registered address or otherwise deliver a notice in accordance with the procedures described under "—*Selection and Notice*," stating that a Change of Control Offer is being made and offering to repurchase New Notes on the date (the "**Change of Control Payment Date**") specified in the notice, which date will be no earlier than 10 days and no later than 60 days from the date such notice is mailed or delivered, pursuant to the procedures required by the Indenture and described in such notice. The Issuer and the Parent Guarantor will comply, to the extent applicable, with the requirements of Rule 14e-1 under the U.S. Securities-Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and any other applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with the repurchase of the New Notes as a result of a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer and the Parent Guarantor will comply with any applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Issuer and the Parent Guarantor will, to the extent lawful:

(1) accept for payment all New Notes or portions of New Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Principal Paying Agent an amount equal to the Change of Control Payment in respect of all New Notes or portions of New Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the New Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of New Notes or portions of New Notes being purchased by the Issuer or the Parent Guarantor, as the case may be.

The Principal Paying Agent will promptly mail (or cause to be delivered) to each holder of New Notes properly tendered the Change of Control Payment for such New Notes, and the Trustee (or its authenticating agent) will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new Note equal in principal amount to any unpurchased portion of the New Notes surrendered, if any. The Issuer or the Parent Guarantor will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer or the Parent Guarantor to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture will not contain provisions that permit the holders of the New Notes to require that the Issuer or the Parent Guarantor repurchase or redeem the New Notes in the event of a takeover, recapitalization or similar transaction. The existence of a holder of the New Notes' right to require the Issuer or the Parent Guarantor to repurchase such holder's New Notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Parent Guarantor or its Subsidiaries in a transaction that would constitute a Change of Control.

Neither the Issuer nor the Parent Guarantor will be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer or the Parent Guarantor, as the case may be, and purchases all New Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) a notice of redemption has been given pursuant to the Indenture as described above under the caption "—*Optional Redemption*," unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

The Senior Facilities will provide that the occurrence of a Change of Control would require the repayment of such debt. Future debt of the Parent Guarantor or its Subsidiaries may prohibit the Issuer or the Parent Guarantor, as the case may be, from purchasing New Notes in the event of a Change of Control or provide that a Change of Control is a default or requires repayment upon a Change of Control. Moreover, the exercise by the holders of the New Notes of their right to require the Issuer or the Parent Guarantor to purchase the New Notes could cause a default under, or require a repurchase of, other debt, even if the Change of Control itself does not, due to the financial effect of the purchase on the Issuer or the Parent Guarantor, as the case may be.

Finally, the Issuer's or the Parent Guarantor's ability to repurchase New Notes pursuant to a Change of Control Offer following the occurrence of a Change of Control may be limited by the Issuer's or the Parent Guarantor's, as the case may be, then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the New Notes. See "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—We may not be able to obtain sufficient funds to finance an offer to repurchase the New Notes upon the occurrence of certain events constituting a change of control as required by the Indenture*."

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of New Notes to require the Issuer and the Parent Guarantor to repurchase its New Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain. In addition, you should note that case law suggests that, in the event that incumbent directors are replaced as a result of a contested election, issuers may nevertheless avoid triggering a change of control under a clause similar to clause (4) of the definition of "Change of Control" if the outgoing directors were to approve the new directors for the purpose of such change of control clause.

The provisions under the Indenture relating to the Issuer's and the Parent Guarantor's obligation to make an offer to repurchase the New Notes as a result of a Change of Control may be waived or modified with the consent of the holders of a majority in principal amount of the New Notes prior to the occurrence of the Change of Control.

If and for so long as the New Notes are listed on the Luxembourg Stock Exchange and admitted for trading and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish a public announcement with respect to the results of any Change of Control Offer in a leading newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Asset Sales

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, consummate an Asset Sale unless:

(1) the Parent Guarantor (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Parent Guarantor or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

    (a) any liabilities, as recorded on the balance sheet of the Parent Guarantor or any Restricted Subsidiary (other than contingent and subordinated liabilities), that are assumed by the transferee of any such assets and as a result of which the Parent Guarantor and its Restricted Subsidiaries are no longer obligated with respect to such liabilities or are indemnified against further liabilities;

(b) any securities, notes or other obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are converted by the Parent Guarantor or such Restricted Subsidiary into cash or Cash Equivalents within 90 days following the closing of the Asset Sale, to the extent of the cash or Cash Equivalents received in that conversion;

(c) any Capital Stock or assets of the kind referred to in clauses (1)(e) or (f) of the next paragraph of this covenant;

(d) any Designated Non-Cash Consideration received by the Parent Guarantor or any Restricted Subsidiary in such Asset Sales having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (d) that is at that time outstanding, not to exceed the greater of CHF 15.0 million and 1.0% of Total Assets at the time of the receipt of such Designated Non-Cash Consideration (with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value);

(e) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Parent Guarantor and each other Restricted Subsidiary are released from any guarantee of such Indebtedness in connection with such Asset Sale; and

(f) consideration consisting of Indebtedness of the Issuer or any Guarantor received from Persons who are not the Parent Guarantor or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Parent Guarantor (or the applicable Restricted Subsidiary, as the case may be) may:

(1) apply such Net Proceeds (at the option of the Parent Guarantor or Restricted Subsidiary):

(a) to purchase the New Notes in an offer to all holders of New Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase (a "**Notes Offer**");

(b) to repay Indebtedness and other Obligations under a Credit Facility that is secured by a Lien on the Collateral and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;

(c) to purchase or permanently prepay or redeem or repay (i) any Indebtedness that is secured by a Lien on assets or property which do not constitute Collateral and, if the Indebtedness prepaid, redeemed or repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto or (ii) any Indebtedness of a Restricted Subsidiary that is not Guarantor;

(d) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary;

(e) to make a capital expenditure; or

(f) to acquire other assets (other than Capital Stock) not classified as current assets under IFRS that are used or useful in a Permitted Business; or

(2) enter into a binding commitment to apply the Net Proceeds pursuant to clause (d), (e) or (f) of paragraph (1) above; *provided* that such binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated, and (y) the 180th day following the expiration of the aforementioned 365 day period.

Pending the final application of any Net Proceeds, the Parent Guarantor (or the applicable Restricted Subsidiary) may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute "**Excess Proceeds**." When the aggregate amount of Excess Proceeds exceeds CHF 25 million, within ten Business Days thereof, the Issuer or the Parent Guarantor will make an offer (an "**Asset Sale Offer**") to all holders of New Notes and, to the extent the Issuer or the Parent Guarantor elects, to all holders of other Indebtedness that is *pari passu* with the New Notes or any Guarantee, to purchase, prepay or redeem the maximum principal amount of New Notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price for the New Notes in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, prepayment or redemption, subject to the rights of holders of New Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Parent Guarantor may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of New Notes and other *pari passu* Indebtedness tendered into (or to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds or if the aggregate amount of New Notes tendered pursuant to a Notes Offer exceeds the amount of the Net Proceeds so applied, the Trustee will select the New Notes and such other *pari passu* Indebtedness, if applicable, to be purchased on a pro rata basis (or in the manner described under "*—Selection and Notice*"), based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

To the extent that any portion of Net Proceeds payable in respect of the New Notes is denominated in a currency other than euro, the amount thereof payable in respect of such New Notes shall not exceed the net amount of funds in euro, that is actually received by the Issuer upon converting such portion of the Net Proceeds into euro, as the case may be.

The Issuer and the Parent Guarantor will comply, to the extent applicable, with the requirements of Rule 14e-1 under the U.S. Exchange Act and any other applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with each repurchase of New Notes pursuant to a Change of Control Offer, an Asset Sale Offer or a Notes Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control, Asset Sale or Notes Offer provisions of the Indenture, the Issuer and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

Selection and Notice

If less than all of the New Notes are to be redeemed at any time, the Trustee will select New Notes for redemption on a pro rata basis (or, in the case of New Notes issued in global form as discussed under "*—Book-Entry, Delivery and Form*," based on a method that most nearly approximates a pro rata selection, unless otherwise required by law or applicable stock exchange or depository requirements. The Trustee shall not be liable for selections made by it in accordance with this paragraph.

No New Notes of €100,000 or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 10 but not more than 60 days before the redemption date to each holder of New Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the New Notes or a satisfaction and discharge of the Indenture.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the holder of New Notes upon cancellation of the original Note. In the case of a Global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. New Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on New Notes or portions of New Notes called for redemption.

For New Notes which are represented by global certificates held on behalf of Euroclear or Clearstream, Luxembourg, notices may be given by delivery of the relevant notices to Euroclear or Clearstream, Luxembourg for communication to entitled account holders in substitution for the aforesaid mailing. So long as any New Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, any such notice to the holders of the relevant New Notes shall also be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*) and, in connection with any redemption, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of New Notes outstanding.

Certain Covenants

Incurrence of Indebtedness and Issuance of Preferred Stock

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "**incur**") any Indebtedness (including Acquired Debt), and the Parent Guarantor will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that the Parent Guarantor may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Guarantors may incur Indebtedness (including Acquired Debt) or issue preferred stock, if:

(a) the Fixed Charge Coverage Ratio for the Parent Guarantor's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such preferred stock is issued, as the case may be, would have been at least 2.0 to 1.00, in each case determined on *a pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period; and

(b) if such Indebtedness is Senior Secured Indebtedness, the Issuer and the Guarantors may incur such Senior Secured Indebtedness if the Consolidated Senior Secured Net Leverage Ratio for the Parent Guarantor's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Senior Secured Indebtedness is incurred would have been less than 4.00 to 1.0, in each case determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "**Permitted Debt**"):

(1) the incurrence by the Parent Guarantor and any Restricted Subsidiary of additional Indebtedness under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed CHF 664 million, *plus*, in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing;

(2) Indebtedness of the Parent Guarantor or any Restricted Subsidiary outstanding on the Issue Date after giving effect to the use of proceeds of the Transactions (including guarantees of any Existing Notes);

(3) the incurrence by the Issuer and the Guarantors of Indebtedness represented by the New Notes and the New Senior Notes issued on the Issue Date and the related New Guarantees;

(4) (a) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property (real or personal), plant or equipment (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (4)(a), not to exceed the greater of CHF 150 million and 11.0% of Total Assets at any time outstanding; and (b) the incurrence by any Restricted Subsidiary of Indebtedness pursuant to any local working capital facility in the ordinary course of business in an aggregate principal amount at any time outstanding not to exceed the greater of CHF 60 million and 4.4% of Total Assets.

(5) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under (a) the first paragraph of this covenant or (b) clauses (2), (3), (5), (16) or (17) of this paragraph;

(6) the incurrence by the Parent Guarantor or any Restricted Subsidiary of intercompany Indebtedness between or among the Parent Guarantor or any Restricted Subsidiary; *provided* that:

(a) if the Issuer or any Guarantor is the obligor on such Indebtedness and the payee is not the Issuer or a Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the New Notes, in the case of the Issuer, or the Guarantee, in the case of a Guarantor; and

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Parent Guarantor or a Restricted Subsidiary, will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any Restricted Subsidiary to the Parent Guarantor or to any of its Restricted Subsidiaries of preferred stock; *provided* that:

(a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary; and

(b) any sale or other transfer of any such preferred stock to a Person that is not either the Parent Guarantor or a Restricted Subsidiary,

will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the incurrence by the Parent Guarantor or any Restricted Subsidiary of Hedging Obligations for *bona fide* hedging purposes of the Parent Guarantor and its Restricted Subsidiaries and not for speculative purposes;

(9) the guarantee by the Parent Guarantor or any Restricted Subsidiary of Indebtedness of the Parent Guarantor or any Restricted Subsidiary to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this covenant; *provided* that if the Indebtedness being guaranteed is subordinated to the New Notes or subordinated to or *pari passu* with a Guarantee, then the guarantee must be subordinated, in the case of the New Notes, or subordinated or *pari passu*, as applicable, in the case of a Guarantee, in each case to the same extent as the Indebtedness guaranteed;

(10) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, self-insurance obligations, captive insurance companies, bankers' acceptances, performance and surety bonds in the ordinary course of business and consistent with past practice;

(11) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five Business Days of such incurrence;

(12) the incurrence by the Parent Guarantor and its Restricted Subsidiaries of Indebtedness arising from agreements of the Parent Guarantor or a Restricted Subsidiary providing for customary indemnification, obligations in respect of earn-outs or other adjustments of purchase price or, in each case, similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Equity Interests of a Subsidiary, *provided* that the maximum liability of the Parent Guarantor and its Restricted Subsidiaries in respect of all such Indebtedness shall at no time exceed the gross proceeds, including the Fair Market Value of non-cash proceeds (measured at the time received and without giving effect to any subsequent changes in value), actually received by the Parent Guarantor and its Restricted Subsidiaries in connection with such disposition;

(13) the incurrence by the Parent Guarantor and its Restricted Subsidiaries of Indebtedness in respect of (A) letters of credit, surety, performance, completion or appeal bonds, instruments, guarantees or other obligations, judgment, advance payment, customs, VAT or other tax guarantees or similar instruments issued in the ordinary course of business of such Person and not in connection with the borrowing of money, including letters of credit or similar instruments in respect of self-insurance, workers compensation obligations and rent payment obligations, *provided*, *however*, that upon the drawing of

such letters of credit or other instrument, such obligations are reimbursed within 30 days following such drawing; and (B) any customary cash management, cash pooling or netting or setting off arrangements;

(14) Indebtedness of the Parent Guarantor of any of its Restricted Subsidiaries in respect of Management Advances;

(15) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(16) Indebtedness in an aggregate outstanding principal amount that, when taken together with any Permitted Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness incurred pursuant to this clause (16) and then outstanding, will not exceed 100% of the Net Proceeds received by the Parent Guarantor from the issuance or sale (other than to a Restricted Subsidiary) of its Capital Stock (other than in connection with the Equity Contribution or through the issuance of Disqualified Stock or an Excluded Contribution) or otherwise contributed to the equity (other than in connection with the Equity Contribution or through the issuance of Disqualified Stock or an Excluded Contribution) of the Parent Guarantor, in each case, subsequent to February 10, 2016; *provided*, *however*, that (i) any such Net Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clauses (2), (4) and (9) of the second paragraph of the covenant described below under "*—Restricted Payments*" to the extent the Parent Guarantor and its Restricted Subsidiaries incur Indebtedness in reliance thereon and (ii) any Net Proceeds that are so received or contributed shall be excluded for purposes of incurring Indebtedness pursuant to this clause (16) to the extent the Parent Guarantor or any of its Restricted Subsidiaries makes a Restricted Payment under the first paragraph and clauses (2), (4) and (9) of the second paragraph of the covenant described below under "*—Restricted Payments*" in reliance thereon;

(17) Indebtedness of any Person outstanding on the date on which such Person becomes a Restricted Subsidiary of the Parent Guarantor or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Parent Guarantor or any of its Restricted Subsidiaries (other than Indebtedness incurred to provide all or any portion of the funds used to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary of the Parent Guarantor or was otherwise acquired by the Parent Guarantor or any of its Restricted Subsidiaries); *provided*, *however*, with respect to this clause (17), that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be incurred (x) the Parent Guarantor would have been able to incur CHF 1.00 of additional Indebtedness pursuant to the first paragraph of this covenant after giving *pro forma* effect to the incurrence of such Indebtedness pursuant to this clause (17) or (y) the Fixed Charge Coverage Ratio of the Parent Guarantor would not be less than it was immediately prior to giving *pro forma* effect to the incurrence of such Indebtedness pursuant to this clause (17);

(18) Indebtedness incurred in any Qualified Securitization Financing; and

(19) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (19) not to exceed the greater of CHF 140 million and 10.5% of Total Assets.

Neither the Issuer nor any Guarantor will incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the New Notes or the relevant Guarantee on substantially identical terms; *provided*, *however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Guarantor solely by virtue of being unsecured or by virtue of being secured with different collateral or by virtue of being secured on a junior priority basis or by virtue of the application of waterfall or other payment-ordering provisions affecting different tranches of Indebtedness under Credit Facilities.

For purposes of determining compliance with this "*Incurrence of Indebtedness and Issuance of Preferred Stock*" covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in this covenant, the Parent Guarantor, in its sole discretion, will be permitted to classify such item of Indebtedness on the date of its incurrence and only be required to include the amount and type of such Indebtedness in one of such clauses and will be permitted on the date of such incurrence to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs of this covenant, and from time to time to reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant, *provided* that Indebtedness incurred pursuant to clause (1) of the definition of Permitted Debt may not be reclassified. Indebtedness under the Senior Facilities outstanding on the Issue Date will be deemed to have been incurred on such date in reliance on the exception provided in clause (1) of the definition of Permitted Debt.

The accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on preferred stock or Disqualified Stock in the form of additional shares of the same class of preferred stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of preferred stock or Disqualified Stock for purposes of this covenant. For purposes of determining compliance with any CHF-denominated restriction on the incurrence of Indebtedness, the CHF Equivalent principal amount of Indebtedness denominated in a different currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of Indebtedness incurred under a revolving credit facility; *provided*, *however*, that (i) if such Indebtedness denominated in non-CHF currency is subject to a Currency Exchange Protection Agreement with respect to CHF, the amount of such Indebtedness expressed in CHF will be calculated so as to take account of the effects of such Currency Exchange Protection Agreement; and (ii) the CHF Equivalent of the principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date. The principal amount of any refinancing Indebtedness incurred in the same currency as the Indebtedness being refinanced will be the CHF Equivalent of the Indebtedness refinanced determined on the date such Indebtedness was originally incurred, except that to the extent that:

(1) such CHF Equivalent was determined based on a Currency Exchange Protection Agreement, in which case the refinancing Indebtedness will be determined in accordance with the preceding sentence; and

(2) the principal amount of the refinancing Indebtedness exceeds the principal amount of the Indebtedness being refinanced, in which case the CHF Equivalent of such excess will be determined on the date such refinancing Indebtedness is being incurred.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Parent Guarantor or any of its Restricted Subsidiaries may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) in the case of any Indebtedness issued with original issue discount, the amount of the liability in respect thereof determined in accordance with IFRS;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

    (i) the Fair Market Value of such assets at the date of determination; and

    (ii) the amount of the Indebtedness of the other Person.

Restricted Payments

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests in their capacity as holders, other than (i) dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and (ii) dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary;

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor) any Equity Interests of the Parent Guarantor or any Parent Entity;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Issuer or any Guarantor that is contractually subordinated in right of payment to the New Notes or to any Guarantee (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries), except (i) a payment of interest or principal at the Stated Maturity thereof or (ii) the purchase, repurchase or other acquisition of Indebtedness purchased in anticipation of satisfying a scheduled sinking fund obligation, principal installment or scheduled maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition;

(4) make any cash payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Shareholder Debt; or

(5) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (1) through (5) above being collectively referred to as "**Restricted Payments**"), unless, at the time of any such Restricted Payment:

(a) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(b) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least CHF 1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*"; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by Swissport Group S.à r.l., Aguila 2 S.à r.l., the Issuer, and the Restricted Subsidiaries from December 14, 2015 to the Issue Date and all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2), (3), (5), (6), (7), (8), (11), (12), (13), (14), (17) and (18) of the next succeeding paragraph), is less than the sum, without duplication, of:

  (a) 50% of the Consolidated Net Income of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent Guarantor, and the Parent Guarantor thereafter, for the period (taken as one accounting period) from the beginning of the fiscal quarter commencing immediately prior to December 14, 2015 to the end of the most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (excluding any assets, liabilities, gains or losses of Swissport Group S.à r.l., Swissport Investment S.à r.l. and Aguila 2 S.à r.l. and their respective Unrestricted Subsidiaries that in the good faith determination of a responsible financial officer of the Parent Guarantor result in any differences to the investment or dividend capacity of the Parent Guarantor for the period since the Issue Date) until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, or the Parent Guarantor thereafter (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

  (i) 100% of the aggregate net cash proceeds and the Fair Market Value of marketable securities received by the Parent Guarantor since December 14, 2015 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Parent Guarantor (other than the Equity Contribution, Disqualified Stock and Excluded Contributions) or from the issue or sale of convertible or exchangeable Disqualified Stock of the Parent Guarantor or convertible or exchangeable debt securities of the Parent Guarantor, in each case that have been converted into or exchanged for Equity Interests of the Parent Guarantor (other than Equity Interests and convertible or exchangeable Disqualified Stock or debt securities sold to a Subsidiary of the Parent Guarantor) or from the issuance or sale of Subordinated Shareholder Debt (other than an issuance or sale to a Subsidiary of the Parent Guarantor); *plus*

  (ii) to the extent that any Restricted Investment that was made after December 14, 2015 is (a) sold, disposed of or otherwise cancelled, liquidated or repaid, 100% of the aggregate amount received in cash and the Fair Market Value of the property and marketable securities received by the Parent Guarantor or any Restricted Subsidiary (other than from a Person that is the Parent Guarantor or a Restricted Subsidiary), or (b) made in an entity that subsequently becomes a Restricted Subsidiary, 100% of the Fair Market Value of the Restricted Investment of the Parent Guarantor and its Restricted Subsidiaries as of the date such entity becomes a Restricted Subsidiary; *plus*

(iii) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after December 14, 2015 is redesignated as a Restricted Subsidiary or is merged or consolidated into the Parent Guarantor or a Restricted Subsidiary, or all of the assets of such Unrestricted Subsidiary are transferred to the Parent Guarantor or a Restricted Subsidiary, the Fair Market Value of the property received by the Parent Guarantor or Restricted Subsidiary or the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such redesignation, merger, consolidation or transfer of assets, to the extent such Investments reduced the Restricted Payments capacity under this clause (c) and were not previously repaid or otherwise reduced; *plus*

(iv) upon the full and unconditional release of a Restricted Investment that is a guarantee made by the Parent Guarantor or one of its Restricted Subsidiaries to any Person, an amount equal to the amount of such guarantee; *plus*

(v) 100% of any cash dividends or distributions received by the Parent Guarantor or a Restricted Subsidiary after December 14, 2015 from an Unrestricted Subsidiary, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Parent Guarantor for such period.

The preceding provisions will not prohibit:

(1) the payment of any dividend or the consummation of any redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale or issuance (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock), Subordinated Shareholder Debt or the substantially concurrent contribution of common equity capital to the Parent Guarantor (other than Disqualified Stock or through the Equity Contribution); *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from the calculation of amounts under clause (c)(ii) of the preceding paragraph, shall not constitute Excluded Contributions and will not be considered to be net cash proceeds from an Equity Offering for purposes of the "Optional Redemption" provisions of the Indenture;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Issuer or any Guarantor that is contractually subordinated to the New Notes or any Guarantee with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary held by any current or former officer, director, employee or consultant of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, restricted stock grant, shareholders' agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed CHF 5.0 million in any calendar year; and *provided*, *further*, that such amount in any calendar year may be increased by an amount not to exceed (i) the cash proceeds from the sale of Equity Interests of the Parent Guarantor or a Restricted Subsidiary received by the Parent Guarantor or a Restricted Subsidiary during such calendar year, in each case to members of management, directors or consultants of the Parent Guarantor, any of its Restricted Subsidiaries or any of its direct or indirect parent companies and (ii) the cash proceeds of key man life insurance policies, in each case to the extent the cash proceeds have not otherwise been applied to the making of Restricted Payments pursuant to clause (c)(ii) of the preceding paragraph or clause (2) of this paragraph;

(5) the repurchase of Equity Interests deemed to occur upon the exercise of stock options or warrants to the extent such Equity Interests represent a portion of the exercise price of those stock options or warrants;

(6) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with the covenant described above under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(7) payments of cash, dividends, distributions, advances or other Restricted Payments by the Parent Guarantor or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person;

(8) payments pursuant to any tax sharing agreement or arrangement among the Parent Guarantor and its Subsidiaries and other Persons with which the Parent Guarantor or any of its Subsidiaries is required or permitted to file a consolidated tax return or with which the Parent Guarantor or any of its Restricted Subsidiaries is a part of a group for tax purposes; *provided*, *however*, that such payments will not exceed the amount of tax that the Parent Guarantor and its Subsidiaries would owe on a stand-alone basis and the related tax liabilities of the Parent Guarantor and its Subsidiaries are relieved by the payment of such amounts to a relevant taxing authority;

(9) so long as no Default has occurred and is continuing or would be caused thereby, following an Initial Public Offering of the Capital Stock of the Parent Guarantor or a Parent Entity, the payment of dividends on the Capital Stock of the Parent Guarantor in an amount not to exceed the greater of (i) 6% per annum of the Net Proceeds received by the Parent Guarantor from such Public Equity Offering or contributed to the equity (other than through the issuance of Disqualified Stock or through Excluded Contributions) of the Parent Guarantor or contributed as Subordinated Shareholder Debt to the Parent Guarantor and (ii) 5% of the Market Capitalization, *provided* that after giving *pro forma* effect to the payment of any such dividend or making of any such distribution, the Consolidated Leverage Ratio of the Parent Guarantor would not exceed 3.0 to 1.0; *provided*, in each case, that if such Initial Public Offering was of Capital Stock of a Parent Entity, the net proceeds of any such dividend are used to fund a corresponding dividend in equal or greater amount on the Capital Stock of such Parent Entity;

(10) advances or loans to (a) any future, present or former officer, director, employee or consultant of the Parent Guarantor or a Restricted Subsidiary to pay for the purchase or other acquisition for value of Equity Interests of the Parent Guarantor (other than Disqualified Stock), or any obligation under a forward sale agreement, deferred purchase agreement or deferred payment arrangement pursuant to any management equity plan or stock option plan or any other management or employee benefit or incentive plan or other agreement or arrangement or (b) any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust or the trustees of any such plan or trust to pay for the purchase or other acquisition for value of Equity Interests of the Parent Guarantor (other than Disqualified Stock); *provided* that the total aggregate amount of Restricted Payments made under this clause (10) does not exceed CHF 5.0 million in any calendar year;

(11) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on no more than a pro rata basis;

(12) so long as no Default or Event of Default has occurred and is continuing, the payment of Management Fees;

(13) Permitted Parent Payments;

(14) Restricted Payments that are made with Excluded Contributions (other than from the Equity Contribution);

(15) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Parent Guarantor or any Guarantor that is subordinated in right of payment to the New Notes or any Guarantee (other than any Indebtedness so subordinated and held by Affiliates of the Parent Guarantor) upon a Change of Control or Asset Sale to the extent required by the agreements governing such Indebtedness at a purchase price not greater than 101% of the principal amount of such Indebtedness, in the case of a Change of Control, and 100%, in the case of an Asset Sale, but only if the Parent Guarantor has complied with its obligations under the covenants described under "*Repurchase at the Option of Holders—Change of Control*" and "*—Asset Sales*" and the Parent Guarantor repurchased all New Notes tendered pursuant to the offer required by such covenants prior to offering to purchase, purchasing or repaying such Indebtedness;

(16) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor by, Unrestricted Subsidiaries;

(17) the Transactions, including but not limited to any Restricted Payment pursuant to or in connection with, the Transactions;

(18) the payment of any Securitization Fees and purchases of Securitization Assets and related assets pursuant to a Securitization Repurchase Obligation in connection with a Qualified Securitization Financing;

(19) so long as no Default or Event of Default has occurred and is continuing, any dividend, distribution, loan or other payment to any Parent Entity; provided that, on the date of any such dividend, distribution, loan or other payment, the Consolidated Leverage Ratio for the Parent Guarantor and its Restricted Subsidiaries does not exceed 2.5 to 1.0 on a *pro forma* basis after giving effect, thereto; or

(20) so long as no Default or Event of Default has occurred and is continuing, other Restricted Payments in an aggregate amount not to exceed the greater of CHF 60 million and 4.4% of Total Assets since December 14, 2015; and

(21) the payment of interest on, or the principal amount of and accrued interest on and any premium in connection with the satisfaction and discharge of, any Existing Notes outstanding on the Issue Date, after giving effect to the use of proceeds from the Transactions; *provided* that the payment is made directly to the relevant trustee or paying agent for such Existing Notes.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

Liens

The Parent Guarantor will not and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien (the "**Initial Lien**") of any kind securing Indebtedness upon any of their property or assets, now owned or hereafter acquired, except Permitted Liens, unless all payments due under the Indenture and the New Notes are secured on an equal and ratable basis (or in the case of Indebtedness which is subordinated in right of payment to the New Notes or any New Guarantees, prior or senior thereto, with the same relative priority as the New Notes or such Guarantee, as applicable, shall have with respect to such subordinated Indebtedness) with the obligations so secured. Notwithstanding the foregoing, no Indebtedness of the Parent Guarantor or any Restricted Subsidiary or Parent Entity, other than the New Notes and the New Note Guarantees, may be secured by a Lien over the Collateral other than Permitted Collateral Liens.

Any Lien created for the benefit of the holders pursuant to this covenant will provide by its terms that such Lien will be automatically and unconditionally released and discharged (a) upon the release and discharge of the Initial Lien other than as a consequence of an enforcement action with respect to the assets subject to such Lien or (b) as set forth under the heading "—Security."

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any Restricted Subsidiary, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any Restricted Subsidiary;

(2) make loans or advances to the Parent Guarantor or any Restricted Subsidiary; or

(3) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any Restricted Subsidiary,

provided that (x) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Parent Guarantor or any Restricted Subsidiary to other Indebtedness incurred by the Parent Guarantor or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Indebtedness and Credit Facilities as in effect on the Issue Date after giving effect to the use of proceeds of the New Notes and any amendments, restatements, modifications,

renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the Issue Date after giving effect to the use of proceeds of the New Notes;

(2) the Indenture, the New Notes, the New Guarantees, the indenture governing the New Senior Notes, the New Senior Notes, the guarantees relating to the New Senior Notes, the Intercreditor Agreement, the Security Documents and any Additional Intercreditor Agreement;

(3) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Indebtedness permitted to be incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the holders of the New Notes than the encumbrances and restrictions contained in the Senior Facilities and the Intercreditor Agreement, in each case, as in effect on the Issue Date (as determined in good faith by the Parent Guarantor);

(4) applicable law, rule, regulation or order or the terms of any license, authorization, concession or permit;

(5) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(6) customary non-assignment and similar provisions in contracts, leases and licenses entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of the preceding paragraph;

(8) any agreement for the sale or other disposition of the Capital Stock or all or substantially all of the property and assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of the covenant described above under the caption "*—Liens*" that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) customary provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements in the ordinary course of business (including agreements entered into in connection with a Restricted Investment), which limitation is applicable only to the assets that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers or required by insurance, surety or bonding companies, in each case, under contracts entered into in the ordinary course of business; and

(13) any encumbrance or restriction existing under any agreement that extends, renews, refinances or replaces the agreements containing the encumbrances or restrictions in the foregoing clauses (1) through (12), or in this clause (13); *provided* that the terms and conditions of any such encumbrances or restrictions are no more restrictive in any material respect than those under or pursuant to the agreement so extended, renewed, refinanced or replaced.

Merger, Consolidation or Sale of Assets

The Issuer

The Issuer will not directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Subsidiaries that are Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Issuer is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is an entity organized or existing under the laws of any member state of the Pre-Expansion European Union, Switzerland, Canada, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger with the Issuer (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Issuer under the New Notes, the Indenture, the Intercreditor Agreement and the Security Documents pursuant to a supplemental indenture;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to incur at least CHF 1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "—Incurrence of Indebtedness and Issuance of Preferred Stock" or (ii) have a Fixed Charge Coverage Ratio no less than it was immediately prior to giving effect to such transaction; and

(5) the Parent Guarantor delivers to the Trustee an Officer's Certificate and opinion of counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture comply with this covenant; *provided* that in giving an opinion of counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of clauses (3) and (4) above.

The Parent Guarantor

The Parent Guarantor will not directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Parent Guarantor is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is an entity organized or existing under the laws of any member state of the Pre-Expansion European Union, Switzerland, Canada, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger with the Parent Guarantor (if other than the Parent Guarantor) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Parent Guarantor under the New Notes, the Parent Guarantee, the Indenture and the Security Documents to which it is a party pursuant to a supplemental indenture and appropriate Security Documents in form and substance satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) the Parent Guarantor or the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to incur at least CHF 1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" or (ii) have a Fixed Charge Coverage Ratio no less than it was immediately prior to giving effect to such transaction; and

(5) the Parent Guarantor delivers to the Trustee an Officer's Certificate and opinion of counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture comply with this covenant; *provided* that in giving an opinion of counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of clauses (3) and (4) above.

A Subsidiary Guarantor

A Subsidiary Guarantor (other than a Guarantor whose Guarantee is to be released in accordance with the terms of Guarantee and the Indenture) will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor and its Subsidiaries that are Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person other than the Parent Guarantor or any other Restricted Subsidiary, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists;

(2) either:

  (a) such Subsidiary Guarantor is the surviving corporation; or (b) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger assumes all the obligations of that Subsidiary Guarantor under its Guarantee, the Indenture and the Security Documents to which such Guarantor is a party pursuant to a supplemental indenture and appropriate Security Documents satisfactory to the Trustee; or

  (b) the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the Indenture.

In addition, the Parent Guarantor will not, directly or indirectly, lease all or substantially all of the properties and assets of it and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person.

Clauses (3) and (4) of each of the first and second paragraphs of this "*Merger, Consolidation or Sale of Assets*" covenant will not apply to any sale or other disposition of all or substantially all of the assets or merger or consolidation of the Issuer or the Parent Guarantor with or into any other Guarantor and clause (1) of the third paragraph of this "*Merger, Consolidation or Sale of Assets*" covenant will not apply to any sale or other disposition of all or substantially all of the assets or merger or consolidation of the Issuer with or into an Affiliate solely for the purpose of reincorporating the Issuer in another jurisdiction for tax reasons. This "*Merger, Consolidation or Sale of Assets*" covenant will not apply to any consolidation or merger of any Restricted Subsidiary that is not a Guarantor into the Parent Guarantor or any other Guarantor.

Transactions with Affiliates

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor (each, an "**Affiliate Transaction**") involving aggregate payments or consideration in excess of CHF 5.0 million, unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Parent Guarantor or such Restricted Subsidiary with an unrelated Person; and

(2) the Parent Guarantor delivers to the Trustee:

  (a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of CHF 10 million, a resolution of the Board of Directors of the Parent Guarantor set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor; and, in addition;

  (b) with respect to (i) any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of CHF 25 million or (ii) any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of CHF 10 million in which there are no disinterested members of the Board of Directors of the Parent Guarantor, an opinion of an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that the transaction or series of related transactions is (i) fair from a financial point of view taking into account all relevant circumstances or (ii) on terms not less favorable than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment agreement, collective bargaining agreement, consultant, employee benefit arrangements with any employee, consultant, officer or director of the Parent Guarantor or any Restricted Subsidiary, including under any stock option, stock appreciation rights, stock incentive or similar plans, entered into in the ordinary course of business;

(2) transactions between or among the Parent Guarantor and any Restricted Subsidiary, or between or among Restricted Subsidiaries;

(3) transactions in the ordinary course of business with a Person (other than an Unrestricted Subsidiary of the Parent Guarantor) that is an Affiliate of the Parent Guarantor solely because the Parent Guarantor owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of Officers, directors, employees or consultants of the Parent Guarantor or any of its Restricted Subsidiaries;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor or Subordinated Shareholder Debt to Affiliates of the Parent Guarantor;

(6) any Investment (other than a Permitted Investment) or other Restricted Payment, in either case, that does not violate the provisions of the Indenture described above under the caption "*—Restricted Payments*";

(7) Management Advances;

(8) any Permitted Investments (other than Permitted Investments described in clauses (3), (9)(a), (16) and (18) of the definition thereof) and any Permitted Investment in any Unrestricted Subsidiary and any Restricted Payments described in clause (21) under the caption "*—Restricted Payments*";

(9) the incurrence of any Subordinated Shareholder Debt;

(10) transactions pursuant to, or contemplated by any agreement in effect on the Issue Date and transactions pursuant to any amendment, modification or extension to such agreement, so long as such amendment, modification or extension, taken as a whole, is not more disadvantageous to the holders of the New Notes in any material respect than the original agreement as in effect on the Issue Date;

(11) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services or providers of employees or other labor, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Parent Guarantor or the Restricted Subsidiaries, in the reasonable determination of the members of the Board of Directors of the Parent Guarantor or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;

(12) any payments or other transactions pursuant to a tax sharing agreement between the Parent Guarantor and any other Person or a Restricted Subsidiary of the Parent Guarantor and any other Person with which the Parent Guarantor or any of its Restricted Subsidiaries files a consolidated tax return or with which the Parent Guarantor or any of its Restricted Subsidiaries is part of a group for tax purposes or any tax advantageous group contribution made pursuant to applicable legislation; *provided*, *however*, that any such tax sharing or arrangement and payment does not permit or require payments in excess of the amounts of tax that would be payable by the Parent Guarantor and its Restricted Subsidiaries on a stand-alone basis;

(13) any contribution to the capital of the Parent Guarantor in exchange for Capital Stock of the Parent Guarantor (other than Disqualified Stock and preferred stock);

(14) transactions between the Parent Guarantor or any of its Restricted Subsidiaries and any Person, a director of which is also a director of the Parent Guarantor or any of its Restricted Subsidiaries, as

applicable, or any Parent Entity; *provided*, *however*, that such director abstains from voting as a director of the Parent Guarantor, the Restricted Subsidiary or such direct or indirect parent, as the case may be, on any matter involving such other Person;

(15) pledges of Equity Interests of Unrestricted Subsidiaries;

(16) any transaction in the ordinary course of business between or among the Parent Guarantor or any Restricted Subsidiary and any Affiliate of the Parent Guarantor or an Associate or similar entity that would contribute an Affiliate Transaction solely because the Issuer or a Restricted Subsidiary or any Affiliate of the Parent Guarantor or a Restricted Subsidiary or any Affiliate of any Permitted Holder owns an equity interest in or otherwise controls such Affiliate, Associate or similar entity;

(17) any transaction effected as part of a Qualified Securitization Financing; and

(18) the Transactions.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary (including any newly acquired or newly formed Restricted Subsidiary) to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption "*—Restricted Payments*" or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Parent Guarantor may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption "*—Restricted Payments*." If, at any time, any Unrestricted Subsidiary would fail to meet the requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," the Parent Guarantor will be in default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," calculated on a *pro forma* basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Maintenance of Listing

The Issuer will use its commercially reasonable efforts to obtain and maintain the listing of the New Notes on the Luxembourg Stock Exchange for so long as such New Notes are outstanding; *provided* that if the Issuer is unable to obtain admission to listing of the New Notes on the Luxembourg Stock Exchange or if at any time the Issuer determines that it will not maintain such listing, it will use its commercially reasonable efforts to obtain and maintain a listing of such New Notes on another recognized stock exchange.

Limitation on Issuances of New Guarantees of Indebtedness

The Parent Guarantor will not permit any of its Restricted Subsidiaries, directly or indirectly, to guarantee the payment of any other Indebtedness of the Issuer or any Guarantor unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to the Indenture providing for the Guarantee of the payment of the New Notes by such Restricted Subsidiary, which Guarantee will be *pari passu* with or senior to such Restricted Subsidiary's guarantee of such other Indebtedness.

Each additional Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

The first preceding of this covenant will not be applicable to any Guarantees of any Restricted Subsidiary:

(1) existing on the Issue Date after giving effect to the use of proceeds from the Transactions;

(2) given to a bank or trust company having combined capital and surplus and undivided profits of not less than €250 million, whose debt has a rating, at the time such guarantee was given, of at least A or the equivalent thereof by S&P and at least A2 or the equivalent thereof by Moody's, in connection with the operation of cash management programs established for the benefit of the Issuer or any of its Restricted Subsidiaries; or

(3) any Guarantee arising as a result of (i) any Dutch Restricted Subsidiary being or having been part of a fiscal unity (*fiscale eenheid*) for VAT, corporate tax or other purposes and (ii) a declaration of joint and several liability (*hoofdelijke aansprakelijkheid*) as referred to in Article 2:403 of the Dutch Civil Code.

Notwithstanding the foregoing, the Parent Guarantor shall not be obligated to cause such Restricted Subsidiary to Guarantee the payment of the New Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in:

(1) a violation of applicable law which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Parent Guarantor or the Restricted Subsidiary; or

(2) any liability for the officers, directors or shareholders of such Restricted Subsidiary.

Payments for Consent

The Parent Guarantor will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of New Notes for or as an inducement to any consent, waiver or amendment of any of the terms of the provisions of the Indenture or the New Notes unless such consideration is offered to be paid and is paid to all holders of the New Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Parent Guarantor and its Restricted Subsidiaries shall be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture, to exclude holders of New Notes in any jurisdiction where (i) the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or (ii) the payment of the consideration therefor would require the Parent Guarantor or any of its Restricted Subsidiaries to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Parent Guarantor in its sole discretion determines (acting in good faith) (A) would be materially burdensome (it being understood that it would not be materially burdensome to file the consent document(s) used in other jurisdictions, any substantially similar documents or any summary thereof with the securities or financial services authorities in such jurisdiction); or (B) such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Impairment of Security Interest

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, take or knowingly or negligently omit to take, any action which action or omission would have the result of materially impairing the security interest with respect to the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the definition of Permitted Collateral Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral) for the benefit of the Trustee and the holders of the New Notes, and the Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, grant to any Person other than the Security Agent, for the benefit of the Trustee and the holders of the New Notes and the other beneficiaries described in the Security Documents and the Intercreditor Agreement, any interest whatsoever in any of the Collateral; provided that (a) nothing in this provision shall restrict the discharge or release of the Collateral in accordance with the Indenture, the Security Documents and the Intercreditor Agreement and (b) the Parent Guarantor and its Restricted Subsidiaries may incur Permitted Collateral Liens; and provided further, however, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified, replaced, or released (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets) unless contemporaneously with such amendment, extension, replacement, restatement, supplement, modification, renewal or release (followed by an immediate retaking of a Lien of at least equivalent ranking over the assets), the Parent Guarantor delivers to the Trustee either (1) a solvency opinion from an internationally recognized investment bank or accounting firm, in form and substance reasonably satisfactory to the Trustee confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, supplement, modification, replacement or release and retaking, (2) a certificate from the board of directors or chief financial officer of the relevant Person (acting in good faith) that confirms the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release, or (3) an opinion of counsel, in form and substance reasonably satisfactory to the Trustee (subject to customary exceptions and qualifications), confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking, the Lien or Liens securing the New Notes created under the Security Documents so amended, extended, renewed, restated, supplemented, modified, replaced or released and retaken are valid and perfected Liens not otherwise subject to any limitation imperfection or new hardening period, in equity or at law, and that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

At the direction of the Parent Guarantor and without the consent of the holder of New Notes, the Security Agent may from time to time enter into one or more amendments to the Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein, (ii) (but subject to compliance with paragraph (a) above) provide for Permitted Collateral Liens, (iii) add to the Collateral or (iv) make any other change thereto that does not adversely affect the rights of the holders of the New Notes in any material respect.

In the event that the Parent Guarantor complies with this covenant, the Trustee and the Security Agent shall (subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from holders of the New Notes.

Additional Intercreditor Agreements

At the request of the Parent Guarantor, without the consent of holders of the New Notes, and at the time of, or prior to, the incurrence by the Issuer or a Guarantor of Indebtedness permitted pursuant to (x) the first paragraph of the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" or clause (1), (4) (other than with respect to Capital Lease Obligations), (8), (16) and (19) of the second paragraph of the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" and (y) any Permitted Refinancing Indebtedness in respect of Indebtedness referred to in the foregoing clause (x) the Issuer or the relevant Guarantor and the Trustee shall enter into with the holders of such Indebtedness (or their duly authorized representatives) an intercreditor agreement (an "**Additional Intercreditor Agreement**") on substantially the same terms as the Intercreditor Agreement, including terms with respect to the limitation on enforcement and release of guarantees and priority as set forth in the Intercreditor Agreement (or on terms more favorable to the holders of the New Notes); *provided*, that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture or the Intercreditor Agreement.

At the request of the Parent Guarantor, without the consent of holders of the New Notes, and at the time of, or prior to, the incurrence by the Issuer or a Guarantor of Indebtedness permitted to be incurred pursuant to the preceding paragraph, the Issuer or the relevant Guarantor and the Trustee shall enter into one or more amendments to any Intercreditor Agreement or Additional Intercreditor Agreement to: (1) cure defects, resolve ambiguities or reflect changes, in each case, of a minor, technical or administrative nature, (2) increase the amount or types of Indebtedness covered by any Intercreditor Agreement or Additional Intercreditor Agreement that may be incurred by the Issuer or a Guarantor that is subject to any Intercreditor Agreement or Additional Intercreditor Agreement (provided that such amendment is consistent with the preceding paragraph), (3) add new Guarantors to the Intercreditor Agreement or an Additional Intercreditor Agreement, (4) further secure the New Notes, (5) make provision for the security securing Additional New Notes to rank *pari passu* with the Collateral or (6) make any other change to any such Intercreditor Agreement or an Additional Intercreditor Agreement that does not adversely affect the rights of holders of the New Notes in any material respect.

The Parent Guarantor shall not otherwise direct the Trustee to enter into any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement without the consent of the holders of the majority in aggregate principal amount of the New Notes then outstanding, except as otherwise permitted by "*Amendment, Supplement and Waiver*" and the Parent Guarantor may only direct the Trustee to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture, the Intercreditor Agreement or such Additional Intercreditor Agreement.

In relation to the Intercreditor Agreement or, to the extent applicable, an Additional Intercreditor Agreement, the Trustee shall be deemed to have consented on behalf of the holders of the New Notes to any payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the New Notes thereby; *provided* that such transaction would comply with the covenant described under "—Restricted Payments."

Each holder of the New Notes shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any Additional Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have consented to and directed the Trustee to enter into any Additional Intercreditor Agreement or any amendment of the Intercreditor Agreement or any Additional Intercreditor Agreement which complies with the foregoing provision and the conditions contained therein.

Suspension of Covenants When New Notes Rated Investment Grade

If on any date following the Issue Date:

(1) the New Notes have achieved Investment Grade Status; and

(2) no Default or Event of Default shall have occurred and be continuing on such date,

then, the Parent Guarantor will immediately notify in writing the Trustee and beginning on that day and continuing until such time, if any, at which the New Notes cease to have Investment Grade Status (such period, the "**Suspension Period**"), the covenants specifically listed under the following captions in this offering memorandum will no longer be applicable to the New Notes and any related default provisions of the Indenture will cease to be effective and will not be applicable to the Parent Guarantor and its Restricted Subsidiaries:

(1) "—Repurchase at the Option of Holders—Asset Sales";

(2) "—Incurrence of Indebtedness and Issuance of Preferred Stock";

(3) "—Restricted Payments";

(4) "—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries";

(5) clause (4) of each of the first and second paragraphs of the covenant described under "—Merger, Consolidation or Sale of Assets";

(6) "—Transactions with Affiliates"; and

(7) "—Designation of Restricted and Unrestricted Subsidiaries."

Such covenants will not, however, be of any effect with regard to the actions of Parent Guarantor and the Restricted Subsidiaries properly taken during the continuance of the Suspension Period; *provided* that (1) with respect to the Restricted Payments made after any such reinstatement, the amount of Restricted Payments will be calculated as though the covenant described under the caption "*—Restricted Payments*" had been in effect prior to, but not during, the Suspension Period and (2) all Indebtedness incurred, or Disqualified Stock or preferred stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to clause (2) of the second paragraph of the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*." Upon the occurrence of a Suspension Period, the amount of Excess Proceeds shall be reset at zero. There can be no assurance that the New Notes will ever achieve or maintain an Investment Grade Status.

Reports

So long as any New Notes are outstanding, the Parent Guarantor will furnish to the Trustee:

(1) within 120 days after the end of the fiscal year of the Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent

Guarantor, and thereafter of the Parent Guarantor, beginning with the fiscal year ending December 31, 2017, annual reports containing the following information with a level of detail that is substantially comparable and similar in scope to this offering memorandum: (a) audited consolidated balance sheet of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, as of the end of the most recent fiscal year (and comparative information for the end of the prior fiscal year) and audited consolidated income statement and statement of cash flow of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, for the most recent fiscal year (and comparative information for the prior fiscal year), including footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) *pro forma* income statement and balance sheet information of Swissport Group S.à r.l., until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, together with explanatory footnotes, for any material acquisitions or dispositions (including, without limitation, any acquisitions or disposition that, individually or in the aggregate when considered with all other acquisition or dispositions that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates, represent greater than 20% of the consolidated revenues, EBITDA, or assets of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, on a *pro forma* basis) or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates, in each case unless *pro forma* information has been provided in a previous report pursuant to clause (2) or (3) below; (c) an operating and financial review of the audited financial statements, including a discussion of the results of operations (including a discussion by business segment, if any), financial condition and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; (d) a description of the industry, business, management and shareholders of the Parent Guarantor, all material affiliate transactions, Indebtedness and material financing arrangements and a description of all material contractual arrangements, including material debt instruments; (e) material risk factors and material recent developments; and (f) a brief description of the material differences in the financial condition and results of operation between Swissport Group S.à r.l. and its subsidiaries and the Parent Guarantor and its Restricted Subsidiaries until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor;

(2) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor beginning with the fiscal quarter ending March 31, 2017, quarterly reports containing the following information: (a) an unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the quarterly and year to date periods ending on the unaudited condensed balance sheet date, and the comparable prior year periods for Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, together with condensed footnote disclosure; (b) *pro forma* income statement and balance sheet information, together with explanatory footnotes, for any material acquisitions or dispositions (including, without limitation, any acquisition or disposition that, individually or in the aggregate when considered with all other acquisitions or dispositions that have occurred since the beginning of the most recent completed fiscal quarter as to which such quarterly report relates, represents greater than 20% of the consolidated revenues, EBITDA or assets of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, on a *pro forma* basis) or recapitalizations that have occurred since the beginning of the most recently completed fiscal quarter as to which such quarterly report relates, in each case unless *pro forma* information has been provided in a previous report pursuant to clause (1), (2) or (3) of this covenant; (c) an operating and financial review of the unaudited financial statements (including a discussion by business segment, if any), including a discussion of the consolidated financial condition and results of operations of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted

Subsidiaries, and thereafter of the Parent Guarantor, and any material change between the current year to date period and the corresponding period of the prior year; (d) material recent developments in the business of the Parent Guarantor and its Subsidiaries; (e) any material changes to the risk factors disclosed in the most recent annual report with respect to the Parent Guarantor; and (f) a brief description of the material differences in the financial condition and results of operation between Swissport Group S.à r.l. and its subsidiaries and the Parent Guarantor and its Restricted Subsidiaries until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor; and

(3) promptly after the occurrence of (a) a material acquisition, disposition or restructuring (including any acquisition or disposition that would require the delivery of *pro forma* financial information pursuant to clause (1) or (2) above); (b) any senior management change at the Parent Guarantor; (c) any change in the auditors of Swissport Group S.à r.l.; (d) the entering into an agreement that will result in a Change of Control; or (e) any material events that the Parent Guarantor announces publicly, in each case, a report containing a description of such events,

provided, *however*, that the reports set forth in clauses (1), (2) and (3) above will not be required to (i) contain any reconciliation to U.S. generally accepted accounting principles or (ii) include separate financial statements for any Guarantors or non-guarantor Subsidiaries of the Parent Guarantor.

The Parent Guarantor may comply with the requirements of clauses (1) and (2) of this covenant by providing consolidated financial information and reports of the Parent Guarantor itself and its Subsidiaries instead of Swissport Group S.à r.l.

If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and such Subsidiaries are Significant Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Parent Guarantor and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Parent Guarantor.

All financial statements shall be prepared in accordance with IFRS. Except as provided for above, no report need include separate financial statements for the Parent Guarantor or Subsidiaries of the Parent Guarantor or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in this offering memorandum.

In addition, for so long as any New Notes remain outstanding and during any period during which the Parent Guarantor is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Parent Guarantor has agreed that it will furnish to the holders of the New Notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

The Parent Guarantor will also make available copies of all reports required by clauses (1) through (3) of the first paragraph of the covenant (i) on Swissport International Ltd.'s website and (ii) if and so long as the New Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, at the specified office of the Principal Paying Agent in London.

Events of Default and Remedies

Each of the following is an "**Event of Default**":

(1) default for 30 days in the payment when due of interest or Additional Amounts, if any, with respect to the New Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the New Notes;

(3) failure by the Issuer or relevant Guarantor to comply with the provisions described under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*";

(4) failure by the Issuer or relevant Guarantor for 60 days after written notice to the Issuer by the Trustee or the holders of at least 25% in aggregate principal amount of the New Notes then outstanding voting

as a single class to comply with any of the agreements in the Indenture (other than a default in performance, or breach, or a covenant or agreement which is specifically dealt with in clauses (1), (2) or (3) or the New Notes, the New Guarantees or the Security Documents);

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent Guarantor or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Parent Guarantor or any of its Restricted Subsidiaries), whether such Indebtedness or guarantee now exists, or is created after the Issue Date, if that default:

   (a) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness at the Stated Maturity thereof prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "**Payment Default**"); or

   (b) results in the acceleration of such Indebtedness prior to its express maturity,

   and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates CHF 40 million or more;

(6) failure by the Issuer, the Parent Guarantor or any Restricted Subsidiary to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of CHF 40 million (exclusive of any amounts that a solvent insurance company has acknowledged liability for), which judgments shall not have been discharged or waived and there shall have been a period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of an appeal, waiver or otherwise, shall not have been in effect;

(7) (i) any security interest created by the Security Documents with respect to Collateral having a Fair Market Value in excess of CHF 5.0 million ceases to be in full force and effect (except as permitted by the terms of the Indenture, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement), or an assertion by the Parent Guarantor or any of its Restricted Subsidiaries that any Collateral having a Fair Market Value in excess of CHF 5.0 million is not subject to a valid, perfected security interest (except as permitted by the terms of the Indenture, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement); or (iii) the repudiation by the Parent Guarantor of any of its material obligations under the Security Documents;

(8) except as permitted by the Indenture, if any Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Guarantee and such Default continues for 20 days; and

(9) certain events of bankruptcy or insolvency described in the Indenture with respect to the Issuer, the Parent Guarantor or any Restricted Subsidiary that is a Significant Subsidiary or any group of its Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Restricted Subsidiaries), would constitute a Significant Subsidiary.

In the case of an Event of Default specified in clause (9), all outstanding New Notes will become due and payable immediately without further action or notice; *provided* that, in the case of an Event of Default specified in clause (9), the amount due and payable shall be equal to the aggregate gross proceeds of the offering of the New Notes, plus accrued and unpaid interest and additional amounts, if any. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding New Notes may and, if directed by holders of at least 25% in aggregate principal amount of the then outstanding New Notes, the Trustee shall, declare all the New Notes to be due and payable immediately.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding New Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the New Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or Additional Amounts or premium, if any.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any holders of New Notes unless such holders have offered to the Trustee, and the Trustee has received, indemnity and/or security satisfactory to it against any loss, liability, fees, costs or expense. Except (subject to the provisions described under "—*Amendment, Supplement and Waiver*") to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts when due, no holder of a New Note may pursue any remedy with respect to the Indenture or the New Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in aggregate principal amount of the then outstanding New Notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee, and the Trustee has received, security and/or indemnity satisfactory to it against any loss, liability, fees, costs or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity; and

(5) holders of a majority in aggregate principal amount of the then outstanding New Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The holders of not less than a majority in aggregate principal amount of the New Notes outstanding may, on behalf of the holders of all outstanding New Notes, waive any past default under the Indenture and its consequences, except a continuing default in the payment of the principal of premium, if any, any Additional Amounts or interest on any Note held by a non-consenting holder (which may only be waived with the consent of each holder of New Notes affected).

The Parent Guarantor is required to deliver to the Trustee annually a statement regarding compliance with the Indenture.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the New Notes, the Indenture, the New Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of New Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the New Notes. The waiver may not be effective to waive liabilities under applicable securities laws.

Legal Defeasance and Covenant Defeasance

The Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have all of its obligations discharged with respect to the outstanding New Notes and all obligations of the Guarantors discharged with respect to their New Guarantees ("**Legal Defeasance**") except for:

(1) the rights of holders of outstanding New Notes to receive payments in respect of the principal of, or interest (including Additional Amounts) or premium, if any, on, such New Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the New Notes concerning issuing temporary New Notes, registration of New Notes, mutilated, destroyed, lost or stolen New Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's, the Parent Guarantor's and the Subsidiary Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Indenture.

In addition, the Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have the obligations of the Issuer, the Parent Guarantor and the Subsidiary Guarantors released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers) that are described in the Indenture ("**Covenant Defeasance**") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the New Notes. In the event Covenant Defeasance occurs, all Events of Default described under "—*Events of Default and Remedies*" (except those relating to payments on the New Notes or, solely with respect to the Issuer, bankruptcy or insolvency events) will no longer constitute an Event of Default with respect to the New Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer or the Parent Guarantor must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the New Notes, cash in euro, non-callable euro-denominated European Government Obligations or a combination of cash in euro and non-callable euro-denominated European Government Obligations, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest (including Additional Amounts and premium, if any) on the outstanding New Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuer or the Parent Guarantor must specify whether the New Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer or the Parent Guarantor must deliver to the Trustee a legal opinion reasonably acceptable to the Trustee of United States counsel confirming that (a) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (b) since the Issue Date, there has been a change in the applicable U.S. Federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the holders of the outstanding New Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Legal Defeasance and will be subject to tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer or the Parent Guarantor must deliver to the Trustee an opinion reasonably acceptable to the Trustee of United States counsel confirming that the holders of the outstanding New Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) the Issuer or the Parent Guarantor must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer or the Parent Guarantor with the intent of preferring the holders of New Notes over the other creditors of the Issuer or the Parent Guarantor with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer, the Parent Guarantor or others; and

(5) the Issuer or the Parent Guarantor must deliver to the Trustee an Officer's Certificate and an opinion of counsel, subject to customary assumptions and qualifications, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided otherwise in the succeeding paragraphs, the Indenture, the New Notes, the New Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the New Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, New Notes), and any existing Default or Event of Default or compliance with any provision of the Indenture, the New Notes, the New Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding New Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, New Notes).

Unless (i) consented to by the holders of at least 90% of the aggregate principal amount of the then outstanding New Notes or (ii) consented to by each holder of New Notes adversely affected thereby (in each case including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, New Notes), an amendment, supplement or waiver may not:

(1) reduce the principal amount of New Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the New Notes (other than provisions relating to the covenants described above under the caption "—*Repurchase at the Option of Holders*");

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) impair the right of any holder of New Notes to receive payment of principal of and interest on such holder's New Notes on or after the due dates therefore or to institute suit for the enforcement of any payment on or with respect to such holder's New Notes or any Guarantee in respect thereof;

(5) waive a Default or Event of Default in the payment of principal of, or interest, Additional Amounts or premium, if any, on, the New Notes (except a rescission of acceleration of the New Notes by the holders of at least a majority in aggregate principal amount of the then outstanding New Notes and a waiver of the Payment Default that resulted from such acceleration);

(6) make any Note payable in money other than that stated in the New Notes;

(7) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of New Notes to receive payments of principal of, or interest, Additional Amounts or premium, if any, on, the New Notes;

(8) waive a redemption payment with respect to any Note (other than a payment required by one of the covenants described above under the caption "*—Repurchase at the Option of Holders*");

(9) release any Guarantor from any of its obligations under its Guarantee or the Indenture, except in accordance with the terms of the Indenture and the Intercreditor Agreement;

(10) release any Collateral granted for the benefit of the holders of the New Notes, except in accordance with the terms of the Indenture, the Intercreditor Agreement or the Security Documents; or

(11) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of New Notes, the Issuer, the Security Agent and the Trustee (as applicable) may amend or supplement the Indenture, the New Notes, any Guarantee, any of the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated New Notes in addition to or in place of certificated New Notes;

(3) to provide for the assumption of the Issuer's or a Guarantor's obligations to holders of New Notes and New Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of New Notes or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(5) to conform the text of the Indenture, the New Guarantees, the Security Documents or the New Notes to any provision of this Description of New Senior Secured Notes to the extent that such provision in this Description of New Senior Secured Notes was intended to be a verbatim recitation of a provision of the Indenture, the New Guarantees, the Security Documents or the New Notes;

(6) to enter into additional or supplemental Security Documents;

(7) to release any Guarantee in accordance with the terms of the Indenture;

(8) to release the Collateral in accordance with the terms of the Indenture and the Security Documents;

(9) to provide for the issuance of Additional New Notes in accordance with the limitations set forth in the Indenture as of the Issue Date;

(10) to allow any Guarantor to execute a supplemental indenture, guarantee and/or a Guarantee with respect to the New Notes; or

(11) to evidence and provide the acceptance of the appointment of a successor Trustee under the Indenture.

The consent of the holders of New Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

In formulating its opinion on such matters, the Trustee shall be entitled to rely absolutely on such evidence as it deems appropriate, including an opinion of counsel and an Officer's Certificate.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all New Notes issued thereunder, when:

(1) either:

(a) all New Notes that have been authenticated, except lost, stolen or destroyed New Notes that have been replaced or paid and New Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or

(b) all New Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuer or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in euro, non-callable euro-denominated European Government Obligations or a combination of cash in euro and non-callable euro-denominated European Government Obligations, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the New Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) the Issuer or any Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(3) the Issuer or any Guarantor has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the New Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer or the Parent Guarantor must deliver an Officer's Certificate and a legal opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3)).

Judgment Currency

Any payment on account of an amount that is payable in euros that is made to or for the account of any holder or the Trustee in lawful currency of any other jurisdiction (the "**Judgment Currency**"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer or any Guarantor, shall constitute a discharge of the Issuer or the Guarantor's obligation under the Indenture and the New Notes, the Guarantee, as the case may be, only to the extent of the amount of euros with such holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Judgment Currency. If the amount of euros that could be so purchased is less than the amount of euros originally due to such holder or the Trustee, as the case may be, the Issuer and the Guarantors shall indemnify and hold harmless the holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture or the New Notes, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Concerning the Trustee

The Issuer shall deliver written notice to the Trustee promptly, and in any case within thirty (30) days of becoming aware of the occurrence of a Default or an Event of Default. If the Trustee becomes a creditor of the Issuer or any Guarantor, the Indenture limits the right of the Trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days or resign as Trustee.

The holders of a majority in aggregate principal amount of the then outstanding New Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of New Notes, unless such holder has offered to the Trustee security, and the Trustee has received, and indemnity satisfactory to it against any loss, liability or expense.

The Issuer and (following their accession) the Guarantors will indemnify the Trustee for certain claims, liabilities, costs, fees and expenses incurred without gross negligence, willful default or fraud on its part, arising out of or in connection with its duties.

Listing

Application has been made to list the New Notes on the Official List of the Luxembourg Stock Exchange and to admit the New Notes to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

Additional Information

Anyone who receives this offering memorandum may, following the Issue Date, obtain a copy of the Indenture, the form of Note, the Security Documents and the Intercreditor Agreement without charge by writing to the Issuer, c/o Swissport International Ltd., Attn: General Counsel, Flughoffstrasse 55, 8152 Opfikon, Switzerland.

So long as the New Notes are listed on the Luxembourg Stock Exchange and admitted for and the rules of the Luxembourg Stock Exchange shall so require, copies of the financial statements included in this offering memorandum may be obtained, free of charge, during normal business hours at the offices of the Principal Paying Agent in London.

Governing Law

The Indenture, the New Notes and the Intercreditor Agreement are or will be governed by, and construed in accordance with, the laws of the State of the New York.

Consent to Jurisdiction and Service of Process

The Indenture will provide that the Issuer and each Guarantor (other than any Guarantor incorporated in the United States) will appoint an agent for service of process in any suit, action or proceeding with respect to the Indenture, the New Notes and the New Guarantees brought in any U.S. federal or New York state court located in the City of New York and will submit to such jurisdiction.

Enforceability of Judgments

Substantially all of the assets of the Issuer and the non-U.S. Guarantors are outside the United States. As a result, any judgment obtained in the United States against the Issuer or any such Guarantor may not be collectable within the United States. See "Enforcement of Judgments."

Prescription

Claims against the Issuer or any Guarantor for the payment of principal or Additional Amounts, if any, on the New Notes will be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest on the New Notes will be prescribed five years after the applicable due date for payment of interest.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"**Acquired Debt**" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"**Applicable Premium**" means, with respect to any Note on any redemption date, the greater of:

(1) 1% of the principal amount of the Note; or

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the Note at June 15, 2018 (such redemption price being set forth in the table appearing above under the caption "*—Optional Redemption*"), plus (ii) all required interest payments due on the Note through June 15, 2018 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over

(b) the principal amount of the Note.

For the avoidance of doubt, calculation of the Applicable Premium shall not be an obligation or duty of the Trustee or the Paying Agents.

"**Asset Sale**" means:

(1) the sale, lease, conveyance or other disposition of any assets by the Parent Guarantor or any of its Restricted Subsidiaries; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "*—Repurchase at the Option of Holders—Change of Control*" and/or the provisions described above under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*" and not by the provisions described under the caption "*—Repurchase at the Option of Holders—Asset Sales*"; and

(2) the issuance of Equity Interests by any Restricted Subsidiary or the sale by the Parent Guarantor or any of its Restricted Subsidiaries of Equity Interests in any of the Parent Guarantor's Subsidiaries (in each case, other than directors' qualifying shares).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than the greater of CHF 7.5 million and 0.5% of Total Assets;

(2) a transfer of assets or Equity Interests between or among the Parent Guarantor and any Restricted Subsidiary;

(3) an issuance of Equity Interests by a Restricted Subsidiary to the Parent Guarantor or to a Restricted Subsidiary;

(4) the sale, lease or other transfer of accounts receivable, inventory, trading stock, communications capacity and other assets (including any real or personal property) in the ordinary course of business (including the abandonment or other disposition of intellectual property that is, in the reasonable judgment of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of business of the Parent Guarantor and its Restricted Subsidiaries taken as a whole);

(5) licenses and sublicenses by the Parent Guarantor or any of its Restricted Subsidiaries of software or intellectual property in the ordinary course of business;

(6) any surrender or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(7) the granting of Liens not prohibited by the covenant described above under the caption "*—Liens*";

(8) the sale or other disposition of cash or Cash Equivalents;

(9) a Restricted Payment that does not violate the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," a Permitted Investment or any transaction specifically excluded from the definition of Restricted Payment;

(10) the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(11) the foreclosure, condemnation or any similar action with respect to any property or other assets or a surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(12) the disposition of assets to a Person who is providing services (the provision of which have been or are to be outsourced by the Parent Guarantor or any Restricted Subsidiary to such Person) related to such assets;

(13) any sale or other disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(14) any exchange of assets (including a combination of assets and Cash Equivalents) for assets related to a Permitted Business of comparable or greater market value or usefulness to the business of the Parent Guarantor and its Restricted Subsidiaries as a whole, as determined in good faith by the Parent Guarantor;

(15) any sale, transfer or other disposition of Securitization Assets and related assets in connection with any Qualified Securitization Financing; and

(16) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Parent Guarantor or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition.

"**Associate**" means (i) any Person engaged in a Permitted Business of which the Parent Guarantor or its Restricted Subsidiaries are the legal and beneficial owners of between 20% and 50% of all outstanding Voting Stock and (ii) any joint venture entered into by the Parent Guarantor or any Restricted Subsidiary of the Issuer.

"**Beneficial Owner**" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "**Beneficially Owns**" and "**Beneficially Owned**" have a corresponding meaning.

"**Board of Directors**" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Bund Rate**" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(1) "**Comparable German Bund Issue**" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to June 15, 2018 and that would be utilized at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the New Notes and of a maturity most nearly equal to June 15, 2018; provided, however, that, if the period from such redemption dated to June 15, 2018 is less than one year, a fixed maturity of one year shall be used;

(2) "**Comparable German Bund Price**" means, with respect to any redemption date, the average of all Reference German bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Parent Guarantor obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(3) "**Reference German Bund Dealer**" means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(4) "**Reference German Bund Dealer Quotations**" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Parent Guarantor in good faith of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Parent Guarantor by such Reference German Bund dealer at 3:30 p.m. Frankfurt, Germany, time on the third Business Day preceding the redemption date.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions in London, Zurich or New York or a place of payment under the Indenture are authorized or required by law to close.

"**Capital Lease Obligation**" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet (excluding the footnotes thereto) prepared in accordance with IFRS, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"**Cash Equivalents**" means:

(1) direct obligations (or certificates representing an interest in such obligations) issued by, or unconditionally guaranteed by, the government of a member state of the Pre-Expansion European Union, the United States of America, Switzerland or Canada (including, in each case, any agency or instrumentality thereof), as the case may be, the payment of which is backed by the full faith and credit of the relevant member state of the European Union or the United States of America, Switzerland, Canada or Japan, as the case may be, and which are not callable or redeemable at the Parent Guarantor's option;

(2) overnight bank deposits, time deposit accounts, certificates of deposit, banker's acceptances and money market deposits with maturities (and similar instruments) of 12 months or less from the date of acquisition issued by a bank or trust company which is organized under, or authorized to operate as a bank or trust company under, the laws of a member state of the Pre-Expansion European Union or of the United States of America or any state thereof, Switzerland, Canada or Japan; *provided* that such bank or trust company has capital, surplus and undivided profits aggregating in excess of €250 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated "A-2" or higher by Moody's or A or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P on the date of the investment and, in each case, maturing within one year after the date of acquisition; and

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

"**Change of Control**" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act)) other than one or more Permitted Holders;

(2) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Issuer;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" as defined above) other than one or more Permitted Holders becomes the Beneficial Owner, directly or indirectly, of more than 50% of the issued and outstanding Voting Stock of the Parent Guarantor measured by voting power rather than number of shares; or

(4) during any period of two consecutive years, individuals who at the beginning of such period constituted the majority of the shareholder representatives on the Board of Directors of the Parent Guarantor (together with any new directors whose election by the majority of the shareholder representatives on such Board of Directors of the Parent Guarantor as applicable, or whose nomination for election by shareholders of the Parent Guarantor, as applicable, was approved by a vote of the majority of the shareholder representatives on the Board of Directors of the Parent Guarantor, as applicable, then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) ceased for any reason to constitute the majority of the shareholder representatives on the Board of Directors of the Parent Guarantor, as applicable, then in office.

"**Change of Control Offer**" has the meaning assigned to that term in the Indenture governing the New Notes.

"**CHF**" means Swiss francs, the lawful currency of Switzerland.

"**CHF Equivalent**" means, with respect to any monetary amount in a currency other than the Swiss franc, at any time of determination thereof by the Parent Guarantor or the Trustee, the amount of Swiss francs obtained by converting such currency other than Swiss francs involved in such computation into Swiss francs at the spot rate for the purchase of Swiss francs with the applicable currency other than Swiss francs as published in *The Financial Times* in the "*Currency Rates*" section (or, if *The Financial Times* is no longer published, or if such information is no longer available in *The Financial Times*, such source as may be selected in good faith by the Issuer) on the date of such determination.

"**Collateral**" means the rights, property and assets securing the New Notes and the New Note Guarantees as described in the section entitled "—Security" and any rights, property or assets over which a Lien has been granted to secure the Obligations of the Issuer and the Guarantors under the New Notes, the New Note Guarantees and the Indenture.

"**Consolidated EBITDA**" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus the following to the extent deducted in calculating such Consolidated Net Income, without duplication:

(1) income or expense for taxes (current or deferred) based on income, profits or capital, in each case of such Person and its Subsidiaries which are Restricted Subsidiaries for such period; *plus*

(2) the Fixed Charges of such Person and its Subsidiaries which are Restricted Subsidiaries for such period; *plus*

(3) depreciation, amortization (including, without limitation, amortization of intangibles and deferred financing fees) and other non-cash charges and expenses (including without limitation write-downs and impairment of property, plant, equipment and intangibles and other long-lived assets and the impact of purchase accounting on the Parent Guarantor and its Restricted Subsidiaries for such period) of the Parent Guarantor and its Restricted Subsidiaries (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) for such period; *plus*

(4) Management Fees; *plus*

(5) any non-cash expenses, charges or income attributable to a post-employment benefit scheme; *plus*

(6) any expenses, charges, premiums or other costs related to any Equity Offering, acquisition (including amounts paid in connection with the acquisition or retention of one or more individuals comprising part of a management team retained to manage the acquired business; provided that such payments are made in a manner consistent with the customary practice in the industry at the time of such acquisition), joint venture, disposition, recapitalization, Indebtedness permitted to be incurred by the Indenture, or the amendment or refinancing of any other Indebtedness of such Person or any of the other Restricted Subsidiaries (whether or not successful) (including such fees, expenses, premiums or charges related to the Transactions) and, in each case, deducted in such period in computing Consolidated Net Income; *plus*

(7) any expenses, costs or other charges (including any non-cash charges) related to the Transactions; *plus*

(8) the amount of cost savings, operating expense reductions, and synergies that are expected in good faith to be realized as a result of actions taken or expected to be taken within 12 months of the date of any acquisition, disposition or divestiture or the implementation of a cost savings or other similar initiative, as applicable (calculated on a *pro forma* basis as though such cost savings, operating expense reductions, and synergies had been realized on the first day of such period as if such cost savings, operating expense reductions, and synergies were realized during the entirety of such period, net of the amount of actual benefits realized during such period from such actions); provided that (A) such actions are expected to be taken within 12 months after the consummation of the acquisition, disposition, or the implementation of an initiative, as applicable, which is expected to result within 12 months after the respective action in cost savings, operating expense reductions, or synergies and (B) no cost savings, operating expense reductions, or synergies shall be added pursuant to this defined term to the extent duplicative of any expenses or charges otherwise added to Consolidated EBITDA, whether through a *pro forma* adjustment or otherwise, for such period; provided further, that the aggregate amount of cost savings, operating expense reductions, and synergies pursuant to this clause (8) and clause (9) below shall not exceed 15% of Consolidated EBITDA for the relevant period (before taking into account any such adjustments); *plus*

(9) (1) restructuring costs, integration costs and, non-recurring charges and (2) transaction fees and expenses in becoming a public company, including, any one time expense relating to enhanced accounting function or related transaction costs, including those associated with becoming a standalone entity or a public company; provided, that the aggregate amount of the add-backs permitted pursuant to this clause (9) and clause (8) above shall not exceed 15% of Consolidated EBITDA for the relevant period (before taking into account any such adjustments); *minus*

(10) to the extent included in determining Consolidated Net Income, non-cash items increasing such Consolidated Net Income for such period, other than non-cash items to the extent they represent the reversal of a reserve for cash charges that reduced Consolidated EBITDA in any prior period, in each case, on a consolidated basis and determined in accordance with IFRS.

Consolidated EBITDA for the Parent Guarantor for any period shall be calculated for Swissport Group S.à r.l. for the period until the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent Guarantor, and for the Parent Guarantor for the period thereafter (taken as one accounting period) (excluding any EBITDA of Swissport Group S.à r.l., Swissport Investment S.à r.l. and Aguila 2 S.à r.l. and their respective Unrestricted Subsidiaries).

"**Consolidated Leverage**" means, with respect to any Person as of any date of determination, the sum without duplication of the total amount of Indebtedness of such Person and its Restricted Subsidiaries on a consolidated basis.

"**Consolidated Leverage Ratio**" means, with respect to any specified Person as of any date of determination, the ratio of (a) the Consolidated Leverage of such Person on such date to (b) the Consolidated EBITDA of such Person for such Person's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding such date. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the

Consolidated Leverage Ratio is made (the "**Calculation Date**"), then the Consolidated Leverage Ratio will be calculated giving *pro forma* effect to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (but not giving effect to any additional Indebtedness to be incurred on the date of determination as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*").

For purposes of calculating the Consolidated EBITDA for such period:

(1) acquisitions of business entities or property and assets constituting a division or line of business of any Person, acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by the Parent Guarantor's Chief Financial Officer or a responsible financial or accounting officer of the Parent Guarantor and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of on or prior to the Calculation Date (including transactions giving rise to the need to calculate such Consolidated Leverage Ratio), will be excluded;

(3) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Consolidated EBITDA associated therewith, the *pro forma* calculation shall be determined in good faith by a responsible financial or accounting Officer of the Parent Guarantor. In determining the amount of Indebtedness outstanding on any date of determination, *pro forma* effect will be given to any incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge or Indebtedness on such date.

"**Consolidated Net Income**" means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries (including the net income (loss) of non-wholly owned Restricted Subsidiaries) for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiaries), determined in accordance with IFRS and without any reduction in respect of preferred stock dividends; *provided* that:

(1) (i) any extraordinary, exceptional or unusual gain, loss or charge, (ii) any asset impairments charges or write-off or write-down, including in relation to intangible assets, long-lived assets, investments in debt and equity securities (including any mark-to-market adjustments), and the financial impacts of natural disasters (including fire, flood and storm and related events), (iii) any non-cash charges or reserves in respect of any restructuring, redundancy, integration or severance or (iv) any expenses, charges, reserves or other costs related to the Transactions, in each case, will be excluded;

(2) the net income or loss of any Person that is not a Restricted Subsidiary or that is accounted for under the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary which is a Subsidiary of the Person;

(3) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of the first paragraph under the caption "*—Certain Covenants—Restricted Payments*," any net income or loss of any Restricted Subsidiary (other than any Guarantor) will be excluded if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions

by such Restricted Subsidiary, directly or indirectly, to the Parent Guarantor (or any Guarantor that holds the Equity Interests of such Restricted Subsidiary, as applicable), by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to the Restricted Subsidiary or its shareholders (other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the New Notes or the Indenture and (c) contractual restrictions in effect on the Issue Date with respect to the Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole, are not materially less favorable to the holders of the New Notes than such restrictions in effect on the Issue Date, except that the Parent Guarantor's equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Subsidiary during such period to the Parent Guarantor or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend to another Restricted Subsidiary (other than any Guarantor), to the limitation contained in this clause);

(4) any net after-tax income or loss from discontinued operations, including any component of an entity that has been disposed or ceased its operational activities or is held for sale, and any net after-tax gains or losses on disposal of discontinued operations, including any component of an entity that has been disposed or ceased its operational activities or is held for sale, shall be excluded;

(5) any net gain (or loss) realized upon the sale or other disposition of any asset or disposed operations of the Parent Guarantor or any Restricted Subsidiaries (including pursuant to any sale leaseback transaction) which is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by the Parent Guarantor) will be excluded;

(6) any one-time non-cash charges or any increases in amortization or depreciation resulting from purchase accounting, in each case, in relation to any acquisition of another Person or business or resulting from any reorganization or restructuring involving the Parent Guarantor or its Subsidiaries will be excluded;

(7) the cumulative effect of a change in accounting principles will be excluded;

(8) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations will be excluded;

(9) any non-cash compensation charge or expenses arising from any grant of stock, stock options or other equity based awards will be excluded;

(10) any goodwill or other intangible asset impairment charges will be excluded;

(11) all deferred financing costs written off and premium paid in connection with any early extinguishment of Indebtedness and any net gain or loss from any write-off or forgiveness of Indebtedness will be excluded;

(12) any capitalized interest on any Subordinated Shareholder Debt will be excluded;

(13) (x) currency translation gains and losses related to currency re-measurements of Indebtedness (including the net gain or loss (i) resulting from swap contracts for currency exchange risk and (ii) resulting from intercompany indebtedness) and (y) any exchange, translation, or performance gains or losses relating to any foreign currency fluctuation will be excluded; and

(14) mark-to-market gains and losses on debt or equity securities will be excluded.

For the avoidance of doubt, (i) Consolidated Net Income shall be calculated on a *pro forma* basis and (ii) all proceeds of business interruption insurance shall be included in the calculation of Consolidated Net Income.

"**Consolidated Senior Secured Indebtedness**" means, as of any date of determination, the sum of the total amount of Senior Secured Indebtedness of the Parent Guarantor and its Restricted Subsidiaries on a consolidated basis.

"**Consolidated Senior Secured Net Leverage Ratio**" means, as of any date of determination, the ratio of (a) the Consolidated Senior Secured Indebtedness of the Parent Guarantor less cash and Cash Equivalents of the Parent Guarantor and its Restricted Subsidiaries on a consolidated basis on such date to (b) the Consolidated EBITDA of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness, is incurred. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Senior Secured Net Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Senior Secured Net Leverage Ratio is made (the "**Calculation Date**"), then the Consolidated Senior Secured Net Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Parent Guarantor) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (but not giving effect to any additional Indebtedness to be incurred on the date of determination as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*").

In addition, for purposes of calculating the Consolidated EBITDA for such period:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Parent Guarantor and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

"**Contingent Obligations**" means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that, in each case, does not constitute Indebtedness ("**primary obligations**") of any other Person (the "**primary obligor**"), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

    (a) for the purchase or payment of any such primary obligation; or

    (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"**continuing**" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"**Credit Facilities**" means, one or more debt facilities, instruments or arrangements incurred by any Restricted Subsidiary or any Finance Subsidiary (including the Senior Facilities or commercial paper facilities and overdraft facilities) or commercial paper facilities or indentures or trust deeds or note purchase agreements, in each case, with banks, other institutions, funds or investors, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables), letters of credit, bonds, notes debentures or other corporate debt instruments or other Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or trustees or other banks or institutions and whether provided under the Senior Facilities or one or more other credit or other agreements, indentures, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term "Credit Facilities" shall include any agreement or instrument (1) changing the maturity of any Indebtedness incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Parent Guarantor as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Indebtedness incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

"**Currency Exchange Protection Agreement**" means, in respect of any Person, any foreign exchange contract, currency swap agreement, currency option, cap, floor, ceiling or collar or agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates as to which such Person is a party.

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Designated Non-Cash Consideration**" means the Fair Market Value of non-cash consideration received by the Parent Guarantor or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as "Designated Non-Cash Consideration" pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Non-Cash Consideration.

"**Disqualified Stock**" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the six-month anniversary of the date that the New Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the issuer thereof to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." For purposes hereof, the amount of Disqualified Stock which does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by, the Fair Market Value of such Disqualified Stock, such Fair Market Value to be determined as set forth herein.

"**Equity Contribution**" means the equity contribution in an amount of approximately €518 million being made to the Parent Guarantor and its Restricted Subsidiaries as part of the Transactions.

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Equity Investors**" means HNA Group and its Affiliates or any trust, fund, company or partnership owned, managed or advised by HNA Group or of which HNA Group is the general partner or any limited partner of any such trust, fund, company or partnership.

"**Equity Offering**" means (x) a sale of Capital Stock (other than to the Issuer or any of its Subsidiaries) that is a sale of Capital Stock of the Parent Guarantor (other than Disqualified Stock) other than offerings registered on Form S-8 (or any successor form) under the U.S. Securities Act or any similar offering in other jurisdictions, or (y) the sale of Capital Stock or other securities by any Person, the proceeds of which are contributed as

Subordinated Shareholder Debt or to the equity (other than through the issuance of Disqualified Stock) of the Parent Guarantor or any of its Restricted Subsidiaries.

"**European Government Obligations**" means direct obligations of, or obligations guaranteed by, a member state of the European Union, and the payment for which such member state of the European Union pledges its full faith and credit; *provided* that such member state has a long-term government debt rating of "A1" or higher by Moody's or A+ or higher by S&P or the equivalent rating category of another internationally recognized rating agency.

"**Excluded Contributions**" means the net cash proceeds received by the Parent Guarantor after the Issue Date from:

(1) contributions to its common equity capital; and

(2) the sale (other than to a Subsidiary of the Parent Guarantor) of Capital Stock (other than Disqualified Stock) of the Parent Guarantor,

in each case designated as "Excluded Contributions" pursuant to an Officer's Certificate of the Parent Guarantor (which shall be designated no later than the date on which such Excluded Contribution has been received by the Parent Guarantor), the net cash proceeds of which are excluded from the calculation set forth in the clause (c)(ii) of the covenant described under "*—Certain Covenants—Restricted payments*" hereof.

"**Existing Notes**" means the Existing Senior Secured Notes and the Existing Senior Notes, if any.

"**Existing Senior Notes**" means the 9.750% Senior Notes due 2022 issued on December 14, 2015 outstanding following the Transactions, if any.

"**Existing Senior Secured Notes**" means the 6.750% Senior Secured Notes due 2021 issued on December 14, 2015 outstanding following the Transactions, if any.

"**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress of either party, determined in good faith by the Parent Guarantor's Chief Executive Officer, Chief Financial Officer or responsible accounting or financial officer of the Parent Guarantor.

"**Finance Subsidiary**" means a wholly owned subsidiary that is formed for the purpose of borrowing funds or issuing securities and lending the proceeds to the Issuer or a Guarantor and that conducts no business other than as may be reasonably incidental to, or related to, the foregoing.

"**Fixed Charge Coverage Ratio**" means, with respect to any specified Person for any period, the ratio of the Consolidated EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Subsidiaries which are Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "**Calculation Date**"), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by the Parent Guarantor's Chief Financial Officer or a responsible financial or accounting officer of the Parent Guarantor) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (but not giving effect to any additional Indebtedness to be incurred on the Calculation Date as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*").

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions of business entities or property and assets constituting a division or line of business of any Person, acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and

including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by the Parent Guarantor's Chief Financial Officer or a responsible financial or accounting officer of the Parent Guarantor and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Subsidiaries which are Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest and such Indebtedness is to be given *pro forma* effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness).

"**Fixed Charges**" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense (net of interest income) of such Person and its Subsidiaries which are Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not debt issuance costs, commissions, fees and expenses), non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments), the interest component of deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings; *plus*

(2) the consolidated interest expense (but excluding such interest on Subordinated Shareholder Debt) of such Person and its Subsidiaries which are Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Subsidiaries which are Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Subsidiaries which are Restricted Subsidiaries; *plus*

(4) net payments and receipts (if any) pursuant to interest rate Hedging Obligations (excluding amortization of fees) with respect to Indebtedness; *plus*

(5) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of any Restricted Subsidiary, other than dividends on Equity Interests payable to the Parent Guarantor or a Restricted Subsidiary, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, state and local statutory tax rate of such Person, expressed as a decimal, as estimated in good faith by a responsible accounting or financial officer of the Parent Guarantor.

"**Guarantee**" means the guarantee by each Guarantor of the Issuer's obligations under the Indenture and the New Notes, executed pursuant to the provisions of the Indenture.

"**guarantee**" means a guarantee other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business, of all or any part of any Indebtedness (whether arising by agreements to keep-well, to take or pay or to maintain financial statement conditions, pledges of assets or otherwise).

"**Guarantors**" means, collectively, the Parent Guarantor and the Subsidiary Guarantors.

"**Hedging Obligations**" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements, (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, including Currency Exchange Protection Agreements, or commodity prices.

"**HNA Group**" means HNA Group Co. Ltd.

"**IFRS**" means the International Financial Reporting Standards promulgated by the International Accounting Standards Board or any successor board or agency as endorsed by the European Union and in effect on the date hereof, or, with respect to the covenant described under the caption "*Reports*" as in effect from time to time.

"**Indebtedness**" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables):

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments for which such Person is responsible or liable;

(3) representing reimbursement obligations in respect of letters of credit, bankers' acceptances or similar instruments (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of incurrence);

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; and

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of the specified Person prepared in accordance with IFRS. In addition, the term "**Indebtedness**" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the guarantee by the specified Person of any Indebtedness of any other Person to the extent guaranteed by such Person; *provided*, *however*, that in the case of Indebtedness secured by a Lien, the amount of such Indebtedness will be the lesser of (a) the fair market value of such asset at such date of determination (as determined in good faith) by the Parent Guarantor and (b) the amount of such Indebtedness of such other Person.

The term "**Indebtedness**" shall not include:

(1) Subordinated Shareholder Debt;

(2) any lease of property which would be considered an operating lease under IFRS;

(3) Contingent Obligations in the ordinary course of business;

(4) in connection with the purchase by the Parent Guarantor or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 30 days thereafter;

(5) the avoidance of doubt, any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(6) deferred or prepaid revenues;

(7) [Reserved];

(8) Indebtedness in respect of the incurrence by the Parent Guarantor or any if its Restricted Subsidiaries of Indebtedness in respect of standby letters of credit, performance guarantees or bonds or surety bonds provided by or at the request of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business (including standby letters of credit, performance guarantees or bonds or surety bonds in respect of such standby letters of credit, performance guarantees or bonds or surety bonds) to the extent such letters of credit, guarantees or bonds are not drawn upon or, if and to the extent drawn upon are honored in accordance with their terms and if, to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit, guarantee or bond; and

(9) Indebtedness incurred by the Parent Guarantor or one of its Restricted Subsidiaries in connection with a transaction where (x) such Indebtedness is borrowed from a bank or trust company, having a combined capital and surplus and undivided profits of not less than €250 million, whose debt has a rating immediately prior to the time such transaction is entered into, of at least A or the equivalent thereof by S&P and A2 or the equivalent thereof by Moody's and (y) a substantially concurrent Investment is made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in the form of cash deposited with the lender of such Indebtedness, or a Subsidiary or Affiliate thereof, in amount equal to such Indebtedness.

"**Initial Public Offering**" means the first Public Equity Offering of common stock or common equity interests of the Parent Guarantor or any Parent Entity (the "**IPO Entity**") following which there is a Public Market.

"**Intercreditor Agreement**" means the amended and restated intercreditor agreement to be dated on or about the Issue Date made between, among others, the Parent Guarantor, the Issuer, the Trustee and the security agent and the facility agent under the Senior Facilities, as amended, restated or otherwise modified or varied from time to time.

"**Investment Grade Status**" shall occur when the New Notes are rated Baa3 or better by Moody's and BBB- or better by S&P (or, if either such entity ceases to rate the New Notes, the equivalent investment grade credit rating from any other Rating Agency).

"**Investments**" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations, but excluding advances or extensions of credit to customers or suppliers made in the ordinary course of business), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as Investments on a balance sheet (excluding the footnotes) prepared in accordance with IFRS. If the Parent Guarantor or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer's Investments in such Restricted Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." The acquisition by the Parent Guarantor or any Restricted Subsidiary of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Issuer or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value and, to the extent applicable, shall be determined based on the equity value of such Investment.

"**Issue Date**" means on or about August 11, 2017.

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement or any lease in the nature thereof.

"**Management Advances**" means loans or advances made to, or guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Parent Guarantor or any Restricted Subsidiary:

(1) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business;

(2) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office; or

(3) (in the case of this clause (3)) not exceeding CHF 7.5 million in the aggregate outstanding at any time.

"**Management Fees**" means:

(a) customary annual fees for the performance of monitoring services by HNA Group or any of its Affiliates for the Parent Guarantor or any Restricted Subsidiary; *provided* that such fees will not, in the aggregate, exceed CHF 1.0 million per annum (exclusive of out-of-pocket expenses); and

(b) customary fees and related expenses for the performance of transaction, management, consulting, financial or other advisory services or underwriting, placement or other investment banking activities, including in connection with mergers, acquisitions, dispositions or joint ventures, by HNA Group or any of its Affiliates for the Parent Guarantor or any of its Restricted Subsidiaries, which payments in respect of this clause (b) have been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor.

"**Market Capitalization**" means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the declaration of the relevant dividend *multiplied by* (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the 30 consecutive trading days immediately preceding the date of declaration of such dividend.

"**Moody's**" means Moody's Investors Service, Inc.

"**Net Proceeds**" means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any Designated Non-Cash Consideration or other consideration received in non-cash form or Cash Equivalents substantially concurrently received in any Asset Sale), net of the direct costs relating to such Asset Sale and the sale of such Designated Non-Cash Consideration or other consideration received in non-cash form, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, and all distributions and other payments required to be made to minority interest holders (other than the Parent Guarantor or any Subsidiary) in Subsidiaries or joint ventures as a result of such Asset Sale, and any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with IFRS.

"**Obligations**" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"**Officer**" means, with respect to any Person, the Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President, Vice President, the Treasurer, the Secretary, Director or member of the Board of Directors of such Person or any other person that the Board of Directors of such Person shall designate for such purpose.

"**Officer's Certificate**" means a certificate signed by an Officer.

"**Parent Entity**" means any direct or indirect parent company or entity of the Parent Guarantor.

"**Parent Guarantor**" means Swissport Holding International S.à r.l.

"**Permitted Business**" means (i) any business, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the Issue Date, and (ii) any businesses, services and activities that are related, complementary, incidental, ancillary or similar to any of the foregoing, or are extensions or developments of any thereof.

"**Permitted Collateral Liens**" means:

(1) Liens securing the New Notes (including any Additional New Notes) and any Permitted Refinancing Indebtedness (and Permitted Refinancing Indebtedness in respect of such Permitted Refinancing Indebtedness) incurred to refinance such New Notes incurred in compliance with clause (5) of the definition of Permitted Debt, and the related New Guarantees or guarantees of such Permitted Refinancing Indebtedness;

(2) Liens on the Collateral to secure Senior Secured Indebtedness of the Issuer and the Guarantors permitted by the first paragraph of the covenant entitled "—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock" and Permitted Refinancing Indebtedness in respect thereof (and Permitted Refinancing Indebtedness in respect of such Permitted Refinancing Indebtedness);

(3) Liens on the Collateral to secure Indebtedness permitted under clauses (1), (2), (4) (other than with respect to Capital Lease Obligations), (8), (9) (to the extent such guarantee is in respect of Indebtedness otherwise permitted to be secured and is specified in this definition of "Permitted Collateral Liens"), (16) and (19) of the definition of Permitted Debt and any Permitted Refinancing Indebtedness in respect of any of the Indebtedness referred to in this clause (3) (and Permitted Refinancing Indebtedness in respect of such Permitted Refinancing Indebtedness); and

(4) Liens described in clauses (3), (6), (7), (8), (12), (13), (14), (16), (17), (18), (19), (20), (21), (28) and (31) of the definition of "Permitted Liens" and that, in each case, would not materially interfere with the ability of the Security Agent to enforce any Lien over the Collateral,

provided, that, in each case, such Lien ranks equal or junior to the Liens on such Collateral securing the New Notes.

"**Permitted Holders**" means the Equity Investors and Related Parties. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"**Permitted Investments**" means:

(1) any Investment in the Parent Guarantor or in a Restricted Subsidiary;

(2) any Investment in cash and Cash Equivalents;

(3) any Investment by the Parent Guarantor or any Restricted Subsidiary in a Person, if as a result of such Investment:

  (a) such Person becomes a Restricted Subsidiary; or

  (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "*—Repurchase at the Option of Holders—Asset Sales*";

(5) any Investment received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (b) litigation, arbitration or other disputes;

(6) any Investment in receivables owing to the Parent Guarantor or any Restricted Subsidiary created or acquired in the ordinary course of business;

(7) any Investment represented by Hedging Obligations, which obligations are permitted by clause (8) of the second paragraph of the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(8) any Investment in the New Notes (including any Additional New Notes) and any other Indebtedness of the Parent Guarantor or any Restricted Subsidiary (including any Existing Notes);

(9) (a) any guarantee of Indebtedness of the Issuer or its Restricted Subsidiaries permitted to be incurred by the covenant described above under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*"; and (b) guarantees, keepwells and similar arrangements, other than with respect to Indebtedness, in the ordinary course of business not prohibited by the covenant described above under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(10) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture;

(11) any Investment acquired after the Issue Date as a result of the acquisition by the Parent Guarantor or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into the Parent Guarantor or any of its Restricted Subsidiaries in a transaction that is not prohibited by the covenant described above under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*" after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(12) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(13) any Investment to the extent made using as consideration Capital Stock of the Parent Guarantor (other than Disqualified Stock), Subordinated Shareholder Debt or Capital Stock of any Parent Entity;

(14) Management Advances;

(15) any Investment made in connection with a Qualified Securitization Financing, including Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Securitization Financing or any related Indebtedness;

(16) Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (16) that are at the time outstanding, not to exceed the greater of CHF 60 million and 4.4% of Total Assets; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause (16);

(17) if made within 180 days of the Issue Date, Investments in the form of loans with a term of not more than 90 days in Affiliates (other than Affiliates located in mainland China) having an aggregate original investment value, when taken together with all other Investments made pursuant to this clause (17) that are for the time outstanding, not to exceed the net proceeds of the Equity Contribution less any such proceeds used for acquisitions or other Permitted Investments; provided that the term cannot be extended beyond 90 days; provided, further, that, the loans are made on commercially reasonable terms as approved by the Board of Directors of Swissport International Ltd;

(18) (a) Investments by the Parent Guarantor or any of its Restricted Subsidiaries in Unrestricted Subsidiaries or in joint ventures having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18)(a) that are at the time outstanding, not to exceed the greater of CHF 150 million and 11% of Total Assets; and guarantees of performance (or other non-financial) letter of credits or similar obligations of Unrestricted Subsidiaries having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18)(b) that are at the time outstanding not to exceed the greater of CHF 25 million and 1.8% of Total Assets; *provided*, *however*, that, in each case, if any Investment pursuant to this clause is made in a Person that is not a Restricted Subsidiary at the date of the making of such Investment and

such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "—*Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause (18); and

(19) contribution of CHF 30 million by the Parent Guarantor or any of its Restricted Subsidiaries in the trust entity established in connection with an asset-backed contribution structure for the purpose of funding a defined benefit scheme in the United Kingdom as described in the Offering Memorandum.

"**Permitted Liens**" means:

(1) Liens in favor of the Parent Guarantor or any of the Restricted Subsidiaries;

(2) Liens on property (including Capital Stock) of a Person existing at the time such Person becomes a Restricted Subsidiary or is merged with or into or consolidated with the Parent Guarantor or any Restricted Subsidiary; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary or such merger or consolidation, were not incurred in contemplation thereof and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary or is merged with or into or consolidated with the Parent Guarantor or any Restricted Subsidiary;

(3) Liens to secure the performance of statutory obligations, trade contracts, insurance, surety or appeal bonds, workers' compensation obligations, leases, performance bonds, guarantees or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(4) Liens to secure Indebtedness permitted by clause (4) of the second paragraph of the covenant entitled "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" covering only the assets acquired with or financed by such Indebtedness;

(5) Liens existing on the Issue Date after giving effect to the use of proceeds of the New Notes;

(6) Liens for taxes, assessments or governmental charges or claims that (x) are not yet due and payable or (y) are being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as will be required in conformity with IFRS will have been made;

(7) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(8) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(9) Liens created for the benefit of (or to secure) the New Notes (or any Guarantee);

(10) Liens securing Indebtedness under Hedging Obligations, which obligations are permitted by clause (8) of the second paragraph of the covenant described above under the caption "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(11) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under the Indenture;

provided, *however*, that:

(a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(12) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(13) filing of Uniform Commercial Code financing statements under U.S. state law (or similar filings under other applicable jurisdictions) in connection with operating leases in the ordinary course of business;

(14) bankers' Liens, rights of setoff or similar rights and remedies as to deposit accounts, Liens arising out of judgments or awards not constituting an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(15) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(16) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(17) leases, licenses, subleases and sublicenses of assets in the ordinary course of business;

(18) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of assets entered into in the ordinary course of business;

(19) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Parent Guarantor or any Restricted Subsidiary has easement rights or on any real property leased by the Parent Guarantor or any Restricted Subsidiary and subordination or similar agreements relating thereto and (b) any condemnation or eminent domain proceedings or compulsory purchase order affecting real property;

(20) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(21) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(22) Liens (including put and call arrangements) on Capital Stock or other securities of any Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary;

(23) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;

(24) Liens on any proceeds loan made by the Parent Guarantor or any Restricted Subsidiary in connection with any future incurrence of Indebtedness permitted under the Indenture and securing that Indebtedness;

(25) Liens on property at the time the Parent Guarantor or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Parent Guarantor or any Restricted Subsidiary; *provided* that such Liens are not created, incurred or assumed in connection with, or in contemplation of, such acquisition and do not extend to any other property owned by the Parent Guarantor or any Restricted Subsidiary;

(26) Liens incurred in the ordinary course of business of the Issuer and the Guarantors with respect to obligations that do not exceed the greater of CHF 50 million and 3.6% of Total Assets at any one time outstanding; and Liens incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries with respect to obligations that do not exceed the greater of CHF 50 million and 3.6% of Total Assets;

(27) Permitted Collateral Liens;

(28) any interest or title of a lessor under any operating lease;

(29) Liens on Securitization Assets and related assets incurred in connection with any Qualified Securitization Financing;

(30) Liens on cash set aside at the time of the incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose; and

(31) Liens incurred in connection with a cash management program established in the ordinary course of business.

"**Permitted Parent Payments**" means the declaration and payment of dividends or other distributions, or the making of loans, by the Parent Guarantor or any of its Restricted Subsidiaries to any Parent Entity in amounts and at times required to pay:

(1) franchise fees and other fees, taxes and expenses required to maintain the corporate existence of any Parent Entity of the Parent Guarantor;

(2) general corporate overhead expenses of any Parent Entity to the extent such expenses are attributable to the ownership or operation of the Parent Guarantor and its Restricted Subsidiaries or related to the proper administration of such Parent Entity (including fees and expenses properly incurred in the ordinary course of business to auditors and legal advisors and payments in respect of services provided by directors, officers, consultants or employees of any such Parent Entity) not to exceed CHF 5.0 million in any 12 month period;

(3) any income taxes, to the extent such income taxes are attributable to the income of the Parent Guarantor and any of its Restricted Subsidiaries, taking into account any net operating loss carryovers and other tax attributes, and, to the extent of the amount actually received in cash from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries; *provided* that such Parent Entity shall promptly pay such taxes or refund such amount to the Parent Guarantor;

(4) costs (including all professional fees and expenses) incurred by any Parent Entity in connection with reporting obligations under or otherwise incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the Indenture or any other agreement or instrument relating to Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries, including in respect of any reports filed with respect to the U.S. Securities Act, U.S. Exchange Act or the respective rules and regulations promulgated thereunder; and

(5) fees and expenses of any Parent Entity incurred in relation to any public offering or other sale of Capital Stock or Indebtedness (whether or not completed) (a) where the net proceeds of such offering or sale are intended to be received by or contributed to the Parent Guarantor or any of its Restricted Subsidiaries; (b) in a prorated amount of such expenses in proportion to the amount of such net proceeds intended to be so received or contributed; or (c) otherwise on an interim basis prior to completion of such offering so long as any Parent Entity will cause the amount of such expenses to be repaid to the Parent Guarantor or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed.

"**Permitted Refinancing Indebtedness**" means any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, exchange, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness (other than any proceeds loan)); *provided* that:

(1) the aggregate principal amount (or accreted value, if applicable), or if issued with original issue discount, aggregate issue price) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable, or if issued with original issue discount, aggregate issue price) of the Indebtedness renewed, refunded, refinanced, replaced, exchanged, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has (a) a final maturity date that is either (i) no earlier than the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged or (ii) after the final maturity date of the New Notes and (b) has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is expressly, contractually, subordinated in right of payment to the New Notes or any Guarantee, as the case may be, such Permitted Refinancing Indebtedness is subordinated in right of payment to the New Notes or such Guarantee, as the case may be, on terms at least as favorable to the holders of New Notes or the Guarantee, as the case may be, as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged; and

(4) if the Parent Guarantor or any Guarantor was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged, such Indebtedness is incurred either by the Parent Guarantor, a Finance Subsidiary or by a Guarantor.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"**Pre-Expansion European Union**" means the European Union as of January 1, 2004, including the countries of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden and the United Kingdom, but not including any country which became or becomes a member of the European Union after January 1, 2004.

"**Public Equity Offering**" means, with respect to any Person, a *bona fide* underwritten primary public offering of the shares of common stock or common equity interests of such Person, either:

(1) pursuant to a flotation on the main market of the London Stock Exchange or any other nationally recognized regulated stock exchange or listing authority in a member state of the Pre-Expansion European Union; or

(2) pursuant to an effective registration statement under the U.S. Securities Act (other than a registration statement on Form S-8 or otherwise relating to Equity Interests issued or issuable under any employee benefit plan).

"**Public Market**" means any time after:

(1) a Public Equity Offering of the IPO Entity has been consummated; and

(2) at least 20% of the total issued and shares of common stock or common equity interests of the IPO Entity has been distributed to investors other than the Permitted Holders or their Related Parties or any other direct or indirect shareholders of the Parent Guarantor as of the Issue Date.

"**Qualified Securitization Financing**" means any financing pursuant to which the Parent Guarantor or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person or grant a security interest in, any Securitization Assets (and related assets) in any aggregate principal amount equivalent to the Fair Market Value of such Securitization Assets (and related assets) of the Parent Guarantor or any of its Restricted Subsidiaries; *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Parent Guarantor's Board of Directors or senior management) at the time such financing is entered into, (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Parent Guarantor's Board of Directors or senior management) at the time such financing is entered into and (c) such financing shall be non-recourse to the Parent Guarantor or any of its Restricted Subsidiaries except to a limited extent customary for such transactions.

"**Rating Agencies**" means Moody's and S&P or, in the event Moody's or S&P no longer assigns a rating to the New Notes, any other "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) under the U.S. Exchange Act selected by the Parent Guarantor as a replacement agency.

"**Related Party**" means:

(1) any controlling stockholder, partner or member, or any 50% (or more) owned Subsidiary, or immediate family member (in the case of an individual), of any Equity Investor; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a 50% or more controlling interest of which consist of any one or more Equity Investors and/or such other Persons referred to in the immediately preceding clause.

"**Restricted Investment**" means an Investment other than a Permitted Investment.

"**Restricted Subsidiary**" means any Subsidiary of the Parent Guarantor that is not an Unrestricted Subsidiary.

"**S&P**" means Standard & Poor's Ratings Group.

"**Securitization Assets**" means any accounts receivable, inventory, royalty or revenue streams from sales of inventory subject to a Qualified Securitization Financing.

"**Securitization Fees**" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not the Issuer or any of its Restricted Subsidiaries in connection with any Qualified Securitization Financing.

“**Securitization Repurchase Obligation**” means any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

“**Security Agent**” means Barclays Bank PLC, until a successor replaces it in accordance with the applicable provisions of the Indenture or the Intercreditor Agreement and thereafter means the successor thereof.

“**Security Documents**” means the share pledges and any other instrument and document executed and delivered pursuant to the Indenture or otherwise or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which the Collateral is pledged, assigned or granted to or on behalf of the Security Agent for the benefit of the holders of the New Notes and the Trustee or notice of such pledge, assignment or grant is given.

“**Senior Facilities**” means the amended and restated senior facilities agreement comprising a revolving credit facility and term loan B to be dated on or about the Issue Date, between, among others, the Parent Guarantor and Barclays Bank PLC as agent and the security agent, as amended, restated or otherwise modified or varied from time to time.

“**Senior Secured Indebtedness**” means, with respect to any Person, the sum of the aggregate outstanding Indebtedness (other than (i) Capital Lease Obligations, mortgage financings or purchase money obligations incurred pursuant to clause (4) of the definition of Permitted Debt and (ii) Indebtedness of the type specified in clauses (6), (8), (10), (11), (12), (13) and (15) of the definition of Permitted Debt) of that Person and its Restricted Subsidiaries that is secured by Lien and Indebtedness of a Restricted Subsidiary of the Parent Guarantor that is not a Guarantor.

“**Significant Subsidiary**” means, at the date of determination, any Restricted Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (i) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Parent Guarantor or (ii) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Issuer.

“**Stated Maturity**” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“**Subordinated Shareholder Debt**” means, collectively, any debt provided to the Parent Guarantor by any Parent Entity or any Permitted Holder or Related Party, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Debt; *provided* that such Subordinated Shareholder Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the Stated Maturity of the New Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the Stated Maturity of the New Notes;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the Stated Maturity of the New Notes;

(4) is not secured by a lien on any assets of the Parent Guarantor or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) pursuant to its terms is fully subordinated and junior in right of payment to the New Notes pursuant to subordination, payment blockage and enforcement limitation terms that are customary in all material respects for similar funding;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the New Notes or compliance by the Parent Guarantor with its obligations under the New Notes and the Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the date on which the New Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor,

provided, *however*, that any event or circumstance that results in such Indebtedness ceasing to qualify as Subordinated Shareholder Debt, such Indebtedness shall constitute an incurrence of such Indebtedness by the Parent Guarantor, and any and all Restricted Payments made through the use of the net proceeds from the incurrence of such Indebtedness since the date of the original issuance of such Subordinated Shareholder Debt shall constitute new Restricted Payments that are deemed to have been made after the date of the original issuance of such Subordinated Shareholder Debt.

"**Subsidiary**" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Subsidiary Guarantors**" means Swissport Cargo Services Belgium N.V., Swissport Canada Inc., Swissport Canada Fuel Services Inc., Swissport Canada Handling Inc., Swissport Canada Deicing Inc., Aguila Bid AG, Swissport Group Services GmbH, Swissport International Ltd., Swissport Cargo Services Deutschland GmbH, Swissport Germany Holding GmbH, Swissport Handling S.A.U., Swissport Holding Spain S.L., Swissport Ireland Limited, Cargo Service Center de Mexico S.A. de C.V., Swissport Mexico Holding S. De R.L. De C.V., Swissport Amsterdam B.V., Swissport Cargo Services The Netherlands B.V., Swissport Holding B.V., Swissport Cargo Services East Africa B.V., Swissport Nederland B.V., Swissport Trinidad & Tobago Ltd., Flightcare Multiservices UK Limited, Servisair Group Ltd., Swissport GB Limited, Swissport Cargo Services UK Ltd., Swissport Fuelling Ltd., Swissport Ltd., Swissport UK Holding Ltd., Servisair Americas, LLC, Servisair Fuel Leasing Corporation, Swissport Cargo Services, Inc., Swissport Cargo Holdings, Inc, Swissport Fueling, Inc., Swissport North America Holdings, Inc., Swissport Holdings, Inc., Swissport North America, Inc., Swissport SA Fuel Services, LLC, Swissport SA, LLC, Swissport SA USA, LLC, Swissport USA, Inc., Swissport Kenya Limited and any other Subsidiary of the Issuer that executes a Guarantee in accordance with the provisions of the Indenture, and their respective successors and assigns, in each case, until the Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"**Tax**" means any tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and any other additions thereto, and, for the avoidance of doubt, including any withholding or deduction for or on account of Tax). "**Taxes**" and "**Taxation**" shall be construed to have corresponding meanings.

"**Total Assets**" means the consolidated total assets less, without duplication, goodwill of the Parent Guarantor and its Restricted Subsidiaries, as shown on the most recent balance sheet of Swissport Group S.à r.l. (excluding any assets or liabilities of Swissport Group S.à r.l., Swissport Investments S.à r.l and Aguila 2 S.à r.l) after giving effect to the Transactions.

"**Transactions**" means the exchange offer and the consent solicitation under the exchange offer memorandum, including the offering of the New Notes and the New Senior Notes, the entry into the Credit Agreement and the Intercreditor Agreement, the related corporate reorganization and the related transactions.

"**Unrestricted Subsidiary**" of the Parent Guarantor means:

(1) Cargo Service Center Brazil S.A.T.A. Ltda., Swissport Brasil Ltda, Swissport Belgium NV, Swissport Cargo Services France, Swissport Israel Cargo Services Ltd, Swissport Saudi Arabia Ltd. and any Subsidiary of the Parent Guarantor that at the time of determination is an Unrestricted Subsidiary (as designated by the Board of Directors of the Parent Guarantor in the manner provided below); and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Board of Directors of the Parent Guarantor may designate any Subsidiary of such Parent Guarantor (including any newly acquired or newly formed Subsidiary or a company becoming a Subsidiary through merger, consolidation or other business combination transaction, or Investment therein) to be an Unrestricted Subsidiary only if:

(1) such Subsidiary or any of its Subsidiaries does not own any Capital Stock or Indebtedness of, or own or hold any Lien on any property of, the Parent Guarantor or any other Subsidiary of such Parent Guarantor which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(2) such designation and the Investment of such Parent Guarantor in such Subsidiary complies with "*Certain Covenants—Limitation on Restricted Payments*."

Any such designation by the Board of Directors of the Parent Guarantor shall be evidenced to the Trustee by filing with the Trustee a copy of the resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate certifying that such designation complies with the foregoing conditions.

"**Voting Stock**" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amounts of such Indebtedness.

DESCRIPTION OF NEW SENIOR NOTES

You can find the definitions of certain terms used in this description under the subheading "*—Certain Definitions.*" In this description, references to (i) the "**Parent Guarantor**" refer only to Swissport Holding International S.à r.l. and not to any of its subsidiaries, (ii) the "**Issuer**" refer only to Swissport Financing S.à r.l. and not to any of its Subsidiaries, (iii) the "**Subsidiary Guarantors**" refer to the Subsidiaries of the Parent Guarantor (other than the Issuer) that will guarantee the New Notes, and (iv) "**we**," "**our**" and "**us**" refer to the Parent Guarantor and its Restricted Subsidiaries. Certain defined terms used in this description but not defined below under "*—Certain Definitions*" have the meanings assigned to them in the Indenture (as defined below).

The Issuer will issue an amount of euro-denominated senior notes (the "**New Notes**") under an indenture (the "**Indenture**") between, among others, the Issuer, the Parent Guarantor and U.S. Bank Trustees Limited, as trustee (the "**Trustee**"), in a private transaction that is not subject to the registration requirements of the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"). The Issuer will also issue New Senior Secured Notes due 2021 (together with additional New Senior Secured Notes issued under the relevant indenture, the "**New Senior Secured Notes**") concurrently with the New Notes.

Unless the context otherwise requires, in this "*Description of New Senior Notes*," references to the "**New Notes**" include the New Notes and any additional New Notes having identical terms and conditions as any series of the New Notes ("**Additional New Notes**") that are issued. The terms of the New Notes include those set forth in the Indenture. The Indenture will not incorporate or include any of the provisions of the U.S. Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the Indenture and the New Notes and refers to the Intercreditor Agreement. This does not restate those agreements in their entirety. We urge you to read the Indenture, the New Notes and the Intercreditor Agreement (as defined below) because they, and not this description, define your rights as holders of the New Notes. Copies of the Indenture, the form of New Notes and the Intercreditor Agreement are available as set forth below under "*—Additional Information*."

The registered holder of a New Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Brief Description of the New Notes and the New Guarantees

The New Notes

The New Notes:

- will be a general senior subordinated obligation of the Issuer;
- will be guaranteed on a senior subordinated basis by the Guarantors;
- will be *pari passu* in right of payment to any future Indebtedness of the Issuer that is not subordinated in right of payment to the New Notes;
- will be senior to any future Indebtedness of the Issuer that is subordinated in right of payment to the New Notes, including any Subordinated Shareholder Debt;
- will be effectively subordinated to any existing and future Indebtedness of the Subsidiaries of the Parent Guarantor (other than the Issuer) that do not guarantee the New Notes; and
- will be effectively subordinated to any existing and future Indebtedness of the Issuer that is secured by property or assets that do not secure the New Notes, to the extent of the value of the property and assets securing such Indebtedness, including the Senior Facilities and the New Senior Secured Notes.

The New Guarantees

The New Notes will be guaranteed on a senior subordinated basis by the Guarantors.

The Guarantee of each Guarantor:

- will be a general senior subordinated obligation of that Guarantor;
- will be subordinated in right of payment with all existing and future senior Indebtedness of such Guarantor, including Indebtedness under or guarantees of the Senior Facilities and the New Senior Secured Notes Guarantees;

- will rank senior in right of payment to all existing and future Indebtedness of the Guarantor that is expressly subordinated to the relevant Guarantee; and
- will be effectively subordinated to any existing and future Indebtedness of the relevant Guarantor that is secured by property or assets that do not secure such Guarantee, to the extent of the value of the property and assets securing such Indebtedness, including the Senior Facilities and the Senior Secured New Guarantees.

General

"**Restricted Subsidiary**" for purposes of the Indenture will be defined as any Subsidiary of the Parent Guarantor that is not an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not guarantee the New Notes. As of the Issue Date, only Cargo Service Center Brazil S.A.T.A. Ltda., Swissport Brasil Ltda, Swissport Israel Cargo Services Ltd., Swissport Belgium NV, Swissport Cargo Services France and Swissport Saudi Arabia Ltd. will be Unrestricted Subsidiaries. All of the Parent Guarantor's other Subsidiaries will be "Restricted Subsidiaries."

As of March 31, 2017, the Parent Guarantor's Restricted Subsidiaries that have not guaranteed the New Notes would have had approximately €42.0 million of Indebtedness outstanding, excluding shareholder debt.

Not all of the Restricted Subsidiaries will guarantee the New Notes. The New Subsidiary Guarantors represented 61.0% of Swissport's total assets (excluding goodwill) as of March 31, 2017 and 77.0% of the consolidated Swissport EBITDA for the twelve-month period ended March 31, 2017, in each case excluding intercompany transactions. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor Restricted Subsidiaries, the non-guarantor Restricted Subsidiaries will likely be required to repay financial and trade creditors before distributing any assets to the Issuer or a Guarantor.

The Issuer is a holding company without operations, and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet its obligations, including its obligation under the New Notes. Substantially all the operations of the Issuer will be conducted through its Subsidiaries, and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet its obligations. The New Notes will be effectively subordinated to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of its non-guarantor Subsidiaries.

Principal, Maturity and Interest

The Issuer may issue an unlimited principal amount of Additional New Notes under the Indenture from time to time after this offering. Any issuance of Additional New Notes is subject to all of the covenants in the Indenture, including the covenant described below under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock.*" The New Notes and any Additional New Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase, *provided* that, if the Additional New Notes are not fungible with the original New Notes for U.S. federal income tax purposes, such Additional New Notes, as applicable, will be issued with a separate identification number. The Issuer will issue the New Notes in denominations of €100,000 and integral multiples of €1,000 in excess thereof. The New Notes will mature on December 15, 2022 at a purchase price in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any.

Interest on the New Notes will accrue at the rate of 9.750% per annum. Interest on the New Notes will be payable semi-annually in arrears on June 15 and December 15, commencing on December 15, 2017. The Issuer will make each interest payment to the holders of record on the immediately preceding June 1 and December 1.

Interest on the New Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Paying Agent and Registrar for the New Notes

The Issuer will maintain one or more paying agents (each, a "**Paying Agent**") for the New Notes in the City of London (the "**Principal Paying Agent**"). The initial Principal Paying Agent will be Elavon Financial Services Limited, UK Branch, in London.

The Issuer will also maintain one or more registrars (each, a "**Registrar**") for so long as the New Notes are listed on the Luxembourg Stock Exchange and its rules so require. The Issuer will also maintain a transfer agent (each, a "**Transfer Agent**"). The initial Registrar will be Elavon Financial Services Limited in Dublin, Ireland. The initial Transfer Agent will be Elavon Financial Services Limited, UK Branch. The Registrar and the Transfer Agent will maintain a register reflecting ownership of Definitive Registered New Notes (as defined under "*Book-Entry, Delivery and Form*") outstanding from time to time and will make payments on and facilitate transfer of Definitive Registered New Notes on behalf of the Issuer.

The Issuer may change the Paying Agents, the Registrars or the Transfer Agents without prior notice to the holders of New Notes. For so long as the New Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or Transfer Agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Transfer and Exchange

New Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act will initially be represented by one or more global New Notes in registered form without interest coupons attached (the "**144A Global Notes**"), and New Notes sold outside the United States pursuant to Regulation S under the U.S. Securities Act will initially be represented by one or more global New Notes in registered form without interest coupons attached (the "**Regulation S Global Notes**" and together with the 144A Global Notes, the "**Global Notes**").

Ownership of interests in the Global Notes (the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear or Clearstream, Luxembourg or Persons that may hold interests through such participants. Ownership of interests in the Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Transfer Restrictions*." In addition, transfers of Book-Entry Interests between participants in Euroclear or Clearstream, Luxembourg will be effected by Euroclear or Clearstream, Luxembourg pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream, Luxembourg and their respective participants.

Book-Entry Interests in the 144A Global Note, or the "**Restricted Book-Entry Interest**," may be transferred to a person who takes delivery in the form of Book-Entry Interests in the 144A Global Note, as applicable, or the "**Regulation S Book-Entry Interests**," only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S under the U.S. Securities Act.

Prior to 40 days after the date of initial issuance of the New Notes, ownership of Book-Entry Interests in Regulation S Global Notes will be limited to persons that have accounts with Euroclear or Clearstream or persons who hold interests through Euroclear or Clearstream, and any sale or transfer of such interest to U.S. persons shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A under the U.S. Securities Act. Subject to the foregoing, Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of Restricted Book-Entry Interests only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "Notice to Investors" and in accordance with any applicable securities law of any other jurisdiction. Any Book-Entry Interest (as defined under "*Book-Entry, Delivery and Form*") that is transferred as described in the immediately preceding paragraphs will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it was transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Definitive Registered New Notes are issued, they will be issued only in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof, upon receipt by the applicable Registrar of instructions relating thereto and any certificates and other documentation required by the Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg, as applicable, from the participant that owns the relevant Book-Entry Interests. Definitive Registered New Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture or as otherwise determined by the Issuer in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under "*Notice to Investors*."

Subject to the restrictions on transfer referred to above, New Notes issued as Definitive Registered New Notes may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof, to persons who take delivery thereof in the form of Definitive Registered New Notes. In connection with any such transfer or exchange, the Indenture will require the transferring or exchanging holder to, among other things, furnish appropriate endorsements and transfer documents, furnish information regarding the account of the transferee at Euroclear or Clearstream where appropriate, furnish certain certificates and opinions and pay any Taxes in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the holder, other than any Taxes payable in connection with such transfer or exchange; *provided* that, if the Issuer or any Guarantor is a party to the transfer or exchange, the holder will not be required to pay such Taxes.

Notwithstanding the foregoing, the Issuer is not required to register the transfer of any Definitive Registered New Notes:

(1) for a period of 15 days prior to any date fixed for the redemption of the New Notes;

(2) for a period of 15 days immediately prior to the date fixed for selection of New Notes to be redeemed in part;

(3) for a period of 15 days prior to the record date with respect to any interest payment date; or

(4) which the holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Sale Offer.

The Issuer, the Trustee, the Transfer Agent, the Registrar and the Paying Agent will be entitled to treat the holder of a New Note as the owner of it for all purposes.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the New Notes or any of the Guarantors with respect to any Guarantee will be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of (1) any jurisdiction in which the Issuer or any Guarantor is then incorporated or organized, engaged in business for tax purposes or otherwise resident for tax purposes or any political subdivision thereof or therein or (2) any jurisdiction from or through which payment is made by or on behalf of the Issuer or any Guarantor (including the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a "**Tax Jurisdiction**") will at any time be required to be made from any payments made by or on behalf of the Issuer under or with respect to the New Notes or any of the Guarantors with respect to any Guarantee, including payments of principal, redemption price, interest or premium, the Issuer or the relevant Guarantor, as applicable, will pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received in respect of such payments by each holder or beneficial owner after such withholding, deduction or imposition (including any such withholding, deduction or imposition from such Additional Amounts) will equal the respective amounts that would have been received in respect of such payments in the absence of such withholding or deduction; *provided*, *however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes, to the extent such Taxes would not have been imposed but for the existence of any present or former connection between the holder or the beneficial owner of the New Notes (or between a fiduciary, settlor, beneficiary, partner of, member or shareholder of, or possessor of a power over, the relevant holder, if the relevant holder is an estate, trust, nominee, partnership, limited liability company or corporation) and the relevant Tax Jurisdiction (including being or having been a citizen, resident, or national thereof or being or having been present or engaged in a trade or business therein or having or having had a permanent establishment therein), but excluding any connection arising merely from the holding of such New Note, the enforcement of rights under such New Note or under a Guarantee or the receipt of any payments in respect of such New Note or a Guarantee;

(2) any Taxes, to the extent such Taxes were imposed as a result of the presentation of a New Note for payment (where presentation is required) more than 30 days after the relevant payment is first made

available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts had the New Note been presented on any day of such 30 day period);

(3) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

(4) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the New Notes or with respect to any Guarantee;

(5) any Taxes to the extent such Taxes are imposed or withheld by reason of the failure of the holder or beneficial owner of New Notes, following the Issuer's written request addressed to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request), to comply with any certification, identification, information or other reporting requirements, whether required by statute, treaty, regulation or administrative practice of a Tax Jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes imposed by the Tax Jurisdiction (including, without limitation, a certification that the holder or beneficial owner is not resident in the Tax Jurisdiction), but in each case, only to the extent the holder or beneficial owner is legally entitled to provide such certification or documentation);

(6) any Taxes imposed on or with respect to any payment by the Issuer or Guarantor to the holder if such holder is a fiduciary or partnership or any person other than the sole beneficial owner of such New Note to the extent that Taxes would not have been imposed on such payment had such holder been the sole beneficial owner of such New Note; or

(7) any combination of items (1) through (6) above.

In addition to the foregoing, the Issuer and the Guarantors will also pay and indemnify the holder for any present or future stamp, issue, registration, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and any other reasonable expenses related thereto) which are levied by any Tax Jurisdiction on the execution, delivery, issuance or registration of any of the New Notes, the Indenture, any Guarantee or any other document referred to therein (other than a transfer of the New Notes other than the initial resale by the initial purchasers) or the receipt of any payments with respect thereto (limited, solely in the case of taxes attributable to the receipt of any payments with respect thereto, to any such taxes imposed in a Tax Jurisdiction that are not excluded under clauses (1) through (3) or (5) and (6) above or any combination thereof), or any such taxes, charges or similar levies imposed by any jurisdiction as a result of, or in connection with, the enforcement of any of the New Notes or any Guarantee.

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the New Notes or any Guarantee, each of the Issuer or the relevant Guarantor, as the case may be, will deliver to the Trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises less than 45 days prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Trustee promptly thereafter) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officer's Certificates must also set forth any other information reasonably necessary to enable the Paying Agents to pay Additional Amounts to holders on the relevant payment date. The Trustee shall be entitled to rely solely on such Officer's Certificate without any liability as conclusive proof that such payments are necessary.

The Issuer or the relevant Guarantor will make all withholdings and deductions required by law and will timely remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor will furnish to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments (reasonably satisfactory to the Trustee) by such entity. If requested by the Trustee, the Issuer or the Guarantors will provide to the Trustee such information as may be in the possession of the Issuer or the Guarantors (and not otherwise in the possession of the Trustee) to enable the Trustee to determine the amount of withholding taxes attributable to any particular holder.

Whenever in the Indenture or in this "*Description of New Senior Notes*" there is mentioned, in any context, the payment of amounts based upon the principal amount of the New Notes or of principal, interest or of any other amount payable under, or with respect to, any of the New Notes or any Guarantee, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligations will survive any termination, defeasance or discharge of the Indenture, any transfer by a holder or beneficial owner of its New Notes, and will apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is incorporated, engaged in business for tax purposes or resident for tax purposes or any jurisdiction from or through which such Person makes any payment on the New Notes (or any Guarantee) and any department or political subdivision thereof or therein.

The New Guarantees

The New Notes will be guaranteed on a senior subordinated basis by the Parent Guarantor (the "**Parent Guarantee**") and the Subsidiary Guarantors (the guarantee by the Subsidiary Guarantors together with the Parent Guarantee, the "**New Guarantees**"). The New Guarantees will be joint and several obligations of the Guarantors.

Each holder of New Notes, by accepting a Note, shall be deemed (i) to have authorized the Trustee to enter into the Intercreditor Agreement and (ii) to be bound thereby. Each holder of New Notes, by accepting a Note, appoints the Trustee as its agent under the Intercreditor Agreement and authorizes it to act as such.

Each of the New Guarantees and the amounts recoverable thereunder will be limited to the maximum amount that can be guaranteed by a particular Guarantor without rendering its guarantee voidable or otherwise ineffective under applicable law, including laws relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally, or otherwise to reflect applicable laws, including laws relating to capital maintenance and the liability of directors and officers. See "*Risk Factors—Risks Relating to Our Indebtedness, including the New Notes—Corporate benefit and financial assistance laws and other limitations on the obligations under the New Guarantees may adversely affect the validity and enforceability of the New Guarantees*" and "*Limitations on Validity and Enforceability of the New Guarantees, the New Senior Secured Notes Security and Certain Insolvency Law Considerations*."

The operations of the Parent Guarantor and the Issuer are conducted through its Subsidiaries, and, therefore, the Issuer will depend on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the New Notes. Not all of the Parent Guarantor's Subsidiaries will guarantee the New Notes. The New Notes will be effectively subordinated in right of payment to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of the Parent Guarantor's non-guarantor Subsidiaries (other than the Issuer). Any right of any Guarantor or the Issuer to receive assets of any of the Parent Guarantor's non-guarantor Subsidiaries (other than the Issuer) upon that non-guarantor Subsidiary's liquidation or reorganization (and the consequent right of the holders of the New Notes to participate in those assets) will be effectively subordinated to the claims of that non-guarantor Subsidiary's creditors, except to the extent that the Issuer or such Guarantor is itself recognized as a creditor of the non-guarantor Subsidiary, in which case the claims of the Issuer or such Guarantor, as the case may be, would still be subordinated in right of payment to any security over the assets of the non-guarantor Subsidiary and any Indebtedness of the non-guarantor Subsidiary senior to that held by the Issuer or such Guarantor. See "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—The New Notes will be structurally subordinated to the indebtedness and other obligations of the Parent Guarantor's non-guarantor subsidiaries*."

For a description of such contractual limitations, see "*Risk Factors—Risks Relating to Our Indebtedness, including the New Notes—Corporate benefit and financial assistance laws and other limitations on the obligations under the New Guarantees may adversely affect the validity and enforceability of the New Guarantees*."

Subordination of the New Guarantees

Upon the occurrence of certain insolvency events involving a Guarantor, the Guarantee of the New Notes owed by the insolvent Guarantor will be subordinate in right of payment to the Senior Secured Obligations (as defined in the Intercreditor Agreement) owed by such insolvent Guarantor under the Intercreditor Agreement. In addition, the payment on the New Guarantees will be subject to provisions in the Intercreditor Agreement relating to payment blockage, restrictions on enforcement, turnover, release and other customary Senior Secured Obligations protections. See "*Description of Certain Financing Arrangements—Intercreditor Agreement.*"

Release of the Parent Guarantee

The Parent Guarantee will be released:

(1) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*";

(2) upon the full and final payment of the aggregate principal amount of all the New Notes and performance of all obligations of the Parent Guarantor under the Indenture and the New Notes; or

(3) in accordance with the provisions under "*—Amendment, Supplement and Waiver*."

Release of the Subsidiary New Guarantees

The Guarantee of a Subsidiary will be released:

(1) in connection with any sale, disposition, exchange or other transfer of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if the sale or other disposition does not violate the "*Asset Sale*" provisions of the Indenture;

(2) in connection with any sale, disposition, exchange or other transfer of Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture and the Guarantor ceases to be a Restricted Subsidiary as a result of the sale or other disposition;

(3) if the Parent Guarantor designates any Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture;

(4) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*";

(5) in accordance with an enforcement sale in compliance with the Intercreditor Agreement or any Additional Intercreditor Agreement, or as otherwise provided for under the Intercreditor Agreement or any Additional Intercreditor Agreement;

(6) upon the full and final payment of the aggregate principal amount of all the New Notes and performance of all obligations of the Issuer under the Indenture and the New Notes;

(7) in the case of any Restricted Subsidiary that after the Issue Date is required to guarantee the New Notes pursuant to the covenant described under "*—Certain Covenants—Limitation on Issuances of New Guarantees of Indebtedness*," upon the release or discharge of the guarantee of Indebtedness by such Restricted Subsidiary which resulted in the obligation to guarantee such New Notes; or

(8) as described under "*—Amendment, Supplement and Waiver*."

Upon any occurrence giving rise to a release as specified above, the Trustee will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such guarantee. Neither the Issuer nor any Guarantor will be required to make a notation on the New Notes to reflect any such release, termination or discharge.

Optional Redemption

At any time prior to December 15, 2018, the Issuer may on any one or more occasions redeem up to 40% of the aggregate principal amount of the New Notes issued under the Indenture at a redemption price equal to 109.750% of the principal amount of the New Notes redeemed, upon not less than 10 nor more than 60 days' notice, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption (subject to the rights of holders of New Notes on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of an Equity Offering of (i) the Parent Guarantor or (ii) any Parent Entity to the extent the proceeds from such Equity Offering are contributed to the Parent Guarantor's common equity capital or are paid to the Parent Guarantor as consideration for the issuance of ordinary shares of the Parent Guarantor; *provided* that:

(1) at least 60% of the aggregate principal amount of the New Notes (calculated after giving effect to any issuance of Additional New Notes but excluding New Notes held by the Parent Guarantor and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

At any time prior to December 15, 2018, the Issuer may on any one or more occasions redeem all or a part of the New Notes upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the New Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of the New Notes on the relevant record date to receive interest due on the relevant interest payment date.

Except pursuant to the preceding two paragraphs and except pursuant to "*—Redemption for Changes in Taxes,*" the New Notes will not be redeemable at the Issuer's option prior to December 15, 2018.

On or after December 15, 2018, the Issuer may on any one or more occasions redeem all or a part of the New Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Additional Amounts, if any, on the New Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on December 15 of the years as indicated below, subject to the rights of holders of New Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
Commencing on December 15, 2018	107.313%
Commencing on December 15, 2019	104.875%
Commencing on December 15, 2020	102.438%
Commencing on December 15, 2021 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the New Notes or portions thereof called for redemption on the applicable redemption date.

Any redemption or notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

Redemption for Changes in Taxes

The Issuer may redeem the New Notes, in whole but not in part, at its discretion at any time upon giving not less than 10 nor more than 60 days' prior notice to the holders of the New Notes (which notice will be irrevocable and given in accordance with the procedures described in "*—Selection and Notice*"), at a redemption price equal to 100% of the aggregate principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "**Tax Redemption Date**") and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of holders of the New Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the New Notes or any Guarantee, the Issuer under or with respect to the New Notes or any of the Guarantors with respect to any Guarantee, as the case may be, is or would be required to pay Additional Amounts (but, in the case of the relevant Guarantor, only if such amount cannot be paid by the Issuer or another Guarantor who can pay such amount without the obligation to pay Additional Amounts) and the Issuer or Guarantor, as applicable, cannot avoid any such payment obligation by taking reasonable measures available (including making payment through a paying agent located in another jurisdiction) and the requirement arises as a result of:

(1) any amendment to, or change in, the laws or any regulations or rulings promulgated thereunder of a relevant Tax Jurisdiction which change or amendment has not been publicly announced as formally proposed before and which becomes effective after the date of this offering memorandum (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the date of this offering memorandum, such later date); or

(2) any amendment to, or change in, an official written interpretation or application of such laws, regulations or rulings (including by virtue of a holding, judgment, order by a court of competent jurisdiction or a change in published administrative practice) which amendment or change has not been publicly announced as formally proposed before and which becomes effective after the date of this offering memorandum (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the date of this offering memorandum, such later date) (each of the foregoing clauses (1) and (2), a "**Change in Tax Law**").

The Issuer will not give any such notice of redemption earlier than 60 days prior to the earliest date on which the Issuer or the Guarantor, as applicable, would be obligated to make such payment or withholding if a payment in respect of the New Notes were then due, and the obligation to pay Additional Amounts must be in effect at the time such notice is given. Prior to the publication or, where relevant, mailing of any notice of redemption of the New Notes pursuant to the foregoing, the Issuer will deliver to the Trustee an opinion of independent tax counsel (the choice of such counsel to be subject to the prior written approval of the Trustee (such approval not to be unreasonably withheld)) to the effect that there has been such Change in Tax Law which would entitle the Issuer to redeem the New Notes hereunder. In addition, before the Issuer publishes or mails notice of redemption of the New Notes as described above, it will deliver to the Trustee an Officer's Certificate to the effect that it cannot avoid its obligation to pay Additional Amounts by the Issuer taking reasonable measures available to it.

Absent manifest error, the Trustee will accept and shall be entitled to rely without any liability on such Officer's Certificate and opinion of counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the holders.

The foregoing provisions shall apply (a) to a Guarantor only after such time as such Guarantor is obligated to make at least one payment on the New Notes and (b) *mutatis mutandis* to any successor Person, after such successor Person becomes a party to the Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to the Indenture.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the New Notes.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each holder of New Notes will have the right to require the Issuer or the Parent Guarantor to repurchase all or any part (equal to €100,000 or an integral multiple of €1,000 in excess thereof) of that holder's New Notes pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor will offer a payment in cash equal to 101% of the aggregate principal amount of New Notes repurchased, plus accrued and unpaid interest and Additional Amounts, if any, on the New Notes repurchased to the date of purchase (the "**Change of Control Payment**"), subject to the rights of holders of New Notes on the relevant record date to receive interest due on the relevant interest payment date.

Unless the Issuer or the Parent Guarantor has unconditionally exercised its right to redeem all the New Notes of a series as described under "—*Optional Redemption*" or all conditions to such redemption have been satisfied or waived, within 30 days following any Change of Control, the Issuer or the Parent Guarantor will mail a notice to each holder of the New Notes at such holder's registered address or otherwise deliver a notice in accordance with the procedures described under "—*Selection and Notice*," stating that a Change of Control Offer is being made and offering to repurchase New Notes on the date (the "**Change of Control Payment Date**") specified in the notice, which date will be no earlier than 10 days and no later than 60 days from the date such notice is mailed or delivered, pursuant to the procedures required by the Indenture and described in such notice. The Issuer and the Parent Guarantor will comply, to the extent applicable, with the requirements of Rule 14e-1 under the U.S. Securities-Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and any other applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with the repurchase of the New Notes as a result of a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer and the Parent Guarantor will comply with any applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Issuer and the Parent Guarantor will, to the extent lawful:

(1) accept for payment all New Notes or portions of New Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Principal Paying Agent an amount equal to the Change of Control Payment in respect of all New Notes or portions of New Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the New Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of New Notes or portions of New Notes being purchased by the Issuer or the Parent Guarantor, as the case may be.

The Principal Paying Agent will promptly mail (or cause to be delivered) to each holder of New Notes properly tendered the Change of Control Payment for such New Notes, and the Trustee (or its authenticating agent) will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new Note equal in principal amount to any unpurchased portion of the New Notes surrendered, if any. The Issuer or the Parent Guarantor will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer or the Parent Guarantor to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture will not contain provisions that permit the holders of the New Notes to require that the Issuer or the Parent Guarantor repurchase or redeem the New Notes in the event of a takeover, recapitalization or similar transaction. The existence of a holder of the New Notes' right to require the Issuer or the Parent Guarantor to repurchase such holder's New Notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Parent Guarantor or its Subsidiaries in a transaction that would constitute a Change of Control.

Neither the Issuer nor the Parent Guarantor will be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer or the Parent Guarantor, as the case may be, and purchases all New Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) a notice of redemption has been given pursuant to the Indenture as described above under the caption "—*Optional Redemption*," unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

The Senior Facilities will provide that the occurrence of a Change of Control would require the repayment of such debt. Future debt of the Parent Guarantor or its Subsidiaries may prohibit the Issuer or the Parent Guarantor, as the case may be, from purchasing New Notes in the event of a Change of Control or provide that a Change of Control is a default or requires repayment upon a Change of Control. Moreover, the exercise by the holders of the New Notes of their right to require the Issuer or the Parent Guarantor to purchase the New Notes could cause a default under, or require a repurchase of, other debt, even if the Change of Control itself does not, due to the financial effect of the purchase on the Issuer or the Parent Guarantor, as the case may be.

Finally, the Issuer's or the Parent Guarantor's ability to repurchase New Notes pursuant to a Change of Control Offer following the occurrence of a Change of Control may be limited by the Issuer's or the Parent Guarantor's, as the case may be, then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the New Notes. See "*Risk Factors—Risks Relating to our Indebtedness, including the New Notes—We may not be able to obtain sufficient funds to finance an offer to repurchase the New Notes upon the occurrence of certain events constituting a change of control as required by the Indenture*."

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of New Notes to require the Issuer and the Parent Guarantor to repurchase its New Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain. In addition, you should note that case law suggests that, in the event that incumbent directors are replaced as a result of a contested election, issuers may nevertheless avoid triggering a change of control under a clause similar to clause (4) of the definition of "Change of Control" if the outgoing directors were to approve the new directors for the purpose of such change of control clause.

The provisions under the Indenture relating to the Issuer's and the Parent Guarantor's obligation to make an offer to repurchase the New Notes as a result of a Change of Control may be waived or modified with the consent of the holders of a majority in principal amount of the New Notes prior to the occurrence of the Change of Control.

If and for so long as the New Notes are listed on the Luxembourg Stock Exchange and admitted for trading and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish a public announcement with respect to the results of any Change of Control Offer in a leading newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Asset Sales

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, consummate an Asset Sale unless:

(1) the Parent Guarantor (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Parent Guarantor or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

    (a) any liabilities, as recorded on the balance sheet of the Parent Guarantor or any Restricted Subsidiary (other than contingent and subordinated liabilities), that are assumed by the transferee of any such assets and as a result of which the Parent Guarantor and its Restricted Subsidiaries are no longer obligated with respect to such liabilities or are indemnified against further liabilities;

(b) any securities, notes or other obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are converted by the Parent Guarantor or such Restricted Subsidiary into cash or Cash Equivalents within 90 days following the closing of the Asset Sale, to the extent of the cash or Cash Equivalents received in that conversion;

(c) any Capital Stock or assets of the kind referred to in clauses (1)(e) or (f) of the next paragraph of this covenant;

(d) any Designated Non-Cash Consideration received by the Parent Guarantor or any Restricted Subsidiary in such Asset Sales having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (d) that is at that time outstanding, not to exceed the greater of CHF 15.0 million and 1.0% of Total Assets at the time of the receipt of such Designated Non-Cash Consideration (with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value);

(e) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Parent Guarantor and each other Restricted Subsidiary are released from any guarantee of such Indebtedness in connection with such Asset Sale; and

(f) consideration consisting of Indebtedness of the Issuer or any Guarantor received from Persons who are not the Parent Guarantor or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Parent Guarantor (or the applicable Restricted Subsidiary, as the case may be) may:

(1) apply such Net Proceeds (at the option of the Parent Guarantor or Restricted Subsidiary):

(a) to purchase the New Notes in an offer to all holders of New Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase (a "**Notes Offer**");

(b) to repay Secured Indebtedness of the Issuer or any Guarantor or Senior Debt (as defined in the Intercreditor Agreement) of any Guarantor and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;

(c) to repay Pari Passu Indebtedness and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;

(d) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary;

(e) to make a capital expenditure; or

(f) to acquire other assets (other than Capital Stock) not classified as current assets under IFRS that are used or useful in a Permitted Business; or

(2) enter into a binding commitment to apply the Net Proceeds pursuant to clause (d), (e) or (f) of paragraph (1) above; *provided* that such binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated, and (y) the 180th day following the expiration of the aforementioned 365 day period.

Pending the final application of any Net Proceeds, the Parent Guarantor (or the applicable Restricted Subsidiary) may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute "**Excess Proceeds**." When the aggregate amount of Excess Proceeds exceeds CHF 25 million, within ten Business Days thereof, the Issuer or the Parent Guarantor will make an offer (an "**Asset Sale Offer**") to all holders of New Notes and, to the extent the Issuer or the Parent Guarantor elects, to all holders of other Indebtedness that is *pari passu* with the New Notes or any Guarantee, to purchase, prepay or redeem the maximum principal amount of New Notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price for the New

Notes in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, prepayment or redemption, subject to the rights of holders of New Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Parent Guarantor may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of New Notes and other *pari passu* Indebtedness tendered into (or to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds or if the aggregate amount of New Notes tendered pursuant to a Notes Offer exceeds the amount of the Net Proceeds so applied, the Trustee will select the New Notes and such other *pari passu* Indebtedness, if applicable, to be purchased on a pro rata basis (or in the manner described under "—*Selection and Notice*"), based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

To the extent that any portion of Net Proceeds payable in respect of the New Notes is denominated in a currency other than euro, the amount thereof payable in respect of such New Notes shall not exceed the net amount of funds in euro, that is actually received by the Issuer upon converting such portion of the Net Proceeds into euro, as the case may be.

The Issuer and the Parent Guarantor will comply, to the extent applicable, with the requirements of Rule 14e-1 under the U.S. Exchange Act and any other applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with each repurchase of New Notes pursuant to a Change of Control Offer, an Asset Sale Offer or a Notes Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control, Asset Sale or Notes Offer provisions of the Indenture, the Issuer and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

Selection and Notice

If less than all of the New Notes are to be redeemed at any time, the Trustee will select New Notes for redemption on a pro rata basis (or, in the case of New Notes issued in global form as discussed under "—*Book-Entry, Delivery and Form*," based on a method that most nearly approximates a pro rata selection, unless otherwise required by law or applicable stock exchange or depository requirements. The Trustee shall not be liable for selections made by it in accordance with this paragraph.

No New Notes of €100,000 or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 10 but not more than 60 days before the redemption date to each holder of New Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the New Notes or a satisfaction and discharge of the Indenture.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the holder of New Notes upon cancellation of the original Note. In the case of a Global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. New Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on New Notes or portions of New Notes called for redemption.

For New Notes which are represented by global certificates held on behalf of Euroclear or Clearstream, Luxembourg, notices may be given by delivery of the relevant notices to Euroclear or Clearstream, Luxembourg for communication to entitled account holders in substitution for the aforesaid mailing. So long as any New Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, any such notice to the holders of the relevant New Notes shall also be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*) and, in connection with any redemption, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of New Notes outstanding.

Certain Covenants

Incurrence of Indebtedness and Issuance of Preferred Stock

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "**incur**") any Indebtedness (including Acquired Debt), and the Parent Guarantor will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that the Parent Guarantor may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Guarantors may incur Indebtedness (including Acquired Debt) or issue preferred stock, if the Fixed Charge Coverage Ratio for the Parent Guarantor's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such preferred stock is issued, as the case may be, would have been at least 2.0 to 1.0, in each case determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "**Permitted Debt**"):

(1) the incurrence by the Parent Guarantor and any Restricted Subsidiary of additional Indebtedness under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed CHF 664 million, *plus*, in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing;

(2) Indebtedness of the Parent Guarantor or any Restricted Subsidiary outstanding on the Issue Date after giving effect to the use of proceeds of the Transactions (including guarantees of any Existing Notes);

(3) the incurrence by the Issuer and the Guarantors of Indebtedness represented by the New Notes and the New Senior Secured Notes issued on the Issue Date and the related New Guarantees;

(4) (a) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property (real or personal), plant or equipment (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (4)(a), not to exceed the greater of CHF 150 million and 11.0% of Total Assets at any time outstanding; and (b) the incurrence by any Restricted Subsidiary of Indebtedness pursuant to any local working capital facility in the ordinary course of business in an aggregate principal amount at any time outstanding not to exceed the greater of CHF 60 million and 4.4% of Total Assets.

(5) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under (a) the first paragraph of this covenant or (b) clauses (2), (3), (5), (16) or (17) of this paragraph;

(6) the incurrence by the Parent Guarantor or any Restricted Subsidiary of intercompany Indebtedness between or among the Parent Guarantor or any Restricted Subsidiary; *provided* that:

   (a) if the Issuer or any Guarantor is the obligor on such Indebtedness and the payee is not the Issuer or a Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the New Notes, in the case of the Issuer, or the Guarantee, in the case of a Guarantor; and

   (b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Parent Guarantor or a Restricted Subsidiary, will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any Restricted Subsidiary to the Parent Guarantor or to any of its Restricted Subsidiaries of preferred stock; *provided* that:

(a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary; and

(b) any sale or other transfer of any such preferred stock to a Person that is not either the Parent Guarantor or a Restricted Subsidiary,

will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the incurrence by the Parent Guarantor or any Restricted Subsidiary of Hedging Obligations for *bona fide* hedging purposes of the Parent Guarantor and its Restricted Subsidiaries and not for speculative purposes;

(9) the guarantee by the Parent Guarantor or any Restricted Subsidiary of Indebtedness of the Parent Guarantor or any Restricted Subsidiary to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this covenant; *provided* that if the Indebtedness being guaranteed is subordinated to the New Notes or subordinated to or *pari passu* with a Guarantee, then the guarantee must be subordinated, in the case of the New Notes, or subordinated or *pari passu*, as applicable, in the case of a Guarantee, in each case to the same extent as the Indebtedness guaranteed;

(10) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, self-insurance obligations, captive insurance companies, bankers' acceptances, performance and surety bonds in the ordinary course of business and consistent with past practice;

(11) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five Business Days of such incurrence;

(12) the incurrence by the Parent Guarantor and its Restricted Subsidiaries of Indebtedness arising from agreements of the Parent Guarantor or a Restricted Subsidiary providing for customary indemnification, obligations in respect of earn-outs or other adjustments of purchase price or, in each case, similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Equity Interests of a Subsidiary, *provided* that the maximum liability of the Parent Guarantor and its Restricted Subsidiaries in respect of all such Indebtedness shall at no time exceed the gross proceeds, including the Fair Market Value of non-cash proceeds (measured at the time received and without giving effect to any subsequent changes in value), actually received by the Parent Guarantor and its Restricted Subsidiaries in connection with such disposition;

(13) the incurrence by the Parent Guarantor and its Restricted Subsidiaries of Indebtedness in respect of (A) letters of credit, surety, performance, completion or appeal bonds, instruments, guarantees or other obligations, judgment, advance payment, customs, VAT or other tax guarantees or similar instruments issued in the ordinary course of business of such Person and not in connection with the borrowing of money, including letters of credit or similar instruments in respect of self-insurance, workers compensation obligations and rent payment obligations, *provided*, *however*, that upon the drawing of such letters of credit or other instrument, such obligations are reimbursed within 30 days following such drawing; and (B) any customary cash management, cash pooling or netting or setting off arrangements;

(14) Indebtedness of the Parent Guarantor of any of its Restricted Subsidiaries in respect of Management Advances;

(15) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(16) Indebtedness in an aggregate outstanding principal amount that, when taken together with any Permitted Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness incurred pursuant to this clause (16) and then outstanding, will not exceed 100% of the Net Proceeds received by the Parent Guarantor from the issuance or sale (other than to a Restricted Subsidiary) of its Capital Stock (other than in connection with the Equity Contribution or through the issuance of Disqualified Stock or an Excluded Contribution) or otherwise contributed to the equity (other than in connection with the Equity Contribution or through the issuance of Disqualified

Stock or an Excluded Contribution) of the Parent Guarantor, in each case, subsequent to February 10, 2016; *provided*, *however*, that (i) any such Net Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clauses (2), (4) and (9) of the second paragraph of the covenant described below under "*—Restricted Payments*" to the extent the Parent Guarantor and its Restricted Subsidiaries incur Indebtedness in reliance thereon and (ii) any Net Proceeds that are so received or contributed shall be excluded for purposes of incurring Indebtedness pursuant to this clause (16) to the extent the Parent Guarantor or any of its Restricted Subsidiaries makes a Restricted Payment under the first paragraph and clauses (2), (4) and (9) of the second paragraph of the covenant described below under "*—Restricted Payments*" in reliance thereon;

(17) Indebtedness of any Person outstanding on the date on which such Person becomes a Restricted Subsidiary of the Parent Guarantor or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Parent Guarantor or any of its Restricted Subsidiaries (other than Indebtedness incurred to provide all or any portion of the funds used to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary of the Parent Guarantor or was otherwise acquired by the Parent Guarantor or any of its Restricted Subsidiaries); *provided*, *however*, with respect to this clause (17), that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be incurred (x) the Parent Guarantor would have been able to incur CHF 1.00 of additional Indebtedness pursuant to the first paragraph of this covenant after giving *pro forma* effect to the incurrence of such Indebtedness pursuant to this clause (17) or (y) the Fixed Charge Coverage Ratio of the Parent Guarantor would not be less than it was immediately prior to giving *pro forma* effect to the incurrence of such Indebtedness pursuant to this clause (17);

(18) Indebtedness incurred in any Qualified Securitization Financing; and

(19) the incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (19) not to exceed the greater of CHF 140 million and 10.5% of Total Assets.

Neither the Issuer nor any Guarantor will incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the New Notes or the relevant Guarantee on substantially identical terms; *provided*, *however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Guarantor solely by virtue of being unsecured or by virtue of being secured with different collateral or by virtue of being secured on a junior priority basis or by virtue of the application of waterfall or other payment-ordering provisions affecting different tranches of Indebtedness under Credit Facilities.

For purposes of determining compliance with this "*Incurrence of Indebtedness and Issuance of Preferred Stock*" covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in this covenant, the Parent Guarantor, in its sole discretion, will be permitted to classify such item of Indebtedness on the date of its incurrence and only be required to include the amount and type of such Indebtedness in one of such clauses and will be permitted on the date of such incurrence to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs of this covenant, and from time to time to reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant, *provided* that Indebtedness incurred pursuant to clause (1) of the definition of Permitted Debt may not be reclassified. Indebtedness under the Senior Facilities outstanding on the Issue Date will be deemed to have been incurred on such date in reliance on the exception provided in clause (1) of the definition of Permitted Debt.

The accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on preferred stock or Disqualified Stock in the form of additional shares of the same class of preferred stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of preferred stock or Disqualified Stock for purposes of this covenant. For purposes of determining compliance with any CHF-denominated restriction on the incurrence of Indebtedness, the CHF Equivalent principal amount of Indebtedness denominated in a different currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of Indebtedness incurred under a revolving credit facility; *provided*, *however*, that (i) if such Indebtedness denominated in non-CHF currency is subject to a Currency Exchange Protection Agreement with respect to CHF, the amount of such Indebtedness expressed in CHF will be calculated so as to take account of the effects of such Currency Exchange Protection Agreement; and (ii) the CHF Equivalent of the principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date. The principal amount of any refinancing Indebtedness incurred in the same currency as the Indebtedness being refinanced will be the CHF Equivalent of the Indebtedness refinanced determined on the date such Indebtedness was originally incurred, except that to the extent that:

(1) such CHF Equivalent was determined based on a Currency Exchange Protection Agreement, in which case the refinancing Indebtedness will be determined in accordance with the preceding sentence; and

(2) the principal amount of the refinancing Indebtedness exceeds the principal amount of the Indebtedness being refinanced, in which case the CHF Equivalent of such excess will be determined on the date such refinancing Indebtedness is being incurred.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Parent Guarantor or any of its Restricted Subsidiaries may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) in the case of any Indebtedness issued with original issue discount, the amount of the liability in respect thereof determined in accordance with IFRS;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

    (i) the Fair Market Value of such assets at the date of determination; and

    (ii) the amount of the Indebtedness of the other Person.

Restricted Payments

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests in their capacity as holders, other than (i) dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and (ii) dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary;

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor) any Equity Interests of the Parent Guarantor or any Parent Entity;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Issuer or any Guarantor that is contractually subordinated in right of payment to the New Notes or to any Guarantee (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries), except (i) a payment of interest or principal at the Stated Maturity thereof or (ii) the purchase, repurchase or other acquisition of Indebtedness purchased in anticipation of satisfying a scheduled sinking fund obligation, principal installment or scheduled maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition;

(4) make any cash payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Shareholder Debt; or

(5) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (1) through (5) above being collectively referred to as "**Restricted Payments**"), unless, at the time of any such Restricted Payment:

(a) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(b) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least CHF 1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*"; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by Swissport Group S.à r.l., Aguila 2 S.à r.l., the Issuer, and the Restricted Subsidiaries from December 14, 2015 to the Issue Date and all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2), (3), (5), (6), (7), (8), (11), (12), (13), (14), (17) and (18) of the next succeeding paragraph), is less than the sum, without duplication, of:

    (i) 50% of the Consolidated Net Income of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent Guarantor, and the Parent Guarantor thereafter, for the period (taken as one accounting period) from the beginning of the fiscal quarter commencing immediately prior to December 14, 2015 to the end of the most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (excluding any assets, liabilities, gains or losses of Swissport Group S.à r.l., Swissport Investment S.à r.l. and Aguila 2 S.à r.l. and their respective Unrestricted Subsidiaries that in the good faith determination of a responsible financial officer of the Parent Guarantor result in any differences to the investment or dividend capacity of the Parent Guarantor for the period since the Issue Date) until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, or the Parent Guarantor thereafter (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

    (ii) 100% of the aggregate net cash proceeds and the Fair Market Value of marketable securities received by the Parent Guarantor since December 14, 2015 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Parent Guarantor (other than the Equity Contribution, Disqualified Stock and Excluded Contributions) or from the issue or sale of convertible or exchangeable Disqualified Stock of the Parent Guarantor or convertible or exchangeable debt securities of the Parent Guarantor, in each case that have been converted into or exchanged for Equity Interests of the Parent Guarantor (other than Equity Interests and convertible or exchangeable Disqualified Stock or debt securities sold to a Subsidiary of the Parent Guarantor) or from the issuance or sale of Subordinated Shareholder Debt (other than an issuance or sale to a Subsidiary of the Parent Guarantor); *plus*

    (iii) to the extent that any Restricted Investment that was made after December 14, 2015 is (a) sold, disposed of or otherwise cancelled, liquidated or repaid, 100% of the aggregate amount received in cash and the Fair Market Value of the property and marketable securities received by the Parent Guarantor or any Restricted Subsidiary (other than from a Person that is the Parent Guarantor or a Restricted Subsidiary), or (b) made in an entity that subsequently becomes a Restricted Subsidiary, 100% of the Fair Market Value of the Restricted Investment of the Parent Guarantor and its Restricted Subsidiaries as of the date such entity becomes a Restricted Subsidiary; *plus*

    (iv) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after December 14, 2015 is redesignated as a Restricted Subsidiary or is merged or consolidated into the Parent Guarantor or a Restricted Subsidiary, or all of the assets of such Unrestricted Subsidiary are transferred to the Parent Guarantor or a Restricted Subsidiary, the Fair Market Value of the property received by the Parent Guarantor or Restricted Subsidiary or the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such redesignation, merger, consolidation or transfer of assets, to the extent such Investments reduced the Restricted Payments capacity under this clause (c) and were not previously repaid or otherwise reduced; *plus*

    (v) upon the full and unconditional release of a Restricted Investment that is a guarantee made by the Parent Guarantor or one of its Restricted Subsidiaries to any Person, an amount equal to the amount of such guarantee; *plus*

(vi) 100% of any cash dividends or distributions received by the Parent Guarantor or a Restricted Subsidiary after December 14, 2015 from an Unrestricted Subsidiary, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Parent Guarantor for such period.

The preceding provisions will not prohibit:

(1) the payment of any dividend or the consummation of any redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale or issuance (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock), Subordinated Shareholder Debt or the substantially concurrent contribution of common equity capital to the Parent Guarantor (other than Disqualified Stock or through the Equity Contribution); *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from the calculation of amounts under clause (c)(ii) of the preceding paragraph, shall not constitute Excluded Contributions and will not be considered to be net cash proceeds from an Equity Offering for purposes of the "Optional Redemption" provisions of the Indenture;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Issuer or any Guarantor that is contractually subordinated to the New Notes or any Guarantee with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary held by any current or former officer, director, employee or consultant of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, restricted stock grant, shareholders' agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed CHF 5.0 million in any calendar year; and *provided*, *further*, that such amount in any calendar year may be increased by an amount not to exceed (i) the cash proceeds from the sale of Equity Interests of the Parent Guarantor or a Restricted Subsidiary received by the Parent Guarantor or a Restricted Subsidiary during such calendar year, in each case to members of management, directors or consultants of the Parent Guarantor, any of its Restricted Subsidiaries or any of its direct or indirect parent companies and (ii) the cash proceeds of key man life insurance policies, in each case to the extent the cash proceeds have not otherwise been applied to the making of Restricted Payments pursuant to clause (c)(ii) of the preceding paragraph or clause (2) of this paragraph;

(5) the repurchase of Equity Interests deemed to occur upon the exercise of stock options or warrants to the extent such Equity Interests represent a portion of the exercise price of those stock options or warrants;

(6) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with the covenant described above under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(7) payments of cash, dividends, distributions, advances or other Restricted Payments by the Parent Guarantor or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person;

(8) payments pursuant to any tax sharing agreement or arrangement among the Parent Guarantor and its Subsidiaries and other Persons with which the Parent Guarantor or any of its Subsidiaries is required or permitted to file a consolidated tax return or with which the Parent Guarantor or any of its Restricted Subsidiaries is a part of a group for tax purposes; *provided*, *however*, that such payments will not exceed the amount of tax that the Parent Guarantor and its Subsidiaries would owe on a stand-alone basis and the related tax liabilities of the Parent Guarantor and its Subsidiaries are relieved by the payment of such amounts to a relevant taxing authority;

(9) so long as no Default has occurred and is continuing or would be caused thereby, following an Initial Public Offering of the Capital Stock of the Parent Guarantor or a Parent Entity, the payment of

dividends on the Capital Stock of the Parent Guarantor in an amount not to exceed the greater of (i) 6% per annum of the Net Proceeds received by the Parent Guarantor from such Public Equity Offering or contributed to the equity (other than through the issuance of Disqualified Stock or through Excluded Contributions) of the Parent Guarantor or contributed as Subordinated Shareholder Debt to the Parent Guarantor and (ii) 5% of the Market Capitalization, *provided* that after giving *pro forma* effect to the payment of any such dividend or making of any such distribution, the Consolidated Leverage Ratio of the Parent Guarantor would not exceed 3.0 to 1.0; *provided*, in each case, that if such Initial Public Offering was of Capital Stock of a Parent Entity, the net proceeds of any such dividend are used to fund a corresponding dividend in equal or greater amount on the Capital Stock of such Parent Entity;

(10) advances or loans to (a) any future, present or former officer, director, employee or consultant of the Parent Guarantor or a Restricted Subsidiary to pay for the purchase or other acquisition for value of Equity Interests of the Parent Guarantor (other than Disqualified Stock), or any obligation under a forward sale agreement, deferred purchase agreement or deferred payment arrangement pursuant to any management equity plan or stock option plan or any other management or employee benefit or incentive plan or other agreement or arrangement or (b) any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust or the trustees of any such plan or trust to pay for the purchase or other acquisition for value of Equity Interests of the Parent Guarantor (other than Disqualified Stock); *provided* that the total aggregate amount of Restricted Payments made under this clause (10) does not exceed CHF 5.0 million in any calendar year;

(11) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on no more than a pro rata basis;

(12) so long as no Default or Event of Default has occurred and is continuing, the payment of Management Fees;

(13) Permitted Parent Payments;

(14) Restricted Payments that are made with Excluded Contributions (other than from the Equity Contribution);

(15) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Parent Guarantor or any Guarantor that is subordinated in right of payment to the New Notes or any Guarantee (other than any Indebtedness so subordinated and held by Affiliates of the Parent Guarantor) upon a Change of Control or Asset Sale to the extent required by the agreements governing such Indebtedness at a purchase price not greater than 101% of the principal amount of such Indebtedness, in the case of a Change of Control, and 100%, in the case of an Asset Sale, but only if the Parent Guarantor has complied with its obligations under the covenants described under "*Repurchase at the Option of Holders—Change of Control*" and "*—Asset Sales*" and the Parent Guarantor repurchased all New Notes tendered pursuant to the offer required by such covenants prior to offering to purchase, purchasing or repaying such Indebtedness;

(16) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor by, Unrestricted Subsidiaries;

(17) the Transactions, including but not limited to any Restricted Payment pursuant to or in connection with, the Transactions;

(18) the payment of any Securitization Fees and purchases of Securitization Assets and related assets pursuant to a Securitization Repurchase Obligation in connection with a Qualified Securitization Financing;

(19) so long as no Default or Event of Default has occurred and is continuing, any dividend, distribution, loan or other payment to any Parent Entity; provided that, on the date of any such dividend, distribution, loan or other payment, the Consolidated Leverage Ratio for the Parent Guarantor and its Restricted Subsidiaries does not exceed 2.5 to 1.0 on a *pro forma* basis after giving effect, thereto; or

(20) so long as no Default or Event of Default has occurred and is continuing, other Restricted Payments in an aggregate amount not to exceed the greater of CHF 60 million and 4.4% of Total Assets since December 14, 2015; and

(21) the payment of interest on, or the principal amount of and accrued interest on and any premium in connection with the satisfaction and discharge of, any Existing Notes outstanding on the Issue Date,

after giving effect to the use of proceeds from the Transactions; *provided* that the payment is made directly to the relevant trustee or paying agent for such Existing Notes.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

Liens

The Parent Guarantor will not and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien (the "**Initial Lien**") of any kind securing Indebtedness upon any of their property or assets, now owned or hereafter acquired, except Permitted Liens, unless all payments due under the Indenture and the New Notes are secured on an equal and ratable basis (or in the case of Indebtedness which is subordinated in right of payment to the New Notes or any New Guarantees, prior or senior thereto, with the same relative priority as the New Notes or such Guarantee, as applicable, shall have with respect to such subordinated Indebtedness) with the obligations so secured.

Any Lien created for the benefit of the holders pursuant to this covenant will provide by its terms that such Lien will be automatically and unconditionally released and discharged (a) upon the release and discharge of the Initial Lien other than as a consequence of an enforcement action with respect to the assets subject to such Lien or (b) as set forth under the heading "—Security."

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any Restricted Subsidiary, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any Restricted Subsidiary;

(2) make loans or advances to the Parent Guarantor or any Restricted Subsidiary; or

(3) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any Restricted Subsidiary,

provided that (x) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Parent Guarantor or any Restricted Subsidiary to other Indebtedness incurred by the Parent Guarantor or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Indebtedness and Credit Facilities as in effect on the Issue Date after giving effect to the use of proceeds of the New Notes and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the Issue Date after giving effect to the use of proceeds of the New Notes;

(2) the Indenture, the New Notes, the New Guarantees, the indenture governing the New Senior Secured Notes, the New Senior Notes, the guarantees relating to the New Senior Secured Notes, the Intercreditor Agreement and any Additional Intercreditor Agreement;

(3) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Indebtedness permitted to be incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the holders of the New Notes than the encumbrances and restrictions contained in the Senior Facilities and the Intercreditor Agreement, in each case, as in effect on the Issue Date (as determined in good faith by the Parent Guarantor);

(4) applicable law, rule, regulation or order or the terms of any license, authorization, concession or permit;

(5) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(6) customary non-assignment and similar provisions in contracts, leases and licenses entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of the preceding paragraph;

(8) any agreement for the sale or other disposition of the Capital Stock or all or substantially all of the property and assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of the covenant described above under the caption "—*Liens*" that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) customary provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements in the ordinary course of business (including agreements entered into in connection with a Restricted Investment), which limitation is applicable only to the assets that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers or required by insurance, surety or bonding companies, in each case, under contracts entered into in the ordinary course of business; and

(13) any encumbrance or restriction existing under any agreement that extends, renews, refinances or replaces the agreements containing the encumbrances or restrictions in the foregoing clauses (1) through (12), or in this clause (13); *provided* that the terms and conditions of any such encumbrances or restrictions are no more restrictive in any material respect than those under or pursuant to the agreement so extended, renewed, refinanced or replaced.

Merger, Consolidation or Sale of Assets

The Issuer

The Issuer will not directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Subsidiaries that are Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Issuer is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is an entity organized or existing under the laws of any member state of the Pre-Expansion European Union, Switzerland, Canada, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger with the Issuer (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Issuer under the New Notes, the Indenture and the Intercreditor Agreement;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to incur at least CHF 1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "—Incurrence of Indebtedness and Issuance of Preferred Stock" or (ii) have a Fixed Charge Coverage Ratio no less than it was immediately prior to giving effect to such transaction; and

(5) the Parent Guarantor delivers to the Trustee an Officer's Certificate and opinion of counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture comply with this covenant; *provided* that in giving an opinion of counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of clauses (3) and (4) above.

The Parent Guarantor

The Parent Guarantor will not directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Parent Guarantor is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is an entity organized or existing under the laws of any member state of the Pre-Expansion European Union, Switzerland, Canada, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger with the Parent Guarantor (if other than the Parent Guarantor) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Parent Guarantor under the New Notes, the Parent Guarantee and the Indenture pursuant to a supplemental indenture;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) the Parent Guarantor or the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to incur at least CHF 1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" or (ii) have a Fixed Charge Coverage Ratio no less than it was immediately prior to giving effect to such transaction; and

(5) the Parent Guarantor delivers to the Trustee an Officer's Certificate and opinion of counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture comply with this covenant; *provided* that in giving an opinion of counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of clauses (3) and (4) above.

A Subsidiary Guarantor

A Subsidiary Guarantor (other than a Guarantor whose Guarantee is to be released in accordance with the terms of Guarantee and the Indenture) will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor and its Subsidiaries that are Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person other than the Parent Guarantor or any other Restricted Subsidiary, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists;

(2) either:

   (a) such Subsidiary Guarantor is the surviving corporation; or (b) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger assumes all the obligations of that Subsidiary Guarantor under its Guarantee and the Indenture pursuant to a supplemental indenture in form and substance satisfactory to the Trustee; or

(b) the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the Indenture.

In addition, the Parent Guarantor will not, directly or indirectly, lease all or substantially all of the properties and assets of it and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person.

Clauses (3) and (4) of each of the first and second paragraphs of this "*Merger, Consolidation or Sale of Assets*" covenant will not apply to any sale or other disposition of all or substantially all of the assets or merger or consolidation of the Issuer or the Parent Guarantor with or into any other Guarantor and clause (1) of the third paragraph of this "*Merger, Consolidation or Sale of Assets*" covenant will not apply to any sale or other disposition of all or substantially all of the assets or merger or consolidation of the Issuer with or into an Affiliate solely for the purpose of reincorporating the Issuer in another jurisdiction for tax reasons. This "*Merger, Consolidation or Sale of Assets*" covenant will not apply to any consolidation or merger of any Restricted Subsidiary that is not a Guarantor into the Parent Guarantor or any other Guarantor.

Transactions with Affiliates

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor (each, an "**Affiliate Transaction**") involving aggregate payments or consideration in excess of CHF 5.0 million, unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Parent Guarantor or such Restricted Subsidiary with an unrelated Person; and

(2) the Parent Guarantor delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of CHF 10 million, a resolution of the Board of Directors of the Parent Guarantor set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor; and, in addition;

(b) with respect to (i) any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of CHF 25 million or (ii) any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of CHF 10 million in which there are no disinterested members of the Board of Directors of the Parent Guarantor, an opinion of an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that the transaction or series of related transactions is (i) fair from a financial point of view taking into account all relevant circumstances or (ii) on terms not less favorable than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment agreement, collective bargaining agreement, consultant, employee benefit arrangements with any employee, consultant, officer or director of the Parent Guarantor or any Restricted Subsidiary, including under any stock option, stock appreciation rights, stock incentive or similar plans, entered into in the ordinary course of business;

(2) transactions between or among the Parent Guarantor and any Restricted Subsidiary, or between or among Restricted Subsidiaries;

(3) transactions in the ordinary course of business with a Person (other than an Unrestricted Subsidiary of the Parent Guarantor) that is an Affiliate of the Parent Guarantor solely because the Parent Guarantor owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of Officers, directors, employees or consultants of the Parent Guarantor or any of its Restricted Subsidiaries;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor or Subordinated Shareholder Debt to Affiliates of the Parent Guarantor;

(6) any Investment (other than a Permitted Investment) or other Restricted Payment, in either case, that does not violate the provisions of the Indenture described above under the caption "—*Restricted Payments*";

(7) Management Advances;

(8) any Permitted Investments (other than Permitted Investments described in clauses (3), (9(a)), (16) and (18) of the definition thereof) and any Permitted Investment in any Unrestricted Subsidiary and any Restricted Payments described in clause (21) under the caption "—*Restricted Payments*";

(9) the incurrence of any Subordinated Shareholder Debt;

(10) transactions pursuant to, or contemplated by any agreement in effect on the Issue Date and transactions pursuant to any amendment, modification or extension to such agreement, so long as such amendment, modification or extension, taken as a whole, is not more disadvantageous to the holders of the New Notes in any material respect than the original agreement as in effect on the Issue Date;

(11) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services or providers of employees or other labor, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Parent Guarantor or the Restricted Subsidiaries, in the reasonable determination of the members of the Board of Directors of the Parent Guarantor or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;

(12) any payments or other transactions pursuant to a tax sharing agreement between the Parent Guarantor and any other Person or a Restricted Subsidiary of the Parent Guarantor and any other Person with which the Parent Guarantor or any of its Restricted Subsidiaries files a consolidated tax return or with which the Parent Guarantor or any of its Restricted Subsidiaries is part of a group for tax purposes or any tax advantageous group contribution made pursuant to applicable legislation; *provided*, *however*, that any such tax sharing or arrangement and payment does not permit or require payments in excess of the amounts of tax that would be payable by the Parent Guarantor and its Restricted Subsidiaries on a stand-alone basis;

(13) any contribution to the capital of the Parent Guarantor in exchange for Capital Stock of the Parent Guarantor (other than Disqualified Stock and preferred stock);

(14) transactions between the Parent Guarantor or any of its Restricted Subsidiaries and any Person, a director of which is also a director of the Parent Guarantor or any of its Restricted Subsidiaries, as applicable, or any Parent Entity; *provided*, *however*, that such director abstains from voting as a director of the Parent Guarantor, the Restricted Subsidiary or such direct or indirect parent, as the case may be, on any matter involving such other Person;

(15) pledges of Equity Interests of Unrestricted Subsidiaries;

(16) any transaction in the ordinary course of business between or among the Parent Guarantor or any Restricted Subsidiary and any Affiliate of the Parent Guarantor or an Associate or similar entity that would contribute an Affiliate Transaction solely because the Issuer or a Restricted Subsidiary or any Affiliate of the Parent Guarantor or a Restricted Subsidiary or any Affiliate of any Permitted Holder owns an equity interest in or otherwise controls such Affiliate, Associate or similar entity;

(17) any transaction effected as part of a Qualified Securitization Financing; and

(18) the Transactions.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary (including any newly acquired or newly formed Restricted Subsidiary) to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption "—*Restricted Payments*" or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Parent Guarantor may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption "—*Restricted Payments*." If, at any time, any Unrestricted Subsidiary would fail to meet the requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption "—*Incurrence of Indebtedness and Issuance of Preferred Stock*," the Parent Guarantor will be in default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption "—*Incurrence of Indebtedness and Issuance of Preferred Stock*," calculated on a *pro forma* basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Maintenance of Listing

The Issuer will use its commercially reasonable efforts to obtain and maintain the listing of the New Notes on the Luxembourg Stock Exchange for so long as such New Notes are outstanding; *provided* that if the Issuer is unable to obtain admission to listing of the New Notes on the Luxembourg Stock Exchange or if at any time the Issuer determines that it will not maintain such listing, it will use its commercially reasonable efforts to obtain and maintain a listing of such New Notes on another recognized stock exchange.

Limitation on Issuances of New Guarantees of Indebtedness

The Parent Guarantor will not permit any of its Restricted Subsidiaries, directly or indirectly, to guarantee the payment of any other Indebtedness of the Issuer or any Guarantor unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to the Indenture providing for the Guarantee of the payment of the New Notes by such Restricted Subsidiary, which Guarantee will be *pari passu* with or senior to such Restricted Subsidiary's guarantee of such other Indebtedness unless such other Indebtedness constitutes Senior Secured Obligations (as defined in the Intercreditor Agreement), in which case the Guarantee of the New Notes may be subordinated to the guarantee of such Senior Secured Obligations to the same extent as the New Guarantees of the New Notes are subordinated to the Senior Secured Obligations being guaranteed.

Each additional Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

The first preceding of this covenant will not be applicable to any Guarantees of any Restricted Subsidiary:

(1) existing on the Issue Date after giving effect to the use of proceeds from the Transactions;

(2) given to a bank or trust company having combined capital and surplus and undivided profits of not less than €250 million, whose debt has a rating, at the time such guarantee was given, of at least A or the equivalent thereof by S&P and at least A2 or the equivalent thereof by Moody's, in connection with the operation of cash management programs established for the benefit of the Issuer or any of its Restricted Subsidiaries; or

(3) any Guarantee arising as a result of (i) any Dutch Restricted Subsidiary being or having been part of a fiscal unity (*fiscale eenheid*) for VAT, corporate tax or other purposes and (ii) a declaration of joint and several liability (*hoofdelijke aansprakelijkheid*) as referred to in Article 2:403 of the Dutch Civil Code.

Notwithstanding the foregoing, the Parent Guarantor shall not be obligated to cause such Restricted Subsidiary to Guarantee the payment of the New Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in:

(1) a violation of applicable law which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Parent Guarantor or the Restricted Subsidiary; or

(2) any liability for the officers, directors or shareholders of such Restricted Subsidiary.

Payments for Consent

The Parent Guarantor will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of New Notes for or as an inducement to any consent, waiver or amendment of any of the terms of the provisions of the Indenture or the New Notes unless such consideration is offered to be paid and is paid to all holders of the New Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Parent Guarantor and its Restricted Subsidiaries shall be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture, to exclude holders of New Notes in any jurisdiction where (i) the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or (ii) the payment of the consideration therefor would require the Parent Guarantor or any of its Restricted Subsidiaries to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Parent Guarantor in its sole discretion determines (acting in good faith) (A) would be materially burdensome (it being understood that it would not be materially burdensome to file the consent document(s) used in other jurisdictions, any substantially similar documents or any summary thereof with the securities or financial services authorities in such jurisdiction); or (B) such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Additional Intercreditor Agreements

At the request of the Parent Guarantor, without the consent of holders of the New Notes, and at the time of, or prior to, the incurrence by the Issuer or a Guarantor of Indebtedness permitted pursuant to (x) the first paragraph of the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" or clause (1), (4) (other than with respect to Capital Lease Obligations), (8), (16) and (19) of the second paragraph of the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" and (y) any Permitted Refinancing Indebtedness in respect of Indebtedness referred to in the foregoing clause (x) the Issuer or the relevant Guarantor and the Trustee shall enter into with the holders of such Indebtedness (or their duly authorized representatives) an intercreditor agreement (an "**Additional Intercreditor Agreement**") on substantially the same terms as the Intercreditor Agreement, including terms with respect to the limitation on enforcement and release of guarantees and priority as set forth in the Intercreditor Agreement (or on terms more favorable to the holders of the New Notes); *provided*, that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture or the Intercreditor Agreement.

At the request of the Parent Guarantor, without the consent of holders of the New Notes, and at the time of, or prior to, the incurrence by the Issuer or a Guarantor of Indebtedness permitted to be incurred pursuant to the preceding paragraph, the Issuer or the relevant Guarantor and the Trustee shall enter into one or more amendments to any Intercreditor Agreement or Additional Intercreditor Agreement to: (1) cure defects, resolve ambiguities or reflect changes, in each case, of a minor, technical or administrative nature, (2) increase the amount or types of Indebtedness covered by any Intercreditor Agreement or Additional Intercreditor Agreement that may be incurred by the Issuer or a Guarantor that is subject to any Intercreditor Agreement or Additional Intercreditor Agreement (provided that such amendment is consistent with the preceding paragraph), (3) add new Guarantors to the Intercreditor Agreement or an Additional Intercreditor Agreement, (4) secure the New Notes or (5) make any other change to any such Intercreditor Agreement or an Additional Intercreditor Agreement that does not adversely affect the rights of holders of the New Notes in any material respect.

The Parent Guarantor shall not otherwise direct the Trustee to enter into any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement without the consent of the holders of the majority in aggregate principal amount of the New Notes then outstanding, except as otherwise permitted by "*Amendment, Supplement and Waiver*" and the Parent Guarantor may only direct the Trustee to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture, the Intercreditor Agreement or such Additional Intercreditor Agreement.

In relation to the Intercreditor Agreement or, to the extent applicable, an Additional Intercreditor Agreement, the Trustee shall be deemed to have consented on behalf of the holders of the New Notes to any payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the New Notes thereby; *provided* that such transaction would comply with the covenant described under "—Restricted Payments."

Each holder of the New Notes shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any Additional Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have consented to and directed the Trustee to enter into any Additional Intercreditor Agreement or any amendment of the Intercreditor Agreement or any Additional Intercreditor Agreement which complies with the foregoing provision and the conditions contained therein.

Suspension of Covenants When New Notes Rated Investment Grade

If on any date following the Issue Date:

(1) the New Notes have achieved Investment Grade Status; and

(2) no Default or Event of Default shall have occurred and be continuing on such date,

then, the Parent Guarantor will immediately notify in writing the Trustee and beginning on that day and continuing until such time, if any, at which the New Notes cease to have Investment Grade Status (such period, the "**Suspension Period**"), the covenants specifically listed under the following captions in this offering memorandum will no longer be applicable to the New Notes and any related default provisions of the Indenture will cease to be effective and will not be applicable to the Parent Guarantor and its Restricted Subsidiaries:

(1) "—Repurchase at the Option of Holders—Asset Sales";

(2) "—Incurrence of Indebtedness and Issuance of Preferred Stock";

(3) "—Restricted Payments";

(4) "—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries";

(5) clause (4) of each of the first and second paragraphs of the covenant described under "—Merger, Consolidation or Sale of Assets";

(6) "—Transactions with Affiliates"; and

(7) "—Designation of Restricted and Unrestricted Subsidiaries."

Such covenants will not, however, be of any effect with regard to the actions of Parent Guarantor and the Restricted Subsidiaries properly taken during the continuance of the Suspension Period; *provided* that (1) with respect to the Restricted Payments made after any such reinstatement, the amount of Restricted Payments will be calculated as though the covenant described under the caption "*—Restricted Payments*" had been in effect prior to, but not during, the Suspension Period and (2) all Indebtedness incurred, or Disqualified Stock or preferred stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to clause (2) of the second paragraph of the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*." Upon the occurrence of a Suspension Period, the amount of Excess Proceeds shall be reset at zero. There can be no assurance that the New Notes will ever achieve or maintain an Investment Grade Status.

Reports

So long as any New Notes are outstanding, the Parent Guarantor will furnish to the Trustee:

(1) within 120 days after the end of the fiscal year of the Swissport Group S.à r.l until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent Guarantor, and thereafter of the Parent Guarantor, beginning with the fiscal year ending December 31, 2017, annual reports containing the following information with a level of detail that is substantially comparable and similar in scope to this offering memorandum: (a) audited consolidated balance sheet

of the Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, as of the end of the most recent fiscal year (and comparative information for the end of the prior fiscal year) and audited consolidated income statement and statement of cash flow of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, for the most recent fiscal year (and comparative information for the prior fiscal year), including footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) *pro forma* income statement and balance sheet information of Swissport Group S.à r.l., until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, together with explanatory footnotes, for any material acquisitions or dispositions (including, without limitation, any acquisitions or disposition that, individually or in the aggregate when considered with all other acquisition or dispositions that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates, represent greater than 20% of the consolidated revenues, EBITDA, or assets of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, on a *pro forma* basis) or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates, in each case unless *pro forma* information has been provided in a previous report pursuant to clause (2) or (3) below; (c) an operating and financial review of the audited financial statements, including a discussion of the results of operations (including a discussion by business segment, if any), financial condition and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; (d) a description of the industry, business, management and shareholders of the Parent Guarantor, all material affiliate transactions, Indebtedness and material financing arrangements and a description of all material contractual arrangements, including material debt instruments; (e) material risk factors and material recent developments; and (f) a brief description of the material differences in the financial condition and results of operation between Swissport Group S.à r.l. and its subsidiaries and the Parent Guarantor and its Restricted Subsidiaries until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor;

(2) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent Guarantor, and thereafter of the Parent Guarantor, beginning with the fiscal quarter ending March 31, 2017, quarterly reports containing the following information: (a) an unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the quarterly and year to date periods ending on the unaudited condensed balance sheet date, and the comparable prior year periods for Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, together with condensed footnote disclosure; (b) *pro forma* income statement and balance sheet information, together with explanatory footnotes, for any material acquisitions or dispositions (including, without limitation, any acquisition or disposition that, individually or in the aggregate when considered with all other acquisitions or dispositions that have occurred since the beginning of the most recent completed fiscal quarter as to which such quarterly report relates, represents greater than 20% of the consolidated revenues, EBITDA or assets of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, on a *pro forma* basis) or recapitalizations that have occurred since the beginning of the most recently completed fiscal quarter as to which such quarterly report relates, in each case unless *pro forma* information has been provided in a previous report pursuant to clause (1), (2) or (3) of this covenant; (c) an operating and financial review of the unaudited financial statements (including a discussion by business segment, if any), including a discussion of the consolidated financial condition and results of operations of Swissport Group S.à r.l. until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor, and any material change between the current year to date period and the corresponding period of the prior year; (d) material recent developments in the business of the Parent Guarantor and its Subsidiaries; (e) any material changes to the risk factors

disclosed in the most recent annual report with respect to the Parent Guarantor; (f) a brief description of the material differences in the financial condition and results of operation between Swissport Group S.à r.l. and its subsidiaries and the Parent Guarantor and its Restricted Subsidiaries until the time the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of Parent Guarantor and its Restricted Subsidiaries, and thereafter of the Parent Guarantor; and

(3) promptly after the occurrence of (a) a material acquisition, disposition or restructuring (including any acquisition or disposition that would require the delivery of *pro forma* financial information pursuant to clause (1) or (2) above); (b) any senior management change at the Parent Guarantor; (c) any change in the auditors of Swissport group S.à r.l.; (d) the entering into an agreement that will result in a Change of Control; or (e) any material events that the Parent Guarantor announces publicly, in each case, a report containing a description of such events,

provided, *however*, that the reports set forth in clauses (1), (2) and (3) above will not be required to (i) contain any reconciliation to U.S. generally accepted accounting principles or (ii) include separate financial statements for any Guarantors or non-guarantor Subsidiaries of the Parent Guarantor.

The Parent Guarantor may comply with the requirements of clauses (1) and (2) of this covenant by providing consolidated financial information and reports of the Parent Guarantor itself and its Subsidiaries instead of Swissport Group S.à r.l.

If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and such Subsidiaries are Significant Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Parent Guarantor and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Parent Guarantor.

All financial statements shall be prepared in accordance with IFRS. Except as provided for above, no report need include separate financial statements for the Parent Guarantor or Subsidiaries of the Parent Guarantor or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in this offering memorandum.

In addition, for so long as any New Notes remain outstanding and during any period during which the Parent Guarantor is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Parent Guarantor has agreed that it will furnish to the holders of the New Notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

The Parent Guarantor will also make available copies of all reports required by clauses (1) through (3) of the first paragraph of the covenant (i) on Swissport International Ltd.'s website and (ii) if and so long as the New Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, at the specified office of the Principal Paying Agent in London.

Events of Default and Remedies

Each of the following is an "**Event of Default**":

(1) default for 30 days in the payment when due of interest or Additional Amounts, if any, with respect to the New Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the New Notes;

(3) failure by the Issuer or relevant Guarantor to comply with the provisions described under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*";

(4) failure by the Issuer or relevant Guarantor for 60 days after written notice to the Issuer by the Trustee or the holders of at least 25% in aggregate principal amount of the New Notes then outstanding voting as a single class to comply with any of the agreements in the Indenture (other than a default in performance, or breach, or a covenant or agreement which is specifically dealt with in clauses (1), (2) or (3) or the New Notes or the New Guarantees);

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent Guarantor or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Parent Guarantor or any of its Restricted Subsidiaries), whether such Indebtedness or guarantee now exists, or is created after the Issue Date, if that default:

    (a) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness at the Stated Maturity thereof prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "**Payment Default**"); or

    (b) results in the acceleration of such Indebtedness prior to its express maturity,

    and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates CHF 40 million or more;

(6) failure by the Issuer, the Parent Guarantor or any Restricted Subsidiary to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of CHF 40 million (exclusive of any amounts that a solvent insurance company has acknowledged liability for), which judgments shall not have been discharged or waived and there shall have been a period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of an appeal, waiver or otherwise, shall not have been in effect;

(7) except as permitted by the Indenture, if any Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Guarantee and such Default continues for 20 days; and

(8) certain events of bankruptcy or insolvency described in the Indenture with respect to the Issuer, the Parent Guarantor or any Restricted Subsidiary that is a Significant Subsidiary or any group of its Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Restricted Subsidiaries), would constitute a Significant Subsidiary.

In the case of an Event of Default specified in clause (8), all outstanding New Notes will become due and payable immediately without further action or notice; *provided* that, in the case of an Event of Default specified in clause (8), the amount due and payable shall be equal to the aggregate gross proceeds of the offering of the New Notes, plus accrued and unpaid interest and additional amounts, if any. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding New Notes may and, if directed by holders of at least 25% in aggregate principal amount of the then outstanding New Notes, the Trustee shall, declare all the New Notes to be due and payable immediately.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding New Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the New Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or Additional Amounts or premium, if any.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any holders of New Notes unless such holders have offered to the Trustee, and the Trustee has received, indemnity and/or security satisfactory to it against any loss, liability, fees, costs or expense. Except (subject to the provisions described under "*—Amendment, Supplement and Waiver*") to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts when due, no holder of a New Note may pursue any remedy with respect to the Indenture or the New Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in aggregate principal amount of the then outstanding New Notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee, and the Trustee has received, security and/or indemnity satisfactory to it against any loss, liability, fees, costs or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity; and

(5) holders of a majority in aggregate principal amount of the then outstanding New Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The holders of not less than a majority in aggregate principal amount of the New Notes outstanding may, on behalf of the holders of all outstanding New Notes, waive any past default under the Indenture and its consequences, except a continuing default in the payment of the principal of premium, if any, any Additional Amounts or interest on any Note held by a non-consenting holder (which may only be waived with the consent of each holder of New Notes affected).

The Parent Guarantor is required to deliver to the Trustee annually a statement regarding compliance with the Indenture.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the New Notes, the Indenture, the New Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of New Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the New Notes. The waiver may not be effective to waive liabilities under applicable securities laws.

Legal Defeasance and Covenant Defeasance

The Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have all of its obligations discharged with respect to the outstanding New Notes and all obligations of the Guarantors discharged with respect to their New Guarantees ("**Legal Defeasance**") except for:

(1) the rights of holders of outstanding New Notes to receive payments in respect of the principal of, or interest (including Additional Amounts) or premium, if any, on, such New Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the New Notes concerning issuing temporary New Notes, registration of New Notes, mutilated, destroyed, lost or stolen New Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's, the Parent Guarantor's and the Subsidiary Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Indenture.

In addition, the Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have the obligations of the Issuer, the Parent Guarantor and the Subsidiary Guarantors released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers) that are described in the Indenture ("**Covenant Defeasance**") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the New Notes. In the event Covenant Defeasance occurs, all Events of Default described under "*—Events of Default and Remedies*" (except those relating to payments on the New Notes or, solely with respect to the Issuer, bankruptcy or insolvency events) will no longer constitute an Event of Default with respect to the New Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer or the Parent Guarantor must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the New Notes, cash in euro, non-callable euro-denominated European Government Obligations or a combination of cash in euro and non-callable euro-denominated European Government Obligations, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest (including Additional Amounts and premium, if any) on the outstanding New Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuer or the Parent Guarantor must specify whether the New Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer or the Parent Guarantor must deliver to the Trustee a legal opinion reasonably acceptable to the Trustee of United States counsel confirming that (a) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (b) since the Issue Date, there has been a change in the applicable U.S. Federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the holders of the outstanding New Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Legal Defeasance and will be subject to tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer or the Parent Guarantor must deliver to the Trustee an opinion reasonably acceptable to the Trustee of United States counsel confirming that the holders of the outstanding New Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) the Issuer or the Parent Guarantor must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer or the Parent Guarantor with the intent of preferring the holders of New Notes over the other creditors of the Issuer or the Parent Guarantor with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer, the Parent Guarantor or others; and

(5) the Issuer or the Parent Guarantor must deliver to the Trustee an Officer's Certificate and an opinion of counsel, subject to customary assumptions and qualifications, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided otherwise in the succeeding paragraphs, the Indenture, the New Notes, the New Guarantees, the Intercreditor Agreement or any Additional Intercreditor Agreement may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the New Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, New Notes), and any existing Default or Event of Default or compliance with any provision of the Indenture, the New Notes, the New Guarantees, the Intercreditor Agreement or any Additional Intercreditor Agreement may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding New Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, New Notes).

Unless (i) consented to by the holders of at least 90% of the aggregate principal amount of the then outstanding New Notes or (ii) consented to by each holder of New Notes adversely affected thereby (in each case including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, New Notes), an amendment, supplement or waiver may not:

(1) reduce the principal amount of New Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the New Notes (other than provisions relating to the covenants described above under the caption "*—Repurchase at the Option of Holders*");

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) impair the right of any holder of New Notes to receive payment of principal of and interest on such holder's New Notes on or after the due dates therefore or to institute suit for the enforcement of any payment on or with respect to such holder's New Notes or any Guarantee in respect thereof;

(5) waive a Default or Event of Default in the payment of principal of, or interest, Additional Amounts or premium, if any, on, the New Notes (except a rescission of acceleration of the New Notes by the holders of at least a majority in aggregate principal amount of the then outstanding New Notes and a waiver of the Payment Default that resulted from such acceleration);

(6) make any Note payable in money other than that stated in the New Notes;

(7) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of New Notes to receive payments of principal of, or interest, Additional Amounts or premium, if any, on, the New Notes;

(8) waive a redemption payment with respect to any Note (other than a payment required by one of the covenants described above under the caption "—*Repurchase at the Option of Holders*");

(9) release any Guarantor from any of its obligations under its Guarantee or the Indenture, except in accordance with the terms of the Indenture and the Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of New Notes, the Issuer and the Trustee may amend or supplement the Indenture, the New Notes, any Guarantee, the Intercreditor Agreement or any Additional Intercreditor Agreement:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated New Notes in addition to or in place of certificated New Notes;

(3) to provide for the assumption of the Issuer's or a Guarantor's obligations to holders of New Notes and New Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of New Notes or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(5) to conform the text of the Indenture, the New Guarantees or the New Notes to any provision of this Description of New Senior Notes to the extent that such provision in this Description of New Senior Notes was intended to be a verbatim recitation of a provision of the Indenture, the New Guarantees or the New Notes;

(6) to release any Guarantee in accordance with the terms of the Indenture;

(7) to provide for the issuance of Additional New Notes in accordance with the limitations set forth in the Indenture as of the Issue Date;

(8) to allow any Guarantor to execute a supplemental indenture, guarantee and/or a Guarantee with respect to the New Notes; or

(9) to evidence and provide the acceptance of the appointment of a successor Trustee under the Indenture.

The consent of the holders of New Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

In formulating its opinion on such matters, the Trustee shall be entitled to rely absolutely on such evidence as it deems appropriate, including an opinion of counsel and an Officer's Certificate.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all New Notes issued thereunder, when:

(1) either:

    (a) all New Notes that have been authenticated, except lost, stolen or destroyed New Notes that have been replaced or paid and New Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or

    (b) all New Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuer or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in euro, non-callable euro-denominated European Government Obligations or a combination of cash in euro and non-callable euro-denominated European Government Obligations, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the New Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) the Issuer or any Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(3) the Issuer or any Guarantor has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the New Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer or the Parent Guarantor must deliver an Officer's Certificate and a legal opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3)).

Judgment Currency

Any payment on account of an amount that is payable in euros that is made to or for the account of any holder or the Trustee in lawful currency of any other jurisdiction (the "**Judgment Currency**"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer or any Guarantor, shall constitute a discharge of the Issuer or the Guarantor's obligation under the Indenture and the New Notes, the Guarantee, as the case may be, only to the extent of the amount of euros with such holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Judgment Currency. If the amount of euros that could be so purchased is less than the amount of euros originally due to such holder or the Trustee, as the case may be, the Issuer and the Guarantors shall indemnify and hold harmless the holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture or the New Notes, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Concerning the Trustee

The Issuer shall deliver written notice to the Trustee promptly, and in any case within thirty (30) days of becoming aware of the occurrence of a Default or an Event of Default. If the Trustee becomes a creditor of the Issuer or any Guarantor, the Indenture limits the right of the Trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days or resign as Trustee.

The holders of a majority in aggregate principal amount of the then outstanding New Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of New Notes, unless such holder has offered to the Trustee security, and the Trustee has received, and indemnity satisfactory to it against any loss, liability or expense.

The Issuer and (following their accession) the Guarantors will indemnify the Trustee for certain claims, liabilities, costs, fees and expenses incurred without gross negligence, willful default or fraud on its part, arising out of or in connection with its duties.

Listing

Application has been made to list the New Notes on the Official List of the Luxembourg Stock Exchange and to admit the New Notes to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

Additional Information

Anyone who receives this offering memorandum may, following the Issue Date, obtain a copy of the Indenture, the form of Note and the Intercreditor Agreement without charge by writing to the Issuer, c/o Swissport International Ltd., Attn: General Counsel, Flughoffstrasse 55, 8152 Opfikon, Switzerland.

So long as the New Notes are listed on the Luxembourg Stock Exchange and admitted for and the rules of the Luxembourg Stock Exchange shall so require, copies of the financial statements included in this offering memorandum may be obtained, free of charge, during normal business hours at the offices of the Principal Paying Agent in London.

Governing Law

The Indenture, the New Notes and the Intercreditor Agreement are or will be governed by, and construed in accordance with, the laws of the State of the New York.

Consent to Jurisdiction and Service of Process

The Indenture will provide that the Issuer and each Guarantor (other than any Guarantor incorporated in the United States) will appoint an agent for service of process in any suit, action or proceeding with respect to the Indenture, the New Notes and the New Guarantees brought in any U.S. federal or New York state court located in the City of New York and will submit to such jurisdiction.

Enforceability of Judgments

Substantially all of the assets of the Issuer and the non-U.S. Guarantors are outside the United States. As a result, any judgment obtained in the United States against the Issuer or any such Guarantor may not be collectable within the United States. See "Enforcement of Judgments."

Prescription

Claims against the Issuer or any Guarantor for the payment of principal or Additional Amounts, if any, on the New Notes will be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest on the New Notes will be prescribed five years after the applicable due date for payment of interest.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"**Acquired Debt**" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"**Applicable Premium**" means, with respect to any Note on any redemption date, the greater of:

(1) 1% of the principal amount of the Note; or

(2) the excess of:

    (a) the present value at such redemption date of (i) the redemption price of the Note at December 15, 2018 (such redemption price being set forth in the table appearing above under the caption "*—Optional Redemption*"), plus (ii) all required interest payments due on the Note through

December 15, 2018 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over

(b) the principal amount of the Note.

For the avoidance of doubt, calculation of the Applicable Premium shall not be an obligation or duty of the Trustee or the Paying Agents.

"**Asset Sale**" means:

(1) the sale, lease, conveyance or other disposition of any assets by the Parent Guarantor or any of its Restricted Subsidiaries; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "*—Repurchase at the Option of Holders—Change of Control*" and/or the provisions described above under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*" and not by the provisions described under the caption "*—Repurchase at the Option of Holders—Asset Sales*"; and

(2) the issuance of Equity Interests by any Restricted Subsidiary or the sale by the Parent Guarantor or any of its Restricted Subsidiaries of Equity Interests in any of the Parent Guarantor's Subsidiaries (in each case, other than directors' qualifying shares).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than the greater of CHF 7.5 million and 0.5% of Total Assets;

(2) a transfer of assets or Equity Interests between or among the Parent Guarantor and any Restricted Subsidiary;

(3) an issuance of Equity Interests by a Restricted Subsidiary to the Parent Guarantor or to a Restricted Subsidiary;

(4) the sale, lease or other transfer of accounts receivable, inventory, trading stock, communications capacity and other assets (including any real or personal property) in the ordinary course of business (including the abandonment or other disposition of intellectual property that is, in the reasonable judgment of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of business of the Parent Guarantor and its Restricted Subsidiaries taken as a whole);

(5) licenses and sublicenses by the Parent Guarantor or any of its Restricted Subsidiaries of software or intellectual property in the ordinary course of business;

(6) any surrender or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(7) the granting of Liens not prohibited by the covenant described above under the caption "*—Liens*";

(8) the sale or other disposition of cash or Cash Equivalents;

(9) a Restricted Payment that does not violate the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," a Permitted Investment or any transaction specifically excluded from the definition of Restricted Payment;

(10) the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(11) the foreclosure, condemnation or any similar action with respect to any property or other assets or a surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(12) the disposition of assets to a Person who is providing services (the provision of which have been or are to be outsourced by the Parent Guarantor or any Restricted Subsidiary to such Person) related to such assets;

(13) any sale or other disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(14) any exchange of assets (including a combination of assets and Cash Equivalents) for assets related to a Permitted Business of comparable or greater market value or usefulness to the business of the Parent

Guarantor and its Restricted Subsidiaries as a whole, as determined in good faith by the Parent Guarantor;

(15) any sale, transfer or other disposition of Securitization Assets and related assets in connection with any Qualified Securitization Financing; and

(16) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Parent Guarantor or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition.

"**Associate**" means (i) any Person engaged in a Permitted Business of which the Parent Guarantor or its Restricted Subsidiaries are the legal and beneficial owners of between 20% and 50% of all outstanding Voting Stock and (ii) any joint venture entered into by the Parent Guarantor or any Restricted Subsidiary of the Issuer.

"**Beneficial Owner**" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "**Beneficially Owns**" and "**Beneficially Owned**" have a corresponding meaning.

"**Board of Directors**" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Bund Rate**" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(1) "**Comparable German Bund Issue**" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to December 15, 2018 and that would be utilized at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the New Notes and of a maturity most nearly equal to December 15, 2018; provided, however, that, if the period from such redemption dated to December 15, 2018 is less than one year, a fixed maturity of one year shall be used;

(2) "**Comparable German Bund Price**" means, with respect to any redemption date, the average of all Reference German bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Parent Guarantor obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(3) "**Reference German Bund Dealer**" means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(4) "**Reference German Bund Dealer Quotations**" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Parent Guarantor in good faith of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Parent Guarantor by such Reference German Bund dealer at 3:30 p.m. Frankfurt, Germany, time on the third Business Day preceding the redemption date.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions in London, Zurich or New York or a place of payment under the Indenture are authorized or required by law to close.

"**Capital Lease Obligation**" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet (excluding the footnotes thereto) prepared in accordance with IFRS, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"**Cash Equivalents**" means:

(1) direct obligations (or certificates representing an interest in such obligations) issued by, or unconditionally guaranteed by, the government of a member state of the Pre-Expansion European Union, the United States of America, Switzerland or Canada (including, in each case, any agency or instrumentality thereof), as the case may be, the payment of which is backed by the full faith and credit of the relevant member state of the European Union or the United States of America, Switzerland, Canada or Japan, as the case may be, and which are not callable or redeemable at the Parent Guarantor's option;

(2) overnight bank deposits, time deposit accounts, certificates of deposit, banker's acceptances and money market deposits with maturities (and similar instruments) of 12 months or less from the date of acquisition issued by a bank or trust company which is organized under, or authorized to operate as a bank or trust company under, the laws of a member state of the Pre-Expansion European Union or of the United States of America or any state thereof, Switzerland, Canada or Japan; *provided* that such bank or trust company has capital, surplus and undivided profits aggregating in excess of €250 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated "A-2" or higher by Moody's or A or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P on the date of the investment and, in each case, maturing within one year after the date of acquisition; and

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

"**Change of Control**" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act)) other than one or more Permitted Holders;

(2) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Issuer;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" as defined above) other than one or more

Permitted Holders becomes the Beneficial Owner, directly or indirectly, of more than 50% of the issued and outstanding Voting Stock of the Parent Guarantor measured by voting power rather than number of shares; or

(4) during any period of two consecutive years, individuals who at the beginning of such period constituted the majority of the shareholder representatives on the Board of Directors of the Parent Guarantor (together with any new directors whose election by the majority of the shareholder representatives on such Board of Directors of the Parent Guarantor as applicable, or whose nomination for election by shareholders of the Parent Guarantor, as applicable, was approved by a vote of the majority of the shareholder representatives on the Board of Directors of the Parent Guarantor, as applicable, then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) ceased for any reason to constitute the majority of the shareholder representatives on the Board of Directors of the Parent Guarantor, as applicable, then in office.

"**Change of Control Offer**" has the meaning assigned to that term in the Indenture governing the New Notes.

"**CHF**" means Swiss francs, the lawful currency of Switzerland.

"**CHF Equivalent**" means, with respect to any monetary amount in a currency other than the Swiss franc, at any time of determination thereof by the Parent Guarantor or the Trustee, the amount of Swiss francs obtained by converting such currency other than Swiss francs involved in such computation into Swiss francs at the spot rate for the purchase of Swiss francs with the applicable currency other than Swiss francs as published in *The Financial Times* in the "*Currency Rates*" section (or, if *The Financial Times* is no longer published, or if such information is no longer available in *The Financial Times*, such source as may be selected in good faith by the Issuer) on the date of such determination.

"**Consolidated EBITDA**" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus the following to the extent deducted in calculating such Consolidated Net Income, without duplication:

(1) income or expense for taxes (current or deferred) based on income, profits or capital, in each case of such Person and its Subsidiaries which are Restricted Subsidiaries for such period; *plus*

(2) the Fixed Charges of such Person and its Subsidiaries which are Restricted Subsidiaries for such period; *plus*

(3) depreciation, amortization (including, without limitation, amortization of intangibles and deferred financing fees) and other non-cash charges and expenses (including without limitation write-downs and impairment of property, plant, equipment and intangibles and other long-lived assets and the impact of purchase accounting on the Parent Guarantor and its Restricted Subsidiaries for such period) of the Parent Guarantor and its Restricted Subsidiaries (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) for such period; *plus*

(4) Management Fees; *plus*

(5) any non-cash expenses, charges or income attributable to a post-employment benefit scheme; *plus*

(6) any expenses, charges, premiums or other costs related to any Equity Offering, acquisition (including amounts paid in connection with the acquisition or retention of one or more individuals comprising part of a management team retained to manage the acquired business; provided that such payments are made in a manner consistent with the customary practice in the industry at the time of such acquisition), joint venture, disposition, recapitalization, Indebtedness permitted to be incurred by the Indenture, or the amendment or refinancing of any other Indebtedness of such Person or any of the other Restricted Subsidiaries (whether or not successful) (including such fees, expenses, premiums or charges related to the Transactions) and, in each case, deducted in such period in computing Consolidated Net Income; *plus*

(7) any expenses, costs or other charges (including any non-cash charges) related to the Transactions; *plus*

(8) the amount of cost savings, operating expense reductions, and synergies that are expected in good faith to be realized as a result of actions taken or expected to be taken within 12 months of the date of any acquisition, disposition or divestiture or the implementation of a cost savings or other similar initiative,

as applicable (calculated on a *pro forma* basis as though such cost savings, operating expense reductions, and synergies had been realized on the first day of such period as if such cost savings, operating expense reductions, and synergies were realized during the entirety of such period, net of the amount of actual benefits realized during such period from such actions); provided that (A) such actions are expected to be taken within 12 months after the consummation of the acquisition, disposition, or the implementation of an initiative, as applicable, which is expected to result within 12 months after the respective action in cost savings, operating expense reductions, or synergies and (B) no cost savings, operating expense reductions, or synergies shall be added pursuant to this defined term to the extent duplicative of any expenses or charges otherwise added to Consolidated EBITDA, whether through a *pro forma* adjustment or otherwise, for such period; provided further, that the aggregate amount of cost savings, operating expense reductions, and synergies pursuant to this clause (8) and clause (9) below shall not exceed 15% of Consolidated EBITDA for the relevant period (before taking into account any such adjustments); *plus*

(9) (1) restructuring costs, integration costs and, non-recurring charges and (2) transaction fees and expenses in becoming a public company, including, any one time expense relating to enhanced accounting function or related transaction costs, including those associated with becoming a standalone entity or a public company; provided, that the aggregate amount of the add-backs permitted pursuant to this clause (9) and clause (8) above shall not exceed 15% of Consolidated EBITDA for the relevant period (before taking into account any such adjustments); *minus*

(10) to the extent included in determining Consolidated Net Income, non-cash items increasing such Consolidated Net Income for such period, other than non-cash items to the extent they represent the reversal of a reserve for cash charges that reduced Consolidated EBITDA in any prior period, in each case, on a consolidated basis and determined in accordance with IFRS.

Consolidated EBITDA for the Parent Guarantor for any period shall be calculated for Swissport Group S.à r.l. for the period until the Issuer, in its sole discretion, elects to provide and deliver consolidated financial statements of the Parent Guarantor, and for the Parent Guarantor for the period thereafter (taken as one accounting period) (excluding any EBITDA of Swissport Group S.à r.l., Swissport Investment S.à r.l. and Aguila 2 S.à r.l. and their respective Unrestricted Subsidiaries).

"**Consolidated Leverage**" means, with respect to any Person as of any date of determination, the sum without duplication of the total amount of Indebtedness of such Person and its Restricted Subsidiaries on a consolidated basis.

"**Consolidated Leverage Ratio**" means, with respect to any specified Person as of any date of determination, the ratio of (a) the Consolidated Leverage of such Person on such date to (b) the Consolidated EBITDA of such Person for such Person's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding such date. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Leverage Ratio is made (the "**Calculation Date**"), then the Consolidated Leverage Ratio will be calculated giving *pro forma* effect to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (but not giving effect to any additional Indebtedness to be incurred on the date of determination as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*").

For purposes of calculating the Consolidated EBITDA for such period:

(1) acquisitions of business entities or property and assets constituting a division or line of business of any Person, acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-

quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by the Parent Guarantor's Chief Financial Officer or a responsible financial or accounting officer of the Parent Guarantor and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of on or prior to the Calculation Date (including transactions giving rise to the need to calculate such Consolidated Leverage Ratio), will be excluded;

(3) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Consolidated EBITDA associated therewith, the *pro forma* calculation shall be determined in good faith by a responsible financial or accounting Officer of the Parent Guarantor. In determining the amount of Indebtedness outstanding on any date of determination, *pro forma* effect will be given to any incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge or Indebtedness on such date.

"**Consolidated Net Income**" means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries (including the net income (loss) of non-wholly owned Restricted Subsidiaries) for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiaries), determined in accordance with IFRS and without any reduction in respect of preferred stock dividends; *provided* that:

(1) (i) any extraordinary, exceptional or unusual gain, loss or charge, (ii) any asset impairments charges or write-off or write-down, including in relation to intangible assets, long-lived assets, investments in debt and equity securities (including any mark-to-market adjustments), and the financial impacts of natural disasters (including fire, flood and storm and related events), (iii) any non-cash charges or reserves in respect of any restructuring, redundancy, integration or severance or (iv) any expenses, charges, reserves or other costs related to the Transactions, in each case, will be excluded;

(2) the net income or loss of any Person that is not a Restricted Subsidiary or that is accounted for under the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary which is a Subsidiary of the Person;

(3) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of the first paragraph under the caption "*—Certain Covenants—Restricted Payments*," any net income or loss of any Restricted Subsidiary (other than any Guarantor) will be excluded if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Parent Guarantor (or any Guarantor that holds the Equity Interests of such Restricted Subsidiary, as applicable), by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to the Restricted Subsidiary or its shareholders (other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the New Notes or the Indenture and (c) contractual restrictions in effect on the Issue Date with respect to the Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole, are not materially less favorable to the holders of the New Notes than such restrictions in effect on the Issue Date, except that the Parent Guarantor's equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Subsidiary during such period to the Parent Guarantor or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend to another Restricted Subsidiary (other than any Guarantor), to the limitation contained in this clause);

(4) any net after-tax income or loss from discontinued operations, including any component of an entity that has been disposed or ceased its operational activities or is held for sale, and any net after-tax gains

or losses on disposal of discontinued operations, including any component of an entity that has been disposed or ceased its operational activities or is held for sale, shall be excluded;

(5) any net gain (or loss) realized upon the sale or other disposition of any asset or disposed operations of the Parent Guarantor or any Restricted Subsidiaries (including pursuant to any sale leaseback transaction) which is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by the Parent Guarantor) will be excluded;

(6) any one-time non-cash charges or any increases in amortization or depreciation resulting from purchase accounting, in each case, in relation to any acquisition of another Person or business or resulting from any reorganization or restructuring involving the Parent Guarantor or its Subsidiaries will be excluded;

(7) the cumulative effect of a change in accounting principles will be excluded;

(8) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations will be excluded;

(9) any non-cash compensation charge or expenses arising from any grant of stock, stock options or other equity based awards will be excluded;

(10) any goodwill or other intangible asset impairment charges will be excluded;

(11) all deferred financing costs written off and premium paid in connection with any early extinguishment of Indebtedness and any net gain or loss from any write-off or forgiveness of Indebtedness will be excluded;

(12) any capitalized interest on any Subordinated Shareholder Debt will be excluded;

(13) (x) currency translation gains and losses related to currency re-measurements of Indebtedness (including the net gain or loss (i) resulting from swap contracts for currency exchange risk and (ii) resulting from intercompany indebtedness) and (y) any exchange, translation, or performance gains or losses relating to any foreign currency fluctuation will be excluded; and

(14) mark-to-market gains and losses on debt or equity securities will be excluded.

For the avoidance of doubt, (i) Consolidated Net Income shall be calculated on a *pro forma* basis and (ii) all proceeds of business interruption insurance shall be included in the calculation of Consolidated Net Income.

"**Contingent Obligations**" means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that, in each case, does not constitute Indebtedness ("**primary obligations**") of any other Person (the "**primary obligor**"), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

  (a) for the purchase or payment of any such primary obligation; or

  (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"**continuing**" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"**Credit Facilities**" means, one or more debt facilities, instruments or arrangements incurred by any Restricted Subsidiary or any Finance Subsidiary (including the Senior Facilities or commercial paper facilities and overdraft facilities) or commercial paper facilities or indentures or trust deeds or note purchase agreements, in each case, with banks, other institutions, funds or investors, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables), letters of credit, bonds, notes debentures or other corporate debt instruments or other Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or trustees or other banks or institutions and whether provided under the Senior Facilities or one or more other credit or other agreements, indentures, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term "Credit Facilities" shall include any agreement or instrument (1) changing the maturity of any Indebtedness incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Parent Guarantor as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Indebtedness incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

"**Currency Exchange Protection Agreement**" means, in respect of any Person, any foreign exchange contract, currency swap agreement, currency option, cap, floor, ceiling or collar or agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates as to which such Person is a party.

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Designated Non-Cash Consideration**" means the Fair Market Value of non-cash consideration received by the Parent Guarantor or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as "Designated Non-Cash Consideration" pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Non-Cash Consideration.

"**Disqualified Stock**" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the six-month anniversary of the date that the New Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the issuer thereof to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." For purposes hereof, the amount of Disqualified Stock which does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by, the Fair Market Value of such Disqualified Stock, such Fair Market Value to be determined as set forth herein.

"**Equity Contribution**" means the equity contribution in an amount of approximately €518 million being made to the Parent Guarantor and its Restricted Subsidiaries as part of the Transactions.

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Equity Investors**" means HNA Group and its Affiliates or any trust, fund, company or partnership owned, managed or advised by HNA Group or of which HNA Group is the general partner or any limited partner of any such trust, fund, company or partnership.

"**Equity Offering**" means (x) a sale of Capital Stock (other than to the Issuer or any of its Subsidiaries) that is a sale of Capital Stock of the Parent Guarantor (other than Disqualified Stock) other than offerings registered on Form S-8 (or any successor form) under the U.S. Securities Act or any similar offering in other jurisdictions, or (y) the sale of Capital Stock or other securities by any Person, the proceeds of which are contributed as Subordinated Shareholder Debt or to the equity (other than through the issuance of Disqualified Stock) of the Parent Guarantor or any of its Restricted Subsidiaries.

"**European Government Obligations**" means direct obligations of, or obligations guaranteed by, a member state of the European Union, and the payment for which such member state of the European Union pledges its full faith and credit; *provided* that such member state has a long-term government debt rating of "A1" or higher by Moody's or A+ or higher by S&P or the equivalent rating category of another internationally recognized rating agency.

"**Excluded Contributions**" means the net cash proceeds received by the Parent Guarantor after the Issue Date from:

(1) contributions to its common equity capital; and

(2) the sale (other than to a Subsidiary of the Parent Guarantor) of Capital Stock (other than Disqualified Stock) of the Parent Guarantor,

in each case designated as "Excluded Contributions" pursuant to an Officer's Certificate of the Parent Guarantor (which shall be designated no later than the date on which such Excluded Contribution has been received by the Parent Guarantor), the net cash proceeds of which are excluded from the calculation set forth in the clause (c)(ii) of the covenant described under "*—Certain Covenants—Restricted payments*" hereof.

"**Existing Notes**" means the Existing Senior Secured Notes and the Existing Senior Notes, if any.

"**Existing Senior Notes**" means the 9.750% Senior Notes due 2022 issued on December 14, 2015 outstanding following the Transactions, if any.

Existing Senior Secured Notes" means the 6.750% Senior Secured Notes due 2021 issued on December 14, 2015 outstanding following the Transactions, if any.

"**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress of either party, determined in good faith by the Parent Guarantor's Chief Executive Officer, Chief Financial Officer or responsible accounting or financial officer of the Parent Guarantor.

"**Finance Subsidiary**" means a wholly owned subsidiary that is formed for the purpose of borrowing funds or issuing securities and lending the proceeds to the Issuer or a Guarantor and that conducts no business other than as may be reasonably incidental to, or related to, the foregoing.

"**Fixed Charge Coverage Ratio**" means, with respect to any specified Person for any period, the ratio of the Consolidated EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Subsidiaries which are Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "**Calculation Date**"), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by the Parent Guarantor's Chief Financial Officer or a responsible financial or accounting officer of the Parent Guarantor) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (but not giving effect to any additional Indebtedness to be incurred on the Calculation Date as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*").

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions of business entities or property and assets constituting a division or line of business of any Person, acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good

faith by the Parent Guarantor's Chief Financial Officer or a responsible financial or accounting officer of the Parent Guarantor and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Subsidiaries which are Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest and such Indebtedness is to be given *pro forma* effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness).

"**Fixed Charges**" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense (net of interest income) of such Person and its Subsidiaries which are Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not debt issuance costs, commissions, fees and expenses), non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments), the interest component of deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings; *plus*

(2) the consolidated interest expense (but excluding such interest on Subordinated Shareholder Debt) of such Person and its Subsidiaries which are Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Subsidiaries which are Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Subsidiaries which are Restricted Subsidiaries; *plus*

(4) net payments and receipts (if any) pursuant to interest rate Hedging Obligations (excluding amortization of fees) with respect to Indebtedness; *plus*

(5) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of any Restricted Subsidiary, other than dividends on Equity Interests payable to the Parent Guarantor or a Restricted Subsidiary, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, state and local statutory tax rate of such Person, expressed as a decimal, as estimated in good faith by a responsible accounting or financial officer of the Parent Guarantor.

"**Guarantee**" means the guarantee by each Guarantor of the Issuer's obligations under the Indenture and the New Notes, executed pursuant to the provisions of the Indenture.

"**guarantee**" means a guarantee other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business, of all or any part of any Indebtedness (whether arising by agreements to keep-well, to take or pay or to maintain financial statement conditions, pledges of assets or otherwise).

"**Guarantors**" means, collectively, the Parent Guarantor and the Subsidiary Guarantors.

"**Hedging Obligations**" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements, (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, including Currency Exchange Protection Agreements, or commodity prices.

"**HNA Group**" means HNA Group Co. Ltd.

"**IFRS**" means the International Financial Reporting Standards promulgated by the International Accounting Standards Board or any successor board or agency as endorsed by the European Union and in effect on the date hereof, or, with respect to the covenant described under the caption "*Reports*" as in effect from time to time.

"**Indebtedness**" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables):

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments for which such Person is responsible or liable;

(3) representing reimbursement obligations in respect of letters of credit, bankers' acceptances or similar instruments (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of incurrence);

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; and

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of the specified Person prepared in accordance with IFRS. In addition, the term "**Indebtedness**" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the guarantee by the specified Person of any Indebtedness of any other Person to the extent guaranteed by such Person; *provided*, *however*, that in the case of Indebtedness secured by a Lien, the amount of such Indebtedness will be the lesser of (a) the fair market value of such asset at such date of determination (as determined in good faith) by the Parent Guarantor and (b) the amount of such Indebtedness of such other Person.

The term "**Indebtedness**" shall not include:

(1) Subordinated Shareholder Debt;

(2) any lease of property which would be considered an operating lease under IFRS;

(3) Contingent Obligations in the ordinary course of business;

(4) in connection with the purchase by the Parent Guarantor or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 30 days thereafter;

(5) the avoidance of doubt, any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(6) deferred or prepaid revenues;

(7) [Reserved];

(8) Indebtedness in respect of the incurrence by the Parent Guarantor or any if its Restricted Subsidiaries of Indebtedness in respect of standby letters of credit, performance guarantees or bonds or surety bonds

provided by or at the request of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business (including standby letters of credit, performance guarantees or bonds or surety bonds in respect of such standby letters of credit, performance guarantees or bonds or surety bonds) to the extent such letters of credit, guarantees or bonds are not drawn upon or, if and to the extent drawn upon are honored in accordance with their terms and if, to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit, guarantee or bond; and

(9) Indebtedness incurred by the Parent Guarantor or one of its Restricted Subsidiaries in connection with a transaction where (x) such Indebtedness is borrowed from a bank or trust company, having a combined capital and surplus and undivided profits of not less than €250 million, whose debt has a rating immediately prior to the time such transaction is entered into, of at least A or the equivalent thereof by S&P and A2 or the equivalent thereof by Moody's and (y) a substantially concurrent Investment is made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in the form of cash deposited with the lender of such Indebtedness, or a Subsidiary or Affiliate thereof, in amount equal to such Indebtedness.

"**Initial Public Offering**" means the first Public Equity Offering of common stock or common equity interests of the Parent Guarantor or any Parent Entity (the "**IPO Entity**") following which there is a Public Market.

"**Intercreditor Agreement**" means the amended and restated intercreditor agreement to be dated on or about the Issue Date made between, among others, the Parent Guarantor, the Issuer, the Trustee and the security agent and the facility agent under the Senior Facilities, as amended, restated or otherwise modified or varied from time to time.

"**Investment Grade Status**" shall occur when the New Notes are rated Baa3 or better by Moody's and BBB- or better by S&P (or, if either such entity ceases to rate the New Notes, the equivalent investment grade credit rating from any other Rating Agency).

"**Investments**" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations, but excluding advances or extensions of credit to customers or suppliers made in the ordinary course of business), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as Investments on a balance sheet (excluding the footnotes) prepared in accordance with IFRS. If the Parent Guarantor or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer's Investments in such Restricted Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." The acquisition by the Parent Guarantor or any Restricted Subsidiary of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Issuer or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value and, to the extent applicable, shall be determined based on the equity value of such Investment.

"**Issue Date**" means on or about August 11, 2017.

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement or any lease in the nature thereof.

"**Management Advances**" means loans or advances made to, or guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Parent Guarantor or any Restricted Subsidiary:

(1) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business;

(2) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office; or

(3) (in the case of this clause (3)) not exceeding CHF 7.5 million in the aggregate outstanding at any time.

"**Management Fees**" means:

(a) customary annual fees for the performance of monitoring services by HNA Group or any of its Affiliates for the Parent Guarantor or any Restricted Subsidiary; *provided* that such fees will not, in the aggregate, exceed CHF 1.0 million per annum (exclusive of out-of-pocket expenses); and

(b) customary fees and related expenses for the performance of transaction, management, consulting, financial or other advisory services or underwriting, placement or other investment banking activities, including in connection with mergers, acquisitions, dispositions or joint ventures, by HNA Group or any of its Affiliates for the Parent Guarantor or any of its Restricted Subsidiaries, which payments in respect of this clause (b) have been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor.

"**Market Capitalization**" means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the declaration of the relevant dividend *multiplied by* (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the 30 consecutive trading days immediately preceding the date of declaration of such dividend.

"**Moody's**" means Moody's Investors Service, Inc.

"**Net Proceeds**" means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any Designated Non-Cash Consideration or other consideration received in non-cash form or Cash Equivalents substantially concurrently received in any Asset Sale), net of the direct costs relating to such Asset Sale and the sale of such Designated Non-Cash Consideration or other consideration received in non-cash form, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, and all distributions and other payments required to be made to minority interest holders (other than the Parent Guarantor or any Subsidiary) in Subsidiaries or joint ventures as a result of such Asset Sale, and any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with IFRS.

"**Obligations**" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"**Officer**" means, with respect to any Person, the Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President, Vice President, the Treasurer, the Secretary, Director or member of the Board of Directors of such Person or any other person that the Board of Directors of such Person shall designate for such purpose.

"**Officer's Certificate**" means a certificate signed by an Officer.

"**Parent Entity**" means any direct or indirect parent company or entity of the Parent Guarantor.

"**Parent Guarantor**" means Swissport Holding International S.à r.l.

"***Pari Passu* Indebtedness**" means (a) any Indebtedness of the Issuer that ranks equally in right of payment with the New Notes or (b) with respect to any Guarantee of a Guarantor, any Indebtedness that ranks equally in right of payment with such Guarantee.

"**Permitted Business**" means (i) any business, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the Issue Date, and (ii) any businesses, services and activities that are related, complementary, incidental, ancillary or similar to any of the foregoing, or are extensions or developments of any thereof.

"**Permitted Holders**" means the Equity Investors and Related Parties. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"**Permitted Investments**" means:

(1) any Investment in the Parent Guarantor or in a Restricted Subsidiary;

(2) any Investment in cash and Cash Equivalents;

(3) any Investment by the Parent Guarantor or any Restricted Subsidiary in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "—*Repurchase at the Option of Holders—Asset Sales*";

(5) any Investment received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (b) litigation, arbitration or other disputes;

(6) any Investment in receivables owing to the Parent Guarantor or any Restricted Subsidiary created or acquired in the ordinary course of business;

(7) any Investment represented by Hedging Obligations, which obligations are permitted by clause (8) of the second paragraph of the covenant entitled "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(8) any Investment in the New Notes (including any Additional New Notes) and any other Indebtedness of the Parent Guarantor or any Restricted Subsidiary (including any Existing Notes);

(9) (a) any guarantee of Indebtedness of the Issuer or its Restricted Subsidiaries permitted to be incurred by the covenant described above under the caption "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*"; and (b) guarantees, keepwells and similar arrangements, other than with respect to Indebtedness, in the ordinary course of business not prohibited by the covenant described above under the caption "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(10) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture;

(11) any Investment acquired after the Issue Date as a result of the acquisition by the Parent Guarantor or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into the Parent Guarantor or any of its Restricted Subsidiaries in a transaction that is not prohibited by the covenant described above under the caption "—*Certain Covenants—Merger, Consolidation or Sale of Assets*" after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(12) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under "—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(13) any Investment to the extent made using as consideration Capital Stock of the Parent Guarantor (other than Disqualified Stock), Subordinated Shareholder Debt or Capital Stock of any Parent Entity;

(14) Management Advances;

(15) any Investment made in connection with a Qualified Securitization Financing, including Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Securitization Financing or any related Indebtedness;

(16) Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (16) that are at the time outstanding, not to exceed the greater of CHF 60 million and 4.4% of Total Assets; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause (16);

(17) if made within 180 days of the Issue Date, Investments in the form of loans with a term of not more than 90 days in Affiliates (other than Affiliates located in mainland China) having an aggregate original investment value, when taken together with all other Investments made pursuant to this clause (17) that are for the time outstanding, not to exceed the net proceeds of the Equity Contribution less any such proceeds used for acquisitions or other Permitted Investments; provided that the term cannot be extended beyond 90 days; provided, further, that, the loans are made on commercially reasonable terms as approved by the Board of Directors of Swissport International Ltd;

(18) (a) Investments by the Parent Guarantor or any of its Restricted Subsidiaries in Unrestricted Subsidiaries or in joint ventures having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18)(a) that are at the time outstanding, not to exceed the greater of CHF 150 million and 11% of Total Assets; and guarantees of performance (or other non-financial) letter of credits or similar obligations of Unrestricted Subsidiaries having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18)(b) that are at the time outstanding not to exceed the greater of CHF 25 million and 1.8% of Total Assets; *provided*, *however*, that, in each case, if any Investment pursuant to this clause is made in a Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause (18); and

(19) contribution of CHF 30 million by the Parent Guarantor or any of its Restricted Subsidiaries in the trust entity established in connection with an asset-backed contribution structure for the purpose of funding a defined benefit scheme in the United Kingdom as described in the Offering Memorandum.

"**Permitted Liens**" means:

(1) Liens in favor of the Parent Guarantor or any of the Restricted Subsidiaries;

(2) Liens on property (including Capital Stock) of a Person existing at the time such Person becomes a Restricted Subsidiary or is merged with or into or consolidated with the Parent Guarantor or any Restricted Subsidiary; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary or such merger or consolidation, were not incurred in contemplation thereof and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary or is merged with or into or consolidated with the Parent Guarantor or any Restricted Subsidiary;

(3) Liens to secure the performance of statutory obligations, trade contracts, insurance, surety or appeal bonds, workers' compensation obligations, leases, performance bonds, guarantees or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(4) Liens to secure Indebtedness permitted by clause (4) of the second paragraph of the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" covering only the assets acquired with or financed by such Indebtedness;

(5) Liens existing on the Issue Date after giving effect to the use of proceeds of the New Notes, including to secure the New Senior Secured Notes;

(6) Liens for taxes, assessments or governmental charges or claims that (x) are not yet due and payable or (y) are being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as will be required in conformity with IFRS will have been made;

(7) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(8) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(9) Liens created for the benefit of (or to secure) the New Notes (or any Guarantee);

(10) Liens securing Indebtedness under Hedging Obligations, which obligations are permitted by clause (8) of the second paragraph of the covenant described above under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";

(11) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under the Indenture; *provided*, *however*, that:

    (a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

    (b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(12) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(13) filing of Uniform Commercial Code financing statements under U.S. state law (or similar filings under other applicable jurisdictions) in connection with operating leases in the ordinary course of business;

(14) bankers' Liens, rights of setoff or similar rights and remedies as to deposit accounts, Liens arising out of judgments or awards not constituting an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(15) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(16) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(17) leases, licenses, subleases and sublicenses of assets in the ordinary course of business;

(18) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of assets entered into in the ordinary course of business;

(19) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Parent Guarantor or any Restricted Subsidiary has easement rights or on any real property leased by the Parent Guarantor or any Restricted Subsidiary and subordination or similar agreements relating thereto and (b) any condemnation or eminent domain proceedings or compulsory purchase order affecting real property;

(20) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(21) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(22) Liens (including put and call arrangements) on Capital Stock or other securities of any Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary;

(23) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;

(24) Liens on any proceeds loan made by the Parent Guarantor or any Restricted Subsidiary in connection with any future incurrence of Indebtedness permitted under the Indenture and securing that Indebtedness;

(25) Liens on property at the time the Parent Guarantor or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Parent Guarantor or any Restricted Subsidiary; *provided* that such Liens are not created, incurred or assumed in connection with, or in contemplation of, such acquisition and do not extend to any other property owned by the Parent Guarantor or any Restricted Subsidiary;

(26) Liens incurred in the ordinary course of business of the Issuer and the Guarantors with respect to obligations that do not exceed the greater of CHF 50 million and 3.6% of Total Assets at any one time outstanding; and Liens incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries with respect to obligations that do not exceed the greater of CHF 50 million and 3.6% of Total Assets;

(27) Liens securing Indebtedness under Credit Facilities, the New Senior Secured Notes and any other Secured Indebtedness permitted to be incurred pursuant to " *—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock"*;

(28) any interest or title of a lessor under any operating lease;

(29) Liens on Securitization Assets and related assets incurred in connection with any Qualified Securitization Financing;

(30) Liens on cash set aside at the time of the incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose; and

(31) Liens incurred in connection with a cash management program established in the ordinary course of business.

"**Permitted Parent Payments**" means the declaration and payment of dividends or other distributions, or the making of loans, by the Parent Guarantor or any of its Restricted Subsidiaries to any Parent Entity in amounts and at times required to pay:

(1) franchise fees and other fees, taxes and expenses required to maintain the corporate existence of any Parent Entity of the Parent Guarantor;

(2) general corporate overhead expenses of any Parent Entity to the extent such expenses are attributable to the ownership or operation of the Parent Guarantor and its Restricted Subsidiaries or related to the proper administration of such Parent Entity (including fees and expenses properly incurred in the ordinary course of business to auditors and legal advisors and payments in respect of services provided by directors, officers, consultants or employees of any such Parent Entity) not to exceed CHF 5.0 million in any 12 month period;

(3) any income taxes, to the extent such income taxes are attributable to the income of the Parent Guarantor and any of its Restricted Subsidiaries, taking into account any net operating loss carryovers and other tax attributes, and, to the extent of the amount actually received in cash from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries; *provided* that such Parent Entity shall promptly pay such taxes or refund such amount to the Parent Guarantor;

(4) costs (including all professional fees and expenses) incurred by any Parent Entity in connection with reporting obligations under or otherwise incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the Indenture or any other agreement or instrument relating to Indebtedness of the Parent Guarantor or any

of its Restricted Subsidiaries, including in respect of any reports filed with respect to the U.S. Securities Act, U.S. Exchange Act or the respective rules and regulations promulgated thereunder; and

(5) fees and expenses of any Parent Entity incurred in relation to any public offering or other sale of Capital Stock or Indebtedness (whether or not completed) (a) where the net proceeds of such offering or sale are intended to be received by or contributed to the Parent Guarantor or any of its Restricted Subsidiaries; (b) in a prorated amount of such expenses in proportion to the amount of such net proceeds intended to be so received or contributed; or (c) otherwise on an interim basis prior to completion of such offering so long as any Parent Entity will cause the amount of such expenses to be repaid to the Parent Guarantor or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed.

"**Permitted Refinancing Indebtedness**" means any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, exchange, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness (other than any proceeds loan)); *provided* that:

(1) the aggregate principal amount (or accreted value, if applicable), or if issued with original issue discount, aggregate issue price) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable, or if issued with original issue discount, aggregate issue price) of the Indebtedness renewed, refunded, refinanced, replaced, exchanged, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has (a) a final maturity date that is either (i) no earlier than the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged or (ii) after the final maturity date of the New Notes and (b) has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is expressly, contractually, subordinated in right of payment to the New Notes or any Guarantee, as the case may be, such Permitted Refinancing Indebtedness is subordinated in right of payment to the New Notes or such Guarantee, as the case may be, on terms at least as favorable to the holders of New Notes or the Guarantee, as the case may be, as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged; and

(4) if the Parent Guarantor or any Guarantor was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged, such Indebtedness is incurred either by the Parent Guarantor, a Finance Subsidiary or by a Guarantor.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"**Pre-Expansion European Union**" means the European Union as of January 1, 2004, including the countries of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden and the United Kingdom, but not including any country which became or becomes a member of the European Union after January 1, 2004.

"**Public Equity Offering**" means, with respect to any Person, a *bona fide* underwritten primary public offering of the shares of common stock or common equity interests of such Person, either:

(1) pursuant to a flotation on the main market of the London Stock Exchange or any other nationally recognized regulated stock exchange or listing authority in a member state of the Pre-Expansion European Union; or

(2) pursuant to an effective registration statement under the U.S. Securities Act (other than a registration statement on Form S-8 or otherwise relating to Equity Interests issued or issuable under any employee benefit plan).

"**Public Market**" means any time after:

(1) a Public Equity Offering of the IPO Entity has been consummated; and

(2) at least 20% of the total issued and shares of common stock or common equity interests of the IPO Entity has been distributed to investors other than the Permitted Holders or their Related Parties or any other direct or indirect shareholders of the Parent Guarantor as of the Issue Date.

"**Qualified Securitization Financing**" means any financing pursuant to which the Parent Guarantor or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person or grant a security interest in, any Securitization Assets (and related assets) in any aggregate principal amount equivalent to the Fair Market Value of such Securitization Assets (and related assets) of the Parent Guarantor or any of its Restricted Subsidiaries; *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Parent Guarantor's Board of Directors or senior management) at the time such financing is entered into, (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Parent Guarantor's Board of Directors or senior management) at the time such financing is entered into and (c) such financing shall be non-recourse to the Parent Guarantor or any of its Restricted Subsidiaries except to a limited extent customary for such transactions.

"**Rating Agencies**" means Moody's and S&P or, in the event Moody's or S&P no longer assigns a rating to the New Notes, any other "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) under the U.S. Exchange Act selected by the Parent Guarantor as a replacement agency.

"**Related Party**" means:

(1) any controlling stockholder, partner or member, or any 50% (or more) owned Subsidiary, or immediate family member (in the case of an individual), of any Equity Investor; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a 50% or more controlling interest of which consist of any one or more Equity Investors and/or such other Persons referred to in the immediately preceding clause.

"**Restricted Investment**" means an Investment other than a Permitted Investment.

"**Restricted Subsidiary**" means any Subsidiary of the Parent Guarantor that is not an Unrestricted Subsidiary.

"**S&P**" means Standard & Poor's Ratings Group.

"**Secured Indebtedness**" means Indebtedness that is secured by a Lien.

"**Securitization Assets**" means any accounts receivable, inventory, royalty or revenue streams from sales of inventory subject to a Qualified Securitization Financing.

"**Securitization Fees**" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not the Issuer or any of its Restricted Subsidiaries in connection with any Qualified Securitization Financing.

"**Securitization Repurchase Obligation**" means any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"**Senior Facilities**" means senior facilities agreement comprising a revolving credit facility and term loan B to be dated on or about the Issue Date, between, among others, the Parent Guarantor and Barclays Bank PLC as agent and the security agent, as amended, restated or otherwise modified or varied from time to time.

"**Significant Subsidiary**" means, at the date of determination, any Restricted Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (i) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Parent Guarantor or (ii) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Issuer.

"**Stated Maturity**" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subordinated Shareholder Debt**" means, collectively, any debt provided to the Parent Guarantor by any Parent Entity or any Permitted Holder or Related Party, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Debt; *provided* that such Subordinated Shareholder Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the Stated Maturity of the New Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the Stated Maturity of the New Notes;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the Stated Maturity of the New Notes;

(4) is not secured by a lien on any assets of the Parent Guarantor or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) pursuant to its terms is fully subordinated and junior in right of payment to the New Notes pursuant to subordination, payment blockage and enforcement limitation terms that are customary in all material respects for similar funding;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the New Notes or compliance by the Parent Guarantor with its obligations under the New Notes and the Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the date on which the New Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor,

provided, *however*, that any event or circumstance that results in such Indebtedness ceasing to qualify as Subordinated Shareholder Debt, such Indebtedness shall constitute an incurrence of such Indebtedness by the Parent Guarantor, and any and all Restricted Payments made through the use of the net proceeds from the incurrence of such Indebtedness since the date of the original issuance of such Subordinated Shareholder Debt shall constitute new Restricted Payments that are deemed to have been made after the date of the original issuance of such Subordinated Shareholder Debt.

"**Subsidiary**" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Subsidiary Guarantors**" means Swissport Cargo Services Belgium N.V., Swissport Canada Inc., Swissport Canada Fuel Services Inc., Swissport Canada Handling Inc., Swissport Canada Deicing Inc., Aguila Bid AG, Swissport Group Services GmbH, Swissport International Ltd., Swissport Cargo Services Deutschland GmbH, Swissport Germany Holding GmbH, Swissport Handling S.A.U., Swissport Holding Spain S.L., Swissport Ireland Limited, Cargo Service Center de Mexico S.A. de C.V., Swissport Mexico Holding S. De R.L.

De C.V., Swissport Amsterdam B.V., Swissport Cargo Services The Netherlands B.V., Swissport Holding B.V., Swissport Cargo Services East Africa B.V., Swissport Nederland B.V., Swissport Trinidad & Tobago Ltd., Flightcare Multiservices UK Limited, Servisair Group Ltd., Swissport GB Limited, Swissport Cargo Services UK Ltd., Swissport Fuelling Ltd., Swissport Ltd., Swissport UK Holding Ltd., Servisair Americas, LLC, Servisair Fuel Leasing Corporation, Swissport Cargo Services, Inc., Swissport Cargo Holdings, Inc, Swissport Fueling, Inc., Swissport North America Holdings, Inc., Swissport Holdings, Inc., Swissport North America, Inc., Swissport SA Fuel Services, LLC, Swissport SA, LLC, Swissport SA USA, LLC, Swissport USA, Inc., Swissport Kenya Limited and any other Subsidiary of the Issuer that executes a Guarantee in accordance with the provisions of the Indenture, and their respective successors and assigns, in each case, until the Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"**Tax**" means any tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and any other additions thereto, and, for the avoidance of doubt, including any withholding or deduction for or on account of Tax). "**Taxes**" and "**Taxation**" shall be construed to have corresponding meanings.

"**Total Assets**" means the consolidated total assets less, without duplication, goodwill of the Parent Guarantor and its Restricted Subsidiaries, as shown on the most recent balance sheet of Swissport Group S.à r.l. (excluding any assets or liabilities of Swissport Group S.à r.l., Swissport Investments S.à r.l and Aguila 2 S.à r.l) after giving effect to the Transactions.

"**Transactions**" means the exchange offer and the consent solicitation under the exchange offer memorandum, including the offering of the New Notes and the New Senior Secured Notes, the entry into the Credit Agreement and the Intercreditor Agreement, the related corporate reorganization and the related transactions.

"**Unrestricted Subsidiary**" of the Parent Guarantor means:

(1) Cargo Service Center Brazil S.A.T.A. Ltda., Swissport Brasil Ltda, Swissport Belgium NV, Swissport Cargo Services France, Swissport Israel Cargo Services Ltd, Swissport Saudi Arabia Ltd. and any Subsidiary of the Parent Guarantor that at the time of determination is an Unrestricted Subsidiary (as designated by the Board of Directors of the Parent Guarantor in the manner provided below); and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Board of Directors of the Parent Guarantor may designate any Subsidiary of such Parent Guarantor (including any newly acquired or newly formed Subsidiary or a company becoming a Subsidiary through merger, consolidation or other business combination transaction, or Investment therein) to be an Unrestricted Subsidiary only if:

(1) such Subsidiary or any of its Subsidiaries does not own any Capital Stock or Indebtedness of, or own or hold any Lien on any property of, the Parent Guarantor or any other Subsidiary of such Parent Guarantor which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(2) such designation and the Investment of such Parent Guarantor in such Subsidiary complies with "*Certain Covenants—Limitation on Restricted Payments*."

Any such designation by the Board of Directors of the Parent Guarantor shall be evidenced to the Trustee by filing with the Trustee a copy of the resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate certifying that such designation complies with the foregoing conditions.

"**Voting Stock**" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amounts of such Indebtedness.

BOOK-ENTRY, DELIVERY AND FORM

General

New Senior Secured Notes sold to QIBs in reliance on the exemption from registration provided by Section 4(a)(2) of the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "**Restricted Global Senior Secured Note**"). New Senior Secured Notes sold to non-U.S. persons outside the United States in compliance with Regulation S under the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "**Regulation S Global Senior Secured Note**").

New Senior Notes sold to QIBs in reliance on the exemption from registration provided by Section 4(a)(2) of the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "**Restricted Global Senior Note**" and, together with the Restricted Global Senior Secured Note, the "**Restricted Global Notes**"). New Senior Notes sold to non-U.S. persons outside the United States in compliance with Regulation S under the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "**Regulation S Global Senior Note**" and, together with the Regulation S Global Senior Secured Note, the "**Regulation S Global Notes**" and, together with the Restricted Global Notes, the "**Global Notes**"). The Global Notes will be deposited, on the closing date, with, or on behalf of, a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream, Luxembourg.

Ownership of interests in the Restricted Global Note ("**Restricted Book-Entry Interests**") and ownership of interests in the Regulation S Global Note (the "**Regulation S Book-Entry Interests**" and, together with the Restricted Book-Entry Interests, the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream, Luxembourg or persons that hold interests through such participants. Euroclear and Clearstream, Luxembourg will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Except under the limited circumstances described below, Book-Entry Interests will not be issued in definitive form.

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg and their participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of those securities in definitive form. The foregoing limitations may impair your ability to own, transfer or pledge Book-Entry Interests. In addition, while the New Notes are in global form, holders of Book-Entry Interests will not have the New Notes registered in their name, will not receive physical delivery of the New Notes in certificated form and will not be considered the registered owners or "holders" of Notes under the New Indenture for any purpose.

So long as the New Notes are held in global form, the common depositary for Euroclear and Clearstream, Luxembourg (or its nominee) will be considered the sole holder of the Global Notes for all purposes under the New Indenture. In addition, participants must rely on the procedures of Euroclear and Clearstream, Luxembourg, and indirect participants must rely on the procedures of Euroclear and Clearstream, Luxembourg and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders of Notes under the New Indenture.

None of us, the Principal Paying Agent, the Transfer Agent, the Registrar, the Security Agent or the Trustee (or any of our or their respective agents) will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Definitive Registered Notes

Under the terms of each of the New Indentures, owners of the Book-Entry Interests will receive definitive registered notes in certificated form ("**Definitive Registered Notes**") only:

(1) if either Euroclear or Clearstream, Luxembourg notifies us that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by the New Issuer within 120 days; or

(2) if the owner of a Book-Entry Interest requests such exchange in writing delivered through Euroclear or Clearstream, Luxembourg following an Event of Default under the New Indenture and enforcement action is being taken in respect thereof under the New Indenture.

In such an event, the New Issuer will issue Definitive Registered Notes, registered in the name or names of the owner of the principal and interest payable thereon and issued in any approved denominations, requested by or on behalf of Euroclear, Clearstream, Luxembourg or us, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend as provided in the New Indentures, unless that legend is not required by the New Indentures or applicable law. Thereafter, the New Issuer shall cause to be kept at the office of the Registrar, a register (the "**Register**") on which shall be entered, inter alia, the name and address of the beneficial owner of the principal and stated interest of the Definitive Registered Notes, the amount and type of the Definitive Registered Notes held by each noteholder, and particulars of all transfers of title to the Definitive Registered Notes. Title to the Definitive Registered Notes will pass upon registration of transfers in the Register and surrender. The entries in the Register shall be conclusive absent manifest error and, except as ordered by a court of competent jurisdiction or as required by law, the registered holder of any Definitive Registered Note whose name is recorded in the Register pursuant to the Terms and Conditions shall be deemed to be and may be treated as the absolute owner for purposes of payment of principal and interest on such Definitive Registered Notes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the registered holder. The New Issuer will also maintain a register at its registered office. In case of any inconsistency between the Register and the register held at the registered office of the New Issuer, the register at the registered office of the New Issuer will prevail.

To the extent permitted by law, we, the Trustee, the Security Agent, the Principal Paying Agent, the Transfer Agent and the Registrar shall be entitled to treat the registered holder of any Global Note as the absolute owner thereof and no person will be liable for treating the registered holder as such. Ownership of the Global Notes will be evidenced through registration from time to time at the registered office of the New Issuer, and such registration is a means of evidencing title to the New Notes.

We will not impose any fees or other charges in respect of the New Notes; however, owners of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream, Luxembourg.

Redemption of the Global Notes

In the event that any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream, Luxembourg, as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by them in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and Clearstream, Luxembourg, as applicable, in connection with the redemption of such Global Note (or any portion thereof). We understand that, under the existing practices of Euroclear and Clearstream, Luxembourg, if fewer than all of the New Notes are to be redeemed at any time, Euroclear and Clearstream, Luxembourg will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions), by lot or on such other basis as they deem fair and appropriate (including the pool factor).

Payments on Global Notes

We will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, interest and additional amounts, if any) to the Principal Paying Agent for onward payment to Euroclear and Clearstream, Luxembourg. Euroclear or Clearstream, Luxembourg will distribute such payments to participants in accordance with their customary procedures. We will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "*Description of the New Senior Secured Notes—Additional Amounts*" and "*Description of the New Senior Notes—Additional Amounts*." If any such deduction or withholding is required to be made, then, to the extent described under "Description of the New Senior Secured Notes—Additional Amounts" and "Description of the New Senior Notes—Additional Amounts," we will pay additional amounts as may be necessary in order for the net amounts received by any holder of the Global Notes or owner of Book-Entry Interests after such deduction or withholding will equal the net amounts that such holder or owner would have otherwise received in respect of such Global Note or Book-Entry Interest, as the case may be, absent such withholding or deduction. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of each of the New Indentures, we, the Trustee, the Security Agent, the Transfer Agent, the Registrar and the Principal Paying Agent will treat the registered holders of the Global Notes (i.e., the common depositary for Euroclear and Clearstream, Luxembourg (or its nominee)) as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, none of us, the Trustee, the Security Agent, the Principal Paying Agent, the Transfer Agent, the Registrar or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream, Luxembourg or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest, for any such payments made by Euroclear or Clearstream, Luxembourg or any participant or indirect participant or for maintaining, supervising or reviewing the records of Euroclear or Clearstream, Luxembourg or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest;
- any other matters relating to the actions and practices of Euroclear, Clearstream, Luxembourg or any participant or indirect participant; or
- the records of the common depositary.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants.

Payments on Definitive Registered Notes

Payments of principal in respect of each Definitive Registered Note will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Definitive Registered Note at the specified office of the Registrar. Such payments will be made by transfer to the designated account of the holder (or the first named of joint holders) of the Definitive Registered Note appearing in the Register.

Currency of Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Notes will be paid to holders of interests to such Notes through Euroclear and/or Clearstream, Luxembourg in euros.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream, Luxembourg have advised us that they will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream, Luxembourg will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the New Indentures, Euroclear and Clearstream, Luxembourg, at the request of the holders of Book-Entry Interests in the New Notes, reserve the right to exchange the Global Notes for Definitive Registered Notes and to distribute such Definitive Registered Notes to their respective participants.

Transfers

Transfers of Book-Entry Interests in a Global Note between participants in Euroclear or Clearstream, Luxembourg will be effected in accordance with Euroclear and Clearstream, Luxembourg's rules and will be settled in immediately available funds. If a holder of Notes requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states which require physical delivery of such securities or to pledge such securities, such holder of Notes must transfer its interests in the Global Notes in accordance with the normal procedures of Euroclear and Clearstream, Luxembourg and in accordance with the procedures set forth in each of the New Indentures.

The Global Notes will bear a legend to the effect set forth under "*Notice to Investors*." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under "*Notice to Investors*."

Through and including the 40th day after the later of the commencement of the offering of the New Notes and the closing of the offering (the "**Distribution Compliance Period**"), Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of a Restricted Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in each of the New Indentures) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Notice to Investors*" and in accordance with any applicable securities laws of any other jurisdiction.

After the expiration of the Distribution Compliance Period, beneficial interests in a Regulation S Global Note may be transferred to a person who takes delivery in the form of a beneficial interest in the Restricted Global Note without compliance with these certification requirements.

Restricted Book-Entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the New Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the U.S. Securities Act or any other exemption (if available under the U.S. Securities Act).

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Restricted Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Restricted Global Note.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only as described under "*Description of the New Senior Secured Notes—Transfer and Exchange*" and "*Description of the New Senior Notes—Transfer and Exchange*" and, if required, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the New Indentures) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Notice to Investors*."

Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first mentioned Global Note and become a Book-Entry Interest in such other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

A Definitive Registered Note may be transferred by the transferor or a person duly authorized on behalf of the transferor (i) surrendering the Registered Note, and (ii) depositing at the specified office of the Registrar a duly completed transfer certificate signed by or on behalf of the transferor. The Registrar shall, after due and careful enquiry, and upon being satisfied with the documents of title and the identity of the person making the request enter the name of the transferee of the Definitive Registered Notes in the Register as the noteholder of the Definitive Registered Notes.

Information Concerning Euroclear and Clearstream, Luxembourg

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, Luxembourg, as applicable. We have provided the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of the settlement system are controlled by the settlement system and may be changed at any time. None of the New Issuer, the Dealer Managers, the Trustee, the Security Agent, the Transfer Agent, the Registrar, or the Principal Paying Agent is responsible for those operations or procedures.

We understand as follows with respect to Euroclear and Clearstream, Luxembourg: Euroclear and Clearstream, Luxembourg hold securities for participating organizations. They facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg interface with domestic securities markets. Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream, Luxembourg is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear and Clearstream, Luxembourg participant, either directly or indirectly.

Because Euroclear and Clearstream, Luxembourg can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear and/or Clearstream, Luxembourg system, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream, Luxembourg systems will receive distributions attributable to the 144A Global Notes only through Euroclear or Clearstream, Luxembourg participants.

Global Clearance and Settlement Under the Book-Entry System

The New Notes represented by the Global Notes are expected to be listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market thereof. Transfers of interests in the Global Notes between participants in Euroclear or Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective system's rules and operating procedures.

Although Euroclear and Clearstream, Luxembourg currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the New Issuer, the Dealer Managers, the Trustee, the Security Agent, the Transfer Agent, the Registrar or the Principal Paying Agent will have any responsibility for the performance by Euroclear, Clearstream, Luxembourg or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the New Notes will be made in euros. Book-Entry Interests owned through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream, Luxembourg holders on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The Book-Entry Interests will trade through participants of Euroclear and Clearstream, Luxembourg and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Enforcement

For the purposes of enforcement of the provisions of the New Indenture against the Trustee, the persons named in a certificate of the holder of the New Notes in respect of which a Global Note is issued shall be recognized as the beneficiaries of the trusts set out in the New Indenture to the extent of the principal amounts of their interests in the New Notes set out in the certificate of the holder, as if they were themselves the holders of Notes in such principal amounts.

CERTAIN TAX CONSIDERATIONS

The Proposed Financial Transactions Tax ("FTT")

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). In December 2015, Estonia withdrew from the group of states willing to introduce the FTT.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the New Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the New Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the New Notes are advised to seek their own professional advice in relation to the FTT.

Certain General Luxembourg Tax Considerations in Relation to the Holding of New Notes

Luxembourg Withholding Tax

The statements herein are in relation to withholding tax considerations in Luxembourg only, are based on the laws in force in the Grand Duchy of Luxembourg as of the date of these Listing Particulars and are subject to any changes in law.

The following information is of a general nature, is not intended to be, nor should it be construed to be, legal or tax advice, and does not purport to be a comprehensive description of all the Luxembourg tax considerations which may be relevant to a decision to purchase, own or dispose of the New Notes. Prospective investors in the New Notes should therefore consult their own professional advisors as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject as a result of the purchase, ownership and disposition of the New Notes.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of similar nature refers to Luxembourg tax law and/or concepts only.

Non-resident holders of New Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of New Notes, nor on accrued but unpaid interest in respect of the New Notes, nor is any Luxembourg withholding tax payable upon settlement, repurchase or exchange of the New Notes held by non-resident holders of New Notes.

Resident holders of New Notes

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005 as amended (the "**Law**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of New Notes, nor on accrued but unpaid interest in respect of New Notes, nor is any Luxembourg withholding tax payable upon settlement, repurchase or exchange of New Notes held by Luxembourg resident holders of New Notes.

Under the Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg are subject to a withholding tax of 20 percent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest or similar income under the New Notes coming within the scope of the Law will be subject to withholding tax of 20 percent.

Registration Duty

In principle, neither the issuance of the New Notes, nor the disposal of the New Notes is subject to Luxembourg registration or stamp duty.

However, a registration duty may be due in the case where (i) the deed acknowledging the issuance/disposal of the New Notes or the New Indentures governing the New Notes and any other document in connection therewith is either attached (*annexé*) to a deed subject to mandatory registration in Luxembourg (e.g. public deed) or lodged with a notary's records (*déposé au rang des minutes d'un notaire*), or in case of registration of such a deed or the New Indentures governing the New Notes or any other document in connection therewith on a voluntary basis. If case of any such registration, either a nominal registration duty or an ad valorem duty (for instance, 0.24 percent of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered and the obligations contained therein. No *ad valorem* duty is payable in respect of security interests issued by a Luxembourg issuer and subject to the Luxembourg law of August 5, 2005 on financial collateral arrangements.

In the case of their submission for registration in Luxembourg (e.g., in the case of legal proceedings), the Luxembourg courts or the official Luxembourg authority may require that the New Notes, the New Indentures governing the New Notes and any other document in connection therewith, or any judgment obtained in a foreign court, be translated into French or German.

United States Federal Income Tax Considerations for U.S. Holders

The following is a summary of certain U.S. federal income tax consequences of the ownership and disposition of the New Notes. This discussion applies only to New Notes held as capital assets by U.S. Holders (as defined below) that acquired the New Notes pursuant to the Exchange Offer. This summary is for general information purposes only and does not address all aspects of U.S. federal income tax and does not deal with all tax considerations that may be relevant to U.S. Holders in light of their personal circumstances. Therefore, this summary is not intended to be, and should not be construed as, legal or tax advice with respect to any holder. This summary also does not address any federal estate and gift tax or any state, local or non-U.S. tax consequences. Holders should consult their own tax advisors regarding the U.S. federal, state and local, and non-U.S. tax consequences of the ownership and disposition of the New Notes.

This summary does not address special situations, such as:

- tax consequences to holders that may be subject to special tax treatment, such as dealers in securities or currencies, financial institutions, regulated investment companies, real estate investment trusts, tax-exempt entities, insurance companies, traders in securities that elect to use a mark-to-market method of accounting for their securities, U.S. expatriates or former citizens or long-term residents of the United States;
- tax consequences to persons holding New Notes as a part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- tax consequences to U.S. Holders (as defined below) whose "functional currency" is not the U.S. dollar;
- tax consequences to holders treated as partnerships or other pass-through entities or arrangements, "controlled foreign corporations" or "passive foreign investment companies" or investors in such entities;
- the Medicare tax on certain net investment income; and
- alternative minimum tax consequences, if any.

The summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "**Code**"), and U.S. Treasury Regulations (the "**Regulations**"), rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below. Neither the Existing Issuer nor the New Issuer has sought any ruling from the U.S. Internal Revenue Service (the "**IRS**"), nor has either sought an opinion from counsel with respect to the statements made and the conclusions reached in the following summary. There can be no assurance that the IRS will agree with these statements and conclusions, nor is there any assurance that such statements and conclusions will be sustained by a court if challenged by the IRS.

For purposes of this discussion, the term "**U.S. Holder**" means a beneficial owner of the New Notes that is (i) an individual who is a citizen or resident of the United States for U.S. federal income tax purposes; (ii) a corporation (or any other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust (a) if a court within the United States can exercise primary supervision over its administration, and one or more U.S. persons have the authority to control all of the substantial decisions of that trust, or (b) that has a valid election in effect under applicable Regulations to be treated as a U.S. person.

If a pass-through entity, including a partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes, is a beneficial owner of the New Notes, the U.S. federal income tax treatment of an owner or partner generally will depend upon the status of such owner or partner and upon the activities of the pass-through entity. Owners or partners of a pass-through entity that is a beneficial owner of the New Notes should consult their own tax advisors as to the U.S. federal, state, local and non-U.S. income and other tax consequences of the ownership and disposition of the New Notes.

Tax Treatment of the New Notes

Payments of Stated Interest

Payments of stated interest on the New Notes (including any non-U.S. tax withheld on such payments) generally will be taxable to a U.S. Holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes.

A cash basis U.S. Holder will realize interest income equal to the U.S. dollar value of the interest payment, based on the spot rate of exchange on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. A cash basis U.S. Holder will not realize exchange gain or loss on the receipt of the interest income, but may recognize exchange gain or loss upon the actual disposition of the euros so received.

An accrual method U.S. Holder will accrue interest income on the New Notes in euros and translate that amount into U.S. dollars at the average spot rate of exchange in effect during the interest accrual period (or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the U.S. Holder's taxable year). Alternatively, an accrual basis U.S. Holder may make an election (which must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS) to translate accrued interest income at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year in the case of a partial accrual period), or at the spot rate of exchange on the date of receipt, if that date is within five business days of the last day of the accrual period. An accrual method U.S. Holder generally will realize exchange gain or loss with respect to accrued interest income on the date the interest payment is received. The amount of exchange gain or loss to be recognized by the U.S. Holder will be an amount equal to the difference, if any, between the U.S. dollar value of the interest payment received (determined on the basis of the spot rate of exchange on the date the interest income is received) in respect of the accrual period and the U.S. dollar value of the date the interest income is received) in respect of the accrual period and the U.S. dollar value of the interest income that has accrued during the accrual period (as determined above), regardless of whether the payment is in fact converted into U.S. dollars at that time. This exchange gain or loss generally will be treated as U.S. source ordinary income or loss, and generally will not be treated as an adjustment to interest income or expense.

Foreign Tax Credit

Interest income on a New Note (including any amounts withheld and any Additional Amounts paid in respect of withholding taxes imposed on payments on the New Notes) generally will constitute foreign source income and generally will be considered "passive category income" or, in the case of certain U.S. Holders, "general category income" in computing the foreign tax credit allowable to U.S. Holders under U.S. federal income tax laws. Any non-U.S. withholding tax paid by a U.S. Holder at a rate applicable to such holder may be eligible for foreign tax credits (or deduction in lieu of such credits) for U.S. federal income tax purposes, subject to applicable limitations. The calculation of foreign tax credits involves the application of complex rules that depend on a U.S. Holder's particular circumstances. U.S. Holders should consult their independent tax advisors regarding the availability of foreign tax credits.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of New Notes

Generally, upon the sale, exchange, redemption, retirement or other taxable disposition of a New Note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the disposition (less any amount attributable to accrued but unpaid interest, which will be taxable as such to the extent not previously included in income) and such U.S. Holder's adjusted tax basis in the New Note.

A U.S. Holder's adjusted tax basis in a New Note generally will equal the U.S. Holder's adjusted tax basis in the Existing Note immediately before the exchange of the New Note for the Existing Note, and such adjusted basis of the Existing Note generally will be the cost of the Existing Note to such U.S. holder. The cost of an Existing Note purchased with euros will be the U.S. dollar value of the euros purchase price on the date of purchase, calculated at the spot rate of exchange in effect on that date. The amount realized generally will equal the amount of any cash plus the fair market value of any property received in exchange for the New Notes, translated into U.S. dollars at the spot rate of exchange on the date of disposition. If the New Notes are traded on an established securities market, a cash method taxpayer and an electing accrual method taxpayer will determine the U.S. dollar value of the amount realized by translating that amount at the spot rate of exchange on the settlement date of the sale or other taxable disposition. If an accrual method taxpayer makes this election, the election must be applied consistently by the taxpayer to all debt instruments from year to year and once made cannot be revoked without the consent of the IRS.

Gain or loss realized by a U.S. Holder upon the sale, exchange, redemption, retirement or other taxable disposition of a New Note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss which will not be treated as interest income or expense. Such gain or loss generally will be equal to the difference between the U.S. dollar value of the U.S. Holder's purchase price of the Existing Note in euros determined on the date of the sale, exchange, redemption, retirement or other taxable disposition (or on the settlement date, if the New Notes are traded on an established securities market and the holder is either a cash basis U.S. Holder or an electing accrual basis U.S. Holder), and the U.S. dollar value of the U.S. Holder's purchase price of the Existing Note in euros determined on the date the U.S. Holder acquired the Existing Note. The amount of foreign exchange gain or loss upon a sale, exchange, redemption, retirement or other taxable disposition will be realized by a U.S. Holder only to the extent of the total gain or loss realized by the U.S. Holder on the sale, exchange, redemption, retirement or other taxable disposition of the New Note, and generally will be treated as U.S. source for U.S. foreign tax credit limitation purposes.

Any gain or loss recognized by a U.S. Holder not attributable to foreign currency gain or loss recognized on the sale, exchange, redemption, retirement or other taxable disposition of a New Note generally will be U.S. source capital gain or loss and will be long term capital gain or loss if the U.S. Holder's aggregate holding period for the Existing Note and the New Note is more than one year at the time of the sale, exchange, redemption, retirement or other taxable disposition. In the case of an individual U.S. Holder, any such gain is currently subject to preferential U.S. federal income tax rates if that U.S. Holder satisfies certain prescribed minimum holding periods. The deductibility of capital losses is subject to limitation. U.S. Holders should consult their tax advisors as to the foreign tax credit implications of the sale, exchange, redemption, retirement or other taxable disposition of the New Notes.

Exchange of Foreign Currencies

A U.S. Holder of a New Note will receive euros in payment for interest and principal. The tax basis of any euros received by a U.S. Holder generally will equal the U.S. dollar equivalent of such euros at the spot rate of exchange on the date the euros are received. Any exchange gain or loss realized by a U.S. Holder on a sale, exchange, redemption, retirement or other disposition of euros, including their exchange for U.S. dollars, generally will be treated as U.S. source ordinary income or loss.

Information Regarding Foreign Financial Assets and Tax Return Disclosure Requirement

Individuals that own "specified foreign financial assets" with an aggregate value in excess of certain thresholds generally are required to file an information report (IRS Form 8938) with respect to such assets with their tax returns. "Specified foreign financial assets" include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in financial accounts maintained by certain financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties, and (iii) interests in foreign entities. The New Notes may be subject to these rules. Persons required to file U.S. tax returns that are individuals are urged to consult their tax advisors regarding the application of this requirement to their ownership of the New Notes.

Under certain circumstances, an entity may be treated as an individual for purposes of the foregoing rules.

Reportable Transactions

A U.S. Holder that recognizes exchange loss with respect to the New Notes may be required to report the loss on IRS Form 8886 (Reportable Transaction Disclosure Statement) if the loss exceeds the thresholds set forth in the Regulations. For individuals and trusts, this loss threshold is US$50,000 in any single year. For other types of taxpayers and other types of losses, the thresholds are higher. Prospective investors are urged to consult their own tax advisors regarding the application of these rules to the acquisition, holding or disposition of the New Notes.

Backup Withholding and Related Information Reporting Requirements

In general, payments of interest and the proceeds from sales or other dispositions (including retirements or redemptions) of New Notes held by a U.S. Holder may be required to be reported to the IRS unless the U.S. Holder is an exempt recipient and, when required, demonstrates this fact. In addition, a U.S. Holder that is not an exempt recipient may be subject to backup withholding unless it provides a taxpayer identification number and otherwise complies with applicable certification requirements.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the appropriate information is timely furnished to the IRS.

FATCA

FATCA imposes a reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, and (ii) possibly, beginning in 2019 at the earliest, pursuant to rules not yet finalized, "foreign passthru payments" made by certain participating non-U.S. financial institutions to certain non-U.S. financial institutions that do not comply with FATCA, and certain payees that do not provide information sufficient to establish compliance with, or an exemption from, FATCA withholding. Obligations issued on or prior to the date that is six months after the applicable final regulations defining "foreign passthru payments" are filed generally would be "grandfathered" unless materially modified after such date. The New Issuer expects to be classified as a non-financial, non-U.S. entity.

Investors should consult their own tax advisor to obtain a more detailed explanation of FATCA and how FATCA may affect them.

CERTAIN ERISA CONSIDERATIONS

General

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain requirements on employee benefit plans subject to Title I of ERISA and on entities that are deemed to hold the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including, but not limited to, the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the plan.

Non-U.S. plans, governmental plans and certain church plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and Section 4975 of the Code, may nevertheless be subject to non-U.S., state, local or other federal laws or regulations that are substantially similar to the foregoing provisions of ERISA and the Code ("**Similar Law**"). Fiduciaries of any such plans should consult with their counsel before purchasing the New Notes to determine the need for, and the availability, if necessary, of any exemptive relief under any such law or regulations.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "**Plans**")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code.

Any Plan fiduciary which proposes to cause a Plan to purchase the New Notes should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such purchase and holding will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

The fiduciary of a Plan that proposes to purchase and hold any New Notes should consider, among other things, whether such purchase and holding may involve a prohibited transaction, including without limitation (i) the direct or indirect extension of credit to a party in interest or a disqualified person, (ii) the sale or exchange of any property between a Plan and a party in interest or a disqualified person, or (iii) the transfer to, or use by or for the benefit of, a party in interest or disqualified person, of any Plan assets. Such parties in interest or disqualified persons could include, without limitation, the New Issuer, the New Guarantors, the underwriters, Trustee, the agents, the lenders under the New Issuer's existing Revolving Credit Facility or any of their respective affiliates. Certain exemptions from the prohibited transaction rules could be applicable to the purchase and holding of Notes by a Plan depending on the type and circumstances of the fiduciary making the decision to acquire such Notes and the relationship of the party in interest or disqualified person to the Plan. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code for certain transactions between a Plan and non-fiduciary service providers to the Plan. In addition, the U.S. Department of Labor has issued certain administrative prohibited transaction exemptions that may apply to the purchase and holding of Notes, including Prohibited Transaction Class Exemption ("PTCE") 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to investments by insurance company pooled separate accounts), PTCE 91-38 (relating to investments by bank collective investment funds), PTCE 95-60 (relating to investments by insurance company general accounts) or PTCE 96-23 (relating to transactions directed by an in-house asset manager) (collectively, the "Class Exemptions"). However, there can be no assurance that any of these Class Exemptions or any other exemption will be available with respect to any particular transaction involving the New Notes.

By its purchase of any New Note, the purchaser thereof will be deemed to have represented and warranted that either:

(1) no assets of a Plan or non-U.S., governmental or church plan have been used to acquire such New Notes or an interest therein; or

(2) the purchase and holding of such New Notes or an interest therein by such person do not constitute a non-exempt prohibited transaction under ERISA or the Code or violation of Similar Law.

Each Plan fiduciary (and each fiduciary for non-U.S. governmental or church plans subject to Similar Law) should consult with its legal advisor concerning the potential consequences to the plan under ERISA, the Code or such Similar Laws of an investment in the New Notes.

Each prospective purchaser and transferee that is or represents a Plan will further be deemed to represent (i) that it is represented by an "independent fiduciary with financial expertise" (within the meaning of 29 C.F.R. Section 2510.3-21(c)(1)(i)), that (ii) the independent fiduciary is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies, (iii) that none of the Existing Issuer, the New Issuer or the New Guarantors, is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the purchase or holding of the New Notes, and has fairly informed the independent fiduciary of the existence and nature of their financial interests in the transaction, and (iv) the independent fiduciary is a fiduciary under ERISA or Section 4975 of the Code, or both, with respect to the purchase or holding of the New Notes and is responsible for exercising independent judgment in evaluating the transaction.

THE DEALER MANAGERS

The Existing Issuer has retained Barclays Bank PLC and J.P. Morgan Securities plc as Dealer Managers in connection with the Exchange Offer. The Existing Issuer has agreed to pay the Dealer Managers a fee for their services in connection with the Exchange Offer. The Existing Issuer has agreed to indemnify the Dealer Managers and certain related persons against certain liabilities and expenses in connection with the Exchange Offer. In the ordinary course of their business, each of the Dealer Managers or their affiliates may trade the debt or equity securities or other financial instruments, including the New Notes for its own accounts, or for the accounts of its customers, and accordingly, may hold a long or short position in the New Notes.

The Dealer Managers or their respective affiliates from time to time have provided in the past and may provide in the future investment banking, financial advisory and commercial banking services to us and our affiliates in the ordinary course of business for which they have received or may receive customary fees and commissions. The Dealer Managers or their respective affiliates that have a lending relationship with us may hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Dealer Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities (including potentially the Existing Notes and the New Notes). Any such short positions could adversely affect future trading prices of the Existing Notes and the New Notes. The Dealer Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities of financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Dealer Managers or certain of their affiliates are lenders under our Credit Agreement. Barclays Bank PLC acts as agent and security agent thereunder. In connection therewith, such Dealer Managers and/or certain of their affiliates have received customary fees and commissions.

The Dealer Managers do not assume any responsibility for the accuracy or completeness of the information contained in these Listing Particulars or for any failure to disclose events that may have occurred and may affect the significance or accuracy of such information.

NOTICE TO INVESTORS

The New Notes have not been, and will not be, registered under the U.S. Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, New Securities are being offered and will be issued only to Eligible Holders that are either (i) QIBs in reliance on the exemption from registration provided by Section 4(a)(2) of the U.S. Securities Act, or (ii) non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the New Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than pursuant to an exemption from the registration requirements of the U.S. Securities Act.

Each purchaser of New Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with us and the Dealer Managers as follows:

(1) You understand and acknowledge that the New Notes have not been registered under the U.S. Securities Act or any applicable state securities law, are being offered in transactions not requiring registration under the U.S. Securities Act or any state securities law, including sales pursuant to Section 4(a)(2) of the U.S. Securities Act, and may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any applicable state securities law, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (5) and (6) below.

(2) You are not an "affiliate" (as defined in Rule 144 under the U.S. Securities Act) of the New Issuer or acting on behalf of the New Issuer and you are either:

  (i) a QIB and are aware that any sale of New Notes to you will be made in reliance on the exemption from registration provided by Section 4(a)(2) of the U.S. Securities Act, and the acquisition of New Notes will be for your own account or for the account of another QIB; or

  (ii) a non-U.S. person purchasing the New Notes outside the United States in an offshore transaction in accordance with Regulation S.

(3) You acknowledge that neither we nor the Dealer Managers, nor any person representing us or the Dealer Managers, have made any representation to you with respect to the offering or sale of any New Notes, other than the information contained in these Listing Particulars, which Listing Particulars have been delivered to it and upon which are relying in making your investment decision with respect to the New Notes. You acknowledge that neither the Dealer Managers nor any person representing the Dealer Managers makes any representation or warranty as to the accuracy or completeness of the information contained in these Listing Particulars. It also has had access to such financial and other information concerning us and the New Notes have deemed necessary in connection with your decision to purchase any of the New Notes.

(4) You are purchasing the New Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state securities laws, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and subject to your or their ability to resell such New Notes pursuant to an available exemption from registration under the U.S. Securities Act.

(5) You agree on your own behalf and on behalf of any investor account for which you are purchasing the New Notes, and each subsequent holder of the New Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such New Notes prior to the date (the "**Resale Restriction Termination Date**") that is, in the case of the Restricted Global Notes, one year after the later of the Settlement Date and the last date on which we or any of our affiliates was the owner of such New Notes (or any predecessor thereto) or, in the case of the Regulation S Notes, 40 days after the later of the original issue date and the last date on which the New Notes were first offered to persons other than "distributors" (as defined in Rule 902 of Regulation S), only (i) to us, (ii) pursuant to a registration statement that has been declared effective under the U.S. Securities Act, (iii) for so long as the New

Notes are eligible for resale pursuant to Rule 144A, to a person you reasonably believe is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A, (iv) pursuant to offers and sales that occur outside the United States in compliance with Regulation S, or (v) pursuant to any other available exemption from the registration requirements of the U.S. Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and in compliance with any applicable state securities laws and any applicable local laws and regulations, and further subject to the New Issuer's and the Trustee's rights prior to any such offer, sale or transfer pursuant to clause (iv) or (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them. Each purchaser acknowledges that each New Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, (THE "**U.S. SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE RESALE RESTRICTION TERMINATION DATE, WHICH IS [*IN THE CASE OF REGULATION S NOTES:* 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF THE REGULATION S)] [*IN THE CASE OF RESTRICTED GLOBAL NOTES:* ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY)], ONLY (A) TO THE ISSUER OR THE GUARANTORS, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT ("**RULE 144A**"), TO A PERSON IT REASONABLY BELIEVES IS A "**QUALIFIED INSTITUTIONAL BUYER**" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT, OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.

(6) You agree that you will give to each person to whom you transfer the New Notes notice of any restrictions on transfer of such New Notes.

(7) You acknowledge that until 40 days after the commencement of the offering, any offer or sale of the New Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the U.S. Securities Act.

(8) You acknowledge that the Trustee will not be required to accept for registration of transfer any New Notes except upon presentation of evidence satisfactory to us and the Trustee that the restrictions set out therein have been complied with.

(9) You acknowledge that we, the Dealer Managers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deem to have been made by its purchase of the New Notes is no longer accurate, it will promptly notify the Dealer Managers. If you are acquiring any New Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each such investor account and that you have full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

(10) You understand that no action has been taken in any jurisdiction (including the United States) by the New Issuer, the New Guarantors or the Dealer Managers that would result in a public offering of the New Notes or the possession, circulation or distribution of these Listing Particulars or any other material relating to us or the New Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the New Notes will be subject to the selling restrictions set out under "*Selling Restrictions*."

LEGAL MATTERS

Certain legal matters in connection with the New Notes will be passed upon for us by Hogan Lovells International LLP, as to matters of United States federal and New York law, English law and Luxembourg Law and by Homburger AG, as to matters of Swiss law. Certain legal matters in connection with the New Notes will be passed upon for the Dealer Managers by Shearman & Sterling (London) LLP, as to certain matters relating to the validity of the New Notes and as to matters of English law, by Linklaters LLP, as to matters of Luxembourg law, and by Pestalozzi Attorneys at Law Ltd, as to matters of Swiss law.

INDEPENDENT AUDITORS

The consolidated financial statements of the New Issuer (formerly Aguila 3 S.A.) as of and for the years ended December 31, 2014 and 2015, the consolidated balance sheet of the Swissport Parent Entity as of December 31, 2016, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Swissport Parent Entity for the period from November 4, 2015 (date of incorporation) to December 31, 2016 and the annual accounts of the New Issuer (formerly Aguila 3 S.A.) for the financial year ended December 31, 2016, each of which is included in these Listing Particulars, have been audited by KPMG Luxembourg, Société coopérative, with registered office at 39, Avenue John F. Kennedy, L-1855 Luxembourg, independent auditors, as stated in their reports appearing herein.

AVAILABLE INFORMATION

Each purchaser of New Notes from a Dealer Manager will be furnished a copy of these Listing Particulars and any related amendments or supplements to these Listing Particulars. Each person receiving these Listing Particulars and any related amendments or supplements to these Listing Particulars acknowledges that:

(1) such person has been afforded an opportunity to request from the New Issuer and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;

(2) such person has not relied on the Dealer Managers or any person affiliated with the Dealer Managers in connection with its investigation of the accuracy of such information or its investment decision; and

(3) except as provided pursuant to clause (1) above, no person has been authorized to give any information or to make any representation concerning the New Notes and the related New Guarantees other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by any of the New Issuer or the Dealer Managers.

For so long as any of the New Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the New Issuer will, during any period in which it is not subject to Section 13 or 15(d) under the U.S. Exchange Act, nor exempt from reporting thereunder pursuant to Rule 12g3-2(b), make available to any holder or beneficial holder of a New Note, or to any prospective purchaser of a New Note designated by such holder or beneficial holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the U.S. Securities Act upon the written request of any such holder or beneficial owner.

The New Issuer is not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act. However, pursuant to the New Indentures governing the New Notes and so long as the New Notes are outstanding, the New Issuer will, upon request by a holder of the New Notes, furnish to such holder or beneficial owner or to the Trustee or any relevant paying agent for delivery to such holder or beneficial owner or prospective purchaser of the New Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act, to permit compliance with Rule 144A thereunder in connection with resales of the New Notes. Any such request should be directed to us at Flughofstrasse 55, 8152 Opfikon, Zurich, Switzerland. See "*Description of the New Senior Secured Notes—Certain Covenants—Reports*" and "*Description of the New Senior Notes—Certain Covenants—Reports*."

Upon request, the New Issuer will provide you with copies of the New Indentures and the form of the New Notes. You may request copies of such document by contacting the New Issuer at its registered address.

LISTING AND GENERAL INFORMATION

Listing

Application has been made to list the New Notes on the Official List of the Luxembourg Stock Exchange and to admit the New Notes to trading on the Euro MTF Market thereof.

For so long as the New Notes are listed on the Luxembourg Stock Exchange and the rules and regulations of that exchange so require, copies of the following documents may be physically inspected and obtained at the registered office of the New Issuer in Luxembourg during normal business hours on any weekday:

- the New Issuer's organizational documents and each entity that is from time-to-time a guarantor of the New Notes;
- the Swissport Parent Entity's most recent audited consolidated financial statements and any unaudited interim financial statements published by the Swissport Parent Entity;
- the New Issuer's most recent audited financial statements published by the New Issuer;
- the New Indentures (which include the form of the New Notes); and
- the Security Documents (From the date that the same are entered into); and
- the Intercreditor Agreement.

Application may be made to the Luxembourg Stock Exchange to have the New Notes removed from the Official List of the Luxembourg Stock Exchange and withdrawn from trading on the Euro MTF Market thereof, including if necessary to avoid any new withholding taxes in connection with the listing.

Security Codes

The New Senior Secured Notes sold pursuant to Regulation S and Section 4(a)(2) of the U.S. Securities Act have been accepted for clearing and settlement through the facilities of Clearstream, Luxembourg and Euroclear under common codes 164460479 and 164460495, respectively. The international securities identification number (the "**ISIN**") for the New Senior Secured Notes sold pursuant to Regulation S is XS1644604792 and the ISIN for the New Senior Secured Notes sold pursuant to Section 4(a)(2) of the U.S. Securities Act is XS1644604958.

The New Senior Notes sold pursuant to Regulation S and Section 4(a)(2) of the U.S. Securities Act have been accepted for clearing and settlement through the facilities of Clearstream, Luxembourg and Euroclear under common codes 164460517 and 164460525, respectively. The ISIN for the New Senior Notes sold pursuant to Regulation S is XS1644605179 and the ISIN for the New Senior Notes sold pursuant to Section 4(a)(2) of the U.S. Securities Act is XS1644605252.

The New Parent Guarantor

The New Parent Guarantor was incorporated before a civil notary in Luxembourg on July 7, 2017. The registered office of the New Parent Guarantor is at 9, Allée Scheffer, L-2520, Luxembourg, Grand Duchy of Luxembourg. The New Parent Guarantor's articles of association have been filed with the *Registre de Commerce et des Sociétés* in Luxembourg, where such document may be examined and copies thereof obtained. The articles of association of the New Parent Guarantor have not yet been published in the *Recueil Electronique des Sociétés et Associations*. The New Parent Guarantor has no establishment or branch in or outside of Luxembourg.

Corporate Objects

Article 4 of the articles of association of the New Parent Guarantor sets out the corporate object of the New Parent Guarantor as follows:

The corporate object of the New Parent Guarantor is the direct and indirect acquisition and holding of stakes, in any form whatsoever, in Luxembourg and/or foreign undertakings, as well as the administration, development and management of these stakeholdings.

This includes without limitation the investment in, acquisition and disposal of, grant or issuance (without a public offering with respect to the issue by the New Parent Guarantor of equity instruments and / or convertible debt instruments) of preferred equity certificates, loans, bonds, notes, debentures and other debt instruments (convertible or not), shares, warrants and other equity instruments or rights, including without limitation, shares of capital stock, limited partnership interests, limited-liability company interests, preferred stock, securities and swaps, and any combination of the foregoing, in each case whether readily marketable or not, as well as obligations (including without limitation synthetic securities obligations) in any type of company, entity or other legal person.

The New Parent Guarantor may also use its funds to invest in real estate, intellectual property rights or any other movable or immovable asset in any form or of any kind.

The New Parent Guarantor may grant pledges, guarantees, liens, mortgages and any other form of security as well as any form of indemnity, to Luxembourg or foreign entities, in respect of its own obligations and debts.

The New Parent Guarantor may also provide assistance in any form (including without limitation the extension of advances, loans, money deposits and credit as well as the provision of pledges, guarantees, liens, mortgages and any other form of security) to the New Parent Guarantor's subsidiaries. On a more occasional basis, the New Parent Guarantor may provide the same type of assistance to undertakings that form part of the same group to which the New Parent Guarantor belongs or to third parties, provided that doing so is in the New Parent Guarantor's interest and does not trigger any license requirements.

The New Parent Guarantor may generally employ any techniques and instruments relating to its investments for the purpose of their efficient management, including techniques and instruments designed to protect the New Parent Guarantor against credit, currency exchange, interest rate risks and other risks.

In general, the New Parent Guarantor may carry out any commercial, industrial or financial transactions and engage in those other activities as it deems necessary, advisable, convenient, incidental to, or not inconsistent with, the accomplishment and development of its corporate purpose.

Notwithstanding the foregoing, the New Parent Guarantor shall not enter into any transaction that would cause it to be engaged in a regulated activity or one that requires the New Parent Guarantor to have a license.

Share Capital

The New Parent Guarantor has an issued share capital of EUR 736,691,912.00, divided as follows:

Ordinary Shares	12,000
Class A Shares	7,366,917,920
Class B Shares	7,366,917,920
Class C Shares	7,366,917,920
Class D Shares	7,366,917,920
Class E Shares	7,366,917,920
Class F Shares	7,366,917,920
Class G Shares	7,366,917,920
Class H Shares	7,366,917,920
Class I Shares	7,366,917,920
Class J Shares	7,366,917,920

Each share in the above table has a nominal value of EUR 0.01. The share capital of the New Parent Guarantor has been fully paid-up and all shares issued by the New Parent Guarantor have equal voting rights.

The New Issuer

The New Issuer was incorporated before a civil notary in Luxembourg on December 13, 2010. The registered office of the New Issuer is at 9, Allée Scheffer, L-2520, Luxembourg, Grand Duchy of Luxembourg. The New Issuer's articles of association have been filed with the *Registre de Commerce et des Sociétés* in Luxembourg, where such document may be examined and copies thereof obtained. The articles of association of the New Issuer have been published in the *Mémorial, Journal Officiel du Grand Duché de Luxembourg, Recueil des Sociétés et Associations,* number 88, page 4178, on 17 January 2011 (the "**Mémorial**"). The articles of association of the New Issuer have been amended for the last time by a deed enacted by Maître Jean Seckler, notary residing in Luxembourg, Grand Duchy of Luxembourg, dated July 28, 2017 and not published yet in the *Recueil Electronique des Sociétés et Associations*. The New Issuer has no establishment or branch in or outside of Luxembourg.

Corporate Objects

Article 4 of the articles of association of the New Issuer sets out the corporate object of the New Issuer as follows:

The corporate object of the New Issuer is the direct and indirect acquisition and holding of stakes, in any form whatsoever, in Luxembourg and/or foreign undertakings, as well as the administration, development and management of these stakeholdings.

This includes without limitation the investment in, acquisition and disposal of, grant or issuance (without a public offering with respect to the issue by the New Issuer of equity instruments and / or convertible debt instruments) of preferred equity certificates, loans, bonds, notes, debentures and other debt instruments (convertible or not), shares, warrants and other equity instruments or rights, including without limitation, shares of capital stock, limited partnership interests, limited-liability company interests, preferred stock, securities and swaps, and any combination of the foregoing, in each case whether readily marketable or not, as well as obligations (including without limitation synthetic securities obligations) in any type of company, entity or other legal person.

The New Issuer may also use its funds to invest in real estate, intellectual property rights or any other movable or immovable asset in any form or of any kind.

The New Issuer may grant pledges, guarantees, liens, mortgages and any other form of security as well as any form of indemnity, to Luxembourg or foreign entities, in respect of its own obligations and debts.

The New Issuer may also provide assistance in any form (including without limitation the extension of advances, loans, money deposits and credit as well as the provision of pledges, guarantees, liens, mortgages and any other form of security) to the New Issuer's subsidiaries. On a more occasional basis, the New Issuer may provide the same type of assistance to undertakings that form part of the same group to which the New Issuer belongs or to third parties, provided that doing so is in the New Issuer's interest and does not trigger any license requirements.

The New Issuer may generally employ any techniques and instruments relating to its investments for the purpose of their efficient management, including techniques and instruments designed to protect the New Issuer against credit, currency exchange, interest rate risks and other risks.

In general, the New Issuer may carry out any commercial, industrial or financial transactions and engage in those other activities as it deems necessary, advisable, convenient, incidental to, or not inconsistent with, the accomplishment and development of its corporate purpose.

Notwithstanding the foregoing, the New Issuer shall not enter into any transaction that would cause it to be engaged in a regulated activity or one that requires the New Issuer to have a license.

Share Capital

The New Issuer has an issued share capital of CHF 426,591,687.92 divided into (i) 28,804,039,636 ordinary shares, (ii) 12,505,129,156 Class A mandatory convertible preferred shares and (iii) 1,350,000,000 Class B mandatory convertible preferred shares, each with a nominal value of CHF 0.01. The share capital of the New Issuer has been fully paid-up and all shares issued by the New Issuer have equal voting rights.

Financial Statements

The financial statements of the Swissport Parent Entity will be published on an annual basis. Any published financial statements of the Swissport Parent Entity (which will be in respect of the period ending on December 31 in each year) will be available from the Principal Paying Agent, and will also be made available on Swissport International Ltd.'s website: http://www.swissport.com/investors/. Consolidated financial statements will not be prepared by the New Parent Guarantor.

Guarantor Information

The following is a brief description of the New Subsidiary Guarantors:

- *Aguila Bid AG.* Aguila Bid AG is a corporation incorporated and organized under the laws of Switzerland on January 11, 2011. Its registration number is CHE-212.281.640 and its address is Flughofstrasse 55, 8152 Opfikon, Switzerland.

- *Swissport International Ltd.* Swissport International Ltd. is a corporation incorporated and organized under the laws of Switzerland on August 30, 1996. Its registration number is CHE-108.494.528 and its address is Flughofstrasse 55, 8152 Opfikon, Switzerland.
- *Swissport Group Services GmbH.* Swissport Group Services GmbH is a limited liability company incorporated and organized under the laws of Switzerland on April 23, 2008. Its registration number is CHE-114.274.082 and its address is Zugerstrasse 77, 6340 Baar, Switzerland.
- *Swissport Ltd.* Swissport Ltd. is a private limited company incorporated under the laws of England and Wales on July 21, 1999. Its company number is 03810974 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Flightcare Multiservices UK Limited.* Flightcare Multiservices UK Limited is a private limited company incorporated under the laws of England and Wales on August 17, 1962. Its company number is 00732832 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Servisair Group Ltd.* Servisair Group Ltd is a private limited company incorporated under the laws of England and Wales on December 21, 1967. Its company number is 00924991 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Swissport GB Limited.* Swissport GB Limited is a private limited company incorporated under the laws of England and Wales on July 7, 1952. Its company number is 00509585 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Swissport UK Holding Limited.* Swissport UK Holding Limited is a private limited company incorporated under the laws of England and Wales on December 10, 2010. Its company number is 07466896 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Swissport Cargo Services UK Ltd.* Swissport Cargo Services UK Ltd. is a private limited company incorporated under the laws of England and Wales on June 2, 1992. Its company number is 02719480 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Swissport Fuelling Ltd.* Swissport Fuelling Ltd. is a private limited company incorporated under the laws of England and Wales on November 9, 2004. Its company number is 05282071 and its registered address is Swissport House, Hampton Court, Manor Park, Runcorn, Cheshire, United Kingdom, WA7 1TT.
- *Swissport North America Holdings, Inc.* Swissport North America Holdings, Inc. is a corporation incorporated under the laws of Delaware on December 7, 2010. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166.
- *Swissport Holdings Inc.* Swissport Holdings Inc. is a corporation incorporated under the laws of Delaware on February 20, 1996. Its business address is 2751 Centerville Road, Wilmington, DE 19808, USA.
- *Swissport USA Inc.* Swissport USA Inc. is a corporation incorporated under the laws of Delaware on July 6, 1971. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport North America Inc.* Swissport North America Inc. is a corporation incorporated under the laws of Delaware on November 18, 1994. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport Fueling Inc.* Swissport Fueling Inc. is a corporation incorporated under the laws of Delaware on April 22, 1958. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Servisair Americas LLC.* Servisair Americas LLC is a corporation incorporated under the laws of Delaware on July 16, 2008. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Servisair Fuel Leasing Corporation.* Servisair Fuel Leasing Corporation is a corporation incorporated under the laws of Delaware on July 16, 1996. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport Group (USA) LLC.* Swissport Group (USA) LLC is a limited liability company incorporated under the laws of Delaware on November 4, 2015. Its registered address is c/o Corporation Service Company, 271 Centerville Road, Suite 400, Wilmington, Delaware 19808, USA.

- *Swissport SA Fuel Services, LLC.* Swissport SA Fuel Services, LLC is a limited liability company incorporated under the laws of Delaware on May 8, 2013. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport SA, LLC.* Swissport SA, LLC is a limited liability company incorporated under the laws of Delaware on May 17, 1996. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport SA USA, LLC.* Swissport SA USA, LLC is a limited liability company incorporated under the laws of Delaware on September 22, 2003. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport Cargo Holdings Inc.* Swissport Cargo Holdings Inc. is a corporation incorporated under the laws of Delaware on August 20, 2002. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport Cargo Services Inc.* Swissport Cargo Services Inc. is a corporation incorporated under the laws of California on November 15, 1993. Its business address is 45025 Aviation Drive, Suite 350, Dulles, VA 20166, USA.
- *Swissport Canada Handling Inc.* Swissport Canada Handling Inc. is a corporation amalgamated under the laws of the Province of Quebec on February 17, 2011. Its registration number is 1166999863 and its address is 100 Alexis-Nihon, Suite 400, St. Laurent, Quebec, H4M 2N9, Canada.
- *Swissport Canada Fuel Services Inc.* Swissport Canada Fuel Services Inc. is a corporation incorporated under the laws of Canada on January 15, 2004. Its corporation number is 4216172 and its address is 100 Alexis-Nihon, Suite 400, St. Laurent, Quebec, H4M 2N9, Canada.
- *Swissport Canada Deicing Inc.* Swissport Canada Deicing Inc. is a corporation incorporated under the laws of Canada on November 13, 2012. Its corporation number is 8304912 and its address is 100 Alexis-Nihon, Suite 400, St. Laurent, Quebec, H4M 2N9, Canada.
- *Swissport Canada Inc.* Swissport Canada Inc. is a corporation amalgamated under the laws of Canada on December 1, 2012. Its corporation number is 8306214 and its address is 100 Alexis-Nihon, Suite 400, St. Laurent, Quebec, H4M 2N9, Canada.
- *Swissport Cargo Services Deutschland GmbH.* Swissport Cargo Services Deutschland GmbH is a limited liability company incorporated under the laws of Germany. It is registered in the commercial register of the local court of Frankfurt am Main under registration number HRB 51718 and its address is Cargo City Süd, Geb. 558 B, 60549 Frankfurt am Main, Germany.
- *Swissport Germany Holding GmbH.* Swissport Germany Holding GmbH is a limited liability company incorporated under the laws of Germany. It is registered in the commercial register in the local court of Frankfurt am Main under registration number HRB 89574 and its address is Cargo City Süd, Geb. 558 B, 60549 Frankfurt am Main, Germany.
- *Swissport Amsterdam B.V.* Swissport Amsterdam B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on June 23, 2000. Its corporate seat is at Amsterdam, The Netherlands, and its registration number with the commercial register is 34135773 and its office address is Havenmeesterweg 21, 1118 CB Schiphol, The Netherlands.
- *Swissport Cargo Services The Netherlands B.V.* Swissport Cargo Services The Netherlands B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on March 23, 2005. Its corporate seat is at Schiphol, The Netherlands and its registration number with the commercial register is 34218298 and its office address is Anchoragelaan 30, 1118 LD Schiphol, The Netherlands.
- *Swissport Holding B.V.* Swissport Holding B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on June 30, 1971. Its corporate seat is at Amstelveen, The Netherlands, and its registration number with the commercial register is 33132648 and its office address is Strawinskylaan 1431, 1077 XX Amsterdam, The Netherlands.
- *Swissport Nederland B.V.* Swissport Nederland B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on July 8, 1997. Its corporate seat is at Amsterdam, The Netherlands and its registration number with the

commercial register is 33291389 and its office address is Strawinskylaan 1431, 1077 XX Amsterdam, The Netherlands.

- *Cargo Service Center East Africa B.V.* Cargo Service Center East Africa B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on August 11, 1995. Its corporate seat is at Amstelveen, The Netherlands, and its registration number with the commercial register is 33272248 and its office address is Strawinskylaan 1431, 1077 XX Amsterdam, The Netherlands. Its trade (registered) name is Swissport Cargo Services East Africa B.V.

- *Cargo Service Center de México S.A. de C.V.* Cargo Service Center de México S.A. de C.V. is a corporation (*sociedad anónima de capital variable*) incorporated under the laws of Mexico on March 30, 1992. It is registered before the Public Registry of Commerce of Mexico City under registration number 170,204 Bis and its address is Antiguo Camino a Texcoco Sin Número, Zona Federal Aduana del Aeropuerto Internacional de la Ciudad de México, Colonia Peñón de los Baños, Delegación Venustiano Carranza, 15520, Mexico City, Mexico.

- *Swissport Mexico Holding, S. de R.L. de C.V.* Swissport Mexico Holding, S. de R.L. de C.V. is a partnership (*sociedad de responsabilidad limitada de capital variable*) incorporated under the laws of Mexico on December 14, 2010. It is registered before the Public Registry of Commerce of Mexico City under registration number 430196-1 and its address is Antiguo Camino a Texcoco Sin Número, Zona Federal Aduana del Aeropuerto Internacional de la Ciudad de México, Colonia Peñón de los Baños, Delegación Venustiano Carranza, 15520, Mexico City, Mexico.

- *Swissport Holding Spain, S.L.* Swissport Holding Spain, S.L. is a *sociedad de responsabilidad limitada* organized under the laws of Spain, with registered offices in Madrid, calle Bahia de Pollensa number 11, incorporated by means of the public deed executed on December 21, 2010 by the Notary of Madrid Mr. Antonio de la Esperanza Rodriguez, under his record number 4662, on file in the Mercantile Registry of Madrid in volume 28358, page 92, sheet M 510742, with Tax Identification Number B 86082328.

- *Swissport Handling S.A.U.* Swissport Handling S.A.U. is a *sociedad anónima unipersonal* organized under the laws of Spain, with registered offices in Madrid, calle Bahia de Pollensa number 11, incorporated by means of the public deed executed on February 22, 1999 by the Notary of Madrid Mr. Carlos Ruiz-Rivas Hernando, under his record number 475, on file in the Mercantile Registry of Madrid in volume 14092, page 199, sheet M-231520, with Tax Identification Number A-82266107.

- *Swissport Cargo Services Belgium NV.* Swissport Cargo Services Belgium NV is a limited liability company (*naamloze vennootschap/société anonyme*) organized under the laws of Belgium with its registered office at Bedrijvenzone Machelen-Cargo 704, box 22, B-1830 Machelen, Belgium, incorporated on July 19, 1990 by means of the public deed on file in the Registry of Legal Entities, under VAT number BE0441.184.110.

- *Swissport Ireland Limited.* Swissport Ireland Limited is a limited company incorporated under the laws of the Republic of Ireland on September 10, 1969. Its company number is 29674 and its registered address is Cargo Terminal 2, Dublin Airport, Co. Dublin, K67 K5C0, Republic of Ireland.

- *Swissport Kenya Limited.* Swissport Kenya Limited is a limited company incorporated under the laws of Kenya on January 22, 1997. Its registered number is C74559 and its registered address is P.O. Box 19177 00501 Nairobi, Kenya.

- *Swissport Trinidad and Tobago Ltd.* Swissport Trinidad and Tobago Ltd. is a limited company incorporated under the laws of Trinidad & Tobago on February 12, 2015. Its registered number is S5190(c) and its registered address is Piarco International Airport South Terminal, Golden Grove Road, Piarco, Trinidad and Tobago.

Other Information

All notices to holders of the New Notes, including any notice of optional redemption, change of control or any change in the interest rate payable on the New Notes will be published in a Luxembourg newspaper of general circulation (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

We accept responsibility for the information contained in these Listing Particulars. To the best of our knowledge, except as otherwise noted, the information contained in these Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of these Listing Particulars.

Except as disclosed herein, there has been no material adverse change in the consolidated financial position or prospects of the New Issuer or the Swissport Parent Entity since December 31, 2016.

Neither we nor any of our subsidiaries is a party to any litigation that, in our judgment, is material in the context of the issue of the New Notes, except as disclosed herein.

We have appointed Elavon Financial Services DAC, UK Branch as our Principal Paying Agent and Transfer Agent. We reserve the right to vary such appointment and shall publish notice of such change of appointment in a newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the Luxembourg Stock Exchange's website, www.bourse.lu. The Principal Paying Agent will act as intermediary between the holders of the New Notes.

The issuance of the New Notes was authorized by resolutions of the board of managers of the New Issuer passed at a meeting held on July 4, 2017.

The granting of the New Parent Guarantee by the New Parent Guarantor was authorized by resolutions of the board of managers of the New Parent Guarantor passed at a meeting held on July 7, 2017.

The granting of the New Guarantees by each New Subsidiary Guarantor has been authorized by resolutions of the board of managers of such New Subsidiary Guarantors.

ENFORCEMENT OF JUDGMENTS

The New Issuer, the Existing Issuer and the New Parent Guarantor are incorporated and existing under the laws of Luxembourg. Most of the New Subsidiary Guarantors are incorporated and existing under laws other than those of the United States and most of the directors and officers of the New Issuer, the Existing Issuer, the New Parent Guarantor and the New Subsidiary Guarantors are residents or citizens of countries other than the United States. Most of the assets of the New Issuer, the Existing Issuer, the New Parent Guarantor, the New Subsidiary Guarantors and the directors and officers of the New Issuer, the Existing Issuer, the New Parent Guarantor and the New Subsidiary Guarantors are located outside the United States. As a result, it may be difficult or impossible for U.S. investors to effect service of process within the United States upon the New Issuer's, the Existing Issuer's, the New Parent Guarantor's or the New Subsidiary Guarantors' management or directors or to enforce judgments obtained in U.S. courts predicated upon the federal securities laws of the United States or the securities or blue sky laws of any state within the United States, against the New Issuer's, the Existing Issuer's, the New Parent Guarantor's or the New Subsidiary Guarantors' managers or directors.

If a judgment is obtained in a U.S. court against the New Issuer, the New Parent Guarantor or the New Subsidiary Guarantors, investors will need to enforce such judgment in jurisdictions where the relevant company has assets. You should consult with your own advisors in any pertinent jurisdiction to enquire what is needed to enforce a judgment in those countries or elsewhere outside the United States.

It may be possible for holders of the New Notes to effect service of process within the jurisdictions of the New Issuer, the New Parent Guarantor and the New Subsidiary Guarantors upon those persons or upon the New Issuer or the New Parent Guarantor or the New Subsidiary Guarantors provided that the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is applicable and complied with. Currently, Germany, Luxembourg, Spain, Switzerland, England and Wales and the United States have signed and ratified the convention.

Belgium

Recognition and enforcement of judgments obtained in the courts of New York or the United States

The United States does not currently have a treaty with Belgium providing for the reciprocal recognition and enforcement of court judgments or orders, other than arbitral awards, in civil and commercial matters. Consequently, a final and conclusive judgment of a New York court may be declared enforceable in Belgium, according to the procedure set out in Articles 22 et seq. of the Belgian code on Private International Law ("PIL Code"). The Court of First Instance will decide on the recognition and enforceability of civil matters decided by foreign judges. The decision of the courts of the State of New York will not be reviewed on its merits.

Pursuant to Article 24 of the PIL Code, the following documents must be produced in court by the claimant:

- an official copy of the judgment (*uitgifte van de beslissing/expédition de la décision*) fulfilling all conditions required for its authentication under the applicable foreign law;
- if obtained by default, an original or legalized copy of the document demonstrating that the originating process has been served on the defendant in accordance with the applicable foreign law; and
- any document demonstrating that, under the applicable foreign law, the judgment is enforceable and has been notified to the defendant.

Articles 22 et seq. of the PIL Code mainly require that the recognition or enforcement of the foreign judgment should not be a manifest violation of public policy, that the foreign courts must have respected the rights of defense, that the foreign judgment should be final, and that the assumption of jurisdiction by the foreign court may not have breached certain principles of Belgian law.

Pursuant to Article 25 of the PIL Code, a decision of a court of the State of New York will not be recognized and enforced if:

- the consequences of the recognition or enforcement of the decision would be manifestly contrary to Belgian public policy;
- the rights of defense were not respected;
- the competence of the courts of the State of New York was based solely on the presence of the defendant or assets in the State of New York without any further direct connection with the litigation in the State of New York;

- the judgment is not final pursuant to the laws of the State of New York and is still open for a legal remedy (however, provisional enforcement could then be granted) or does not meet the requirements of authenticity pursuant to the applicable laws;
- if in relation to matters for which parties cannot freely dispose of their rights, the decision has been sought with the sole purpose of escaping from the application of the laws applicable in accordance with Belgian private international law;
- the decision is in conflict with either a decision rendered in Belgium or a prior decision rendered in another jurisdiction which can be recognized in Belgium;
- the claim was introduced before the courts of the State of New York after a claim, which is still pending and relating to the same matter and between the same parties, was introduced in a Belgian court;
- the Belgian courts have exclusive jurisdiction in relation to the claim; or
- the decision is in conflict with the rules on the recognition and enforcement of court decisions in relation to insolvency proceedings, property rights or corporate standing.

As a general principle, procedural rules are governed by the law of the jurisdiction of the court (*lex fori*).

In addition, with regard to the enforcement through legal proceedings in Belgium (including the exequatur of foreign court decisions in Belgium), a registration tax at the rate of 3% of the amount of the judgment is payable by the debtor, if the sum of money which the debtor is ordered to pay by a Belgian court, or by a foreign court judgment that is either (i) automatically enforceable and registered in Belgium, or (ii) rendered enforceable by a Belgian court, exceeds €12,500. The registration tax is solely payable by the debtor. A nominal registration tax would be due on the registration of bailiff deeds.

The PIL Code contains specific rules for the enforcement of judgments that relate to insolvency matters.

Recognition and enforcement of judgments obtained in the courts of England

Pursuant to Article 36 of Regulation (EU) No. 1215/2012, of the European Parliament and of the Council of December 12, 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters ("Regulation 1215/2012"), civil and commercial judgments of the English courts shall be recognized in Belgium without any special procedure being required. Recognition and enforcement can only be denied if :

- the recognition and enforcement would be manifestly contrary to Belgian public policy (*ordre public*);
- the judgment was given in default of appearance and, the defendant was not served with the document which instituted the proceedings or with an equivalent document in sufficient time and in such a way as to enable it to arrange for its defense, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for it to do so;
- the judgment is irreconcilable with a Belgian judgment given in a dispute between the same parties;
- the judgment is irreconcilable with an earlier judgment given in another EU Member State or a third state involving the same object and cause of action and between the same parties, provided the earlier judgment meets the conditions necessary for its recognition in Belgium; or
- the judgment conflicts with Sections 3, 4, 5 or 6 of Chapter II of Regulation 1215/2012 (matters relating to insurance, consumer contracts or exclusive jurisdiction).

Such judgment shall be declared enforceable on completion of the formalities referred to in article 53 of Regulation 1215/2012, subject to the right to lodge proceedings against any such decision as set out in article 43 of Regulation 1215/2012.

Enforcement of the judgment may, however, be stayed if it is subject to an ordinary appeal (it being understood that where the judgment was given in Ireland, Cyprus or the United Kingdom, any form of appeal available in member state of origin shall be treated as an ordinary appeal) in the country in which the judgment was given.

If the claim is uncontested, Regulation (EC) No 805/2004 of the European Parliament and of the Council of April 21, 2004 creating a European Enforcement Order for uncontested claims may apply.

Specific rules apply in the context of insolvency proceedings. In such cases, the recognition of insolvency proceedings will be governed by Regulation (EU) n° 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings. See "*Limitations on Validity and Enforceability of the New Guarantees the New Senior Secured Notes Security and Certain Insolvency Law Considerations.*"

England and Wales

There is no convention or treaty providing for the reciprocal enforcement of judgments between the United States and the United Kingdom (of which the jurisdiction of England and Wales forms part). Accordingly, a judgment obtained in a federal or state court in the United States cannot be automatically recognized and enforced in England and Wales under any statutory scheme. However, a U.S. judgment enforcing the New Guarantees or any security against the English Guarantors can be enforced provided that certain criteria are satisfied, and this process is governed by English common law principles.

Method of Enforcement

A U.S. judgment cannot be enforced directly in England and Wales (by execution or a similar process). Instead, the judgment will be treated as a simple contract debt between the parties to it. This "debt" can then be enforced through the English courts by issuing new proceedings. The English court will generally not re-examine the merits of the underlying dispute but the judgment must still satisfy the criteria set out below. The general principle applied by the English courts is that a judgment of a U.S. court of competent jurisdiction which is final and conclusive will be conclusive in England between the parties. Therefore, the burden of proof is on the judgment debtor who seeks to oppose the enforcement of a U.S. court judgment on the basis of one of the criteria listed.

Court of Competent Jurisdiction

The English court must be satisfied that according to English conflict of laws rules the U.S. court had jurisdiction over the debtor when it made the judgment. Broadly this means that the judgment debtor was either present in the United States when the U.S. proceedings were commenced or entered an appearance in the U.S. proceedings or that the debtor otherwise expressly submitted to the jurisdiction of the U.S. court.

Judgment for a Definite Sum

In order to be enforceable in England, the U.S. judgment must be for a definite sum. Therefore, a U.S. declaratory judgment or an order for damages to be assessed would not be enforceable. Any costs orders relating to the U.S. proceedings would also be enforceable, but only once the final figure is determined. The English courts will not entertain actions to enforce, either directly or indirectly, foreign penal or tax laws.

Final and Conclusive Judgment

In order to begin enforcement proceedings in England, the existence of the debt must have been pronounced upon finally and conclusively by the U.S. court which heard the case. This means that the court that made the judgment must not have the power to vary or rescind it subsequently. The fact that the judgment may be subject to an appeal to a higher court does not prevent it from being final and conclusive although in certain circumstances the English court may stay enforcement proceedings pending the outcome of the appeal. Enforcement proceedings cannot be commenced in England if the U.S. court has granted a stay of execution pending the hearing of the appeal.

Other Relevant Issues

Public policy

A U.S. judgment will not be recognized or enforced by the English court if this would be contrary to English public policy. For example, the English courts will not enforce an award of punitive damages, including awards of multiple damages (although the basic award, before the punitive element was added, would be enforceable).

Natural or substantial justice

The English court will not enforce a judgment if it considers that the proceedings in the United States were conducted in a manner contrary to natural or substantial justice. One of the most common arguments raised under this heading is that the judgment debtor was not given proper notice of the U.S. proceedings and therefore did not have a sufficient opportunity to defend the claim. The English court will consider each case on its merits, but the English court will be reluctant to interfere in circumstances where the proceedings have been conducted in accordance with the laws of the relevant U.S. court and provisions as to notice have been complied with. If a judgment debtor argues that it did not have sufficient notice of the U.S. proceedings, it must be able to demonstrate that it had a reasonable prospect of successfully defending the action in the United States.

Fraud

A U.S. judgment which has been obtained by defrauding the U.S. court will not be recognized or enforced in England. If it is alleged that the judgment was obtained as a result of fraud the English court will consider re-examining the underlying claim in relation to the issues surrounding the alleged fraud, even if those issues have been considered by the U.S. court.

General Issues in English Court Proceedings

Specific Performance

The power of an English court to grant equitable remedies is discretionary and there can be no guarantee that they would be available. Specific performance is not usually ordered and an injunction not usually granted where damages would be an adequate remedy.

Enforceability

Where any obligation is to be performed in a jurisdiction outside England and Wales or by a person subject to the laws of that other jurisdiction, the obligation may not be enforceable under English law to the extent that its performance would be illegal or contrary to public policy under the laws of that other jurisdiction. In addition, English courts may refuse to apply a rule of law of another jurisdiction if this would be manifestly incompatible with English public policy.

Discretions

Where a person is vested with a discretion, or may determine any matter in his opinion, English law may require that the discretion be exercised reasonably and in a manner which does not frustrate the reasonable expectations of the parties. In addition, a provision that any certificate or determination will be conclusive will not be effective if it is fraudulent or made on an unreasonable basis.

Germany

There is doubt as to the enforceability in Germany of civil liabilities based on federal or state securities laws of the United States, either in an original action or in an action to enforce a judgment obtained in U.S. federal or state courts. The United States and the Federal Republic of Germany currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment of money rendered by any federal or state court in the United States, whether or not predicated solely upon U.S. federal or state securities laws, would not automatically be enforceable in Germany.

As a general matter, a final and conclusive judgment by a U.S. federal or state court for the payment of a specific sum of money based on civil matters may be recognized and enforced in Germany in an action before a court of competent jurisdiction in accordance with the proceedings set forth by the German Code of Civil Procedure (*Zivilprozessordnung*). In such an action, a German court generally will not reinvestigate the merits of the original matter decided by a U.S. court, unless:

- the courts of the jurisdiction where the relevant court is located did not have jurisdiction according to the principles on jurisdictional competence under German law;
- the judgment was given in default of appearance and the defendant invokes such default or the defendant was not served with the document which instituted the proceedings properly or within sufficient time and in such a way to enable him to arrange for his defense, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for the defendant; a method of service of process agreed upon may not be regarded as due service if such method is contrary to the applicable law (including any international treaty) on service for the proceedings;

- the judgment is irreconcilable with (i) any prior judgment which became *res judicata* rendered by a German court or (ii) any prior judgment which became *res judicata* rendered by a foreign court which is to be recognized in Germany or (iii) the procedure leading to the respective judgment being irreconcilable with a proceeding previously commenced in Germany;

- such recognition entails results which are obviously irreconcilable with fundamental principles of German law (*ordre public*), including without limitation, fundamental rights under the constitution of Germany (*Grundrechte).* In this context, it should be noted that any component of a U.S. federal or state court civil judgment awarding punitive damages or any other damages which do not serve a compensatory purpose, such as treble damages, will not be enforced in Germany. They are regarded to be in conflict with material principles of German law; or

- the reciprocity of enforcement of judgments is not guaranteed.

Enforcement and foreclosure based on U.S. judgments may be sought against German defendants after having received an enforcement (exequatur) decision from a competent German court in accordance with the above principles. Even if a U.S. judgment is recognized in Germany, it does not necessarily mean that it will be enforced under all circumstances. In particular, the obligations need to be of a specific kind and type for which an enforcement procedure exists under German law. Also, if circumstances have arisen after the date on which such foreign judgment became *res judicata*, a defense against enforcement may arise. The success of enforcement is also subject to the effect of any applicable bankruptcy, insolvency, reorganization, liquidation, moratorium as well as other similar laws, provisions or circumstances affecting creditors' rights generally.

In addition, it is doubtful whether a German court would accept jurisdiction and impose civil liability in an original action predicated solely upon U.S. federal securities law. Further, German civil procedure differs substantially from U.S. civil procedure in a number of aspects. With respect to the production of evidence, for example, U.S. federal and state law and the laws of several other jurisdictions based on common law provide for pre-trial discovery, a process by which parties to the proceedings may, prior to trial, compel the production of documents by adverse or third parties and the deposition of witnesses. Evidence obtained in this manner may be decisive in the outcome of any proceeding. No such pre-trial discovery process exists under German law.

If the party in whose favor a final U.S. judgment is rendered brings a new suit in a competent court in Germany, such party may submit to the German court the final judgment rendered in the United States. Under such circumstances, a judgment by a federal or state court of the United States will be regarded by a German court only as evidence of the outcome of the dispute to which such judgment relates. A German court may choose to re-hear the dispute and may render a judgment not in line with the judgment rendered by a federal or state court of the United States.

Ireland

Recognition and enforcement of judgments obtained in the courts of New York or the United States

A judgment rendered in the courts of New York and which is final, conclusive and enforceable in such jurisdiction is enforceable in Ireland, even though an appeal therefrom is pending or it is subject to appeal provided the following general requirements are met:

(a) the New York judgment is for a definite sum;

(b) the New York court must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules; and

(c) the foreign judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it.

Provided however that the courts of Ireland may refuse to enforce a judgment of the courts of New York which meets the foregoing requirements for one of the following reasons:

(a) the New York judgment was obtained by fraud;

(b) the enforcement of the New York judgment in Ireland would be contrary to natural or constitutional justice;

(c) the New York judgment is contrary to Irish public policy or involves certain foreign laws which will not be enforced in Ireland; or

(d) jurisdiction cannot be obtained by the courts of Ireland over the judgment debtors in the enforcement proceedings by personal service in Ireland or outside Ireland under Order 11 of the Superior Courts Rules.

Recognition and enforcement of judgments obtained in the courts of England

Pursuant to article 36 of Regulation 1215/2012 of the European Parliament and of the Council of December 12, 2012 on Jurisdiction and Recognition and Enforcement of Judgments in Civil and Commercial Matters, as amended ("**Regulation 1215/2012**"), judgments rendered in England will be recognized and enforced in Ireland without any special procedure being required. However, article 45 of Regulation 1215/2012 provides that a judgment will, *inter alia*, not be recognized on the application of any interested party:

(i) if such recognition is manifestly contrary to public policy in the Member State in which recognition is sought;

(ii) where it was given in default of appearance, if the defendant was not served with the document which instituted the proceedings or with an equivalent document in sufficient time and in such a way as to enable the defendant to arrange for his defense, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for the defendant to do so;

(iii) if the judgment is irreconcilable with a judgment given between the same parties in the Member State in which recognition is sought; and

(iv) if it is irreconcilable with an earlier judgment given in another Member State or in a third State involving the same cause of action and between the same parties, provided that the earlier judgment fulfills the conditions necessary for its recognition in the Member State addressed.

Moreover, article 45 of Regulation 1215/2012 provides that a judgment shall not be recognized if it conflicts with Sections 3, 4 or 5 of Chapter II where the policyholder, the insured, a beneficiary of the insurance contract, the injured party, the consumer or the employee was the defendant, or with Section 6 of Chapter II, or in a case provided for in article 72 of Regulation 1215/2012.

Kenya

Recognition and enforcement of judgments obtained in the courts of New York or the United States

The Foreign Judgments (Reciprocal Enforcement) Act (Cap 43, Laws of Kenya) (the "**FJEA**") makes provision in Kenya for the enforcement of foreign judgments of courts recognized as "designated courts". A designated court is defined in section 2 of the FJEA as a superior court of a reciprocating country which is a Commonwealth country, a superior court of any other reciprocating country which is specified in an order made under section 13 or a subordinate court. The United States of America does not have reciprocal arrangements with Kenya under the FJEA. In addition, the New York courts are not designated courts for the purposes of enforcing reciprocal judgments and therefore a judgment obtained in the courts of New York or the United States cannot be enforced automatically in the courts of Kenya and fresh proceedings would need to be instituted in Kenya.

Arbitral awards can be enforced in Kenya under the Arbitration Act (Act 4 of 1995 Laws of Kenya) (the "**Kenyan Arbitration Act**") or the FJEA. The main distinction between enforcement of arbitral awards under the two statutes is that whereas an international arbitral award can be directly enforced under the Kenyan Arbitration Act, it must first be registered as a judgment of the court of the country in which the award was given before it can be enforced under the FJEA. This is however subject to whether the relevant countries are party to a treaty recognizing the enforcement of foreign arbitral awards in their respective jurisdiction. Arbitral awards obtained under the Convention on the Recognition and Enforcement of Foreign Arbitral Awards and the Convention on the Settlement of Investment Disputes between States and Nationals of other States are recognized and enforced upon registration with the High Court of Kenya.

An arbitral award made in New York will be legal, valid and binding in Kenya and will be recognized and enforced in the courts of Kenya without further review of the merits, subject to the following provisions in Section 37 of the Kenyan Arbitration Act:

(1) the recognition or enforcement of an arbitral award, irrespective of the state in which it was made, may be refused only:

- at the request of the party against whom it is invoked, if that party furnishes to the High Court of Kenya proof that –
  - (i) a party to the arbitration agreement was under some incapacity;
  - (ii) the arbitration agreement is not valid under the law to which the parties have subjected it or, failing any indication of that law, under the law of the state where the arbitral award was made;
  - (iii) the party against whom the arbitral award is invoked was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case;
  - (iv) the arbitral award deals with a dispute not contemplated by or not falling within the terms of the reference to arbitration, or it contains decisions on matters beyond the scope of the reference to arbitration, provided that if the decisions on matters referred to arbitration can be separated from those not so referred, that part of the arbitral award which contains decisions on matters referred to arbitration may be recognized and enforced;
  - (v) the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, failing any agreement by the parties, was not in accordance with the law of the state where the arbitration took place;
  - (vi) the arbitral award has not yet become binding on the parties or has been set aside or suspended by a court of the state in which, or under the law of which, that arbitral award was made; or
  - (vii) the making of the arbitral award was induced or affected by fraud, bribery, corruption or undue influence.
- if the High Court of Kenya finds that –
  - (i) the subject matter of the dispute is not capable of settlement by arbitration under the law of Kenya; or
  - (ii) the recognition or enforcement of the arbitral award would be contrary to the public policy of Kenya.

(2) if an application for the setting aside or suspension of an arbitral award has been made in the court of the state in which, or under the law of which, that arbitral award was made, the High Court may, if it considers it proper, adjourn its decision and may also, on the application of the party claiming recognition or enforcement of the arbitral award, order the other party to provide appropriate security.

Recognition and enforcement of judgments obtained in the courts of England

England has a reciprocal arrangement with Kenya pursuant to the FJEA. Accordingly, any judgment for a definite sum given by the High Court of Justice in England or award in arbitration proceedings held in England and where such award has become enforceable in the same manner as a judgment of the High Court of Justice of England (in either case an "**Applicable Decision**"), would be recognized and enforced by the High Court of Kenya without trial or examination of the merits of the case provided that:

(a) the Applicable Decision has been registered at the High Court of Kenya within six years of the date of the Applicable Decision, or, where there have been proceedings by way of appeal against the Applicable Decision, within six years of the date of last judgment or award in the proceedings;

(b) in respect of proceedings taken in the High Court of Justice in England, the High Court of Kenya is satisfied that papers relating to such proceedings have been served on the party against whom the judgment is to be enforced or its appointed agent for service in conformity with English law;

(c) in respect of proceedings taken in the High Court of Justice in England, the High Court of Kenya is satisfied that the party against whom the judgment is to be enforced upon received notice of such proceedings in the sufficient time to enable such party to defend the proceedings;

(d) the Applicable Decision is not contrary to the public policy of Kenya;

(e) the Applicable Decision does not relate to the recovery of any penalty or penalty interest (albeit that amounts may be recoverable to the extent that they do not relate to any penalty or penalty interest); and

(f) the Applicable Decision must not have been obtained by fraud.

Luxembourg

Enforcement of civil liabilities

The New Issuer is a *société à responsabilité limitée* organized under the laws of Luxembourg. A substantial portion of its assets is located outside the United States and, as a result, you may not be able to enforce in Luxembourg judgments obtained in U.S. courts against the New Issuer based on civil liability provisions of the U.S. federal and state securities laws or other laws. We have been advised by our Luxembourg counsel that the United States and Luxembourg are not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters. According to such counsel, an enforceable judgment for the payment of monies rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon the U.S. securities laws, would not directly be enforceable in Luxembourg. However, a party who received such favorable judgment in a U.S. court may initiate enforcement proceedings in Luxembourg (exequatur) by requesting enforcement of the U.S. judgment by the District Court (*Tribunal d'Arrondissement*) pursuant to Article 678 of the Luxembourg New Code of Civil Procedure (*Nouveau code de procedure civile*). The District Court will authorize the enforcement in Luxembourg of the U.S. judgment if it is satisfied that all of the following conditions are met:

- the U.S. judgment is final and duly enforceable (*exécutoire*) in the United States;
- the U.S. court awarding the judgment had jurisdiction to adjudicate the respective matter under applicable U.S. federal or state jurisdictions rules, and that jurisdiction is recognized by Luxembourg private international law and local law;
- the U.S. court has applied to the dispute the substantive law which would have been applied by the Luxembourg conflict of laws rules;
- the U.S. judgment does not contravene international public policy or order as understood under the laws of Luxembourg or has been given in proceedings of a criminal nature;
- the U.S. court has acted in accordance with its own procedural laws; and
- the judgment was granted following proceedings where the counterparty had the opportunity to appear, and if it appeared, to present a defense.

In practice, Luxembourg courts now tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review.

If an original action is brought in Luxembourg, Luxembourg courts may refuse to enforce any choice of law provisions if the application of such law would contravene Luxembourg public policy. In a judgment of the Luxembourg District Court, dated January 10, 2008, the Court differed slightly from the traditional rules for enforcing a judgment described above, and decided that, in order to enforce a foreign judgment in Luxembourg, a Luxembourg judge has to make sure that three conditions are fulfilled: (1) the "indirect" competence of the foreign judge based on the connection of the litigation with such judge, (2) the conformity with international public policy requirements, both substantive and procedural, and (3) the absence of fraud to the law. In the judgment, the District Court held that the Luxembourg judge does not need to verify that the (substantive) law applied by the foreign judge is the law which would have been applicable according to Luxembourg conflict of law rules.

Whether the District Court's opinion described above will develop into the prevailing position of Luxembourg case law cannot be forecast with certainty at this stage, especially considering that in the case at issue the matter was not appealed to the Court of Appeal and because, to the best of our knowledge and belief, having taken all reasonable care to ensure that such is the case, there has been no further case law on the issue since then. To the extent, however, that the District Court's decision endorsed the solution prevailing in French case law, its decision might, in the future, be endorsed by the Luxembourg courts in general.

In the event of any proceedings brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than euro, a Luxembourg court would have the power to give judgment as an order to pay a currency other than euro. However, enforcement of the judgment against any party in Luxembourg would be available only in euro and, for such purposes, all claims or debts would be converted into euro.

Mexico

No treaty exists between the United States and Mexico for the reciprocal enforcement of judgments issued in the other country.

The enforcement of any foreign judgment in Mexico is subject to a recognition procedure (*procedimiento judicial de homologación*) and to compliance with all the requirements set out under the Commercial Code (*Código de Comercio*) and the Federal Code of Civil Procedures (*Código Federal de Procedimientos Civiles*) and other applicable law. The requirements to enforce foreign judgments include, among others, the following:

(a) such judgment is obtained in compliance with legal requirements of the jurisdiction of the court rendering such judgment and in compliance with all legal requirements of the principal document and in accordance with the recognized rules of international law which are compatible with those established in the Commercial Code and Federal Code of Civil Procedures;

(b) such judgment is strictly for the payment of a certain sum of money and has been rendered in an *in personam* action as opposed to an *in rem* action;

(c) service of process is made personally on the guarantor, or on the appropriate process agent;

(d) such judgment does not contravene, and so is compatible with, Mexican law, public policy of Mexico, international treaties or agreements binding upon Mexico;

(e) the applicable procedural requirements under the laws of Mexico with respect to the enforcement of foreign judgments (including the issuance of letters rogatory by the competent authority of such jurisdiction requesting enforcement of such judgment and the certification of such judgment as authentic by the corresponding authorities of such jurisdiction in accordance with the laws thereof) are complied with;

(f) such judgment is final in the jurisdiction where obtained;

(g) the action in respect of which such judgment is rendered is not the subject matter of a lawsuit among the same parties, pending before a Mexico court; and

(h) the courts of such jurisdiction recognize the principles of reciprocity in connection with the enforcement of Mexico judgment in such jurisdiction.

Additionally, there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated, in whole or in part, on U.S. federal securities laws.

In the event that proceedings are brought in Mexico seeking to enforce Mexican guarantors' obligations in respect of the New Notes, the Mexican guarantor would not be required to discharge such obligations in a currency other than the Mexican peso. Pursuant to Mexican law, an obligation in a currency other than the Mexican peso, which is payable in Mexico, may be satisfied in Mexican currency at the rate of exchange in effect on the date on which payment is made. Such rate of exchange is currently determined by Banco de México each business day in Mexico and published the following business banking day in the Official Gazette of Mexico (*Diario Oficial de la Federación*).

The Netherlands

Recognition and enforcement of judgments obtained in the courts of New York or the United States

Since there is no execution treaty on judgments in civil and commercial matters (other than arbitration awards) between The Netherlands and the United States, New York or any other state of the United States, a final and conclusive judgment for the payment of money obtained in any federal or state court in the United States which is enforceable in the United States, whether or not predicated solely on U.S. federal securities laws, is not automatically recognized and cannot automatically be enforced in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the party in whose favor a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in the Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. The Dutch court is in principle free to assess if and to what extent effect must be given to a foreign judgment. Generally, foreign judgments will be recognized, without substantive re-examination or re-litigation on the merits of the subject matter, if the following minimum requirements are met: (i) the foreign judge was competent to hear the case on internationally generally accepted grounds, (ii) the foreign judgment was rendered after proper service of process and using proper judicial procedure, (iii) the judgment is final and conclusive in such a way that all appeals have been exhausted and no other remedy could be obtained from a competent judicial body, and (iv) the foreign judgment does not violate the public order (*openbare orde*) of the Netherlands.

Subject to the foregoing and service of process in accordance with applicable treaties, investors may be able to enforce in the Netherlands judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that those judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in the Netherlands and predicated solely upon U.S. federal securities laws.

Any enforcement of agreements governed by foreign law and any foreign judgments in the Netherlands will be subject to the rules of Dutch civil procedure. Judgments may be rendered in a foreign currency but enforcement is executed in euros at the applicable rate of exchange. Enforcement of obligations in the Netherlands will be subject to the nature of the remedies available in the courts of the Netherlands. The taking of concurrent proceedings in more than one jurisdiction may be disallowed by the courts of the Netherlands, but such courts have the power to stay proceedings (*aanhouden*) if concurrent proceedings are being brought elsewhere.

Recognition and enforcement of judgments obtained in the courts of England

Pursuant to article 36 of Regulation 1215/2012 of the European Parliament and of the Council of December 12, 2012 on Jurisdiction and Recognition and Enforcement of Judgments in Civil and Commercial Matters, as amended ("**Regulation 1215/2012**"), civil and commercial judgments rendered in England will be recognized and enforced in the Netherlands without any special procedure being required. However, article 45 of Regulation 1215/2012 provides that a judgment will, inter alia, not be recognized on the application of any interested party:

(i) if such recognition is manifestly contrary to public policy in the Member State in which recognition is sought;

(ii) where it was given in default of appearance, if the defendant was not served with the document which instituted the proceedings or with an equivalent document in sufficient time and in such a way as to enable the defendant to arrange for his defense, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for the defendant to do so;

(iii) if the judgment is irreconcilable with a judgment given between the same parties in the Member State in which recognition is sought; or

(iv) if it is irreconcilable with an earlier judgment given in another Member State or in a third State involving the same cause of action and between the same parties, provided that the earlier judgment fulfills the conditions necessary for its recognition in the Member State addressed.

Moreover, article 45 of Regulation 1215/2012 provides that a judgment shall not be recognized if it conflicts with Sections 3, 4 or 5 of Chapter II where the policyholder, the insured, a beneficiary of the insurance contract, the injured party, the consumer or the employee was the defendant, or with Section 6 of Chapter II, or in a case provided for in article 72 of Regulation 1215/2012.

Spain

Recognition and enforcement of judgments obtained in the courts of New York or the United States

There is no execution treaty on judgments in civil and commercial matters (other than arbitration awards) between Spain and the United States, New York or any other state of the United States. Thus, a judgment obtained in any federal or state court in the United States cannot automatically be enforced in Spain and exequatur proceedings (as contemplated in Law 29/2015—as defined below) will have to be carried out in order to enforce such a judgment in the Kingdom of Spain.

A judgment duly rendered by a New York court, pursuant to a local action instituted before such courts would only be enforceable in the competent courts of the Kingdom of Spain, provided that prior to the time such

New York court judgment is introduced into a Spanish court for enforcement, there is no material contradiction or incompatibility with a judgment rendered or judicial proceedings outstanding in Spain, in accordance with and subject to Article 523.2 of the Spanish law of civil procedure (*Ley 1/2000, de 7 de enero, de Enjuiciamiento Civil*) and Articles 41 to 55 of the Law 29/2015 of July 30, 2015, on international judicial cooperation on civil matters ("**Law 29/2015**").

Such provisions and the case law set forth that any final judgment rendered outside the Kingdom of Spain may be enforced in the Kingdom of Spain in two different situations: (i) in the cases and in accordance with the provisions of any applicable treaty; (ii) in the absence of any such treaty in accordance with Law 29/2015. Such Law provides that a judgment will not be recognized, *inter alia*: (a) if such recognition is manifestly contrary to Spanish public policy ("*orden público*"), (b) where any of the parties in the proceedings was manifestly unable to exercise his rights of defense, (c) if it is irreconcilable with a judgment issued by the Spanish courts, (d) if there are any on-going proceedings in Spain between the same parties in relation to the same matter, (e) if the judgment is incompatible with another country's judgment which meets the requirements to be enforceable in Spain, or (f) if the matter of the judgment falls within the matters of the exclusive jurisdiction of the Spanish courts or, in any other matters, if the foreign court jurisdiction does not have a reasonable connection with the dispute.

Reciprocity is no longer a prerequisite; however the Spanish Government could exceptionally issue a decree denying the recognition of judicial decisions issued in countries which recurrently reject the recognition of Spanish decisions. Spain has not issued such decree in relation to the United States of America.

Recognition and enforcement of judgments obtained in the courts of England

Pursuant to article 36 of Regulation 1215/2012 and subject to article 523 of the Spanish law of civil procedure (*Ley 1/2000, de 7 de enero, de Enjuiciamiento Civil*) judgments rendered in England will be recognized and enforced in Spain without any special procedure being required. However, article 45 of Regulation 1215/2012 provides that a judgment will, *inter alia*, not be recognized:

(i) if such recognition is manifestly contrary to public policy in the Member State in which recognition is sought;

(ii) where it was given in default of appearance, if the defendant was not served with the document which instituted the proceedings or with an equivalent document in sufficient time and in such a way as to enable the defendant to arrange for his defense, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for the defendant to do so;

(iii) if it is irreconcilable with a judgment given in a dispute between the same parties in the Member State in which recognition is sought; and

(iv) if it is irreconcilable with an earlier judgment given in another Member State or in a third State involving the same cause of action and between the same parties, provided that the earlier judgment fulfills the conditions necessary for its recognition in the Member State addressed.

Moreover, a judgment shall not be recognized in a case provided for in article 72 of Regulation 1215/2012.

Switzerland

Judgments in civil or commercial matters of a non-Swiss court or authority will be recognized and enforced against an individual or a legal entity with legal domicile or seat in Switzerland pursuant to a bilateral or multilateral treaty or convention between the foreign country and Switzerland such as the Lugano Convention on Jurisdiction and the Enforcement of Judgments of October 30, 2007. Where no applicable treaty or convention exists, the rules of the Swiss Federal Act on International Private Law (*Bundesgesetz über das internationale Privatrecht*, "**PILA**") apply. Except for arbitral awards, there is currently no treaty or convention in effect pertaining to the recognition and enforcement of judgments in civil and commercial matters between the United States of America and Switzerland.

Articles 25 and 27 PILA apply for the recognition and enforcement of foreign judgments, including judgments of a U.S. federal or state court judgment ("**U.S. Judgment**") in Switzerland. In cases where a U.S. Judgment for a monetary claim shall be enforced, the Swiss Federal Act on Debt Enforcement and Bankruptcy (*Bundesgesetz über Schuldbetreibung und Konkurs*, "**DEBA**") and the Swiss Code of Civil Procedure (*Schweizerische Zivilprozessordnung*, "**ZPO**"), apply in addition to the PILA. The judgment of a Swiss court or authority of first instance concerning recognition and enforcement of a foreign judgment, including a U.S. Judgment, is generally subject to appeal.

There is doubt as to the enforceability in Switzerland of civil liabilities based on the securities laws of the United States, either in an original action or in an action to enforce a judgment obtained in U.S. courts. The United States and Switzerland currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, may not be automatically enforceable in Switzerland. However, if a person has obtained a final and conclusive judgment rendered by a U.S. court which is enforceable in the United States and files a claim with the competent Swiss court, the Swiss court may be expected to recognize the judgment rendered by the U.S. court, provided that (i) there are no grounds to refuse recognition and enforcement and (ii) such judgment has not been rendered in violation of elementary principles of fair trial and is not contrary to the public policy of Switzerland and, in particular, has been rendered by a court which has established its jurisdiction vis-à-vis the relevant party on the basis of a valid submission by such party to the jurisdiction of such U.S. court in accordance with the proceeding set forth by the PILA and the ZPO.

In particular, a Swiss court or authority will refuse recognition and enforcement for the following reasons only and may not otherwise review the non-Swiss judgment, including a U.S. Judgment, as to its merits: (i) if recognition and enforcement would be irreconcilable with Swiss public policy; or (ii) if a party proves that: it was not duly summoned pursuant to the law of its domicile or ordinary residence unless it made an appearance in the proceedings without objecting to jurisdiction; or (iii) the decision was rendered in violation of fundamental principles of Swiss procedural law, in particular the right to be heard was not granted; or (iv) a proceeding between the same parties in the same subject matter was first brought or adjudicated in Switzerland, or that it was earlier adjudicated in a third country and such decision is recognizable in Switzerland.

Further, valid submission to the jurisdiction of a foreign court, in particular a U.S. court or authority, is established: (i) if a provision of the PILA so provides or, in the absence of such provision, the defendant had his legal domicile in the country in which the decision was rendered; or (ii) if the parties, in a pecuniary dispute, entered into an agreement valid under the PILA submitting their dispute to the jurisdiction of the court or authority which rendered the judgment; or (iii) if the defendant, in a pecuniary dispute, proceeded on the merits without objecting to jurisdiction; or (iv) if, in the event of a counterclaim, the court or authority which rendered the decision had jurisdiction over the principal claim and if there is a factual connection between the principal claim and the counterclaim. It is uncertain whether these rules extend to default judgments as well.

In addition, the recognition and enforcement of punitive damages awards might be denied by Swiss courts as incompatible with Swiss public policy. Alternatively, a Swiss court may reduce the amount of damages ordered by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages.

Swiss civil procedure differs substantially from U.S. civil procedure in a number of respects. Insofar as the production of evidence is concerned, U.S. law and the laws of several other jurisdictions based on common law provide for pre-trial discovery, a process by which parties to the proceedings may prior to trial compel the production of documents by adverse or third parties and the deposition of witnesses. Evidence obtained in this manner may be decisive in the outcome of any proceeding. No such pre-trial discovery process exists under Swiss law. Instead, a Swiss court would decide upon the claims for which evidence is required from the parties and the related burden of proof.

Under Swiss law, any amount denominated in a foreign currency and ordered to be paid pursuant to a final judgment will be enforced by Swiss debt collection authorities (*schweizerische Zwangsvollstreckungsbehörden*) and must be converted into Swiss Francs.

Due to the nature of enforcement proceedings in Switzerland, no statement can be made as to the time required to obtain recognition and enforcement of a judgment in Switzerland.

Judicial documents may not be served directly from abroad on a person in Switzerland (see Switzerland's reservation to the Hague Convention on Service Abroad of Judicial or Extra Judicial Documents in Civil and Commercial Matters concluded on 15 November 1965) and service must be effected by way of judicial assistance.

Trinidad and Tobago

Recognition and Enforcement of judgments obtained in the courts of New York or the United States

A judgment obtained in the federal and state courts of the United States of America against the Trinidad and Tobago Guarantor is enforceable in Trinidad and Tobago under the common law by an action in the Trinidad and Tobago courts on such judgment, save, however, (i) if the original court acted without jurisdiction, (ii) if the judgment was obtained by fraud, (iii) if the judgment is in respect of a cause of action, which, for reasons of public policy, the provisions of any Act of Parliament of Trinidad and Tobago or for some other similar reason could not have been entertained by the court, (iv) if the judgment was obtained by breach of the rules of natural justice, or (v) if for some other reason the judgment is not a final or conclusive judgment.

Such a foreign judgment *in personam* may be enforced by a claim or counterclaim for the amount due under it if the judgment is for a debt or a definite sum of money (not being in respect of the enforcement of a foreign revenue law or penal law). Subject to the above reservations, the Trinidad and Tobago courts would give summary judgment in the terms of the judgment of the federal or state court of the United States of America.

Currency conversion

Whilst the courts of Trinidad and Tobago have power to give judgment expressed as an order to pay a currency other than the local currency and are normally prepared to do so, they may decline to do so in their judicial discretion and may not enforce the benefit of currency conversion and indemnity clauses.

Recognition and Enforcement of judgments obtained in the courts of England

Any judgment obtained in the courts of England against the Trinidad and Tobago Guarantor will be recognized and enforced by the Trinidad and Tobago courts without retrial or examination of the merits of the case by registration within twelve (12) months after the date of the judgment or such longer period as may be allowed by the Trinidad and Tobago courts pursuant to the provisions of the Judgments Extension Act, Chap 5:02 ("**the Judgments Extension Act**"); save, however, (i) if the original court acted without jurisdiction; (ii) if the Trinidad and Tobago Guarantor was not properly served with the proceedings; (iii) if the judgment was obtained by fraud; (iv) if there is an appeal pending or for some other reason the judgment is not a final judgment; (v) if the judgment is not for a definite sum of money or in respect of the enforcement of a foreign revenue law or penal law; or (vi) if the judgment is in respect of a cause of action, which, for reasons of public policy, the provisions of any Act of Parliament of Trinidad and Tobago, or for some other similar reason, could not have been entertained by the Trinidad and Tobago courts.

LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE NEW GUARANTEES, THE NEW SENIOR SECURED NOTES SECURITY AND CERTAIN INSOLVENCY LAW CONSIDERATIONS

The following is a summary description of certain limitations on the validity and enforceability of the New Guarantees, and a summary of certain insolvency law considerations in some of the jurisdictions in which the New Issuer, the New Guarantors and the Subsidiaries are incorporated or organized. The description is only a summary and does not purport to be complete or to discuss all of the limitations or considerations that may affect the validity and enforceability of the New Notes and the New Guarantees. Prospective investors in the New Notes should consult their own legal advisors with respect to such limitations and considerations.

European Union

The New Issuer and several of the New Guarantors are incorporated or organized under the laws of Member States of the European Union. Pursuant to Regulation (EU) no. 2015/848 of the European Parliament and of the Council (which substitutes Council Regulation (EC) no. 1346/2000 on insolvency proceedings, which continues to apply for insolvency proceedings opened before June 26, 2017) (the "**EU Insolvency Regulation**"), the court that shall have jurisdiction to open insolvency proceedings in relation to a company is the court of the Member State of the European Union (other than Denmark) where the company concerned has its "center of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its "center of main interests" is a question of fact on which the courts of the different Member States of the European Union may have differing and even conflicting views.

The term "center of main interests" has been addressed through the EU Insolvency Regulation and in the jurisprudence of the European Court of Justice relating to Council Regulation (EC) no. 1346/2000. There is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any such company has its "center of main interests" in the Member State of the European Union in which it has its registered office. This presumption does not apply where the debtor has moved its registered office to another Member State within three months before the opening of the insolvency proceedings. Recital 30 of the preamble to the EU Insolvency Regulation states that the presumption can be rebutted where the debtor's central administration is located in a Member State other than that of its registered office and where a comprehensive assessment of all the relevant factors established, in a manner that is ascertainable by third parties, that the debtor's actual center of management and supervision and of the management of its interests is located in another Member State. Further, the second sentence of Article 3(1) of the EU Insolvency Regulation states that the "center of main interests" of a debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and "is ascertainable by third parties." In that respect, factors such as where board meetings are held, the location where the company conducts the majority of its business and the location where the large majority of the company's creditors reasonably perceives the center of the company's business operations to be may all be relevant in the determination of the place where the company has its "center of main interests." The European Court of Justice, in a ruling dated 20 October 2011 (the "**Ruling**"), interpreted Article 3(1) of the European Insolvency Regulation to specify that a debtor company's "center of main interests" must be determined by attaching greater importance to the place of the company's central administration, as may be established by objective factors which are ascertainable by third parties, and where the bodies responsible for the management and supervision of a company are in the same place as its registered office and the management decisions of the company are taken, in a manner that is ascertainable by third parties, in that place, the presumption in that provision cannot be rebutted. The Ruling further specified that where a company's central administration is not in the same place as its registered office, the presence of company assets and the existence of contracts for the financial exploitation of those assets in a Member State other than that in which the registered office is situated cannot be regarded as sufficient factors to rebut the presumption unless a comprehensive assessment of all the relevant factors makes it possible to establish, in a manner that is ascertainable by third parties, that the company's actual center of management and supervision and of the management of its interests is located in that other Member State.

If the center of main interests of a company is and will remain located in the Member State of the European Union in which it has its registered office, the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings opened in one Member State of the European Union under the EU Insolvency Regulation are to be recognized in the other Member States of the European Union (other than Denmark), although secondary proceedings may be opened in another Member State of the European Union. If the "center of main interests" of a company is in one Member State of the European Union (other than Denmark), under Article 3(4) of the EU Insolvency Regulation, the courts of another Member State of the European Union (other than Denmark) have jurisdiction to open "territorial proceedings" only in the event that such debtor has an "establishment" in the territory of such other Member State of the European Union. An "establishment" is defined to mean a place of operations where the company carries out, or has carried out in the three-month period prior to the request to open main insolvency proceedings, non-transitory economic activity with human means and goods. The effects of those territorial proceedings opened in that other Member State are restricted to the assets of the company situated in such other Member State. The effects of those territorial proceedings are restricted to the assets of the debtor situated in the territory of such other Member State of the European Union. If the company does not have an establishment in any other Member State of the European Union, no court of any other Member State of the European Union has jurisdiction to open territorial proceedings in respect of such company under the EU Insolvency Regulation.

Irrespective of whether the insolvency proceedings are main or territorial proceedings, such proceedings will always, subject to certain exemptions, be governed by the *lex fori concursus*, i.e., the local insolvency law of the court which has assumed jurisdiction for the insolvency proceedings of the debtor.

In the event that any one or more of the New Issuer, the New Guarantors or any of the Subsidiaries experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations and the security of the New Issuer and the New Guarantors.

Belgium

Insolvency

The New Notes will be guaranteed by Swissport Cargo Services Belgium NV, a limited liability company (*société anonyme/naamloze vennootschap*) organized under the laws of Belgium (the "**Belgian Guarantor**"). Consequently, in the event of an insolvency of the Belgian Guarantor, and provided that the Belgian Guarantor's "center of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation) is situated in Belgium, main insolvency proceedings may be initiated in Belgium. Such main proceedings would then be governed by Belgian law. Under certain circumstances, Belgian law also allows secondary bankruptcy proceedings to be opened in Belgium over the assets of companies that are not established under Belgian law. The following is a brief description of certain aspects of Belgian insolvency law. Belgian insolvency laws provide for two insolvency procedures: a judicial reorganization procedure (*gerechtelijke reorganisatie/ réorganisation judiciaire*) and a bankruptcy procedure (*faillissement/faillite*). Note that in addition thereto, Belgian law also allows for liquidation in deficit (*deficitaire vereffening/liquidation déficitaire*).

Judicial reorganization

The judicial reorganization proceedings are regulated by the Act of January 31, 2009 on the Continuity of Enterprises (the "**Act on the Continuity of Enterprises**"), which entered into force on April 1, 2009 and has been amended from time to time.

The Act on the Continuity of Enterprises provides for three types of reorganization: (i) an amicable settlement between the debtor and two or more of its creditors; (ii) a collective agreement; or (iii) the transfer of (part of) the activities.

The type of reorganization may change during the proceedings and may also depend on the position of the court and/or third parties.

In the case of an amicable settlement, the parties to such amicable settlement will be bound by the terms they have agreed.

In the case of a judicial reorganization by collective agreement, the creditors agree to a reorganization plan during the reorganization procedure.

A debtor may file a petition for judicial reorganization if the continuity of the enterprise is at risk, whether immediately or in the future. If the net assets of the debtor have fallen below 50% of the debtor's registered capital (*maatschappelijk kapitaal/capital social*), the continuity of the enterprise is always presumed to be at risk.

As from the filing of the petition and as long as the court overseeing a judicial reorganization has not issued a ruling on the reorganization petition, the debtor cannot be declared bankrupt or wound up by court order. In addition, during the period between the filing of the petition and the court's decision, with few exceptions, none of the debtor's assets may be disposed of by any of its creditors as a result of the enforcement of any security interests that such creditors may hold with respect to such assets.

The Act on the Continuity of Enterprises provides that, within a period of fourteen days as from the filing of the petition, the court will hear the debtor and/or his legal counsel on the petition for reorganization and will hear the report from the delegated judge. After this hearing, the court will render a decision on the petition for judicial reorganization. Within eight days and subject to the satisfaction of the filing conditions, the court will declare the judicial reorganization procedure open, allowing a temporary moratorium for a maximum period of six months. At the request of the debtor and pursuant to the report issued by the delegated judge, the moratorium period can be extended by another six months. In exceptional circumstances (such as due to the size of the business, the complexity of the case or the impact of the procedure on employment), and in the interest of the creditors, the court may order an additional extension of the moratorium period for six months.

The granting of the moratorium operates as a stay. No enforcement measures with respect to pre-existing claims in the moratorium can be continued or initiated against any of the debtor's assets from the time that the moratorium is granted until the end of the period, with a few exceptions. During the duration of the moratorium, no attachments can be made with regard to pre-existing claims.

Conservatory attachments that existed prior to the opening of the judicial reorganization retain their conservatory character, but the court may order their release, provided that such release does not have a material adverse effect on the situation of the creditor concerned.

Receivables other than credit claims (*bankvorderingen/créances bancaires* in the meaning of the Financial Collateral Law of December 15, 2004), pledged by the debtor in favor of a creditor prior to the opening of the judicial reorganization procedure are not affected by the moratorium, provided the receivables are pledged specifically to that creditor from the moment when the pledge is created. The holder of such pledged receivables is permitted to take enforcement measures against the estate of the initial counterparty of the debtor (e.g. the debtor's customers) during the moratorium. Receivables which form part of a pledge over business assets do not benefit from such exemption. A pledge, to the extent a default has been established, on financial instruments in the meaning of the Financial Collateral Law of December 15, 2004 can be enforced notwithstanding the enforcement prohibition imposed by the moratorium (unless considered an abuse of right). In the case of a pledge on cash held on accounts, the enforcement prohibition applies, save in case of payment default or if certain other conditions are met. Personal guarantees granted by third parties in favor of the debtor's creditors are not covered by the enforcement prohibition imposed by the moratorium, nor are the debts payable by co-debtors. An exception exists for natural persons which have granted a personal guarantee free of charge in case the amount is manifestly disproportionate in relation to their capacity to pay. The moratorium also does not prevent the voluntary payment by the debtor of claims covered by the moratorium provided such payment is necessary for the continuity of the enterprise.

During the judicial reorganization procedure, the board of directors and management of the debtor continue to exercise their management functions. However, upon request of the debtor or any other interested party and to the extent it is deemed useful for reaching the aims of the restructuring, the court may appoint, in its decision to open the judicial reorganization procedure or at any other point in time during the course of the procedure, a judicial administrator (*gerechtsmandataris/mandataire de justice*) to assist the debtor during the restructuring. In addition, the court may also appoint a judicial administrator, upon request of any interested party or the public prosecutor, in the event of manifestly grave shortcomings (*kennelijke en grove tekortkomingen/manquements graves et caractérisés*) of the debtor or any of its corporate bodies insofar as such measure can safeguard the continuity of the debtor. In addition, in the event of manifestly gross negligence (*kennelijk grove fout/faute grave et caractérisée*) or manifest bad faith, the court may, upon the request of any interested party or the public prosecutor appoint a temporary director (*voorlopig bestuurder/administrateur provisoire*) replacing the debtor's corporate bodies for the duration of the moratorium and charged with the management of the debtor.

The reorganization procedure aims to preserve the continuity of a company as a going concern. Consequently, the initiation of the procedure does not terminate any contracts. Contractual provisions which provide for the early termination or acceleration of the contract upon the initiation or approval of a reorganization procedure, and certain contractual terms such as default interest may not be enforceable during such a procedure. The Act on the Continuity of Enterprises provides that a creditor may not terminate a contract on the basis of a debtor's default that occurred prior to the reorganization procedure if the debtor remedies such default within a 15-day period following the notification of such default.

As an exception to the general rule of continuity of contracts, the debtor may cease performing a contract during the reorganization procedure, provided that the debtor notifies the creditor, and the decision is necessary for the debtor to be able to propose a reorganization plan to its creditors or to transfer all or part of the company or its assets. The exercise of this right does not prevent the creditor from suspending the performance of its own obligations.

In the case of a judicial reorganization by collective agreement, the debtor must, within a period of fourteen days following the ruling declaring the judicial reorganization proceedings open, inform each of its creditors individually of the amount of their claims against the debtor as recorded in the books of the debtor, as well as of details regarding security interests, if applicable. Creditors with pre-existing claims, as well as any other interested party that claims to be a creditor, can challenge the amounts and the ranking of the secured claims declared by the debtor. The court can determine the disputed amounts and the ranking of such claims on a preliminary basis for the purpose of the reorganization procedure. In addition, the court can, upon joint request by the debtor and the creditor, change the amount and the ranking of the claim initially declared by the debtor at the latest fifteen days before the date on which the creditors will vote on the reorganization plan. If a creditor has not challenged the amount and the ranking of its claim at least fourteen days in advance of the date on which the creditors will vote on the approval of the reorganization plan, the amount of its claim will remain unchanged for voting purposes as well as for the purposes of the reorganization plan.

The maximum duration of the plan is five years. The plan must be filed with the Clerk's Office of the Commercial Court at least 20 days in advance of the date on which the creditors will vote on the approval of the reorganization plan. The court needs to ratify the reorganization plan prior to its taking effect. A reorganization plan approved by a double majority of the creditors (both in headcount and in value of the claims) and ratified by the court will bind the debtor and all creditors, including those who voted against it or did not vote. Secured claims can only be subject to the reorganization plan insofar as the secured creditor has given its consent.

The debtor must use the moratorium period to complete and finalize a reorganization plan, with the assistance of the court-appointed administrator, as the case may be. The plan may include measures such as the reduction or rescheduling of liabilities and interest obligations and the conversion of debt into equity. The plan cannot provide for the reduction or release of debts related to employment, alimony, physical damage and criminal fines.

Instead of entering into formal reorganization proceedings as provided by the Act on the Continuity of Enterprises, the debtor can opt for an amicable settlement by drawing an agreement and joint payment scheme plan with at least two creditors in order to settle its debts. If an agreement is reached for reorganization purposes, it is submitted in the court and entered into a register. Such an amicable settlement will remain enforceable in the event of a later bankruptcy, subject to certain exceptions.

A court-ordered transfer of all or part of the debtor's enterprise can be requested by the debtor in his petition or at a later stage in the procedure. It can be requested by the public prosecutor, by a creditor or by any party who has an interest in acquiring, in whole or in part, the debtor's enterprise, and the court can order such transfer in specific circumstances. The price of the transferred assets should at least be equal to the liquidation value. In case of comparable offers, priority will be given to the offer guaranteeing employment by way of a social agreement. A court ordered transfer will be organized by a judicial administrator (*gerechtsmandataris/ mandataire de justice*) appointed by the court. Following the transfer, the recourse of the creditors will be limited to the transfer price.

Bankruptcy

The Belgian bankruptcy procedure is essentially governed by the Act of August 8, 1997 on bankruptcy proceedings, as amended from time to time (the "**Belgian Bankruptcy Act**").

A bankruptcy procedure may be initiated by the debtor, by unpaid creditors, upon the initiative of the public prosecutor's office, by the provisional administrator of the debtor's assets, by the liquidator of the debtor's assets or by the liquidator of "main insolvency proceedings" opened in another EU member state (except Denmark) in accordance with the EU Insolvency Regulation. Once the court ascertains that the requirements for bankruptcy are met, the court will establish a date by which all creditors' claims must be submitted to the court for verification.

Conditions for a bankruptcy order (*déclaration de faillite/aangifte van faillisement*) are that the debtor must be in a situation of cessation of payments (*cessation de paiements/staking van betaling*) and be unable to obtain further credit (*ébranlement de credit/wiens krediet geschokt is*). Cessation of payments is generally accepted to mean that the debtor is not able to pay its debts as they fall due. Such situation must be persistent and not merely temporary. In bankruptcy, the debtor loses all authority and decision rights concerning the management of the bankrupt business. The bankruptcy receiver (*curateur/curator*), appointed by the court, becomes responsible for the operation of the business and implements the sale of the debtor's assets, the distribution of the sale proceeds to creditors and the liquidation of the debtor. The rights of creditors in the process are limited to being informed of the course of the bankruptcy proceedings on a regular basis by the receiver. Creditors may oppose the sale of assets by bringing an action before the court, or may request the temporary continued operation of the business.

The bankruptcy receiver must decide whether or not to continue performance under on-going contracts (i.e. contracts existing before the bankruptcy order). The bankruptcy receiver may elect to continue the business of the debtor, provided the receiver obtains the authorization of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply: (i) the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an automatic early termination or acceleration event; (ii) and *intuitu personae* contracts (i.e., contracts whereby the identity of the other party constitutes an essential element upon the signing of the contract) are automatically terminated as of the bankruptcy judgment, since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts.

The bankruptcy receiver may elect not to perform the obligations of the bankrupt party which are still to be performed after the bankruptcy under any agreement validly entered into by the bankrupt party prior to the bankruptcy if such decision is necessary for the management and liquidation of the bankrupt estate and subject to certain limitations, according to case law. The counterparty to an ongoing contract may summon the bankruptcy receiver to take a decision within fifteen days. If no extension of the fifteen days term is agreed upon or if the bankruptcy receiver does not take any decision, the ongoing contract is presumed to be terminated after the expiration of the fifteen days term. If the bankruptcy receiver decides not to continue performance of an ongoing contract or if an ongoing contract is terminated due to the expiration of the fifteen days term, the counterparty may make a claim for damages in the bankruptcy (and such claim will rank *pari passu* with claims of all other unsecured creditors) and/or seek a court order to have the relevant contract dissolved. The counterparty may not seek injunctive relief or require specific performance of the contract.

As a general rule, the enforcement rights of individual creditors are suspended upon the rendering of the court order opening bankruptcy proceedings, and after such order is made, only the bankruptcy receiver may proceed against the debtor and liquidate its assets. Exceptions exist with regard to certain required credits.

For creditors with claims secured by movable assets, such suspension would normally be limited to the period required for the first report of verification of the claims. At the request of the bankruptcy receiver, the suspension period may be extended for up to one year from the bankruptcy judgment. Such extension requires a specific order of the court, which can only be made if the further suspension will allow for a realization of the assets in the interest of all creditors but without prejudicing the secured creditors, and provided that those secured creditors have been given the opportunity to be heard by the court.

For creditors with claims secured by immovable assets, the intervention of the bankruptcy receiver is necessary to pursue the sale of the assets. The bankruptcy receiver will do so upon an order of the court, given either at its request or at the request of a mortgagee. However, a first-ranking mortgagee will generally be entitled to pursue the enforcement of its mortgage without the intervention of the bankruptcy receiver as soon as the first report of claims has been finalized; the court may suspend such enforcement for a period of not more than one year from the date of the bankruptcy judgment if the suspension will allow for a realization of the assets without prejudicing the mortgagee, provided that the mortgagee has been given the opportunity to be heard by the court. However, a pledge on financial instruments or cash held on accounts can be enforced during the suspension period.

As from the date of the bankruptcy judgment, no further interest accrues against the bankrupt debtor on its unsecured debt, or debts secured by a general privilege, like tax debts or social security debts.

The ranking of different types of debt of the bankrupt debtor is determined on the basis of a complex set of rules. The following is a general overview only of the main principles: (i) estate debt: costs and indebtedness incurred by the bankruptcy receiver during the bankruptcy proceedings, the so-called "estate debts," have a senior priority. In addition, if the receiver has contributed to the realization and enforcement of secured assets, such costs will be paid to the bankruptcy receiver in priority out of the proceeds of the realized assets before distributing the remainder to the secured creditors; (ii) security interests: creditors that hold a security interest have a priority right over the secured asset (whether by means of appropriation of the asset or on the proceeds upon realization); (iii) privileges: creditors may have a particular privilege on certain or all assets (e.g., tax claims, claims for social security premiums, etc.). Privileges on specific assets rank before privileges on all assets of the debtor; and (iv) unsecured creditors: once all estate debts and creditors having the benefit of security interests and privileges have been satisfied, the proceeds of the remaining assets will be distributed by the bankruptcy receiver among the unsecured creditors who rank *pari passu* (unless a creditor agreed to be subordinated). Subordinated creditors will receive the remainder (if any).

Deficit Dissolution and Liquidation Procedure

The shareholders of a Belgian company can in front of a public notary decide to dissolve and liquidate the company upon a proposal of the board of directors. The formal procedure is subject to court control in various ways. For example, the appointment of the liquidator is subject to court approval.

If such company's debts exceed its assets, it is not obliged to file for bankruptcy provided that (i) there is no fraud or grave shortcomings (*grove tekortkomingen/manquements graves*) by the board of directors, and (ii) the large majority of creditors agree to the liquidation procedure.

During the liquidation procedure, the *pari passu* rule (equality of creditors) applies, i.e. all creditors will be treated equally and paid pro rata, and cannot take individual enforcement measures, except (i) the creditors with a special preference right, (ii) the creditors with an *in rem* security right and (iii) the creditors with a claim arisen after the dissolution in the interest of the liquidation.

In practice, companies sometimes decide to gradually close down their business so that, in the end, the company no longer has any activities and debts remaining. In such case, and if the absence of any outstanding liabilities can be evidenced through a state of assets and liabilities, one shareholders' meeting held in front of a public notary can suffice for deciding (unanimously) on the dissolution, the liquidating and the closing of the liquidation of the company. Such informal closing down might however trigger the directors' liability (due to a breach of the formal procedure and/or the directors' fiduciary duties) and can thus only be applied if there is no risk of any damage caused to the company's creditors and contracting partners.

Limitation on Enforcement

The obligations under the New Notes and the New Guarantees of any guarantor with its main establishment (*voornaamste vestiging/établissement principal*) in Belgium and the granting of collateral by a Belgian Guarantor must fall within such Belgian Guarantor's legal and corporate purpose and be for the Belgian Guarantor's own corporate benefit.

Corporate benefit is not a well-defined term under Belgian law and its interpretation is left to the courts and legal authors. The corporate benefit rules and their application in the context of granting guarantees or collateral for the benefit of a group company are not clearly established under Belgian law and there is only limited case law on this issue.

The question of corporate benefit must be determined on a case-by-case basis by reference to the prevailing factual circumstances. Consideration has to be given to any direct and/or indirect benefit that the company would actually derive from the transaction and is particularly relevant for upstream or cross-stream guarantees and collateral. It is generally taught by legal scholars that such benefit should be proportionally greater than the risk for the guarantor resulting from the granting and/or enforcement of the guarantee concerned. The financial support granted by the company should not exceed its financial capabilities. Belgian case law does not offer clear guidelines on when a group transaction is within the individual group member's corporate benefit and when aforementioned conditions are met.

Whether or not the corporate benefit requirement is met is a matter of fact to be assessed by the board of directors of the company granting the guarantee or collateral. The corporate benefit justification by the company's board of directors will be subject to only a "marginal review" by the courts; although in insolvency situations, the courts can be expected to take a more critical view.

If the corporate benefit requirement is not met, the directors of the company may be held liable (i) by the company for negligence in the management of the company and (ii) by third parties in tort. Moreover, the guarantee or collateral could be declared null and void and, under certain circumstances, the creditor that benefits from the guarantee could be held liable for up to the amount of the guarantee. Alternatively, the guarantee or collateral could be reduced to an amount corresponding to the corporate benefit. These rules have been seldom tested under Belgian law, and there is only limited case law on this issue.

In order to enable Belgian subsidiaries to grant a guarantee to secure liabilities of a direct or indirect parent or sister company and to limit and/or exclude the risk of violating Belgian rules on corporate benefit, it is standard market practice for indentures, credit agreements, guarantees and security documents to contain so-called "limitation language" in relation to subsidiaries incorporated or established in Belgium. Accordingly, the New Notes will contain such limitation language and the guarantee of the Belgian Guarantor may be so limited. Including such limitation language is, however, not conclusive to determine the corporate benefit.

The grant of a guarantee or collateral by a Belgian company must further be within or serve the corporate purpose and statutory purpose of the Belgian company as described in its articles of association, and the guarantee or collateral may not include any liability that would result in unlawful financial assistance within the meaning of the Belgian Companies Code.

Based upon the above, guarantee limitation language has been agreed in this transaction with respect to the New Guarantees to be granted by the Belgian Guarantor in respect of the payment obligations of the New Issuer under the New Notes:

Pursuant to such limitation language, the guarantee granted by each Belgian Guarantor will be limited to the higher of (i) the amount of intra-group borrowings plus 90% of the net assets of that guarantor (as determined in accordance with the Belgian Companies Code and Belgian GAAP, but not taking intra-group debt into account as debt) as calculated on the basis of its most recent audited annual financial statements at the Settlement Date and (ii) the amount of intragroup borrowings plus 90% of the net assets of that guarantor (as determined in accordance with the Belgian Companies Code and Belgian GAAP, but not taking intra-group debt into account as debt) as calculated on the basis of its most recent audited annual financial statements at the time the relevant demand is made.

Trust

As there is no established concept of "trust" or "trustee" under the present Belgian legal system, the nature, effect and enforceability of the duties, rights and powers of a security agent as agent or trustee for holder of the New Notes in respect of security interests such as pledges are debated and may not be effective or enforceable under Belgian law.

Beneficial Ownership

As there is no concept of "beneficial ownership" or "beneficial owner" under the present Belgian legal system, the rights, claims and effects resulting from such a concept may not be enforceable under Belgian law.

Hardening Periods and Fraudulent Transfer

In the event that bankruptcy proceedings are governed by Belgian law, certain transactions may be declared ineffective against third parties if concluded or performed by the debtor during a so-called "hardening period."

In principle, the cessation of payments (which constitutes a condition for filing for bankruptcy) is deemed to have occurred as of the date of the bankruptcy order. The court issuing the bankruptcy order may determine, based on serious and objective indications that the cessation of payments occurred on an earlier date. Such earlier date may not be earlier than six months before the date of the bankruptcy order, except in cases where the bankruptcy order relates to a company that was dissolved more than six months before the date of the bankruptcy order in circumstances suggesting an intent to defraud its creditors, in which case the date of cessation of payments may be determined as being the date of such decision to dissolve the company. The period from the date of cessation of payments up to the declaration of bankruptcy is referred to as the "hardening period" (*période suspecte/verdachte periode*).

The transactions entered into or performed during the hardening period which may be declared ineffective against third parties and unenforceable against the bankruptcy receiver include, among others, (i) gratuitous transactions or transactions where the consideration received is considerably below the value of the act of asset provided by the debtor, (ii) payments for debts which are not due and payments, (iii) payments made other than in cash and (iv) security provided for pre-existing debt.

The Belgian bankruptcy receiver may request the court to declare payments of the Belgian Guarantor during the hardening period for debts due ineffective against third parties, provided that it can be proven that the creditor concerned was aware of the cessation of payment of the company.

In particular, a guarantee entered into during the hardening period may be declared ineffective against third parties (i) if it is regarded as having been granted gratuitously or where the consideration received is considerably below the value of the guarantee provided or (ii) if the beneficiaries of the guarantee were aware of the company's cessation of payments.

If the guarantee given by the Belgian Guarantor was successfully declared ineffective (based on the above), holders of the Notes would cease to have any claim in respect thereof and would be under an obligation to repay any amounts received pursuant to such guarantee.

Finally, regardless of any declaration by the commercial court of a hardening period, a third party creditor may obtain a court ruling that any act or transaction (such as a guarantee) is not enforceable against it if it can establish that the challenged act or transaction was entered into with the fraudulent intent to adversely affect its position as an existing creditor (*actio pauliana*), irrespective of its date.

Security Agent and Parallel Debt

As there is no established concept of "trust" or "trustee" under the present Belgian legal system, the precise nature, effect and enforceability of the duties, rights and powers of the Security Agent as agent or trustee for noteholders with respect to certain Belgian law collateral (other than financial collateral subject to the Belgian law of 15 December 2004 on financial collateral arrangements, as amended from time to time (the "**Belgian Financial Collateral Act"**), such as the pledge on intra-group receivables) is debated under Belgian law. As a result, Belgian courts may not recognize the effects of any trust provisions in relation to assets that are subject to the security and located in Belgium and held by or granted to the Security Agent, meaning that the noteholders may have a credit risk on the Security Agent. For this reason practice often resorts to parallel debt structures outside a financial collateral scenario to enable security agents to hold security for lenders.

However, pledge agreements over financial collateral subject to the Belgian Financial Collateral Act (such as the pledge on shares of the Belgian Guarantor) may be entered into with a representative of noteholders having the right to enforce the pledge on behalf of the noteholders, provided that the noteholders can be identified on enforcement.

The Intercreditor Agreement shall provide for the creation of a "parallel debt." Pursuant to the parallel debt and subject to the terms of the New Senior Secured Notes Indenture and to applicable law, the Security Agent becomes the holder of a claim equal to the amounts payable by the New Issuer and the New Guarantors to any secured creditor under or in relation to the New Senior Secured Notes and the New Guarantees as and when those amounts are due. The pledge granted by the Belgian Guarantor under the Transaction Security Documents will secure the parallel debt and all other obligations arising under the New Senior Secured Notes and the other indebtedness secured by that collateral.

The parallel debt provision usually provides that any payment made directly by the New Guarantors to the noteholders, automatically reduces the obligations of such New Guarantors to the Security Agent under the parallel debt, and vice versa.

Parallel debt has not yet been tested by Belgian courts and may be held unenforceable under Belgian law. Although there is little doctrine on this topic, Belgian scholars argue that such parallel debt structure should be valid and enforceable, in accordance with the principle of contractual freedom, as it is not contrary to public order.

Recognition and enforcement

The granting of security interests over movable or immovable, tangible or intangible, assets may be subject to validity and/or enforceability conditions. The breach of any of such conditions may render such security interests invalid or unenforceable. The foreclosure of security interests may be subject to formalities (e.g. judicial or non-judicial consent) and may be time consuming in the event that the foreclosure takes place under judicial control or in the event of a legal dispute. Courts may condition the enforcement of a security interest and/or guarantee upon the evidence that the creditor has a final and undisputed claim triggering the foreclosure of the security interest and/or guarantee. Enforcement of security interests and/or guarantees may be hindered by conflict of law and/or conflict of jurisdiction issues and may not breach any public policy provision and/or mandatory legal provisions. Courts may require a sworn translation in French or Dutch of the English documents which they may review.

In particular, and without limiting the generality of what is set out above, validity, effectiveness and enforceability of certain security interests may be limited as follows:

- bank account and receivables pledge: notice of the pledge created by the bank account and receivables pledge is not necessary for the perfection of the pledge as against third parties in general. In the absence of notice (or, in the case of a receivable governed by foreign law, of compliance with the applicable rules set by that foreign law), however, the pledge is not perfected as against the debtors of the receivables and (i) the debtors may still validly pay the receivables to the pledgor, (ii) the debtors may still raise defenses of set-off, (iii) subsequent assignment or pledge of the receivables to a bona fide third party in respect of which notice is given first would take priority over the pledge effected by the bank account and receivable pledge agreement, (iv) the pledge will not be effective against a third-party creditor of the company (such as, typically, a creditor, a creditor having made an attachment on the receivables) to whom a debtor would, in good faith, have paid a receivable before having received notice of the pledge, and (v) it is uncertain whether, after notice, debtors may still raise defenses of set-off.
- Floating charges (*pand op handelszaak/gage sur fonds de commerce*) must be recorded at the local mortgage registry to be enforceable against third parties. As long as it is not recorded with the local mortgage registry, there is a risk that the noteholders will not receive any proceeds from an enforcement of the security interest in that collateral.
- A floating charge mandate solely entails a right to convert such a mandate into a business pledge when deemed appropriate by the appointee under the mandate. However, such a mandate (i) does not entail the creation of a security interest in, or the creation of any priority right on, the assets covered by the floating charge mandate, nor on the proceeds derived from the enforcement of hereof; and (ii) is not enforceable against third parties as long as it is not registered in the competent mortgage register. The conversion of such a mandate is not possible anymore upon bankruptcy of the pledgee and it is debated whether it would be enforceable if converted during judicial composition. The conversion of the mandate during the hardening period may be held unenforceable, and may also be prejudiced by the liquidation of the pledgee.

Canada

This summary highlights certain aspects of (i) the laws of the province of Quebec, including the federal laws of Canada applicable therein, ("**Quebec Law**") relating to guarantees granted by a Quebec company or a company governed by the Canada Business Corporations Act (a "**CBCA company"**) and security over personal property, and (ii) the federal laws of Canada in respect of bankruptcy and insolvency of corporations, in each case in force on the date of these Listing Particulars. The rules relating to security over personal property in the other provinces and territories of Canada are somewhat different from the rules in force in Quebec, and more akin to the rules in force in the United States of America.

Generally, under Quebec Law, a Quebec company or CBCA company may create a hypothec (the Quebec Law equivalent of a security interest) in all or any of its property, owned or subsequently acquired, to secure any of its obligations.

Unless the articles or by-laws of a Quebec company or CBCA company provide otherwise, under Quebec Law the directors of such company have the power to (i) authorize such transactions without authorization of the shareholders, or (ii) delegate such power of authorization to a director, an officer or a committee of the directors.

An agent, which need not be a creditor, may hold security on behalf of a syndicate of creditors.

Guarantees

Under Quebec Law, a guarantee or some of its provisions may be unenforceable against the guarantor if they constitute (i) a penalty or (ii) a breach of public order (e.g., a clause providing for the rate of interest exceeding the statutory ceiling would be illegal). A guarantee may also be unenforceable if the underlying guaranteed obligation is unenforceable against the principal debtor, although this result may be overcome if the guarantee also includes appropriate language that is intended to convert it into an indemnity (an indemnity remains enforceable notwithstanding any invalidity or defect in the underlying obligation unless the underlying obligation is contrary to public order). While a guarantee may also provide that a guarantor will be liable as principal debtor for any amount not recoverable on the basis of a guarantee, the enforceability of such a clause is questionable. Guarantees typically contain waivers of defenses available to the guarantor as a matter of law. Waivers of general defenses may be unenforceable in certain circumstances, including where they are considered too vague or uncertain.

Insolvency

In Canada, insolvency proceedings are governed primarily by two federal statutes, the *Bankruptcy and Insolvency Act* (the "**BIA**") and the *Companies' Creditors Arrangement Act* (the "**CCAA**"). The federal insolvency laws in Canada apply across the country and allow for either a bankruptcy type proceeding (i.e., a Chapter 7 type liquidation) or a restructuring type proceeding (i.e., a Chapter 11 type proceeding). In addition, under federal insolvency laws or provincial personal property security legislation and the rules of court, secured creditors may appoint (by contract or court order) what is known as a "receiver" over the collateral of the debtor, in order to sell the debtor's assets or manage the debtor's business or otherwise realize on collateral. Notwithstanding that insolvency proceedings in Canada are governed by federal statute, in certain circumstances provincial and territorial laws will affect those proceedings (e.g., securities laws, landlord rights, etc.). In addition, secured creditors may have recourse to self-help or court- supervised remedies.

Liquidation

Bankruptcy proceedings in Canada can be either voluntarily commenced by a debtor company or involuntarily commenced by one or more creditors of such a company owed at least C$1,000 each. In order for a bankruptcy assignment to be valid, the company must meet one of the tests for insolvency set out in the BIA, with the most commonly met test being a failure to meet obligations generally as they become due. Upon a bankruptcy occurring and subject to the rights of secured creditors, all of the assets of the company vest in a trustee in bankruptcy, with the proceedings being subject to the oversight of both the Superintendent of Bankruptcy and the Court. Typically, a trustee in bankruptcy proceeds to liquidate the assets of the company and distribute the proceeds to creditors in accordance with their legal priorities.

Certain statutes in Canada provide super priority status to claims such as payroll deductions for employee income taxes, government operated pension plans and employment insurance, as well as for certain specified private pension contributions (if any), and unpaid wages and employee disbursements. After the statutory super priorities, the BIA provides that secured creditors are to be paid prior to unsecured creditors. While the general rule is that arm's length unsecured creditors share any remaining proceeds *pari passu*, the BIA does provide that certain "preferred" claims are to be paid prior to the general body of unsecured creditors, including the fees and expenses of the trustee in bankruptcy and its counsel, remaining unpaid wages accrued in the six months prior to the bankruptcy beyond the priority amounts noted above and certain landlord claims. In the context of a bankruptcy, a trustee in bankruptcy is also required to review asset transfers and transactions undertaken by the bankrupt within specified time periods prior to the bankruptcy to determine if the bankrupt was engaged in any preferences, transfers at under value or other reviewable transactions. In the case of transfers at under value, the review period is 1 year from the date of the initial bankruptcy event (or 5 years for related parties) and preferences are subject to review if they occurred within 3 months of the initial bankruptcy event (or 12 months for related parties). In the event that such a transaction is determined to have occurred, the trustee in bankruptcy may apply to the Court for relief, including unwinding of the transaction and/or asserting claims against the recipient of the assets. After the payment of all amounts owing to the creditors, any surplus is available to the shareholders.

Upon the occurrence of a bankruptcy order or a voluntary assignment in bankruptcy, the BIA imposes a stay of proceedings and leave is required to proceed, or continue, with any actions against the bankrupt entity. The stay of proceedings in bankruptcy does not apply to secured creditors. Secured creditors are free to continue to enforce their security against the assets of the bankrupt, subject to satisfying the trustee in bankruptcy that they have valid security over the same.

As stated above, a secured creditor may appoint a "receiver" over the collateral of a debtor company. The receiver is not typically installed to restructure a business. A receiver is generally used as a mechanism for realizing on collateral. The receiver will typically seek to sell the debtor's assets, manage the debtor's business or otherwise realize on the collateral, with the proceeds from its activities payable in accordance with the established priorities. A receiver can be Court-appointed or privately appointed—the reasons for each varies. In the case of a Court-appointed receivership, the powers of the receiver are in the discretion of the Court. The appointment order typically includes a broad stay of proceedings (which applies to both secured and unsecured creditors) and establishes priority charges for administration fees and receiver's borrowings, among other possible charges. In the case of a private receiver, the receiver's powers are prescribed by contract (i.e., between the creditor and the debtor) and relevant personal property security legislation. In each case, the receivership remains subject to many of the considerations in a bankruptcy, including super- priorities, reporting obligations, etc. A receiver is often appointed where only the secured creditors are likely to be paid out of the realizations or there is an opportunity to realize higher returns through a going-concern sale of the business than a piecemeal liquidation. Ultimately, however, the effect is the same: the realization on the debtor company's assets in favor of the creditors.

Restructuring

Generally, restructuring proceedings in respect of insolvent companies are commenced under one of two statutes in Canada. For large or complex restructurings, the most commonly used statute is the CCAA. In order to seek relief under the CCAA, the company must have at least C$5 million in outstanding debt. The granting of an initial order for relief under the CCAA is in the discretion of the Court, but if granted, an initial CCAA order typically involves a broad stay of proceedings (applying to secured and unsecured creditors), protection from the termination of contracts by third parties, authority of the debtor to disclaim or repudiate executory contracts and, in certain cases, the granting of super priority security interests on the assets of the debtor to secure amounts owing to debtor-in-possession lenders, professionals involved in the restructuring and directors of the debtor company with respect to certain indemnified liabilities. An initial stay of proceedings under the CCAA cannot exceed 30 days, but the debtor company is entitled to seek extensions to the stay. There is no time limit on the duration of an extension to the stay of proceedings under the CCAA or on the duration of the entirety of the proceeding itself. Multiple related companies may be subject to a single CCAA proceeding.

CCAA proceedings are supervised by the Court and upon the making of an initial order under the CCAA, the Court must appoint a licensed trustee in bankruptcy to act as the "monitor" of the applicant company. The monitor is given certain powers under the CCAA and additional powers may be granted by Court order. The monitor does not take possession of, or have any control over, the assets of the applicant company unless otherwise ordered by the Court. The monitor is required to oversee certain filings made by the applicant company and provide its views with respect to same. The monitor also has a statutory duty to advise the court of any material adverse change in the status of the applicant company.

Under the CCAA, a company may, inter alia, proceed to file a plan of compromise or arrangement, or seek Court approval of an interim sale of some or all of its assets. In the case of a plan of compromise or arrangement, it is necessary for the applicant company to obtain the requisite level of creditor approval (662/3% in value of the debt and more than 50% in number of the creditors who cast votes in each affected class of creditors) and Court approval of the restructuring plan. Secured creditors may be included in the plan, in which case they have a right to vote in one or more separate classes, or may be dealt with outside of the plan. Upon requisite creditor and Court approvals being obtained, the restructuring plan is binding on all affected creditors whether or not they voted in favor of the plan. CCAA plans may be combined with plans of reorganization or arrangement under Canada's federal and provincial corporate statutes, allowing Canadian companies to change their share capital, including cancelling existing shares and/or converting existing debt to new shares, in the context of a plan. Insolvent companies may restructure certain of their debts in stand-alone arrangement proceedings under federal or provincial corporate statutes, and in doing so the court may provide some of the same powers, and protections as are available in CCAA proceedings. If the CCAA proceeding includes an asset sale, any sale out of the ordinary course is subject to approval of the Court (but with no creditor vote and notwithstanding corporate shareholders approval requirements) and the Court is authorized to vest assets in a purchaser free and clear of liens, claims and encumbrances. During the course of a CCAA proceeding, creditors and contractual counter parties are generally not entitled to exercise rights or remedies without leave of the Court except for certain statutory exceptions (e.g., proven claims of set-off, termination and enforcement rights under certain types of derivative agreements and certain regulatory investigations).

The Court may not approve an asset sale or sanction a restructuring plan in the context of a CCAA proceeding unless any existing super priority employee wage claims and pension contribution claims are satisfied or provided for to the satisfaction of the Court.

Insolvent companies in Canada may also proceed with a restructuring under the proposal provisions of the Bankruptcy and Insolvency Act (as previously defined, the "**BIA**"). The proposal provisions of the BIA (the "**Proposal Provisions**") provide for a process that is very similar to restructuring proceedings under the CCAA with certain key differences. A restructuring under the BIA is typically undertaken where the proposed restructuring is small or relatively simple; or, where the applicant company simply does not qualify for the CCAA because its aggregate debt is less than C$5 million.

Upon filing a proposal (or a notice of intention to make a proposal) with the Office of the Superintendent of Bankruptcy, the BIA provides an automatic stay of proceedings. There is no need to apply to the Court for the initial stay. The scope and term of the stay varies, depending on whether the company commences the proceedings by filing a proposal or by filing a notice of intention to make a proposal. Such stay will remain in place until the trustee administering the proposal proceedings is discharged (e.g., the proposal is implemented and the proceedings concluded) or the company becomes bankrupt (e.g., via a failed proposal, as discussed below). In the context of a notice of intention to make a proposal, the initial stay is for a period of 30 days, which applies to secured and unsecured creditors. However, if the company has not filed a proposal within the initial 30-day period, it must apply to the Court for an extension of such period or be deemed bankrupt. The Proposal Provisions limit the duration of initial 30-day period and any extensions thereto, to an aggregate of 6 months from the date of the filing of the notice of intention. Failure to file a proposal within this period will result in a deemed bankruptcy. In the case of any proceedings under the Proposal Provisions, the applicant company is protected from the termination of contracts by third parties.

The Proposal Provisions allow for the granting of super priority charges by court order (similar to the CCAA), repudiation or disclaimer of contracts (similar to the CCAA), and the appointment of a proposal trustee (which has a similar role and powers as a monitor under the CCAA). A proposal is ultimately put to a creditor vote, with secured creditors (if any) voting in a separate class (or classes). In the event that the company's proposal to its creditors is either rejected by any class of unsecured creditors at a meeting held to approve such proposal (same voting thresholds as the CCAA noted above) or by the Court when the proposal is put before the Court for approval, the company is deemed bankrupt. Notably, if a proposal is rejected by a class of secured creditors but accepted by each class of unsecured creditors, the proposal does not necessarily fail. The secured class rejecting the proposal may be left to pursue private remedies, while the proposal is submitted to the Court for approval.

The Court may not approve an asset sale in the context of proposal proceedings or sanction a proposal unless any existing super priority employee wage claims and pension contribution claims are satisfied or provided for to the satisfaction of the Court.

In the event of a foreign insolvency proceeding, both the CCAA and the BIA allow a representative, authorized in a foreign proceeding in respect of a debtor, to seek recognition of the foreign insolvency proceeding in Canada. The CCAA and the BIA each provide for a modified version of the UNCITRAL model insolvency protocol (collectively, the "**Recognition Provisions**"). The Recognition Provisions allow an authorized representative to apply for recognition of the foreign insolvency proceeding as either a "foreign main proceeding" or a "foreign non-main proceeding." The determination of the type of proceeding is based upon the center of main interest ("**COMI**") of the applicant. The COMI test is substantially similar to the test set out in the UNCITRAL model law and Chapter 15 of the U.S. Bankruptcy Code, with some variations. If the Court determines that the foreign proceeding is a "foreign main proceeding," the Court must grant a stay of proceedings in Canada and may grant additional relief permitted under the CCAA/BIA. If the Court determines that the foreign proceeding is a "foreign non-main proceeding," the Court may, but is not required to, grant a stay of proceedings in Canada and any other relief permitted under the CCAA/BIA. In the event of a recognition order being granted, certain restrictions are imposed on the debtor company, including a restriction on selling assets in Canada unless the Court approves such asset sale transaction. In the event that the foreign proceeding results in the approval of a restructuring plan, the Canadian Court may grant such plan full force and recognition in Canada.

England and Wales

Guarantees granted by a subsidiary incorporated in England (a "**UK Subsidiary**") are subject to limitation to the extent that they would result in unlawful financial assistance within the meaning of the Companies Act 2006.

Insolvency

Certain of the New Guarantors are incorporated under the laws of England and Wales.

Accordingly, insolvency proceedings with respect to each English Guarantor would be likely to proceed under, and be governed by, English insolvency law (unless that company's center of main interests for the purposes of the EU Insolvency Regulation is held to be in an EC member state other than the United Kingdom in which case the laws of that jurisdiction will, subject to certain exceptions, govern the relevant insolvency proceedings). Similarly, the Cross-Border Insolvency Regulations 2006, which implement the UNCITRAL Model Law on Cross-Border Insolvency in the United Kingdom, provide that a foreign (i.e., non-European) court may have jurisdiction where any English-incorporated company has a center of its main interests in such foreign jurisdiction, or where it has an "establishment" (being a place of operations in such foreign jurisdiction, where it carries out non-transitory economic activities with human means and assets or services). The point at which this issue falls to be determined is at the time that the relevant insolvency proceedings are opened.

English insolvency law is different to the laws of the United States and other jurisdictions with which investors may be familiar. In the event that the English Guarantors experience financial difficulty, it is not possible to predict with certainty the outcome of insolvency or similar proceedings.

Formal insolvency proceedings under the laws of England and Wales may be initiated in a number of ways, including by the company or a creditor making an application for administration in or out of court, or by a creditor filing a petition to wind up the company or the company resolving to do so (in the case of liquidation). A company may be wound up if it is unable to pay its debts, and may be placed into administration if it is, or is likely to become, unable to pay its debts, and the administration is reasonably likely to achieve one of three statutory purposes (see below).

Under the Insolvency Act, a company is insolvent if it is unable to pay its debts. A company is deemed unable to pay its debts if it is insolvent on a "cash flow" basis (unable to pay its debts as they fall due), if it is insolvent on a "balance sheet" basis (the value of the company's assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities), or, among other matters, if it fails either to satisfy a creditor's statutory demand for a debt exceeding £750 or to satisfy in full a judgment debt (or similar court order).

English insolvency laws may not be as favorable to investors as United States and other insolvency laws. Insolvency laws and limitations on the New Notes and the guarantees of the New Notes may adversely affect the validity and enforceability of the New Notes and the guarantees and may limit the amount that can be recovered under the New Notes or the guarantees.

The following is a brief description of certain aspects of English insolvency law relating to certain limitations on the New Notes and on the guarantees, fixed charges and debentures ("**Security**"). The application of these laws could adversely affect investors, their ability to enforce their rights under the guarantees and therefore may limit the amounts that investors may receive in an insolvency of the New Guarantors.

Administration, Administrative Receivership and Floating Charges

The Insolvency Act empowers English courts to make an administration order in respect of an English company or a company with its "center of main interest" in England in certain circumstances. An administrator can also be appointed out of court by the company, its directors or the holder of a qualifying floating charge, and different procedures apply according to the identity of the appointor. The purpose of an administration is comprised of three objectives that must be looked at successively: rescuing the company as a going concern or, if that is not reasonably practicable, achieving a better result for the company's creditors as a whole than if the company went into an immediate liquidation or, if neither of those objectives is reasonably practicable, and the interests of the creditors as a whole are not unnecessarily harmed thereby, realizing property to make a distribution to secured or preferential creditors.

During the administration, there is a statutory moratorium and in general, no proceedings or other legal process may be commenced or continued against the debtor, or security enforced over the company's property, except with leave of the court or the consent of the administrator. However, certain creditors of a company in administration may be able to realize their security over certain of that company's property notwithstanding the statutory moratorium. This is by virtue of the disapplication of the moratorium in relation to a "security financial collateral agreement" (generally, cash at bank or financial instruments, such as shares, bonds or tradeable capital market debt instruments) under the Financial Collateral Arrangements (No. 2) Regulations 2003. If an English company were to enter administration, it is possible that the security granted by it or the guarantee granted by it may not be enforced while it is in administration. In addition, other than in limited circumstances, a secured creditor will not be entitled to appoint an administrative receiver (although it may be entitled to appoint an administrator).

In order to empower a secured creditor (or its agent) to appoint an administrative receiver or an administrator to the company out of court, the floating charge granted by the relevant English obligor must constitute a "qualifying floating charge" for purposes of English insolvency law and, in the case of the ability to appoint an administrative receiver, the qualifying floating charge must, unless the security document pre dates 15 September 2003, fall within one of the exceptions in the Enterprise Act 2002 to the prohibition on the appointment of administrative receivers. In order to constitute a qualifying floating charge, the floating charge must be created by an instrument which (a) states that the relevant statutory provision applies to it; (b) purports to empower the holder to appoint an administrator of the company or (c) purports to empower the holder to appoint an administrative receiver. The secured creditor will be the holder of a qualifying floating charge if such floating charge security, together (if necessary) with other forms of security, relates to the whole or substantially the whole of the property of the relevant English company and at least one such security interest is a qualifying floating charge. Whether the assets that are subject to the floating charges and other security will constitute substantially the whole of the relevant English company's assets at the time that the floating charges are enforced will be a question of fact at that time.

The most relevant exception to the prohibition on the appointment of an administrative receiver is the exception relating to "capital market arrangements" (as defined in the Insolvency Act), which may apply if the issue of the New Notes creates a debt of at least £50.0 million for the relevant company under the arrangement and the arrangement involves the issue of a "capital market investment" (which is defined in the Insolvency Act, and includes rated, listed or traded debt instruments, and debt instruments designed to be rated, listed or traded).

If an administrative receiver has been appointed, an administrator can only be appointed by the court (and not by the company, its directors or the holder of a qualifying charge using the out of court procedure), and then only if the person who appointed the administrative receiver consents or the court considers that the security pursuant to which the administrative receiver was appointed is invalid. If an administrator is appointed, any administrative receiver will vacate office, and any receiver of part of the company's property must resign if required to do so by the administrator.

Prescribed Part

An administrator, receiver (including administrative receiver) or liquidator of the company will generally be required to set aside ring fence a certain percentage of the proceeds of enforcement of floating charge security for the benefit of unsecured creditors (after making full provision for preferential creditors and expenses. Under current law, this applies to 50 percent of the first £10,000 of floating charge realizations and 20 percent of the remainder over £10,000, with a maximum aggregate cap of £600,000.

Challenges to guarantees and security

There are circumstances under English insolvency law in which the granting by an English company of security and guarantees including the chargers, can be challenged. In most cases, this will only arise if the company is placed into administration or liquidation within a specified period of the granting of the relevant guarantee or security. Therefore, if during the specified period an administrator or liquidator is appointed to an English company, the administrator or liquidator may challenge the validity of any security or guarantees given by such company.

Liquidation/Winding-Up

Liquidation is a company dissolution procedure under which the assets of the company are realized and distributed by the liquidator to creditors in the statutory order of priority prescribed by the Insolvency Act. At the end of the liquidation process the company will normally be dissolved. In the case of a liquidation commenced by way of a court order, no proceedings or other actions may be commenced or continued against the company except by leave of the court and subject to such terms as the court may impose (although security enforcement is not affected). In proceedings where the company or its directors has resolved to place the company into liquidation, the liquidator (or creditor or shareholder) can apply to the court for an order that no proceedings or other actions may be commenced or continued against the company.

Under English insolvency law, a liquidator has the power to disclaim any onerous property by serving the prescribed notice on the relevant party. Onerous property, for these purposes, is any unprofitable contract and any other property of the company which is unsaleable or not readily saleable or is such that it may give rise to a liability to pay money or perform any other onerous act. A contract may be unprofitable if it gives rise to prospective liabilities and imposes continuing financial obligations on the company which may be regarded as detrimental to creditors. A contract will not be unprofitable merely because it is financially disadvantageous, or because the company could have made, or could make, a better bargain. This power does not apply to a contract all the obligations under which have been performed nor can it be used to disturb accrued rights and liabilities.

A liquidator has the power to bring or defend legal proceedings on behalf of the company; to carry on the business of the company as far as it is necessary for its beneficial winding up; to sell the company's property and execute documents in the name of the company; and to challenge antecedent transactions.

Priority of Claims

One of the primary functions of liquidation (and, where the company cannot be rescued as a going concern, one of the possible functions of administration) under English law is to realize the assets of the insolvent company and to distribute realizations made from those assets to its creditors. Under the Insolvency Act and the Insolvency Rules 1986, creditors are placed into different classes, with the proceeds from the realization of the insolvent company's property applied in descending order of priority, as set out below. With the exception of the "Prescribed Part" (please see "—*Prescribed Part*" above), distributions cannot be made to a class of creditors until the claims of the creditors in a prior ranking class have been paid in full. Unless creditors have agreed otherwise, distributions are made on a *pari passu* basis, that is, the assets are distributed in proportion to the debts due to each creditor within a class.

The general priority of claims on insolvency is as follows (in descending order of priority):

- *First ranking claims*: holders of fixed charge security and creditors with a proprietary interest in assets of the debtor but only to the extent of the realizations from those secured assets or with respect to the asset in which they have a proprietary interest;
- *Second ranking claims*: expenses of the insolvent estate incurred during the relevant insolvency proceedings (there are statutory provisions setting out the order of priority in which expenses are paid);
- *Third ranking claims*: preferential creditors. Preferential debts include (but are not limited to) debts owed by the insolvent company in relation to: (i) contributions to occupational and state pension schemes; (ii) wages and salaries of employees for work done in the four months before the insolvency date, up to a maximum of £800 per person; and (iii) holiday pay due to any employee whose contract has been terminated, whether the termination takes place before or after the insolvency date. As between one another, preferential debts rank equally;
- *Fourth ranking claims*: holders of floating charge security to the extent of the realizations from those secured assets, according to the priority of their security. This would include any floating charge that was stated to be a fixed charge in the document that created it but which, on a proper interpretation, was rendered a floating charge. However, before distributing asset realizations to the holders of floating charges, the Prescribed Part (as defined above) must be set aside for distribution to unsecured creditors (please see "—*Prescribed Part*");
- *Fifth ranking claims*: unsecured creditors. However, any secured creditor not repaid in full from the realization of assets subject to its security can also claim the remaining debt due to it (a shortfall) from the insolvent estate as an unsecured claim. To pay a shortfall, the officeholder can only use realization from unsecured assets, as secured creditors are not entitled to any distribution from the Prescribed Part in respect of a shortfall unless the Prescribed Part is sufficient to pay out all unsecured creditors in full;
- *Sixth ranking claims*: shareholders. If after the repayment of all unsecured creditors in full, any remaining funds exist, these will be distributed to the shareholders of the insolvent company.

Challenges to Guarantees and Security

There are circumstances under English insolvency law in which the granting by an English company of security and guarantees including the Security can be challenged. In most cases, this will only arise if the company is placed into administration or liquidation within a specified period of the granting of the guarantee or security. Therefore, if during the specified period an administrator or liquidator is appointed to an English company, the administrator or liquidator may challenge the validity of the security or guarantee given by such company. We are unable to say with certainty that, in the event that the onset of an English Guarantors' insolvency (as described further below) occurs within any of the requisite time periods set out below, the grant of a security interest or guarantee in respect of the relevant Notes would not be challenged or that a court would uphold the transaction as valid.

Connected Persons

A connected person for the purposes of transactions at an undervalue, preferences and invalid floating charges (as described below), is a party who is a director, shadow director, an associate of such director, or an associate, of the relevant company. A party is associated with an individual if they are a relative of the individual or the individual's husband, wife or civil partner, or the husband, wife or civil partner of a relative of the individual or the individual's husband, wife or civil partner. A party is associated with a company if employed by that company. A company is associated with another company if the same person has control of both companies, or a person has control of one and persons who are his associates, or he and persons who are his associates, have control of the other, or if a group of two or more persons has control of each company, and the groups either consist of the same persons or could be regarded as consisting of the same persons by treating (in one or more cases) a member of either group as replaced by a person of whom he is an associate.

The following potential grounds for challenge may apply to any security interest or guarantee granted by an English company (including the Security):

Transaction at an undervalue

Under English insolvency law, a liquidator or administrator of an English company could apply to the court for an order to set aside the creation of a security interest or a guarantee (including the Security) if such liquidator or administrator believed that the creation of such security interest or guarantee constituted a transaction at an undervalue. A transaction will only be a transaction at an undervalue if, at the time of the transaction or as a result of the transaction, the English company was unable to pay its debts (as that term is defined in Section 123 of the Insolvency Act). The transaction can be challenged if the English company enters into liquidation or administration proceedings within a period of two years from the date the English company grants the security interest or the guarantee. A transaction might be subject to being set aside as a transaction at an undervalue if the company makes a gift to a person, if the company receives no consideration or if the company receives consideration of significantly less value, in money or money's worth, than the consideration given by such company. A court, however, will not intervene if it is satisfied that the company entered into the transaction in good faith and for the purpose of carrying on its business and that, at the time it did so, there were reasonable grounds for believing the transaction would benefit the company. If the court determines that the transaction was a transaction at an undervalue, the court can make such order as it thinks fit to restore the position to what it would have been in if the transaction had not been entered into. In any proceedings, it is for the administrator or liquidator to demonstrate that the English company was unable to pay its debts unless a beneficiary of the transaction was a connected person (as set out above), in which case there is a presumption of insolvency and the connected person must demonstrate the solvency of the English company in such proceedings.

Preference

Under English insolvency law, a liquidator or administrator of an English company could apply to the court for an order to set aside the creation of a security interest or a guarantee (including the Security) if such liquidator or administrator believed that the creation of such security interest or such guarantee constituted a preference. A transaction will only be a preference if, at the time of the transaction or as a result of the transaction, the English company was unable to pay its debts. The transaction can be challenged if the English company enters into liquidation or administration proceedings within a period of six months (if the beneficiary of the security or the guarantee is not a connected person) or two years (if the beneficiary is a connected person) from the date the English company grants the security interest or the guarantee. A transaction may constitute a preference if it has the effect of putting a creditor of the English company (or a surety or guarantor for any of the company's debts or liabilities) in a better position (in the event of the company going into insolvent liquidation) than such creditor, guarantor or surety would otherwise have been in had that transaction not been entered into. If the court determines that the transaction was a preference, the court can make such order as it thinks fit to restore the position to what it would have been in if the preference had not been entered into. For the court to determine a preference, however, it must be shown that the English company was influenced by a desire to produce the preferential effect. In any proceeding, it is for the administrator or liquidator to demonstrate that the English company was unable to pay its debts and that the company was influenced by a desire to produce the preferential effect, unless the beneficiary of the transaction was a connected person, in which case there is a presumption that the company was influenced by a desire to produce the preferential effect and the connected person must demonstrate in such proceeding that there was no such influence.

Transaction defrauding creditors

Under English insolvency law, where it can be shown that a transaction was at an undervalue and was made for the purposes of putting assets beyond the reach of a person who is making, or may make against the company, a claim against a company, or of otherwise prejudicing the interests of a person in relation to the claim that that person is making or may make, the transaction may be set aside by the court as a transaction defrauding creditors. This provision may be used by any person who claims to be a "victim" of the transaction and is not therefore limited to liquidators or administrators. There is no specified time limit for challenges in the insolvency legislation within which the challenge must be made (unlike in the case of transactions at an undervalue or preferences) and the relevant company does not need to be unable to pay its debts at the time of or as a result of the transaction. If the court determines that the transaction was a transaction defrauding creditors, the court can make such orders as it thinks fit to restore the position to what it would have been if the transaction had not been entered into and to protect the interests of the victims of the transaction.

Avoidance of Floating Charges

Under English insolvency law, if an English company is insolvent at the time of (or as a result of) granting a floating charge then such floating charge is invalid except to the extent of the value of the money paid to, or goods or services supplied to, or any discharge or reduction of any debt of, the relevant English company at the same time as or after the creation of the floating charge. The requirement for the English company to be insolvent at the time of (or as a result of) granting the floating charge does not apply where the floating charge is granted to a connected person. If the floating charge is granted to a connected person then the floating charge is invalid except to the extent of the value of the money paid to, or goods or services supplied to, or any discharge or reduction of any debt of, the relevant English company at the same time as or after the creation of the floating charge, whether the relevant English company is solvent or insolvent. The transaction can be challenged if the relevant English company enters into liquidation or administration proceedings within a period of one year (if the beneficiary is not a connected person) or two years (if the beneficiary is a connected person) from the date the relevant English company grants the floating charge.

If the floating charge qualifies as a "security financial collateral agreement" under the Financial Collateral Arrangements (No. 2) Regulations 2003 (as amended) then the floating charge will not be subject to challenge as described in the paragraph above.

Foreign Currency

Under English insolvency law where creditors are asked to submit formal proofs of claim for their debts, any debt of a company payable in a currency other than pounds sterling must be converted into pounds sterling at the "official exchange rate" prevailing at the date when the company went into liquidation or administration (if the administration was immediately preceded by a winding up, on the date the company went into liquidation). This provision overrides any agreement between the parties. The "official exchange rate" for these purposes is the middle exchange rate on the London Foreign Exchange Market at close of business, as published for the date in question or, if no such rate is published, such rate as the court determines.

Scheme of Arrangement

Pursuant to Part 26 of the Companies Act 2006, the New Issuer may also be able to propose a scheme of arrangement with its creditors, which if approved by the requisite majority and sanctioned by the court would become binding upon the company and its creditors, including dissenting creditors. If 75% by number and 50% by value of those creditors present and voting at the creditor meeting(s) vote in favor of the proposed compromise, irrespective of the terms and approval thresholds contained in the finance documents, that compromise will be binding on all affected creditors, including those affected creditors who did not participate in the vote on the scheme of arrangement and those who voted against the scheme of arrangement.

Germany

Certain New Subsidiary Guarantors and other subsidiaries of the New Issuer are incorporated in Germany.

Security

Under German law it is unclear whether all of the security interests in the collateral give the Security Agent a right to prevent other creditors of the German guarantors from foreclosing into and realizing the collateral. Some courts have held that certain types of security interests only give their holders priority (according to their rank) in the distribution of any proceeds of such realization, but not an intervention right (*Drittwiderspruchsrecht*). Accordingly, the Security Agent and the noteholders may not be able to avoid foreclosure by other creditors into the collateral, even if they consider such foreclosure untimely. Moreover, enforcement of the collateral through the German courts may become time-barred or subject to defenses of set-off or counterclaim.

Global assignments

Under German law, in particular the basic principle of priority (*Prioritätsgrundsatz*), receivables can only be validly assigned if, at the time the assignment is made, the assignor has unencumbered title to such receivable or is authorized by the holder of the receivable to assign such receivable to the relevant assignee. In general, German law does neither recognize any bona fide acquisition (*gutgläubiger Erwerb*) of receivables nor can a pledge of receivables be validly granted solely on a bona fide basis.

If the creditor and the debtor of a receivable have contractually restricted the assignment of such receivable it cannot be validly assigned unless it is a commercial monetary claim (i.e., claim for the payment of money) governed by German law, has not been originated under a loan agreement under which the creditor is a licensed bank, and the underlying agreement giving rise to such claim constitutes a commercial transaction (*Handelsgeschäft*) or the debtor under such claim is a public law entity (*juristische Person des öffentlichen Rechts*) or public special fund (*öffentlich-rechtliches Sondervermögen*).

Under German law, a debtor may

- invoke against an assignee all defenses it possesses against the assignor at the time of the assignment of the claim; and
- under certain circumstances, set-off against the assignee an existing claim which the debtor has against the assignor.

An assignee must give credit for any payment or other act of performance by the debtor in favor of the assignor after the assignment unless the debtor knew of the assignment at the time of performance. In addition, any legal transaction entered into after the assignment between a debtor (being unaware of the assignment) and the assignor in respect of the debt will have effect against the assignee. If, in any court action between the debtor and the assignor subsequent to the assignment, a final judgment has been delivered, the assignee is bound by that judgment, unless the debtor knew of the assignment at the date when the action was first commenced.

Receivables which are subject to or result from a current account relationship (*Kontokorrentverhältnis*) come into *in rem* existence and can validly be assigned only

- on each balance date (*Abrechnungsstichtag*), (but until such current account relationship is terminated such claims are subject to the continuing current account relationship); and
- upon termination of the current account relationship (whether by notice or by the initiation of insolvency proceedings in relation to any party or otherwise in relation to such current account relationship).

An assignment of rights and claims may only be effective if the rights and claims to be assigned are identifiable (*bestimmbar*) at the time of the assignment or transfer.

Finally, in case of an assignment of receivables where the underlying supply is subject to value added tax, such as trade receivables, the assignor and the assignee will be jointly liable for the payment of such value added tax.

Pledges

The same limitations as set out above apply to pledges as a receivable may not validly be pledged if the transfer of such receivable is restricted. Also, under German law, a pledge may only be validly created in favor of the creditor(s) of the secured claims and the pledgor will need to notify the relevant debtor of a pledged claim (or alternatively the company of pledged shares in relation to the pledge of claims) of such pledge in order to create a valid pledge. Furthermore its validity, extent and enforceability is strictly linked ("accessory") to the validity, extent and enforceability of the secured claims. In particular, a pledge may cease to exist if the claims secured by the pledge are transferred to new creditor(s) by way of novation or at a time when no amounts are outstanding under the secured claims. As a result, the security interests granted as pledges have been created in favor of the Security Agent acting in its capacity as creditor of a parallel debt. It is widely believed that a parallel debt can effectively be secured by a pledge, but there are no published court decisions on this issue. See "Parallel Debt" below.

Since German law does not generally permit for an appropriation of pledged assets by the pledgee upon the occurrence of an enforcement event, an enforcement of a share pledge governed by German law usually requires the sale of the relevant collateral through a formal disposal process involving a public auction. Certain waiting periods and notice requirements may apply for such disposal process.

The concept of determining the beneficiary (such as future creditors of a secured claim) of an agreement which provides for a transfer of rights or the creation of an encumbrance (such as pledges) has been qualified as questionable by some legal scholars. Also, there is no case law establishing that such concept would be recognized under German law.

Parallel Debt

Under German law, certain "accessory" security interests such as pledges (*Pfandrechte*) require that the pledgee and the creditor of the secured claim be the same person. Such security interests cannot be held for the benefit of a third party by a pledgee who does not itself hold the secured claim. The holders of interests in the New Senior Secured Notes from time to time will not be parties to the Security Documents. In order to permit the noteholders from time to time to benefit from pledges granted to the Security Agent under German law the Security Documents provide for the creation of a "parallel debt." Pursuant to the parallel debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under, in particular, the New Senior Secured Notes and the New Senior Secured Notes Indenture. The pledges governed by German law will directly secure, in particular, the parallel debt. There are no published court decisions confirming the validity of the parallel debt structure and of the pledges granted under German law to secure such parallel debt, and hence there is no certainty that German courts will uphold such pledges.

Standard business terms

The Security Documents may qualify as standard business terms (*Allgemeine Geschäftsbedingungen*). Standard business terms are subject to certain mandatory legal requirements, inter alia, they must be readily understandable (transparent) and not unduly burdensome to the average addressee. If any such requirements are not complied with, the relevant standard business terms would be void and replaced by applicable statutory law.

Excessive collateral

According to the case law of the German Federal Court, collateral, and the agreements granting such collateral, can be void if an initial over-collateralization (*anfängliche Übersicherung*) is constituted which is so excessive that it must be considered as being "against good ethics" (*gegen die guten Sitten*). If, at the time of entering into a security agreement, it is already certain that the realizable value of the collateral is significantly out of proportion to the claim secured, the entire German collateral could be regarded as an initially excessive collateralization. Although no specific case law exists, a decision by the German Federal Court indicates that the loan-to-collateral ratio would be beyond the threshold applied to subsequent excessive collateralization if the value of the collateral is more than 150 percent of the amount of the secured obligations. Any valuation, however, will be based on the realizable value taking into account any possible discount on the current market value, arising, e.g. from a sale in the then current situation. In addition, the over-collateralization, in order to be regarded as initially excessive, must be based on a creditor's reprobate attitude (*verwerfliche Gesinnung*), which is assumed if a creditor, out of self-interest, displays an ethically unbearable recklessness against a debtor. In exceptional circumstances, an excessive loan-to-collateral ratio can, itself, justify the assumption of a reprobate attitude.

If the realizable value of the collateral at any date after having been granted not only temporarily exceeds the amount of the secured claims by more than 10 percent, the subsequently excessively secured (*nachträglich übersichert*) creditor is, according to the case law of the German Federal Court, regularly obliged to release collateral back to the debtor insofar as the estimated realizable value of collateral, which depends on the risks of realization of the collateral and on the market situation, exceeds the secured amount by more than such 10 percent. In order to determine the realizable value of the collateral granted, the German Federal Court allows for a reduction of the face value of the collateral, thus, permitting that the face value of the collateral is up to 150 percent of the amounts secured from time to time. In case and to the extent that the realizable value of the aggregate collateral exceeds 110 percent of the secured obligations, the secured creditor would, on demand by the collateral provider, have to release excess collateral.

Insolvency

In the event of insolvency of a German subsidiary of the New Issuer, insolvency proceedings may be initiated in Germany if it was held to have not only its registered office but also its center of main interest within the territory of the Federal Republic of Germany at such time. Such proceedings would then be governed by German insolvency law. The insolvency laws of Germany and, in particular, the provisions of the German Insolvency Code (*Insolvenzordnung*) may not be as favorable to creditors as the insolvency laws of other jurisdictions, including, inter alia, in respect of priority of creditors' claims, the ability to obtain post-petition interest and the duration of the insolvency proceedings, and hence may limit the ability of creditors' to recover payment due on the New Notes and the New Guarantees or to enforce any collateral to an extent exceeding the limitations arising under other insolvency laws. However, pursuant to the EU Insolvency Regulation, where a German company conducts business in more than one member state of the European Union, the jurisdiction of the German courts may be limited if the company's "center of main interests" is found to be in a member state other than Germany (see—"*European Union*"). This issue is to be determined at the time when the competent court decides on the commencement of the relevant insolvency proceedings.

Under German insolvency law, there is no consolidation of the assets and liabilities of a group of companies in the event of insolvency. In case of a group of companies, each entity, from an insolvency law point of view, has to be dealt with separately (i.e., there is no group insolvency concept under German insolvency law). As a consequence, there is, in particular, no pooling of claims among the respective entities of a group, but rather claims of and vis-à-vis each entity have to be dealt with separately.

Under German law, insolvency proceedings are not initiated by the competent insolvency court *ex officio*, but require the filing of a petition for the opening of insolvency proceedings. Insolvency proceedings can be initiated either by a company itself or by a creditor of such company upon the occurrence of a cause of insolvency, with over-indebtedness (*Überschuldung*), illiquidity (*Zahlungsunfähigkeit*) and impending illiquidity (*drohende Zahlungsunfähigkeit*) of the relevant company constituting such causes of insolvency. In case of impending illiquidity, though, only the relevant company's management but not its creditors may initiate insolvency proceedings.

A company is considered to be over-indebted if its liabilities exceed the value of its assets, unless its continuation as going concern is predominantly likely (*überwiegend wahrscheinlich*). Whether the debtor´s liabilities exceed the value of its assets is reviewed on the basis of a special over-indebtedness balance (*Überschuldungsbilanz*) which in certain valuation aspects may deviate from a regular statutory balance sheet. A company is considered to be illiquid if it is unable to pay its debts as and when they fall due. Whether the debtor is illiquid must be evaluated by way of a comparison of its due liabilities and its liquid means on the dated of the evaluation. If the liquidity status does not show a material liquidity gap of ten percent or more of the current liabilities, the company in general is liquid. If the liquidity status shows a material liquidity-gap, the management must evaluate in a second step on the basis of the expected development of the company if such material liquidity-gap can be closed within the next three weeks. Impending illiquidity exists when there is an imminent risk of the company becoming unable to pay its debts as and when they fall due (*drohende Zahlungsunfähigkeit*).

Upon a limited liability company (*Gesellschaft mit beschränkter Haftung—GmbH*) a stock corporation (*Aktiengesellschaft—AG*), a European law stock corporation having its center of main interests in Germany

(*Societas Europaea—SE*), any other limited liability company or any company not having an individual as personally liable shareholder becoming illiquid or over-indebted, the debtor, i.e. its managing director(s) and, in certain circumstances its shareholders, are required by law to file for insolvency without undue delay but no later than three weeks after such illiquidity and/or over-indebtedness was established. This three weeks period may however only be utilized if and to the extent that the company's management is still in promising negotiations for a restructuring of the company. Failure to comply with this obligation constitutes a criminal offence and brings about material liability risks for the managing directors. In case of impending illiquidity the debtor is entitled (but not obligated) to file for insolvency.

Any insolvency proceedings in Germany are court-controlled. Upon receipt of the insolvency petition, the court may take preliminary protective measures to secure the property of the debtor during preliminary insolvency proceedings. The insolvency court may prohibit or suspend any measures taken to enforce individual claims against the debtor's assets during these preliminary proceedings as far as these protective measures are reasonable to avoid prejudicial changes in the debtor's assets. As a part of such protective measures the court may appoint a preliminary insolvency administrator (*vorläufiger Insolvenzverwalter*). The rights and duties of the preliminary administrator depend on the decision of the court. The duties of the preliminary administrator may be, in particular, to safeguard and to preserve the debtor's property and to assess whether the debtor's net assets will be sufficient to cover the costs of the insolvency proceedings.

During preliminary proceedings a "preliminary creditors committee" (*vorläufiger Gläubigerausschuss*) shall be set up if the debtor satisfied two of the following three requirements in the last business year: (i) a balance sheet total in excess of €6.0 million (after deducting an equity shortfall if the debtor is over-indebted), (ii) revenues of at least €12.0 million in the twelve month prior to the last balance sheet date and (iii) an annual average of 50 or more employees. The preliminary creditors committee will participate in certain important insolvency court decisions. It will have, for example, the power to influence the selection of a preliminary insolvency administrator or an insolvency administrator (*vorläufiger Insolvenzverwalter oder Insolvenzverwalter*), orders for "debtor in possession" proceedings (*Anordnung der Eigenverwaltung*), and the appointment of a preliminary trustee (*Sachwalter*).

The court orders the opening of main insolvency proceedings (*Eröffnung des Insolvenzverfahrens*) if certain requirements are met, in particular if (i) the debtor is in a situation of impending illiquidity (if the petition has been filed by the debtor) or illiquidity and/ or over-indebted and (ii) there are sufficient assets to cover at least the cost of the insolvency proceedings. If the assets of the debtor are not expected to be sufficient, the insolvency court will only open main insolvency proceedings if third parties, for example creditors, advance the costs themselves. In the absence of such advancement, the petition for opening of insolvency proceedings will usually be refused for insufficiency of assets (*Abweisung mangels Masse*). If the competent court decides to open insolvency proceedings, it appoints an insolvency administrator with full authority to dispose of the debtor's assets, unless debtor-in-possession (*Eigenverwaltung*) is ordered. The opening of insolvency proceedings may occur as late as two or three months after an insolvency petition has been filed. The competent court may appoint an interim insolvency administrator in the meanwhile. If the debtor has applied for debtor-in-possession proceedings (*Eigenverwaltung*), the court may order debtor-in-possession (*Eigenverwaltung*) proceedings to be run by the relevant debtor itself under the supervision of a custodian (*Sachwalter*), in which case the relevant debtor retains to a large extent its authority to dispose of its assets. Such order remains subject to review and may be repealed in which case an insolvency administrator would be appointed. In addition, the insolvency administrator may raise new financial indebtedness and incur other liabilities to continue the debtor's operations and satisfaction of these liabilities as preferential debts of the estate (*Masseverbindlichkeiten)* will be preferred to any insolvency claims of unsecured creditors (this also includes such portion of an *in rem* secured creditor's claim which exceeds the amount obtained through a realization of the relevant collateral).

All creditors, whether secured or unsecured, who wish to assert claims against the debtor need to participate in the insolvency proceedings. German insolvency proceedings are collective proceedings and creditors may generally no longer pursue their individual claims during the insolvency proceedings separately, but can instead only enforce them in compliance with the restrictions under the German Insolvency Code. Any judicial enforcement action brought against the debtor by any of its creditors is subject to an automatic stay once insolvency proceedings have been opened (and, if so ordered by a court, with respect to assets other than real estate also between the time when an insolvency petition is filed and the time when insolvency proceedings commence). If, during the final month preceding the date of filing for insolvency proceedings, a creditor acquires through execution (*Zwangsvollstreckung*) a security interest in any of the debtor's property that would normally form part of the insolvency estate, such security becomes null and void by operation of law upon opening of the insolvency proceedings. Accordingly, unsecured creditors (including creditors only having a guarantee but no asset security) may file their claims in the insolvency proceedings and will be paid on a pro rata basis from the insolvency estate (to the extent sufficient assets are available). Creditors with a segregation right over assets (*Aussonderungsrecht*) can claim separation of these assets from the insolvency estate. However, such segregation right needs to be evidenced towards the insolvency administrator and during the preliminary insolvency proceedings segregation can be temporarily suspended by the insolvency court provided the assets in question are of particular relevance for the continuation of the debtor's business.

If a German subsidiary of the New Issuer grants security over its assets to other creditors than the noteholders, such security may result in a preferred satisfaction of such other creditors' secured claims with respect to the proceeds obtained through the disposal of the relevant collateral in insolvency proceedings upon the estate of the German subsidiary. In contrast, the claims of the noteholders under a New Guarantee granted by the German subsidiary of the New Issuer would be qualified as an unsecured insolvency claim in the subsidiary's insolvency. This means that the noteholders would be paid a dividend (if any) only. Whether and to what extent a dividend can be distributed to the unsecured insolvency creditors depends on the size of the insolvency estate and the amount of the claims registered within the list of creditors. In addition, it may take several years until an insolvency dividend (if any) is distributed to unsecured creditors (whereas advanced distributions to the secured creditors are generally allowed). Alternatively, a different distribution of enforcement proceeds and/or the insolvency estate could be proposed in an insolvency plan (*Insolvenzplan*) that may be submitted by the relevant debtor or the relevant insolvency administrator. Such insolvency plan may provide for measures deviating from regular insolvency proceedings in terms of conducting the procedure as well as realization and distribution of the insolvency estate. In particular, such insolvency plan may provide for corporate measures, including the implementation of a debt for equity swap and the restructuring of the debtor's enterprise. Adoption of the insolvency plan requires the consent of the debtor as well as the consent of each class of creditors in accordance with specific majority rules (with secured creditors being grouped in a separate class).

In the event that a creditor group does not consent, the insolvency plan may still be approved if—in simple terms—the insolvency court establishes that the members of the dissenting creditor group are not worse off with the plan than without the plan and that they adequately participate in the economic benefits of the plan.

Other than secured and unsecured creditors, German insolvency law provides for certain creditors to be subordinated by law (in particular, but not limited to, claims made by shareholders (unless privileged) of the relevant debtor for the repayment of shareholder loans or claims resulting from legal acts economically equivalent to shareholder loans (unless privileged) which may also include claims of creditors that are not formal shareholders but are treated as if they were shareholders), while claims of a person who became a creditor of the insolvency estate only after the opening of insolvency proceedings (*Massegläubiger*) generally rank senior to the claims of regular, unsecured insolvency creditors. Realizing the value of the insolvency estate for distribution of the proceeds among the creditors is commonly achieved by disposing of the debtor's assets, or, as the case may be, under certain circumstances by disposing of the debtor's business as a going concern. Under German insolvency law, it is also possible to implement a debt-to-equity-swap through an insolvency plan. However, it is not possible to force a creditor into a debt-to-equity conversion if it does not consent to such conversion. If a debtor files for the opening of insolvency proceedings due to over-indebtedness or imminent illiquidity and further if it files for preliminary debtor-in-possession proceedings, upon request of the debtor, the court will prohibit enforcement measures (other than with respect to immovable assets) and may implement other preliminary measures to protect the debtor from credit enforcement actions for up to three months if an independent expert testifies that the restructuring of the debtor's business is not obviously futile (*offensichtlich aussichtslos*) and that the debtor is not already illiquid. During such period, the debtor shall, together with its creditors and a preliminary custodian (*vorläufiger Sachwalter*), prepare an insolvency plan which ideally will be implemented in formal debtor-in-possession proceedings (*Eigenverwaltung*) after formal insolvency proceedings have been opened.

Under German insolvency law, contractual termination rights, automatic termination events or "escape clauses" entitling one party to terminate an agreement, or resulting in an automatic termination of an agreement, upon the opening of insolvency proceedings in respect of the other party, the filing for insolvency or the occurrence of reasons justifying the opening of insolvency proceedings (*insolvenzbezogene Kündigungsrechte oder Lösungsklauseln*) may be invalid if they frustrate the election right of the insolvency administrator whether or not to perform the contract unless they reflect termination rights applicable under statutory law. This may also relate to agreements that are not governed by German law. While powers of attorney granted by the relevant debtor and certain other legal relationships cease to be effective upon the opening of insolvency proceedings, most executory contracts become unenforceable at such time unless and until the insolvency administrator opts for performance.

The collateral granted by the German Guarantors will result in a preferential right (*Absonderungsrecht)* over such collateral assets in insolvency proceedings against a German Guarantor. However, such preferential right needs to be evidenced towards the insolvency administrator and secured creditors are not entitled to enforce their security interests after an insolvency petition has been filed to the extent the Insolvency Code authorizes the insolvency administrator to dispose of the relevant collateral (although, between the time when an insolvency petition is filed and the time when insolvency proceedings commence, such stay on enforcement requires a court order). Any transfer of assets (including future receivables) which is effective following the commencement of insolvency proceedings over the assets of the transferor is invalid.

Whether or not, after the initiation of insolvency proceedings, a secured creditor remains entitled to enforce collateral granted to such creditor by the relevant debtor depends on the type of collateral. However, even if the law vests the right of disposal regarding the relevant collateral in the insolvency administrator, the relevant secured creditor retains a right of preferred satisfaction with regard to the disposal proceeds. As a consequence, the enforcement proceeds minus certain contributory charges for (i) assessing the value of the secured assets and (ii) realizing the secured assets (which together usually amount to 9% of the enforcement proceeds plus VAT (if applicable) unless the actual realization costs are significantly higher or lower) are paid to the creditor holding a security interest in the relevant collateral up to an amount equal to its secured claims. As with segregation rights, enforcement of such preferential rights can be temporarily suspended upon a specific court order provided the assets in question are of particular relevance for the continuation of the debtor’s business. Remaining amounts (“**excess-proceeds**”) are distributed among the unsecured creditors.

A current account relationship (*Kontokorrent*), which is the standard concept for bank accounts, will be mandatorily terminated after the opening of insolvency proceedings over the assets of the account holder. Thereafter, no disposals (*Verfügungen*) may be made in relation to assets belonging to such account holder. Accordingly, the final account balance which comes into existence upon termination of the current account relationship belongs to the insolvency estate (*Insolvenzmasse*) of the assignor or pledgor, as applicable, and an assignment or pledge will not become valid. If, however, the account holder has entered into a giro contract (*Girovertrag*) with the account bank. he has a claim for payment of the daily balance (*Tagessaldo*) vis-à-vis the account bank which may be validly assigned or pledged even if the relevant account is operated as current account.

Limitation on Enforcement

The German subsidiaries of the New Issuer guaranteeing and providing collateral for the New Notes (Swissport Cargo Services Deutschland GmbH and Swissport Germany Holding GmbH) are established in the form of a limited liability company (*Gesellschaft mit beschränkter Haftung*, “**GmbH**”) (each a “**German Subsidiary Guarantor**”). Consequently, the granting of a guarantee or collateral by a German subsidiary is subject to certain provisions of the German Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, “**GmbHG**”) These provisions would also apply to any future Guarantor in the form of a GmbH or a limited partnership with a limited liability company as unlimited liable partner (e.g. GmbH & Co. KG).

The enforcement of the New Guarantee and the collateral granted by a German subsidiary of the New Issuer (such as Swissport Cargo Services Deutschland GmbH and Swissport Germany Holding GmbH) to secure the New Issuer’s debt will be limited if, and to the extent, the New Guarantee or the collateral would cause the amount of such German subsidiary’s net assets (i.e., total assets less liabilities in accordance with the German Commercial Code (HGB)) to fall below the amount of its stated share capital.

Sections 30 and 31 of the GmbHG (“**Sections 30 and 31**”) prohibit a GmbH from disbursing its assets to its shareholders to the extent that the amount of the GmbHs net assets would fall below the amount of its stated share capital (*Stammkapital) or* an already negative amount of its net assets would further be reduced (in each case a registered share capital deficit). If and to the extent a payment prohibited by Sections 30 and 31 takes place, the recipient is obliged to repay such amount to the GmbH. Guarantees, share pledges and any other collateral granted by a GmbH in order to guarantee or secure liabilities of a direct or indirect shareholder or affiliate as well as payments under any intra-group arrangements that are not at arm’s length terms may be considered disbursements under Sections 30 and 31. Therefore, in order to enable German subsidiaries to grant guarantees and collateral to secure liabilities of a direct or indirect shareholder or affiliate without the risk of violating Sections 30 and 31, it is standard market practice for indentures, credit agreements, guarantees and security documents to contain so-called “limitation language” in relation to subsidiaries in the legal form of a GmbH or a limited partnership with a GmbH as unlimited liable partner (GmbH & Co. KG) incorporated or established in Germany. Pursuant to such limitation language, the secured parties agree, subject to certain exemptions, to enforce the collateral (or to release the proceeds of an enforcement, as applicable) and the beneficiaries of the guarantees agree to enforce the guarantees against the German subsidiary only to the extent that issuance or granting of the guarantee or security and/or its enforcement, as the case may be, does not result in a registered share capital deficit or increases an already existing registered share capital deficit of the German GmbH. Accordingly, the documentation in relation to the New Guarantees and any collateral, to the extent they relate to a German subsidiary of the New Issuer, includes such limitation language and such New Guarantees and the enforcement of collateral are limited in the manner described.

Further, section 64 sentence 3 GmbHG restricts payments if and to the extent such payments under any New Guarantee or the enforcement of collateral would deprive the German Subsidiary Provider of the liquidity necessary to fulfill its financial liabilities to its creditors.

To the extent the limitation language limits or prohibits the enforcement of the New Guarantee of or other collateral provided by the relevant German subsidiary of the New Issuer, the holders of the New Notes will lose the benefit of this New Guarantee or collateral, respectively.

To the extent the collateral comprises the assignment of intra-group receivables by any creditor of a GmbH, the recipient of any proceeds from such assignment could become liable to repay such proceeds to the GmbH to the extent that the intra-group receivables are considered to be disbursements under Sections 30 and 31 (as set out above).

The interpretation of Sections 30 and 31 GmbHG has been subject to recent case law of the German federal court of justice (BGH) in relation to security interests. Based on that case law, the granting of a security is not to be considered as disbursement if, at the time of granting the security, the security grantor has a fully valuable (*werthaltig*) compensation claim against the parent company or its affiliate and such compensation claim is to be considered fully valuable if at the time of granting the security it is pre-dominantly likely that the secured debt will be fully repaid when due. As the new case law only deals with *in rem* security, it is disputed in the German market whether or not it is also applicable to guarantees issued by a German GmbH. Therefore, the indenture shall contain a limitation language providing for a limitation of the guarantee if the issuance or enforcement of the guarantee would be considered to be a disbursement in contravention of Sections 30 and 31. German capital maintenance rules are subject to further on-going court decisions. We cannot assure you that future court rulings may not further limit the access of shareholders to assets of their subsidiaries constituted in the form of a GmbH, which can negatively affect the ability of the German Subsidiary Guarantors to make payments on the New Guarantees or to grant security or of the beneficiaries of the New Guarantees to enforce the New Guarantees or other collateral provided.

In addition, it cannot be ruled out that the case law of the German Federal Court of Justice (*Bundesgerichtshof*) regarding "destructive interference" (*existenzvernichtender Eingriff*) (i.e. a situation where a shareholder deprives a German limited liability company of the liquidity necessary for it to meet its own payment obligations) may be applied by courts with respect to the enforcement of the New Guarantee and other collateral granted by a German Subsidiary Guarantor. In such a case, the amount of proceeds to be realized in an enforcement process may be reduced. According to a decision of the German Federal Court of Justice (*Bundesgerichtshof*), a security agreement may be void due to tortious inducement of breach of contract if a creditor knows about the distressed financial situation of the debtor and anticipates that the debtor will only be able to grant guarantees and collateral by disregarding the vital interests of its other business partners. It cannot be ruled out that German courts may apply this case law with respect to the granting of the New Guarantees or any other collateral by a German Subsidiary Guarantor.

The limitations set out above apply mutatis mutandis if the New Guarantee or collateral is granted by a German Guarantor incorporated as a limited liability partnership (KG) in relation to each general partner (*Komplementär*) incorporated as a limited liability company (GmbH) or if the New Guarantee or collateral is granted by a German Guarantor incorporated as a general partnership (OHG) in relation to each general partner incorporated as a limited liability company (GmbH). Also, the above-described rules and limitations would apply mutatis mutandis to any potential New Guarantee granted by a German Subsidiary Guarantor in the future.

Hardening Periods and Fraudulent Transfer

In the event of insolvency proceedings with respect to a German subsidiary of the New Issuer based on and governed by the insolvency laws of Germany, an insolvency administrator (*Insolvenzverwalter*) (or in the event debtor-in-possession status has been granted, the preliminary trustee (*Sachwalter*) may possibly challenge (*anfechten*) under the rules of avoidance as set out in the German insolvency code (*Insolvenzordnung*) (i) a New Guarantee granted by that entity, (ii) payments that have been made (under the New Guarantee or in relation to any collateral), if such payments have already been made or (iii) any other collateral granted by that entity.

Acts (*Rechtshandlungen*) or transactions (*Rechtsgeschäfte*) (which term includes the provision of guarantees or collateral or the repayment of debt) that have been detrimental to the insolvency creditors (as a whole) may be challenged by an insolvency administrator. This may under certain circumstances even affect actions taken by the debtor which have occurred up to ten years prior or at any time after the respective insolvency petition has been filed. When successful, such challenge results in an obligation of the relevant creditor to return the benefit obtained through or in connection with such action to the insolvency estate, while a claim for the return of a consideration originally granted to the debtor for the debtor's performance (if any) would constitute a regular, unsecured insolvency claim, only. Such unsecured insolvency claim would only be satisfied to the extent a general insolvency dividend is paid upon the distribution of the insolvency estate to the creditors.

Such transactions can include granting the noteholders a New Guarantee or any other security interest or the payment of any amounts to the noteholders (under a New Guarantee granted or in relation to any collateral) or providing credit support for the benefit of the noteholders.

In particular, an act (*Rechtshandlung*) or a legal transaction (*Rechtsgeschäft*) (which term includes the granting of a guarantee, the provision of collateral and the repayment of debt) detrimental to the creditors of the debtor may be avoided according to the German Insolvency Code in the following cases:

- any act granting a creditor, or enabling a creditor to obtain, security or satisfaction for a debt (*Befriedigung*) can be avoided if the transaction was effected (i) in the last three months prior to the filing of a petition for the opening of insolvency proceedings, if at the time of the transaction the debtor was illiquid (*zahlungsunfähig*) (i.e. such debtor was unable to pay its debt when due) and the creditor had knowledge thereof or knowledge of circumstances imperatively suggesting such illiquidity, or (ii) after a petition for the opening of insolvency proceedings has been filed and the creditor had knowledge thereof or of the debtor being illiquid or knowledge of circumstances imperatively suggesting the petition for opening of insolvency proceedings or such illiquidity;
- any act granting a creditor, or enabling a creditor to obtain, security (including a guarantee) or satisfaction for a debt to which such creditor had no right, no right at the respective time or no right as to the respective manner, can be avoided (i) if the transaction was effected in the month prior to the filing of a petition for the opening of insolvency proceedings or after such filing; (ii) if the transaction was effected in the second or third month prior to the filing and if at the time of the transaction the debtor was illiquid; or (iii) the transaction was effected in the second or third month prior to the filing of the petition for the opening of the insolvency proceedings and the creditor knew that the transaction would be detrimental to the creditors of the debtor (or had knowledge of circumstances imperatively suggesting such detrimental effect);
- any legal transaction effected by the debtor which is directly detrimental to the creditors of the debtor or by which the debtor loses a right or the ability to enforce a right or by which a proprietary claim against a debtor is obtained or becomes enforceable, can be avoided if the transaction was effected (i) in the last three months prior to the filing of a petition for the opening of insolvency proceedings against the debtor and if at the time of the legal transaction the debtor was illiquid and the other party to the legal transaction had knowledge thereof or (ii) after a petition for the opening of insolvency proceedings has been filed against the debtor and the other party to the legal transaction had knowledge thereof or of the debtor being illiquid;
- any legal transaction effected by the debtor without consideration (*unentgeltlich*) including granting security (including a guarantee) for a third-party debt which is regarded as having been granted gratuitously (*unentgeltlich*), can be avoided unless it was effected earlier than four years prior to the filing of a petition for the opening of insolvency proceedings against the debtor;
- any act performed by the debtor during a period of ten years, or four years in case the recipient obtained security (*Sicherung*) or fulfillment (*Befriedigung*) of existing debt from such act, prior to the filing of the petition for the opening of insolvency proceedings or at any time after such filing can be avoided if the debtor acted with the intent to disadvantage its creditors and the beneficiary of the transaction had knowledge of such intent at the time of the transaction, with such knowledge being presumed if the beneficiary knew that the debtor's illiquidity was imminent and that the transaction disadvantaged the other creditors;

- any non-gratuitous contract concluded between the debtor and an “related party” (*nahestehende Person*) which directly operates to the detriment of the creditors can be avoided unless such contract was concluded earlier than two years prior to the filing of the petition for the opening of insolvency proceedings or the other party had no knowledge of the debtor’s intention to disadvantage its creditors as at the time the contract was concluded;
- any act that provides security or satisfaction for a claim of a shareholder for repayment of a shareholder loan (*Gesellschafterdarlehen*) or an economically equivalent claim can be avoided (i) in the event it provided security, if the transaction was effected within the last ten years prior to the filing of a petition for opening of insolvency proceedings or thereafter or (ii) in the event it provided satisfaction, if the transaction was effected in the last year prior to the filing of a petition for opening of insolvency proceedings or thereafter; or
- any act whereby the debtor grants satisfaction for a loan claim or an economically equivalent claim to a third party can be voided if the transaction was effected in the last year prior to the filing of a petition for opening of insolvency proceedings or thereafter and if a shareholder of the debtor had granted security or was liable as a guarantor (*Bürge*). When successful such challenge results in an obligation of the shareholder to reimburse the insolvency estate for the payments made by the debtor to the third party.

In this context, “knowledge” is generally deemed to exist if the other party is aware of the facts from which the conclusion must be drawn that the debtor (e.g. a German Domiciled Obligor) was unable to pay its debts generally as they fell due, that a petition for the opening of insolvency proceedings has been filed, or that the act was detrimental to, or intended to prejudice, the insolvency creditors, as the case may be. A person is deemed to have knowledge of the debtor’s intention to prejudice the insolvency creditors if it knew of the debtor’s impending illiquidity and that the transaction prejudiced the debtor’s creditors. If the other party is a “related party” (*nahestehende Person*), there is a general statutory presumption that such party had “knowledge.”

The term “related party” (*nahestehende Person*) includes, subject to certain limitations, in the case of debtors that are corporate persons, members of the management or supervisory board, personally liable partners of the debtor, shareholders owning more than 25% of the debtor’s share capital, persons or companies holding comparable positions that give them access to information about the economic situation of the debtor, and persons who are spouses, relatives or members of the household of any of the foregoing persons.

If the New Guarantee or collateral given by a German subsidiary of the New Issuer were avoided or held unenforceable for any reason, e.g. because of subordination of the secured debt, any claims in respect thereof could not be asserted. Any amounts received from a transaction that has been successfully avoided would have to be repaid to the insolvency estate. The noteholders would only have a general unsecured claim under the New Notes, without reference in insolvency proceedings.

Furthermore, even in the absence of an insolvency proceeding, a third-party creditor who has obtained an enforcement order but has failed to obtain satisfaction of its enforceable claims by a levy of execution or where such levy of execution can be expected not to result in full satisfaction of such claims, under certain circumstances, has the right to avoid certain transactions, such as the payment of debt and the granting of security pursuant to the German Code on Avoidance (*Anfechtungsgesetz*) outside formal insolvency proceedings. The prerequisites vary to a certain extent from the rules described above and the avoidance periods are calculated from the date when the creditor exercises its right of avoidance in the courts.

Creditor Liability

The beneficiary of a transaction effecting a repayment of the stated share capital of the grantor of the guarantee or security could moreover become personally liable under exceptional circumstances. The German Federal Supreme Court (*Bundesgerichtshof*) ruled that this could be the case if for example the creditor were to act with the intention of detrimentally influencing the position of the other creditors of the debtor in violation of the legal principle of *contra bonos mores* (*Sittenwidrigkeit*). Such intention could be present if the beneficiary of the transaction was aware of any circumstances indicating that the grantor of the guarantee or security is close to collapse (*Zusammenbruch*), or had reason to enquire further with respect thereto. Under such circumstances, the New Guarantees or other collateral may also be invalid.

Ireland

Insolvency

The New Notes will be guaranteed by Swissport Ireland Limited, a limited liability company organized under the laws of Ireland (the "**Irish Guarantor**"). Consequently, in the event of an insolvency of the Irish Guarantor, main insolvency proceedings would likely be initiated and conducted in Ireland in accordance with Irish insolvency laws.

However, pursuant to Irish insolvency law, where an Irish company conducts business in another member state of the European Union, the jurisdiction of the Irish courts may be limited if the company's center of main interests is found to be in another Member State. There are a number of factors that are taken into account to ascertain the center of main interests. The center of main interests should correspond to the place where the company conducts the administration of its interests on a regular basis, and is therefore ascertainable by third parties. The point at which the center of main interests of a particular company falls to be determined is at the time that the relevant insolvency proceedings are opened.

Irish insolvency laws and other limitations could limit the enforceability of a guarantee provided by the Irish Guarantor and any security interests granted by the Irish Guarantor.

The following is a brief description of certain aspects of Irish insolvency laws relating to certain limitations on the guarantee and security interests in respect of the New Notes, insofar as they are provided by the Irish Guarantor.

The application of these laws could adversely affect your ability to enforce your rights under the New Guarantee or security interests in respect of the New Notes and limit any amounts that you may receive. The following also contains analysis of the typical forms of security interests in Ireland which are commonly created in Ireland over a company's assets, namely fixed and floating charges.

Preferred Creditors under Irish Law

Under Section 621 of the Companies Act 2014 (the "**Companies Act**"), in a winding-up of an Irish company, certain preferential debts are required to be paid in priority to all debts other than those secured by a fixed charge. Preferential debts therefore have priority over debts secured by a floating charge. If the assets of the relevant company available for the payment of general creditors are insufficient to pay the preferential debts, they are required to be paid out of the property subject to the floating charge. Under Section 440 of the Companies Act, the holder of a floating charge, or a receiver appointed by such a holder, who takes possession of property subject to the floating charge when the company is not in the course of being wound up, is required to pay the preferential debts out of that property in priority to principal and interest secured by the floating charge. Such preferential debts would comprise, among other things, any amounts owed in respect of local rates and certain amounts owed to the Irish Revenue Commissioners for income/corporation/capital gains tax, value added tax (VAT), employee related taxes, social security and pension scheme contributions and remuneration, salaries and wages of employees and certain contractors and the expenses of liquidation.

In addition, there is a further limited category of super-preferential creditors which take priority, not only over unsecured creditors and holders of floating security, but also over holders of fixed security. These super-preferential claims include the remuneration, costs and expenses properly incurred by any examiner of the company which may include any borrowings made by an examiner to fund the company's requirements for the duration of his appointment that have been approved by the Irish courts, (see—"Examinership" below) and any capital gains tax payable on the disposition of an asset of the company by a liquidator, receiver or mortgagee in possession, as well as, in certain circumstances, PAYE and VAT arrears where a fixed charge over book debts is created.

Limitation on Enforcement

A guarantee by the Irish Guarantor for the obligations of another group company and any security interests granted by the Irish Guarantor must be in the commercial interest and for the corporate benefit of the Irish Guarantor. If the giving of a guarantee or granting of security is not for the Irish Guarantor's corporate benefit, the guarantee or security could be held null and void.

The giving of a guarantee or security must comply with any applicable financial assistance rules.

The question of corporate benefit is determined on a case-by-case basis and consideration has to be given to any direct and/or indirect benefit that the company would actually derive from the transaction and is particularly relevant for upstream or cross-stream guarantees.

The question whether or not the corporate benefit requirement is met is a matter of fact, which must be assessed by the competent body of the company being the board of directors of the company acting bona fide in the interest of the company.

If the corporate benefit requirement is not met, the directors of the company may be held liable by the company for negligence in the management of the company. Moreover, the guarantee or security could be declared null and void.

It is open to a court to find that assignments and charges described as fixed charges constitute floating charges rather than fixed charges, the description given to them as fixed charges not being determinative and no opinion is expressed on whether security interests created by the Security Documents are fixed charges or floating charges. One of the three characteristics of a floating charge is the ability of the chargor to carry on business in the ordinary way so far as concerns the particular class of assets in question until some further step is taken by or on behalf of the chargee. Where the chargor is free to deal with the assets, which form the subject matter of the charge, without the consent of the chargee, or the chargee does not exercise the requisite degree of control over the assets, or the proceeds of such assets, the court would be likely to hold that the charge in question constitutes a floating charge, notwithstanding that it may be described as a fixed charge. Irish case law has interpreted the requisite level of control to a high standard. To the extent that any of the secured assets are not specifically identified a court may hold that such assets which are expressed to be subject to a fixed charge may in fact be subject to a floating charge. It should be noted that insofar as the Security Documents purport to create fixed security over future assets the asset must either be identified as at the date of execution of the Security Documents or identifiable as falling within the security purported to be created thereby.

A floating charge is more vulnerable than a fixed charge both to being set aside in a winding-up and to losing its priority to other rights and interests. A floating charge will take effect subject to:

(a) third-party rights or interests (including rights of set-off) unless the third party concerned had express notice that a term in the relevant Security Document prohibited the type of transaction which the mortgagor, chargor or assignor thereunder entered into with such third party or that the floating charge had crystallized;

(b) any execution or attachment completed before crystallization; and

(c) any distress, whether levied on or after crystallization.

Moreover, amounts received in a winding-up or receivership of an Irish company by realizing assets subject to a floating charge must first be used to pay certain preferential debts, for example, money owed to the Revenue Commissioners of Ireland for tax deducted at source, value added tax and remuneration of employees, and in the insolvency of an Irish company claims of a creditor holding a fixed charge, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

The effectiveness of any crystallization clause in the Security Documents is unclear although it has been held by the Supreme Court that a crystallization notice served by the chargee was valid to crystallize the floating charge and that the floating charge had become a fixed charge and, as such, ranked ahead of preferential creditors and *pari passu* with other fixed security over the chargor's assets.

A fixed charge on book debts is subject to the provisions of Section 1001 Taxes Consolidation Act 1997 which provides inter alia that on receipt of a notice from the Revenue Commissioners that the chargor is in arrears on its PAYE (pay-as-you-earn), VAT (value added tax), PRSI (pay-related social insurance) or LPT (local property tax) payments the holder of the fixed charge must thereafter pay all sums it receives from the chargor to the Revenue Commissioners until the arrears (and any further arrears which accrue) of PAYE, VAT, PRSI or LPT payments (as the case may be) have been discharged in full. Where the holder of the security has informed the Revenue Commissioners of the creation of the security within 21 days of its creation, liability of the holder is limited to the amount of certain tax liabilities of the charger arising after the issue of such notice.

Monies held in a bank account of the Existing Issuer could, notwithstanding any charge or right of set-off over such account being held by the Security Agent, be subject to Section 1002 of the Taxes Consolidation Act 1997 which provides inter alia that on receipt of a notice from the Revenue Commissioners that a taxpayer is in arrears in the discharge of any tax, interest or penalty, a person owing money to the taxpayer (including, without limitation, a bank holding monies of the taxpayer) must pay such monies to the Revenue Commissioners.

The effectiveness of a charge on a security account held with the chargee is not free from doubt.

The exercise of enforcement powers by secured creditors is controlled by law; for example, a mortgagee owes certain duties to the debtor in relation to realizations. These laws may override provisions in the Security Documents to the contrary.

On a disposal of the Collateral on an enforcement of the security created pursuant to the Security Documents, the Security Agent may be required to pay any capital gains tax owed in respect of those assets in priority to the debts secured by such assets.

A notification under the Competition Acts 2002 to 2014 (the "**Competition Acts**") may need to be made when enforcing a share charge. Under the Competition Acts, the acquisition, whether directly or indirectly, of control of an undertaking must be notified to the Competition and Consumer Protection Commission (the "**CCPC**") where in the most recent financial year:

(a) the aggregate turnover in Ireland of the undertakings involved in the transaction is not less than €50 million; and

(b) the turnover in Ireland of each of two or more of the undertakings involved is not less than €3 million.

Where the person acquiring control of an undertaking is a receiver or liquidator acting as such, or is an underwriter or jobber acting as such, a notification to the CCPC is not required under the Competition Acts. Where the Competition Acts apply, a transfer that is put into effect without prior notification to and clearance from the CCPC shall be void. In addition, where the person(s) in control of an undertaking involved knowingly and willfully authorize(s) or permit(s) the undertaking involved to fail to notify the transaction within the period specified under the Competition Acts, such person(s) may be found guilty of an offence under the Acts and subject to fines of up to €250,000. Particular provisions apply in relation to media mergers, which, inter alia, disapply the financial thresholds referred to above.

Failure to register the particulars of the Security Documents and any other requisite documents in the Companies Registration Office within 21 days of the creation of the security constituted by the Security Documents will render the relevant charge void as against any liquidator or creditor of the Existing Issuer.

To the extent that the legal title (as distinct from the beneficial title) to any of the Charged Assets is not held by the Existing Issuer, then the legal title will not be subject to the security created by the Security Documents.

1. Improper transfer

If it can be shown on the application of a liquidator, creditor or contributory of a company which is being wound up, to the satisfaction of the High Court, that any property of that company was disposed of and the effect of such a disposal was to "perpetrate a fraud" on the company, its creditors or members, the High Court may, if it deems it just and equitable to do so, order any person who appears to have "use, control or possession" of the property concerned, or of the proceeds of the sale or development of that property, to deliver it or them, or to pay a sum in respect of it to the liquidator on such terms as the High Court sees fit.

2. Unfair preference

(a) Any act relating to property made or done by or against a company which is unable to pay its debts as they become due in favor of any creditor of the company or any person on trust for any such creditor, with a view to giving such creditor (or any surety or guarantor of the debt due to such creditor) a preference over the company's other creditors, shall be deemed to be an unfair preference of its creditors and be invalid accordingly if a winding up of the company commences within six months of the doing of the act and the company is, at the date of commencement of the winding up, unable to pay its debts (taking into account contingent and prospective liabilities).

(b) Where the act is in favor of a "connected person," the six month period is extended to two years and the act in question shall be deemed, if the company is being wound up and is, at the time that the winding up commences, unable to pay its debts, to have been done with a view to giving the connected person a preference over the company's other creditors, to be an unfair preference, and to be invalid. Consequently, the burden of proof is on the connected person to show that any such act was not an unfair preference. A "**connected person**" means a person who was, at the time that the transaction took place, a director or shadow director of the company, a person connected with a director of the company within the meaning of Section 220 (Connected persons) of the Companies Act, a related company, or any trustee of or surety or guarantor for the debt due to any of the foregoing.

3. Disclaimer of onerous property

(a) The liquidator of a company may, by the giving of notice, disclaim any onerous property of the company under Section 615 of the Companies Act. "**Onerous property**" is defined to include any "*unprofitable contract*" and "*any other property [of the company] which is unsaleable or not readily saleable by reason of its binding the possessor of it to the performance of any onerous act or to the payment of any sum of money*." A disclaimer operates to determine, as of the date it is made, the rights, interests and liabilities of the company in or in respect of the property disclaimed but "*shall not, except so far as is necessary for the purpose of releasing the company and the property of the company from any liability, affect the rights or liabilities of any other person.*" A notice of disclaimer may not be given in respect of any property if the property is not disclaimed within 28 days (or such longer period as the High Court may allow) of an application in writing to the liquidator by the person interested in the property requiring the liquidator to decide whether or not to disclaim. Any person sustaining loss or damage in consequence of a disclaimer is deemed a creditor of the company to the extent of the loss or damage and may prove for same in the winding up. A liquidator must disclaim the whole of the property. He may not keep part and disclaim part.

(b) The meaning given to an "*unprofitable contract*" in case law is one that would involve the liquidator in some liability (e.g. the performance of an onerous act or the payment of money). There must be some onerous or burdensome obligations associated with the contract; the mere fact that the insolvent company's estate would be better off by disclaimer is not enough.

4. Actions of directors of insolvent company

(a) It is possible that actions of the directors of an insolvent company would not be held to be lawfully and effectively done if carried out in disregard of the rights and interests of the general creditors. In ***Re Frederick Inns Ltd*** [1991] 1 ILRM 387 ("**Re Frederick Inns**") the Supreme Court held that as soon as a winding-up order has been made against a company, that company ceases to be the beneficial owner of its assets and the directors no longer have the power to dispose of them. It should be noted that this is also the case prior to insolvency proceedings where the company is under the management of its directors pending imminent liquidation or where the company's situation is such that any creditor could have it wound up on the grounds of insolvency. In such situations the directors have a duty to the creditors to preserve the assets to enable them to be applied in discharge of the company's liabilities. ***Re Frederick Inns*** also cited, with approval, the statement of Street CJ in ***Kinsela v Russell Kinsela Property Ltd (in liquidation)*** [1986] 4 NSWLR 722, that a transaction was voidable, despite being within the power of the company, if entered into by the directors in breach of their duty to the company not to directly prejudice the interests of the company's creditors.

(b) In summary, the effect of ***Re Frederick Inns*** is that where the directors of an insolvent company are aware of its insolvency, they hold the assets of that company in trust for the benefit of the company's creditors. It is not necessary that the company has commenced winding up, only that it is liable to being wound-up, should a petition for its winding-up be presented by one of its creditors.

5. Floating charges

Under Section 597 (*Circumstances in which floating charge is invalid*) of the Companies Act, a floating charge is invalid if created in the period of twelve months (or two years if created in favor of a "**connected person**") ending with the date of commencement of the winding up of the company, and unless it can be proven that the company was solvent immediately after the creation of the charge. Such invalidity does not apply to money actually advanced or paid or the actual price or value of goods or services sold or supplied to the company at the time or after the creation of, and in consideration for, the charge together with interest at the appropriate rate.

6. Examinership

(a) Examinership is a court moratorium/protection procedure which is available under Irish company law. It was originally introduced in Ireland, under the Companies (Amendment) Act 1990, to provide a remedy for a company with serious but not terminal financial difficulties to achieve with its creditors, shareholders, employees, tax and any applicable regulatory authorities some balanced and equitable solution that will return the company to a sound footing, and to achieve a more beneficial social and economic outcome than a winding-up. In terms of companies which have been subject to an examination to date, typically they have had some substance in terms of an active trade, several employees, creditors who also count on a continuing trade with the company and various other secured, preferential and unsecured creditors.

(b) Where a company which has its center of main interests in Ireland is, or is likely to be, unable to pay its debts an examiner may be appointed on a petition to the High Court under Section 509 (*Power of court to appoint examiner*) of the Companies Act. It should be noted that where the relevant company is treated as a "**small company**" by virtue of Section 350 (*Qualification of company as small or medium company*) of the Companies Act (i.e. it meets two of the following three conditions in respect of a financial year:

(i) it has a balance sheet total of less than or equal to €4.4 million;

(ii) it has turnover of less than or equal to €8.8 million; and

(iii) its average number of employees does not exceed 50),

the petition may instead be presented to the Circuit Court. A company is deemed to be unable to pay its debts if:

(A) it is unable to meet its debts as they fall due;

(B) the value of its assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities;

(C) a creditor, by assignment or otherwise, to whom the company is indebted in a sum exceeding €10,000 then due, has served a written demand on the company (by leaving it at the company's registered office) requiring the company to pay the sum due and the company has, for 21 days after the date of service of the demand, neglected to pay that sum or neglected to secure or compound for it to the reasonable satisfaction of the creditor;

(D) two or more creditors, by assignment or otherwise, to whom (in aggregate) the company is indebted in a sum exceeding €20,000 then due, have served a written demand on the company (by leaving it at the company's registered office) requiring the company to pay the sum due and the company has, for 21 days after the date of service of the demand, neglected to pay the sum or neglected to secure or compound for it to the reasonable satisfaction of each of the creditors; or

(E) execution or other process issued on foot of a judgment, decree or order of any court in favor of a creditor of the company is returned unsatisfied in whole or in part.

(c) Under Section 510 (*Petition for court*) of the Companies Act, examinership petitions may be presented by the company, by the directors, by a creditor, by a contingent or prospective creditor or by members of the company holding, at the date of presentation of the petition, not less than one-tenth of the paid-up voting share capital of the company.

Period of examinership

(d) Where an examinership petition is presented in relation to a company, that company is deemed to be under the protection of the Court during the period beginning on presentation of the petition and ending 70 days later (which period may be extended by a further 30 days where the Court is satisfied that the examiner would not be able to present his report within 70 days, or by such further unlimited period as the Court may allow where the Court needs more time to consider the proposals contained in the examiner's final report). In the event of an appeal of the Court's decision, the protection period is likely to be further extended in order to allow the determination of the appeal.

Examiner's proposals

(e) Once appointed an examiner must, as soon as practical, formulate proposals for a compromise or scheme of arrangement in relation to the company to which he has been appointed. Typically, a scheme of arrangement will involve the writing down of creditors' claims (both secured and unsecured, contingent and actual) that are in existence at the date of the petition and the introduction into the company of new funds. Having formulated his proposals, he must convene meetings of such classes of members and creditors as he thinks proper to consider acceptance of his proposals. The examiner must report to the Court on the outcome of his meetings within 35 days of his appointment, although the 35 day period can be extended by the Court. There is acceptance by creditors or by a class of creditors when a majority in number representing a majority in value of the claims represented at the meeting vote in favor of the proposals. The proposals must be confirmed by the Court if they are to become effective and the Court can confirm the proposals only if, inter alia:

(i) at least one class of creditors whose interests or claims would be impaired by implementation of the proposals have accepted them;

(ii) the Court is satisfied that the proposals are fair and equitable in relation to any class of members or creditors that has not accepted them and whose interests and claims would be impaired by implementation; and

(iii) they are not unfairly prejudicial to the interests of any interested party.

Once confirmed by the Court, the proposals become binding on the company and all creditors (whether secured or unsecured) or the class or classes of creditors (whether secured or unsecured), as the case may be, affected by the proposals and their rights are accordingly modified.

Repudiation of contracts

(f) Under Section 537 (*Repudiation of certain contracts*) of the Companies Act ("**Section 537**"), where proposals for a compromise or scheme of arrangement are to be formulated in relation to a company, the company may, subject to the approval of the Court, affirm or repudiate any contract under which some element of performance other than payment remains to be rendered both by the company and the other contracting party/parties. Any person who suffers loss or damage as a result of such repudiation stands as an unsecured creditor for the amount of such loss or damage and is entitled to be treated as such in any scheme of arrangement as if the loss or damage constituted a pre-petition claim. Where the Court approves the affirmation or repudiation of a contract under Section 537, it may in giving such approval make such orders as its thinks fit for the purposes of giving full effect to its approval including orders as to notice to, or declaring the rights of, any party affected by such affirmation or repudiation. Section 537 replaced Section 20 (*Repudiation of certain contracts*) of the Companies (Amendment) Act 1990 ("**Section 20**") with effect from 1 June 2015. Existing case law in relation to the scope of Section 20 was limited to the repudiation of leases.

Effects of examinership

(g) The effect of the appointment of an examiner is to suspend the rights of a secured creditor for the protection period but, save as detailed further below, the appointment does not of itself affect the security or the rights of the secured creditor. Section 520 (*Effect of petition to appoint examiner on creditors and others*) of the Companies Act ("**Section 520**") provides that for as long as a company is under the protection of the Court, no attachment, sequestration, distress or execution shall be put into force against the property or effects of the company except with the consent of the examiner. The section goes on to provide, amongst other things, that, except with the consent of the examiner:

(i) where any claim against the company is secured by a mortgage, charge, lien or other encumbrance of, or pledge of or affecting, the whole or any part of the property, effects or income of the company, no action may be taken to realize the whole or any part of such security;

(ii) no receiver over any part of the property or undertaking of the company shall be appointed (and if a receiver was appointed before the petition was presented, that receiver will be unable to act); and

(iii) no proceedings for the winding up of the company may be commenced and no resolution for winding up of the company may be passed (and no such resolution passed shall have any effect).

(h) Pursuant to Section 521 (*Restriction on payment of pre-petition debts*) of the Companies Act, no payment may be made by a company during the period of Court protection by way of satisfaction or discharge of the whole or a part of a liability incurred by the company before the date upon which the petition for the examiner's appointment was presented unless the independent expert's report under Section 511 (*Independent expert's report*) of the Companies Act that accompanied the petition recommended that all or part of that liability be discharged or satisfied, or such payment is authorized by the Court (on application of the examiner or any interested party) where the Court is satisfied that a failure to discharge or satisfy in whole or in part that liability would considerably reduce the prospects of the company or the whole or any part of its undertaking surviving as a going concern.

(i) Accordingly, in any examinership of a company, that company will be precluded from paying over monies to its creditors.

(j) Before the examiner can dispose of assets the subject of a security interest, the approval of the Court pursuant to Section 530 (*Power to deal with charged property, etc.*) of the Companies Act ("**Section 530**") is required.

(k) It would be open to an examiner to borrow monies and to certify such borrowings under Section 529 (Incurring of certain liabilities by examiner) of the Companies Act ("**Section 529**"). Under Section 529, where the examiner certifies such liabilities incurred by a company as having been incurred in circumstances where, had they not been incurred, that company's survival as a going concern during the protection period would have been seriously prejudiced, such liabilities are treated as expenses properly incurred by the examiner for the purposes of Section 554 (*Costs and remuneration of examiners*) of the Companies Act ("**Section 554**"). As such, they will rank for payment ahead of any floating charge, but behind any fixed charge.

Powers of examiner

(l) Section 522 (*Effect on receiver or provisional liquidator of order appointing examiner*) of the Companies Act confers on the Court broad powers to prevent any receiver or provisional liquidator who has been appointed before the commencement of the examinership from continuing to act as such. Under sub-section (5) of Section 524 (*Powers of an examiner*) of the Companies Act ("**Section 524**"), where an examiner becomes aware of any actual or proposed act, omission, course of conduct, decision or contract by or on behalf of the company or by any person in relation to the income, assets or liabilities of the company which, in his opinion, is or is likely to be to the detriment of the company or any interested party, he is given broad powers, subject to the right of parties acquiring an interest in good faith for value in such income, assets or liabilities, to take whatever steps are necessary to halt, prevent or rectify the effects of such act, omission, course of conduct, decision or contract.

(m) Section 525 (*Repudiation by examiner of contracts made before period of protection and of negative pledge clauses whenever made: prohibitions and restrictions*) of the Companies Act states that nothing in Section 524 entitles an examiner to repudiate a contract entered into by the company prior to the company coming under Court protection. However, where an agreement entered into by the company (whether before or after it came under Court protection) provides that the company cannot (or may not, other than in specified cases) borrow money or otherwise obtain credit from any person other than the counterparty to the agreement, or create or permit to subsist any mortgage, charge, lien or other encumbrance or any pledge over the whole or any part of the company's property or undertaking (i.e. a negative pledge), and where the examiner's opinion is that the provision, if enforced, could prejudice the survival of the company or all or part of its undertaking as a going concern, and the examiner serves a notice on the counterparty or counterparties to the agreement informing them of his opinion, such restrictive provisions will not be binding on the company from the time that the notice is served until the time that the company exits Court protection.

Examiner's borrowings, remuneration and costs

(n) Section 554 gives power to the Court to sanction payment of the examiner's remuneration, costs and expenses. References to an examiner's remuneration and costs are to his remuneration as well as the costs of lawyers and other agents incurred directly by the examiner. The effect of sanction by the Court under Section 554 of the examiner's own remuneration, costs and expenses is to give such items priority ahead of any other claim, whether secured or unsecured, under any compromise or scheme of arrangement or in any receivership or winding up of the company.

(o) The examiner may certify that certain liabilities that are incurred by the company during the period of court protection have been properly incurred in circumstances where, in the opinion of the examiner, the survival of the company as a going concern during the examinership would otherwise have been seriously prejudiced. The effect of certification by the examiner is that the relevant liabilities are paid before any claim (including a claim secured by a floating charge or the claims of preferential creditors), other than a claim secured by a fixed security or pledge, under any compromise or scheme of arrangement or in any subsequent receivership or winding up of the company. In practice, an examiner will normally apply to the Court for the approval of such certified expenses.

Examinership and powers of attorney

(p) The appointment of an examiner to a company may result in restrictions on the powers of any attorney appointed by the company. The exact nature of those restrictions will depend on what powers the attorney possesses and the circumstances of the particular case.

Kenya

Validity and Enforcement

In Kenya, for a company to give a guarantee, certain requirements must be satisfied. As part of these requirements, the granting of a guarantee a Kenyan company must be for its corporate benefit. There is no statutory definition of corporate benefit under Kenya law. The existence or the absence of a corporate benefit is assessed on a case-by-case basis and on a company-by-company basis. In addition, to be enforceable in Kenya, it is a requirement for a guarantee governed by Kenyan law to be drawn by an Advocate of the High Court of Kenya, and these do not include a guarantee. However, the Supreme Court of Kenya recently passed a judgment holding that a guarantee as a security document should be prepared by an Advocate.

Under Kenyan law, in order for security interests in respect of the Collateral provided by the Kenyan guarantor by way a debenture creating a charge over its assets to be perfected and made effective against third parties and enforceable against the grantor of the security interest, the document by which the security interest is evidenced or created (the "security document") must be stamped with ad valorem stamp duty in accordance with the provisions of the Stamp Duty Act (Cap. 480 Laws of Kenya) and thereafter such security document must be registered at the companies registry in accordance with the Companies Act (2015) (the "Companies Act") within the statutory period of thirty (30) days as required by section 885 of the Companies Act, or where such security interest is created outside of Kenya, within 21 days of the document or a copy of it, if it were dispatched with due diligence, being first received in Kenya.

The Collateral to be provided in respect of the shares held in the Kenyan guarantor and the New Guarantee from the Kenyan guarantor will only be admissible in a Kenyan court if they are stamped with nominal stamp duty in accordance with the provisions of the Stamp Duty Act (Cap. 480 Laws of Kenya). In addition, notice of the security created over such shares must be registered in accordance with the provisions of the Movable Property Security Rights Act (No. 13 of 2017, Laws of Kenya) and regulations made thereunder, to the extent applicable, for such security to be effective against third parties.

Insolvency

The Insolvency Act (No.18 of 2015, Laws of Kenya) (the "**Kenyan Insolvency Act**") empowers Kenyan courts to place a company in liquidation or administration in accordance with sections 424 and 523 respectively. A court may on the application of a creditor or a company or its director(s) make an order placing the company in liquidation or administration. A company, its director(s) or a holder of a qualifying floating charge may also appoint an administrator in respect of the company. Administration in the Kenyan context is different from liquidation as the main objective of an administrator is to rescue the company. The circumstances under which Kenyan courts make orders to liquidate or place a company under administration are mainly in instances where the company is unable or likely to become unable to pay its debts or where the court is of the opinion that it is just and equitable to liquidate the company or place it under administration. Section 384 of the Kenyan Insolvency Act states that the circumstances under which a company is deemed to be unable to pay its debts are:

(a) if a creditor serves a notice to pay an amount of K.Shs.100,000 (approximately US$1000) or more and the company fails to pay within 21 days; or

(b) if an order is obtained against the company directing the company to pay its due debts and the order is returned to court unsatisfied; or

(c) if it is proved to the satisfaction of the court that the company is unable to pay its debts; or

(d) if it is proved to the satisfaction of the court that the company's assets are less than the amount of its liabilities (including contingent and prospective liabilities).

In addition, if the company has secured any of its assets under fixed charges, the holders of those charges will usually have the power to appoint a receiver to realize assets and recover the debt owed. A qualifying floating charge holder has the right to appoint an administrator to take over the operations of the company. The members/shareholders and creditors can also sanction the liquidation of a company by passing resolutions to that effect. Once a company is placed in liquidation legal proceedings against the company may only commence or continue with the leave of the court.

A disposition of the assets (including shares or alteration of the members' register) of a company in liquidation (where the liquidation was ordered by the court) is void unless sanctioned by the court. A liquidator can also reverse a transaction (with the leave of court) entered into by the company before the commencement of the liquidation where the contract places an unconscionable burden on the company to perform the contract; or where an officer of the company disposes of the company's assets fraudulently knowing that the company is insolvent, twelve months before the commencement of the liquidation.

The New Senior Secured Notes are being secured by *inter alia*, the guarantee and certain collateral issued by the Kenyan Guarantor (the "**Kenyan Collateral**"), which for purposes of Kenyan insolvency law, could be voided and/or rescinded and any payments made pursuant to them ordered to be refunded if a court were to determine that: the issuance of the Kenyan Collateral was tantamount to fraudulent trading or preference or the directors knew or ought to have known that the Kenyan guarantor was insolvent; or disbursements payable under the Kenyan Collateral were unconscionable and did not reflect the true and/or fair value supposed to be paid. If a competent court were to order that the Kenyan Collateral be voided for any reason the, holders of the New Secured Notes would have to prove their debts as unsecured creditors.

The claims of the beneficiary of a guarantee will rank *pari passu* with the claims of an unsecured creditor upon the insolvency of the guarantor in Kenya.

It should be noted that section 582 of the Kenyan Insolvency Act allows the administrator of a company to make a distribution to the creditors of the company. Section 471 and the Second Schedule apply in a distribution in relation to the liquidation of a company. The same also provides for a class of preferential creditors who will rank in the case of administration, winding up or liquidation of a company ahead of any other unsecured creditors and the holders of security by way of floating charge, which preferential creditors and rights thereof comprise the following:

1. first priority claims which include all expenses of the liquidation which are payable in the following order:

   a. the remuneration of the liquidator and the fees and expenses properly incurred by that liquidator in performing the duties imposed and exercising the powers conferred by or under the Kenyan Insolvency Act;

   b. the reasonable costs of the person who applied to the Court for the order placing the company in liquidation; and

   c. in the case of a creditor who protects or preserves assets of the company for the benefit of the creditors of the company by the payment of money or the giving of an indemnity (i) the amount received by the liquidator by the realization of those assets up to the value of that creditor's unsecured debt; and (ii) the amount of the costs incurred by that creditor in protecting, preserving the value of, or recovering those assets.

2. second priority claims up to a limit of two hundred thousand shillings each for every employee in respect of the following:

   a. all wages or salaries payable to employees in respect of services provided to the bankrupt or company for four months prior to the relevant date;

   b. any holiday pay payable to the employees on the termination of their employment before, or because of, the commencement of the liquidation;

   c. any compensation for redundancy owed to employees that accrues before, or because of, the commencement of the liquidation;

   d. amounts deducted by the company from the wages or salaries of employees in respect of their obligations to other persons (including income tax);

   e. any reimbursement or payment that does not relate to any matter specified in the Labour Relations Act, 2007 in respect of wages or other money or remuneration lost during the four months before the commencement of the liquidation.

3. in addition to the claims under paragraph (2) above, all amounts that are by any other written law required to be paid in accordance with the priority established by subparagraph 3(1) of the Second Schedule of the Kenyan Insolvency Act paid by a buyer to a seller on account of the purchase price of goods.

4. the following third priority claims to the extent that they remain unpaid:

   a. tax deductions made by the company under the pay as you earn rules of the Income Tax Act (Cap 470 Laws of Kenya);

b. non-resident withholding tax deducted by the company under the Income Tax Act;

c. resident withholding tax deducted by the company under the Income Tax Act;

d. duty payable within the meaning of section 2(1) of the Customs and Excise Act.

Accordingly, assets subject to a floating charge must be used to satisfy preferential debts in priority to the creditors secured by the floating charge.

Luxembourg

The conditions to be satisfied by the granting of guarantees or security interests relate to (i) corporate power, (ii) corporate authority, and (iii) corporate benefit. These rules are derived from general principles and must be applied to specific circumstances, which have to be analyzed on a case-by-case basis.

Corporate power

Limits on corporate power can either be imposed (i) by law or (ii) by the articles of association of the company.

(i) Limitations imposed by law.

Pursuant to the Luxembourg Civil Code (*Code civil*), a company is established with a view to participate in the profits (and the losses) which may arise therefrom. A company may carry out gratuitous acts whenever these acts are accomplished with a view to the realization, directly or indirectly, of the company's corporate objective. It is normally understood that except in exceptional circumstances, an intragroup security is a type of act which may serve the purpose of realizing a profit.

Thus, it is only in exceptional circumstances when there is no reasonable indirect potential benefit of, or a motivated interest for, a proposed guarantee or security interest to be given by a company, that the validity of such a guarantee or security interest could be challenged for lack of any interest by the guarantor in providing the guarantee or security interest.

Further to this general legal restriction, additional limitations are imposed by specific laws, such as the prohibition to exercise a financial activity without a specific authorization (which in the case of a Luxembourg company, does not apply to financial activities within a group of companies) or the limitation on financial assistance in the case of subscription or purchase of shares of the guarantor or security provider.

(ii) Limitations imposed by the articles of association.

The provision of guarantees or security by a company must be within the limits of the object clause of its articles of association.

Should the provision of a guarantee or security by a Luxembourg company be considered to exceed the corporate object as expressed in the articles of association, the company is still bound by such action, unless there is evidence that the beneficiary of such acts knew that the acts exceeded the corporate object or that the beneficiary could not, in light of the circumstances, have been unaware of that fact.

Corporate authority

When a Luxembourg company grants guarantees and/or security, applicable corporate procedures normally entail that the decision be approved by a board resolution or by decision of delegates that have been appointed for such purpose.

Corporate benefit

The third condition for a guarantee or security interest to be granted by a Luxembourg company is that the proposed action by the company must be "in the corporate interest of the company," which words is a translation of the French "*intérêt social*," an equivalent term to the English legal concept of corporate benefit. The concept of "corporate interest" is not defined by law, but has been developed by doctrine and court precedents and may be described as being 'the limit of acceptable corporate behavior'. Whereas the previous discussions regarding the limits of corporate power are based on objective criteria (provisions of law and of the articles of association), the concept of corporate benefit requires a subjective judgment. In a group context, the interest of the companies of the group taken individually is not entirely eliminated. Although the existence of a corporate interest in the issue of a guarantee or the granting of a security on a group level is certainly important, the mere existence of such a group interest does not compensate for a lack of corporate interest for one or more of the companies of the group taken individually. The concept of corporate benefit is of particular importance in the context of misuse of corporate assets as provided by article 171-1 of the law of August 10, 1915 on commercial companies (as amended).

In general terms, group interest may justify the issue of a guarantee or the granting of security in favor of a parent company (upstream guarantee) or a sister company (cross-stream guarantee), thus avoiding (should the Luxembourg courts adopt the same position as the French courts) the qualification of misuse of corporate assets, under the following circumstances:

- the proposed action must be justified on the basis of a common economic, social, or financial policy applicable throughout the entire group;
- the existence of a group should be evidenced through capital links;
- the guarantee or security interest must not be (i) without consideration, or alternatively (ii) break up the balance between the undertakings of the various group companies; and
- the obligations arising out of the proposed action must not exceed the financial means of the companies concerned.

To the extent that all companies of the group are asked to bear in a similar way the burden of guarantees or security given for the benefit of the other group company or companies in an equal way, the obligation undertaken by a group company for the benefit of other group companies may be justified. Similarly, if a group company cannot exist outside of the group and is dependent on the group, assistance to other group companies should ultimately result in a benefit for such company. The limit of reasonable corporate behavior is reached when the transaction is exclusively in the interest of the parent company or the other companies of the group, without any benefit, direct or indirect, for the Luxembourg company granting the guarantee or security.

However, the failure to comply with the corporate benefit requirement will typically result in liability for the directors or managers of the guarantor or security provider concerned.

The guarantee or security interest could itself be held unenforceable, if it is held that it is contrary to public policy (*ordre public*). It should be stressed that, as is the case with all criminal offenses addressed by the law on commercial companies, a director or manager of a Luxembourg company will in general be prosecuted for misuse of corporate assets only if someone has lodged a complaint with the public prosecutor. This person may be an interested third party, e.g., a creditor, a minority shareholder, a liquidator or an insolvency receiver. In addition, it cannot be excluded that the public prosecutor will act on his/her own initiative if the existence of such a misuse of corporate assets became known to him/her.

If there is a misuse of corporate assets criminally sanctioned by a court, then this could under general principles of law, have the effect that contracts concluded in breach of article 171-1 of the law of August 10, 1915 on commercial companies will be held null and void. There are, however, scholars who argue that bona fide contractual counterparties should remain unaffected.

The criteria mentioned above have to be applied on a case-by-case basis and a subjective fact based judgment is required to be made by the directors or managers of the Luxembourg Guarantor (as defined below).

As a result, the guarantees or security interests granted by a Luxembourg company may be subject to certain limitations, which usually take the form of a general limitation language, which is inserted in the relevant finance document(s) or guarantee agreements and which covers the aggregate obligations and exposure of the relevant Luxembourg assisting company under all finance documents, security agreements or guarantee agreements.

For the purposes of this transaction, a specific limitation language has been agreed upon between the parties, whereby the aggregate obligations and exposure of any guarantor or security provider incorporated under the laws of Luxembourg (a "**Luxembourg Guarantor**") with respect to the obligations of any other Obligor shall be limited as follows:

The payment undertaking of any Luxembourg Guarantor for the obligations of any Obligor which is not a Subsidiary of that Guarantor shall be limited at any time, to an aggregate amount not exceeding ninety percent (90%) of the greater of:

(i) the Luxembourg Guarantor's own funds ("*capitaux propres*") and the debt owed by such Luxembourg Guarantor to any of its direct or indirect shareholders, as determined on the basis of Article 34 of the Luxembourg law of December 19 2002 on the register of commerce and companies, accounting and companies' annual accounts, as amended, as reflected in the last annual accounts of the New Guarantor, as at the date of this Agreement. Should no annual accounts of the Luxembourg Guarantor be available on the date of this Agreement, the Luxembourg Guarantor's own funds and the debt owed by such Luxembourg Guarantor to any of its direct or indirect shareholders will be determined at the reasonable discretion of the Security Agent in accordance with the accounting principles applicable to the Luxembourg Guarantor.

(ii) the Luxembourg Guarantor's own funds ("*capitaux propres*") and the debt owed by such Luxembourg Guarantor to any of its direct or indirect shareholders, as determined on the basis of Article 34 of the Luxembourg law of December 19, 2002 on the register of commerce and companies, accounting and companies' annual accounts, as amended, as reflected in the last annual accounts of the New Guarantor, as at the date the guarantee is called.

The above limitation shall not apply to any amounts borrowed under any Facility and in each case made available, in any form whatsoever, to such Luxembourg Guarantor or any of its Subsidiaries.

Security interests considerations

According to Luxembourg conflict of law rules, the courts in Luxembourg will generally apply the *lex rei sitae or lex situs* (the law of the place where the assets or subject matter of the pledge or security interest is situated) in relation to the perfection and enforcement of security interests over such assets. As a consequence, Luxembourg law will apply in relation to the perfection and enforcement of security interests over assets located or deemed to be located in Luxembourg, such as registered shares in Luxembourg companies, bank accounts held with a Luxembourg bank, receivables/claims governed by Luxembourg law and/or having debtors located in Luxembourg, tangible assets located in Luxembourg, securities which are held through an account located in Luxembourg, bearer securities physically located in Luxembourg, etc.

If there are assets located or deemed to be located in Luxembourg, the security interests over such assets will usually be governed by Luxembourg law and must be perfected and enforced in accordance with Luxembourg law. Notwithstanding the foregoing, the perfection of a pledge over receivables where the debtor is domiciled in a jurisdiction other than Luxembourg, Luxembourg conflict of law rules refer to the laws of such jurisdiction to determine the perfection of the pledge against third parties. The Luxembourg law of 5 August 2005 on financial collateral arrangements, as amended (the "**Law on financial collateral arrangements**") governs the pledges over shares, bank accounts and receivables under Luxembourg law.

Under the Law on financial collateral arrangements, the perfection of security interests is made by transfer of possession. A share pledge agreement, if over registered shares, must be registered in the shareholders' register. In the case of receivables pledges, depossession is effected by the mere entering into the pledge agreement by the pledgor and the pledgee. However, the debtor is validly discharged from its payment obligations by payment to the pledgor as long as it has not gained knowledge of the pledge. Depossession in relation to cash collateral held in a bank account is made by the mere entering into of the pledge agreement by the pledgor and the pledgee. Given that the account bank usually has a first-ranking pledge, it needs to be involved in the perfection process and (i) waive its first-ranking pledge or (ii) consent to the pledge, so that it can become a second ranking pledge.

The Law on financial collateral arrangements sets out enforcement remedies that are available to the pledgee. The pledgee may, *inter alia:*

- appropriate or cause a third party to appropriate the pledged collateral at a price determined, before or after appropriation, by the valuation method agreed by the parties;

- assign or cause to be assigned the pledged collateral by private sale in a commercially reasonable manner, by sale over a stock exchange or by public auction;
- court allocation of the pledged collateral to the pledgee in discharge of the secured obligations following a valuation made by an expert; or
- set-off between the secured obligations and the pledged assets.

As the Law on financial collateral arrangements does not provide any specific time periods, timing will depend on (i) the method chosen, (ii) the valuation of the pledged assets (if applicable), (iii) any possible recourses and (iv) the possible need to involve third parties, such as, e.g., courts, stock exchanges and appraisers.

Under Luxembourg law, security interests qualifying as financial collateral arrangements under the Law on financial collateral arrangements may be granted in favor of a person acting on behalf of the beneficiaries of such security interests, a fiduciary or a trustee as a security for the claims of third-party beneficiaries, present or future, to the extent that such third-party beneficiaries are or may be determined.

Insolvency

In the event where the New Issuer or a Luxembourg Guarantor becomes insolvent, insolvency proceedings may be initiated in Luxembourg to the extent that the New Issuer or the Luxembourg Guarantor has its principal establishment or its center of main interests in Luxembourg within the meaning of EU Insolvency Regulation. Such proceedings would then be governed by Luxembourg law. Under certain limited circumstances, EU Insolvency Regulation also allows secondary bankruptcy proceedings to be opened in Luxembourg over the assets of companies that are not established in Luxembourg.

There are three statutory insolvency proceedings under Luxembourg law: bankruptcy proceedings ("*faillite*"), controlled management ("*gestion contrôlée*") and composition proceedings ("*concordat préventif de la faillite*"). Controlled management and composition proceedings are formal corporate rescue procedures, while the purpose of bankruptcy proceedings is to realize the assets of the company, distribute the proceeds to its creditors and wind up the company.

A company in financial difficulty may instead seek to reach an informal contractual agreement with its creditors to reorganize its financial position or to restructure its business (non-statutory proceedings). On the basis of articles 593ff. of the Luxembourg Commercial Code (*Code de commerce*), the company may also apply to court to suspend payment of its debts ("*sursis de paiement*"). In addition, judicial liquidation ("*liquidation judiciaire")* proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or that are in serious breach or violation of the commercial code or of the law of August 10, 1915 on commercial companies (as amended). The management of such liquidation proceedings will generally follow the rules of bankruptcy proceedings.

Bankruptcy proceedings, controlled management, composition proceedings and "*sursis de paiement*" are available to all types of Luxembourg companies with a commercial corporate object. Special regimes apply for entities including, but not limited to, financial institutions and insurance companies. The commencement of any procedure, other than bankruptcy, does not preclude the court from declaring the company bankrupt (including on the court's own motion), if the legal conditions for bankruptcy are met.

Bankruptcy ("faillite")

A company may enter into bankruptcy proceedings if it has ceased making payments (i.e. it is no longer able to repay its debts as they fall due, one debt being sufficient to satisfy that condition) ("*cessation des paiements*") and its creditworthiness has been impaired ("*ébranlement du crédit*") (for example, the company is no longer able to obtain credit). In other words, the company must be insolvent under a cash flow test (as opposed to a balance sheet test).

Bankruptcy proceedings may be opened by the company or a creditor of the company by filing a declaration of bankruptcy (in the case of the company) or an application for bankruptcy (in the case of a creditor) with the commercial court in the district in which the company has its principal place of business. Bankruptcy proceedings may also be ordered by the court itself.

If the court declares a company bankrupt, it will appoint a receiver ("*curateur*") (or several receivers, depending on the complexity of the proceedings) and a judge ("*juge-commissaire*") to supervise the insolvency proceedings. The receiver will realize the company's assets and distribute the proceeds to the company's creditors in accordance with the statutory order of payment and (if there are any funds left) the company's shareholders.

Unsecured claims will, in the event of a liquidation of the company following bankruptcy, only rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and those debts of the relevant entity that are entitled to priority under Luxembourg law. Preferential debts under Luxembourg law include, among others:

- certain amounts owed to the Luxembourg Revenue;
- value-added tax and other taxes and duties owed to the Luxembourg Customs and Excise;
- social security contributions; and
- remuneration owed to employees.

The receiver must notify creditors of the date by which they must file claims with the clerk of the court. The period within which creditors must file their claims is specified in the published judgment declaring the company bankrupt. Claims filed after such period may nevertheless be taken into account if the receiver has not started the realization of the assets of the company and the distribution of the proceeds from that realization. The receiver will need to obtain court permission for certain acts, such as agreeing settlement of claims or deciding to pursue the business of the company during the bankruptcy proceedings.

The receiver takes over the management and control of the company in place of the directors or managers. The receiver represents the company on the one hand and, on the other, the creditors collectively ("*masse des créanciers*"). Contracts of the company are not automatically terminated on commencement of bankruptcy proceedings, save for contracts for which the identity or solvency of the company is crucial ("*intuitu personae*" agreements) (e.g. a power of attorney). However, certain contracts are terminated automatically by law, such as employment contracts, unless expressly confirmed by the receiver. Contractual provisions purporting to terminate a contract upon bankruptcy are valid. The receiver may choose to terminate contracts of the company. As of the date of the bankruptcy judgment, no interest on any unsecured claim will accrue vis-à-vis the bankruptcy estate.

Bankruptcy is governed by public policy and strict regulations, which generally delay the bankruptcy proceedings and any restructuring of the group to which the bankrupt company belongs. On closing of the bankruptcy proceedings, the company will typically be dissolved.

Finally, international aspects of Luxembourg bankruptcy, controlled management or composition proceedings may be subject to EU Insolvency Regulation.

Controlled Management ("gestion contrôlée")

A company which has lost its creditworthiness or which is not in a position to completely fulfill its obligations can apply for the regime of controlled management in order either to reorganize its business or to realize its assets in good conditions. This procedure is rarely applied for as it is not often successful and generally leads to bankruptcy proceedings. This procedure is occasionally applied to companies, in particular holding or finance companies, which are part of an international group and whose inability to meet obligations results from a default of group companies.

An application for controlled management can only be made by the company.

The company must have lost its creditworthiness or be unable to fulfill its obligations. The loss of creditworthiness is identical to the credit test applied in bankruptcy proceedings. As to the second situation, a broad view of the total situation of the company is taken. A company will be denied the regime of controlled management if it is considered of bad faith in case of gross negligence or heavy irregularities in the management of its affairs.

The procedure is divided into three steps:

1. The company has to file an application with the district court sitting in commercial matters. The court can reject the application because (i) the company has already been declared bankrupt; or (ii) the

evidence brought forward by the company does not ensure the stabilization and the normal exercise of the company's business or improve the realization of the company's assets in better conditions. If the application is upheld at this stage, the court will appoint an investigating judge to make a report on the overall situation of the company.

2. Once the investigating judge has delivered his report, the court may (i) turn down the application on the ground that the proposals made by the applicant are unlikely to lead to the reorganization of the business or the realization of the assets in better conditions; or (ii) appoint one or several administrators who will supervise the management of the assets of the company.

If the court ascertains that the company is unable to pay its creditors (cessation of payment), it may set the date as from which the company will be deemed to have been in such situation. Such date may be set up to six months prior to the filing of application for controlled management. However bankruptcy may only be declared, if the conditions for bankruptcy are met (cessation of payment and loss of creditworthiness) and if the application has been dismissed either before or after consideration of the report by the investigating judge or after the plan proposed by the administrators at step 3 (see below).

The administrators will draw up the inventory of the assets as well as the financial situation of the company. They are also in charge of the annual accounts of the company. The administrators may also prescribe any act they consider to be in the interests of the applicant or its creditors. The administrators have to be convened to any meeting of the board of directors or of managers. They may attend all board meetings but have no voting right. They have the right to convene such board meetings.

3. The administrators will draft a plan for the reorganization of the applicant's business or a plan for realization of the assets, within the deadlines set forth by the court. The plan shall equitably take into account all interests involved and will comply with the ranking of mortgages and privileges as required by law, without taking into account any contractual clause regarding termination, penalties or acceleration. The administrators will notify the draft plan to the creditors, joint debtors and guarantors. Within fifteen days of such notification or publication, the creditors will inform the court whether they agree or object to the draft plan. Any creditor who abstains will be considered as having adhered to the plan. The creditors, the company, the joint debtors and the guarantors may submit written observations to the court.

The court may (i) approve the plan if a majority of the creditors representing, via their claims which have not been challenged by the administrators, at least half of the company's liabilities, have agreed thereto: the judgment approving the plan will be binding upon the company and its creditors, joint debtors and guarantors; or (ii) disagree with the plan proposed by the administrators even though a majority of creditors representing at least half of the applicant's liabilities have notified their agreement, in which case the application for controlled management will be dismissed; or (iii) ask the administrators to propose an amended plan (such amended plan will have to be submitted to the creditors as aforesaid).

The fees of the administrators will be fixed by the court and will be borne by the company. The administrators who at the same time are creditors of the applicant are not entitled to any fees.

Composition in Order to Avoid Bankruptcy ("concordat préventif de la faillite")

A company may enter into composition proceedings ("*concordat préventif de la faillite*") in order to resolve its financial difficulties by entering into an agreement with its creditors, the purpose of which is to avoid bankruptcy.

Composition proceedings may only be applied for by a company which is in financial difficulty. As with the controlled management procedure, this procedure is not available if the company has already been declared insolvent by the court or if the company is acting in bad faith.

The application for the composition proceedings can only be made by the company and must be supported by proposals of composition.

The court will delegate to a judge (the "**Delegate**") the duty to verify, and to prepare a report on, the situation of the company. Based on such report, the court will decide whether to pursue or not the composition proceedings. If the court considers that the procedure should not be pursued it will in the same judgment declare the bankruptcy of the company (which bankruptcy may also be declared during the composition proceedings if the conditions for the composition proceedings are not met). If the court considers that the procedure may be pursued, it will set the place, date and hour of a meeting (*assemblée concordataire*) at which the creditors will be convened. The Delegate will make its report at the *assemblée concordataire*.

The *concordat préventif* may only be adopted if the majority of the creditors representing, by their unchallenged claims, three-quarters of the company's debts, have adhered to the proposal and if the composition has been homologated by the court. Creditors benefiting from mortgages, privileges or pledges only have a deliberating voice in the operations of the concordat if they renounce to the benefit of their mortgages, privileges or pledges. The vote in favor of the concordat entails renunciation. The renunciation may be limited by the secured creditors to only a portion (but representing at least 50% in value) of their claims with corresponding voting rights.

The composition has no effect on the claims secured by a mortgage, a privilege or a pledge and on claims by the tax authorities.

If the application results in a composition arrangement sanctioned by the court, the composition could still either be annulled (if it has not been executed) or terminated (in case of fraud or bad faith of the company). The consequence of an annulment is the declaration of bankruptcy. Such a bankruptcy judgment can decide to fix the date of cessation of payment to the date of the application for the composition. If that date is less than six months prior to the bankruptcy judgment, the court can of course set the cessation of payment date at six months prior to its judgment.

The company's business activities continue during the composition proceedings. While the composition is being negotiated, the company may not dispose of, or grant any security over, any assets without the approval of the Delegate. Once the composition has been agreed by the court, this restriction is lifted. However, the company's business activities will still be supervised by the Delegate.

Composition proceedings are rarely used in practice since they are not binding upon secured creditors.

Suspension of Payments ("sursis de paiement")

A suspension of payment (*sursis de paiement*) for "general" commercial companies is not to be confused with the *sursis de paiement* proceedings available to banks and insurance companies. It can only be applied to a company which, as a result of extraordinary and unforeseeable events, has to temporarily cease its payments but who has on the basis of its balance sheet sufficient assets to pay all amounts due to its creditors. The s*ursis de paiement* may also be granted if the situation of the applicant, even though showing a loss, presents serious elements of reestablishment of the balance between the assets and the debts.

The purpose of the suspension of payments is to allow a business undertaking experiencing financial difficulties to suspend its payments for a limited time after a complex proceedings involving both the district court and the court of appeals and the approval by the majority of the creditors representing, by their claims, three-quarters of the company's debts (excluding claims secured by privilege, mortgage or pledge).

The suspension of payments is, however, not of general application—one of the main reasons why it has lost its attractiveness. It only applies to those liabilities which have been assumed by the debtor prior to obtaining the suspension reprieve from payment and has no effect as far as taxes and other public charges or secured claims (by right of privilege, a mortgage or a pledge) are concerned.

Effect of Opening Insolvency Proceedings

According to the Law on financial collateral arrangements, all financial collateral arrangements (including pledges of financial instruments or cash held on account) as well as the enforcement events relating to these financial collateral arrangements are valid and enforceable against third parties (including supervisors, receivers, liquidators or other similar persons or bodies) irrespective of any bankruptcy, liquidation or other situation (for instance, pre-bankruptcy suspect period), national or foreign, of composition with creditors or reorganization affecting any one of the parties, save in case of fraud.

Bankruptcy

Under Luxembourg law transactions entered into or payments made by the company during the period before bankruptcy, the so-called "suspect period" (*période suspecte*) which is a maximum of six months preceding the judgment declaring bankruptcy, may be declared, or are, void. In certain specific situations the court may set the start of the suspect period at an earlier date and if the bankruptcy judgment was preceded by controlled management proceedings, the court may set the maximum up to six months prior to the filing for such controlled management. In particular:

- pursuant to article 445 of the Luxembourg Code of Commerce, specified transactions (such as, in particular, the granting of a security interest for antecedent debts save in respect of financial collateral arrangements within the meaning of Law on financial collateral arrangements; the payment of debts which have not fallen due, whether payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange; the sale of assets without consideration or with substantially inadequate consideration) entered into during the suspect period (or the ten days preceding it) is null and void by operation of law;
- pursuant to article 446 of the Luxembourg Code of Commerce payments made for matured debts as well as other transactions concluded for consideration during the suspect period are subject to cancellation by the court upon proceedings instituted by the insolvency receiver if they were concluded with the knowledge of the bankrupt party's cessation of payments;
- pursuant to article 21 (2) of the Law on financial collateral arrangements, notwithstanding the suspect period as referred to in articles 445 and 446 of the Luxembourg Code of Commerce, where a financial collateral arrangement has been entered into after the opening of liquidation proceedings or the coming into force of reorganization measures or the entry into force of such measures, such arrangement is valid and binding against third parties, administrators, insolvency receivers, liquidators and other similar organs if the collateral taker proves that it was unaware of the fact that such proceedings had been opened or that such measures had been taken or that it could not reasonably be aware of it; and
- in the case of bankruptcy, article 448 of the Luxembourg Code of Commerce and article 1167 of the Luxembourg Civil Code (*action paulienne*) give the insolvency receiver (acting on behalf of the creditors) the right to challenge any fraudulent payments and transactions, including the granting of security with an intent to defraud, made prior to the bankruptcy, without any time limit.

Controlled Management

As from the day of the appointment of the investigating judge until the final decision on the application for controlled management, any subsequent enforcement proceedings or acts, even if initiated by privileged creditors (including creditors who have the benefit of pledges and mortgages) are stayed, save as provided for by the Law on financial collateral arrangements. The company may not enter into any act of disposition, mortgage, contract or accept any movable asset without the authorization of the investigating judge.

Once the administrators have been appointed, the company may not carry out any act (including receiving funds, lending money, granting any security, making any payment) without the prior authorization of the administrators. The administrators may bring any action in court in order to have any act made in violation of the legislation governing the controlled management or in fraud of the creditors' rights be declared void. Subject to the prior authorization of the court, they may bring an action (i) to have the directors, managers or the statutory auditor be held liable or (ii) if the court has declared the company to be in cessation of payments, to have any payment, compensation or security be declared void (under certain conditions set forth in articles 445 ff. of the Luxembourg Commercial Code).

Composition

Except as provided for in the law on financial collateral arrangements, while the composition is being negotiated, unsecured creditors may not take action against the company to recover their claims. Secured creditors who do not participate in the composition proceedings may take action against the company to recover their claims and to enforce their security.

Fraudulent transactions which took place before the date on which the court commenced composition proceedings, may be set aside as described for the bankruptcy proceedings.

Mexico

Guarantees

Under Mexican law, there are no limitations for Mexican companies to guaranty or secure third-party obligations, including parents, subsidiaries or affiliates, to the extent permitted by its corporate by-laws, other than fraudulent conveyance and insolvency laws and others discussed below. The validity of each guarantee and security interest is subject to the existence and validity of the obligation being guaranteed or secured. As a consequence thereof, its enforcement is not independent or irrespective of such obligation being guaranteed or secured. Furthermore, under Mexican law, a subsidiary guarantor may be released from its obligations under the guarantee or security interest if (i) the holder of the note (or the person who legitimately represents its interests) gives an extension for payment under the New Notes without the express consent of the subsidiary guarantor, or (ii) the company waives any cause that would otherwise release the company of its obligations under the New Notes, including expirations or statute of limitation provisions.

In Mexico, all amounts payable by any Mexican company under each collateral document may be paid offshore in the currency in which such amounts are expressly stated to be payable. However, in the event that proceedings are brought in Mexico seeking performance within Mexico of payment obligations denominated in a currency other than Mexican Pesos, pursuant to Article 8 of the Mexican Monetary Law (*Ley Monetaria de los Estados Unidos Mexicanos*), the obligor may discharge its obligations by paying any sum due in Mexican currency at the prevailing exchange rate in Mexico on the date when payment is made. Such rate of exchange is currently determined by Banco de México, on each business day and published the following business day in the Official Gazette of Mexico (*Diario Oficial de la Federación*).

Additionally, the enforcement of any guaranty or security interest in Mexico may not be made in Mexico without judicial intervention after the defendant is given the right to be heard and defeated in court. Judicial proceedings in Mexico tend to be formalistic and the enforcement of any guaranty in Mexico could be hindered or delayed by formalities such as proper service of process or the granting of an appropriate power of attorney to the attorney-in-fact acting on behalf of the plaintiff. Further, the court may request an official Spanish translation of any documentary evidence not executed in Spanish language.

Finally, unless the default of any principal obligation that the New Guarantees provided by the Mexican Guarantors and Mexican security interests are securing is independently proven before a Mexican court, the enforcement of any foreign judgment in Mexico declaring the default of any such principal obligation is subject to a recognition procedure (*procedimiento judicial de homologación*) and to compliance with all the requirements set out under the Commercial Code (*Código de Comercio*), the Federal Code of Civil Procedures (*Código Federal de Procedimientos*) and other applicable law.

Security Interests

The New Senior Secured Notes will be secured by: (i) a non-possessory pledge (*prenda sin transmisión de posesión*) over all assets of Cargo Service Center de México, S.A. de C.V., that may be subject to be pledged according to their nature, (ii) a pledge over the shares (*prenda sobre acciones*) owned by Swissport México Holding, S. de R.L. de C.V. and issued by, and representing the capital stock of Cargo Service Center de México, S.A. de C.V., and (iii) a pledge over the equity interests (*prenda sobre partes sociales*) owned by Swissport International Ltd. and issued by, and representing the capital stock of Swissport México Holding, S. de R.L. de C.V.

In Mexico, security interests require a written agreement for perfection at a minimum, and in most cases its formalization in a public instrument issued by a Mexican notary public. Also, the documents evidencing security interests are required to be recorded in a public registry and/or in corporate books and ledgers of the company in order to obtain priority vis-à-vis third parties.

A pledge creates a lien on personal property, including movable assets, rights (including rights derived from and over accounts receivables), shares and partnership interests. Although pledges are regulated by state law, federal law regulating pledges override state law if the pledge is granted for commercial purposes. Commercial law provides for two types of pledges: possessory, when the pledged asset is delivered (or deemed to be delivered) to the pledgee or a person appointed by the parties, and non-possessory, when the pledged asset remains with the pledgor. The non-possessory pledge conceptually operates as a "floating lien."

A. Possessory Pledge

In the case of a possessory pledge, the pledge is perfected by delivery of the asset to the pledgee or to a third party appointed by the parties. Also, depending on the nature of the asset, notice to third parties may be required, as in the case of account receivables (notice to the account borrower) and stock (notice of the company issuer of the shares). Further formalities may be required in the case of negotiable instruments, which require the endorsement in favor of the pledgee and, in the case of shares and partnership interests, the annotation of the pledge in the corporate books and ledgers of the issuer. It is worth mentioning that stock certificates are deemed negotiable instruments under Mexican applicable law, and therefore require endorsement to comply with pledge perfection formalities. In case of default of the secured obligations, a pledgee in a possessory pledge has the right to request the court to sell the assets and apply the proceeds of the sale to payment of the secured obligation.

As provided above, to formalize and perfect the pledge over the shares owned by Swissport México Holding, S. de R.L. de C.V. and issued by, and representing the capital stock of Cargo Service Center de México, S.A. de C.V. requires the endorsement in guarantee of the stock certificates representing such shares as well as a notation of the pledge in the stock ledger (*Libro de Registro de Acciones*) of Cargo Service Center de México, S.A. de C.V. To cover pledge perfection formalities, the pledge over the equity interests held by Swissport International Ltd. and issued by, and representing the capital stock of Swissport México Holding, S. de R.L. de C.V. only requires a notation of the pledge in the partners' registry book (*Libro de Registro de Socios*) of Swissport México Holding, S. de R.L. de C.V.

B. Non-Possessory Pledge

Commercial law provides for a general non-possessory pledge which creates a lien on present and future assets used or owned by the pledgor in performing its commercial activities. The pledgor retains possession of the pledged assets, which may be processed and sold in terms of applicable law unless the parties agree otherwise. In the event of default of the secured obligations, the pledgee has the right to require from the pledgor delivery of the assets, in order to subject such assets to a judicial or extrajudicial foreclosure procedure and apply the proceeds obtained from the sale of the assets to pay the secured obligations.

The cover pledge perfection formalities, the non-possessory pledge over assets owned by Cargo Service Center de México, S.A. de C.V. requires a written agreement executed before a notary or commercial notary (*corredor publico*), and its recording at the "Sole Registry of Liens over Movable Assets" (*Registro Único de Garantĭas Mobiliarias*).

Enforcement of Security Interests

As a general principle under Mexican law, a secured creditor may not take possession of the collateral without court intervention, and if he does so, such action could constitute a criminal offence. Generally speaking, the main right that a security interest provides is the right to request a court to dispose of the asset and apply the proceeds of the sale to payment of the secured obligation. Unless otherwise agreed by the parties, the secured obligation includes ordinary and delinquent interest agreed by the parties or otherwise provided for in the law, as well as expenses incurred in the process of enforcement of the security interest.

Procedural steps to enforce liens before courts in Mexico depend on the nature of each security interest, and on whether the debtor is in insolvency (*concurso mercantil*), bankruptcy, or is still doing business. In any event, the procedural approach will vary and the type of action will depend on the documentation held by the creditor. In the event of insolvency of the pledgor, in certain cases in which the creditor is not willing to participate in the reorganization plan and the reorganization plan does not contemplate payment of such debt, assets subject to the non-possessory pledge existing in the insolvency estate, may be foreclosed outside the insolvency procedure as provided by the Mexican Insolvency Law (*Ley de Concursos Mercantiles*).

Judicial proceedings in Mexico tend to be formalistic and the enforcement of, and foreclosure on security interests in Mexico could be hindered or delayed by formalities such as proper service of process or the granting of an appropriate power of attorney to the attorney in fact acting on behalf of the plaintiff. Further, the court may request an official Spanish translation of any documentary evidence not executed in Spanish language.

Because of the above, in order to enforce its security interest, the creditor must normally initiate a lawsuit in Mexico. When the collateral is located within Mexican territory, filing the lawsuit before a Mexican court would most probably be more effective than trying to enforce in Mexico a judgment of a foreign court. Judgments of non-Mexican courts are enforceable in Mexico, provided a number of conditions are met, including certain basic principles of Mexican due process rules. Among such basic principles is service of process, which in all instances should be made personally on the defendant or its attorney-in-fact. Service of process by mail is ineffective under Mexican due process rules.

There are no limitations to the election of remedies in Mexico, creditors can pursue multiple remedies at the same time until the total amount of the indebtedness is fully paid. The debtor is entitled to receive any outstanding amount derived from the enforcement and foreclosure of all security interest, once the secured obligations have been paid in full to the creditors.

Foreclosure

With the exception of the non-possessory pledge and a security trust, court intervention is required in order to foreclose in all security interests afforded by Mexican law. This does not mean, however, that the foreclosure of a non-possessory pledge and of a security trust will not end up being resolved or settled in a Mexican court.

In the case of the non-possessory pledge, and as more specifically described above, the pledgee has the right to require delivery of the assets in order to cause their sale and apply the proceeds obtained therefrom to the payment of the secured obligations. In case the borrower opposes the sale of the pledged assets, then the pledgee has to proceed with a judicial procedure to continue the sale.

Limitations to the Enforceability of the New Guarantees and Security Interests Derived from Insolvency, Fraudulent Conveyance and Similar Laws

In the event a Mexican company becomes subject to an insolvency proceeding, the relevant guarantee or security interest granted by such company may be deemed to have been a fraudulent transfer and rendered null and void. Under Mexican insolvency law, any action consummated by a Mexican company prior to the date of an insolvency judgment will be deemed fraudulent when the Mexican company is knowingly defrauding its creditors, and the third-party participating in any such action had actual knowledge of such fraudulent intent. If the action is gratuitous, the action will be deemed fraudulent even if the third-party had no actual knowledge of the fraudulent intent. Any action consummated by a Mexican company at any time after the date that is 270 calendar days (or more if authorized by the judge upon request by the conciliator or the creditors but in no event more than three years) prior to the date of the applicable insolvency judgment:

- will be deemed fraudulent when, ***inter alia***, (a) the Mexican company receives no consideration, or the consideration received or paid by the Mexican company, or the terms and conditions of the transaction, are clearly or materially above or below market, or (b) the Mexican company makes a payment of indebtedness not yet due, or forgives debt owed to it; and
- will be presumed fraudulent, unless the interested third party proves that it was acting in good faith, when (a) the Mexican company grants or increases collateral not originally contemplated and (b) the Mexican company makes any payments in-kind not originally contemplated.

In addition, most civil codes of the different states in Mexico, as well as the Federal Civil Code (***Código Civil Federal***), contain fraudulent conveyance provisions pursuant to which a court may set aside the obligations of Mexican companies under any guarantee documents even outside of an insolvency proceeding when the Mexican company unduly gave a priority to one creditor over its former creditors.

Description of Insolvency Proceedings in Mexico

In the event of insolvency of a Mexican company, the relevant insolvency proceedings may be initiated in Mexico. Such proceedings will be governed by Mexican law. Under Mexican law, foreign creditors benefit from the same rights as domestic creditors in the event of the filing of an insolvency petition in Mexico or the commencement of insolvency proceedings. However, the insolvency laws of Mexico may not be as favorable to your interests, as the insolvency laws of other jurisdictions, including in respect of priority of creditors, enforceability, the ability to obtain post-petition interest and the duration of the insolvency proceedings, and hence may limit your ability to recover payments due on the New Notes to the extent exceeding the limitations arising under other insolvency laws.

The Mexican Insolvency Law (*Ley de Concursos Mercantiles*) contemplates a single proceeding for reorganization (*concurso mercantil*) and bankruptcy (*quiebr*a) with two successive stages: the first stage, known as the "mediation" stage (*etapa de conciliación*), is compulsory and is designed to reorganize the insolvent entity; and the second stage, known as the "bankruptcy" stage (*etapa de quiebra*), provides for the bankruptcy and liquidation of the insolvent entity. In limited cases, the creditors or the petitioner may decide to skip the first stage and begin the proceeding directly as a bankruptcy.

In Mexico, a person will be declared insolvent when it generally fails to pay its obligations as and when they become due. Insolvency of a person will be adjudicated upon the request of the insolvent entity, the Mexican attorney general's office or any creditor of the insolvent entity when: (a) the insolvent entity has defaulted in its payment obligations with two or more creditors; and (b) when, on the date of such request, (i) such delinquent obligations that have been delinquent for more than 30 days represent 35% or more of all the obligations of the person; and (ii) the insolvent entity does not have sufficient liquid assets (namely, cash and cash equivalents, such as bank deposits and account receivables with a maturity of no more than 90 calendar days, or securities that may be sold within 30 banking days, in each case, from the date of filing of the insolvency request) to pay at least 80% of its due and payable obligations on the date of filing of the insolvency request. If the insolvency request is filed voluntarily by the insolvent entity, only one of the conditions described in items (i) and (ii) of clause (b) above would have to be satisfied. If the attorney general's office or any creditor of the insolvent entity files the insolvency request, both conditions described in items (i) and (ii) of clause (b) above would have to be satisfied. An insolvency presumption will exist with respect to any person or entity when, inter alia, its assets for attachment in aid of execution of a judgment or claim are insufficient; it has failed to pay two or more creditors; or it has participated in fraudulent or fictitious acts to avoid payment to creditors.

Upon filing of a petition for a judgment declaring insolvency, the court will instruct the Federal Institute of Insolvency Specialists (*Instituto Federal de Especialistas de Concursos Mercantiles*) to appoint an inspector (*visitador*) to visit the entity presumed to be insolvent and to inform the tax authorities. The inspector will then issue an opinion regarding the commercial entity's insolvency, which will enable the court to issue a judicial resolution declaring the legal insolvency of such person. Following the issuance of such insolvency judgment, the Federal Institute of Insolvency Specialists will designate and appoint a mediator (*conciliador*) who will facilitate the negotiations between the insolvent entity and its creditors in order to reach a creditors' agreement. The issuance of the insolvency judgment and the appointment of the mediator will initiate the "mediation" stage of the insolvency proceeding. The insolvency proceeding in Mexico is at all times court controlled, and upon receipt of an insolvency petition, the insolvency court may take preliminary measures (*providencias precautorias*) to secure the property of the insolvent entity.

As from the date a petition for insolvency is filed, the insolvent entity may request authorization from the judge to receive emergency loans to maintain the operation of the company and to ensure there is enough liquidity during the insolvency proceeding. The judge may authorize these loans and may even authorize the granting of security interests in connection thereto. It should be noted that these loans are senior to secured and unsecured loans assumed before the insolvency petition.

During the "mediation" stage, the insolvent entity and those creditors that have been recognized within the insolvency proceeding as creditors of the insolvent entity would negotiate an agreement with respect to the payment of the outstanding obligations of the insolvent entity. In order for such creditors' agreement to become effective and binding, it must be entered into between the insolvent entity and those recognized creditors holding title to more than 50% of the sum of (i) the amount of all unsecured claims of all unsecured recognized creditors of the insolvent entity and subordinated creditors of the insolvent entity, and (ii) the amount of all secured claims of those secured recognized creditors that enter into such creditors' agreement.

In the event the insolvent entity has recognized qualified subordinated creditors (essentially related parties of the insolvent entity) that represent at least 25% of the total acknowledged debt, jointly or individually, the agreement will be valid if it is executed by 50% of recognized creditors that represent 50% of the total amount of the acknowledged debt excluding qualified subordinated creditors (essentially related parties of the insolvent entity). The above shall not apply in the event the recognized subordinated creditors agree to the reorganization accepted by the rest of the recognized creditors, in which case, the percentages provided in the foregoing paragraph apply.

The creditors' agreement would then have to be approved by the insolvency court. A secured claim under the Mexican Insolvency Law is considered to be a claim secured under a pledge or a mortgage or otherwise benefiting from any other form of statutory privilege or priority of payment. The concept of *subordinated creditor* was recently introduced to the Mexican insolvency law. Subordinated creditor means (i) any creditor that agreed to subordinate their debt below unsecured creditors; and (ii) certain related party that have unsecured creditors against the Mexican Guarantor.

Under the Mexican Insolvency Law, the creditors' agreement would be deemed entered into by an unsecured recognized creditor (whether or not such creditor actually enters into the agreement) if the agreement expressly provides (a) the payment of all amounts due and payable to such creditor on the date of the respective insolvency judgment converted to *Unidades de Inversión* (i.e., a Mexican inflation-pegged accounting unit), (b) the payment of all amounts that would become due and payable to such creditor from the date of the insolvency judgment until the date of approval of the creditors' agreement by the insolvency court, which would be converted into *Unidades de Inversión* on the date such amounts become due and payable, and (c) the payment of all other amounts that would become due and payable to such creditor after the date of approval of the creditors' agreement assuming that payments under (a) and (b) were made on the date of the insolvency judgment and on the date when they became due and payable, respectively.

The creditors' agreement could also provide, with respect to any unsecured recognized creditors that are not a party to such agreement, (i) a stay of such creditors' claim (with a capitalization of ordinary interest), but only to the extent the term of such stay is at least equal to the shortest stay assumed by those unsecured creditors that are a party to the creditors' agreement and whose claims amount to 30% of all aggregate recognized claims, (ii) a haircut on such creditors' claim, but only to the extent such haircut is at least equal to the lowest haircut assumed by those unsecured creditors that are a party to the creditors' agreement whose claims amount to 30% of all aggregate recognized claims, or (iii) a combination of a stay and a haircut of such creditors' claim, to the extent it is identical to the combinations accepted by those unsecured creditors that are a party to the creditors' agreement whose claims amount to 30% of all aggregate recognized claims.

Secured recognized creditors that do not become a party to the creditors' agreement may commence or continue foreclosure of their respective collateral; unless, the creditors' agreement contemplates the payment of their respective claims or the payment of the price of the properties constituting such collateral. In this case, any excess with respect to the value of such properties would be deemed an unsecured claim for purposes of the insolvency proceeding.

The insolvency court would be required to issue a judgment declaring the bankruptcy of the insolvent entity upon: (i) the request insolvent entity; (ii) the expiration of the "mediation stage" (i.e. 185 calendar days plus approved extensions) without the filing of an approved creditors' agreement before the insolvency court or (iii) under certain circumstances at the request of the mediator or (iv) if the proceeding is directly commenced in the bankruptcy stage as requested by creditors. Upon such declaration of bankruptcy, the insolvency court would appoint a receiver (*síndico*) that would be charged with the management of the insolvent entity until its liquidation. The receiver would carry out the liquidation of the insolvent entity through the sale of its assets, in accordance with certain pre-set rules and conditions. The proceeds obtained from the liquidation of the assets of the insolvent entity would be applied by the receiver to make payments to creditors in the following order of priority:

- *first*, payment of labor claims for salaries and severance for the two calendar years preceding the insolvency judgment;
- *second*, payment of expenses for the management of the assets of the insolvent entity with authorization of the receiver, or the emergency credits that were authorized by the judge because they were necessary for the ordinary operation of the insolvent entity during insolvency proceeding;
- *third*, payment of liabilities and obligations of the estate of the insolvent entity (i.e. management costs, fees and expenses incurred after the insolvency judgment);
- *fourth*, payment of litigation costs and expenses, and fees and expenses of the inspector, the mediator and any appointed receivers;
- *fifth*, to secured creditors (including costs and expenses relating to foreclosure and the enforcement of their respective rights, litigation expenses for the defense or recovery of the collateral and necessary expenses for the refurbishment, conservation and disposal of such collateral), but only to the extent of the value of their respective collateral;
- *sixth*, payment of other labor claims and tax claims;
- *seventh*, payments to other creditors that qualify as "privileged" under Mexican commercial laws (e.g. creditors that are entitled to retain an asset until payment is made), but only to the extent of the value of the respective privilege;
- *eighth*, payments to unsecured creditors; and
- *ninth*, payments to subordinated creditors.

Generally, the issuance of an insolvency judgment may affect the enforceability of the guarantees granted by Mexican companies. On the date of an insolvency judgment issued against any of the Mexican companies, the obligations of any such Mexican companies (i) would be subject to the outcome of, and priorities recognized in, the Mexican insolvency law, (ii) would cease to accrue interest from the date insolvency (*concurso mercantil*) or bankruptcy (*quiebra*) was declared and would be converted to Mexican currency and to *unidades de inversion*, which is an instrument indexed to inflation in Mexico, and (iii) would be subject to certain statutory preferences including tax, social security and labor claims.

The Netherlands

Limitation on Enforcement

If a Dutch company grants a guarantee or security interest and that guarantee or security interest is not in the company's corporate interest, the guarantee or security interest may be nullified by the Dutch company, its receiver (*curator*) in bankruptcy (*faillissement*) and its administrator (*bewindvoerder*) in moratorium of payment proceedings (*surseance van betaling*) or otherwise and, as a consequence, not be valid, binding and enforceable against it. In determining whether the granting of a guarantee or security interest is in the interest of a Dutch company, Dutch courts would not only consider the text of the objects clause in the articles of association (*statuten*) of the company but all relevant circumstances, including (i) whether the company irrespective of the wording of the objects clause derives certain commercial benefits from the transaction in respect of which the guarantee or security interest was granted and (ii) the balance between the risk that the company is assuming and the benefit it derives from such transaction. In addition, if it is determined that there are no, or insufficient, commercial benefits from the transactions for the company that grants the guarantee or security interest, then such company (and any bankruptcy receiver) may challenge the enforcement of the guarantee or security interest, and it is possible that such challenge would be successful. Such benefit may, according to Dutch case law, consist of an indirect benefit derived by the company as a consequence of the interdependence of such company with the group of companies to which it belongs. In addition, it is relevant whether, as a consequence of the granting of the guarantee or security interest, the continuity of such company would foreseeably be endangered by the granting of such guarantee or security interest. It remains possible that even if such strong financial and commercial interdependence exists, the transaction may be declared void if it appears that the granting of the guarantee or security interest cannot serve the realization of the relevant company's objects or where it is determined that there is a material imbalance to the disadvantage of the company between the commercial benefit on the one hand and the risks on the other hand. The above ultra vires concepts also apply with respect to any security interest granted or other legal act entered into by a Dutch company.

In connection with the removal of the prohibition on financial assistance for Dutch private companies with limited liability as per 1 October 2012, it was mentioned in Dutch Parliament that the granting of security, providing of a guarantee or accepting of liability with a view to the acquisition (or the refinancing thereof) by any party of shares in the company's share capital or the shares of its (direct or indirect) parent company could, depending on the further circumstances, constitute ultra vires. At present, there is no Dutch case law on this subject.

If Dutch law applies, a guarantee or security governed by Dutch law may be voided by a court, if the document was executed through undue influence (*misbruik van omstandigheden*), fraud (*bedrog*), duress (*bedreiging*) or mistake (*dwaling*) of a party to the agreement contained in that document.

Payment pursuant to a guarantee or following enforcement or foreclosure of security granted may, regardless of an insolvency situation occurring or not, also be withheld due to unforeseen circumstances (*onvoorziene omstandigheden*), force majeure (*niet-toerekenbare tekortkoming*) or reasonableness and fairness (*redelijkheid en billijkheid*). Other impeding factors include the right to suspend performance (*opschortingsrecht*) dissolution (*ontbinding*) of contract and set off (*verrekening*).

In addition, a guarantee issued by a Dutch company and a security interest provided by a Dutch company may be suspended or avoided by the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) on the motion of the holder or holders of 10% or more of the shares in such company or shares or depositary receipts issued therefor with a nominal value of €225,000 or more or such lesser amount as provided by the articles of association of such company. If the company has an issued share capital of at least €22.5 million such motion may be made by a holder or holders of 1% or more of the shares in such company or, provided those are listed on a qualifying trading venue, shares or depositary receipts issued therefor with a value of €20 million or more or such lesser amount as provided in the company's articles of association. A trade union and/or other entities entitled thereto in the articles of association of the relevant Dutch company may also submit a motion to the enterprise chamber for this purpose. The guarantee or security itself may further be upheld by the enterprise chamber, yet actual payment under it may be suspended or avoided.

Parallel Debt

Under Dutch law, certain "accessory" security interests such as pledges require that the pledgee and the creditor be the same person. Such security interests cannot be held by a third party which does not hold the secured claim but purports to hold security interests for the parties that do. The beneficial holders of the New Notes from time to time will not be party to the Security Documents. In order to permit the noteholders from time to time to have a secured claim, the Security Documents or other finance documents will provide for the creation of a "parallel debt." Pursuant to the parallel debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under the New Notes. The pledges governed by Dutch law will directly secure the parallel debt. The parallel debt structure has not been tested under Dutch law, and there is no certainty that it will eliminate or mitigate the risk of unenforceability posed by Dutch law.

With respect to any trust purported to be created by a Dutch company, it should be noted that the concept of "trust" under, for example, the laws of the State of New York or English law does not exist under Dutch law. The Netherlands have, however, ratified the Hague Trust Convention and, consequently, it is to be expected that such trust would be recognized by the courts of the Netherlands, provided that (i) it is a trust within the meaning of Article 2 of the Hague Trust Convention, (ii) it is validly created and existing under the laws of the state under which it is created and is evidenced in writing, (iii) the court requested to recognize such trust does not find that the elements thereof have a closer connection with a jurisdiction in which the concept of trust does not exist, and (iv) such elements are also otherwise in accordance with the requirements for recognition of trusts under the Hague Trust Convention.

Fraudulent Transfer / Conveyance

To the extent that Dutch law applies, a guarantee or security interest granted by a legal entity may, under certain circumstances, be nullified by any of its creditors, if (i) the guarantee or security interest was granted without prior existing legal obligation to do so (*onverplicht*), (ii) the creditor concerned was prejudiced as a consequence of the guarantee or the granting of the security interest and (iii) at the time the guarantee or security interest was granted both the legal entity and, unless the guarantee or security interest was granted for no consideration (*om niet*), the beneficiary of the guarantee or security interest knew or should have known that one or more of the entities' creditors (existing or future) would be prejudiced (*actio pauliana*). In the case of a bankruptcy, the beneficiary of the guarantee or security interest is presumed (subject to evidence to the contrary) to have known that creditors of the debtor would be prejudiced if the bankruptcy follows within a year of the granting and for no consideration. In addition, the bankruptcy receiver may challenge the guarantee or security interest if it was granted on the basis of a prior existing legal obligation to do so (*verplichte rechtshandeling*), if (i) the guarantee or security interest was granted at a time that the beneficiary of such guarantee or security interest knew that a request for bankruptcy had been filed or (ii) if such guarantee or security interest was granted as a result of collusion between the debtor and the beneficiary of such guarantee or security interest with a view to give preference to the beneficiary over the debtor's other creditors. Consequently, the validity of any guarantees or security interests granted by a Dutch legal entity may be challenged and it is possible that such challenge would be successful.

It is not certain and has not been determined in published case law whether a right of pledge on shares can be created in advance of the acquisition of the shares by the pledgor. If a security right is created in collateral to which a Dutch company has not yet obtained title, such collateral will not be subject to such a security interest if that company is declared bankrupt or granted a moratorium of payments prior to obtaining title thereto. It is not possible to conduct searches in respect of any Dutch law governed security (other than in respect of rights of mortgage, if any), except that any security created over the shares in a Dutch company should be registered in its shareholders' register. However, this does not constitute conclusive evidence of the absence of any pre-existing security.

Insolvency

Certain of the New Guarantors are incorporated in the Netherlands. Any insolvency proceedings concerning any of such New Guarantors' guarantee would likely be based on Dutch insolvency law. Under certain circumstances, bankruptcy proceedings may also be opened in The Netherlands in accordance with Dutch law over the assets of companies that are not established under Dutch law. The following is a brief description of certain aspects of Dutch insolvency law. There are two primary insolvency regimes under Dutch law: the first, moratorium of payments (*surseance van betaling*), is intended to facilitate the reorganization of a debtor's indebtedness and enable the debtor to continue as a going concern. The second, bankruptcy (*faillissement*), is primarily designed to liquidate assets and distribute the proceeds of the assets of a debtor to its creditors. Both insolvency regimes are set forth in the Dutch Bankruptcy Act. In practice, a suspension of payments often results in bankruptcy. A general description of the principles of both insolvency regimes is set out below.

An application for a moratorium of payments can only be made by the debtor itself. Once the request for a moratorium of payments is filed, a court will immediately (*dadelijk*) grant a provisional moratorium and appoint an administrator (*bewindvoerder*). A meeting of creditors is required to decide on the definitive moratorium. If a draft composition (*ontwerp akkoord*) is filed simultaneously with the application for moratorium of payments, the court can order that the composition will be processed before a decision about a definitive moratorium. If the composition is accepted and subsequently ratified by the court (*gehomologeerd*), the provisional moratorium ends. The definitive moratorium will generally be granted unless a qualified minority (more than one-quarter in amount of claims held by creditors represented at the creditors' meeting or more than one-third in number of creditors represented at such creditors' meeting) of the unsecured non-preferential creditors withholds its consent. The moratorium of payments is only effective with regard to unsecured non-preferential creditors.

Unlike Chapter 11 proceedings under U.S. bankruptcy law, in which both secured and unsecured creditors are generally barred from seeking to exercise remedies against the debtor without court approval, in suspension of payments and bankruptcy proceedings under Dutch law secured creditors (and in case of suspension of payments also preferential creditors (including tax and social security authorities)) may enforce their rights against assets of the company to satisfy their claims as if there were no insolvency proceedings. A recovery under Dutch law could, therefore, involve a sale of assets that does not reflect the going concern value of the debtor. However, the court may order a "cooling down period" (*afkoelingsperiode*) for a maximum period of four months during which enforcement actions by secured or preferential creditors are barred. Also in a definitive moratorium of payments, a composition (*akkoord*) may be offered to creditors. A composition will be binding on all unsecured and non-preferential creditors if it is approved by (i) a majority in number of the creditors represented at the creditors' meeting, representing at least 50 percent in amount of the claims that are admitted for voting purposes and (ii) subsequently ratified (*gehomologeer*d) by the court. Consequently, Dutch insolvency laws could preclude or inhibit the ability of the noteholders to effect a restructuring and could reduce the recovery of a holder of Notes in Dutch moratorium of payments proceedings. Interest payments that fall due after the date on which a moratorium of payments is granted cannot be claimed in a composition.

Under Dutch law, a debtor can be declared bankrupt when it is no longer able to pay its debts when due. The bankruptcy can be requested by a creditor of a claim that is due and payable but left unpaid when there is at least one other creditor. The debtor can also request the application of bankruptcy proceedings itself.

Under Dutch bankruptcy proceedings, the assets of a debtor are generally liquidated and the proceeds distributed to the debtor's creditors in accordance with the respective rank and priority of their claims. The general principle of Dutch bankruptcy law is the so-called *paritas creditorum* (principle of equal treatment) which means that all creditors have an equal right to payment and that the proceeds of bankruptcy proceedings shall be distributed in proportion to the size of their claims. However, certain creditors (such as secured creditors and tax and social security authorities) will have special rights that take priority over the rights of other creditors. Consequently, Dutch insolvency laws could reduce your potential recovery in Dutch bankruptcy proceedings.

The claim of a creditor may be limited depending on the date the claim becomes due and payable in accordance with its terms. Generally, claims of the noteholders that were not due and payable by their terms on the date of a bankruptcy of the relevant New Guarantor will be accelerated and become due and payable as of that date. Each of these claims will have to be submitted to the bankruptcy receiver to be verified. "Verification" under Dutch law means that the receiver determines the value of the claim and whether and to what extent it will be admitted in the bankruptcy proceedings for the purpose of the distribution of the proceeds. The valuation of claims that otherwise would not have been payable at the time of the bankruptcy proceedings may be based on a net present value analysis. Interest payments that fall due after the date of the bankruptcy cannot be verified. Where interest is accruing after the date of opening of the proceedings, it can be admitted *pro memoria*.

The existence, value and ranking of any claims submitted by the noteholders may be challenged in the Dutch bankruptcy proceedings. Generally, in a creditors' meeting (*verificatievergadering*), the bankruptcy receiver, the insolvent debtor and all verified creditors may dispute the verification of claims of other creditors. Creditors whose claims or value thereof are disputed in the creditors' meeting may be referred to separate court proceedings (*renvooiprocedure*). These procedures could cause noteholders to recover less than the principal amount of their Notes or less than they could recover in a U.S. liquidation. Such *renvooi* proceedings could also cause payments to the noteholders to be delayed compared with holders of undisputed claims. As in moratorium of payments proceedings, in a bankruptcy a composition may be offered to creditors, which shall be binding on unsecured non-preferential creditors if it is approved by (i) a majority in number of the creditors represented at the creditors' meeting, representing at least 50% in amount of the claims that are admitted for voting purposes and (ii) subsequently confirmed by the court. The Dutch Bankruptcy Act does not in itself recognize the concept of classes of creditors. Remaining amounts, if any, after satisfaction of the secured and the preferential creditors are distributed among the unsecured non-preferential creditors, who will be satisfied on a pro rata basis. Contractual subordination may to a certain extent be given effect in Dutch insolvency proceedings. The actual effect depends largely on the way such subordination is construed.

Secured or preferential creditors (including tax and social security authorities) may enforce their rights against assets of the debtor to satisfy their claims under a Dutch bankruptcy as if there is no bankruptcy. As in moratorium of payments proceedings, the court may order a "cooling down period" for a maximum of four months during which enforcement actions by secured or preferential creditors are barred unless such creditors have obtained leave for enforcement from the supervisory judge (*rechter-commissaris*). Further, a receiver in bankruptcy can force a secured creditor to enforce its security interest within a reasonable period of time, failing which the receiver will be entitled to sell the secured assets, if any, and the secured creditor will have to share in the bankruptcy costs, which may be significant. Also, in this case, the secured creditor will have to wait for payment until the distribution payment plan becomes final. Excess proceeds of enforcement must be returned to the bankrupt estate; they may not be set-off against an unsecured claim of the secured creditor in the bankruptcy. Such set-off is allowed prior to the bankruptcy, although a set-off prior to bankruptcy may be subject to clawback in the case of fraudulent conveyance or bad faith in obtaining the claim used for set-off. Moreover, to the extent that Dutch law applies, a legal act performed by a debtor (including, without limitation, an agreement pursuant to which it guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of its or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having a similar effect) can be challenged in an insolvency proceeding or otherwise and may be nullified by any of its creditors or its trustee in bankruptcy. See "Fraudulent Transfer" above.

Any pending executions of judgments against the debtor will be suspended by operation of law when suspension of payments is granted and terminate by operation of law when bankruptcy is declared. In addition, all attachments on the debtor's assets will cease to have effect upon the suspension of payments having become definitive, a composition having been ratified by the court or the declaration of bankruptcy (as the case may be) subject to the ability of the court to set an earlier date for such termination. Litigation pending on the date of the bankruptcy order is automatically stayed. Under Dutch law, bankruptcy and suspension of payment generally take effect at 00.00 a.m. on the day of the judgment of the bankruptcy or the suspension of payments.

Spain

Insolvency

Swissport Handling S.A.U. and Swissport Holding Spain, S.L. (the "**Spanish Guarantors**") are incorporated under the laws of Spain. Consequently, in the event of insolvency of these entities, insolvency proceedings (*concurso de acreedores*) may be initiated in Spain. The Spanish Law 22/2003 of July 9, 2003 on Insolvency Proceedings (the "**Spanish Insolvency Law**"), as further amended regulates court insolvency proceedings (and pre-insolvency proceedings), as opposed to out- of-court liquidation (which is only available when the debtor has sufficient assets to meet its liabilities). The insolvency proceedings (*concurso de acreedores*) are applicable to all persons or entities (save for certain exceptions). These proceedings may lead either to the restructuring of the business or to the liquidation of the assets of the debtor.

Concept and Petition for Insolvency

Under Spanish Insolvency Law, a debtor is insolvent when it cannot comply with its current obligations on a regular basis or when it expects that it will shortly be unable to do so. Insolvency proceedings are available as a type of legal protection that the debtor may request to avoid foreclosure of its assets by its creditors. A petition for insolvency may be filed by the debtor (within two months of the date when it becomes aware, or should have become aware, of its insolvency), by any debtor's creditor or by certain other interested third parties.

Voluntary insolvency

Insolvency is considered voluntary (*concurso voluntario*) if filed by the debtor.

The debtor is obliged to file a petition for insolvency within two months after it becomes aware, or should have become aware, of its state of insolvency. It is presumed that the debtor becomes aware of its insolvency, unless otherwise proved, if any of the circumstances that qualify as the basis for a petition for mandatory insolvency (*concurso necesario*) occur. In the event of the debtor failing to file a petition for insolvency within the time period established by law, it may be unable to exercise certain courses of action and it may trigger the personal liability of the members of the management body.

Mandatory insolvency

Insolvency is considered mandatory (*concurso necesario*) if filed by a person different from the debtor (*persona legitimada*).

Under Section 2.4 of the Spanish Insolvency Law, a creditor can apply for a declaration of insolvency if, inter alia: (i) there is a generalized default on payments by the debtor; (ii) there is a seizure of assets affecting or comprising the generality of the debtor's assets; (iii) there is a misplacement, "fire sale" or ruinous liquidation of the debtor's assets; or (iv) there is a generalized default on certain tax, social security and employment obligations during the applicable statutory period (three months). Upon request in case of a mandatory insolvency, the court may issue provisional interim measures to protect the assets of a debtor. Should be the case, the judge may request a personal guarantee (*fianza*) from the petitioner of such measures to cover damages caused by the preliminary protective measures if the petition for insolvency is finally dismissed.

Conclusion of insolvency: proposal of agreement or liquidation

The Spanish Insolvency Law provides that insolvency proceedings conclude following either the implementation of an agreement between the creditors and the debtor (the "**Rescheduling Agreement**" (*convenio)* or the "**RA**"), the liquidation of the debtor or payment of the total debt to the debtor's creditors.

Proposal of agreement

Once the debtor's assets and liabilities have been identified, the Spanish Insolvency Law encourages creditors to reach an agreement regarding payment of the debtor's debts. This agreement may be proposed either by the debtor or by the creditors, and it shall set forth how, when and up to what amount creditors are to be paid. Once executed, this agreement must be honored by the debtor and respected by the creditors.

The agreement should contain proposals for write-off and/or grace period. It may contain alternative proposals for all creditors or for certain classes, including conversion of the credit into shares or into profit-sharing credits. It may also include proposals for allocation of all assets or of certain assets to a specific person, along with a commitment from the acquirer to continue the activity and to pay off the debt as determined in the agreement. The proposals in the agreement shall include a payment schedule.

In order for an RA to be deemed approved by the creditors, the following quota shall be met at the creditors' meeting:

(a) if the RA provides for write-offs equal to or less than 50 percent of the claims; deferrals in the payment of principal, interest or any other outstanding amount, for a period not exceeding five years; or, in the case of creditors other than those related to the public administration or employment matters, the conversion of debt into profit sharing loans over the same period, the RA must be supported by creditors whose claims amount to at least 50 percent of the ordinary credits. Notwithstanding the above, a vote by creditors representing a portion of the unsecured liabilities that is greater than the vote against will suffice when the settlement consists of (i) full payment of ordinary or unsecured claims within a period not exceeding three years or (ii) immediate repayment of outstanding due ordinary unsecured claims applying a write-off of less than 20 percent.

(b) if the RA provides for deferrals of more than five years, but in no case more than ten; write- offs in excess of 50 percent of the claims; and, in the case of creditors other than those related to the public administration or employment matters, the conversion of debt into profit sharing loans over the same period and subject to certain measures, the RA must be supported by creditors whose claims amount to 65 percent of the ordinary credits.

The holders of subordinated credits are not entitled to vote.

Although in principle privileged creditors are not subject to an approved RA (unless they have expressly voted in its favor), the effects of an approved RA can be extended to privileged creditors provided that the relevant RA has been approved by majorities of (i) 60% for extending the effects detailed under paragraph (a) above; and (ii) 75% for extending the effects detailed under paragraph (b) above. The calculation of the thresholds detailed above will be computed: (i) for special privileged creditors as a percentage of the value of the security interests (calculated as provided for in the Spanish Insolvency Law) accepting the RA over the total value of the security interests within each class and (ii) for general privileged creditors as a percentage of the value of the liabilities accepting the RA over total liabilities benefiting from the same general privilege within each class. In particular Article 94.2 contemplates four classes of privileged (special or general) creditors: labor, public, financial (irrespective of whether they are subject to financial supervision or not) and other type of creditors.

Liquidation

Liquidation is an alternative outcome to RA. It operates where a resolution is not reached or when it is decided upon by the insolvency court. The debtor must file a petition for liquidation if, during the period while the RA is in force, it becomes aware of no longer being able to meet the payment commitments and obligations undertaken after the approval of such RA. In such a case, the company will be aimed at dissolution and the administrators and liquidators will be removed and substituted by the insolvency administrators. Deferred credits will compulsorily fall due and credits consisting of other benefits are converted into cash credits.

The insolvency administrator will be required to prepare a liquidation plan that must be approved by the insolvency court. The insolvency administrator is required to report quarterly on the liquidation process and has one year to complete the liquidation. If the liquidation is not completed within one year, the court may appoint (if so required) a different insolvency administrator.

Enforcement and termination in a pre-insolvency scenario

It is not certain, that the obligations under the New Notes and/or the New Guarantees will be enforced in accordance with their respective terms in every circumstance, such enforcement being subject to, inter alia, the nature of the remedies available in the Spanish Courts, the acceptance by such court of jurisdiction, the discretion of the courts, the power of such courts to stay proceedings, the provisions of the Spanish Law on Civil Procedure Act 1/2000 of 7 January (*Ley 1/2000, de 7 de enero, de Enjuiciamento Civil*) (the "**2000 Spanish Civil Procedure Law**") regarding remedies and enforcement measures available under Spanish law and other principles of law of general application. The enforcement in Spain of security interests governed by Spanish law will be subject to Spanish rules of civil procedure (including but not limited to the 2000 Spanish Civil Procedure Law and, if applicable, the Royal Decree-Law 5/2005, of 11 March (*Real Decreto-ley 5/2005, de 11 de marzo, de reformas urgentes para el impulso a la productividad y para la mejora de la contratación pública*) which implemented in Spain the EU Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (the "**RDL 5/2005**")). In this regard:

- Spanish law does not expressly recognize the concept of an indemnity. Article 1,152 of the Spanish Civil Code establishes that any penalty (*cláusula penal*) agreed by the parties in an agreement will substitute damages (i*ndemnización de daños y abono de intereses*) in an event of breach, unless otherwise agreed. Spanish Courts may modify the penalty agreed on an equitable basis if the debtor has partially or irregularly performed its obligations. There is doubt as to the enforceability in Spain of punitive damages.
- Notarized evidence of any and all assignments carried out by the entity acting as security trustee and/or sufficient evidence of title over the New Notes by the holders of the New Notes will need to be provided to the Spanish court.
- Under Spanish law the legal concept of "security agent/trustee" is not recognized. Therefore, prior to the enforcement of Spanish security interests it may be necessary to provide evidence that the appointed security agent/trustee was duly and expressly empowered for the execution of the relevant Spanish security interests by means of a power of attorney granted in favor of the appointed security agent/trustee by each of the creditors duly notarized and, if necessary, with the Apostille of The Hague Convention dated 5 October 1961. Likewise, if enforcement of the Spanish security interests is carried out by the appointed security agent/trustee, it may be necessary to prove that the appointed security agent/trustee is duly and expressly empowered for such purpose by means of a power of attorney granted in favor of the Security Agent by each of the creditors duly notarized and, if necessary, with the Apostille of The Hague Convention dated 5 October 1961.

- The term “enforceable” means that the obligations assumed by the parties are of a type that the Spanish courts enforce. It does not mean that those obligations will necessarily be enforced in all circumstances in accordance with their terms.
- Spanish law, as applied by the Spanish Supreme Court, precludes an agreement being terminated on the basis of a breach of obligations, undertakings or covenants which are merely ancillary or complementary to the main payment undertakings of the relevant agreement, and allows Spanish courts not to enforce any such termination.
- Spanish law does not protect the abusive exercise of rights (i.e. against such an agreement’s purpose and prejudicing third parties) or arbitrary decisions or determinations by one of the parties. Accordingly, Spanish courts may refuse to uphold the termination of an agreement based on an unreasonable, inequitable or bad faith interpretation of one of its events of default or on the breach of obligations, undertakings or covenants which are merely ancillary or complementary to the main payment undertakings of the secured documents.
- Spanish law does not regulate expressly, with respect to claims deriving from proceeds obtained through a bond issuance, that security interests may be created only for the benefit of a security trustee. Further, evidence of any potential replacement of the entity acting as security trustee in its position as such will need to be recorded at the relevant Spanish public registry prior to the commencement of any enforcement proceedings.
- The enforcement by Spanish courts of any final judgment for a sum of money in relation to the secured documents obtained against the Spanish Guarantors in any court outside of Spain may be limited by the provisions of Spanish principles of public policy (“*orden público*”).
- Under Spanish law, acts carried out in accordance with the terms of a legal provision whenever said acts seek a result which is forbidden by or contrary to law, shall be deemed to have been executed in circumvention of law (“*fraude de ley*”) and the provisions whose application was intended to be avoided shall apply.
- Where obligations are to be performed in a jurisdiction outside Spain, they may not be enforceable in Spain to the extent that performance would be illegal under the laws of the applicable jurisdiction.
- In accordance with the general principles of Spanish Civil Procedural laws, the rules of evidence in any judicial proceeding cannot be modified by agreement of the parties. Accordingly, provisions in an agreement in which determinations by a party are to be deemed to be conclusive would not be upheld by a Spanish court. A determination, designation, calculation or certificate from one party as to any matter provided in the secured documents might, in certain circumstances, be held by a Spanish court not to be final, conclusive and binding, if it could be shown to have an unreasonable or arbitrary basis or in the event of manifest error despite any provision in the secured documents to the contrary.
- Spanish law precludes the validity and performance of contractual obligations to be left at the discretion of one of the contracting parties. Therefore, Spanish courts may refuse to uphold and enforce terms and conditions of an agreement giving discretionary authority to one of the contracting parties.
- It is not beyond doubt that the entity acting as security trustee may validly establish a liquidated sum in respect of a claim in a proceeding for the enforcement of security interests governed by Spanish law in accordance with the procedure established in Article 572.2 of the 2000 Spanish Civil Procedure Law.
- It is not entirely clear whether RDL 5/2005, would apply to Spanish law security interest securing the New Notes. In such case, the enforcement provisions contained in RDL 5/2005 would not be effective although such security interests could be enforced through any of the other enforcement proceedings permitted by the Spanish law and contemplated in the relevant provisions included in such security interests. Furthermore, according to recent case law from the Court of Justice of the European Union, pledges over credit rights arising from bank accounts granted under Directive 2002/47/EC (introduced in Spain by RDL 5/2005) only will benefit from protection in the framework of an insolvency proceeding if the pledgor is not entitled to dispose of the funds of the account and the incomes are prior to the declaration of insolvency.
- A certified translation into Spanish by an official translator of any document not executed in Spanish will be required to make such document admissible in evidence in Spain.

The enforcement of any security over assets that are essential to the commercial or professional activity of the insolvent company is suspended until the earlier of: (i) an RA being reached provided that such RA does not affect such right or (ii) one year having elapsed as of the opening of the insolvency proceedings without the opening of liquidation.

In addition, it should be noted that when granting security for existing debt within the two year suspicious period set out in the Spanish Insolvency Act for example, on the basis of a promissory security given at the time of obtaining such debt, there is a risk that security interests governed by Spanish law may fall within the legal presumption of a harmful act to the debtor's assets provided in article 71 of the Spanish Insolvency Act and said security interests created may be challenged (please also refer to subsection *Hardening Periods and Clawback actions*).

With regard to security interests governed by Spanish law that need to be registered within a Spanish public registry, in addition to the above it should be noted that:

- such security interest are only duly created as valid security interests, constituting an effective security interest exercisable vis-à-vis third parties, when the notarial deed by which the security interest is granted has been recorded at the relevant Spanish registry.
- the competent Spanish registrar may refuse to register events of default or early termination events stipulated in the secured documents thereunder (irrespective of their governing law) which may be deemed contrary to the principles of Spanish law applicable to rights *in rem* over assets located in Spain, such as events of default or early termination events based on the breach of obligations, undertakings or covenants which are merely ancillary or complementary to the main payment undertakings of the secured documents. In such case, a Spanish court or a Spanish notary would not accept an enforcement of such security interest based on an event of default or early termination event which has not been registered in the relevant Spanish public registry.

Additionally, the following, should also be noted in relation to the pre-insolvency instruments contemplated under the Spanish Insolvency Law:

- Notwithstanding the obligation of a debtor to request for insolvency as contemplated above, an insolvent debtor that is negotiating with its creditors an agreement (of those foreseen in article 71 bis.1 -i.e., refinancing agreements that are protected against clawback actions- or in additional provision fourth -as further explained below-) to overcome the insolvency situation may, within the referred two month term, apply before the competent court for the pre-insolvency status, but once the filling has been made, the relevant debtor may not file another pre-insolvency status request within a year term.
- After an application to the competent court relating to the negotiation of the abovementioned refinancing agreements, it will not be possible to initiate judicial or extrajudicial enforcement of assets or rights that are necessary for the continuity of the business activity of the debtor and the enforcement proceedings already initiated with respect to such assets will be suspended. Likewise, if it is evidenced (by means of supporting documentation) that the refinancing negotiation is supported by financial creditors representing, at least, 51% of the financial liabilities of the debtor and such creditors have further committed not to pursue the enforcement of assets or rights of the debtor, then it will not be possible for any financial creditor to initiate judicial or extrajudicial enforcement actions against assets or rights of the debtor and those already in progress initiated by such creditors will be suspended.
- Once the debtor qualifies as a pre-insolvent debtor it will benefit for an additional three month term to reach an agreement with its creditors and one more month to file the insolvency petition if it has not been able to overcome its insolvency. Therefore, in practice, pre-insolvent debtors benefit from an additional four month term to reach an agreement with its creditors provided that they have applied for the pre-insolvency status.
- No mandatory proceedings (*concurso necesario*) may be initiated within the above mentioned four month term.

Special regimes for certain refinancing agreements

(a) Refinancing agreements that fulfill the following conditions cannot be rescinded except by the insolvency administration pursuant to Article 72.2 of the Spanish Insolvency Law: (i) the refinancing agreement gives rise to a "significant increase" in the funds available to the borrower, or a modification of the terms of the initial financing by extending the maturity date or by replacing the existing obligations with new ones, provided that they meet a viability plan that allows the continuity of the debtor's business in the short and medium term; (ii) the agreement has been entered into with creditors whose credits represent at least 60 percent of the debtor's liabilities as of the date of the agreement; (iii) a certification is issued by the auditors of the debtor, on the sufficiency of the liabilities required to adopt the agreement; and (iv) the refinancing agreement and the documents substantiating performance of conditions (ii) to (iii) above are executed by way of a Spanish public deed.

(b) Together with the refinancing agreements described above, no action for rescission will be either available (except for the insolvency administration pursuant to Article 72.2 of the Spanish Insolvency Law) for those refinancing agreements that meet all the following criteria: (i) the ratio of assets to liabilities is greater under the refinancing agreement than before the agreement took effect; (ii) the resulting current assets are equal to or higher than the then current liabilities; (iii) the value of the security that would be provided to the relevant creditors does not exceed 90 percent of the value of the debt owed to those creditors and the ratio of security to outstanding debt that the creditors had the benefit of prior to the agreement taking effect; (iv) the rate of interest relating to the debt under the refinancing agreement for the creditors concerned is not increased by more than one third of the rate applicable to the debt before the refinancing; and (v) the agreement has been executed as a deed by all parties concerned.

(c) In addition, certain refinancing agreements (those that have been approved by at least 51% of the financial creditors and meet the criteria under (i), (iii) and (iv) of paragraph (a) above) may be sanctioned by the court (*homologación judicial*). The effects of the endorsement (*homologación judicial*) will depend on the different majorities reached when approving the refinancing agreement:

- if the refinancing agreement is approved by creditors representing 51% of the financial liabilities of the debtor, the agreement will be protected against clawback actions under the Spanish Insolvency Law, but it will not extend its effects to the dissenting financial creditors.

- if the refinancing agreement is approved by creditors representing, at least, 60% of the financial liabilities of the debtor, the following terms of a refinancing agreement may be crammed down on dissenting unsecured financial creditors (i.e. financial creditors not secured by an *in rem* security) and on dissenting secured financial creditors, but only with respect to the amount of debt that exceeds the value of the *in rem* security: (i) stays for a term of no more than five years; or (ii) conversion of credits into profit participating loans with a tenor of no more than five years.

The same effects may be extended to the amount of the credit covered by the value of the *in rem* security when the refinancing agreement is approved by financial creditors representing 65% of the total value of the *in rem* securities.

- if the refinancing agreement is approved by creditors representing, at least, 75% of the financial liabilities of the debtor, the following terms of a refinancing agreement may be crammed down on dissenting unsecured financial creditors (i.e. financial creditors not secured by an *in rem* security) and on dissenting secured creditors, but only with respect to the amount of debt that exceeds the value of the *in rem* security: (i) stays for a term of no more than between five and ten years; (ii) conversion of credits into profit participating loans with a tenor of no more than between five and ten years; (iii) debt write off; (iv) capitalization of debt (dissenting lenders may however opt for a write off instead of such capitalization); (v) payment in kind of debt; or (vi) conversion of debt in convertible notes, subordinated debt, PIK interest loans or any other financial instrument with tenor, ranking or other features different form the original debt.

The same effects may be extended to the amount of the credit covered by the value of the *in rem* security when the refinancing agreement is approved by financial creditors representing 80% of the total value of the *in rem* securities

Commercial creditors may voluntary adhere to the refinancing agreement, although their liabilities shall not be computed in order to calculate the relevant thresholds. For the calculation of the relevant majorities the following shall be noted:

(i) For syndicated facilities, it shall be deemed that all of the lenders of a syndicated facility have voted in favor of the refinancing agreement when creditors representing 75% (or such lower percentage so provided for in the syndicated facility agreement) of such syndicated facility vote in favor of the refinancing agreement; and

(ii) the creditors considered parties specially related to the debtor shall not be computed (although such creditors may be affected by the endorsement).

Certain effects of the insolvency for the debtor and on contracts

As a general rule, the debtor in a voluntary insolvency retains its powers to manage and dispose of its business, but is subject to the intervention of the insolvency administration (*administración concursal*). In the case of mandatory insolvency, as a general rule, the debtor no longer has power over its assets, and management's powers (including the power to dispose of assets) are conferred solely upon the insolvency administration. However, the court has the power to modify this general regime subject to the specific circumstances of the case.

Under Section 61 of the Spanish Insolvency Law, any provision in any agreement with reciprocal outstanding obligations that entitles any party to terminate an agreement based solely on the other party's opening of insolvency proceedings are deemed as not included in the agreement and, therefore, unenforceable, except if expressly permitted by specific laws (*i.e.*, agency laws).

A declaration of insolvency does not affect agreements with reciprocal obligations pending on performance by either the insolvent party or the counterparty, which remain in full force and effect, and the obligations of the insolvent debtor arising after the opening of the insolvency proceedings will be fulfilled against the insolvent estate. The court can nonetheless terminate any such contracts at the request of the insolvency administrators (in case of suspension) or the company itself when such termination is in the interest of the estate. The termination of such contracts may result in the insolvent debtor having to return or indemnify its counterpart.

Hardening Periods and Clawback actions

Under Spanish Insolvency Law, upon the declaration of insolvency, transactions taken or completed within the two years immediately preceding the opening of insolvency proceedings may be challenged if they are considered detrimental (*perjudiciales*) to the insolvency estate. Transactions taking place earlier than two years prior to the declaration of insolvency may be rescinded subject to ordinary Spanish Civil Code based actions (as further detailed below).

Spanish Insolvency Law does not define the meaning of detrimental. Detrimental does not refer to the intention of the parties, but to the consequences of the transaction on the debtor's interest or prejudice the equality treatment among creditors. In particular, Spanish Insolvency Law contemplates that an action is presumed to be detrimental in the following cases:

- without admission of proof to the contrary: (i) actions of disposal for no consideration, except for ordinary largesse (*liberalidades de uso*); or (ii) pre-payments or other actions early cancelling obligations falling due after the declaration of bankruptcy (unless they were secured with and *in rem* security); or
- with admission of proof to the contrary: (i) in actions for valuable consideration carried out for any party especially related to the debtor, (ii) granting of *in rem* security covering pre-existing debts or new debts incurred to cancel pre-existing debts; or (iii) cancellation of obligations secured with an *in rem* security falling due after the declaration of insolvency.

Otherwise, the damage must be proved by the person seeking rescission.

Under no circumstances actions carried out in the debtor's ordinary course of professional or entrepreneurial business and under market conditions can be rescinded.

Ranking of Creditors

Creditors are required to report their claims to the insolvency administration within one month from the official publication of the Court order declaring the opening of insolvency proceedings, providing original documentation to justify such claims. Based on the documentation provided by the creditors and documentation held by the debtor, the insolvency administration draw up a list of acknowledged creditors/claims and classify them according to the categories established in the Spanish Insolvency Law:

(i) Debts against the debtor's estate (*créditos contra la masa*), which include, among others, certain debts incurred by the debtor following the declaration of the insolvency proceedings, certain debts for salaries, and certain debts from claw-back proceedings will be payable when due, according to their own terms, and in the event of liquidation never on account of assets used as collateral for securing debts benefiting from special privileges.

(ii) Creditors benefiting from special privileges, representing security on certain assets (*in rem* sureties). These privileges may entail separate proceedings, though subject to certain restrictions derived from a waiting period that may last up to one year. Privileged creditors are not subject to the RA, except if they give their express support by voting in favor of it. The special privilege will only cover the part of the credit that does not exceed the value of the corresponding security calculated as determined in Section 94.5 of the Spanish Insolvency Law. Notwithstanding the above general rule, the effects of an approved RA can be extended, as aforesaid (see section "*Proposal of agreement*" above for further details), to privileged creditors provided that the relevant RA has been approved by majorities of 60% or 75% (depending on the terms of the RA). In the event of liquidation, they are the first to collect payment against the assets on which they are secured.

(iii) Creditors benefiting from a general privilege, including, among others, specific labor claims and specific claims brought by public entities or authorities are recognized for half their amount, and claims held by the creditor taking the initiative to apply for the insolvency proceedings, for up to a half of the amount of such debt. The holders of general privileges are not to be affected by the RA if they do not agree to the said RA and, in the event of liquidation, they are the first collecting payment (once the debts against the debtor's estate (*créditos contra la masa*) have been paid) against assets that do not secure specially privileged claims or to the excess of those assets once the specially privileged claims are paid, in accordance with the ranking established under the Spanish Insolvency Law.

(iv) Ordinary creditors (non-subordinated and non-privileged claims) will be paid *pro rata*.

(v) Subordinated creditors (thus classified by virtue of an agreement or pursuant to law), include, among others, credits communicated late (outside the specific one month period mentioned above); credits which are contractually subordinated *vis-à-vis* all other credits of the debtor; credits relating to unpaid interest claims (including default interest) except for those credits secured with an *in rem* right up to the secured amount; fines; claims of creditors which are "specially related parties" to the insolvent debtor.

In the case of a legal entity, the following shall be deemed as "specially related parties:" (i) shareholders with unlimited liability, (ii) limited liability shareholders holding when the relevant credit arises (10 percent or more of the insolvent company's share capital (or 5 percent if the company is listed), or (iii) directors (both legal or the facto) and those holding general powers of attorney from the insolvent company within the last two years, and (iv) companies pertaining to the same group as the insolvent debtor and their common shareholders provided such shareholders meet the minimum shareholding requirements set out in (ii) above). Notwithstanding the above, creditors who have directly or indirectly capitalized all or part of their credit rights pursuant to a refinancing arrangement entered into in compliance with the requirements set forth in section 71 bis or the fourth additional provision of the Spanish Insolvency Act, and even when such creditor has taken a role of in the management of the debtor by reason of the capitalization, shall not be considered as specially related party with the debtor, in respect of credits against the debtor as a result of the refinancing granted under such refinancing arrangement.

Subordinated creditors do not vote the RA and have, in practice, limited chances of collection according to the ranking established in the Spanish Insolvency Law.

As a general rule, insolvency proceedings are not compatible with other enforcement proceedings. When compatible, in order to protect the interests of the debtor and creditors, the Spanish Insolvency Law extends the jurisdiction of the court dealing with insolvency proceedings, which, is then, legally authorized to handle any enforcement proceedings or interim measures affecting the debtor's assets (whether based upon civil, labor, or administrative law).

Limitations on enforcement

Claims may become time-barred (being the general term established for obligations *in personam* under Article 1,964 of the Spanish Civil Code 5 years pursuant to recently enacted Law 42/2015, 5 October, which amends the Spanish law of civil procedure (*Ley 1/2000, de 7 de enero, de Enjuiciamiento Civil*)) or may be or become subject to the defense of set-off or counterclaim.

The terms "enforceable," "enforceability," "valid," "legal," "binding" and "effective" (or any combination thereof) mean that all the obligations assumed by the relevant party under the relevant documents are of a type that Spanish Courts enforce; it does not mean that these obligations will necessarily be enforced in all circumstances in accordance with their terms; in particular, enforcement before the Courts will in any event be subject to:

(i) the nature of the remedies available in the Courts; and

(ii) the availability of defenses such as (without limitation), set- off (unless validly waived), fraud ("*fraude de ley*"), abuse in the exercise of rights ("*abuso de derecho*"), misrepresentation, force majeure, unforeseen circumstances, undue influence, duress, abatement and counter-claim.

In general terms, under Spanish law, any guarantee, pledge or mortgage must guarantee or secure another obligation to which they are ancillary and which must be clearly identified in the relevant guarantee or security agreement. Therefore, the guarantee follows the underlying obligation in such a way that nullity of the underlying obligation entails nullity of the guarantee or security and termination of the underlying obligation entails cancellation of the guarantee or security. In the event that the security providers were able to prove that there are no existing and valid guaranteed obligations, Spanish Courts may consider that the security providers' obligations under the relevant guarantees or securities would not be enforceable.

Under Spanish Law, there are some provisions on equity capitalization which may need to be taken into account when guarantees are enforced. For example, when payments under a guarantee cause the net equity (*patrimonio neto*) of any New Guarantor incorporated and organized under the laws of Spain to fall below half of its share capital, the Spanish Guarantor will be obliged to be wound up (*disolución*), unless its share capital is increased or decreased in the required amount to re-establish the balance between its net equity and its share capital, and provided it is not required to file for insolvency.

Under Spanish law, guarantees of the type issued by the Spanish Guarantor to guarantee the New Notes (the "**Spanish Guarantee**") may be granted by entities that are incorporated as stock companies (*sociedades anónimas* or "**S.A.**") and as limited liability companies (*sociedades de responsabilidad limitada* or "**S.L.**"). However, as per article 401 of the Spanish Royal Decree Law 1/2010, of 2 July, on Spanish companies (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el Texto Refundido de la Ley de Sociedades de Capital* (the "**Spanish Companies Act**")) limited liability companies (*sociedades de responsabilidad limitada or S.L.*) may only issue or guarantee notes or any other type of debt securities up to an amount equal to two times their net equity (*patrimonio neto*), unless the issue is secured by mortgage, pledge over securities or guarantee provided by a public body or a first demand guarantee from a credit institution. S.L.s cannot issue or guarantee bonds convertible into shares of an S.L.

The Spanish Companies Act prohibits financial assistance (i.e. borrowing or guaranteeing) by a Spanish Guarantor in relation to the acquisition of their own shares or the shares of their direct or indirect holding company (for S.A. companies) and also in relation to the acquisition of their own shares or the shares of any company within the group (for S.L. companies).

Therefore, the obligations under the New Guarantee granted by the Spanish Guarantor:

(i) shall not extend to any use of the proceeds of the New Notes for the purpose of acquiring shares representing the share capital of such Spanish Guarantor or shares representing the share capital of its holding company (or, in case of private limited liability companies (*sociedades de responsabilidad limitada*), also shares representing the share capital of any entity of its group), or refinancing a previous debt incurred for the acquisition of shares representing the share capital of such Spanish Guarantor or shares representing the share capital of its holding company (or, in case of private limited liability companies (*sociedades de responsabilidad limitada*), also shares representing the share capital of any entity of its group); and

(ii) shall be deemed not to be undertaken or incurred by the Spanish Guarantor to the extent that the same would constitute unlawful financial assistance within the meaning of Article 143 or Article 150 of Spanish Companies Act (*Real Decreto Legislativo 1/2010, de 2 de Julio, approving Texto Refundido de la Ley de Sociedades de Capital*), as applicable, and, in that case, all provisions of such New Guarantee shall be construed accordingly in the sense that, in no case, can any New Guarantee or security given by the Spanish Guarantor secure repayment of the above mentioned funds.

For the purposes of first paragraph above, a reference to a "holding company" of the Spanish Guarantor shall mean the company (if any) which, directly or indirectly, owns the majority of the voting rights of such Spanish Guarantor or that may have a dominant influence on such Spanish Guarantor. It shall be presumed that one company has a dominant influence on another company when:

- any of the scenarios set out in section 1 of article 42 of the Spanish Commercial Code (*Código de Comercio*) are met; or

- when at least half plus one of the members of the managing body of the Spanish Guarantor are also members of the managing body or top managers (*altos directivos*) of the dominant company or of another company controlled by such dominant company.

In addition, a reference to the "group" of the Spanish Guarantor shall mean the group of companies that have in common the same holding company (as this term is described above).

Parallel Debt

With respect to any trust purported to be created by a Spanish company, it should be noted that, since the concept of "trust" and/or "parallel debt" (under, for example, the laws of the State of New York or English law) is not recognized under Spanish law, guarantees/security interests require that the beneficiary of the guarantee/ security interests and the creditor is the same person. Such guarantee/security interests cannot be held by a third party which does not hold the guaranteed/secured claim but purports to hold guarantees/security interests for the parties that do.

Fraudulent Conveyance Laws

Under Spanish law, in addition to the insolvency claw-back action (see subsection "*Hardening Periods and Fraudulent Transfer*"), the insolvency administrator and any creditor may bring an action to rescind a contract or agreement (*acción rescisoria pauliana*) against the debtor and the third party which is a party to such contract or agreement, provided that the same is performed or entered into fraudulently and the creditor cannot obtain payment of the amounts owed in any other way. Although case law is not entirely consistent, it is broadly accepted that the following requirements must be met in order for a creditor to bring such action:

- the debtor owes the creditor an amount under a valid contract and the fraudulent action took place after such debt was created;
- the debtor has carried out an act that is detrimental to the creditor and beneficial to the third party;
- such act was fraudulent;
- there is no other legal remedy available to the creditor to obtain compensation for the damages suffered; and
- debtor's insolvency, construed as the situation where there has been a relevant decrease in the debtor's estate making it impossible or more difficult to collect the claim.

The existence of fraud (which must be evidenced by the creditor) is one of the essential requirements under Spanish law for the action to rescind to succeed. Pursuant to Article 1,297 of the Spanish Civil Code: (i) agreements by virtue of which the debtor transfers assets for no consideration, and (ii) transfers for consideration carried out by parties who have been held liable by a court (*sentencia condenatoria*) or whose assets have been subject to a writ of attachment (*mandamiento de embargo*) will be considered fraudulent. The presumption referred to in (i) above is a *iuris et de iure presumption* (i.e. it cannot be rebutted by evidence), unlike the presumption indicated in (ii) above, which is a *iuris tantum presumption* (i.e. it is a rebuttable presumption).

If the rescission action were to be upheld, the third party would be liable to return to the debtor the consideration received under the contract in order to satisfy the debt owed to the creditor. Following that, the creditor would need to carry out the actions necessary to obtain the amount owed by the debtor. If the consideration received by the third party under the contract cannot be returned to the debtor, the third party must indemnify the creditor for such damages.

Switzerland

The validity and the enforcement of a guarantee or a security may be limited by applicable bankruptcy, insolvency, re-organization, corporate, tax, contract or similar laws, regulations or defenses affecting creditors and secured parties (including provisions relating to fraudulent transfer, voidable preference, corporate purpose, financial assistance, capital maintenance and solvency), international private laws (including *ordre public*) or laws or principles of general application (including but not limited to the abuse of rights (*Rechtsmissbrauch*), the principle of good faith (*Grundsatz von Treu und Glauben*) and public policy).

The incurrence by any New Guarantor or security provider incorporated under the laws of Switzerland (any such New Guarantor or security provider, a "**Swiss Collateral Guarantor**") of any liabilities in respect of obligations of its direct or indirect shareholder(s) ("upstream") or of related persons or entities of its shareholder(s) ("cross stream") other than any direct or indirect wholly-owned subsidiaries is subject to certain Swiss corporate law rules that may significantly impact the value of the guarantee or the security interest. In particular, upstream and cross stream guarantees and security must be within the corporate purpose and scope, as set forth in the articles of association of the Swiss Collateral Guarantor. In addition, the enforcement of the guarantee or security interest provided by a Swiss Collateral Guarantor may be treated as a profit distribution to shareholders.

The liabilities of any Swiss Collateral Guarantor under any up-stream or cross-stream New Guarantee and security interest are at any time (to the extent that such is a requirement of applicable Swiss law in force at the relevant time) limited to a sum equal to the maximum amount of the respective Swiss Collateral Guarantor's freely disposable equity capital at the relevant time, provided that such limitations shall not free the respective Swiss Collateral Guarantor from payment obligations in excess of its freely disposable equity, but merely postpone the payment date of those obligations until such time as payment is permitted notwithstanding such limitations. Such freely disposable equity capital will be determined on the basis of a stand-alone audited balance sheet of such Swiss Collateral Guarantor in accordance with Swiss law and Swiss accounting principles. The freely disposable equity capital of such Swiss Collateral Guarantor may be reduced by (1) the aggregate amount of the intercompany loans, if any, granted by such Swiss Collateral Guarantor to any affiliates or related parties (other than its direct or indirect subsidiaries), and (2) other adjustments. The payment under the respective Swiss Collateral Guarantor's New Guarantee and the enforcement of security interest may require certain prior corporate formalities to be completed including, but not limited to, obtaining an audit report, shareholders' resolutions and board resolutions. There can be no assurance that the Swiss Collateral Guarantor will have distributable profits and reserves available at the relevant time to satisfy the obligations under the New Guarantee or to use the enforcement proceed of the security, whether or not it makes dividend payments to its shareholders.

The enforcement of the respective Swiss Collateral Guarantor's New Guarantee and security may give rise to Swiss withholding taxes on dividends (of up to 53.8% at present rates) to the extent that the payment or enforcement of security interest falls to be regarded as a deemed distribution by the respective Swiss Collateral Guarantor to the New Issuer or any other related party.

For the above reasons, it is standard market practice for indenture agreements, credit agreements, guarantees and security agreements to contain so-called "limitation language" in relation to the respective Swiss Collateral Guarantor substantially in the form as set out below under "*Limitations on Enforcement of New Guarantee and security granted by Swiss Collateral Guarantor*" (and similar limitation language applies with regard to security documents).

Rules applying to up-stream or cross-stream New Guarantees and security are uncertain under Swiss law. We cannot provide any assurance that future court rulings will not further restrict the enforceability, or deny the validity, of guarantees. Such rulings would negatively affect the ability to enforce the guarantees granted by Swiss Collateral Guarantors.

Limitations on Enforcement of New Guarantee and security granted by Swiss Collateral Guarantor

If and to the extent that obligations of a Swiss Collateral Guarantor under the New Indenture, any security agreement or any other Notes documentation are for the benefit of its direct or indirect affiliates (other than its wholly-owned subsidiaries) and that complying with such obligations would constitute a repayment of capital (*Einlagerückgewähr*), a violation of the legally protected reserves (*gesetzlich geschützte Reserven*) or the payment of a (constructive) dividend (*Gewinnausschüttung*) by such Swiss Collateral Guarantor or would otherwise be restricted under Swiss corporate law then applicable (the "**Restricted Obligations**"), the following provisions shall apply.

The aggregate liability of the Swiss Collateral Guarantor for Restricted Obligations under the New Indenture, any security agreement or any other Notes documentation, including, without limitation, under the New Guarantees, and the security shall be limited to the amount of the Swiss Collateral Guarantor's freely disposable equity determined on the basis of the balance sheet profits and non-statutory reserves available for the distribution as dividends, reduced by (1) the aggregate amount of the intercompany loans, if any, granted by such Swiss Collateral Guarantor to any affiliates or related parties (other than its direct or indirect subsidiaries), and (2) other adjustments, at the relevant time and in each case in accordance with Swiss law and Swiss accounting principles (the "**Available Amount**") (provided that this is a requirement under applicable law at that time and further provided that such limitation (as may apply from time to time or not) shall not (generally or definitively) free the Swiss Collateral Guarantor from performing Restricted Obligations under the New Indenture, any security agreement or any other Notes documentation in excess thereof, but merely postpone the performance date therefor until such times as performance is again permitted notwithstanding such limitation).

Immediately after having been requested to incur Restricted Obligations under the New Indenture, any security agreement or any other Notes documentation, the Swiss Collateral Guarantor shall and any parent company of the Swiss Collateral Guarantor shall procure that the Swiss Collateral Guarantor will:

- if (and to the extent requested by the Trustee or required under then applicable Swiss law, provide the Trustee, within 30 Business Days, with (a) an interim balance sheet audited by the statutory auditors of the Swiss Collateral Guarantor, (b) the determination by the statutory auditors of the Available Amount based on such interim audited balance sheet and (c) a confirmation from the statutory auditors of the Swiss Collateral Guarantor that the Available Amount complies with the provisions of Swiss corporate law which are aimed at protecting the share capital and legal reserves;
- to the extent permitted by applicable law, write down or dispose of any of its assets that are shown on its balance sheet with a book value that is significantly lower than the market value of the assets, in case of disposal, however, only if such assets are not necessary for the Swiss Collateral Guarantor's or the Group's business (*nicht betriebsnotwendig*);
- take such further corporate and other action which may be necessary at the time (such as obtaining board and shareholders' approvals and obtaining the receipt of any confirmations from the Swiss Collateral Guarantor's statutory auditors) in order to allow a prompt payment under the New Indenture, any security agreement or any other Notes documentation with a minimum of limitations; and/or
- immediately after confirming the Available Amount in accordance with paragraph (i) above, any amounts received or collected by the Trustee under and in connection with Restricted Obligations under the New Indenture, any security agreement or any other Notes documentation in excess of the Available Amount shall be returned to the Swiss Collateral Guarantor as soon as possible and, if not already done so, paid up to the Available Amount (less, if required, any Swiss withholding tax) to the Trustee.

If the Swiss Collateral Guarantor is required under applicable law (including double tax treaties) in force at the time to incur Restricted Obligations under the New Indenture, any security agreement or any other Notes documentation, the Swiss Collateral Guarantor shall:

- deduct the Swiss withholding tax at the rate of 35% (or such other rate as is in force at that time) from any payment under the New Indentures, any security agreement or any other Notes documentation;
- pay the Swiss withholding tax to the Swiss Federal Tax Administration; and
- notify in writing and provide evidence to the Trustee that the Swiss withholding tax has been paid to the Swiss Federal Tax Administration

Unless grossing-up is explicitly permitted under the laws of Switzerland then in force, the Swiss Collateral Guarantor shall not be required to make a gross-up, indemnify or otherwise hold harmless the noteholders for the deduction of the Swiss withholding tax, notwithstanding anything to the contrary contained in the New Indentures, any security agreement or any other New Notes documentation, provided that this should not in any way limit any obligations of the New Issuer or the other New Guarantors security providers under the New Indentures, any security agreement or any other Notes documentation to indemnify the noteholders in respect of the deduction of the Swiss withholding tax, including, without limitation, any tax indemnity undertaking under the New Indentures, any security agreement or any other New Notes documentation. The Swiss Collateral Guarantor shall use its best efforts to ensure that any person which is, as a result of a deduction of Swiss withholding tax, entitled to a full or partial refund of the Swiss withholding tax, will, as soon as possible after the deduction of the Swiss withholding tax, (i) request a refund of the Swiss withholding tax under any applicable law (including double tax treaties) and (ii) pay to the Trustee upon receipt any amount so refunded.

Pledges

With respect to pledges, under Swiss law, a valid pledge may only be created in favor of the person whose claim is secured by the pledge (and not to a third party) and the enforceability of the pledge is linked to the enforceability of the secured claim. If and to the extent the (beneficial) holders of the New Senior Secured Notes from time to time will not be party to such Swiss law governed pledge agreements, there may be a risk regarding the validity and/or enforceability of such security interest granted in favor of holders of the New Senior Secured Notes. In order to mitigate the risk, as the (beneficial) holders of the New Senior Secured Notes, which may change from time to time, will not be party to the Security Documents, a parallel debt structure has been established in the Security Documents and the Intercreditor Agreement pursuant to which security interests granted as pledges are created in favor of the Security Agent who will hold a claim equal to each amount payable by an obligor under the New Notes (the "**Parallel Debt**"). The pledges governed by Swiss law will directly secure the Parallel Debt. The Parallel Debt is in the same amount and payable at the same time as the obligations of the New Issuer under the New Indenture (the "**Principal Obligations**"). Any payment in respect of the Principal Obligations shall discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt shall discharge the corresponding Principal Obligations. Although the Security Agent will have, pursuant to the Parallel Debt, a claim against the New Issuer for the full principal amount of the New Notes, holders of the New Notes bear some risks associated with a possible insolvency or bankruptcy of the Security Agent. The parallel debt structure has not been tested under Swiss law and there is no assurance that such a structure will be effective before a Swiss court because there is no judicial or other guidance as to its efficacy and, therefore, there is no certainty that such structure will eliminate or mitigate the risk of the pledge in favor of the noteholders being invalid or unenforceable. Moreover, the instruction and appointment of an agent and any power of attorney may be revoked at any time under Swiss law notwithstanding the appointment, instruction or power of attorney being said to be irrevocable and any mandate may, as a matter of statutory law, be terminated at any time by each party to the mandate.

Prior Ranking Security Interest of Account Banks

Bank accounts are typically subject to a pledge and right of set-off granted to the relevant account banks under the general terms and conditions of such account banks.

Notification of assignments to debtors, Assignment of future claims

Under Swiss law, it is not required for the Swiss Collateral Guarantors to validly assign receivables to the Security Agent that the receivables debtors are notified. However, absent notification a receivables debtor may validly discharge its obligation under a receivable by paying to the Swiss Collateral Guarantors until, but not after, the debtor receives a notification of the existence of the assignment by the Swiss Collateral Guarantors.

Under Swiss law, future claims which have been assigned by the Swiss Collateral Guarantors to the Security Agent but which would come into existence only after the opening of bankruptcy proceedings (if any) against the relevant Swiss Collateral Guarantor fall into the bankruptcy estate of the relevant Swiss Collateral Guarantor and do not pass to the Security Agent; similar restrictions apply in composition proceedings.

Choice of law and jurisdiction

The New Guarantee issued by the Swiss Collateral Guarantors will be, based on a choice of law, subject to the laws of the State of New York. Should a Swiss court accept jurisdiction in proceedings on the merits, a Swiss court will generally recognize the choice of law. The scope of such choice of law is, usually, limited to the rules of the substantive law chosen by the parties; as to procedural matters, a Swiss court will apply Swiss procedural law. Due to the different nature of Swiss procedural law and the procedural law in common law jurisdictions (such as the United States of America and the United Kingdom) classification and delimitation issues between substantive and procedural law could occur.

To establish the non-Swiss substantive law applicable to the merits, a Swiss court may, in pecuniary matters, request the parties to establish the non-Swiss substantive law. If the content of the foreign substantive law cannot be established then Swiss law may be applied. While a Swiss court will generally accept a choice of law, exceptions exist though they tend to be restrictively applied. These exceptions include the following: such choice of law may not extend to non-contractual obligations and Swiss courts may diverge from the chosen substantive law if such chosen law would lead to a result contrary to Swiss public policy, if the purpose of mandatory rules of Swiss law require, by their special aim, immediate application, or if the purpose of mandatory rules of another law, to which the dispute is closely connected, is considered legitimate under Swiss legal concepts and, upon weighing the interests of the parties involved, the clearly predominant interest(s) of one party so require.

The above principles also apply to security interests over assets and accounts owned by a Swiss security provider. Under Swiss conflict of law rules, although Swiss law permits a choice of law with respect to a pledge or an assignment for security purposes, such choice of law may not be opposable to third parties.

Insolvency

The insolvency laws of Switzerland in general and, in particular, the provisions of the Swiss Federal Act on Debt Enforcement and Bankruptcy (*Bundesgesetz über Schuldbetreibung und Konkurs,* "**DEBA**") may be less favorable to the interests of creditors than the insolvency laws of other jurisdictions, including in respect of priority of creditors, the ability to obtain post-petition interest and the duration of the insolvency proceedings, and therefore may limit the ability of creditors to recover payments due on the New Notes to an extent exceeding the limitations arising under other insolvency laws.

The following is a brief description of certain aspects of the insolvency laws of Switzerland currently in force.

Under Swiss insolvency laws, there is no group insolvency concept, which means there is no consolidation of the assets and liabilities of a group of companies in the event of insolvency. In case of a group of companies, each entity has, from an insolvency laws point of view, to be dealt with separately. As a consequence, there is, in particular, no pooling of claims among the respective entities of a group, but rather claims of and against each entity have to be dealt with separately. Under Swiss law, insolvency proceedings may be opened against an entity having its registered office or assets in Switzerland.

In the event of a Swiss Collateral Guarantor's insolvency, the respective insolvency proceedings would be governed by Swiss law as a result of the respective Swiss Collateral Guarantor's offices being registered in the competent commercial register in Switzerland. In addition, Swiss debt enforcement and insolvency laws may be applicable in case of an enforcement of security interests over assets of a foreign entity located in Switzerland. The enforcement of claims and questions relating to insolvency and bankruptcy in general are dealt with by the DEBA. Under these rules claims that are pursued against a Swiss entity can lead to the opening of bankruptcy (*Konkurs*) and, hence, a general liquidation of all assets, even if located outside of Switzerland, and liabilities of the debtor. However, with regard to assets located outside of Switzerland, a Swiss bankruptcy decree may only be enforceable if it is recognized at the place where such assets are located. If bankruptcy has not been declared, creditors secured by a pledge must follow a special enforcement proceeding limited to the liquidation of the collateral (*Betreibung auf Pfandverwertung*) unless the parties have agreed on a private liquidation. However, if bankruptcy is declared while such a special enforcement proceeding is pending, the proceeding ceases and the creditor participates in the bankruptcy proceedings with the other creditors and a private liquidation is no longer permitted.

Under Swiss insolvency law, as a rule, insolvency proceedings are not initiated by the competent insolvency court *ex officio*, but rather require that the debtor or a creditor files a petition for the opening of insolvency proceedings. If a creditor wants to initiate insolvency proceedings it has to file an application for commencement of enforcement proceedings (*Betreibungsbegehren*) with the competent debt collection office (*Betreibungsamt*). With respect to unsecured claims, the competent collection office is located where the debtor is registered or resident. The collection office will then serve the debtor with the writ of payment (*Zahlungsbefehl*). There is virtually no material assessment of the claim at this stage. The debtor may within ten days upon having been served with the writ of payment, file an objection (*Rechtsvorschlag*) to bring the procedure to a halt and obtain an individual stay of proceedings. No reasons need to be given for the objection. The collection office notifies the creditor of the objection.

For claims based on an enforceable judgment, the creditor can without any further delay file an application to lift this stay with the court (*Rechtsöffnungsbegehren*). For claims not based on an enforceable judgment, but on a certified and/or signed document evidencing the claim, provisional lifting of such stay can be applied for in summary proceedings (*provisorische Rechtsöffnung*). In the event the objection is set aside in these summary proceedings, the debtor may within 20 days bring an action in ordinary court proceedings for negative declaration that the creditor's claim does not exist (*Aberkennungsklage*).

The creditor may then ask the debt collection office to issue a writ of continuation (*Fortsetzungsbegehren*) in relation to an existing writ of payment having full force and effect. The competent insolvency office delivers this writ of continuation to the debtor. The insolvency court may take preliminary measures to secure property of the debtor in case this is requested by a creditor and required to secure the creditor's rights. After 20 days from receipt of the threat of insolvency (*Konkursandrohung*), the creditor may petition the opening of insolvency proceedings. The competent insolvency court decides upon the insolvency without any delay, provided that there are no reasons which would lead to a suspension of the insolvency court's decision. In addition, the debtor has the right to file a request for a moratorium. The parties may file an appeal against any decision taken by the insolvency court.

However, the competent court may also declare a debtor bankrupt without such prior proceedings if the following requirements are met: (i) at the request of the debtor, if the debtor's board of directors or, in case of failure of the board of directors, the auditors of the company declare that the debtor is over-indebted (*überschuldet*) within the meaning of art. 725 (2) of the Swiss Code of Obligations (*Bundesgesetz vom 30. März 1911 betreffend die Ergänzung des Schweizerischen Zivilgesetzbuches: Obligationenrecht*, "**CO**") or if it declares to be insolvent (*zahlungsunfähig*) according to the DEBA, and (ii) at the request of a creditor, if the debtor fraudulently commits certain acts to the detriment of its creditors or ceases to make payments (*Zahlungseinstellung*) according to the DEBA or if certain events happen during composition proceedings. Generally, pursuant to Swiss corporate law, a debtor is over-indebted (*überschuldet*) when its liabilities exceed the value of its assets, which must be assessed pursuant to the accounting standards of the CO and on the basis of a balance sheet to be drawn up (i) on the basis of the liquidation value of the debtor's assets and (ii)—to the extent there is still a going concern scenario—based upon the going concern value. If the interim balance sheet shows that the creditors' claims are neither covered by assets valued at liquidation values nor at going concern values, the debtor's board of directors has to notify the insolvency court, provided that creditors of the debtor do not agree to subordinate their claims in the amount necessary to cover the over-indebtedness (Art. 725 CO). However, as soon as the debtor loses the going concern assumption for accounting purposes, going concern values become irrelevant and over-indebtedness is assessed solely based on liquidation values. While the criterion of over-indebtedness is based on a balance sheet test (rather than a liquidity test), it is important to note that a debtor's inability to pay its debts as and when they fall due may cause the debtor to lose the going concern assumption for accounting purposes and lead to an obligation to account for liquidation values. This, in turn, will typically result in over-indebtedness. The debtor's board of directors is obliged to file for insolvency without delay and non-compliance with this obligation exposes board of directors to both damage claims as well as sanctions under criminal law. The debtor's board of directors need not file for bankruptcy if (i) creditors with claims in an aggregate amount no lower than the amount of the debtor's over-indebtedness subordinate their claims against the claims of all other creditors, or (ii) if there is a substantiated likelihood for a financial restructuring (informal (i.e. out-of-court) workout) within a relatively short period of time. It is not settled in Swiss case law as to how long such period of time is supposed to be. However, many legal scholars consider such period to be four to six weeks. Finally, the debtor's auditors have the obligation to notify the competent court if the debtor's board of directors has failed to file for insolvency despite the debtor being obviously over-indebted.

The insolvency court orders the continuation of bankruptcy proceedings if certain requirements are met, in particular if there are sufficient assets to cover at least the costs of the insolvency proceedings. If the assets of the debtor are not expected to be sufficient, the bankruptcy court will only order to continue bankruptcy proceedings if creditors advance the costs of the bankruptcy proceedings themselves. In the absence of such advancement, the bankruptcy proceedings will be closed for insufficiency of assets (*Einstellung des Konkursverfahrens mangels Aktiven*). Alternatively, the bankruptcy office may request the bankruptcy court to resolve upon summary bankruptcy proceedings (*summarisches Konkursverfahren*), if the assets are not sufficient to cover the cost of ordinary insolvency proceedings and the actual facts of the case are not complicated. Also, in such case, creditors have the right to request ordinary bankruptcy proceedings.

Upon the opening of formal bankruptcy proceedings (*Konkurseröffnung*), the right to administer and dispose over the business and the assets of the debtor passes to the bankruptcy office (*Konkursamt*). The bankruptcy office has full administrative and disposal authority over the debtor's estate (*Konkursmasse*), provided that certain acts require the approval of the bankruptcy court. The creditors' meeting may appoint a private insolvency administration (private *Konkursverwaltung*) and, in addition, a creditors' committee (*Gläubigerausschuss*). In such case, the private bankruptcy administration will be competent to maintain and liquidate the debtor's estate. The creditors' committee has additional competences. The designated receiver in a bankruptcy proceeding (*Konkursverwaltung*) will draw up an inventory of the assets and, further to a creditors' call for the filing of claims, establish a schedule of claims (*Kollokationsplan*). Any creditor wishing to contest the schedule of claims because his claim has been entirely or partially rejected by the receiver in bankruptcy or not allocated in the rank requested must bring an action against the estate before the competent court. If any creditor wishes to contest the admission of another creditor to the schedule of claims or the allocated rank, he must bring an action against such creditor. Such court proceedings could cause holders of Notes to recover less than the principal amount of their Notes or less than they could recover in a United States liquidation. Such proceedings could also cause payment to the holders of the New Notes to be delayed, as compared with holders of undisputed claims.

Bankruptcy results in the acceleration of all claims against a debtor (secured or unsecured), except for those secured by a mortgage on the debtor's real property, and the relevant claims become due upon bankruptcy. As a result of such acceleration, a creditor's bankruptcy claim consists of the principal amount of the debt (discounted at 5% if not interest bearing), interest accrued thereon until the date of bankruptcy, and (limited) costs of enforcement. Upon bankruptcy, interest ceases to accrue. Only secured claims enjoy a preferential treatment insofar as interest that would have accrued until the collateral is realized will be honored if and to such extent as the proceeds of the collateral suffice to cover such interests.

All creditors, whether secured or unsecured (unless they have a segregation right (*Aussonderungsrecht*)), wishing to assert claims against the debtor need to participate in the bankruptcy proceedings. Swiss bankruptcy proceedings are collective proceedings and creditors may generally no longer pursue their individual claims separately, but can instead only enforce them in compliance with the restrictions of Swiss insolvency laws.

All assets at the time of the declaration of bankruptcy and all assets acquired or received subsequently form the bankrupt estate, which after deduction of costs and certain other expenses, are used to satisfy the creditors. Realization proceedings are governed by Swiss insolvency laws which provide for a public auction, or, subject to certain conditions, a private sale. Proceeds from enforcement are used to cover (i) enforcement costs, (ii) the claims of the secured creditors and (iii) any excess proceeds will be used to satisfy unsecured creditors.

Assets which are subject to a pledge and similar security rights are considered to be part of the debtor's estate (*Konkursmasse*) and will be realized by the bankruptcy administration. As a consequence, the private enforcement of pledged assets is not permitted and the enforcement mandatorily occurs according to the rules of the DEBA. The secured creditor is under an obligation to remit the pledged assets to the bankrupt estate. The assets are liquidated by the receiver in bankruptcy in the same manner as the other assets of the bankrupt estate, but the creditor secured by the pledge retains its privilege to be satisfied from the proceeds of the liquidation of the assets pledged to it with priority over the unsecured creditors. If the proceeds from the sale of the pledged assets exceed the secured claims, the surplus is available for distribution to the unsecured creditors. If the enforcement proceeds are not sufficient to fully satisfy the secured claims, the remainder of the claims have equal rank as unsecured claims with all other unsecured and (provided it is not a privileged claim) non-prioritized claims.

Claims assigned for security purposes by a Swiss Collateral Guarantor that come into existence prior to the opening of bankruptcy can be enforced by the secured creditor outside Swiss bankruptcy proceedings subject to potential avoidance actions. According to the current jurisprudence of the Swiss Federal Supreme Court, assigned claims that come into existence after the opening of bankruptcy over a Swiss entity or similar insolvency proceedings that lead to the loss of the capacity of the relevant assignor to dispose of such rights or claims may generally not be enforceable by the secured creditor and, hence, may fall within the bankruptcy estate and the secured creditor may not be entitled to such claims and the proceeds from an enforcement of such claims. With regard to assigned claims that come into existence prior to bankruptcy, enforcement in a strict sense is not necessary as the ownership has already been transferred to the secured party. Enforcement in this context essentially means that the obligation to return the transferred assets under the security agreement expires. However, this must follow similar rules as for the private enforcement of a pledge and must generally be made in accordance with the principle of good faith, adequately taking into account the security provider's interests, in particular the security interests are to be valued fairly, the valuation must be properly documented, the secured obligations must be repaid by set-off out of the proceeds of the realization and any surplus after satisfaction of the secured obligations must be accounted for and repaid to the party having granted security.

Final distribution of non-secured claims is based on a ranking of creditors in three classes. The first and the second class, which are privileged, comprise claims under employment contracts, accident insurance, pension plans and family law and claims for deposits under the Swiss Banking Act (*Bundesgesetz über die Banken und Sparkassen*). Certain privileges can also be claimed by the government and its subdivisions based on specific provisions of federal law. All other creditors are treated equally in the third class. A secured party participates in the third class to the extent its claim is not covered by its collateral.

As an alternative solution to bankruptcy, the debtor (or, under certain circumstances, a creditor) may seek a composition with creditors (*Nachlassverfahren*) by applying to the competent composition court (*Nachlassgericht*) for a moratorium (*Nachlassstundung*) and submitting, besides other documents, a tentative reorganization plan. The court immediately decides whether to grant the moratorium provisionally (*provisorische Stundung*) for a maximum period of four month or not. With its decision the court appoints a commissioner provisionally (*provisorischer Sachwalter*). In case during the period of the provisional moratorium a reorganization of the company or a composition agreement (*Nachlassvertrag*) appear promising, at a time before the provisional moratorium has expired, the court approves the moratorium definitely and appoints a commissioner (*Sachwalter*). The court may, where deemed necessary, also appoint a creditors' committee (*Gläubigerausschuss*) for the purpose of supervising the commissioner. The commissioner convokes a meeting of creditors (*Gläubigerversammlung*) which has to approve the draft composition agreement according to specific majority rules. The composition agreement (*Nachlassvertrag*) is subject to the approval of the composition court. The DEBA provides for three different types of composition agreements: The ordinary composition agreement (*ordentlicher Nachlassvertrag*), the composition agreement with assignment of assets (*Nachlassvertrag mit Vermögensabtretung*) and the composition agreement in bankruptcy proceedings (*Nachlassvertrag im Konkurs*). During a moratorium, debt collection proceedings cannot be initiated and pending proceedings are stayed. An assignment of claims for security purposes entered into by a Swiss entity prior to the granting of a moratorium is ineffective if the assigned claims come into existence only after the granting of a moratorium. Furthermore, the debtor's power to dispose of its assets and to manage its affairs is restricted. In case of a pledge, the secured party is not entitled to proceed with a private liquidation until the confirmation of the settlement by the competent court. A secured creditor participates in the settlement only for the amount of its claim not covered by the collateral. The moratorium does not affect the agreed due dates of debts (contrary to bankruptcy, in which case all debts become immediately due upon adjudication). The moratorium aims at facilitating the conclusion of one of the above composition agreements. Any composition agreement needs to be approved by the creditors and confirmed by the competent court. With the judicial confirmation, the composition agreement becomes binding on all creditors, whereby secured claims are only subject to the composition agreement to the extent that the collateral proves to be insufficient to cover the secured claims.

Foreign bankruptcy decrees issued in the country of a debtor's domicile may be recognized in Switzerland provided that, (i) the bankruptcy decree is enforceable in the country where it was issued, (ii) its recognition is, inter alia, not against Swiss public policy, and (iii) the country which issued the bankruptcy decree grants reciprocity to Switzerland.

Hardening Periods and Fraudulent Transfer

Under Swiss insolvency laws, the insolvency administration may, under certain conditions, claim for avoidance of transactions, such as, *inter alia*, the granting of or the payment under any guarantee or security or, if a payment has already been made under the relevant guarantee or security, require that the recipients return the amount received to the debtor's estate. In particular, a transaction (which term includes the granting of a guarantee, the provision of security and the payment of debt) detrimental to the debtor's other creditors may be avoided according to Swiss insolvency laws in the following cases if such acts result in damages to the creditors:

- The debtor has made a transaction being considered as a gift or a disposal of assets without any consideration, provided that the debtor made such transaction within the last year prior to the opening of formal insolvency proceedings (*Konkurseröffnung*) or the confirmation of the moratorium in case of a composition agreement with assignment of assets (*Nachlassvertrag mit Vermögensabtretung*). Similarly, transactions pursuant to which the debtor received a consideration which was disproportionate to its own performance, may be avoided. In case the beneficiary of the relevant transaction with the debtor is a related party, including without limitation a group company, the burden of proof is shifted: the beneficiary must in this case prove that such transaction was at arm's length.
- Certain acts are voidable if performed by the debtor within the last year prior to the opening of formal insolvency proceedings (*Konkurseröffnung*) or the confirmation of the moratorium in case of a composition agreement with assignment of assets (*Nachlassvertrag mit Vermögensabtretung*), provided that the debtor was already over-indebted at that time: (i) granting of security for existing claims, provided that the debtor was not previously obliged to grant such security, (ii) payment of a monetary obligation (*Geldschuld*) in any other way than by payment in cash (*Barschaft*) or other customary means of payment, and (iii) the payment of a debt not yet due. However, any avoidance action is dismissed if the beneficiary of the transaction can prove that it was not aware of the debtor's over-indebtedness and, being diligent, could not know that the debtor had been over-indebted at that time.
- Furthermore, any acts performed within the last five years prior to, inter alia, the opening of formal insolvency proceedings (*Konkurseröffnung*) or the confirmation of the moratorium in case of a composition agreement with assignment of assets (*Nachlassvertrag mit Vermögensabtretung*) performed by the debtor with the intention to discriminate some creditors against others or to favor some creditors to others are voidable if such intention was, or exercising the requisite due diligence, must have been known to the debtor's counterparty. In case the beneficiary of the relevant transaction with the debtor is a related party, including without limitation a group company, the burden of proof is shifted: the beneficiary must in this case prove that such intention was not recognizable.

The transactions potentially subject to avoidance also include those contemplated by the relevant Swiss Collateral Guarantor's New Guarantee or the granting of security interests. If any guarantee or security is avoided as summarized above or held unenforceable for any other reason, the claimant would cease to have any claim in respect of the guarantee and would have a claim solely under the Notes and the remaining guarantees, if any. Any amounts obtained from transactions that have been avoided would have to be repaid.

Trinidad and Tobago

Limitations on Validity and Enforceability of the New Guarantees and Certain Insolvency Law Considerations

Guarantees and Security

The guarantee and security given by the Trinidad and Tobago Guarantor will be limited by Section 56 of the Companies Act, Chap. 81:01 (the "**Companies Act**"), because the Trinidad and Tobago Guarantor is seeking to give financial assistance by way of a guarantee and security to its parent company. The issue of whether the Trinidad and Tobago Guarantor can give a guarantee and security in this transaction, and the value of the guarantee and security has to be determined by the directors of the Trinidad and Tobago Guarantor applying an asset value test and a liquidity test.

Section 56(1) of the Companies Act provides as follows:

"*56. (1) When circumstances prejudicial to the company exist, the company or any company with which it is affiliated shall not, directly or indirectly, give financial assistance by means of a loan, guarantee or otherwise—*

> *(a) to a shareholder, director, officer or employee of the company or affiliated company, or to an associate of any such person for any purpose; or*
>
> *(b) to any person for the purpose of, or in connection with, a purchase of a share issued or to be issued by the company or a company with which it is affiliated*.

Section 56(2) of the Companies Act further provides that circumstances prejudicial to the company exist in respect of financial assistance when there are reasonable grounds for believing that:

(a) the company is unable or would, after giving the financial assistance, be unable to pay its liabilities as they become due (in other words, a liquidity or cash flow test); or

(b) the realizable value of the company's assets, excluding the amount of any financial assistance in the form of a loan and in the form of assets pledged or encumbered to secure a guarantee, would, after giving the financial assistance, be less than the aggregate of the company's liabilities and stated capital of all classes (in other words, an asset value or solvency test).

Insolvency Proceedings

The Bankruptcy and Insolvency Act Chap. 9:70 (the "**BIA**"), took effect on May 26, 2014 by proclamation of the President (save for Part XI dealing with International Insolvencies). The BIA is aimed at the rehabilitation of insolvent companies and facilitates the formulation and acceptance of a restructuring plan under the supervision of the High Court. The infrastructure for this new regime is currently being put into place, starting with the appointment of an interim Supervisor of Insolvency and the licensing of trustees.

The BIA, however, did not repeal the winding up provisions contained in the Companies Act. Accordingly, there are two separate regimes under these two pieces of legislation.

The Companies Act

The Companies Act provides that a company may be wound up by the Court or voluntarily. A company may be wound up by the Court if (a) the company has by special resolution resolved that it be wound up by the Court, (b) the company does not commence its business within a year from its incorporation, or suspends its business for a whole year, (c) the company is unable to pay its debts (that is where a creditor to whom the company is indebted in a sum exceeding Five Thousand Trinidad and Tobago dollars (TT$5,000.00) then due, has served on the company a demand requiring the company to pay the sum so due, and the company has for three (3) weeks thereafter neglected to pay the sum, or to secure or compound for it to the reasonable satisfaction of the creditor), (d) an inspector appointed under the Companies Act has reported that he is of the opinion that the company cannot pay its debts and should be wound up or that it is in the interests of the public or the shareholders or creditors that the company should be wound up, or (e) the Court is of the opinion that it is just and equitable that the company should be wound up. The application to the Court for the winding up of a company is made by petition presented by the company, a creditor or its personal representative, a contributory or its personal representative, or any two or more of these persons. However, an order for winding up a company shall operate in favor of all the creditors and of all the contributories of the company, as if made on the joint application of a creditor and of a contributory.

A company may be wound up voluntarily by resolution of the shareholders of the company, that is, a members' voluntary winding up ("**MVW**") or by a creditors' voluntary winding up ("**CVW**"). In a MVW, the company's directors must make a declaration in accordance with Section 410(1) of the Companies Act and lodge same with the Registrar of Companies stating that they have made a full enquiry into the affairs of the company and have formed the opinion that the company will be able to pay its debts in full within a period not exceeding twelve (12) months from the commencement of the winding up. A winding up where such a declaration is not made and registered is referred to as a CVW.

The liquidator is required to take into his or her custody or control all the property which the company is or appears to be entitled to and is empowered to bring or defend proceedings, carry on the business, pay creditors, compromise claims, and sell real and personal property. Any creditor or contributory may apply to the High Court with respect to the exercise by the liquidator of his or her powers. The liquidator is required to have regard to any directions given by the creditors or contributors by resolution in general meeting. Separate meetings of the creditors and contributors may determine whether a committee of inspection should be appointed to act with the liquidator and the composition of such committee.

The High Court may fix a time or times under which creditors are to prove their debts or claims after which they will be excluded from the benefit of any distribution before these debts are proved. In the event of the assets being insufficient to satisfy the liabilities, the High Court may make an order as to the payment out of the assets, charges and expenses of the winding-up in such order of priority as the High Court deems fit.

In the event of a liquidation under Trinidad and Tobago law of the Trinidad and Tobago Guarantor, the liabilities of the Trinidad and Tobago Guarantor to its unsecured creditors will be satisfied only after payment of all secured indebtedness (to the extent of the assets securing that indebtedness) and after payment of all claims entitled to priority under Trinidad and Tobago insolvency law. Currently, the debts entitled to priority include:

(i) rates, taxes, charges, assessments or impositions imposed or made by any Governmental Authority of the Republic of Trinidad and Tobago under provisions of any statute of the Republic of Trinidad and Tobago due and payable, and all contributions due and payable to the Trinidad and Tobago National Insurance Board, in each case to the extent due and payable within twelve months prior to the "relevant date" as defined in Section 435 of the Companies Act;

(ii) wages and salaries due and payable in respect of services rendered to the company by its employees to the extent due and payable within four months prior to said "relevant date;"

(iii) severance benefits (including termination benefits) due and payable pursuant to Section 18(6) of the Trinidad and Tobago Retrenchment and Severance Benefits Act in an amount not to exceed two months' wages or salary; and

(iv) workmen's compensation as may be due and payable in accordance with Section 435 of said Companies Act.

The BIA

The BIA is aimed at the rehabilitation of insolvent companies and has created an alternative process to the liquidation of a debtor by facilitating the formulation and acceptance of a restructuring plan under the supervision of the High Court. An insolvent person (that is, a person who is not bankrupt but is unable to meet its obligations as they become generally due or the aggregate of whose property is not sufficient to enable payment of all its obligations due and accruing due), a receiver or a liquidator may make a proposal for a composition, an extension of time or a scheme of arrangement by filing same (or a Notice of Intention) with the Supervisor of Insolvency. The filing of the proposal or notice of intention creates a stay of proceedings for the recovery of a claim provable in bankruptcy and the crystallization of any lien on assets of the debtor (Section 55(1) of the BIA) until the trustee has been discharged or the insolvent person becomes bankrupt. In addition, the debtor must file a cash flow statement within ten days of the commencement of the proposal process. A meeting of creditors will be held to approve the terms of the proposal.

Where an insolvent company makes a proposal to its creditors which proposal is not accepted, the insolvent company is deemed to have made an assignment at the time of the refusal. Alternatively, a debtor may make a voluntary assignment for the benefit of his creditors. An assignment is an act of bankruptcy and when presented to the Supervisor of insolvency, a trustee in bankruptcy is appointed.

The creditor may apply for a receiving order once the debtor has committed an act of bankruptcy. In accordance with Section 5(1) of the BIA, the petition must allege that the debt owing is not less than Ten Thousand Trinidad and Tobago dollars (TT$10,000.00) and the debtor has committed an act of bankruptcy within six (6) months immediately preceding the filing of the petition. It must be accompanied by affidavit. Once the petition is granted, the Court shall appoint a licensed trustee in bankruptcy.

Once an assignment is made or receiving order granted, the trustee has full control of the deeds, books, records and all the property of the bankrupt for the purpose of liquidation and distribution amongst the creditors as they are entitled.

Under the BIA an insolvent company is protected from the claims of its creditors once a notice of intention or proposal has been filed by providing for a stay of proceedings (Section 55 of the BIA).

Generally the bankruptcy of any debtor creates a stay of proceedings such that no creditor has any remedy against the debtor or its property or can commence or continue any enforcement proceedings against the debtor. However, the bankruptcy of a debtor does not prevent a secured creditor from realizing or otherwise dealing with his security in the same manner as if there was no such stay of proceedings, unless the Court orders otherwise. The Court will not postpone the right of the secured creditor to realize or otherwise deal with his security except:

(a) in the case of a security for a debt that is due at the date the bankrupt became bankrupt or that becomes due not later than six (6) months thereafter, that right shall not be postponed for more than six (6) months from that date; and

(b) in the case of a security for debt that does not become due until more than six (6) months after the date the bankrupt became bankrupt, that right shall not be postponed for more than six months from that date, unless all instalments of interest that are more than six (6) months in arrears are paid and all other defaults of more than six months standing are cured, and then only so long as no instalment of interest remains in arrears or defaults remain unsecured for more than six (6) months, but, in any event, not beyond the date at which the debt secured by the security becomes payable under the instrument or law creating the security: Section 56(2) of the BIA.

Fraudulent Transaction

In an insolvency proceeding, it is possible that creditors of the Trinidad and Tobago Guarantor may challenge the guarantee and the security as a fraudulent transfer or conveyance or on other grounds if it is made within the period beginning three (3) months before the date of the initial bankruptcy event and ending on the date of the insolvent person became bankrupt. There is no assurance that a Trinidad and Tobago court will not determine, regardless of whether or not the Trinidad and Tobago Guarantor was insolvent on any such date or time, that the giving of the New Guarantee or security or payments to holders of the New Notes constituted such a fraudulent transfer or conveyance or are ineffective, unenforceable, void or voidable on any other grounds.

Stamp Duty

Additionally, in Trinidad and Tobago, in the event that the holders of the New Notes intend or wish to directly enforce in Trinidad and Tobago the guarantee and security of the Trinidad and Tobago Guarantor, or to the extent that matters relating to such guarantee and security are raised directly in a Trinidad and Tobago court, the court would be entitled to refrain from acting upon the guarantee and security unless the appropriate stamp duty had been paid with respect to the guarantee and security. While it is not intended to pay stamp duty on the guarantee and security made by the Trinidad and Tobago Guarantor, and failure to pay stamp duty does not render the guarantee and security given by the Trinidad and Tobago Guarantor void or invalid, it does render the guarantee and security unenforceable by a Trinidad and Tobago court until such stamp duty is paid. Stamp duty may be paid on the guarantee and security at any time, as long as it is paid within sixty (60) days of its physical entry into Trinidad and Tobago. The guarantee and security may also be stamped after the sixty (60) day period, but will be subject to payment of certain penalties. Because the guarantee and security will be executed and held outside of Trinidad and Tobago, the requirement to pay stamp duty will only arise upon the physical entry of the guarantee and security into Trinidad and Tobago.

INDEX TO THE FINANCIAL STATEMENTS

SWISSPORT GROUP S.À R.L.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

Condensed Consolidated Balance Sheet

as at

(all amounts in millions of Euro, unless otherwise stated)

ASSETS	Note	31 Mar 2017	31 Dec 2016
Non-current assets			
Property, vehicles and equipment		276.2	273.6
Goodwill		2,283.8	2,299.8
Other intangible assets		477.6	480.0
Investments in associates and joint ventures		36.5	35.9
Available-for-sale financial assets		2.0	2.0
Deferred tax assets		24.5	26.7
Prepayments and receivables		56.1	57.0
		3,156.7	**3,175.0**
Current assets			
Inventories		11.2	11.6
Trade and other receivables		485.1	474.0
Current tax assets		5.7	4.6
Available-for-sale financial assets		-	2.1
Cash and cash equivalents		116.2	132.1
		618.2	**624.4**
Total assets		**3,774.9**	**3,799.4**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent			
Share capital and share premium		1,508.7	1,508.7
Fair value reserve		-	(0.1)
Currency translation reserve		(46.5)	(24.5)
Retained earnings		(231.0)	(175.0)
		1,231.2	**1,309.1**
Non-controlling interest		**41.6**	**37.9**
Total equity		**1,272.8**	**1,347.0**
Liabilities			
Non-current liabilities			
Borrowings	7	755.4	733.7
Provisions		124.4	136.2
Employee benefit obligations		298.3	274.9
Deferred tax liabilities		70.6	71.0
		1,248.7	**1,215.8**
Current liabilities			
Borrowings	7	720.8	728.4
Provisions		66.9	56.1
Current tax liabilities		17.2	19.0
Trade and other payables		448.5	433.1
		1,253.4	**1,236.6**
Total liabilities		**2,502.1**	**2,452.4**
Total equity and liabilities		**3,774.9**	**3,799.4**

Condensed Consolidated Income Statement

for the periods from

(all amounts in millions of Euro, unless otherwise stated)

	Note	1 Jan 2017 to 31 Mar 2017	*4 Nov 2015 to 31 Mar 2016
Revenue		655.2	410.3
Other operating income		25.7	14.0
Total revenue and other operating income		**680.9**	**424.3**
Goods and services purchased		(104.3)	(63.9)
Personnel expenses		(463.5)	(279.8)
Other operating expenses		(96.6)	(61.1)
Depreciation of property, vehicles and equipment		(14.2)	(8.9)
Amortisation of intangible assets		(6.3)	(3.9)
Total operating expenses (excluding acquisition and integration costs)		**(684.9)**	**(417.6)**
Share of results of associates and joint ventures		1.9	0.6
Operating (loss) / profit before acquisition and integration costs		**(2.1)**	**7.3**
Acquisition costs		-	(2.7)
Integration costs		-	(0.2)
Operating (loss) / profit		**(2.1)**	**4.4**
Finance expense	5	(54.4)	(146.1)
Finance income	6	24.7	7.1
(Loss) / profit before income tax		**(31.8)**	**(134.6)**
Income taxes		(6.2)	(5.8)
(Loss) / profit for the period		**(38.0)**	**(140.4)**
Attributable to:			
Owners of the parent		(42.2)	(141.8)
Non-controlling interest		4.2	1.4

*Certain comparative amounts have been restated as per note 3.

Condensed Consolidated Statement of Comprehensive Income

for the periods from

(all amounts in millions of Euro, unless otherwise stated)

	1 Jan 2017 to 31 Mar 2017	*4 Nov 2015 to 31 Mar 2016
(Loss) / profit for the period	**(38.0)**	**(140.4)**
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Re-measurement of net defined benefit obligation	(13.8)	(33.7)
Total items that will not be reclassified to profit or loss	(13.8)	(33.7)
Items that are or may be reclassified subsequently to profit or loss		
Net change in fair value of available-for-sale financial assets	0.1	-
Currency translation differences	(22.5)	6.5
Total items that are or may be reclassified subsequently to profit or loss	(22.4)	6.5
Total other comprehensive income for the period, net of tax	(36.2)	(27.2)
Total comprehensive income for the period, net of tax	**(74.2)**	**(167.6)**
Attributable to:		
Owners of the parent	(77.9)	(168.5)
Non-controlling interest	3.7	0.9

The net change in fair value of available-for-sale financial assets, currency translation differences and the re-measurements of net defined benefits obligation in the statement above are disclosed net of tax. The tax impact for the period 4 November 2015 to 31 March 2016 is a credit of MEUR 2.4 and for the period 1 January to 31 March 2017 is a credit of MEUR 5.2.

*(Loss) / profit for the period 4 November 2015 until 31 March 2016 has been restated as per note 3.

Condensed Consolidated Statement of Changes in Equity

for the period ended 31 March 2017

(all amounts in millions of Euro, unless otherwise stated)

	Note	Attributable to owners of the parent					Non-controlling interest	Total equity
		Share capital and share premium	Fair value reserve	Currency translation reserve	Retained earnings	Total		
Balance at 1 January 2017		**1,508.7**	**(0.1)**	**(24.5)**	**(175.0)**	**1,309.1**	**37.9**	**1,347.0**
(Loss) / profit for the period		-	-	-	(42.2)	(42.2)	4.2	(38.0)
Other comprehensive income								
Net change in fair value of available-for-sale financial assets		-	0.1	-	-	0.1	-	0.1
Re-measurement of net defined benefit obligation		-	-	-	(13.8)	(13.8)	-	(13.8)
Currency translation differences		-	-	(22.0)	-	(22.0)	(0.5)	(22.5)
Total other comprehensive income, net of tax		-	0.1	(22.0)	(13.8)	(35.7)	(0.5)	(36.2)
Total comprehensive income, net of tax		**-**	**0.1**	**(22.0)**	**(56.0)**	**(77.9)**	**3.7**	**(74.2)**
Total transactions with owners		-	-	-	-	-	-	-
Balance at 31 March 2017		**1,508.7**	**-**	**(46.5)**	**(231.0)**	**1,231.2**	**41.6**	**1,272.8**

Condensed Consolidated Statement of Changes in Equity

for the period ended 31 March 2016 *

(all amounts in millions of Euro, unless otherwise stated)

	Note	Attributable to owners of the parent						
		Share capital and share premium	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 4 November 2015		0.0	-	-	-	0.0	-	0.0
(Loss) / profit for the period		-	-	-	(141.8)	(141.8)	1.4	(140.4)
Other comprehensive income								
Re-measurement of net defined benefit obligation		-	-	-	(33.7)	(33.7)	-	(33.7)
Currency translation differences		-	-	7.0	-	7.0	(0.5)	6.5
Total other comprehensive income, net of tax		-	-	7.0	(33.7)	(26.7)	(0.5)	(27.2)
Total comprehensive income, net of tax		**-**	**-**	**7.0**	**(175.5)**	**(168.5)**	**0.9**	**(167.6)**
Transactions with owners								
Contributions by / (distributions to) owners								
Issue of share capital		1,472.3	-	-	-	1,472.3	-	1,472.3
Share premium		-	-	-	-	-	(0.2)	(0.2)
Total contributions by / (distributions to) owners		1,472.3	-	-	-	1,472.3	(0.2)	1,472.1
Changes in ownership interests in subsidiaries								
Non-controlling interest arising from business combination		-	-	-	-	-	27.7	27.7
Written put option on non-controlling interest		-	-	-	(7.8)	(7.8)	-	(7.8)
Total changes in ownership interest in subsidiaries		-	-	-	(7.8)	(7.8)	27.7	19.9
Total transactions with owners		**1,472.3**	**-**	**-**	**(7.8)**	**1,464.5**	**27.5**	**1,492.0**
Balance at 31 March 2016		**1,472.3**	**-**	**7.0**	**(183.3)**	**1,296.0**	**28.4**	**1,324.4**

*(Loss) / profit for the period 4 November 2015 until 31 March 2016 has been restated as per note 3.

Condensed Consolidated Cash Flow Statement

for the periods from

(all amounts in millions of Euro, unless otherwise stated)

	Note	1 Jan 2017 to 31 Mar 2017	*4 Nov 2015 to 31 Mar 2016
Cash flow from operating activities			
(Loss) / profit for the period		(38.0)	(140.4)
Adjustments for:			
- Income tax expense		6.2	5.8
- Net finance expense	5, 6	29.7	139.0
- Depreciation of property, vehicles and equipment		14.2	8.9
- Amortisation of intangibles assets		6.3	3.9
- Pensions, provisions and other items		3.9	(3.6)
Changes in inventories		0.3	1.0
Changes in trade and other receivables		(11.6)	9.3
Changes in trade and other payables		2.4	(27.8)
Income tax paid		(9.3)	(3.8)
Dividends received		1.7	-
Total cash flow from operating activities		**5.8**	**(7.7)**
Cash flow from investing activities			
Acquisitions of subsidiaries, net of cash and cash equivalents acquired		-	(1,220.1)
Disposals of subsidiaries, net of cash and cash equivalents disposed		-	(15.0)
Purchase of property, vehicles and equipment		(15.1)	(9.5)
Proceeds from sale of property, vehicles and equipment		3.3	1.3
Purchase of intangible assets		(3.4)	(1.5)
(Increase) in restricted cash		(1.2)	(38.2)
Interest received		0.6	0.4
Proceed from sale of available-for-sale financial assets		2.9	-
Total cash flow (used in) investing activities		**(12.9)**	**(1,282.6)**
Cash flow from financing activities			
Issuance of share capital/equity contribution		-	1,472.3
Proceeds from borrowings		14.1	1,385.8
Bank charges and other financial costs paid	5	(1.8)	(1.0)
Interest paid		(12.9)	(5.8)
Repayment of borrowings		-	(1,274.8)
Penalty for early termination of financing	5	-	(24.0)
Financing and retainer fees paid		-	(60.6)
Dividends paid to non-controlling interests		-	(0.2)
Payment on settlement of FX forward contract		-	(41.5)
Total cash flow from / (used in) financing activities		**(0.6)**	**1,450.2**
Net increase in cash and cash equivalents		**(7.7)**	**159.9**
Opening cash and cash equivalents		132.1	-
Exchange loss on cash and cash equivalents		(8.2)	(20.1)
Cash and cash equivalents at 31 March		**116.2**	**139.8**

*(Loss) / profit for the period 4 November 2015 until 31 March 2016 has been restated as per note 3.

Notes to the Condensed Consolidated Interim Financial Statements

1. General information

Swissport Group S.à r.l. ('the Company') and its subsidiaries (together 'the Group' or 'the Swissport Group') provide Ground Handling and Cargo Handling services to many of the world's leading airlines in 48 countries.

The holding company of the Group is Swissport Group S.à r.l. which is a limited company domiciled in Luxembourg and was legally incorporated on 4 November 2015 with a starting capital of TEUR 12.5. The address of the registered office is:

Swissport Group S.à r.l.

9, allée Scheffer

L-2520 Luxembourg

Swissport Investments S.A., a company 100% owned and controlled by Swissport Group S.à r.l., acquired Aguila 2 S.à r.l. (former Aguila 2 S.A.), the sole shareholder of Swissport Financing S.à r.l. (former Aguila 3 S.A.), from its former owner PAI Partners. With the acquisition of Aguila 2 S.à r.l. (former Aguila 2 S.A.), Swissport Group acquired the Swissport Financing Group (former Aguila 3 Group) ventures (as it existed with Swissport Financing S.à r.l. (former Aguila 3 S.A.) as its holding company) including all its operating subsidiaries and stakes in associated and joint undertakings. For accounting purposes Swissport Group has consolidated the results of the acquired Swissport Financing Group (former Aguila 3 Group) from 1 February 2016. The transaction was finalized on 10 February 2016, the date of the transfer of Aguila 2 S.à r.l. (former Aguila 2 S.A.)'s shares from the seller, PAI Partners SAS, to Swissport Investments S.A..

The condensed consolidated interim financial statements of the Group for the three months period ended 31 March 2017 comprise the Company and its subsidiaries and interests in associates and joint ventures.

These condensed consolidated interim financial statements were issued on 10 July 2017.

2. Statement of compliance

These condensed consolidated interim financial statements for the period ended 31 March 2017 have been prepared in accordance with IAS 34, 'Interim Financial Reporting'. The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. These condensed consolidated interim financial statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

3. Accounting policies

The same accounting policies have been followed in these condensed consolidated interim financial statements as were applied in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2016.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its financial obligations as disclosed in Note 7.

3.1. Restatements

Restatement of comparative amounts based on finalisation of acquisition accounting

The accounting for the acquisition of the Swissport Group was provisional as of 31 March 2016 and finalized by 31 December 2016. Comparative amounts have been restated as if the accounting had been finalised as of the acquisition date which requires a restatement of the condensed consolidated income statement for the period 4th November 2015 – 31 March 2016. This is correctly reflected in the financial statements ended December 31, 2016.

Restatement of comparative amounts based on subsequent events

Subsequent events (note 9) triggered an adjustment of the capitalized transaction costs related to the Term Loan B which resulted in an additional finance expense of MEUR 32.0. This is correctly reflected in the financial statements ended December 31, 2016.

The adjustments based on these restatements are as follows:

	Reported MEUR	Adjustment MEUR	Restated MEUR
Goods and services purchased	(63.7)	(0.2)	(63.9)
Other operating expenses	(62.4)	1.3	(61.1)
Depreciation of property, vehicles and equipment	(9.0)	0.1	(8.9)
Amortisation of intangible assets	(3.0)	(0.9)	(3.9)
Finance income	11.3	(4.2)	7.1
Finance expense	(113.6)	(32.5)	(146.1)
Income taxes	(5.6)	(0.2)	(5.8)
Net impact on Condensed Consolidated Income Statement and the Condensed Consolidated Statement of Comprehensive Income		**(36.6)**	

These restatements are as well reflected in note 5 and 6 within this these Condensed Consolidated Interim Financial Statements for the period ended 31 March 2016.

Restatement of comparative amounts for presentation purposes

Besides the restatements as mentioned before, certain comparative amounts are reclassified for presentation purposes and presented in line with these Condensed Consolidated Interim Financial Statements for the period ended 31 March 2016.

3.2. Adoption of standards and interpretations in 2017 and later

New or amended IFRS standards and interpretations that are effective for the 2017 reporting year are either not applicable to the Group, or do not have a material impact on these condensed consolidated interim financial statements. The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses as well as the disclosure of contingent liabilities. Actual results may differ from these estimates. Critical judgments made by management in the application of IFRS and key sources of estimation uncertainties were the same as those that applied to the consolidated financial statements of the Group for the year ended 31 December 2016.

A number of new, revised or amended standards and new and revised interpretations have been published and are effective for the Group's accounting periods beginning on or after 1 January 2017, but the Group has not early adopted them. Their impact on the consolidated financial statements of the Group has not been systematically analysed yet. The expected effects as disclosed in the table below reflect a first assessment by Group management.

New, revised or amended standards and interpretations	*Effective date*	*Planned application by the Group*
Amendments to IFRS 16: Leases (not yet endorsed by the EU)**	1 January 2019	Reporting year 2019
IFRS 9 Financial Instruments **	1 January 2018	Reporting year 2018
IFRS 15 Revenue from Contracts with Customers**	1 January 2018	Reporting year 2018
Amendments to IFRS 2: Share-based Payment (not yet endorsed by the EU)*	1 January 2018	Reporting year 2018
Amendments to IAS 7: Statement of Cash Flow (not yet endorsed by the EU)*	1 January 2017	Reporting year 2017
Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses (not yet endorsed by the EU)*	1 January 2017	Reporting year 2017

* No or no significant impacts are expected on the consolidated financial statements.

** The impacts on the consolidated financial statements cannot be determined with sufficient reliability yet.

3.3. Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016.

Measurement of fair values

The tables below analysed financial assets and liabilities carried at fair value, by the levels in the fair value hierarchy. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

31 March 2017

	Level 1 MEUR	Level 2 MEUR	Level 3 MEUR	Total MEUR
Available-for-sale financial assets	-	0.1	1.9	2.0
Total assets	**-**	**0.1**	**1.9**	**2.0**

31 December 2016

	Level 1 MEUR	Level 2 MEUR	Level 3 MEUR	Total MEUR
Available-for-sale financial assets	2.1	0.1	1.9	4.1
Total assets	**2.1**	**0.1**	**1.9**	**4.1**

The tables do not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if transactions for asset or liability take place with sufficient frequency and volume to provide information on an ongoing basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of derivative instruments included in this category is determined based on current and available market data. If fair value of financial instruments is not determinable the valuation is at cost (level 3).

4. Segment information

(a) Description of operating segments

Information about operating segments is reported in a manner consistent with the information needs of the Group Executive Management ("GEM"). As of 31 March 2017 the GEM consisted of eight members including the Group Chief Executive Officer and the Chief Financial Officer. The GEM has been identified as the Group's Chief Operating Decision Maker. Each operating segment engages in business activities from which it earns revenues and incurs expenses. Results of the operating segments are reviewed regularly by the GEM when making decisions about resource allocation between segments and performance assessment is based on the results of the operating segments.

The Group is focused on two areas of activity, Ground Handling and Cargo Handling. Core Ground Handling services include ramp and passenger handling, baggage services, lounge and ticketing supervision, cabin cleaning, de-icing, e-services, passengers with reduced mobility handling and executive aviation. Ground Handling also includes the provision of speciality services which are complementary to the core Ground Handling services. These services include fuelling, aircraft maintenance and aviation security. Cargo Handling services include physical import and export handling of cargo, warehousing and storage of cargo, document handling, trucking and mail handling. The Group's Ground Handling activities are managed and identified as one operating segment. The Group's Cargo Handling activities are also managed and identified as one operating segment. The Group's two operating segments meet the required quantitative thresholds as outlined in IFRS 8, 'Operating Segments,' and are therefore presented as operating segments. The column "Other / Eliminations" consists of head office results and eliminations. It does not contain other segment results.

Therefore, the Group's operating segments are:

- Ground Handling, and
- Cargo Handling.

The accounting policies of the operating segments are the same as applied in these condensed consolidated interim financial statements. Revenues as presented in the segment information note comprise other operating income.

Our two operating segments follow different seasonal patterns. The ground handling business follows, to a certain extent, local and regional holiday calendars and is influenced, to a certain degree, by weather conditions (especially the de-icing activities during the winter months). The fact that we offer ground handling services in the Northern and Souther hemisphere helps to balance and smooth out some of the impacts. The cargo business follows more global patterns through the year and is strongly influenced by cycles in the world economy. For instance, we experience strong tonnage volumes before the annual Christmas trade and weaker volumes around Chinese New Year.

(b) Segment information

Segment revenue:

The segment revenue information provided to the GEM for the reportable segments consist of revenue and other operating income before unallocated other income and reporting adjustments.

Segment revenue for period from:

	Ground Handling	Cargo Handling	Other / Eliminations	Total
	MEUR	MEUR	MEUR	MEUR
1 January 2017 to 31 March 2017	560.6	120.5	(0.2)	680.9
4 November 2015 to 31 March 2016	347.9	76.7	(0.3)	424.3

Reconciliation of segment revenue to the condensed consolidated income statement for the period from:

Segment revenues:

	1 Jan 2017 to 31 Mar 2017	4 Nov 2015 to 31 Mar 2016
	MEUR	MEUR
Revenue – for operating segments	681.1	424.6
Revenue – Other / Eliminations	(0.2)	(0.3)
Revenue and other operating income per condensed consolidated income statement	**680.9**	**424.3**
Less other operating income	(25.7)	(14.0)
Revenue per condensed consolidated income statement	**655.2**	**410.3**

The GEM assesses the performance of the operating segments based on Swissport EBITDA. Swissport EBITDA is operating profit before acquisition and integration costs, as included in the condensed consolidated income statement, before depreciation, amortisation, restructuring costs, non-cash pension expenses and other long term employee benefits, unallocated other income and reporting adjustments.

Segment result (Swissport EBITDA) for the period from:

	Ground Handling	Cargo Handling	Other / Eliminations	Total
	MEUR	MEUR	MEUR	MEUR
1 January 2017 to 31 March 2017	22.7	8.8	(4.3)	27.2
*4 November 2015 to 31 March 2016	17.4	4.8	0.4	22.6

*Certain comparative amounts have been restated as per note 3.

Reconciliation of segment result (Swissport EBITDA) to the condensed consolidated income statement from:

	1 Jan 2017 to 31 Mar 2017 MEUR	*4 Nov 2015 to 31 Mar 2016 MEUR
Swissport EBITDA – for operating segments	31.5	22.2
Swissport EBITDA – other / eliminations	(4.3)	0.4
Subtotal	**27.2**	**22.6**
Amortisation of intangible assets	(6.3)	(3.9)
Depreciation of property, vehicles and equipment	(14.2)	(8.9)
Non-cash pension expenses and other long-term employee benefits	(8.5)	(1.8)
Restructuring and onerous contract charge	(0.5)	(0.9)
Unallocated other income and reporting adjustments	0.2	0.2
Operating (loss) / profit before acquisition and integration costs	**(2.1)**	**7.3**
Acquisition costs	-	(2.7)
Integration costs	-	(0.2)
Operating (loss) / profit per condensed consolidated income statement	**(2.1)**	**4.4**
Finance expense	(54.4)	(146.1)
Finance income	24.7	7.1
Loss before income tax per condensed consolidated income statement	**(31.8)**	**(134.6)**

5. Finance expense

	1 Jan 2017 to 31 Mar 2017 MEUR	*4 Nov 2015 to 31 Mar 2016 MEUR
Interest expense	(27.3)	(62.8)
Realised foreign exchange losses	(10.2)	(45.3)
Unrealised foreign exchange losses	(12.2)	(11.7)
Bank charges	(1.6)	(1.1)
Penalty for early termination of financing	-	(24.0)
Net interest costs of defined benefit plans	(0.9)	(0.5)
Other financial costs	(2.2)	(0.7)
Total	**(54.4)**	**(146.1)**

Expensed transaction costs are presented together with interest expense within the interest expense line. Included in the interest expense for the period ended 31 March 2017 is MEUR 15.8 (31 March 2016: MEUR 16.2) of accrued interest on the bond notes, MEUR 5.7 (31 March 2016: MEUR 5.8) of accrued interest on the term loan facility and MEUR 0.9 (31 March 2016: MEUR 34.9) of expensed transaction costs (refer also to note 9). Penalty fees have been paid in 2016 due to the early repayment of the bond issued by Swissport Financing (former Aguila 3).

6. Finance income

	1 Jan 2017 to 31 Mar 2017 MEUR	*4 Nov 2015 to 31 Mar 2016 MEUR
Interest income	0.5	0.2
Realised foreign exchange gains	10.3	(0.1)
Unrealised foreign exchange gains	13.1	7.0
Other financial income	0.8	-
Total	**24.7**	**7.1**

*Certain comparative amounts have been restated as per note 3.

7. Borrowings

Current	31 Mar 2017 MEUR	31 Dec 2016 MEUR
Term Loan B	660.0	660.0
Bank loans	14.7	13.5
Subordinated shareholder loan (note 8)	20.0	20.0
Loans from related parties (note 8)	0.6	7.6
Finance lease liabilities	9.1	10.1
Other	16.4	17.2
Total	**720.8**	**728.4**

Non-current	31 Mar 2017 MEUR	31 Dec 2016 MEUR
Notes	657.3	656.4
Bank loans	65.0	47.5
Loans from other third parties	11.0	10.6
Finance lease liabilities	14.3	12.7
Other	7.8	6.5
Total	**755.4**	**733.7**

The Notes are listed on the Euro MTF market of the Luxembourg Stock Exchange. The carrying amounts of the Notes is presented net of the directly attributable transaction costs incurred in connection with the issuance. Given the circumstances outlined below and in note 9, the MEUR 660 Term Loan B due 2022 is presented as current borrowings and at its principal value.

As per 31 March 2017 the Group has the following Notes outstanding:

Notes	Issue Date	Principal	Currency	Issue price in %	Interest rate in %	Maturity date
Senior Secured Notes	15.12.2015	400.0	MEUR	100.00%	6.750%	15.12.2021
Senior Notes	15.12.2015	280.5	MEUR	100.00%	9.750%	15.12.2022

For the purposes of repayment of certain liabilities, Swissport Investments S.A., a 100% subsidiary of Swissport Group S.à r.l., issued on 15 December 2015 MEUR 400.0 6.750% Senior Secured Notes due 2021 and MEUR 290.0 9.750% Senior Notes due 2022 which were fully funded and held in escrow until the acquisition date.

The bonds issued by Swissport Financing S.à r.l. (former Aguila 3 S.A.) (MUSD 945.0 and MCHF 350.0; translated at transaction date to MEUR 1,165.0) and the Super Senior Revolving Credit Facility were fully repaid on 10 February 2016. The pledges for the old secured debts were released and new pledges and guarantees have been established on the transaction date 10 February 2016 or shortly hereafter for the duration of the new secured debts.

In addition, Swissport Investments S.A. entered into a MEUR 660.0 Term Loan B Facility due 2022. Swissport International AG entered into a new MCHF 150.0 Revolving Credit Facility (RCF) due 2021 on a senior secured basis which will provide borrowings up to an aggregated amount of MCHF 150.0. As per end of March 2017 an amount of MCHF 110.0 of the RCF has been committed whereby MCHF 42.9 (MEUR 40.2) was utilized for standby letters of credit and MCHF 15.6 (MEUR 14.6) for cash draw downs.

Swissport Group became aware of defaults arising out of a technical breach of the lien covenant provisions contained in the senior secured credit agreement dated 20 January 2016 (the “Credit Facility”). The technical breach was uncovered as part of discussions between the Swissport Group and HNA Group regarding an equity injection from HNA Group intended to enable certain improvements to Swissport’s capital structure. The defaults were caused by pledges granted over the shares of Swissport Group S.à r.l, Swissport Investments S.A. and Aguila 2 S.à r.l. (former Aguila 2 S.A.) as security for a debt facility entered into by a subsidiary of HNA Group Co. Ltd. prior to the completion of the acquisition of Swissport by the HNA Group. This subsidiary of the HNA Group Co. Ltd is a parent company of the Swissport Group. The pledged shares are not shares used as collateral intended to secure the Credit Facility or its senior secured high yield bonds. Pending resolution of the events of default, the Group is not able to access borrowings under the revolving credit facility under the Credit Facility documents (refer to note 9).

Under the Credit Agreement at 20 January 2016, the Group is subject to a financial covenant being the net leverage ratio test against a maximum threshold. The covenant is only reported to the creditors if a certain amount of the RCF is being utilized. At the end of the quarter the Group has met the leverage ratio as defined in the super senior revolving credit facility agreement and the Group did not meet the reporting threshold.

The Group is required to provide an unaudited consolidated balance sheet, income statements and cash flow statement on a quarterly basis as well as an annual audited consolidated balance sheet, income statements and cash flow statement to the Administrative Agent and/or Trustee.

8. Related party transactions

As of 31 March 2017, Swissport Group S.à r.l. ("the Company") is 100% owned by HNA Aviation (Hong Kong) Ground Handling Holdings Co., Ltd. ("HNA Aviation", a global enterprise based in Hong Kong, China).

HNA Aviation is the sole holder of the Company's share capital, initially consisting of 12,000 ordinary shares, 50 "Class A Shares", 50 "Class B Shares", 50 "Class C Shares", 50 "Class D Shares", 50 "Class E Shares", 50 "Class F Shares", 50 "Class G Shares", 50 "Class H Shares", 50 "Class I Shares" and 50 "Class J Shares".

In February 2016 HNA Aviation converted receivables equivalent to MEUR 1,472.2 against Swissport Group S.à r.l. into additional 147,224,276 new "Class A Shares", 147,224,276 new "Class B Shares", 147,224,276 new "Class C Shares", 147,224,276 new "Class D Shares", 147,224'276 new "Class E Shares", 147,224,276 new "Class F Shares", 147,224,276 new "Class G Shares", 147,224,276 new "Class H Shares", 147,224,275 new "Class I Shares" and 147,224,275 new "Class J Shares" with a par value of one Euro each.

The Group has not entered into any additional material transactions with related parties other than set out below. Furthermore, during the period ended March 2017, no manager had a personal interest in any transaction of significance for the business of the Group.

Managers

The Company's managers are:

Dr. Thomas Staehelin	Chairman (from 21.04.2017, member since 06.02.2017)
Mr. Eric Born	Member (from 06.02.2017)
Mr. Peng Liu	Member (from 06.02.2017)
Mr. Loïc Marion	Member (from 30.06.2016)
Mr. Olivier Richaud	Member
Mr. Maksud Ahmadkhanov	Member
Mr. Bo Cui	Member (until 06.02.2017)
Mr. Rui Li	Member (until 06.02.2017)
Mr. Daoqi Liu	Member (until 06.02.2017)
Mrs. Agnes Csorgo	Member (until 30.06.2016)

Executive Management

The Group's Executive Management members are:

Mr. Eric Born	President and CEO
Mr. Andreas Hugener	Member (from 01.02.2017)
Mr. Peng Liu	Member (from 15.08.2016)
Dr. Christian Göseke	Member (from 23.05.2016)
Mr. Nils Pries Knudsen	Member
Mr. Joe Phelan	Member
Dr. Johannes C. Spindler	Member
Mr. Luzius Wirth	Member
Mr. Peter Moser	Member (until 01.02.2017)
Mr. Philipp Joeinig	Member (until 22.05.2016)
Mr. Alvaro Gómez-Reino	Member (until 22.05.2016)
Mr. Juan José Andres Alvez	Member (until 22.05.2016)

Transactions for the period 1 January to 31 March 2017 and balances for the period ended 31 March 2017:

	HNA Group (ultimate owner)	HNA Group Subsidiaries	Companies where HNA holds a significant interest	Associates	Joint Ventures	TOTAL
1 Jan 2017 to 31 Mar 2017:	**MEUR**	**MEUR**	**MEUR**	**MEUR**	**MEUR**	**MEUR**
Transactions:						
Revenues	-	3.6	3.3	-	-	6.9
Management and trademark fees	-	-	-	-	0.1	0.1
Salary Recharges	-	-	-	-	1.0	1.0
Total	**-**	**3.6**	**3.3**	**-**	**1.1**	**8.0**
As at 31 Mar 2017:						
Assets:						
Current loan	-	-	-	-	1.7	1.7
Trade receivable	-	2.3	4.8	1.9	1.5	10.5
Total	**-**	**2.3**	**4.8**	**1.9**	**3.2**	**12.2**
Liabilities:						
Current loan	20.0	-	-	-	7.1	27.1
Trade payable	-	-	-	1.9	0.6	2.5
Other payables	0.2	-	-	-	-	0.2
Total	**20.2**	**-**	**-**	**1.9**	**7.7**	**29.8**

The shareholder loan is subordinated. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Transactions for the period 4 November 2015 to 31 March 2016 and balances for the period ended 31 December 2016:

	HNA Group (ultimate owner)	HNA Group Subsidiaries	Companies where HNA holds a significant interest	Associates	Joint Ventures	TOTAL
4 Nov 2015 to 31 Mar 2016:	MEUR	MEUR	MEUR	MEUR	MEUR	MEUR
Transactions:						
Revenues	-	2.0	3.8	-	-	5.8
Management and trademark fees	-	-	-	-	0.2	0.2
Salary Recharges	-	-	-	-	0.6	0.6
Total	**-**	**2.0**	**3.8**	**-**	**0.8**	**6.6**
As at 31 Dec 2016:						
Assets:						
Non-current loan	-	-	-	0.9	-	0.9
Current loan	-	-	-	-	1.2	1.2
Trade receivable	-	2.3	3.0	0.8	1.0	7.1
Total	**-**	**2.3**	**3.0**	**1.7**	**2.2**	**9.2**
Liabilities:						
Current loan	20.0	-	-	-	7.6	27.6
Trade payable	-	0.0	-	1.8	1.1	2.9
Total	**20.0**	**0.0**	**-**	**1.8**	**8.7**	**30.5**

The shareholder loan is subordinated. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

9. Events occurring after the reporting period

As presented in note 7, Swissport Group became aware of defaults arising out of a technical breach of the lien covenant provisions contained in the senior secured credit agreement dated 20 January 2016 (the "Credit Facility"). The technical breach was uncovered as part of discussions between the Swissport Group and HNA Group regarding an equity injection from HNA Group intended to enable certain improvements to Swissport's capital structure. The defaults were caused by pledges granted over the shares of Swissport Group S.à r.l, Swissport Investments S.A. and Aguila 2 S.à r.l. (former Aguila 2 S.A.) as security for a debt facility entered into by a subsidiary of HNA Group Co. Ltd. prior to the completion of the acquisition of Swissport by the HNA Group. This subsidiary of the HNA Group Co. Ltd is a parent company of the Swissport Group. The pledged shares are not shares used as collateral intended to secure the Credit Facility or its senior secured high yield bonds. Pending resolution of the events of default, the Group is not able to access borrowings under the revolving credit facility under the Credit Facility documents.

As a consequence of the defaults under the Credit Facility, which incurred prior to the balance sheet date and that still exist on the date of approval of these consolidated interim financial statements, the MEUR 660 Term Loan B, due 2022, is presented in current borrowings on the balance sheet (see note 7) and the capitalised transaction costs related to the MEUR 660 Term Loan B and the Revolving Credit Facility were fully expensed as of the inception of the Term Loan B. This resulted in an additional finance expense of MEUR 32.0 for the period ended 31 March 2016 (see note 3).

At the end of April 2017, the Swissport Group was funded by HNA Group via equity injection with MEUR 660 in available cash balances, and MEUR 58 of cash for working capital purposes, in addition to cash flow from operations. As a result of this strong liquidity position, the events of default are not expected to impact on Swissport's day-to-day operations or its ability to meet its ongoing financial obligations.

On 3 May 2017, Swissport Group notified its lender group under the Credit Facility and the holders of its Luxembourg-listed MEUR 400 senior secured high yield bonds and MEUR 280.5 senior unsecured high yield bonds of the existence of these events of default under the Credit Facility documents and the default of certain reporting covenants under its bond indentures. At the date of the approval of this interim report, Swissport was working with its creditors as well as independent financial and legal advisors to resolve the issues related to the events of default under the Credit Facility.

The Swissport Group delayed publication of its full year 2016 audited consolidated financial statements to properly reflect the impact of the subsequent events. Due to the inability to publish these financial statements no later than 120 days after the close of the prior fiscal year, the Group has also incurred a default of the financial reporting covenants included in its bond indentures and has notified the bond trustee accordingly. This default was cured with the publication of these financial statements to the notes holders on 30 May 2017.

As a consequence, the Swissport Group delayed publication of its interim report for the period ended 31 March 2017. Due to the inability to publish this interim report no later than 60 days after 31 March 2017, the Group has again incurred a default of the financial reporting covenants included in its bond indentures and has notified the bond trustee accordingly. This default of the financial reporting covenants has not resulted in adjustments to this interim report and the default will be cured with the publication of this interim report to the notes holders within the applicable remedy time period.

In addition, in April 2017, the parent company of the Swissport Group converted its subordinated shareholder loan of MEUR 20 to equity, which further increased the Group’s equity position. This did not lead to an adjustment of these condensed consolidated interim financial statement.

On 28 June 2017, the Group granted an interest-bearing short-term loan to a related party for an amount of MEUR 93.5 (MUSD 100). The loan was subsequently fully repaid on 7 July 2017.

No other significant events that would require an adjustment or disclosure in the condensed consolidated interim financial statements occurred between 31 March 2017 and 10 July 2017, the date of approval of the condensed consolidated interim financial statements by the Board of Managers.

SWISSPORT GROUP S.À R.L.

CONSOLIDATED
FINANCIAL STATEMENTS

FOR THE YEAR
ENDED DECEMBER 31, 2016

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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Swissport Group S.à r.l., which comprise the consolidated balance sheet as at December 31, 2016, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the period from November 4, 2015 (date of incorporation) to December 31, 2016, and notes, comprising a summary of significant accounting policies and other explanatory information.

Board of Managers' responsibility for the consolidated financial statements

The Board of Managers is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Managers, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

For the purposes of this Exchange Offer Memorandum, the consolidated management report has been omitted.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Swissport Group S.à r.l. as of December 31, 2016, and of its consolidated financial performance and its consolidated cash flows for the period from November 4, 2015 (date of incorporation) to December 31, 2016 in accordance with International Financial Reporting Standards as adopted by the European Union.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 23 "Borrowings" and Note 30 "Events occurring after the reporting period" in the consolidated financial statements which describe the existence of certain events of default due to a technical breach of the lien covenant provisions of the senior secured credit agreement dated January 20, 2016. Furthermore, these Notes describe the impact on the consolidated financial statements and the current status of the process to cure these events of default.

Other information

The Board of Managers is responsible for the other information. The other information comprises the information included in the consolidated management report but does not include the consolidated financial statements and our report of réviseur d'entreprises agréé thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Report on other legal and regulatory requirements

The consolidated management report, is consistent with the consolidated financial statements and has been prepared in accordance with the applicable legal requirements.

Luxembourg, May 30, 2017

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

s/Schmitt

Consolidated Balance sheet
as at

(all amounts in millions of Euro, unless otherwise stated)

ASSETS	Note	31 Dec 2016	4 Nov 2015
Non-current assets			
Property, vehicles and equipment	15	273.6	-
Goodwill	16	2,299.8	-
Other intangible assets	16	480.0	-
Investments in associates and joint ventures	17	35.9	-
Available-for-sale financial assets		2.0	-
Deferred tax assets	18	26.7	-
Prepayments and receivables	20	57.0	-
		3,175.0	**-**
Current assets			
Inventories		11.6	-
Trade and other receivables	20	474.0	-
Current tax assets		4.6	-
Available-for-sale financial assets		2.1	-
Cash and cash equivalents	21	132.1	0.0
		624.4	**0.0**
Total assets		**3,799.4**	**0.0**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent			
Share capital and share premium	22	1,508.7	0.0
Fair value reserve		(0.1)	-
Currency translation reserve		(24.5)	-
Retained earnings		(175.0)	-
		1,309.1	**0.0**
Non-controlling interest		**37.9**	**-**
Total equity		**1,347.0**	**0.0**
Liabilities			
Non-current liabilities			
Borrowings	23	733.7	-
Provisions	24	136.2	-
Employee benefit obligations	19	274.9	-
Deferred tax liabilities	18	71.0	-
		1,215.8	**-**
Current liabilities			
Borrowings*	23	728.4	-
Provisions	24	56.1	-
Current tax liabilities		19.0	-
Trade and other payables	25	433.1	-
		1,236.6	**-**
Total liabilities		**2,452.4**	**-**
Total equity and liabilities		**3,799.4**	**0.0**

* Given the circumstances described in note 30, the Term Loan B (MEUR 660.0) is classified as current borrowings.

The notes on pages F-28 to F-86 form an integral part of these consolidated financial statements.

Consolidated Income Statement
for the period

(all amounts in millions of Euro, unless otherwise stated)

	Note	4 Nov 2015 to 31 Dec 2016
Revenue	7	2,384.9
Other operating income	7	84.7
Total revenue and other operating income		**2,469.6**
Goods and services purchased	8	(349.8)
Personnel expenses	9	(1,617.6)
Other operating expenses	10	(338.6)
Depreciation of property, vehicles and equipment	15	(51.3)
Amortisation of intangible assets	16	(21.5)
Total operating expenses (excluding acquisition and integration costs)		**(2,378.8)**
Share of results of associates and joint ventures	17	5.1
Operating profit before acquisition and integration costs		**95.9**
Acquisition costs	11	(2.6)
Integration costs		(0.3)
Operating profit		**93.0**
Finance expense	12	(306.8)
Finance income	13	98.2
(Loss) / profit before income tax		**(115.6)**
Income taxes	14	(24.8)
(Loss) / profit for the period		**(140.4)**
Attributable to:		
Owners of the parent		(160.9)
Non-controlling interest		20.5

The notes on pages F-28 to F-86 form an integral part of these consolidated financial statements.

Consolidated Statement of Other Comprehensive Income
for the period ended 31 December

(all amounts in millions of Euro, unless otherwise stated)

	4 Nov 2015 to 31 Dec 2016
(Loss) / profit for the period	**(140.4)**
Other comprehensive income:	
Items that will not be reclassified to profit or loss	
Re-measurement of net defined benefit obligation	(14.1)
Total items that will not be reclassified to profit or loss	(14.1)
Items that are or may be reclassified subsequently to profit or loss	
Net change in fair value of available-for-sale financial assets	(0.1)
Currency translation differences	(24.3)
Total items that are or may be reclassified subsequently to profit or loss	(24.4)
Total other comprehensive (loss) / income for the period, net of tax	(38.5)
Total comprehensive (loss) / income for the period, net of tax	**(178.9)**
Attributable to:	
Owners of the parent	(199.6)
Non-controlling interest	20.7

Individual line items in the statement above are disclosed net of tax. The income tax relating to other comprehensive income is disclosed in note 14.

The notes on pages F-28 to F-86 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the period ended 31 December 2016

(all amounts in millions of Euro, unless otherwise stated)

	Note	Attributable to owners of the parent						
		Share capital and share premium	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 4 November 2015		0.0	-	-	-	0.0	-	0.0
(Loss) / profit for the period		-	-	-	(160.9)	(160.9)	20.5	(140.4)
Other comprehensive income								
Net change in fair value of available-for-sale financial assets		-	(0.1)	-	-	(0.1)	-	(0.1)
Re-measurement of net defined benefit obligation	14	-	-	-	(14.1)	(14.1)	-	(14.1)
Currency translation differences		-	-	(24.5)	-	(24.5)	0.2	(24.3)
Total other comprehensive income, net of tax		-	(0.1)	(24.5)	(14.1)	(38.7)	0.2	(38.5)
Total comprehensive income, net of tax		**-**	**(0.1)**	**(24.5)**	**(175.0)**	**(199.6)**	**20.7**	**(178.9)**
Transactions with owners								
Contributions by / (distributions to) owners								
Issue of share capital	22	1,472.3	-	-	-	1,472.3	-	1,472.3
Share premium	22	36.4	-	-	-	36.4	-	36.4
Dividends declared to non-controlling interest		-	-	-	-	-	(14.8)	(14.8)
Total contributions by / (distributions to) owners		1,508.7	-	-	-	1,508.7	(14.8)	1,493.9
Changes in ownership interests in subsidiaries								
Non-controlling interest arising from business combination	27	-	-	-	-	-	32.0	32.0
Total changes in ownership interest in subsidiaries		-	-	-	-	-	32.0	32.0
Total transactions with owners		**1,508.7**	**-**	**-**	**-**	**1,508.7**	**17.2**	**1,525.9**
Balance at 31 December 2016		**1,508.7**	**(0.1)**	**(24.5)**	**(175.0)**	**1,309.1**	**37.9**	**1,347.0**

The notes on pages F-28 to F-86 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the period

(all amounts in millions of Euro, unless otherwise stated)

	Note	4 Nov 2015 to 31 Dec 2016
Cash flow from operating activities		
(Loss) / profit for the period		(140.4)
Adjustments for:		
- Income tax expense	14	24.8
- Net finance expense	12, 13	208.6
- Depreciation of property, vehicles and equipment	15	51.3
- Amortisation of intangible assets	16	21.5
- Pensions, provisions and other items		(10.7)
Changes in inventories		(0.4)
Changes in trade and other receivables		(3.8)
Changes in trade and other payables		4.3
Income tax paid		(23.2)
Dividends received		3.7
Total cash flow from operating activities		**135.7**
Cash flow from investing activities		
Acquisitions of subsidiaries, net of cash and cash equivalents acquired	27	(1,220.0)
Payment on settlement of contingency on disposal of subsidiaries		(15.0)
Purchase of property, vehicles and equipment	15	(68.3)
Proceeds from sale of property, vehicles and equipment		10.5
Purchase of intangible assets	16	(12.3)
(Increase) in restricted cash		(37.1)
Interest received		2.0
Total cash flow (used in) investing activities		**(1,340.2)**
Cash flow from financing activities		
Proceeds from shareholder loans (converted to share capital at period end)	22	1,472.3
Proceeds from borrowings		1,384.5
Repayment of borrowings		(1,274.8)
Penalty for early termination of financing	12	(24.0)
Proceed from early termination of financing		4.1
Bank charges and other financial costs paid	12	(6.2)
Financing and retainer fees paid		(60.6)
Dividends paid to non-controlling interests		(14.2)
Interest paid		(99.5)
Payment on settlement of FX forward contract		(41.5)
Total cash flow from / (used in) financing activities		**1,340.1**
Net increase in cash and cash equivalents		**135.6**
Opening cash and cash equivalents		0.0
Exchange loss on cash and cash equivalents		(3.5)
Cash and cash equivalents at 31 December	21	**132.1**

The notes on pages F-28 to F-86 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. General information

Swissport Group S.à r.l. ('the Company') and its subsidiaries (together 'the Group' or 'the Swissport Group') provide Ground Handling and Cargo Handling services to many of the world's leading airlines in 48 countries.

The holding company of the Group is Swissport Group S.à r.l. which is a limited company domiciled in Luxembourg and was legally incorporated on 4 November 2015 with a starting capital of TEUR 12.5. The address of the registered office is:

Swissport Group S.à r.l.
9, allée Scheffer
L-2520 Luxembourg

Swissport Investments S.A., a company 100% owned and controlled by Swissport Group S.à r.l., acquired Aguila 2 S.A., the sole shareholder of Aguila 3 S.A., from its former owner PAI Partners. With the acquisition of Aguila 2 S.A., Swissport Group acquired the Aguila 3 Group ventures (as it existed with Aguila 3 S.A. as its holding company) including all its operating subsidiaries and stakes in associated and joint undertakings. For accounting purposes Swissport Group has consolidated the results of the acquired Aguila 3 Group from 1 February 2016. The transaction was finalized on 10 February 2016, the date of the transfer of Aguila 2 S.A.'s shares from the seller, PAI Partners SAS, to Swissport Investments S.A..

The opening balance sheet of the consolidated financial statements is 4 November 2015, the day the holding company was incorporated. The first reporting period of the Group was therefore a period of nearly 14 months from 4 November 2015 to 31 December 2016. Going forward, the reporting year will start on 1 January. No comparative information is presented in the consolidated financial statements as the Group did not exist in prior reporting periods.

The consolidated financial statements of the Group for the period ended 31 December 2016 comprise the Company and its subsidiaries and interests in associates and joint ventures. The consolidated financial statements were authorised for issue by the Board of Managers on 30 May 2017.

2. Statement of compliance

The consolidated financial statements for the period ended 31 December 2016 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and IFRS 1 – First-time Adoption of International Financial Reporting Standards has been applied.

3. Accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

3.1. Basis of preparation

The consolidated financial statements are presented in millions of Euro, which is also the functional currency of the Company. Amounts expressed in Euro are designated as EUR, amounts expressed in thousands of Euro are designated as TEUR and amounts expressed in millions of Euro are designated as MEUR.

The consolidated financial statements are prepared under the historical cost basis, with the exception that certain items are stated at their fair value (available-for-sale financial assets as well as financial assets and liabilities, including derivative instruments, at fair value through profit or loss). Critical judgments made by management in the application of IFRS and key sources of estimation uncertainties are disclosed in note 5.

Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its financial obligations as disclosed in Note 23.

Adoption of standards and interpretations in 2017 and later

A number of new, revised or amended standards and new and revised interpretations have been published and are effective for the Group's accounting periods beginning on or after 1 January 2017, but the Group has not early adopted them. Their impact on the consolidated financial statements of the Group has not been systematically analysed yet. The expected effects as disclosed in the table below reflect a first assessment by Group management.

New, revised or amended standards and interpretations	***Effective date***	***Planned application by the Group***
Amendments to IFRS 16: Leases (not yet endorsed by the EU)**	1 January 2019	Reporting year 2019
IFRS 9 Financial Instruments **	1 January 2018	Reporting year 2018
IFRS 15 Revenue from Contracts with Customers**	1 January 2018	Reporting year 2018
Amendments to IFRS 2: Share-based Payment (not yet endorsed by the EU)*	1 January 2018	Reporting year 2018
Amendments to IAS 7: Statement of Cash Flow (not yet endorsed by the EU)*	1 January 2017	Reporting year 2017
Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses (not yet endorsed by the EU)*	1 January 2017	Reporting year 2017

* No or no significant impacts are expected on the consolidated financial statements.

** The impacts on the consolidated financial statements can not be determined with sufficient reliability yet.

3.2. Basis of consolidation

(a) Business combinations

Business combinations are accounted for using the acquisition method.

The consideration transferred for the acquisition of a subsidiary is measured as the fair value of the assets transferred, any liabilities incurred and any equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement as well as any share-based payment awards of the acquiree that are replaced mandatorily in the business combination. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at its fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired, is recognised as goodwill. A negative excess is recognised in profit or loss.

The acquisition method is also applied to a business combination achieved without the transfer of consideration (e.g. when achieving control due to amended shareholder agreements). Applying the acquisition method to such a business combination requires the Group to adjust the carrying amount of any existing interest in the acquiree to fair value, recognise in profit or loss the difference between the carrying amount of any existing interest in the acquiree prior to obtaining control and the fair value of the interest held upon obtaining control, and recognise any amounts previously recognised in other comprehensive income relating to the previously-held equity interest on the same basis as would be required if the previously-held equity interest had been disposed of directly.

(b) Subsidiaries

Subsidiaries ('Group companies') are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Group companies are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Group companies are required to adopt the Group's accounting policies. All transactions, balances and gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Foreign exchange differences on intercompany transactions are disclosed within exchange gains and losses in the consolidated income statement, except for those loans that are considered as net investments in foreign operations, in accordance with IAS 21.

(c) Acquisitions and disposals of non-controlling interests

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as transactions with equity owners of the Group. The carrying amount of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(d) Associates

Associates are those entities in which the Group has significant influence (generally involving a shareholding of between 20% and 50% of the voting rights). Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method from the date of significant influence until the date significant influence ceases. The investments are initially recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any loans that are considered to be part of the net investment, the Group does not recognise further losses, unless it has incurred obligations or has made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

If the ownership interest in an associate is reduced but significant influence is retained, a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(e) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts or law requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. Where the Group has rights only to the net assets of the arrangements, Joint ventures are classified and accounted for the interest using the equity method, as for associates (see note 3.2 (d)).

(f) Loss of control, significant influence or joint control

When the Group ceases to have control, significant influence or joint control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequent accounting for the retained interest of an associate, joint arrangement or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(g) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than from continuing use. The asset (or disposal group) must be available for immediate sale in its present condition and the sale must be highly probable. Immediately before classification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is updated in accordance with applicable IFRS. Then, on initial classification as held for sale, non-current assets (or disposal groups) are recognised at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are included in the consolidated income statement. Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations which is disposed of as part of a single co-ordinated plan, or is a company acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or, if earlier, when the operation meets the criteria to be classified as held for sale.

3.3. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro (EUR).

(b) Transactions and balances

Foreign currency transactions are translated into the respective functional currencies of the Group entities using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated at year-end exchange rates. Non-monetary assets and liabilities in foreign currencies that are stated at historical cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities in foreign currencies that are stated at fair value are translated at the foreign exchange rate at the date the values are determined. Foreign exchange gains and losses arising on translation are recognised in the consolidated income statement.

If a loan is made to a foreign operation and the loan in substance forms part of the Group's investment in the foreign operation (i.e. settlement of the loan is neither planned nor likely in the foreseeable future), exchange differences arising from the loan are also recognised in the currency translation reserve.

(c) Foreign operations

The results and financial position of all Group entities that have a functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates of that period, which approximate the foreign exchange rates at the dates of the transactions;

(c) all exchange differences resulting from such transactions are recognised as a separate component of other comprehensive income and accumulated in equity in a separate translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that is a foreign operation, a disposal involving loss of joint control over a jointly controlled arrangement that is a foreign operation, or a disposal involving loss of significant influence over an associate that is a foreign operation), all exchange differences accumulated in equity in respect of that operation that are attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that is a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to the non-controlling interest and are not recognised in profit or loss. For all other partial disposals (i.e. reductions in the Group's ownership interests in associates or jointly controlled arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

Venezuela has met the conditions of a hyperinflationary economy since November 2009. As the operations in Venezuela are immaterial in the overall scope of the Group, IAS 29 'Financial Reporting in Hyperinflationary Economies' is not applied. The impact of not applying this standard on the consolidated financial statements is deemed immaterial.

(d) Principal exchange rates

The exchange rates used for the principal currencies of the Group were:

	Year-end exchange rates	Average exchange rates
	2016	**2016**
Swiss Franc (CHF)	0.9314	0.9171
US Dollar (USD)	0.9490	0.9080
Pound Sterling (GBP)	1.1677	1.2304
Canadian Dollar (CAD)	0.7047	0.6843
Brazilian Real (BRL)	0.2917	0.2613
South African Rand (ZAR)	0.0695	0.0620

3.4. Property, vehicles and equipment

Buildings (comprising mainly warehouses, storage buildings, maintenance shops and offices) and all other equipment are stated at cost less depreciation and, if any, less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. Depreciation is calculated using the straight-line method over the asset's estimated useful life as follows:

Buildings and building improvements: 30 to 50 years

Motorised and non-motorised equipment: 7 to 15 years

IT equipment: 3 to 5 years

Where an asset comprises several components with different useful lives, each part of the asset is depreciated separately over its applicable useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts and are included in the operating result in the consolidated income statement. The useful lives, depreciation methods and residual values are reviewed at each balance sheet date.

3.5. Goodwill and other intangible assets

(a) Goodwill

Goodwill arising on an acquisition of a subsidiary represents the excess of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired.

Goodwill related to the acquisition of associates and joint ventures is included in the carrying amount of the investments in associates and joint ventures respectively.

Separately recognised goodwill is tested annually for impairment and stated at cost less accumulated impairment losses.

On disposal of an entity, the carrying value of related goodwill is taken into account when calculating the gain or loss on disposal.

(b) Other intangible assets

Intangible assets with finite useful lives are stated at cost less accumulated amortisation and, if any, accumulated impairment losses.

Intangible assets acquired from third parties or acquired in a business combination are separately recognised as intangible assets. Intangible assets acquired in a business combination are recognised separately from goodwill if they arise from contractual or legal rights or are separately transferable and their fair value can be reliably estimated.

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring the specific software to use. These costs are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 3 years).

External computer software development costs are capitalised and amortised using the straight-line method over their useful lives (subject to a maximum of 3 years) where it is considered that economic benefits will be derived in future years.

Costs that are directly associated with the development of identifiable software products are only recognised as intangible assets when development costs can be measured reliably, the software is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use the software. These costs include costs of materials, software development, employee costs and an appropriate portion of overheads directly attributable to the development of the asset.

Acquired customer portfolios are valued taking into consideration one renewal of the acquired contracts at 50% probability and have finite useful lives and are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 10 years).

Acquired licensing agreements have finite useful lives and are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 14 years).

The acquired Swissport brand has an indefinite useful life and is tested annually for impairment and stated at cost less accumulated impairment losses, if any.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts and are included in the operating result in the consolidated income statement.

Intangible assets arising from a service concession arrangement are recognised when the Group has a right to charge for usage of the concession infrastructure (see further policy 3.20). A consideration received for providing construction or upgrade services in a service concession arrangement which is classified as intangible asset is measured at fair value upon initial recognition. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and, if any, accumulated impairment losses. The estimated useful life is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

The useful lives, amortisation methods and residual values are reviewed at each balance sheet date.

3.6. Impairment of non-financial assets

The carrying amounts of the Group's investments in property, vehicles and equipment, intangible assets, associates and joint ventures are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Goodwill and intangible assets with indefinite useful lives are tested for impairment every year. The Group's policy is to test goodwill and intangible assets with indefinite useful lives for impairment prior to the preparation of the annual consolidated financial statements. In addition, an impairment test is performed if there are indications that goodwill and intangible assets with indefinite useful lives are impaired at any other time.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or "CGUs"). Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised in profit or loss for the amount by which the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In calculating value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss on goodwill is not reversed.

3.7. Financial assets

The Group classifies its financial assets into the following categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Available-for-sale financial assets

The classification depends on the nature and the purpose of the transaction.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short-term. Derivative instruments are classified as held for trading. The Group does not apply hedge accounting under IAS 39. Derivative instruments (including separated embedded derivatives) and other financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss. Attributable transaction costs are recognised in profit or loss as incurred.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except when the carrying amount is expected to be recovered more than 12 months after the balance sheet date in which case they are classified as non-current assets. The Group's loans and receivables consist of trade and other receivables and restricted cash and cash equivalents.

Loans and receivables are recognised initially at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method less an allowance for impairment. See accounting policy 3.8 for additional details about trade receivables.

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are measured at amortised cost (see further policy 3.20).

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or not classified in any of the other categories.

Available-for-sale investments are initially recognised at fair value plus any directly attributable transaction costs. Available-for-sale financial assets are subsequently measured at fair value. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, with the exception of impairment losses being recognised in the consolidated income statement. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are re-classified to the consolidated income statement as 'gains and losses from available-for-sale financial assets'.

(d) Impairment of financial assets

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. The Group assesses, at each balance sheet date, whether there is any objective evidence that a financial asset may be impaired. If any such evidence exists, the Group estimates the recoverable amount of that asset and recognises any impairment loss in the consolidated income statement. For financial assets classified as available-for-sale, losses accumulated in the fair value reserve are reclassified from equity to profit or loss on sale or other disposal and impairment. See accounting policy 3.8 for additional details about trade and other receivables.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the recognition of the impairment loss, the impairment loss of the financial asset is reversed. For financial assets carried at amortised cost, the reversal cannot result in a carrying amount that exceeds the amount that the amortised cost would have been had the impairment not been recognised at the date the impairment is reserved. The amount of the reversal shall be recognized in profit or loss.

3.8. Trade receivables

Trade receivables are recognised initially at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. The allowance is determined based on an individual and a portfolio basis.

An allowance for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. The impairment loss is equal to the difference between the carrying amount and the present value of the amounts expected to be recovered discounted at the asset's original effective interest rate. Receivables with a short duration are not discounted. Significant financial difficulties of the debtor, probability that the debtor will go into bankruptcy or need financial restructuring and default or delinquency in payments are considered indicators that a receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated income statement within 'other operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the consolidated income statement.

3.9. Inventories

Inventories are stated at the lower of cost or net realisable value. Allowances are made for obsolete, slow moving and excess inventories. Cost is determined by the first-in, first-out method (FIFO) and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Borrowing costs are not included in the cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Inventories consist mainly of de-icing liquid and spare parts.

3.10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, fixed term and call deposits with a term of less than 90 days from the date of acquisition. Restricted cash is presented as other current or non-current receivables depending on for how long the cash is restricted.

3.11. Share capital

Ordinary shares

Ordinary shares are classified as equity (refer to note 22). Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium

The additional amount shareholders paid for their issued shares that were in excess of the par value of those shares are classified as share premium (refer to note 22).

3.12. Financial liabilities

The Group classifies its financial liabilities into the following categories:

- Financial liabilities at fair value through profit or loss
- Other financial liabilities

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss only include derivative liabilities, being classified as financial liabilities held for trading. Derivative instruments are measured at fair value, and changes therein are recognised in profit or loss. Attributable transaction costs are recognised in profit or loss as incurred.

(b) Other financial liabilities

The Group's other financial liabilities consist of trade and other payables as well as borrowings. Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

The difference between the proceeds (net of transaction costs) and the redemption value is amortised over the term of the borrowing using the effective interest method. Borrowings due to be settled within 12 months of the balance sheet date are presented as current liabilities, other borrowings are presented as non-current liabilities. Borrowings where the Company has an unconditional right and intent to defer payment for more than 12 months are presented as non-current liabilities.

Fees paid on the establishment of loan facilities are regarded as directly attributable transaction costs for the loan to the extent that it is probable that some or all of the facility will be drawn down and that cash flows and timing of cash flows can be estimated reliably. In this case, the fee is deferred until the draw-down occurs and then amortised using the effective interest rate method. To the extent that it is not probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for the service of having the possibility to draw down the facility and amortised on a straight-line basis over the term of the related facility.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised and included in the cost of these assets and amortised over the useful life of the respective assets. Borrowing costs not directly attributable to qualifying assets are recognised as a finance expense in the period in which they occur.

3.13. Current and deferred tax

Income tax on the profit or loss for the year comprises current and deferred taxes. Income tax is recognised in the consolidated income statement except to the extent that it relates to a business combination or to items recognised directly in equity or in other comprehensive income.

(a) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year. The current income tax expense / credit is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. It includes any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred tax

Deferred tax is recognised using the balance sheet liability method, for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The following temporary differences are not accounted for: the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from investments in subsidiaries to the extent that the timing of the reversal of the temporary difference can be controlled and it is probable that they will not reverse in the foreseeable future. The principal temporary differences arise from depreciation of property, vehicles and equipment, amortisation of intangible assets, provisions for pensions and other post-retirement benefits and tax losses carried forward, and, in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base.

The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using local tax rates enacted or substantively enacted by the balance sheet date.

Deferred tax assets relating to the carry forward of unused tax losses, tax credits and deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are only offset within the same tax jurisdiction where there is a legally enforceable right to offset current tax liabilities and assets and the reversal will occur within the same period.

3.14. Employment benefits

(a) Defined benefit and defined contribution plans

Group companies operate both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as pension costs in personnel expenses in the periods during which services are rendered by the employees.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service, compensation or the balance of the savings account. The asset or liability recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date, less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit obligation (asset).

When the calculation results in a potential asset, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. The present value of economic benefits available is equal to the present value of future service costs, less the present value of any minimum future funding contributions requirements, plus the amount that reduces future contributions because the entity made a prepayment. Consideration of a minimum funding requirement may also give rise to a liability.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in personnel expenses in profit or loss.

When the benefits of the plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

(b) Bridging pensions

In Switzerland the regulatory retirement age for the participants in the pension plan of Swissport is 63 for men and women. The statutory retirement age for the state pension (AVS/AHV) is 65 for men and 64 for women. During the gap between the Swissport pension plan's regulatory retirement date and the first time when the state pension is paid, the Group pays a bridging pension equal to the maximum state pension (CHF 28,200 at 31 December 2016). The bridging pension is a defined benefit plan and is therefore determined as described above in policy 3.14 (a).

(c) Swiss night-shift obligations

Under the Swiss general workers contract (GAV), employers must provide employees working during the night with an option to take holidays and / or early retirement from the age of 57 onwards. The Swiss night-shift obligations are considered other long-term employee benefits. The obligation can be estimated reliably based on the past service provided by the employee. Liabilities for these obligations are recognised in the balance sheets of the companies concerned.

(d) Jubilee provision

Some Group companies have a constructive obligation to pay long service-awards to employees on completion of a predetermined number of years of service, e.g. 10 years. This long-term employee benefit can be received either in cash and / or in holiday entitlements. The jubilee provision is another long-term employee benefit. The present value of the obligation is determined using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

(e) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.15. Provisions

A provision is recognised when the Group has a present legal or constructive obligation resulting from past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the future cash flows expected to be required to settle the obligations, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance expense.

(a) Legal claims

Provisions are made for legal claims when the Group believes, after taking legal advice where appropriate, that it is probable that the final outcome will be an outflow of resources and when the amount can be estimated reliably.

(b) Restructuring

Restructuring provisions mainly comprise employee termination payments and lease termination penalties, and are recognised in the period in which the Group becomes legally or constructively committed to payment. Employee termination benefits are recognised only after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy and the numbers of employees affected, or after individual employees have been advised of the specific terms. No provision is made for future operating losses.

(c) Onerous contracts

A provision for onerous contracts is recognised when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under the same contract. In the Group's line of business long-term rental contracts for warehousing facilities, vehicles or equipment can become onerous. The present obligation is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3.16. Contingent liabilities

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. They may also be present obligations that are unrecognised because the future outflow of resources is not probable or the amount cannot be reasonably determined. Contingent liabilities are usually not recognised but disclosed, unless in case of a business acquisition..

3.17. Revenue recognition

(a) Sales of services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue from services is recognised in the accounting period the services are provided, in proportion to the stage of completion of the total services to be provided. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the outcome of transactions cannot be estimated reliably, revenue is recognised only to the extent of recoverable expenses.

(b) Interest income

Interest income is recognised as it accrues using the effective interest method.

(c) Management and trademark fees

Revenue from management and trademark fees, including from associates and joint arrangements, is recognised on an accruals basis in accordance with the substance of the relevant agreements and is included in other operating income. Management and trademark fees within the Group are eliminated.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established. Dividends within the Group are eliminated.

(e) Service concession arrangements

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed. Revenue is recognised in the period in which the services are provided by the Group. When the Group provides more than one service in a service concession arrangement, the consideration received is allocated by reference to the relative fair values of the services delivered when the amounts are separately identifiable (see also sections 3.5 (b) and 3.7 (b)).

3.18. Leases

Leases of property, vehicles and equipment are classified as finance leases if the Group has substantially all the risks and rewards of ownership. Finance leases are capitalised at the commencement of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between the reduction of the lease liability and finance expenses so as to achieve a constant periodic rate of interest on the outstanding balance of the liability. The corresponding liability is included in borrowings. The property, vehicles and equipment acquired under finance lease contracts are depreciated over the shorter of the useful life of the asset and the lease term and tested for impairment when there is an impairment indicator (see policy 3.6).

Leases are classified as operating leases, if the criteria of a finance lease are not met. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

3.19. Dividend distribution

Dividend distributions to the Group's shareholder are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholder.

3.20. Service concession arrangements

Service concession arrangements where the Group contracts with a government or other public sector body to operate and maintain infrastructure assets, such as cargo warehouses, and where the government or other public sector body (i) controls or regulates what services the Group must provide, to whom it must provide them, and at what price and (ii) controls a significant residual interest in the infrastructure at the end of the arrangement, are accounted for in accordance with IFRIC 12. The Group recognises a financial asset for the consideration received to the extent that it has an unconditional contractual right to receive cash or another financial asset. The Group recognises an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. Both types of arrangements may exist within a single contract.

3.21. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Executive Management.

4. Financial risk management

4.1. Financial risk factors

The Group is exposed to a variety of financial risks, namely market risk (including currency and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse affects on the Group's financial performance.

At the date of approval of these consolidated financial statements, the Group was in discussions with its lender group for a resolution of events of default arising out of a technical breach of the lien covenant provisions contained in the Credit Facility documents as described in note 30. As of the date of approval of these consolidated financial statements, the Group was exposed to the outcome of these discussions.

Financial risk management is carried out by a central treasury department ('Corporate Treasury'), which applies the principles and policies described in this note. Local management are not authorised to enter into any derivative instruments.

The Group has the following categories of financial instruments at the balance sheet date:

	2016 MEUR
Cash and cash equivalents	132.1
Trade and other receivables*	447.0
Total receivables	**579.1**
Financial assets available for sale	4.1
Total financial assets available for sale	**4.1**
Borrowings	1,462.1
Trade and other payables*	274.3
Total financial liabilities at amortised cost	**1,736.4**

*The amounts differ from the carrying amounts presented in the Consolidated balance sheet. Only financial instruments that fall within the scope of "IFRS 7 Financial Instruments: Disclosures" are included in the table above.

(a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities that are denominated in a currency other than the respective functional currencies of the Group entities, and investments in foreign operations that are denominated in a currency other than the presentation currency of the Group. The functional currencies of the Group entities are mainly CHF, EUR, GBP and USD. The currency exposures primarily arise with respect to USD, EUR, GBP, CAD, BRL, ZAR and CHF. Individual Group companies usually enter into transactions with third parties that are denominated in their functional currency. Where this is not the case, the foreign exchange risk is not actively managed. Group policy does not permit the use by subsidiaries of any kind of derivative instruments to hedge their foreign exchange risk in such cases.

Transactions with other Group companies are generally not hedged. However, Corporate Treasury may enter into foreign exchange forward contracts to remove the foreign exchange risk on transactions with other Group companies (such as a loan to or from Group companies) or external companies.

The net assets of the Group's investment in foreign operations are also a source of foreign exchange risk. The Group's policy is to reduce this risk by funding acquirees using local rather than central borrowings, where possible, to provide a natural cash flow hedge in that the subsidiaries are mainly financed in the currency in which they generate the majority of their operational cash flows.

At the balance sheet date, the Group's exposure to foreign exchange risk (in millions), including intercompany balances, was as follows:

2016

	CHF	USD	EUR	GBP	CAD	BRL	ZAR
Cash and cash equivalents	11.4	65.4	34.7	10.0	5.6	6.0	6.6
Trade and other receivables	96.3	168.4	563.4	193.1	34.0	23.9	8.9
Loans Receivable	1,171.6	1,401.9	2,058.3	326.4	26.8	9.5	1.3
Trade and other payables	(113.3)	(126.1)	(556.0)	(204.2)	(33.9)	(21.0)	(7.9)
Borrowings	(1,170.5)	(1,423.2)	(3,493.3)	(327.2)	(26.8)	(14.3)	(8.5)
Net balance sheet exposure	**(4.5)**	**86.4**	**(1,392.9)**	**(1.9)**	**5.7**	**4.1**	**0.4**

Sensitivity analysis

A strengthening / weakening of the USD, CHF, GBP and EUR at 31 December 2016, as indicated below, would have increased / decreased the profit or loss and equity by the amounts shown below as impact from transactions. This analysis is based on foreign currency exchange rate variances and assumes that all other variables, in particular interest rates, remain constant. The change to profit or loss is mainly related to foreign exchange gains / losses on translation of intra-group loans. The change to equity is related to USD, CHF, GBP and EUR loans that in substance form part of the net investment in foreign operations.

	31 December 2016	
	MEUR Profit or (loss)	MEUR Equity
EUR 1% strengthening	(8.1)	0.6
USD 1% strengthening	(0.6)	3.9
CHF 1% strengthening	0.3	-
GBP 1% strengthening	0.1	2.0

(b) Interest rate risk

The Group's interest rate risk mainly arises from external borrowings and cash and cash equivalents. Borrowings and cash and cash equivalents at variable rates expose the Group to cash flow interest rate risk. The Group's exposure to interest rate risk is currently moderate as more then half of the Group's borrowings mainly (Notes) have fixed interest rates, i.e. the interest expense is not subject to changes in benchmark interest rates. The majority of the remaining debt (mainly Term Loan B) has an interest floor rate with a Euribor floor rate that is above current market conditions. The Group does not use derivative financial instruments to hedge its interest rate risk in respect of borrowings.

At the balance sheet date, the interest profile of the Group's interest-bearing financial assets and liabilities was as follows:

	2016 MEUR
Fixed rate instruments	
Cash and cash equivalents	5.6
Borrowings*	(708.6)
Total fixed rate instruments	**(703.0)**
Variable rate instruments	
Cash and cash equivalents	126.5
Borrowings*	(725.1)
Total variable rate instruments	**(598.6)**

* The amounts presented exclude transaction costs, shareholder loan, bank overdraft and written put option on non-controlling interest.

Fair value sensitivity analysis – fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under the fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change would also not have an impact on equity as the Group does not have any debt-securities classified as available for sale.

Cash flow sensitivity analysis – variable rate instruments

At 31 December 2016, if the interest rates had been 100 basis points lower or higher, with all other variables held constant, the impact on the loss for the period would be:

	2016 MEUR
100 basis points lower*	0.4
100 basis points higher*	(6.4)

* The variable rate instruments concerns mainly Term Loan B with an Euribor floor rate of 1%. For the avoidance of doubt and simplified illustration, the assumption in the sensitivity analysis was that Euribor was at 1% as at 31 December 2016 as well as the fixing of the Term Loan B.

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed at Group level. Credit risk arises from cash at banks, cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers primarily through outstanding receivables.

The Group's internal policies require that credit exposures with banks and other financial institutions are regularly measured, actively managed and results reported to senior management.

The Group limits its exposure to credit risk by only holding cash and investing excess cash with counterparties that have high credit ratings. The table below shows the balances for cash and cash equivalents with banks and financial institutions at the balance sheet date:

Cash and cash Equivalents	**2016 MEUR**
Counterparties external credit rating (Standard & Poors)	
Investment grade A- and above	95.8
Investment grade BBB+, BBB, BBB-	20.6
Non-investment grade BB+ and below	7.2
Not rated	8.5
Total cash and cash equivalents	**132.1**

Credit risks related to trade receivables are systematically analysed, monitored and managed. The Group has policies in place to ensure that sales of products and services on credit are only made to customers with an appropriate credit history. The Group may hold collateral as security. Concentrations of credit risk with respect to trade receivables (MEUR 285.6 as of 31 December 2016) are limited due to the Group’s large number of customers, who are internationally dispersed. Trade receivables from any customer (an aviation group) do not exceed 5.2% of the total trade receivables.

The carrying amount of financial assets represents the Group’s maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was as follows:

	2016 MEUR
Cash and cash equivalents	132.1
Non-current receivables	56.5
Current receivables	390.5
Total assets	**579.1**

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties to meet obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

All Group companies regularly monitor and manage their liquidity to ensure all obligations are met. According to the Group’s investment policy, excess cash, which is regularly monitored by Corporate Treasury, is maintained in highly liquid and highly rated investments. The principal methods of managing the Group's liquidity and investments is the real time reporting of cash and cash equivalents, investments, borrowing commitments and the provision of a monthly detailed cash flow forecast.

For the purposes of repayment of certain liabilities, Swissport Investments S.A., a 100% subsidiary of Swissport Group S.à r.l., issued on 15 December 2015 MEUR 400.0 6.750% Senior Secured Notes due 2021 and MEUR 290.0 9.750% Senior Notes due 2022 which were fully funded and held in escrow until the acquisition date. In addition, Swissport Investments S.A. entered into a MEUR 660.0 Term Loan B Facility due 2022. Swissport International AG entered into a new MCHF 150.0 Revolving Credit Facility (RCF) due 2021 on a senior secured basis which will provide borrowings up to an aggregated amount of MCHF 150.0. As per end of December 2016 an amount of MCHF 110.0 of the RCF has been committed whereby MCHF 42.5 was utilized for standby letters of credit (refer to note 23).

Other Group companies have entered into locally committed and uncommitted facilities for working capital purposes, letter of credit issuances and equipment leasing requirements.

At the balance sheet date, the Group reported its MEUR 660 Term Loan B due 2022 as current liability and was not able to access borrowings under the revolving credit facility, given the circumstances described in note 30. As further outlined in note 30, on the date of approval of these financial statements the Group had MEUR 660 in available cash balances and MEUR 58 for working capital purposes from an equity injection of its parent company (that was completed after the balance sheet date), in addition to the cash flow from operations, to meet its ongoing financial obligations.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Carrying amount	Contractual cash flows	< 12 months	13 – 24 months	25 – 60 months	> 60 months
	MEUR	MEUR	MEUR	MEUR	MEUR	MEUR
At 31 December 2016						
Borrowings	1,462.1	1,984.2	828.5	117.0	706.1	332.6
Trade and other payables*	274.3	274.3	274.3	-	-	-

* The amounts differ from the carrying amounts presented in the Consolidated balance sheet. Only financial instruments that fall within the scope of "IFRS 7 Financial Instruments: Disclosures" are included in the table above.

The contractual cash flows of the borrowings as at 31 December 2016 is as follows:

2016	<12 months MEUR	13-24 months MEUR	25-60 months MEUR	> 60 months MEUR	Total MEUR
Notes (note 23)	54.3	54.3	547.8	296.8	953.2
Term Loan B (note 23)	701.2	41.3	123.8	4.6	870.9
Bank loans (note 23)	16.6	8.6	26.6	19.5	71.3
Finance lease liabilities	11.2	6.5	6.8	0.2	24.7
Subordinated shareholder loan (note 29)	20.0	-	-	-	20.0
Loans from related parties (note 29)	7.6	-	-	-	7.6
Loans from other third parties	0.6	1.6	1.1	9.7	13.0
Other	17.0	4.7	-	1.8	23.5
Total	**828.5**	**117.0**	**706.1**	**332.6**	**1,984.2**

Given the circumstances disclosed in note 30, the obligation of the Term Loan B is classified as current in this table in line with the presentation on the balance sheet. Nonetheless, interest of the particular periods are presented when they are contractually due.

For financial guarantee contracts, refer to note 28.

4.2. Capital risk management

The Swissport Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide medium to long term stable returns for its shareholder and benefits for other stakeholders. In order to optimise a long term capital structure, the Group may issue new shares or sell assets to reduce debt.

By ensuring the Group adheres to the net leverage ratio covenant limit (as set out in the Credit Agreement of 20 January 2016, refer to note 23) under the Group's financing arrangements, management meets the primary capital risk objective. The objective of the management is to make sure that this ratio is below the limit set out by the credit facility which were:

	2016
Covenant leverage ratio	5.99
Covenant leverage ratio limit	7.50

4.3. Fair value estimation

The carrying amount of financial assets and current and non-current liabilities at variable interest rates approximates their fair values. The majority of the financial assets are current. The majority of the liabilities are non-current and at fixed interest rates (mainly the Notes). The fair value of non-current fixed rate interest-bearing liabilities (excluding the Notes) is MEUR 17.9. This is estimated by discounting the future contractual cash flows at the current market interest rate (level 2 of fair value hierarchy, see below). The carrying amount of the Notes (excl. transactions costs) is MEUR 680.5. The fair value of the Notes is estimated to be MEUR 742.6. The fair value of the Notes is determined based on quoted market prices at the balance sheet date, therefore the fair value measurement of the Notes is categorised in level 1, see fair value hierarchy below. For finance leases, the market rate of interest is determined by reference to similar agreements.

Fair value hierarchy

The table below analyses financial assets and liabilities carried at fair value, by the levels in the fair value hierarchy. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

31 December 2016

	Level 1 MEUR	Level 2 MEUR	Level 3 MEUR	Total MEUR
Available-for-sale financial assets	2.1	0.1	1.9	4.1
Total assets	**2.1**	**0.1**	**1.9**	**4.1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if transactions for asset or liability take place with sufficient frequency and volume to provide information on an ongoing basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of derivative instruments included in this category is determined based on current and available market data. If fair value of financial instruments is not determinable the valuation is at cost (level 3).

5. Accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make assumptions, estimates and judgements that affect the application of accounting policies and reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates may, by definition, not always equate to the actual results. Estimates and assumptions are reviewed on an on-going basis and modified as appropriate in the period in which the estimate or assumption change if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments made by management in the application of IFRS that might have a significant effect on the consolidated financial statements and information about assumptions and estimation uncertainties with a significant risk of materially impacting the carrying amounts of assets and liabilities in the next year are discussed below.

(a) Impairment testing of goodwill, other intangible assets and property, vehicles and equipment

The Group annually tests goodwill and intangible assets with indefinite useful lives for impairment, in accordance with its accounting policy. For the period ended 31 December 2016, goodwill in an amount of MEUR 2,299.8 and intangible assets with indefinite useful lives in an amount of MEUR 324.5 were tested for impairment. No impairment loss was recognised in 2016.

The Group also assesses at each balance sheet date whether there are any indicators that property, vehicles and equipment and intangible assets with finite useful lives are impaired. In such a case, the assets are tested for impairment. As of 31 December 2016, the Group had property, vehicles and equipment with a carrying amount of MEUR 242.6 and intangible assets with definite useful lives with a carrying amount of MEUR 155.5. No impairment was recognised in 2016.

The impairment tests are based on the higher of value in use or fair value less costs of disposal. In the case of the value in use approach, the calculations involve a variety of assumptions such as estimates of future cash flows, estimated growth rates beyond the five-year planning period and determination of appropriate discount rates. The fair value less costs of disposal approach is based on assumptions such as determination of an appropriate multiple as well as identification and quantification of corrections to current results for non-representative circumstances. The future developments of these underlying variables might differ significantly from management’s current best estimate. Changes in the underlying business assumptions that may impact the future results and cash flows (such as presence of competitors, the Group’s customer base, technological obsolescence etc.) as well as in the underlying market conditions may result in a reduction of the recoverable amounts and a recognition of impairment losses.

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. The Group has recognised deferred tax assets of MEUR 26.7 relating to tax losses and deductible temporary differences and deferred tax liabilities of MEUR 71.0 as of 31 December 2016. The Group also has unrecognised deferred tax assets relating to tax losses and deductible temporary differences of MEUR 177.2.

The Group recognises liabilities for uncertain tax positions and potential exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax in the period in which such determination is made (see notes 14 and 18). Changes in tax laws and rates, taxable profit etc. might also have an impact on the amounts recognised as tax assets and liabilities.

(c) Litigations and claims

The current nature of the business exposes the Group to a number of proceedings and civil lawsuits. These procedures take, in some cases, years to be resolved and management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such proceedings. The related provisions for claims against the Group in an amount of MEUR 83.8 are presented in note 24; related contingent liabilities are presented in note 26.

(d) Insurance and workers compensation provisions

The Group has recognised insurance provisions in relation to aviation liabilities, and workers compensation provisions relating to injuries that occurred on the job. Both the insurance and workers compensation provisions are partially offset by receivables from insurance companies. In some cases the claim amount may take several years to be agreed upon. As such management seeks advice from experts and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such claims. The total related provisions of the Group amount to MEUR 87.1 which are presented in note 24.

(e) Defined benefit pension plans - actuarial valuations

As of 31 December 2016, the Group has recognised a liability for defined benefit plans in the amount of MEUR 262.2 based on actuarial valuations from actuaries. A number of assumptions are made in the calculation of the liability, including discount rate, future salary, pension increases and mortality. A relatively minor change in any of these assumptions can have a significant impact on the carrying amount of the defined benefit obligation. The assumptions used in these calculations are presented in note 19.

(f) Acquisition accounting

Intangible assets acquired in a business combination are required to be recognised separately from goodwill if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated.

The fair value of acquired intangible assets is based on valuation techniques. The valuation models require input based on assumptions about the future. The management uses its best knowledge to estimate the fair value as of the acquisition date. Intangible assets with finite useful lives are tested for impairment when there is an indication that they might be impaired while intangible assets with indefinite useful lives are tested for impairment annually (see (a) above). The management also made assumptions about the useful life of acquired other intangible assets which might be affected by external factors such as increased competition.

Identifiable contingent liabilities acquired in a business combination are measured initially at their fair values at the acquisition date.

6. Segment information

(a) Description of operating segments

Information about operating segments is reported in a manner consistent with the information needs of the Group Executive Management ("GEM"). As of 31 December 2016 the GEM consisted of eight members including the Group Chief Executive Officer and the Chief Financial Officer. The GEM has been identified as the Group's Chief Operating Decision Maker. Each operating segment engages in business activities from which it earns revenues and incurs expenses. Results of the operating segments are reviewed regularly by the GEM when making decisions about resource allocation between segments and performance assessment is based on the results of the operating segments.

The Group is focused on two areas of activity, Ground Handling and Cargo Handling. Core Ground Handling services include ramp and passenger handling, baggage services, lounge and ticketing supervision, cabin cleaning, de-icing, e-services, passengers with reduced mobility handling and executive aviation. Ground Handling also includes the provision of speciality services which are complementary to the core Ground Handling services. These services include fuelling, aircraft maintenance and aviation security. Cargo Handling services include physical import and export handling of cargo, warehousing and storage of cargo, document handling, trucking and mail handling. The Group's Ground Handling activities are managed and identified as one operating segment. The Group's Cargo Handling activities are also managed and identified as one operating segment. The Group's two operating segments meet the required quantitative thresholds as outlined in IFRS 8, 'Operating Segments,' and are therefore presented as operating segments. The column "Other / Eliminations" consists of head office results and eliminations. It does not contain other segment results.

Therefore, the Group's operating segments are:

- Ground Handling, and
- Cargo Handling.

The accounting policies of the operating segments are the same as applied in these consolidated financial statements. Revenues as presented in the segment information note comprise other operating income.

(b) Segment information

Segment revenue:

The segment revenue information provided to the GEM for the operating segments consist of revenue and other operating income before unallocated other income and reporting adjustments.

Segment revenue for the period from:

	Ground Handling*	Cargo Handling*	Other / Eliminations	Total
	MEUR	MEUR	MEUR	MEUR
4 Nov 2015 to 31 Dec 2016	**2,033.2**	**438.4**	**(2.0)**	**2,469.6**

**Both segments were acquired in February 2016.*

Reconciliation of segment revenue to the consolidated income statement:

	4 Nov 2015 to 31 Dec 2016
	MEUR
Revenue – for operating segments	2,471.6
Revenue – Other / Eliminations	(2.0)
Revenue and other operating income per consolidated income statement	**2,469.6**
Less other operating income	(84.7)
Revenue per consolidated income statement	**2,384.9**

Segment result:

The GEM assesses the performance of the operating segments based on Swissport EBITDA. Swissport EBITDA is operating profit before acquisition and integration costs, as included in the consolidated income statement, before depreciation, amortisation, restructuring costs, non-cash pension expenses and other long term employee benefits, unallocated other income and reporting adjustments.

Segment result (Swissport EBITDA) for the period from:

	Ground Handling*	Cargo Handling*	Other / Eliminations	Total
	MEUR	MEUR	MEUR	MEUR
4 Nov 2015 to 31 Dec 2016	**157.0**	**46.0**	**(4.3)**	**198.7**

**Both segments were acquired in February 2016.*

Reconciliation of segment result (Swissport EBITDA) to the consolidated income statement for the period from:

	4 Nov 2015 to 31 Dec 2016 MEUR
Swissport EBITDA – for operating segments	203.0
Swissport EBITDA – other / eliminations	(4.3)
Subtotal	**198.7**
Amortisation of intangible assets	(21.5)
Depreciation of property, vehicles and equipment	(51.3)
Non-cash pension expenses and other long-term employee benefits	(17.9)
Restructuring and onerous contract charge	(11.8)
Unallocated other income and reporting adjustments	(0.3)
Operating profit before acquisition and integration costs	**95.9**
Acquisition costs	(2.6)
Integration costs	(0.3)
Operating profit	**93.0**
Finance expense	(306.8)
Finance income	98.2
Loss before income tax per consolidated income statement	**(115.6)**

Other segment information

Segment depreciation:

Segment depreciation of property, vehicles and equipment for the period from:

	Ground Handling* MEUR	Cargo Handling* MEUR	Other / Eliminations MEUR	Total MEUR
4 Nov 2015 to 31 Dec 2016	**41.7**	**9.4**	**0.2**	**51.3**

**Both segments were acquired in February 2016.*

Reconciliation of segment depreciation of property, vehicles and equipment to the consolidated income statement:

	4 Nov 2015 to 31 Dec 2016 MEUR
Depreciation of property, vehicles and equipment – for operating segments	51.1
Depreciation of property, vehicles and equipment – Other / Eliminations	0.2
Depreciation of property, vehicles and equipment per consolidated income statement	**51.3**

Segment amortisation:

Segment amortisation of intangible assets for the period from:

	Ground Handling*	Cargo Handling*	Other / Eliminations	Total
	MEUR	MEUR	MEUR	MEUR
4 Nov 2015 to 31 Dec 2016	**12.1**	**8.0**	**1.4**	**21.5**

**Both segments were acquired in February 2016.*

Reconciliation of segment amortisation of intangible assets to the consolidated income statement:

	4 Nov 2015 to 31 Dec 2016
	MEUR
Amortisation of intangible assets – for operating segments	20.1
Amortisation of intangible assets – Other / Eliminations	1.4
Amortisation of intangible assets per consolidated income statement	**21.5**

(c) Geographical information

The Group operates internationally in the following geographical areas: Europe, Africa, Asia, Middle East, North America, South America, Central America and the Caribbean. Ground handling and cargo services are provided in each of these geographical areas. Segment revenue is based on the geographical location of the service provided, and segment assets are based on the physical location of the assets.

Revenue and non-current assets of the company's country of domicile and individual countries considered material for the period from 4 November 2015 to 31 December 2016 are as follows:

	4 Nov 2015 to 31 Dec 2016	
	Revenue	Non-current assets
	MEUR	MEUR
Luxemburg (country of domicile)	-	-
USA	684.1	755.1
Switzerland	362.9	596.8
UK	329.9	165.4

The non-current assets presented consist of property, vehicles and equipment, goodwill, intangible assets and investments in associates and joint ventures, except assets that are eliminated on a consolidated level.

d) Major customers

The Group's largest customer (an aviation group) accounted for 12.1% of total revenue for the period ended 31 December 2016. 91.6% of the revenue from the Group's major customer is included in Ground Handling and 8.4% in Cargo Handling.

7. Total revenue and other operating income

Revenue:

	4 Nov 2015 to 31 Dec 2016 MEUR
Ground Handling	2,031.2
Cargo Handling	438.4
Total	**2,469.6**

Other operating income:

	4 Nov 2015 to 31 Dec 2016 MEUR
Concession and rental	25.8
Management and trademark fees	1.4
Sale of fuel (excl. into-plane fueling)	4.4
Other services	43.9
Other	9.2
Total	**84.7**

8. Goods and services purchased

	4 Nov 2015 to 31 Dec 2016 MEUR
Purchased Ground Handling services	(85.5)
Purchased Cargo Handling services	(48.6)
Lease expenses and maintenance of equipment	(136.3)
Material	(43.9)
Airport fees	(19.5)
Concession fees	(16.0)
Total	**(349.8)**

9. Personnel expenses

	4 Nov 2015 to 31 Dec 2016 MEUR
Wages and salaries	(1,265.4)
Social security costs	(127.7)
Personnel insurances	(75.4)
Pension costs - defined benefit plans	(14.8)
Contributions and administrative costs paid (note 19)	(19.4)
Non-cash pension gain (note 19)	4.6
Other long-term employee benefits (note 19)	(22.5)
Pension costs - defined contribution plans (note 19)	(15.0)
Staff allowance	(31.8)
Uniforms and protective clothes	(11.2)
Other staff costs	(53.8)
Total	**(1,617.6)**

The average number of employees was approximately 63,000 during the period ended 31 December 2016.

10. Other operating expenses

	4 Nov 2015 to 31 Dec 2016 MEUR
Building occupancy	(144.1)
Information technology	(52.9)
Marketing	(3.0)
Office costs	(11.4)
Third party workforce	(47.9)
Professional fees	(23.1)
Insurances	(20.6)
Impairment of trade receivables	(1.4)
Management fees	(1.5)
Travel costs	(16.6)
Onerous contract charges	(3.9)
Other	(12.2)
Total	**(338.6)**

Fees billed to the Group by the Group auditor KPMG Luxembourg, Société Coopérative, Luxembourg, and other member firms of the KPMG network during the period were as follows (excluding VAT):

	4 Nov 2015 to 31 Dec 2016 MEUR
Audit fees	2.0
Other fees	0.9
Total	**2.9**

The audit and other fees as shown above are included in the line “Professional fees”.

11. Acquisition costs

Acquisition cost of MEUR 2.6 occurred in connection with the acquisition of Aguila 2 S.A.'s shares including Aguila 3 S.A. and its subsidiaries, joint ventures and associates from its former owner PAI Partners (refer to note 27).

12. Finance expense

	4 Nov 2015 to 31 Dec 2016 MEUR
Interest expense	(146.4)
Realised foreign exchange losses	(51.5)
Unrealised foreign exchange losses	(72.8)
Bank charges	(6.2)
Penalty for early termination of financing	(24.0)
Net interest costs of defined benefit plans	(2.5)
Other financial costs	(3.4)
Total	**(306.8)**

Included in the interest expense for the period ended 31 December 2016 is MEUR 6.0 of accrued interest on the notes, MEUR 2.3 of accrued interest on the term loan facility and MEUR 29.7 of capitalised transaction costs related to the MEUR 660 Term Loan B and the Revolving Credit Facility that were fully expensed (refer to note 30). Penalty has been paid due to the early repayment of the bond issued by Aguila 3 S.A. (refer to note 23).

13. Finance income

	4 Nov 2015 to 31 Dec 2016 MEUR
Interest income	2.9
Realised foreign exchange gains	7.2
Unrealised foreign exchange gains	83.8
Proceed from early termination of financing	4.1
Other financial income	0.2
Total	**98.2**

14. Income taxes

Income / (expense) in the year

	4 Nov 2015 to 31 Dec 2016 MEUR
Current tax expense	**(23.5)**
Origination and reversal of temporary differences	(1.2)
(Release) of previously unrecognised tax losses	(0.1)
Deferred tax expenses (note 18)	**(1.3)**
Total	**(24.8)**

The tax on the Group's (loss) before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to losses / profits of the consolidated companies as follows:

	4 Nov 2015 to 31 Dec 2016 MEUR
(Loss) / profit before income tax	(115.6)
Tax income calculated at the Group's tax rate of 25.73%	29.7
(Expenses) not deductible for tax purposes	(6.2)
(Release) of tax assets on prior period tax losses	(2.3)
Current period tax losses for which no deferred tax asset was recognised	(45.5)
Effect of different local tax rates and change in tax rate	2.0
Effect of prior year income tax adjustments	(0.4)
Withholding taxes	(2.1)
Income taxes	**(24.8)**

The Group's tax rate of 25.73% reflects the weighted average tax rate applicable to results of the consolidated companies.

The tax (expense) / credit relating to components of the other comprehensive income is as follows:

	4 Nov 2015 to 31 Dec 2016		
	Before tax MEUR	Tax (expense) / credit MEUR	After tax MEUR
Available-for-sale financial assets	(0.1)	-	(0.1)
Actuarial gains / (losses)	(5.7)	(8.4)	(14.1)
Currency translation differences	(24.3)	-	(24.3)
Other comprehensive income	**(30.1)**	**(8.4)**	**(38.5)**
Deferred tax		**(8.4)**	

For details on deferred taxes see note 18.

15. Property, vehicles and equipment

	Property & leasehold improvements	Vehicles, equipment & advance payments	Total
Cost:	**MEUR**	**MEUR**	**MEUR**
At 4 November 2015	-	-	-
Acquisitions through business combinations (Note 27)	41.0	214.8	255.8
Additions	3.3	71.4	74.7
Disposals	(3.8)	(23.4)	(27.2)
Reclassifications	1.0	(1.1)	(0.1)
Currency translation differences	(0.6)	13.9	13.3
At 31 December 2016	**40.9**	**275.6**	**316.5**
Depreciation:			
At 4 November 2015	-	-	-
Depreciation charge	4.6	46.6	51.2
Disposals	(2.3)	(15.8)	(18.1)
Currency translation differences	0.3	9.5	9.8
At 31 December 2016	**2.6**	**40.3**	**42.9**
Total carrying amount:			
At 4 November 2015	-	-	-
At 31 December 2016	38.3	204.3	242.6
Carrying amount, assets under finances leases:			
At 4 November 2015	-	-	-
At 31 December 2016	-	31.0	31.0

For vehicles and equipment pledged as security refer to note 23.

During the period ended 31 December 2016 the Group acquired property, vehicles and equipment with an aggregate cost of MEUR 74.7 of which MEUR 6.4 was acquired by means of finance leases.

The Group leases various vehicles and other operating equipment under non-cancellable finance lease agreements. The lease terms are mainly between 3 and 7 years.

16. Goodwill and other intangible assets

Goodwill:

Cost:	Goodwill MEUR
At 4 November 2015	-
Acquisitions through business combinations (Note 27)	2,299.3
Currency translation differences	0.5
At 31 December 2016	**2,299.8**
Total carrying amount:	
At 4 November 2015	-
At 31 December 2016	2,299.8

Goodwill of MEUR 2,299.3 was recognized on Swissport Group's acquisition of Aguila 2 S.A.'s from PAI Partner, refer to note 27.

Other intangible assets:

Cost:	Swissport Brand MEUR	Customer portfolios MEUR	Licensing agreements MEUR	Other MEUR	Total other intangible assets MEUR
At 4 November 2015	-	-	-	-	-
Acquisitions through business combinations (note 27)	317.7	96.0	42.6	23.9	480.2
Additions	-	-	-	12.3	12.3
Reclassification	-	-	-	(1.2)	(1.2)
Currency translation differences	6.8	1.1	1.3	2.1	11.3
At 31 December 2016	**324.5**	**97.1**	**43.9**	**37.1**	**502.6**
Amortisation:					
At 4 November 2015	-	-	-	-	-
Amortisation charge	-	12.6	4.1	4.5	21.2
Currency translation differences	-	0.8	0.4	0.2	1.4
At 31 December 2016	**-**	**13.4**	**4.5**	**4.7**	**22.6**
Total carrying amount:					
At 4 November 2015	-	-	-	-	-
At 31 December 2016	324.5	83.7	39.4	32.4	480.0

The acquired Swissport brand, identified as part of the acquisition accounting on Swissport Group acquisition of the Aguila 2 S.A. in February 2016, has an indefinite useful life. The Swissport brand is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group, there are no technical, technological, commercial or other types of obsolescence and the Group operates in a stable industry. For the brand pledged as security, refer to note 23.

Acquired customer portfolios and licensing agreements, identified as part of the acquisition accounting on Swissport Group acquisition of the Aguila 2 S.A. in February 2016 have definite useful lives.

The main components of "Other" as at 31 December 2016 are the service concession agreements of Swissport Cargo Services Israel (SCS Israel) of MEUR 4.7 (locally pledged as security, refer to note 23), Swissport Kenya Ltd of MEUR 3.9 and Swissport Tanzania Ltd of MEUR 11.4. IFRIC 12 Service Concession Arrangements is applied by the Group for these service concession arrangements, as further described below.

A service concession arrangement exists between SCS Israel with Israel airport authority. Under this service concession arrangement, SCS Israel built a cargo terminal that was transferred to the airport authority upon completion of construction. In exchange, the authority granted SCS Israel a 20 year concession to operate the same cargo terminal. The authority is to repay SCS Israel part of this investment and SCS Israel is to pay an annual concession fee to the authority. The receivable is linked to the Israeli Consumer Price Index and adjusted on a regular basis. The intangible asset is amortised on a straight-line basis over the 20 year concession period until 2026 and the receivable is offset annually with the concession fee payable. The amortisation charge for the period ended 31 December 2016 was MEUR 0.4.

A service concession arrangement exists between Swissport Kenya Ltd with Kenya airport authority. Under this service concession arrangement, Swissport Kenya Ltd built a cargo terminal that was transferred to the airport authority upon completion construction. In exchange, the authority granted Swissport Kenya Ltd a 20 year concession to operate the same cargo terminal. The intangible asset is amortised on a straight-line basis over the 20 year concession period until 2029. The amortisation charge for the period ended 31 December 2016 was MEUR 0.4.

A service concession arrangement exists between Swissport Tanzania Ltd with Tanzania airport authority. Under this service concession arrangement, Swissport Tanzania Ltd built a cargo terminal which will be transferred to the airport authority upon ending of this service concession agreement. In exchange, the authority granted Swissport Tanzania Ltd a 12 year concession to operate the same cargo terminal. The intangible asset is amortised on a straight-line basis over the 12 year concession period until 2028. The amortisation charge for the period ended 31 December 2016 was MEUR 0.5.

Impairment testing of goodwill and intangible assets with indefinite useful lives

Goodwill is tested for impairment on an operating segment level, which reflects the lowest level at which goodwill is monitored for internal management purposes.

For the goodwill allocated to Ground Handling MEUR (1,773.0), the impairment test was based on a fair value less costs of disposal calculation. This calculation used the current year normalised EBITDA (normalised for market entry Saudi Arabia) multiplied by an adequate market multiple derived from quoted peer companies.

For the goodwill allocated to Cargo Handling (MEUR 526.8), the impairment test was based on a value-in-use calculation. This calculation used pre-tax cash flow projections based on business plans approved by the Board covering a five-year period (2017 – 2021). Cash flows beyond the five-year period were extrapolated using the estimated growth rates stated below. The growth rates did not exceed the long-term inflation forecast of the countries in which the cash generating units operate. Future cash flows were discounted based on the weighted average cost of capital (WACC). Risks that are specific to the cash generating units tested for impairment were included in the future cash flows. The key assumptions used were a weighted growth rates beyond the five-year period reflecting the weighted inflation expectations and a pre-tax discount rate:

	2016		
	Multiple	Weighted average estimated growth rate beyond five year period	Pre-tax discount rate
Ground Handling	Market multiple derived from quoted peer companies.	n.a.	n.a.
Cargo Handling	n.a.	3.1%	9.1%

The goodwill impairment testing was performed on an operating segment level. All recoverable amounts exceeded their carrying amounts and consequently no impairment of goodwill was recognised in the period ended 31 December 2016. Given the sensitivities of some key variables, there is a risk that an adverse future change of such key variables may eliminate the excess and may lead to an impairment loss.

The Swissport brand is tested for impairment at Group level. The carrying amount of the Swissport brand as of 31 December 2016 is MEUR 324.5 which is implicitly covered in the headroom between the carrying amount and the recoverable amount identified when testing the goodwill for impairment on an operating segment level (see above).

17. Investments in associates and joint ventures

For a list of the Group's equity accounted investees refer to note 31. All of the Group's equity accounted investees provide services to the airline industry.

	2016 MEUR
Investments in joint ventures	14.8
Investments in associates	21.1
Balance at 31 December	**35.9**

(a) Joint ventures

The Group has interests in a number of individually immaterial joint ventures. The following table details, in aggregate, the carrying amount, share of results and other comprehensive income of these joint ventures.

	MEUR
At 4 November 2015	**-**
Acquisitions through business combinations (Note 27)	14.4
Share of results	0.3
Currency translation differences	0.1
At 31 December 2016	**14.8**

(b) Associates

The Group has interests in a number of individually immaterial associates. The following table details, in aggregate, the carrying amount, share of results and other comprehensive income of these associates.

	MEUR
At 4 November 2015	**-**
Acquisitions through business combinations (Note 27)	20.6
Share of results	0.4
Currency translation differences	0.1
At 31 December 2016	**21.1**

At the balance sheet date, contingent liabilities of the Group's associates and joint ventures amounted to MEUR 0.2.

18. Deferred taxes

The movements in deferred tax assets and liabilities during the period ended 31 December 2016 are as follows:

(i) Deferred tax (expense) recognised in the income statement

	2016 MEUR
Deferred tax assets (debited) to the income statement	(7.6)
Deferred tax liabilities credited to the income statement	6.3
Movements in deferred tax assets/liabilities recognised in the income statement	**(1.3)**

(ii) Deferred tax recognised in other comprehensive income

A deferred tax expense in the amount of MEUR 8.0 was recognised in other comprehensive income.

(iii) Deferred tax assets

	2016 MEUR
At 4 November 2015	**-**
Acquisitions through business combinations (note 27)	53.6
(Credited) to the income statement	(7.6)
(Credited) to other comprehensive income	(9.4)
Currency translation differences	0.7
Gross deferred tax assets as at 31 December	**37.3**
Set-off with deferred tax liabilities	(10.6)
Net deferred tax assets as at 31 December	**26.7**

The balance relates to:

	2016 MEUR
Tax losses and tax credits	33.3
Property, vehicles and equipment	0.8
Receivables, payables and provisions	16.2
Intangible assets	1.9
Employee benefit obligations	13.5
Set-off with deferred tax liabilities	(39.0)
At 31 December	**26.7**

The Group has deferred tax assets amounting to MEUR 26.7 mainly arising from temporary differences in receivables, payables, provisions, employee benefit obligations and tax losses brought forward. Deferred tax assets are recognised for tax losses carried forward to the extent that realisation through future taxable profits is probable. The recovery of these recognised tax losses prior to their expiry is dependent upon the relevant companies earning sufficient future profits. Management believes that the recognised deferred tax assets are fully recoverable based on its forecasts of future results. An unexpected loss or reduction of profits would require a reassessment of the recoverability of deferred tax assets.

The Group has unrecognised tax losses and tax credits to carry forward and associated unrecognised deferred tax assets, which expire as follows:

	Unrecognised tax losses & tax credits	Unrecognised deferred tax assets
	2016	**2016**
	MEUR	**MEUR**
in 1 year	0.9	0.3
in 2 years	5.3	1.3
in 3 years	13.5	2.8
in 4 years	7.0	1.5
in 5 years	5.4	1.2
in 6 years	217.5	44.8
in 7+ years	122.6	26.6
no statutory expiry date	359.4	98.7
Total	**731.6**	**177.2**

In addition, the Group has unrecognised deferred tax assets arising from deductible temporary differences of MEUR 26.0.

(iv) Deferred tax liabilities

	2016
	MEUR
At 4 November 2015	-
Acquisitions through business combinations (note 27)	87.1
(Credited) to the income statement	(6.4)
(Debited) to other comprehensive income	(0.2)
Currency translation differences	1.1
Gross deferred tax liabilities as at 31 December	**81.6**
Set-off with deferred tax assets	(10.6)
Net deferred tax liabilities as at 31 December	**71.0**

The balance relates to:

	2016
	MEUR
Property, vehicles and equipment	8.4
Intangible assets	72.9
Receivables, payables and provisions	11.2
Borrowings	17.5
Set-off with deferred tax assets	(39.0)
At 31 December	**71.0**

The Group also does not recognise deferred tax liabilities of MEUR 0.3 in respect of withholding and other taxes that would be payable on the unremitted earnings of certain subsidiaries, as the parent is able to control the timing of the reversal of the temporary difference and such amounts are considered to be permanently reinvested.

The above balances relate to a number of different tax jurisdictions and there is no further right to offset these deferred tax assets and deferred tax liabilities.

19. Post-employment and other long-term employee benefits

Non-current employee benefit obligations:			2016
			MEUR
Personalvorsorge Swissport (PVS)	(a)	(iii)	114.5
Servisair Pension Plan (SPP)	(a)	(iii)	67.7
Defined benefit plans - Others	(a)	(iii)	21.1
Swiss bridging pension obligation	(b)	(i)	34.6
Total defined benefit plans			**237.9**
Swiss night-shift obligation	(c)		7.1
Jubilee provision	(d)		7.0
Other long-term employee benefits	(e)		22.1
Total other long-term employee benefits			**36.2**
Defined contribution plans			0.8
Total defined contribution plans			**0.8**
Total non-current employee benefit obligations			**274.9**

Income statement charge:			2016
			MEUR
Defined benefit plan – Personalvorsorge Swissport (PVS)	(a)	(iv)	9.6
Defined benefit plan – Servisair Pension Plan (SPP)	(a)	(iv)	0.5
Defined benefit plans – Others	(a)	(iv)	2.6
Swiss bridging pension	(b)	(ii)	2.1
Total defined benefit plans charge (excluding interests)			**14.8**
Swiss night-shift			(0.5)
Jubilee provision			0.1
Other long-term employee benefits	(e)		22.9
Total other long-term employee benefits expense			**22.5**
Defined contribution plans (Note 9)			15.0
Total defined contribution plans charge			**15.0**
Total			**52.3**

(a) Defined benefit plans

The Group has different, funded and unfunded, defined benefit plans. The most significant plans are in Switzerland, Personalvorsorge Swissport (PVS), and in the United Kingdom (UK), Servisair Pension Plan (SPP). As of 31 December 2016, the plans for PVS and SPP account for 90.7% of the Group's total defined benefit obligation and for 90.9% of all plan assets. None of the other plans (aggregated in "Others") are significant from a Group perspective.

Personalvorsorge Swissport (PVS)

The Group has an independent pension plan in Switzerland established as a foundation, Personalvorsorge Swissport (PVS), covering the following Swiss entities: Swissport International AG, Swissport Baggage Sorting AG, PrivatPort S.A., Careport AG, GVAssistance AG and Swissport Group Services GmbH. Under Swiss law the plan is considered a defined contribution plan; however, because of inherent legal guarantees it is considered a defined benefit plan under IAS 19 and therefore an independent actuarial valuation has been performed using the projected unit credit method.

The objective of the foundation is to provide an occupational pension scheme against the financial consequences of old age, death or disability within the framework of the Swiss Federal Law on the Occupational Old Age, Survivors' and Disability Benefit Plan (BVG) and its implementation provisions for the employees of the affiliated companies and their relatives and / or survivors. It provides in all cases the minimum benefits prescribed by law based on the insuree's total savings capital for which the employer and the employees pay contributions to the pension plan.

The PVS pension plan is managed by a Board of Trustees that consist of six members, of an equal number of employer's and employees' representatives. The Board of Trustees provides insurees with a set of regulations regarding benefits payable by the Trust, its organisation, management and financing as well as its auditing and control. These regulations need to be submitted to pension fund supervisory authorities and specify the relationship of the foundation to its affiliated companies and its insurees.

In case of underfunding, based on BVG regulations, the Board of Trustees shall take measures to restore the scheme to financial stability. These measures may include the following: reduce benefits, levy restructuring contributions from employer and employees, temporarily rescind any pension increases and apply a lower interest rate. The provisional funding level based on BVG regulations as per 31 December 2016 is 116.6%.

The actuarial risks are borne by the pension plan that has a legal structure of a foundation and are regularly assessed by the Board of Trustees. These risks consist of demographic risks such as longevity risk and financial risks such as the discount rate, future increases in salaries / wages, and the return on plan assets.

The Board of Trustees is responsible for the investment of the plan assets. All investment decisions made by the Board of Trustees need to be within the guidelines set out in a long term investment strategy 'Strategic Asset Allocation'. The Strategic Asset Allocation is based on legal requirements, expected future contributions and expected future obligations and is reassessed at least every 5 year, the last assessment was in 2016.

Servisair Pension Plan (SPP)

In the UK, the Group operates a defined benefit pension scheme known as the Servisair Pension Plan (SPP) which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final year leading up to retirement (or earlier withdrawal or death). No other post-retirement benefits are provided. The SPP was closed to future accrual of benefits on 5 April 2012.

The Group operates the SPP under the UK regulatory framework. Benefits are paid to members from trustee-administered funds, which are responsible for ensuring that the SPP is sufficiently funded to meet current and future benefit payments. Plan assets are held in trusts separate from the Group. If investment experience is worse than expected, the Group's obligations are increased.

The nature of the relationship between the Group and the trustees is also governed by UK regulations. The trustees must agree a funding plan with the sponsoring company such that any funding shortfall is expected to be met by additional contributions and investment outperformance. In order to assess the level of contributions required, triennial valuations are carried out with the plan's obligations measured using prudent assumptions (relative to those used to measure accounting liabilities).

The trustees' other duties include managing the investment of SPP assets, administration of SPP benefits and exercising of discretionary powers. The Group works closely with the trustees to manage the SPP.

The SPP, in common with the majority of such plans in the UK, have a number of areas of risk.

The risks are considered from both a funding perspective, which drives the cash commitments of the Group, and from an accounting perspective, i.e. the extent to which such risks affect the amounts recorded in the Group's financial statements. The risks consist of demographic risks such as longevity risk and financial risks such as the discount rate, inflation risk and the return on plan assets.

The defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields using the projected unit credit method.

The SPP holds a large proportion of its assets in equity instruments and other return-seeking assets. The returns on such assets tend to be volatile and are not correlated to government bonds. This means that the funding level is likely to be volatile in the short term, potentially resulting in short-term cash requirements and an increase in the net defined benefit liability recorded on the balance sheet.

However, the Group believes that equity instruments offer the best returns over the long term with an acceptable level of risk and hence holds a significant proportion. The Group also believes that equities are appropriate to the duration of the SPP liabilities. Further, the SPP assets are well-diversified by investing in a range of asset classes, including property and corporate bonds.

Although investment decisions are the responsibility of the trustees, the Group takes an active interest to ensure that pension plan risks are managed efficiently and takes an active role in managing the ongoing liabilities in the SPP.

Others

This category includes several defined benefit plans including the following:

- AFS Aviation Fuel Services GmbH, unfunded, Germany
- Checkport Schweiz AG, Kloten, funded, Switzerland
- Cargo Service Center (UK) Limited Pension and Life Assurance Scheme, funded, UK
- Swissport (Legacy) Pension Scheme, funded, UK
- Swissport Tanzania Limited Employee's Gratuity Arrangement, unfunded, Tanzania
- Swissport France Holding SAS, unfunded, France
- Swissport Executive Aviation SAS, unfunded, France
- Swissport Cargo Services France S.A.R.L., unfunded, France
- Pensionseinrichtung der Swissair AG, unfunded, Germany
- Swissport Belgium NV, funded, Belgium
- Swissport Belgium Cleaning NV, funded, Belgium
- Swissport Cargo Services, funded, Belgium
- Swissport Korea Ltd., funded, Republic of Korea
- Swissport Aviation Services de México, S.A. de C.V., unfunded, Mexico
- AGN Aviation Services, S.A. de C.V, unfunded, Mexico
- Cargo Service Center de México, S.A. de C.V., unfunded, Mexico

These defined benefit plans consist of plans that provide benefits on retirement, leaving service or death or plans that provide retirement lump sum gratuity to employees who retire after having completed a certain period of services. These plans are exposed to similar risks as described above under the two major plans.

(i) Defined benefit obligation

	2016			
	PVS	SPP	Others	Total
	MEUR	MEUR	MEUR	MEUR
Defined benefit obligation at 4 November 2015	-	-	-	-
Acquisitions through business combinations (Note 27)	835.3	162.8	99.0	1,097.1
Service cost:				
Current service cost	25.2	-	2.6	27.8
Past service cost	(15.6)	-	-	(15.6)
Interest cost	6.2	5.3	3.1	14.6
Cash flows:				
Benefit payments from plan	(24.3)	(3.7)	(2.7)	(30.7)
Employee contributions	10.7	-	0.6	11.3
Insurance premiums for risk benefits	-	-	(0.1)	(0.1)
Remeasurements:				
Effect of changes				
- in demographic assumptions	2.9	(1.8)	(1.5)	(0.4)
- in financial assumptions	(6.8)	50.1	15.6	58.9
Effect of experience adjustments	(0.8)	2.8	(0.4)	1.6
Foreign exchange	25.8	(20.8)	(8.3)	(3.3)
Defined benefit obligation at the end of the period	**858.6**	**194.7**	**107.9**	**1,161.2**

The weighted average duration for the PVS plan is 17 years and 21 years for the SPP plan. The weighted average duration for the other plans varies up to a maximum of 22 years. As at 20.06.2016 the conversionrate for the PVS plan has changed and resulted in past service cost of 15.6 MEUR.

(ii) Fair value of plan assets

	2016			
	PVS	SPP	Others	Total
	MEUR	MEUR	MEUR	MEUR
Defined benefit obligation at 4 November 2015	-	-	-	-
Acquisitions through business combinations (Note 27)	682.9	123.0	81.6	887.5
Interest income	5.5	4.1	2.5	12.1
Cash flows:				
Employer contributions	14.1	5.4	3.6	23.1
Employee contributions	10.7	-	0.6	11.3
Benefit payments from plan	(24.3)	(3.7)	(2.7)	(30.7)
Insurance premiums for risk benefits	-	-	(0.1)	(0.1)
Administrative expenses and taxes	-	(0.5)	-	(0.5)
Remeasurements:				
Return on plan assets (excluding interest income)	32.5	12.6	8.5	53.6
Foreign exchange	22.7	(13.9)	(7.2)	1.6
Fair value of plan assets at the end of the period	**744.1**	**127.0**	**86.8**	**957.9**

(iii) Amounts recognised in the balance sheet

	2016			
	PVS	**SPP**	**Others**	**Total**
	MEUR	**MEUR**	**MEUR**	**MEUR**
Defined benefit obligation	858.6	194.7	107.9	1,161.2
Fair value of plan assets	(744.1)	(127.0)	(86.8)	(957.9)
Net obligation	**114.5**	**67.7**	**21.1**	**203.3**

(iv) Components of defined benefit cost

	2016			
	PVS	**SPP**	**Others**	**Total**
	MEUR	**MEUR**	**MEUR**	**MEUR**
Service cost:				
Current service cost	25.2	-	2.6	27.8
Past service cost	(15.6)	-	-	(15.6)
Total service cost	**9.6**	**-**	**2.6**	**12.2**
Administrative expenses and taxes	**-**	**0.5**	**-**	**0.5**
Net interest cost:				
Interest expense in defined benefit obligation	6.2	5.3	3.1	14.6
Interest (income) on plan assets	(5.5)	(4.1)	(2.5)	(12.1)
Total net interest cost / (income)	**0.7**	**1.2**	**0.6**	**2.5**
Defined benefit cost included in the income statement	**10.3**	**1.7**	**3.2**	**15.2**
Remeasurements (recognised in other comprehensive income (OCI)):				
Effect of changes				
- in demographic assumptions	2.9	(1.8)	(1.5)	(0.4)
- in financial assumptions	(6.8)	50.1	15.6	58.9
Effect of experience adjustments	(0.8)	2.8	(0.4)	1.6
Return on plan assets (excluding interest income)	(32.5)	(12.6)	(8.5)	(53.6)
Total remeasurements included in OCI	**(37.2)**	**38.5**	**5.2**	**6.5**
Defined benefit cost recognised in the income statement and OCI	**(26.9)**	**40.2**	**8.4**	**21.7**

(v) Net defined benefit liability / (asset) reconciliation

	2016			
	PVS	SPP	Others	Total
	MEUR	MEUR	MEUR	MEUR
Net defined benefit liability at 4 November 2015	-	-	-	-
Acquisitions through business combinations (Note 27)	152.4	39.8	17.4	209.6
Defined benefit cost included in the income statement	10.3	1.2	3.2	14.7
Total remeasurements included in OCI	(37.2)	38.5	5.2	6.5
Cash flows:				
Employer contributions	(14.1)	(5.4)	(3.6)	(23.1)
Administrative expenses and taxes	-	0.5	-	0.5
Foreign exchange	3.1	(6.9)	(1.1)	(4.9)
Net defined benefit liability at the end of year	**114.5**	**67.7**	**21.1**	**203.3**

(vi) Assumptions and other information

The principal actuarial assumptions used were:

	2016		
	PVS	SPP	Others*
Discount rate	0.6%	2.7%	7.5%
Future salary increase	1.5%	Not applicable	2.4%
Future pension increase	0.0%	2.3%	2.6%
Mortality table	BVG 2015, GT	S2PA 110% CMI_2015 [1.25%]	various

*Expressed as weighted averages.

Assumptions regarding future mortality are set based on actuarial advice. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

	2016	
	PVS	SPP
Retiring at the end of the reporting period:		
- Male	21.6	21.4
- Female	24.1	23.4
Retiring 20 years after the end of the reporting period:		
- Male	23.3	23.1
- Female	25.7	25.3

(vii) Sensitivity analysis as at 31 December 2016

The discount rate, future salary increase and future pension increase were identified as significant actuarial assumptions for the PVS plan and the SPP plan. A change in one of these assumptions by +0.25% or -0.25% (with all other assumptions remaining constant) would have the following impact on the defined benefit obligation at the end of the reporting period.

PVS

	2016 Defined benefit obligation	
	0.25% increase	0.25% decrease
Discount rate	-2.64%	2.83%
Future salary increase	0.03%	-0.04%
Future pension increase	3.23%	Not applicable

SPP

	2016 Defined benefit obligation	
	0.25% increase	0.25% decrease
Discount rate	-5.15%	5.15%
Future pension increase	3.95%	-3.95%

The above sensitivity calculations are based on one assumption changing while the others remain unchanged. In practice, however, there are certain correlations between the individual assumptions. The same method was used to calculate the sensitivities and the defined benefit obligation at the balance sheet date.

(viii) Plan assets

Plan assets comprises:	**2016** **MEUR**
Cash	29.0
Mortgages	23.4
Bonds	311.4
Equities	296.5
Real estate	242.9
Assets held by insurance company	20.7
Alternative investments	34.0
Total	**957.9**

Most of the equity, debt securities and assets held by insurance company have a quoted market price in an active market. Real estate, mortgages and alternative investments, which include hedge fund usually, do not have a quoted market price.

(ix) Funding

The expected contributions to be paid during the period ended 31 December 2017 in respect of the Group's defined benefit pension plans are MEUR 31.8.

(b) Swiss bridging pension obligation

As described in more detail in the accounting policy 3.14, this liability relates to the additional pension paid to pensioners of the Personalvorsorge Swissport (PVS) during the period before they are eligible to receive the State pension.

The main risks in relation to the bridging pensions consist of a financial risk (discount rate).

As required by IAS 19, the obligation has been measured at present value using the projected unit credit method and the movements in the balance are:

(i) Change in defined benefit obligation

	2016 MEUR
Defined benefit obligation at 4 November 2015	-
Acquisitions through business combinations (Note 27)	35.3
Service cost:	
Current service cost	2.1
Interest cost	0.3
Cash flows:	
Benefit payments from employer	(2.2)
Remeasurements:	
Effect of changes in demographic assumptions	0.2
Effect of changes in financial assumptions	(0.3)
Effect of experience adjustments	(0.7)
Foreign exchange	(0.1)
Defined benefit obligation at the end of the period	**34.6**

(ii) Components of defined benefit cost

	2016 MEUR
Service cost:	
Current service cost	2.1
Total service cost	**2.1**
Net interest cost:	
Interest expense in defined benefit obligation	0.3
Total net interest cost	**0.3**
Defined benefit cost included in the income statement	**2.4**
Remeasurements (recognised in other comprehensive income (OCI)):	
Effect of changes in demographic assumptions	0.2
Effect of changes in financial assumptions	(0.3)
Effect of experience adjustments	(0.7)
Total remeasurements included in OCI	**(0.8)**
Total defined benefit cost recognised in the income statement and OCI	**1.6**

(iii) Principal assumptions

	2016
Discount rate	0.60%
Rate of increase in social security pension (AHV)	1.00%
Current maximum AHV Pension (CHF)	28,200

(iv) Sensitivity analysis as at 31 December 2016

The discount rate was identified as a significant actuarial assumption for the bridging pension plan. A change in this assumption by +0.25% or -0.25% would have the following impact on the defined benefit obligation at the end of the reporting period.

	2016 Defined benefit obligation	
	0.25% increase	0.25% decrease
Discount rate	- 1.63%	0.68%

(v) Maturity analysis of benefit payments

At 31 December 2016	MCHF
Year 2017	2.8
Year 2018	3.2
Year 2019	2.6
Year 2020	2.7
Year 2021	2.8
Year 2022 - 2026	10.9

(c) Swiss night-shift obligations

As described in more detail in the accounting policy, this liability relates to the obligation in Switzerland to provide benefits to night shift workers.

(d) Jubilee Provision

As described in more detail in the accounting policy 3.14, this liability relates to the constructive obligation of some Group companies to pay long-service awards to employees on completion of a predetermined number of service years.

(e) Other Long-Term Employee Benefits

Includes a Long Term Incentive Plan ("LTIP") that the Company entered into as from March 1, 2016 in order to reward key employees of the Group for their contributions towards creating company value over the long-term.

20. Prepayments, trade and other receivables

	2016
Non-current prepayments and receivables:	**MEUR**
Loans to related parties (note 29)	0.9
Receivables from airport authorities (service concession)	10.2
Expected reimbursements from insurance companies	35.8
Capitalised transaction costs	0.5
Other receivables	9.6
Total	**57.0**

	2016
Current trade and other receivables:	**MEUR**
Trade receivables from third parties	279.9
Trade receivables from related parties (note 29)	7.1
Less: Impairment allowance	(1.4)
Subtotal	**285.6**
Non-income tax receivables	24.5
Prepayments	42.4
Expected reimbursements from insurance companies	18.3
Restricted cash (note 21)	49.9
Accrued balances	16.6
Other receivables from third parties	35.5
Current loan to related parties (note 29)	1.2
Total	**474.0**

Trade receivables - neither past due nor impaired:

The credit quality of trade receivables that are neither past due nor impaired can be assessed by reference to historical information about counterparty default risk. Based on experience, more than 99% of the balances with customers that are neither past due nor impaired were fully recovered.

Trade receivables - past due, but not impaired:

Generally, trade receivables that are less than three months past due are not considered impaired unless there is reliable information on financial difficulties. The carrying amounts of trade receivables that are past due, but not impaired, are as follows:

	2016
	MEUR
Up to 3 months	70.0
3 to 6 months	7.3
Over 6 months	7.5
Total	**84.8**

Trade receivables - impaired and allowance recognised:

The impairment allowance represents the Group's best estimate of incurred losses in respect of trade receivables. The allowance consists of a specific loss component that relates to individually significant exposures and a collective loss component based on historical experience. As of 31 December 2016, an allowance of MEUR 1.4 had been recognised. An higher allowance was not recognised as it was assessed that a portion of these receivables is expected to be recovered.

The ageing of the impaired receivables is as follows:

	2016 MEUR
Up to 6 months	1.4
Total	**1.4**

Movements in the Group allowance for impairment of trade receivables were as follows:

	2016 MEUR
At 4 November 2015	**-**
Provisions made	(1.4)
At 31 December	**(1.4)**

The recognition of allowances for impaired trade receivables and any subsequent recoveries of balances previously impaired are included in 'other operating expenses' in the consolidated income statement. Amounts charged to the allowance account are written off against the receivable when there is no expectation of recovering additional cash.

The non-current receivables and other current receivables are not impaired and not overdue.

For pledged assets, refer to note 23.

21. Cash and cash equivalents

	2016 MEUR
Cash at bank and on hand	126.5
Short term bank deposits	55.5
Total cash and cash equivalents in current assets	**182.0**
of which is restricted (note 20)	(49.9)
Unrestricted cash and cash equivalents	**132.1**

Cash in the amount of MEUR 49.9 is restricted and presented as current trade and other receivables. Restricted cash mainly comprises cash deposits for existing bank guarantees and certain labour guarantee cash deposits. The remaining part of restricted cash comprises principally short-term bank deposits that the Group is required to have by major suppliers, usually airports, to maintain in lieu of bank guarantees.

For pledged cash and cash equivalents, refer to note 23.

22. Equity

(a) Share capital

As at 31 December 2016, the fully paid subscribed capital, amounting to EUR 1,472,255,258.0, is represented by 1,472,255,258 shares with a par value of one Euro each. The Class A Shares, the Class B Shares, the Class C Shares, the Class D Shares, the Class E Shares, the Class F Shares, the Class G Shares, the Class H Shares, the Class I Shares and the Class J Shares are collectively referred to as the "Preference Shares", each being a "Preference Share". The Ordinary Shares and the Preference Shares are collectively referred to as the "Shares", each being a "Share" (refer to note 29).

The authorised capital amounts to EUR 1,472,255,258.0.

	Shares
	MEUR
Ordinary Shares	12,000
Class A Shares	147,224,326
Class B Shares	147,224,326
Class C Shares	147,224,326
Class D Shares	147,224,326
Class E Shares	147,224,326
Class F Shares	147,224,326
Class H Shares	147,224,326
Class G Shares	147,224,326
Class I Shares	147,224,325
Class J Shares	147,224,325
As at 31 December 2016	1,472,255,258

(b) Share premium

As at 31 December 2016, there is a share premium for a total amount of EUR 36,376,088.50. On 23 December 2016 HNA Aviation (Hong Kong) Ground Handling Holdings Co., Limited, the parent company of Swissport Group S.à r.l. has contributed this amount in order to be allocated to the equity reserve account into share premium of Swissport Group S.à r.l..

(c) Movements in share capital and share premium

	Share capital	Share premium	Total
	MEUR	MEUR	MEUR
At 4 November 2015	**0.0**	**-**	**0.0**
Issue of share capital and share premium	1,472.3	36.4	1,508.7
At 31 December 2016	**1,472.3**	**36.4**	**1,508.7**

(d) Nature and purposes of reserves

Fair value reserve

This reserve records fair value changes on available-for-sale financial assets.

Currency translation reserve

This reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations and foreign exchange differences on loans in substance forming part of the net investments in foreign operations.

(e) Dividends

The Company did not pay a dividend during the period ended 31 December 2016. Individual Group companies paid dividends to non-controlling interests in the period ended 31 December 2016.

23. Borrowings

Current	2016 MEUR
Term Loan B	660.0
Bank loans	13.5
Subordinated shareholder loan (note 29)	20.0
Loans from related parties (note 29)	7.6
Finance lease liabilities	10.1
Other	17.2
Total	**728.4**

Non-current	2016 MEUR
Notes	656.4
Bank loans	47.5
Loans from other third parties	10.6
Finance lease liabilities	12.7
Other	6.5
Total	**733.7**

The Notes are listed on the Euro MTF market of the Luxembourg Stock Exchange. The carrying amounts of the Notes is presented net of the directly attributable transaction costs incurred in connection with the issuance. Given the circumstances outlined below and in note 30, the MEUR 660 Term Loan B due 2022 is presented as current borrowings and at its principal value.

As per 31 December 2016 the Group has the following Notes outstanding:

Notes	Issue Date	Principal	Currency	Issue price in %	Interest rate in %	Maturity date
Senior Secured Notes	15.12.2015	400.0	MEUR	100.00%	6.750%	15.12.2021
Senior Notes	15.12.2015	280.5	MEUR	100.00%	9.750%	15.12.2022

	Senior Secured Note	Senior Notes
At 4 November 2015	-	-
Issued	400.0	290.0
Buyback	-	(9.5)
At 31 December 2016	**400.0**	**280.5**

For the purposes of repayment of certain liabilities, Swissport Investments S.A., a 100% subsidiary of Swissport Group S.à r.l., issued on 15 December 2015 MEUR 400.0 6.750% Senior Secured Notes due 2021 and MEUR 290.0 9.750% Senior Notes due 2022 which were fully funded and held in escrow until the acquisition date.

The bonds issued by Aguila 3 S.A. (MUSD 945.0 and MCHF 350.0; translated at transaction date to MEUR 1,165.0) and the Super Senior Revolving Credit Facility were fully repaid on 10 February 2016. The pledges for the old secured debts were released and new pledges and guarantees have been established on the transaction date 10 February 2016 or shortly hereafter for the duration of the new secured debts.

In addition, Swissport Investments S.A. entered into a MEUR 660.0 Term Loan B Facility due 2022. Swissport International AG entered into a new MCHF 150.0 Revolving Credit Facility (RCF) due 2021 on a senior secured basis which will provide borrowings up to an aggregated amount of MCHF 150.0. As per end of December 2016 an amount of MCHF 110.0 of the RCF has been committed whereby MCHF 42.5 was utilized for standby letters of credit.

Swissport Group recently became aware of defaults arising out of a technical breach of the lien covenant provisions contained in the senior secured credit agreement dated 20 January 2016 (the “Credit Facility”). The technical breach was uncovered as part of discussions between the Swissport Group and HNA Group regarding an equity injection from HNA Group intended to enable certain improvements to Swissport’s capital structure. The defaults were caused by pledges granted over the shares of Swissport Group S.à r.l, Swissport Investments S.A. and Aguila 2 S.A. as security for a debt facility entered into by a subsidiary of HNA Group Co. Ltd. prior to the completion of the acquisition of Swissport by the HNA Group. This subsidiary of the HNA Group Co. Ltd is a parent company of the Swissport Group. The pledged shares are not shares used as collateral intended to secure the Credit Facility or its senior secured high yield bonds. Pending resolution of the events of default, the Group is not able to access borrowings under the revolving credit facility under the Credit Facility documents (refer to note 30).

Under the Credit Agreement at 20 January 2016, the Group is subject to a financial covenant being the net leverage ratio test against a maximum threshold. The covenant is only reported to the creditors if a certain amount of the RCF is being utilized. At the end of the year the Company has met the leverage ratio as defined in the super senior revolving credit facility agreement and the Group did not meet the reporting threshold.

The Group is required to provide an unaudited consolidated balance sheet, income statements and cash flow statement on a quarterly basis as well as an annual audited consolidated balance sheet, income statements and cash flow statement to the Administrative Agent and/or Trustee.

The assets pledged at the end of the reporting periods are as follows:

	2016
	MEUR
Cash and cash equivalents	68.0
Trade and other receivables	245.0
Swissport Brand	324.5
Vehicles and equipment	145.2
Total	**782.7**

The above figures also include assets pledged locally outside of the notes, term loan and credit facility. Intercompany receivables and shareholdings in certain Group companies are also pledged but not presented above as they are eliminated on a consolidated level.

Finance lease liabilities are payable as follows:

	Future minimum lease payments	**Interest**	**Present value of minimum lease payments**
2016	**MEUR**	**MEUR**	**MEUR**
- within 1 year	10.9	0.8	10.1
- between 1 and 5 years	13.3	0.8	12.5
- after 5 years	0.2	0.0	0.2
Total	**24.4**	**1.6**	**22.8**

The maturity profile of non-current borrowings is as follows:

	13-24 months	25-60 months	> 60 months	Total
2016	**MEUR**	**MEUR**	**MEUR**	**MEUR**
Notes	-	385.8	270.6	656.4
Bank loans	6.2	22.9	18.4	47.5
Finance lease liabilities	6.0	6.5	0.2	12.7
Loans from other third parties	1.2	-	9.4	10.6
Other	4.7	-	1.8	6.5
Total	**18.1**	**415.2**	**300.4**	**733.7**

The weighted average effective interest rates on borrowings at the balance sheet date were as follows:

	2016
Notes	7.99%
Bank loans	6.16%
Finance lease liabilities	5.55%

24. Provisions

	Claims	Onerous contracts	Workers Compens.	Insurance provision	Other provision	Total
	MEUR	**MEUR**	**MEUR**	**MEUR**	**MEUR**	**MEUR**
At 4 November 2015	-	-	-	-	-	-
Acquisitions through business combinations (note 27)	75.1	10.5	51.5	23.9	12.1	**173.1**
Provisions made	5.6	1.3	14.2	3.6	4.3	**29.0**
Provisions used	(9.5)	(3.1)	(15.4)	2.2	(1.3)	**(27.1)**
Reversal of amounts no longer required	-	(0.9)	4.7	-	(0.5)	**3.3**
Currency exchange differences	12.6	(0.3)	1.5	0.9	(0.7)	**14.0**
At 31 December 2016	**83.8**	**7.5**	**56.5**	**30.6**	**13.9**	**192.3**

Analysed between:	**2016**
	MEUR
Current	56.1
Non-current	136.2
Total	**192.3**

The provisions of the Group consist of the following:

Claims

The balance of the provision relates to various claims that have been incurred in the ordinary course of business.

The Group has provisions of MEUR 83.8 predominantly in connection with labour related claims (mainly in Brazil). The final outcome of these issues may differ from management's expectations giving rise to an additional provisions or a reversal of already recognised provisions. No specific timing for the resolution of these claims is known as it depends on actions of the courts.

Onerous contracts

The onerous contracts provision mainly covered the future losses in relation to operating lease contracts, where the expected benefits to be received were not expected to cover the unavoidable costs in entities domiciled in the United Kingdom and United States. The operational lease contracts cannot be terminated prior to the expiration date. The expiration date varies between 2018 and 2020.

Workers Compensation

Workers compensation provision represent provisions for claims in the US in relation to injuries that occurred on the job. These provisions are partially offset by a receivable of MEUR 24.2 from an insurance company, which is included in other receivables. It is estimated that the majority of the claim liability will be paid out in seven to ten years.

Insurance provision

Insurance provisions represent provisions for claims in relation to aviation liabilities. These provisions are partially offset by receivables of MEUR 29.9 from insurance companies, which are included in other receivables. The liabilities are expected to be paid within three years from the moment of the incident.

Other provisions

During the year, provisions of MEUR 4.3 were made mainly to cover costs associated with employee termination benefits and refurbishing of buildings. In addition to these two provisions, the year end balance of the other provisions relates to a variety of other matters where the Group anticipates an outflow of resources at some point in the future. The majority of the remaining provisions can be attributed to provisions for customs fines and to other labour related provisions.

25. Trade and other payables

	2016 MEUR
Trade payables to third parties	113.9
Trade payables to related parties (note 29)	2.9
Tax payables	25.3
Guarantees	1.9
Advanced payments received	6.9
Other payables to third parties	36.6
Other payables to related parties (note 29)	2.9
Interest accruals - third parties	0.3
Interest accruals - Notes	2.3
Interest accruals - Term Loan B	6.0
Payroll related accruals	126.6
Purchase related and other accruals	107.5
Total	**433.1**

26. Contingent liabilities

Bank guarantees

As at 31 December 2016 the Group had contingent liabilities in respect of bank guarantees, arising in the ordinary course of business and provided to third parties by the Group's banks, amounting to MEUR 69.5. The guarantees represent contingent liabilities that will crystallize to the extent that the guarantees are drawn and the bank enforces its right to recover the amount drawn from the Group.

Legal matters

The Group and some of its subsidiaries are party to a number of proceedings and civil lawsuits in which the Group and some of its subsidiaries are defendants. There are various cases outstanding and provisions have been made where the Group expects an outflow to result from such proceedings (see note 24). It is possible that these provisions will prove to be inadequate, but the Group is not aware of any case where amounts not provided for could be material.

There are no other matters from which it is anticipated that a material liability could arise.

27. Business combinations

Acquisitions:

(a) Creation of the Swissport Group

Swissport Investments S.A., a company fully owned by Swissport Group S.à r.l. and ultimately owned by HNA Group, acquired 100 percent of Aguila 2 S.A.'s shares including Aguila 3 S.A. and its subsidiaries, joint ventures and associates (Aguila 3 Group) from PAI Partners for a consideration of MEUR 1,319.0 on 10 February 2016. Acquisition costs of MEUR 2.6 arose in connection with this acquisition. The acquisition costs are presented separately on the income statement.

Details of the purchase consideration, the net identifiable assets acquired and goodwill are as follows:

Consideration transferred:	**MEUR**
Cash paid	1,319.0
Total consideration transferred	**1,319.0**
Fair value of assets / (liabilities):	
Cash and cash equivalents	99.0
Trade and other receivables	480.4
Property, vehicles and equipment	255.8
Intangible assets	480.2
Deferred tax assets	53.6
Investment in associates and joint ventures	35.0
Inventories	11.0
Borrowings	(1,383.5)
Trade and other payables	(457.5)
Provisions	(173.1)
Employee benefit obligations	(262.1)
Deferred tax liabilities	(87.1)
Fair value of net identifiable assets, including non-controlling interest	**(948.3)**
Non-controlling interest	(32.0)
Fair value of net identifiable assets, excluding non-controlling interest	**(980.3)**
Goodwill	**2,299.3**
Cash flow from acquisition:	
Cash paid to former shareholder	(1,319.0)
Acquired cash and cash equivalents	99.0
Net cash outflow*	**(1,220.0)**

*In addition the Group spent MEUR 0.5 for other minor acquisitions that resulted in a goodwill of MEUR 0.5.

Goodwill

Goodwill of MEUR 2,299.3 arose on this acquisition because certain intangible assets did not meet the IFRS 3 criteria for recognition as intangible assets at the date of acquisition, refer to note 5 (f). These assets are mainly management expertise and workforce. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquired intangible assets

The intangible assets recognised separately from goodwill of MEUR 480.2 consisting of the Swissport brand (MEUR 317.7), licensing agreements (MEUR 42.6) and customer portfolios (MEUR 96.0).

Acquired receivables

The trade and other receivables comprise gross contractual amounts due of MEUR 527.5 consisting mainly of trade receivables of MEUR 299.3. The residual amount concerns the other receivables. From the total trade and other receivables gross contractual amount, total amount expected to be uncollectible at the acquisition date for the total trade and other receivables amounts MEUR 47.1 (consisting mainly of trade receivables of MEUR 34.9).

Revenue and profit contribution

The Aguila 3 Group contributed revenue of MEUR 2,469.6 and a loss of MEUR 26.6 to the consolidated revenue and loss from date of acquisition to 31 December 2016. If the Aguila 3 Group had been consolidated as of 1 January 2016, the Company would have contributed revenue of MEUR 2,681.7 and a loss of MEUR 41.8 to the consolidated revenue and loss for the period ended 31 December 2016.

Acquired contingent liabilities - Bank guarantees

Acquired of contingent liabilities in respect of bank guarantees, arising in the ordinary course of business and provided to third parties by the Group's banks, amounting to MEUR 90.1. The guarantees represent contingent liabilities that will crystallize to the extent that the guarantees are drawn and the bank enforces its right to recover the amount drawn from the Group. No liability has been recognized at acquisition date.

Acquired contingent liabilities - Legal matters

The Group recognized contingent liabilities for pending proceedings and civil lawsuits in which the Group and some of its subsidiaries are defendants at fair values. There are various cases outstanding and provisions have been made where the Group expects an outflow to result from such proceedings (see note 24).

28. Commitments

Capital commitments

Capital expenditures contracted for:	2016 MEUR
Property, vehicles and equipment	15.2
Total	**15.2**

Operating lease commitments

The Group has entered into commercial leases on certain buildings, vehicles and other operating equipment. The lease terms are mainly between 1 and 15 years. Escalation clauses and renewal options are included in some of the leases. Operating lease rentals for buildings of MEUR 111.0 and leases of vehicles and equipment amounting to MEUR 41.4 are included in the consolidated income statement in 'other operating expenses' and 'goods and services purchased', respectively.

The non-cancellable operating lease payments are due:	2016 MEUR
- within 1 year	125.7
- between 1 and 5 years	172.3
- after 5 years	31.1
Total	**329.1**

29. Related party transactions

As of 31 December 2016, Swissport Group S.à r.l. ("the Company") is 100% owned by HNA Aviation (Hong Kong) Ground Handling Holdings Co., Ltd. ("HNA Aviation", a global enterprise based in Hong Kong, China); refer to the note 27 Business combinations on the change of ultimate ownership to HNA Group which occurred on February 10, 2016.

HNA Aviation is the sole holder of the Company's share capital, initially consisting of 12,000 ordinary shares, 50 "Class A Shares", 50 "Class B Shares", 50 "Class C Shares", 50 "Class D Shares", 50 "Class E Shares", 50 "Class F Shares", 50 "Class G Shares", 50 "Class H Shares", 50 "Class I Shares" and 50 "Class J Shares".

In February 2016 HNA Aviation converted receivables equivalent to MEUR 1,472.2 against Swissport Group S.à r.l. into additional 147,224,276 new "Class A Shares", 147,224,276 new "Class B Shares", 147,224,276 new "Class C Shares", 147,224,276 new "Class D Shares", 147,224'276 new "Class E Shares", 147,224,276 new "Class F Shares", 147,224,276 new "Class G Shares", 147,224,276 new "Class H Shares", 147,224,275 new "Class I Shares" and 147,224,275 new "Class J Shares" with a par value of one Euro each.

The Group has not entered into any additional material transactions with related parties other than set out below. Furthermore, during the period ended December 2016, no manager had a personal interest in any transaction of significance for the business of the Group.

Managers' remuneration

The Company's managers are:

Dr. Thomas Staehelin	Chairman (from 21.04.2017, member since 06.02.2017)
Mr. Maksud Ahmadkhanov	Member
Mr. Eric Born	Member (from 06.02.2017)
Mrs. Agnes Csorgo	Member (until 30.06.2016)
Mr. Bo Cui	Member (until 06.02.2017)
Mr. Rui Li	Member (until 06.02.2017)
Mr. Daoqi Liu	Member (until 06.02.2017)
Mr. Peng Liu	Member (from 06.02.2017)
Mr. Loïc Marion	Member (from 30.06.2016)
Mr. Olivier Richaud	Member

During the period, the Company's managers received MEUR 0.1 for their services as managers. Those managers who have executive positions with the Group received salaries and other benefits, which are disclosed below under Executive Management remuneration.

Executive Management remuneration

The Group's Executive Management members are:

Mr. Eric Born	President and CEO
Mr. Juan José Andres Alvez	Member (until 22.05.2016)
Dr. Christian Göseke	Member (from 23.05.2016)
Mr. Alvaro Gómez-Reino	Member (until 22.05.2016)
Mr. Andreas Hugener	Member (from 01.02.2017)
Mr. Philipp Joeinig	Member (until 22.05.2016)
Mr. Nils Pries Knudsen	Member
Mr. Peng Liu	Member (from 15.08.2016)
Mr. Peter Moser	Member (until 01.02.2017)
Mr. Joe Phelan	Member
Dr. Johannes C. Spindler	Member
Mr. Luzius Wirth	Member

The compensation paid or payable to Executive Management for employee services during the year is shown below:

	2016 MEUR
Short-term employee benefits (including bonus)	6.0
Post-employment benefits (pension contributions)	0.5
Total	**6.5**

Transactions and balances arising from sales / purchases of services during the period ended and as of 31 December 2016:

4 Nov 2015 - 31 Dec 2016	HNA Group (ultimate owner) MEUR	HNA Group Subsidiaries MEUR	Companies where HNA holds a significant interest MEUR	Associates MEUR	Joint Ventures MEUR	Share of other partners of joint operations MEUR	TOTAL MEUR
Transactions:							
Revenues	-	10.8	19.4	-	-	-	30.2
Management and trademark fees	-	-	-	-	0.3	-	0.3
Salary Recharges	-	-	-	-	3.4	-	3.4
Interest earned	-	-	-	0.0	0.1	-	0.1
Total	**-**	**10.8**	**19.4**	**0.0**	**3.8**	**-**	**34.0**
Assets:							
Non-current loan	-	-	-	0.9	-	-	0.9
Current loan	-	-	-	-	1.2		1.2
Trade receivable	-	2.3	3.0	0.8	1.0	-	7.1
Total	**-**	**2.3**	**3.0**	**1.7**	**2.2**	**-**	**9.2**
Liabilities:							
Current loan	20.0	-	-	-	7.6	-	27.6
Trade payable	-	0.0	-	1.8	1.1	-	2.9
Other payables	-	-	-	-	-	-	-
Total	**20.0**	**0.0**	**-**	**1.8**	**8.7**	**-**	**30.5**

The shareholder loan is subordinated. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

30. Events occurring after the reporting period

As presented in note 23, Swissport Group recently became aware of defaults arising out of a technical breach of the lien covenant provisions contained in the senior secured credit agreement dated 20 January 2016 (the "Credit Facility"). The technical breach was uncovered as part of discussions between the Swissport Group and HNA Group regarding an equity injection from HNA Group intended to enable certain improvements to Swissport's capital structure. The defaults were caused by pledges granted over the shares of Swissport Group S.à r.l, Swissport Investments S.A. and Aguila 2 S.A. as security for a debt facility entered into by a subsidiary of HNA Group Co. Ltd. prior to the completion of the acquisition of Swissport by the HNA Group. This subsidiary of the HNA Group Co. Ltd is a parent company of the Swissport Group. The pledged shares are not shares used as collateral intended to secure the Credit Facility or its senior secured high yield bonds. Pending resolution of the events of default, the Group is not able to access borrowings under the revolving credit facility under the Credit Facility documents.

As a consequence of the defaults under the Credit Facility, which incurred prior to the balance sheet date and that still exist on the date of approval of these consolidated financial statements, the MEUR 660 Term Loan B, due 2022, is presented in current borrowings on the balance sheet (see note 23) and the capitalised transaction costs related to the MEUR 660 Term Loan B and the Revolving Credit Facility were fully expensed, which resulted in additional finance expense of MEUR 29.7 (see note 12).

At the end of April 2017, the Swissport Group was funded by HNA Group via equity injection with MEUR 660 in available cash balances, and MEUR 58 of cash for working capital purposes, in addition to cash flow from operations. As a result of this strong liquidity position, the events of default are not expected to impact on Swissport's day-to-day operations or its ability to meet its ongoing financial obligations.

On 3 May 2017, Swissport Group notified its lender group under the Credit Facility and the holders of its Luxembourg-listed MEUR 400 senior secured high yield bonds and MEUR 280.5 senior unsecured high yield bonds of the existence of these events of default under the Credit Facility documents and the default under its bond indentures. At the date of the approval of these consolidated financial statements, Swissport was working with its creditors as well as independent financial and legal advisors to resolve the issues related to the events of default under the Credit Facility.

The Swissport Group delayed publication of its full year 2016 audited consolidated financial statements to properly reflect the impact of the subsequent events. Due to the inability to publish these financial statements no later than 120 days after the close of the prior fiscal year, the Group has also incurred a default of the financial reporting covenants included in its bond indentures and has notified the bond trustee accordingly.

This default of the financial reporting covenants has not resulted in adjustments to the consolidated financial statements and the default will be cured with the publication of these financial statements to the notes holders within the applicable remedy time period.

In addition, in April 2017, the parent company of the Swissport Group converted its subordinated shareholder loan of MEUR 20 to equity, which further increased the Group's equity position. This did not lead to an adjustment of these consolidated financial statements.

No other significant events that would require an adjustment or disclosure in the consolidated financial statements occurred between 31 December 2016 and 30 May 2017, the date of approval of the consolidated financial statements by the Board of Managers.

31. Swissport Group Companies

The Group interest is 100% of the ordinary share capital, unless otherwise stated. The entities included in these consolidated financial statements are:

Fully consolidated entities		Interest where not 100%	Country of operation
		2016	
Luxembourg			
Swissport Group S.a r.l.	(a)		Luxembourg
Swisport Investments S.A.	(a)		Luxembourg
Swissport Group (US)	(a)		Luxembourg
Aguila 2 S.A.	(a)		Luxembourg
Aguila 3 S.A.			Luxembourg
Swissport Cargo Services Luxembourg S.A.		75.0%	Luxembourg
Switzerland			
Aguila Bid AG			Switzerland
Swissport International AG			Switzerland
Swissport Baggage Sorting AG			Switzerland
Swissport Group Services GmbH			Switzerland
Checkport Schweiz AG		85.0%	Switzerland
PrivatPort S.A.		51.0%	Switzerland
Careport AG		66.8%	Switzerland
GVAssistance AG		70.0%	Switzerland
Other European Countries			
Swissport Cargo Services Austria GmbH			Austria
Swissport Cargo Services Graz GmbH	(a)	51.0%	Austria
AFS Aviation Fuel Services Austria GmbH		33.3%	Austria
Swissport Cargo Services Belgium N.V.			Belgium
Swissport Belgium N.V.			Belgium
Swissport Belgium Cleaning N.V.			Belgium
Swissport Bulgaria AD		51.0%	Bulgaria
Swissport G.A.P. Vassilopoulos (Cyprus) Ltd.		51.0%	Cyprus
Swissport Cyprus Ltd.	(c)	38.2%	Cyprus
Swissport Denmark AS			Denmark
Swissport Finland OY			Finland
Swissport France Holding SAS			France
Swissport Cargo Services France Sarl			France
Swissport Executive Aviation SAS		51.0%	France
AFS Aviation Fuel Services GmbH	(b)	66.7%	Germany
Swissport Berlin GmbH		65.0%	Germany
Swissport Germany Holding GmbH	(b)		Germany
Swissport Cargo Services Deutschland GmbH	(b)		Germany
Swissport Losch GmbH & Co. OHG	(b)	55.0%	Germany
Swissport Losch Services GmbH & Co. KG	(b)	55.0%	Germany
Swissport Losch Operations Verwaltungsgesellschaft mbH	(b)	55.0%	Germany
Swissport Losch Services Verwaltungsgesellschaft GmbH	(b)	55.0%	Germany
Swissport Losch München GmbH & Co. KG	(b)	55.0%	Germany
PrivatPort München GmbH & Co. KG	(b)	55.0%	Germany
Flightcare Multiservices Ireland Limited			Republic of Ireland
Knights Cleaning Services Ltd			Republic of Ireland
Swissport Ireland Ltd			Republic of Ireland

Fully consolidated entities (continued)		**Interest where not 100%**	**Country of operation**
		2016	
Swissport Kazakhstan LLP			Kazakhstan
Swissport Holding B.V.			Netherlands
Swissport Nederland B.V.			Netherlands
Swissport Cargo Services The Netherlands B.V.			Netherlands
Swissport Amsterdam B.V. (formerly Servisair Amsterdam B.V.)			Netherlands
Servisair Holdings B.V.		100.0%	Netherlands
Skylink Handling Services B.V	(a)	100.0%	Netherlands
Cargo Service Center East Africa B.V.			Netherlands
Swissport Poland Ltd.			Poland
Swissport Portugal S.A.			Portugal
Servisair Portugal Unipessoal Lda			Portugal
Swissport Spain Aviation Services S.L.			Spain
Swissport Holding Spain S.L.			Spain
Swissport Handling S.A.			Spain
Swissport Spain S.A.			Spain
Servisair Iberica S.A.			Spain
Swissport Fuelling Ltd.			United Kingdom
Swissport Cargo Services UK Ltd.			United Kingdom
Swissport UK Holding Ltd.			United Kingdom
Swissport Stansted Ltd.			United Kingdom
Swissport Limited			United Kingdom
Swissport Fuelling Services UK Limited			United Kingdom
Flightcare Multiservices UK Limited			United Kingdom
Swissport GB Limited			United Kingdom
Servisair Group Limited			United Kingdom
Servisair Holdings Limited			United Kingdom
Swissport Jersey Ltd.			United Kingdom
Swissport Guernsey Ltd.			United Kingdom
North America			
Swissport Canada Handling Inc.			Canada
Swissport Canada Inc.			Canada
Swissport Canada Deicing Inc.			Canada
Swissport Canada Fuel Services Inc.			Canada
Swissport North America Holdings Inc.			USA
Swissport North America Inc.			USA
Swissport Cargo Holdings Inc.			USA
Swissport Cargo Services L.P.			USA
Swissport Holdings Inc.			USA
Swissport Lounge LLC			USA
BWID LLC			USA
Dapsco Inc.			USA
Swissport USA Inc.			USA
Swissport Cargo Services Inc.			USA
Swissport Fueling Inc.			USA

Fully consolidated entities (continued)		**Interest where not 100%**	**Country of operation**
		2016	
Other Countries continued			
Swissport Fueling of Nevada Inc.			USA
Swissport SA LLC			USA
Servisair Americas LLC			USA
Swissport SA USA LLC			USA
Servisair Leasing Corporation			USA
Swissport SA Fuel Services LLC			USA
Servisair Fuel Leasing Corporation			USA
Hallmark Aviation Services L.P.		51.0%	USA
SPA Swissport Algerie Ltd.		51.0%	Algeria
Swissport Argentina S.A.			Argentina
Swissport Brazil Ltda.			Brazil
Cargo Service Center Brazil S.A.T.A Ltda.			Brazil
Camport PLC	(c)	46.8%	Cameroon
Swissport Chile SA			Chile
Interairport Services Swissport S.A.		51.0%	Costa Rica
Aerocargo B.V.			Curacao
Cargo Services Center International N.V.			Curacao
Swissport Curacao N.V.			Curacao
Swissport Cargo Services Israel Ltd.		51.0%	Israel
Swissport Ghana	(d)	50.0%	Ghana
Swissport Kenya Limited			Kenya
Swissport Korea Ltd.		59.0%	Republic of Korea
Swissport Japan Ltd.		51.0%	Japan
Swissport Maroc SA		85.0%	Morocco
Swissport Executive Aviation Maroc Sàrl	(a)	85.0%	Morocco
AGN Aviation Services, S.A. de C.V.		51.0%	Mexico
CREA Recursos Humanos, S.A. de C.V.		51.0%	Mexico
Swissport Mexico Holding, S. de R.L. de C.V.			Mexico
Cargo Service Center de Mexico S.A. de C.V.			Mexico
Swissport Aviation Services de Mexico S.A. de C.V.			Mexico
Checkport Security Nigeria Limited	(c)	43.4%	Nigeria
Swissport Oman LLC	(a)	70.0%	Oman
Swissport Peru S.A.C.			Peru
Swissport Saudi Arabia Ltd.			Saudi Arabia
Peruvian Investments 2008 PTE. Ltd.			Singapore
Swissport South Africa (PTY) Ltd.		51.0%	South Africa
Checkport South Africa (PTY) Ltd.	(c)	43.4%	South Africa
Swissport Tanzania Ltd.		51.0%	Tanzania
Swissport Zanzibar Company Limited		65.0%	Tanzania
Swissport Trinidad and Tobago Limited			Trinidad & Tobago
Swissport Cargo Services Venezuela S.A.		88.0%	Venezuela
Tramitaven C.A.		60.0%	Venezuela

Equity accounted entities		**Interest where not 100%** **2016**	**Country of operation**
Flughafen Graz Boden- Services GmbH		37.0%	Austria
S&L Airport Services Ltd.		19.1%	Cyprus
Compania de Economia Mixta Servicios Aeroportuarios del Ecuador - Quito		30.0%	Ecuador
Swissport Dominicana S.A.		34.0%	Dominican Republic
AFC Aviation Fuel Company OHG		50.0%	Germany
N*ICE Aircraft Services & Support GmbH		48.0%	Germany
Quality Airport Services Israel Ltd.		50.0%	Israel
Air Ghana Perishable Cargo Center Limited		50.0%	Ghana
GlobeGround Romania SRL		25.0%	Romania
Bucharest International Cargo Centre SA		25.8%	Romania
ZAO Cargo Terminal Pulkovo		40.0%	Russia
Bradford Swissport Limited		50.0%	United Kingdom
Swissport ALD Limited		51.0%	United Kingdom
Heathrow Cargo Handling Ltd		50.0%	United Kingdom
Inactive entities		**Interest where not 100%** **2016**	**Country of operation**
Swissport Austria GmbH			Austria
Swissport Middle East Holding Inc.		51.0%	Cayman Islands
Carribbean Jets			Dominican Republic
Swissport Middle East Services FZCO			Dubai
Swissport Deutschland GmbH			Germany
Swissport Ground Handling GmbH			Germany
Swissport Services GmbH			Germany
Swissport Travel Center GmbH			Germany
Checkport Ghana	(c)	43.4%	Ghana
Swissport GBH Honduras S.A.	(c)	41.0%	Honduras
Servisair Nominees Services Limited			Republic of Ireland
Trading Spaces Limited			Republic of Ireland
Shamrock Logistics Limited			Republic of Ireland
Swissport Cargo Services Italy S.R.L.			Italy
Checkport Nederland B.V.			Netherlands
Swissport Mexico Participation II B.V.			Netherlands
Smart Handling B.V.			Netherlands
Servisair Assistance Piste Orly		liquidated	France
Swissport Latinamerica S.A.			Panama
Swissport Singapore Pte Ltd.			Singapore
Swissport Fueling AG			Switzerland
Servisair PLS Ltd.			Turks and Caicos Islands
Servisair TCI Ltd.			Turks and Caicos Islands
Shamrock Logistics Limited			United Kingdom
Servisair (Contract Handling) Limited			United Kingdom
Swissport Pension (Scotland) Limited			United Kingdom
GlobeGround (UK) Limited			United Kingdom
GlobeGround Heathrow Limited			United Kingdom
Globeground Manchester Limited			United Kingdom
Airway Handling Limited			United Kingdom

Inactive entities (continued)		**Interest where not 100%**	**Country of operation**
		2016	
Tri-Star Acquisition Corporation			USA
GlobeGround Services Inc.			USA
Servisair Venezuela CA			Venezuela
Servisair Inmobiliaria CA (Venezuela)			Venezuela
Swissport Uruguay S.A.			Uruguay

Additional information on the Group's interests:

(a) The entity was founded or acquired during the period that ended 31 December 2016 outside of the acquisition of Aguila 2 SA (note 27).

(b) These entities are being consolidated within the consolidated Group financial statements. Therefore it is not necessary that they produce a local consolidated financial statement.

(c) Indirect shareholding: Entity controlled by a controlled intermediate subsidiary, for which the intermediate subsidiary holds more than 50%.

(d) Controlled by shareholder agreement.

AGUILA 3 S.A.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

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To the Shareholder of
Aguila 3 S.A.
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L-2522 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the consolidated financial statements

Following our appointment by the General Meeting of the Shareholders dated 1 June 2015 we have audited the accompanying consolidated financial statements of Aguila 3 S.A., which comprise the consolidated balance sheet as at 31 December 2015, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

For the purposes of this Exchange Offer Memorandum, the consolidated management report has been omitted.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Aguila 3 S.A. as of 31 December 2015, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The consolidated management report, which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements.

Luxembourg, 29 April 2016

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

s/Oddone

Consolidated Balance Sheet
as at 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

Assets	**Note**	**2015**	**2014**
Non-current assets			
Property, vehicles and equipment	15	284.8	291.1
Goodwill	16	1'010.1	1'088.8
Other intangible assets	16	308.8	324.5
Investments in associates and joint ventures	17	40.8	40.4
Available-for-sale financial assets		2.2	4.4
Deferred tax assets	18	49.4	82.3
Prepayments and receivables	20	55.2	58.0
		1'751.3	**1'889.5**
Current assets			
Inventories		13.1	14.6
Trade and other receivables	20	462.7	488.7
Current tax assets		6.9	15.6
Available-for-sale financial assets		2.5	1.5
Derivatives		0.1	9.5
Cash and cash equivalents	21	128.6	117.4
		613.9	**647.3**
Total assets		**2'365.2**	**2'536.8**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent			
Share capital, share premium and equity instruments	22	527.8	508.4
Fair value reserve		1.0	0.6
Currency translation reserve		(112.9)	(59.0)
Retained earnings		(502.0)	(322.3)
		(86.1)	**127.7**
Non-controlling interest		**24.0**	**49.2**
Total equity		**(62.1)**	**176.9**
Liabilities			
Non-current liabilities			
Borrowings	23	1'475.6	1'381.1
Provisions	24	79.4	89.7
Employee benefit obligations	19	230.4	223.4
Derivatives		0.2	-
Deferred tax liabilities	18	54.3	65.0
		1'839.9	**1'759.2**
Current liabilities			
Borrowings	23	55.7	33.7
Provisions	24	42.1	54.7
Current tax liabilities		14.5	21.1
Trade and other payables	25	475.1	491.2
		587.4	**600.7**
Total liabilities		**2'427.3**	**2'359.9**
Total equity and liabilities		**2'365.2**	**2'536.8**

The notes on pages F-96 to F-158 form an integral part of these consolidated financial statements.

Consolidated Income Statement
for the years ended 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	2015	2014
Revenue	7	2'766.2	2'831.3
Other operating income	7	106.7	102.6
Total revenue and other operating income		**2'872.9**	**2'933.9**
Goods and services purchased	8	(456.8)	(484.8)
Personnel expenses	9	(1'837.0)	(1'823.8)
Other operating expenses	10	(373.8)	(440.4)
Depreciation of property, vehicles and equipment	15	(62.6)	(64.0)
Amortisation and impairment of intangible assets	16	(22.0)	(23.1)
Total operating expenses (excluding acquisition and integration costs)		**(2'752.2)**	**(2'836.1)**
Share of results of associates and joint ventures	17	3.4	5.2
Operating profit before acquisition and integration		**124.1**	**103.0**
Integration costs	11	(27.8)	(27.2)
Operating profit		**96.3**	**75.8**
Finance expense	12	(281.4)	(192.8)
Finance income	13	123.3	50.3
Loss on sale of subsidiaries	27	(19.4)	(12.2)
Loss on disposal	27	(28.6)	-
(Loss) before income tax		**(109.8)**	**(78.9)**
Income tax expense	14	(34.0)	(41.2)
(Loss) for the period		**(143.8)**	**(120.1)**
Attributable to:			
Owners of the parent		(162.8)	(141.1)
Non-controlling interest		19.0	21.0

The notes on pages F-96 to F-158 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the years ended 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	2015	2014
(Loss) for the period		**(143.8)**	**(120.1)**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net actuarial (losses) on employee benefit obligations		(7.9)	(87.7)
Total items that will not be reclassified to profit or loss		(7.9)	(87.7)
Items that are or may be reclassified subsequently to profit or loss			
Net change in fair value of available-for-sale financial assets		0.4	0.1
Currency translation differences		(63.0)	51.0
Net (loss) on hedge of net investments in foreign operations	23	(2.1)	(62.9)
Total items that are or may be reclassified subsequently to profit or loss		(64.7)	(11.8)
Total other comprehensive income for the period, net of tax		(72.6)	(99.5)
Total comprehensive income for the period, net of tax		**(216.4)**	**(219.6)**
Attributable to:			
Owners of the parent		(224.2)	(240.9)
Non-controlling interest		7.8	21.3

Individual line items in the statement above are disclosed net of tax. The income tax relating to other comprehensive income is disclosed in note 14.

The notes on pages F-96 to F-158 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2015

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	Attributable to owners of the parent						
		Share capital, share premium and equity instruments	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2015		**508.4**	**0.6**	**(59.0)**	**(322.3)**	**127.7**	**49.2**	**176.9**
(Loss) / gain for the period		-	-	-	(162.8)	(162.8)	19.0	(143.8)
Other comprehensive income								
Net change in fair value of available-for-sale financial assets		-	0.4	-	-	0.4	-	0.4
Net actuarial (losses) on employee benefit obligations		-	-	-	(7.9)	(7.9)	-	(7.9)
Currency translation differences		-	-	(51.8)	-	(51.8)	(11.2)	(63.0)
Net (losses) on hedge of net investments in foreign operations	23	-	-	(2.1)		(2.1)	-	(2.1)
Total other comprehensive income, net of tax		-	0.4	(53.9)	(7.9)	(61.4)	(11.2)	(72.6)
Total comprehensive income, net of tax		**-**	**0.4**	**(53.9)**	**(170.7)**	**(224.2)**	**7.8**	**(216.4)**
Transactions with owners								
Contributions by / (distributions to) owners								
Capital contribution	22	19.4	-	-	-	19.4	-	19.4
Dividends declared to non-controlling interest		-	-	-	-	-	(11.9)	(11.9)
Total contributions by / (distributions to) owners		19.4	-	-	-	19.4	(11.9)	7.5
Changes in ownership interests in subsidiaries								
Non-controlling interest arising from business combination	27	-	-	-	-	-	2.5	2.5
Written put option on non-controlling interest		-	-	-	(9.0)	(9.0)	-	(9.0)
Non-controlling interest arising from change in ownership interests		-	-	-	-	-	(23.6)	(23.6)
Total changes in ownership interest in subsidiaries		-	-	-	(9.0)	(9.0)	(21.1)	(30.1)
Total transactions with owners		**19.4**	**-**	**-**	**(9.0)**	**10.4**	**(33.0)**	**(22.6)**
Balance at 31 December 2015		**527.8**	**1.0**	**(112.9)**	**(502.0)**	**(86.1)**	**24.0**	**(62.1)**

The notes on pages F-96 to F-158 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2014

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	Attributable to owners of the parent						
		Share capital, share premium and equity instruments	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2014		**508.4**	**0.5**	**(45.8)**	**(94.5)**	**368.6**	**40.7**	**409.3**
(Loss) / gain for the period		-	-	-	(141.1)	(141.1)	21.0	(120.1)
Other comprehensive income								
Net change in fair value of available-for-sale financial assets		-	0.1	-	-	0.1	-	0.1
Net actuarial (losses) on employee benefit obligations		-	-	-	(86.7)	(86.7)	(1.0)	(87.7)
Currency translation differences		-	-	49.7	-	49.7	1.3	51.0
Net losses on hedge of net investments in foreign operations	23	-	-	(62.9)	-	(62.9)	-	(62.9)
Total other comprehensive income, net of tax		-	0.1	(13.2)	(86.7)	(99.8)	0.3	(99.5)
Total comprehensive income, net of tax		**-**	**0.1**	**(13.2)**	**(227.8)**	**(240.9)**	**21.3**	**(219.6)**
Transactions with owners								
Contributions by / (distributions to) owners								
Dividends declared to non-controlling interest		-	-	-	-	-	(12.8)	(12.8)
Total transactions with owners		**-**	**-**	**-**	**-**	**-**	**(12.8)**	**(12.8)**
Balance at 31 December 2014		**508.4**	**0.6**	**(59.0)**	**(322.3)**	**127.7**	**49.2**	**176.9**

The notes on pages F-96 to F-158 form an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement
for the years ended 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	2015	2014
Cash flow from operating activities			
(Loss) for the period		(143.8)	(120.1)
Adjustments for:			
- Income tax expense	14	34.0	41.2
- Net finance expense	12 / 13	158.1	142.5
- Depreciation	15	62.6	64.0
- Amortisation and impairment of intangibles assets	16	22.0	23.1
- Loss on sale of subsidiaries	27	19.4	12.2
- Loss on disposal	27	28.6	-
- Other items		0.5	(5.7)
Changes in inventories		0.9	(1.2)
Changes in provisions		(34.2)	33.8
Changes in trade and other receivables		(21.8)	(27.1)
Changes in trade and other payables		2.5	14.9
Cash generated from operations		128.8	177.6
Income tax paid		(21.7)	(26.1)
Dividends received		5.0	4.4
Total cash flow from operating activities		**112.1**	**155.9**
Cash flow from investing activities			
Acquisitions of subsidiaries, net of cash & cash equivalents acquired; acquisition of joint ventures		(9.0)	(1.0)
Net investment in financial assets		14.5	-
Disposal of subsidiary, net of cash and cash equivalents		(4.9)	(6.4)
Purchase of property, vehicles and equipment	15	(58.4)	(44.7)
Proceeds from sale of property, vehicles and equipment		5.3	2.6
Purchase of intangible assets	16	(6.8)	(4.7)
(Grant) / Repayment of loan receivables		(0.4)	0.1
(Increase) / Decrease in restricted cash		11.6	(6.0)
Interest received		1.8	1.7
Sale of available-for-sale financial assets		-	7.5
Total cash flow (used in) investing activities		**(46.3)**	**(50.9)**
Cash flow from financing activities			
Capital contribution	22	19.4	-
Proceeds from borrowings		164.6	187.1
Repayment of borrowings		(86.5)	(187.5)
Bank charges and other financial costs paid		(6.8)	(6.8)
Financing and retainer fees paid		-	(2.3)
Dividends paid to non-controlling interests		(11.9)	(12.6)
Interest paid		(111.7)	(106.9)
Total cash flow (used in) financing activities		**(32.9)**	**(129.0)**
Net increase / (decrease) in cash and cash		**32.9**	**(24.0)**
Cash and cash equivalents at 1 January		117.4	141.0
Exchange gain / (loss) on cash and cash equivalents		(21.7)	0.4
Cash and cash equivalents at 31 December	21	**128.6**	**117.4**

The notes on pages F-96 to F-158 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. General information

Aguila 3 S.A. ('the Company' or 'Aguila 3') and its subsidiaries (together 'the Group' or 'the Aguila 3 Group') provide Ground Handling and Cargo Handling services to many of the world's leading airlines in 48 countries.

On 10 February 2016 HNA Group Co. Ltd ("HNA Group", a global enterprise group based in Haikou, China) has acquired Aguila 2 S.A., the parent company of Aguila 3. Refer to "Note 23 – Borrowings" and "Note 30 – Events occurring after the reporting period".

The parent company of the Group is Aguila 3 which is a limited company domiciled in Luxembourg and was legally incorporated on 13 December 2010. The address of the registered office is:

Aguila 3 S.A.
6, rue Guillaume Schneider
L-2522 Luxembourg

The consolidated financial statements of the Group for the year ended 31 December 2015 comprise the Company and its subsidiaries and interests in associates and joint arrangements. They were authorised for issue by the Board of Directors on 29 April 2016.

2. Statement of compliance

These consolidated financial statements for the year ended 31 December 2015 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

3. Accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

3.1. Basis of preparation

The consolidated financial statements are presented in millions of Swiss Francs, which is also the functional currency of the Company. Amounts expressed in Swiss Francs are designated as CHF, amounts expressed in thousands of Swiss Francs are designated as TCHF and amounts expressed in millions of Swiss Francs are designated as MCHF.

They are prepared under the historical cost basis, with the exception that certain items are stated at their fair value (available-for-sale financial assets as well as financial assets and liabilities, including derivative instruments, at fair value through profit or loss). Non-current assets and disposal groups held for sale are stated at the lower of the carrying amount and fair value less costs to sell.

Critical judgments made by management in the application of IFRS and key sources of estimation uncertainties are disclosed in note 5.

Adoption of other new and amended standards and interpretations

Certain new or amended IFRS standards and interpretations that are effective for the 2015 reporting year are either not applicable to the Group, or do not have a material impact on the consolidated financial statements.

Adoption of standards and interpretations in 2016 and later

A number of new, revised or amended standards and new and revised interpretations have been published and are effective for the Group's accounting periods beginning on or after 1 January 2016, but the Group has not early adopted them. Their impact on the consolidated financial statements of the Group has not been systematically analysed yet. The expected effects as disclosed in the table below reflect a first assessment by Group management.

New, revised or amended standards and interpretations	***Effective date***	***Planned application by the Group***
IFRS 9 Financial Instruments (not yet endorsed by the EU)**	1 January 2018	Reporting year 2018
IFRS 15 Revenue from Contracts with Customers (not yet endorsed by the EU)**	1 January 2018	Reporting year 2018
Amendments to IAS 1: Disclosure Initiative*	1 January 2016	Reporting year 2016
Annual Improvements to IFRSs 2012-2014 Cycle **	1 January 2016	Reporting year 2016
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*(not yet endorsed by the EU)	Postponed	n/a
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016	Reporting year 2016
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016	Reporting year 2016

* No or no significant impacts are expected on the consolidated financial statements.

** The impacts on the consolidated financial statements can not be determined with sufficient reliability yet.

3.2. Basis of consolidation

(a) Business combinations

Business combinations are accounted for using the acquisition method.

The consideration transferred for the acquisition of a subsidiary is measured as the fair value of the assets transferred, any liabilities incurred and any equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement as well as any share-based payment awards of the acquiree that are replaced mandatorily in the business combination. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at its fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired, is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in profit or loss.

The acquisition method is also applied to a business combination achieved without the transfer of consideration (e.g. when achieving control due to amended shareholder agreements). Applying the acquisition method to such a business combination requires the Group to adjust the carrying amount of any existing interest in the acquiree to fair value, recognise in profit or loss the difference between the carrying amount of any existing interest in the acquiree prior to obtaining control and the fair value of the interest held upon obtaining control, and recognise any amounts previously recognised in other comprehensive income relating to the previously-held equity interest on the same basis as would be required if the previously-held equity interest had been disposed of directly.

(b) Subsidiaries

Subsidiaries ('Group companies') are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Group companies are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Group companies are required to adopt the Group's accounting policies. All transactions, balances and gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Intercompany foreign exchange differences are disclosed within exchange gains and losses in the consolidated income statement, except for those loans that are considered as net investments in foreign operations, in accordance with IAS 21.

(c) Acquisitions and disposals of non-controlling interests

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as transactions with equity owners of the Group. The carrying amount of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(d) Associates

Associates are those entities in which the Group has significant influence (generally involving a shareholding of between 20% and 50% of the voting rights). Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method from the date significant influence until the date significant influence ceases. The investments are initially recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any loans that are considered to be part of the net investment, the Group does not recognise further losses, unless it has incurred obligations or has made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

If the ownership interest in an associate is reduced but significant influence is retained, a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(e) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts or law requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

Joint venture – when the Group has rights only to the net assets of the arrangements, it accounts for its interest using the equity method, as for associates (see note 3.2 (d) above).

Joint operation – when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(f) Loss of control, significant influence or joint control

When the Group ceases to have control, significant influence or joint control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequent accounting for the retained interest of an associate, joint arrangement or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(g) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than from continuing use. The asset (or disposal group) must be available for immediate sale in its present condition and the sale must be highly probable. Immediately before classification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is updated in accordance with applicable IFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are included in the consolidated income statement. Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations which is disposed of as part of a single co-ordinated plan, or is a company acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or, if earlier, when the operation meets the criteria to be classified as held for sale.

3.3. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Swiss Francs (CHF).

(b) Transactions and balances

Foreign currency transactions are translated into the respective functional currencies of the Group entities using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated at year-end exchange rates. Non-monetary assets and liabilities in foreign currencies that are stated at historical cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities in foreign currencies that are stated at fair value are translated at the foreign exchange rate at the date the values are determined. Foreign exchange gains and losses arising on translation are recognised in the consolidated income statement, except for currency translation differences relating to a financial liability designated as a hedge of the net investment in a foreign operation that is effective (see below), which are recognised in other comprehensive income.

(c) Foreign operations

The results and financial position of all Group entities that have a functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates of that period, which approximate the foreign exchange rates at the dates of the transactions;

(c) all exchange differences resulting from such transactions are recognised as a separate component of other comprehensive income and accumulated in equity in a separate translation reserve.

If a loan is made to a foreign operation and the loan in substance forms part of the Group's investment in the foreign operation (i.e. settlement of the loan is neither planned nor likely in the foreseeable future), exchange differences arising from the loan are also recognised in the currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that is a foreign operation, a disposal involving loss of joint control over a jointly controlled arrangement that is a foreign operation, or a disposal involving loss of significant influence over an associate that is a foreign operation), all exchange differences accumulated in equity in respect of that operation that are attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that is a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to the non-controlling interest and are not recognised in profit or loss. For all other partial disposals (i.e. reductions in the Group's ownership interests in associates or jointly controlled arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

Venezuela has met the conditions of a hyperinflationary economy since November 2009. As the operations in Venezuela are immaterial in the overall scope of the Group, IAS 29 'Financial Reporting in Hyperinflationary Economies' is not applied. The impact of not applying this standard on the consolidated financial statements is deemed immaterial.

(d) Hedge of a net investment in foreign operation

Currency translation differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective, and are in the currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the currency translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

(e) Principal exchange rates

The exchange rates used for the principal currencies of the Group were:

	Year-end exchange rates		Average exchange rates	
	2015	**2014**	**2015**	**2014**
Euro (EUR)	1.0826	1.2027	1.0745	1.2140
US Dollar (USD)	0.9907	0.9894	0.9908	0.9170
Pound Sterling (GBP)	1.4689	1.5370	1.4765	1.5074
Canadian Dollar (CAD)	0.7146	0.8510	0.7571	0.8296
Brazilian Real (BRL)	0.2541	0.3692	0.2950	0.3904
South African Rand (ZAR)	0.0643	0.0853	0.0759	0.0847

3.4. Property, vehicles and equipment

Buildings (comprising mainly warehouses, storage buildings, maintenance shops and offices) and all other equipment are stated at cost less depreciation and, if any, less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. Depreciation is calculated using the straight-line method over the asset's estimated useful life as follows:

Buildings and building improvements: 30 to 50 years

Motorised and non-motorised equipment: 7 to 15 years

IT equipment: 3 to 5 years

Where an asset comprises several parts with different useful lives, each part of the asset is depreciated separately over its applicable useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts and are included in the operating result in the consolidated income statement.

The useful lives, depreciation methods and residual values are reviewed at each balance sheet date.

3.5. Goodwill and other intangible assets

(a) Goodwill

Goodwill arising on an acquisition of a subsidiary represents the excess of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired.

Goodwill related to the acquisition of associates and joint ventures is included in the carrying amount of the investments in associates and joint ventures respectively.

Separately recognised goodwill is tested annually for impairment and stated at cost less accumulated impairment losses.

On disposal of an entity, the carrying value of related goodwill is taken into account when calculating the gain or loss on disposal.

(b) Other intangible assets

Intangible assets with finite useful lives are stated at cost less accumulated amortisation and, if any, accumulated impairment losses.

Intangible assets acquired from third parties or acquired in a business combination are separately recognised as intangible assets. Intangible assets acquired in a business combination are recognised separately from goodwill if they arise from contractual or legal rights or are separately transferable and their fair value can be reliably estimated.

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring the specific software to use. These costs are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 3 years).

External computer software development costs are capitalised and amortised using the straight-line method over their useful lives (subject to a maximum of 3 years) where it is considered that economic benefits will be derived in future years.

Internal costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable software products are only recognised as intangible assets when development costs can be measured reliably, the software is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use the software. Direct costs include costs of materials, software development, employee costs and an appropriate portion of overheads directly attributable to the development of the asset.

Customer portfolios have finite useful lives and are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 10 years).

Licensing agreements have finite useful lives and are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 20 years).

The Swissport brand has an indefinite useful life and is tested annually for impairment and stated at cost less accumulated impairment losses, if any.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts and are included in the operating result in the consolidated income statement.

Intangible assets arising from a service concession arrangement are recognised when the Group has a right to charge for usage of the concession infrastructure (see further policy 3.20). A consideration received for providing construction or upgrade services in a service concession arrangement which is classified as intangible asset is measured at fair value upon initial recognition. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs; less accumulated amortisation and, if any, accumulated impairment losses. The estimated useful life is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

The useful lives, amortisation methods and residual values are reviewed at each balance sheet date.

3.6. Impairment of non-financial assets

The carrying amounts of the Group's investments in property, vehicles and equipment, intangible assets, associates and joint ventures are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Goodwill and intangible assets with indefinite useful lives are tested for impairment every year. The Group's policy is to test goodwill and intangible assets with indefinite useful lives for impairment prior to the preparation of the annual consolidated financial statements. In addition, an impairment test is performed if there are indications that goodwill and intangible assets with indefinite useful lives are impaired at any other time.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or "CGUs"). Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised in profit or loss for the amount by which the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In calculating value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss on goodwill is not reversed.

3.7. Financial assets

The Group classifies its financial assets into the following categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Available-for-sale financial assets

The classification depends on the nature and the purpose of the transaction.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short-term. Derivative instruments are classified as held for trading. The Group does not apply hedge accounting under IAS 39 with the exception of hedges of net investments in foreign operations (see policy 3.3 (d)).

Derivative instruments (including separated embedded derivatives) and other financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss. Attributable transaction costs are recognised in profit or loss as incurred.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except when the carrying amount is expected to be recovered more than 12 months after the balance sheet date in which case they are classified as non-current assets. The Group's loans and receivables consist of trade and other receivables and restricted cash and cash equivalents.

Loans and receivables are recognised initially at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method less an allowance for impairment. See accounting policy 3.8 for additional details about trade receivables.

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are measured at amortised cost (see further policy 3.20).

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or not classified in any of the other categories.

Available-for-sale investments are initially recognised at fair value plus any directly attributable transaction costs. Available-for-sale financial assets are subsequently measured at fair value. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, with the exception of impairment losses being recognised in the consolidated income statement. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are re-classified to the consolidated income statement as 'gains and losses from available-for-sale financial assets'.

(d) Impairment of financial assets

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. The Group assesses, at each balance sheet date, whether there is any objective evidence that a financial asset may be impaired. If any such evidence exists, the Group estimates the recoverable amount of that asset and recognises any impairment loss in the consolidated income statement. For financial assets classified as available-for-sale, losses accumulated in the fair value reserve are reclassified from equity to profit or loss on sale or other disposal and impairment. See accounting policy 3.8 for additional details about trade and other receivables.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the recognition of the impairment loss, the impairment loss of the financial asset is reversed. The amount of the reversal is included in the consolidated income statement, with the exception for reversals of impairment losses on available-for-sale equity securities, for which any reversals are recognised in other comprehensive income. For financial assets carried at amortised cost, the reversal cannot result in a carrying amount that exceeds the amount that the amortised cost would have been at the date the impairment loss is reversed, had the impairment not been recognised.

3.8. Trade receivables

Trade receivables are recognised initially at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. The allowance is determined based on an individual and a portfolio basis.

An allowance for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. The impairment loss is equal to the difference between the carrying amount and the present value of the amounts expected to be recovered discounted at the asset's original effective interest rate. Receivables with a short duration are not discounted. Significant financial difficulties of the debtor, probability that the debtor will go into bankruptcy or need financial restructuring and default or delinquency in payments are considered indicators that a receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated income statement within 'other operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the consolidated income statement.

3.9. Inventories

Inventories are stated at the lower of cost or net realisable value. Allowances are made for obsolete, slow moving and excess inventories. Cost is determined by the first-in, first-out method (FIFO) and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Borrowing costs are not included in the cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Inventories consist mainly of de-icing liquid and spare parts.

3.10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, fixed term and call deposits with a term of less than 90 days from the date of acquisition. Restricted cash is presented as other current or non-current receivables depending on for how long the cash is restricted.

3.11. Share capital

(a) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. The redemption of ordinary shares is subject to prior redemption of all the Mandatory Convertible Preferred Shares as detailed below.

(b) Mandatory Convertible Preferred Shares (the "MCPS")

Mandatory Convertible Preferred Shares (the "MCPS") are classified as equity. The MCPS are non-voting shares. Each year from the undistributed profits, the MCPS holders are entitled to a dividend amounting to 2.0 per cent of the nominal value of each MCPS. The MCPS can be converted into ordinary shares in full or in part at any time starting from 20 December 2019, upon decision of the shareholder(s) of the Company. In the event of a conversion, each such MCPS is to be converted in such number of ordinary shares whose nominal value equals the sum of the nominal value of the MCPS to be converted plus the accumulated (and unpaid) dividend related to the MCPS to be converted. In the case of liquidation, the holder of each MCPS, after payment of all third party debts and liabilities of the Company to that effect, will have a preferential right to payment and be entitled to the payment in cash of the unpaid MCPS dividend.

3.12. Financial liabilities

The Group classifies its financial liabilities into the following categories:

- Financial liabilities at fair value through profit or loss
- Other financial liabilities

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss only include derivative liabilities, being classified as financial liabilities held for trading. Derivative instruments are measured at fair value, and changes therein are recognised in profit or loss. Attributable transaction costs are recognised in profit or loss as incurred.

(b) Other financial liabilities

The Group's other financial liabilities consist of trade and other payables as well as borrowings. Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

The difference between the proceeds (net of transaction costs) and the redemption value is amortised over the term of the borrowing using the effective interest method. Borrowings due to be settled within 12 months of the balance sheet date are presented as current liabilities, other borrowings are presented as non-current liabilities. Borrowings where the Company has an unconditional right and intent to defer payment for more than 12 months are presented as non-current liabilities.

Fees paid on the establishment of loan facilities are regarded as directly attributable transaction costs for the loan to the extent that it is probable that some or all of the facility will be drawn down and that cash flows and timing of cash flows can be estimated reliably. In this case, the fee is deferred until the draw-down occurs and then amortised using the effective interest rate method. To the extent that it is not probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for the service of having the possibility to draw down the facility and amortised on a straight-line basis over the term of the related facility.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised and included in the cost of these assets and amortised over the useful life of the respective assets. Borrowing costs not directly attributable to qualifying assets are recognised as a finance expense in the period in which they occur.

3.13. Current and deferred tax

Income tax on the profit or loss for the year comprises current and deferred taxes. Income tax is recognised in the consolidated income statement except to the extent that it relates to a business combination or to items recognised directly in equity or in other comprehensive income.

(a) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year. The current income tax expense / credit is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. It includes any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred tax

Deferred tax is recognised using the balance sheet liability method, for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The following temporary differences are not accounted for: the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from investments in subsidiaries to the extent that the timing of the reversal of the temporary difference can be controlled and it is probable that they will not reverse in the foreseeable future. The principal temporary differences arise from depreciation of property, vehicles and equipment, amortisation of intangible assets, provisions for pensions and other post-retirement benefits and tax losses carried forward, and, in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base.

The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using local tax rates enacted or substantively enacted by the balance sheet date.

Deferred tax assets relating to the carry forward of unused tax losses, tax credits and deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are only offset within the same tax jurisdiction where there is a legally enforceable right to offset current tax liabilities and assets and the reversal will occur within the same period.

3.14. Employment benefits

(a) Defined benefit and defined contribution plans

Group companies operate both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as pension costs in personnel expenses in the periods during which services are rendered by the employees.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service, compensation or the balance of the savings account. The asset or liability recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date, less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit obligation (asset).

When the calculation results in a potential asset, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. The present value of economic benefits available is equal to the present value of future service costs, less the present value of any minimum future funding contributions requirements, plus the amount that reduces future contributions because the entity made a prepayment. Consideration of a minimum funding requirement may also give rise to a liability.

Remeasurments arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in personnel expenses in profit or loss.

When the benefits of the plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

(b) Bridging pensions

In Switzerland the normal retirement age for the participants in the pension plan of Swissport is 63 for men and women. The normal retirement age for the state pension (AVS/AHV) is 65 for men and 64 for women. During the gap between the Swissport pension plan's normal retirement date and the first time when the state pension is paid, the Group pays a bridging pension equal to the maximum state pension (CHF 28,200 at 31 December 2015). The bridging pension is a defined benefit plan and is therefore determined as described above in policy 3.14 (a).

(c) Swiss night-shift obligations

Under the Swiss general workers contract (GAV), employers must provide employees working during the night with an option to take holidays and / or early retirement from the age of 57 onwards. The Swiss night-shift obligations are considered other long-term employee benefits. Liabilities for these obligations are recognised in the balance sheets of the companies concerned.

(d) Jubilee provision

Some Group companies have a constructive obligation to pay long service-awards to employees on completion of a predetermined number of years of service, e.g. 10 years. This long-term employee benefit can be received either in cash and / or in holiday entitlements. The jubilee provision is an other long-term employee benefit. The present value of the obligation is determined using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

(e) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(f) Share-based payment plans

The Group is part of a management investment plan under which it receives services from its employees participating in the plan during the specified service period, but it does not have an obligation to settle any payments to the participants under this plan. This obligation lies with one of the holding companies outside of the consolidation scope of the Group. This plan is therefore treated as an equity settled share-based payment plan in the consolidated financial statements of Aguila 3 S.A. Refer to note 30 for more information about this plan.

3.15. Provisions

A provision is recognised when the Group has a present legal or constructive obligation resulting from past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the future cash flows expected to be required to settle the obligations, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance expense.

(a) Legal claims

Provisions are made for legal claims when the Group believes, after taking legal advice where appropriate, that it is probable that the final outcome will be an outflow of resources and when the amount can be estimated reliably.

(b) Restructuring

Restructuring provisions mainly comprise employee termination payments and lease termination penalties, and are recognised in the period in which the Group becomes legally or constructively committed to payment. Employee termination benefits are recognised only after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy and the numbers of employees affected, or after individual employees have been advised of the specific terms. No provision is made for future operating losses.

(c) Onerous contracts

A provision of onerous contracts is recognised when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under the same contract. In the Group’s line of business long-term rental contracts for warehousing facilities, vehicles or equipment can become onerous. The present obligation is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3.16. Contingent liabilities

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. They may also be present obligations that are unrecognised because the future outflow of resources is not probable or the amount cannot be reasonably determined. Contingent liabilities are not recognised but disclosed.

3.17. Revenue recognition

(a) Sales of services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group’s activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue from services is recognised in the accounting period the services are provided, in proportion to the stage of completion of the total services to be provided. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the outcome of transactions cannot be estimated reliably, revenue is recognised only to the extent of recoverable expenses.

(b) Interest income

Interest income is recognised as it accrues using the effective interest method.

(c) Management and trademark fees

Revenue from management and trademark fees, including 100% of that from associates and joint arrangements, is recognised on an accruals basis in accordance with the substance of the relevant agreements and is included in other operating income. Management and trademark fees within the Group are eliminated.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established. Dividends within the Group are eliminated.

(e) Service concession arrangements

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed. Revenue is recognised in the period in which the services are provided by the Group. When the Group provides more than one service in a service concession arrangement, the consideration received is allocated by reference to the relative fair values of the services delivered when the amounts are separately identifiable (see also sections 3.5 (b) and 3.7 (b)).

3.18. Leases

Leases of property, vehicles and equipment are classified as finance leases if the Group has substantially all the risks and rewards of ownership. Finance leases are capitalised at the commencement of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between the reduction of the lease liability and finance expenses so as to achieve a constant periodic rate of interest on the outstanding balance of the liability. The corresponding liability is included in borrowings. The property, vehicles and equipment acquired under finance lease contracts are depreciated over the shorter of the useful life of the asset and the lease term and tested for impairment when there is an impairment indicator (see policy 3.6).

Leases are classified as operating leases, if substantially all the risks and rewards of ownership are retained by the lessor. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

3.19. Dividend distribution

Dividend distributions to the Group's shareholder are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholder.

3.20. Service concession arrangements

Service concession arrangements where the Group contracts with a government or other public sector body to operate and maintain infrastructure assets, such as a cargo warehouse, and where the government or other public sector body (i) controls or regulates what services the Group must provide, to whom it must provide them, and at what price and (ii) controls a significant residual interest in the infrastructure at the end of the arrangement, are accounted for in accordance with IFRIC 12. The Group recognises a financial asset for the consideration received to the extent that it has an unconditional contractual right to receive cash or another financial asset. The Group recognises an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. Both types of arrangements may exist within a single contract.

3.21. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Executive Management.

4. Financial risk management

4.1. Financial risk factors

The Group is exposed to a variety of financial risks, namely market risk (including currency and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse affects on the Group's financial performance.

Financial risk management is carried out by a central treasury department ('Corporate Treasury'), which applies the principles and policies described in this note. Local management are not authorised to enter into any derivative instruments. In accordance with its banking arrangement, the Group only uses derivative instruments following detailed assessment of the risk.

The Group has the following categories of financial instruments at the balance sheet date:

	2015 MCHF	2014 MCHF
Cash and cash equivalents	128.6	117.4
Trade and other receivables*	420.1	457.4
Total loans and receivables	**548.7**	**574.8**
Derivative assets	0.1	9.5
Total financial assets at fair value through profit or loss - held for trading	**0.1**	**9.5**
Equity securities	4.7	5.9
Total financial assets available for sale	**4.7**	**5.9**
Derivative liabilities	0.2	-
Total financial liabilities at fair value through profit or loss - held for trading	**0.2**	**-**
Borrowings	1'531.3	1'414.8
Trade and other payables*	336.1	326.5
Total financial liabilities at amortised cost	**1'867.4**	**1'741.3**

*The amounts differ from the carrying amounts presented in the Consolidated Balance Sheet. Only financial instruments that fall within the scope of "IFRS 7 Financial Instruments: Disclosures" are included in the table above.

(a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities that are denominated in a currency other than the respective functional currencies of the Group entities, and investments in foreign operations that are denominated in a currency other than the presentation currency of the Group. The functional currencies of the Group entities are mainly CHF, EUR, GBP and USD. The currency exposures primarily arise with respect to USD, EUR, GBP, CAD, BRL, ZAR, and CHF. Individual Group companies rarely enter into transactions with third parties that are not denominated in their functional currency. Where they do, the foreign exchange risk is not actively managed. Group policy does not permit the use of any kind of derivative instruments to hedge their foreign exchange risk in such cases.

Transactions with other Group companies are generally not hedged. However, Corporate Treasury may enter into foreign exchange forward contracts to remove the foreign exchange risk on transactions with other Group Companies (such as a loan to or from Group companies).

The net assets of the Group's investment in foreign operations are also a source of foreign exchange risk. The Group's policy is to reduce this risk by:

- funding acquirees using local rather than central borrowings, where possible, to provide a natural cash flow hedge in that the subsidiaries are mainly financed in the currency in which they generate the majority of their operational cash flows; and
- otherwise having external borrowings denominated in the functional currencies of the acquirer concerned (principally USD and EUR). Where appropriate, these borrowings are designated as hedges of the net investments in foreign operations and the exchange gains and losses arising on the translation of these borrowings are recognised in other comprehensive income.

At the balance sheet date, the Group's exposure to foreign exchange risk (in millions), including intra-company balances, was as follows:

2015

	CHF	USD	EUR	GBP	CAD	BRL	ZAR
Cash and cash equivalents	17.5	32.6	54.9	9.2	4.6	11.0	5.5
Trade and other receivables	1'185.9	1'661.9	720.4	606.8	54.9	25.5	6.3
Trade and other payables	(151.5)	(186.8)	(179.5)	(218.7)	(34.4)	(20.0)	(3.8)
Borrowings	(1'539.6)	(2'393.3)	(571.5)	(441.7)	(25.5)	(8.6)	(5.7)
Gross balance sheet exposure	**(487.7)**	**(885.6)**	**24.3**	**(44.4)**	**(0.4)**	**7.9**	**2.3**
Foreign currency derivative contracts	-	-	-	-	-	-	-
Net balance sheet exposure	**(487.7)**	**(885.6)**	**24.3**	**(44.4)**	**(0.4)**	**7.9**	**2.3**

2014

	CHF	USD	EUR	GBP	CAD	BRL	ZAR
Cash and cash equivalents	2.4	40.9	27.3	3.1	4.1	16.4	6.1
Trade and other receivables	1'234.0	1'723.7	729.4	424.9	78.9	28.4	10.3
Trade and other payables	(176.4)	(257.0)	(181.2)	(146.7)	(38.4)	(25.5)	4.3
Borrowings	(1'444.9)	(2'365.9)	(601.7)	(312.7)	(36.5)	(10.8)	(8.5)
Gross balance sheet exposure	**(384.9)**	**(858.3)**	**(26.2)**	**(31.4)**	**8.1**	**8.5**	**12.2**
Foreign currency derivative contracts	-	93.5	(89.0)	-	-	-	-
Net balance sheet exposure	**(384.9)**	**(764.8)**	**(115.2)**	**(31.4)**	**8.1**	**8.5**	**12.2**

The USD denominated borrowings (a bond) is partially (in an amount of MUSD 633.0 (2014: MUSD 633.0)) used to hedge USD denominated net investments in foreign operations and a USD denominated intra-group loan. The resulting loss of MCHF 2.1 (2014: loss of MCHF 62.9) is recognised in other comprehensive income.

Sensitivity analysis

A strengthening / weakening of the USD, EUR and GBP, as indicated below, against the Swiss Franc as at 31 December 2015 and 2014 would have increased / decreased the profit or loss and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances and assumes that all other variables, in particular interest rates, remain constant. The change to profit or loss is mainly related to foreign exchange gains / losses on translation of intra-group loans, while the change to equity is related to the USD denominated borrowings used to hedge USD denominated net investments in foreign operations and to USD, EUR and GBP loans that in substance form part of the net investment in foreign operations.

	31 December 2015		31 December 2014	
	MCHF Profit or (loss)	MCHF Equity	MCHF Profit or (loss)	MCHF Equity
USD 1% strengthening	(4.5)	(1.6)	(2.1)	(1.5)
EUR 1% strengthening	0.4	2.4	0.5	2.3
GBP 1% strengthening	1.9	1.5	0.2	1.4

(b) Interest rate risk

The Group's interest rate risk mainly arises from external borrowings and cash and cash equivalents. Borrowings and cash and cash equivalents at variable rates expose the Group to cash flow interest rate risk. The Group's exposure to interest rate risk is limited as the majority of the Group's borrowings (bonds) have fixed interest rates, i.e. the interest expense is not subject to changes in market interest rates. The Group does not use derivative financial instruments to hedge its interest rate risk in respect of borrowings.

At the balance sheet date, the interest profile of the Group's interest-bearing financial assets and liabilities was as follows:

	2015 MCHF	2014 MCHF
Fixed rate instruments		
Cash and cash equivalents	8.1	1.4
Borrowings*	(1'371.2)	(1'376.2)
Total fixed rate instruments	**(1'363.1)**	**(1'374.8)**
Variable rate instruments		
Cash and cash equivalents	120.5	116.0
Borrowings*	(154.5)	(57.7)
Total variable rate instruments	**(34.0)**	**58.3**

* The amounts presented exclude transaction costs and bond premium and written put option on non-controlling interest.

Fair value sensitivity analysis – fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under the fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change would also not have an impact on equity as the Group does not have any debt-securities classified as available for sale.

Cash flow sensitivity analysis – variable rate instruments

At 31 December 2015, if the interest rates had been 100 basis points lower or higher, with all other variables held constant, the profit for the year would have been MCHF 1.0 lower or higher (MCHF 0.6 for the year ended 31 December 2014).

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed on Group level. Credit risk arises from cash at banks, cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

The Group's internal policies require that credit exposures with banks and other financial institutions are regularly measured, actively managed and results reported to senior management. Credit risks related to trade receivables are systematically analysed, monitored and managed. The Group has policies in place to ensure that sales of products and services on credit are only made to customers with an appropriate credit history. The Group does not hold any collateral as security. Concentrations of credit risk with respect to trade receivables (MCHF 281.7 as of 31 December 2015 and MCHF 311.1 as of 31 December 2014) are limited due to the Group's large number of customers, who are internationally dispersed. Trade receivables from any customer (an aviation group) do not exceed 12.8% (2014: 12.7%) of the total trade receivables.

The carrying amount of financial assets represents the Group's maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was as follows:

	2015 MCHF	2014 MCHF
Cash and cash equivalents	128.6	117.4
Non-current receivables	55.0	53.2
Current receivables	365.1	404.2
Total assets	**548.7**	**574.8**

The Group limits its exposure to credit risk by only holding cash and investing excess cash with counterparties that have high credit ratings. The table below shows the balances for cash and cash equivalents with banks and financial institutions at the balance sheet date:

Cash and cash Equivalents	2015 MCHF	2014 MCHF
Counterparties external credit rating (Standard & Poors)		
Investment grade A- and above	87.5	62.8
Investment grade BBB+, BBB, BBB-	22.4	26.8
Non-investment grade BB+ and below	13.9	17.9
Not rated	4.8	9.9
Total cash and cash equivalents	**128.6**	**117.4**

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties to meet obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

All Group companies regularly monitor and manage their liquidity to ensure all obligations are met. According to the Group's investment policy, excess cash, which is regularly monitored by Corporate Treasury, is maintained in highly liquid and highly rated investments. The principal methods of managing the Group's liquidity and investments is the real time reporting of cash and cash equivalents, investments, borrowing commitments and the provision of a monthly detailed cash flow forecast.

In February 2011 Aguila 3 entered into a MCHF 200.0 super senior credit facility which is committed until 17 February 2017 and with availability of MCHF 41.1 as at 31 December 2015 (2014: MCHF 115.1). Other Group companies have entered into locally committed and uncommitted facilities for working capital purposes, letter of credit issuances and equipment leasing requirements.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Carrying amount MCHF	Contractual cash flows MCHF	< 12 months MCHF	13 – 24 months MCHF	25 – 60 months MCHF	> 60 months MCHF
At 31 December 2015						
Borrowings	1'531.3	1'574.0	108.3	1'419.9	19.6	26.2
Trade and other payables*	336.1	336.1	336.1	-	-	-
At 31 December 2014						
Borrowings	1'414.8	1'801.5	140.8	130.8	1'497.5	32.4
Trade and other payables*	326.5	326.5	326.5	-	-	-

* The amounts differ from the carrying amounts presented in the Consolidated Balance Sheet. Only financial instruments that fall within the scope of "IFRS 7 Financial Instruments: Disclosures" are included in the table above.

For financial guarantee contracts, refer to note 28.

4.2. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the leverage ratio set out in the super senior revolving credit facility agreement, refer to note 23. The objective of the Group is to make sure that this ratio is below the limit set out by the credit facility which were:

	2015	2014
Leverage ratio of the Group	**5.46**	**4.80**
Limit of the leverage ratio from the credit facility	**5.5**	**5.5**

4.3. Fair value estimation

The carrying amount of financial assets and current and non-current liabilities at variable interest rates approximates their fair values. The majority of the financial assets are current. The majority of the liabilities are non-current and at fixed interest rates (mainly the bonds). The fair value of non-current fixed rate interest-bearing liabilities (excluding the bonds) is MCHF 30.8 (2014: MCHF 111.3). This is estimated by discounting the future contractual cash flows at the current market interest rate (level 2 of fair value hierarchy, see below). The carrying amount of the bonds is MCHF 1,273.0 (2014: MCHF 1,266.0). The fair value of the bonds is estimated to be MCHF 1,302.6 (2014: MCHF 1,258.0). The fair value of the bonds is determined based on quoted market prices at the balance sheet date, therefore the fair value measurement of the bonds is categorised in level 1, see fair value hierarchy below. For finance leases, the market rate of interest is determined by reference to similar agreements.

Fair value hierarchy

The table below analyses financial assets and liabilities carried at fair value, by the levels in the fair value hierarchy. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

31 December 2015

	Level 1 MCHF	Level 2 MCHF	Level 3 MCHF	Total MCHF
Available-for-sale financial assets	2.5	0.2	2.0	4.7
Derivative assets	-	0.1	-	0.1
Total assets	**2.5**	**0.3**	**2.0**	**4.8**

31 December 2014

	Level 1 MCHF	Level 2 MCHF	Level 3 MCHF	Total MCHF
Available-for-sale financial assets	1.5	-	4.4	5.9
Derivative assets	-	9.5	-	9.5
Total assets	**1.5**	**9.5**	**4.4**	**15.4**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if transactions for asset or liability take place with sufficient frequency and volume to provide information on an ongoing basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of derivative instruments included in this category is determined based on current and available market data.

5. Accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make assumptions, estimates and judgements that affect the application of accounting policies and reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates may, by definition, not always equate to the actual results. Estimates and assumptions are reviewed on an on-going basis and modified as appropriate in the period in which the estimate or assumption change if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments made by management in the application of IFRS that might have a significant effect on the consolidated financial statements and information about assumptions and estimation uncertainties with a significant risk of materially impacting the carrying amounts of assets and liabilities in the next year are discussed below.

(a) Impairment testing of goodwill, other intangible assets and property, vehicles and equipment

The Group annually tests goodwill and intangible assets with indefinite useful lives for impairment, in accordance with its accounting policy. For the year ended 31 December 2015, goodwill in an amount of MCHF 1,010.1 (2014: MCHF 1,088.8) and intangible assets with indefinite useful lives in an amount of MCHF 193.8 (2014: MCHF 193.8) were tested for impairment. No impairment loss was recognised in 2015 or 2014.

The Group also assesses at each balance sheet date whether there are any indicators that property, vehicles and equipment and intangible assets with finite useful lives are impaired. In such a case, the assets are tested for impairment. As of 31 December 2015, the Group had property, vehicles and equipment with a carrying amount of MCHF 291.5 (2014: MCHF 291.1) and intangible assets with definite useful lives with a carrying amount of MCHF 108.3 (2014: MCHF 130.7). No impairment was recognised in 2015 and in 2014.

The impairment tests are normally based on value in use calculations. These calculations involve a variety of assumptions such as estimates of future cash flows in and outflows and choice of an appropriate discount rate. Actual cash flows might for example differ significantly from management's current best estimate. Changes in assessed presence of competitors, customer base which contracted the Group, technological obsolescence etc. might impact the future cash flows and result in recognition of impairment losses.

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement and estimates are required in determining deferred as well as current tax assets and liabilities and assessing the extent to which deferred tax assets are recoverable, particularly those in connection with tax losses carried forward. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group has recognised deferred tax assets of MCHF 49.4 (2014: MCHF 82.3) relating to tax losses and deductible temporary differences and deferred tax liabilities of MCHF 54.3 as of 31 December 2015 (2014: MCHF 65.0). The Group also has unrecognised deferred tax assets relating to tax losses and deductible temporary differences of MCHF 94.7 (2014: MCHF 73.7).

The Group recognises liabilities for uncertain tax positions and potential exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax in the period in which such determination is made (see notes 14 and 18). Changes in tax laws and rates, taxable profit etc. might also have an impact on the amounts recognised as tax assets and liabilities.

(c) Litigations and claims

The current nature of the business exposes the Group to a number of proceedings and civil lawsuits. These procedures take, in some cases, years to be resolved and management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such proceedings. The related provisions for claims against the Group in an amount of MCHF 19.9 (2014: MCHF 14.1) are presented in note 24; related contingent liabilities are presented in note 28.

(d) Insurance and workers compensation provisions

The Group has recognised insurance provisions in relation to aviation liabilities, and workers compensation provisions relating to injuries that occurred on the job. Both the insurance and workers compensation provisions are partially offset by receivables from insurance companies. In some cases the claim amount may take several years to be agreed upon. As such management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such claims. The total related provisions of the Group amount to MCHF 85.5 (2014: MCHF 74.2) which are presented in note 24.

(e) Defined benefit pension plans - actuarial valuations

As of 31 December 2015, the Group has recognised a liability for defined benefit plans in the amount of MCHF 230.4 (2014: MCHF 223.4). A number of assumptions are made in the calculation of the liability, including discount rate, future salary, pension increases and mortality. A relatively minor change in any of these assumptions can have a significant impact on the carrying amount of the defined benefit obligation. The assumptions used in these calculations are presented in note 19.

(f) Acquisition accounting

Intangible assets acquired in a business combination are required to be recognised separately from goodwill if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated.

The fair value of acquired intangible assets is based on valuation techniques. The valuation models require input based on assumptions about the future. The management uses its best knowledge to estimate the fair value as of the acquisition date. Intangible assets with finite useful lives are tested for impairment when there is an indication that they might be impaired while intangible assets with indefinite useful lives are tested for impairment annually (see (a) above). The management also made assumptions about the useful life of acquired other intangible assets which might be affected by external factors such as increased competition.

6. Segment information

(a) Description of reportable segments

Information about operating segments is reported in a manner consistent with the internal reporting to the Group Executive Management ("GEM"). As of 31 December 2015 the GEM consisted of nine members including the Group Chief Executive Officer and the Chief Financial Officer. The GEM has been identified as the Group's chief operating decision maker. Each operating segment engages in business activities from which it earns revenues and incurs expenses. Results of the operating segments are reviewed regularly by the GEM when making decisions about resource allocation between segments and performance assessment is based on the results of the operating segments.

The Group is focused on two areas of activity, Ground Handling and Cargo Handling. Core Ground Handling services include ramp and passenger handling, baggage services, lounge and ticketing supervision, cabin cleaning, de-icing, e-services, passengers with reduced mobility handling and executive aviation. Ground Handling also includes the provision of speciality services which are complementary to the core Ground Handling services. These services include fuelling, aircraft maintenance and aviation security. Cargo Handling services include physical import and export handling of cargo, warehousing and storage of cargo, document handling, trucking and mail handling. The Group's Ground Handling activities are managed and identified as one operating segment. The Group's Cargo Handling activities are also managed and identified as one operating segment. The Group's two operating segments are presented as reportable segments. The column "Other / Eliminations" consist of head office results and eliminations. It does not contain other segment results.

Therefore, the Group's operating (and reportable) segments are:

- Ground Handling; and
- Cargo Handling.

The accounting policies of the reportable segments are the same as applied in these consolidated financial statements. Revenues as presented in the segment information note comprise other operating income.

(b) Segment information

Segment revenue:

The segment revenue information provided to the GEM for the reportable segments consist of revenue and other operating income before unallocated other income and reporting adjustments.

Segment revenue for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2015	**2'369.6**	**506.3**	**(2.6)**	**2'873.3**
2014	**2'402.6**	**537.0**	**(4.4)**	**2'935.2**

Reconciliation of segment revenue to the consolidated income statement:

	2015 MCHF	2014 MCHF
Revenue – for reportable segments	2'875.9	2'939.6
Revenue – Other / Eliminations	(2.6)	(4.4)
Subtotal	**2'873.3**	**2'935.2**
Unallocated other income and reporting adjustments	(0.4)	(1.3)
Revenue and other operating income per consolidated income statement	**2'872.9**	**2'933.9**
Less other operating income	(106.7)	(102.6)
Revenue per consolidated income statement	**2'766.2**	**2'831.3**

Segment result:

The GEM assesses the performance of the operating segments based on Swissport EBITDA. Swissport EBITDA is operating profit before acquisition and integration costs, as included in the consolidated income statement, before depreciation, amortisation, restructuring costs and non-cash pension expenses.

Segment result (Swissport EBITDA) for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2015	**179.7**	**48.5**	**5.1**	**233.3**
2014	**185.0**	**56.1**	**(5.5)**	**235.6**

Reconciliation of segment result (Swissport EBITDA) to the consolidated income statement for the years ended 31 December:

	2015 MCHF	2014 MCHF
Swissport EBITDA – for reportable segments	228.2	241.1
Swissport EBITDA – other / eliminations	5.1	(5.5)
Subtotal	**233.3**	**235.6**
Amortisation of intangible assets	(22.0)	(23.1)
Depreciation of tangible assets	(62.6)	(64.0)
Non-cash pension expenses	(4.8)	(5.0)
Restructuring and onerous contract charge	(11.3)	(38.6)
Unallocated other income and reporting adjustments	(8.5)	(1.9)
Operating profit before acquisition and integration costs	**124.1**	**103.0**
Integration costs	(27.8)	(27.2)
Operating profit	**96.3**	**75.8**
Finance expense	(281.4)	(192.8)
Finance income	123.3	50.3
Loss on sale of subsidiary	(19.4)	(12.2)
Loss on disposal	(28.6)	-
Loss before income tax per consolidated income statement	**(109.8)**	**(78.9)**

Other segment information

Segment depreciation:

Segment depreciation of property, vehicles and equipment for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2015	**50.0**	**13.5**	**(0.9)**	**62.6**
2014	**52.2**	**12.3**	**(0.5)**	**64.0**

Reconciliation of segment depreciation of property, vehicles and equipment to the consolidated income statement:

	2015 MCHF	2014 MCHF
Depreciation of property, vehicles and equipment – for reportable segments	63.5	64.5
Depreciation of property, vehicles and equipment – Other / Eliminations	(0.9)	(0.5)
Depreciation of property, vehicles and equipment per consolidated income statement	**62.6**	**64.0**

Segment amortisation and impairment:

Segment amortisation and impairment of intangible assets for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2015	**14.9**	**3.9**	**3.2**	**22.0**
2014	**15.7**	**4.1**	**3.3**	**23.1**

Reconciliation of segment amortisation and impairment of intangible assets to the consolidated income statement:

	2015 MCHF	2014 MCHF
Amortisation and impairment of intangible assets – for reportable segments	18.8	19.8
Amortisation and impairment of intangible assets – Other / Eliminations	3.2	3.3
Amortisation and impairment of intangible assets per consolidated income statement	**22.0**	**23.1**

(c) Geographical information

The Group operates internationally in the following geographical areas: Europe, Africa, Asia and the Middle East, North America, South America and Central America and the Carribean. All services are provided in each of these geographical areas. Segment revenue is based on the geographical location of the service provided, and segment assets are based on the physical location of the assets.

Revenue and non-current assets of the Company's country of domicile and individual countries considered material for the years ended and as of 31 December 2015 and 2014 are as follows:

	2015		2014	
	Revenue MCHF	Non-current assets MCHF	Revenue MCHF	Non-current assets MCHF
Luxemburg (country of domicile)	-	1.5	-	2.8
Switzerland	439.4	378.8	439.8	380.8
USA	744.0	281.7	630.5	283.2
UK	417.5	175.5	442.0	183.1

The non-current assets presented consist of property, vehicles and equipment, goodwill, intangible assets and investments in associates and joint ventures.

d) Major customers

The Group's largest customer (an aviation group) accounted for 12.8% of total revenue for the year ended 31 December 2015 (year ended 31 December 2014: 12.7%). 91.7% (2014: 92.5%) of the revenue from the Group's major customer is included in Ground Handling with the remainder included in Cargo Handling.

7. Total revenue and other operating income

Revenue:

	2015 MCHF	2014 MCHF
Ground Handling	2'278.3	2'307.8
Cargo Handling	487.9	523.5
Total	**2'766.2**	**2'831.3**

Other operating income:

	2015 MCHF	2014 MCHF
Concession and rental	28.0	27.6
Management and trademark fees	1.8	2.4
Expenses recharged to customers	40.7	42.5
Sale of fuel (excl. into-plane fueling)	11.3	14.3
Other	24.9	15.8
Total	**106.7**	**102.6**

8. Goods and services purchased

	2015 MCHF	2014 MCHF
Purchased Ground Handling services	(116.8)	(133.1)
Purchased Cargo Handling services	(64.4)	(54.0)
Rent and maintenance of equipment	(166.4)	(180.3)
Material	(64.0)	(71.6)
Airport fees	(26.9)	(28.8)
Concession fees	(18.3)	(17.0)
Total	**(456.8)**	**(484.8)**

9. Personnel expenses

	2015 MCHF	2014 MCHF
Wages and salaries	(1'433.4)	(1'429.1)
Social security costs	(161.2)	(172.8)
Personnel insurances	(74.9)	(73.8)
Pension costs - defined benefit plans (note 19)	(33.9)	(27.3)
Contributions and administrative costs paid	*(29.1)*	*(22.3)*
Non-cash pension costs	*(4.8)*	*(5.0)*
Pension costs - defined contribution plans (note 19)	(15.7)	(18.1)
Staff allowance	(35.6)	(39.0)
Uniforms and protective clothes	(12.8)	(11.6)
Other staff costs	(69.5)	(52.1)
Total	**(1'837.0)**	**(1'823.8)**

The average number of employees was 59,687 during the year ended 31 December 2015 (year ended 31 December 2014: 56,755).

10. Other operating expenses

	2015 MCHF	2014 MCHF
Building occupancy	(158.2)	(179.1)
Information technology	(59.4)	(62.9)
Marketing	(4.2)	(3.8)
Office costs	(13.6)	(13.7)
Professional fees	(75.4)	(75.9)
Insurances	(24.3)	(30.5)
Impairment of trade receivables	(0.5)	(4.0)
Management fees	(2.4)	(2.5)
Travel costs	(15.9)	(13.1)
Onerous contract charges	5.4	(33.1)
Other	(25.3)	(21.8)
Total	**(373.8)**	**(440.4)**

The income from release of provisions for onerous contracts is mainly related to Swissport Ltd (UK).

Fees billed to the Group by KPMG Luxembourg, Société Coopérative, Luxembourg, and other member firms of the KPMG network during the years were as follows (excluding VAT):

	2015 MCHF	2014 MCHF
Audit fees	2.1	2.0
Other fees	0.3	0.4
Total	**2.4**	**2.4**

The audit and other fees as shown above are included in the line "professional fees".

11. Acquisition and integration costs

During 2015 the company incurred integration costs in relation to the acquisition of Servisair SAS as detailed in the table below.

	2015 MCHF	2014 MCHF
Rent and maintenance of equipment	(3.4)	(2.7)
Staff costs	(2.9)	(4.3)
Uniforms & protective clothes	(2.0)	(1.5)
Onerous lease contracts and other property expenses	(12.2)	(11.4)
Information technology	(0.9)	(1.2)
Marketing	(0.3)	(0.3)
Travel costs	(0.2)	(0.5)
Professional fees	(5.9)	(5.3)
Total	**(27.8)**	**(27.2)**

12. Finance expense

	2015 MCHF	2014 MCHF
Interest expense	(135.4)	(114.9)
Realised foreign exchange losses	(32.7)	(10.9)
Unrealised foreign exchange losses	(99.0)	(54.3)
Bank charges	(6.8)	(6.9)
Net interest cost of defined benefit plans	(3.2)	(3.6)
Other financial costs	(4.3)	(2.2)
Total finance expense	**(281.4)**	**(192.8)**

Included in the interest expense for the year ended 31 December 2015 is MCHF 99.5 (year ended 31 December 2014: MCHF 95.8) of interest on the bonds. The revised assumption regarding the timing of repayment of the existing bonds and super senior revolving credit facility triggered by the foreseeable closure of the acquisition of the Group by HNA (refer to Note 30) resulted in an early amortisation of capitalised transactions costs and bond premium related to the existing bonds and super senior revolving credit facility, which are included in the interest expense.

The January 2015 decision of the Swiss National Bank (SNB) to remove the EUR / CHF exchange rate floor resulted in a strengthening of the CHF against most other Group currencies compared to 31 December 2014. The strengthening of the CHF has resulted in a negative currency translation difference recognised in other comprehensive income of MCHF 63.0 for the year ended 31 December 2015 (2014: positive currency translation difference of MCHF 51.0) and an increase of unrealised foreign exchange losses of MCHF 44.7. While all balance sheet line items were impacted by the strengthening of the CHF in the current year, on the asset side the Group's goodwill balance was most significantly impacted with a negative currency translation difference of MCHF 61.7 (2014: positive currency translation difference of MCHF 25.1).

13. Finance income

	2015 MCHF	2014 MCHF
Interest income	1.8	1.6
Realised foreign exchange gains	36.4	6.9
Unrealised foreign exchange gains	81.8	22.1
Net interest income of defined benefit plans	-	0.5
Changes in fair value of derivatives	0.1	16.3
Gain on sale of financial assets	3.2	2.9
Total finance income	**123.3**	**50.3**

The unrealised foreign exchange gains increase of MCHF 59.7 from MCHF 22.1 for the financial year ended 31 December 2014 to MCHF 81.8 for the financial year ended 31 December 2015 is mainly driven by financial liabilities denominated in foreign currencies in entities with CHF as functional currency. This is due to the strengthening of the CHF after the Swiss National Bank's decision in January 2015 to remove the EUR / CHF exchange rate floor.

14. Income taxes

Income / (expense) in the year

	2015 MCHF	2014 MCHF
Current tax expense	**(25.5)**	**(32.2)**
Origination and reversal of temporary differences	(8.4)	10.8
(Release) / recognition of previously unrecognised tax losses	(0.1)	(19.8)
Deferred tax expenses (note 18)	**(8.5)**	**(9.0)**
Total	**(34.0)**	**(41.2)**

The tax on the Group's (loss) before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to losses / profits of the consolidated companies as follows:

	2015 MCHF	2014 MCHF
Loss before income tax	(109.8)	(78.9)
Tax income calculated at the Group's tax rate of 23.81% (2014: 26.44%)	26.1	20.9
Income not subject to tax / (expenses) not deductible for tax purposes	(27.1)	(27.4)
Recognition / (release) of tax assets on prior period tax losses	(2.9)	(19.8)
Current period tax losses for which no deferred tax asset was recognised	(22.5)	(15.2)
Effect of different local tax rates and change in tax rate	6.9	2.5
Effect of prior year income tax adjustments	(12.6)	(0.6)
Withholding taxes	(1.9)	(1.6)
Income tax expense	**(34.0)**	**(41.2)**

The Group's tax rate of 23.81% (2014: 26.44%) reflects the weighted average tax rate applicable to results of the consolidated companies. The decrease in the Group's tax rate from 26.44% for the year ended 31 December 2014 to 23.81% for the year ended 31 December 2015 can be attributed to a transfer of the results from higher tax to lower tax jurisdictions.

The tax (expense) / credit relating to components of the other comprehensive income is as follows:

	2015			2014		
	Before tax MCHF	Tax (expense) / credit MCHF	After tax MCHF	Before tax MCHF	Tax (expense) / credit MCHF	After tax MCHF
Available-for-sale financial assets	0.4	-	0.4	0.2	(0.1)	0.1
Actuarial gains / (losses)	0.7	(8.6)	(7.9)	(109.3)	21.6	(87.7)
Currency translation differences	(61.4)	(1.6)	(63.0)	39.8	11.2	51.0
Hedge of net investments in foreign operations	(2.1)	-	(2.1)	(62.9)	-	(62.9)
Other comprehensive income	**(62.4)**	**(10.2)**	**(72.6)**	**(132.2)**	**32.7**	**(99.5)**
Deferred tax		**(10.2)**			**32.7**	

For details on deferred taxes see note 18.

15. Property, vehicles and equipment

	Property & leasehold improvements	Vehicles, equipment & advance payments	Total
	MCHF	MCHF	MCHF
Cost:			
At 1 January 2014	**49.1**	**273.0**	**322.1**
Additions	2.2	44.3	46.5
Disposals through divestments	-	(4.0)	(4.0)
Disposals	(2.4)	(8.9)	(11.3)
Reclassifications	1.7	(1.7)	-
Currency translation differences	3.6	14.0	17.6
At 31 December 2014	**54.2**	**316.7**	**370.9**
Depreciation:			
At 1 January 2014	**3.7**	**13.5**	**17.2**
Depreciation charge	5.9	58.1	64.0
Disposals through divestments	-	(1.7)	(1.7)
Disposals	(1.8)	(7.0)	(8.8)
Currency translation differences	1.7	7.4	9.1
At 31 December 2014	**9.5**	**70.3**	**79.8**
Total carrying amount:			
At 1 January 2014	45.4	259.5	304.9
At 31 December 2014	44.7	246.4	291.1
Carrying amount, assets under finances leases:			
At 1 January 2014	-	47.2	47.2
At 31 December 2014	-	33.2	33.2
Cost:			
At 1 January 2015	**54.2**	**316.7**	**370.9**
Additions	4.7	71.2	75.9
Acquisitions through business combinations (Note 27)	0.1	15.5	15.6
Deconsolidation	(0.5)	(3.3)	(3.8)
Disposals	(2.8)	(18.3)	(21.1)
Reclassifications	3.9	(11.0)	(7.1)
Currency translation differences	(3.5)	(40.9)	(44.4)
At 31 December 2015	**56.1**	**329.9**	**386.0**
Depreciation:			
At 1 January 2015	**9.5**	**70.3**	**79.8**
Depreciation charge	6.7	55.9	62.6
Deconsolidation	(0.1)	(3.0)	(3.1)
Disposals	(2.1)	(15.2)	(17.3)
Reclassifications	0.1	(0.1)	-
Currency translation differences	(1.1)	(19.7)	(20.8)
At 31 December 2015	**13.0**	**88.2**	**101.2**
Total carrying amount:			
At 1 January 2015	44.7	246.4	291.1
At 31 December 2015	43.1	241.7	284.8
Carrying amount, assets under finances leases:			
At 1 January 2015	-	33.2	33.2
At 31 December 2015	-	26.1	26.1

For vehicles and equipment pledged as security refer to note 23.

During the year ended 31 December 2015 the Group acquired property, vehicles and equipment with an aggregate cost of MCHF 75.9 (year ended 31 December 2014: MCHF 46.5) of which MCHF 17.5 (2014: MCHF 1.8) was acquired by means of finance leases. The Group has acquired property, vehicles and equipment with an aggregate cost of MCHF 15.6 via business combinations (2014: MCHF 0.0).

The Group leases various vehicles and other operating equipment under non-cancellable finance lease agreements. The lease terms are mainly between 3 and 7 years.

16. Goodwill and other intangible assets

Goodwill:

	Goodwill MCHF
Cost:	
At 1 January 2014	**1'063.0**
Acquisitions through business combinations	0.9
Disposals through divestments	(0.2)
Currency translation differences	25.1
At 31 December 2014	**1'088.8**
Total carrying amount:	
At 1 January 2014	1'063.0
At 31 December 2014	1'088.8
Cost:	
At 1 January 2015	**1'088.8**
Acquisitions through business combinations (Note 27)	5.0
Deconsolidation	(22.0)
Currency translation differences	(61.7)
At 31 December 2015	**1'010.1**
Total carrying amount:	
At 1 January 2015	1'088.8
At 31 December 2015	1'010.1

Other intangible assets:

	Swissport Brand	Customer portfolios	Licensing agreements	Other	Total other intangible assets
	MCHF	MCHF	MCHF	MCHF	MCHF
Cost:					
At 1 January 2014	**193.8**	**105.0**	**54.0**	**45.1**	**397.9**
Additions	-	-	-	4.8	4.8
Disposals through divestments	-	-	-	(0.1)	(0.1)
Disposals	-	(5.5)	(1.5)	(0.3)	(7.3)
Currency translation differences	-	2.3	0.1	0.8	3.2
At 31 December 2014	**193.8**	**101.8**	**52.6**	**50.3**	**398.5**
Amortisation:					
At 1 January 2014	**-**	**35.3**	**12.7**	**9.4**	**57.4**
Amortisation charge	-	12.3	4.6	6.2	23.1
Disposals	-	(5.5)	(1.5)	(0.2)	(7.2)
Currency translation differences	-	0.1	-	0.6	0.7
At 31 December 2014	**-**	**42.2**	**15.8**	**16.0**	**74.0**
Total carrying amount:					
At 1 January 2014	193.8	69.7	41.3	35.7	340.5
At 31 December 2014	193.8	59.6	36.8	34.3	324.5
Cost:					
At 1 January 2015	**193.8**	**101.8**	**52.6**	**50.3**	**398.5**
Additions	-	-	-	3.2	3.2
Acquisition through business combinations (Note 27)	-	-	-	2.1	2.1
Deconsolidation	-	(3.1)	-	(0.5)	(3.6)
Disposals	-	-	-	(0.4)	(0.4)
Reclassification	-	-	-	7.1	7.1
Currency translation differences	-	(5.4)	(1.9)	(2.6)	(9.9)
At 31 December 2015	**193.8**	**93.3**	**50.7**	**59.2**	**397.0**
Amortisation:					
At 1 January 2015	**-**	**42.2**	**15.8**	**16.0**	**74.0**
Amortisation charge	-	11.8	4.4	5.8	22.0
Deconsolidation	-	(2.6)	-	(0.4)	(3.0)
Disposals	-	-	-	(0.1)	(0.1)
Currency translation differences	-	(2.9)	(0.7)	(1.1)	(4.7)
At 31 December 2015	**-**	**48.5**	**19.5**	**20.2**	**88.2**
Total carrying amount:					
At 1 January 2015	193.8	59.6	36.8	34.3	324.5
At 31 December 2015	193.8	44.8	31.2	39.0	308.8

The Swissport brand, identified as part of the acquisition accounting on Aguila 3's acquisition of the Swissport Group in February 2011, has an indefinite useful life. The Swissport brand is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group, there are no technical, technological, commercial or other types of obsolescence and the Group operates in a stable industry. For the brand pledged as security, refer to note 23.

Customer portfolios and licensing agreements, identified as part of the acquisition accounting on Aguila 3's acquisition of the Swissport Group in February 2011 and the Group's purchases of Flightcare in September 2012 and Servisair in December 2013, have definite useful lives.

The main components of “Other” as at 31 December 2015 are the Servisair Brand of MCHF 12.2 (2014: MCHF 13.8), the service concession agreements of Swissport Cargo Services Israel (SCS Israel) of MCHF 5.3 (2014: MCHF 5.7) (locally pledged as security, refer to note 23) and of Swissport Kenya Ltd (formerly Airside Limited and CSC East Africa) of MCHF 4.4 (2014: MCHF 5.4). IFRIC 12 Service Concession Arrangements is applied by the Group for these two service concession arrangements, as further described below.

In 2007, SCS Israel entered into a service concession arrangement with the Israeli airport authority. Under this service concession arrangement, SCS Israel built a cargo terminal that was transferred to the airport authority upon completion of construction. In exchange, the authority granted SCS Israel a 20 year concession to operate the same cargo terminal. The authority is to repay SCS Israel part of this investment and SCS Israel is to pay an annual concession fee to the authority. The receivable is linked to the Israeli Consumer Price Index and adjusted on a regular basis. The intangible asset is amortised on a straight-line basis over the 20 year concession period and the receivable is offset annually with the concession fee payable. The amortisation charge for the year ended 31 December 2015 was MCHF 0.4, (year ended 31 December 2014: MCHF 0.4).

In 2007, Swissport Kenya Ltd entered into a service concession arrangement with the Kenya airport authority. Under this service concession arrangement, Swissport Kenya Ltd built a cargo terminal that was transferred to the airport authority upon completion construction. In exchange, the authority granted Swissport Kenya Ltd a 20 year concession to operate the same cargo terminal. Construction work started in early 2009 and finished in 2010. From the start of the operations, the intangible asset is amortised on a straight-line basis over the remaining concession period. The amortisation charge for the year ended 31 December 2015 was MCHF 0.4 (year ended 31 December 2014: MCHF 0.4).

Impairment testing of goodwill and intangible assets with indefinite useful lives

Goodwill is tested for impairment on an operating segment level, which reflects the lowest level at which goodwill is monitored for internal management purposes. For the goodwill allocated to Ground Handling MCHF 856.7 (2014: MCHF 923.6) and Cargo Handling MCHF 153.4 (2014: MCHF 165.2), the impairment tests were based on value-in-use calculations. These calculations use post-tax cash flow projections based on business plans approved by management covering a four-year period. Cash flows beyond the four-year period are extrapolated using the estimated growth rates stated below. The growth rates do not exceed the long-term inflation forecast of the countries in which the cash generating units operate. Future cash flows are discounted based on the weighted average cost of capital (WACC). Risks that are specific to the cash generating units tested for impairment are included in the future cash flows.

The goodwill impairment testing is performed on an operating segment level and the key assumptions used in the value-in-use calculations are presented below:

	Weighted average estimated growth rate beyond four year period	Post-tax discount rate	Weighted average estimated growth rate beyond four year period	Post-tax discount rate
Ground Handling	2.7%	9.2%	2.4%	8.8%
Cargo Handling	3.3%	9.8%	3.2%	9.5%

All recoverable amounts exceeded their carrying amounts and consequently no impairment of goodwill was recognised in the years ended 31 December 2015 and 2014. Management considers that it is not likely for the assumptions used to change so significantly as to eliminate the excess.

The Swissport brand is tested for impairment at Group level. The carrying amount of the Swissport brand as of 31 December 2015 is MCHF 193.8 (2014: MCHF 193.8) which is implicitly covered in the significant headroom between the carrying amount and the recoverable amount identified when testing the goodwill for impairment on an operating segment level (see above).

17. Investments in associates and joint ventures

For a list of the Group's equity accounted investees refer to note 32. All of the Group's equity accounted investees provide services to the airline industry.

	2015 MCHF	2014 MCHF
Investments in joint ventures	16.1	15.7
Investments in associates	24.7	24.7
Balance at 31 December	**40.8**	**40.4**

(a) Joint ventures

The Group has interests in a number of individually immaterial joint ventures. The following table details, in aggregate, the carrying amount, share of results and other comprehensive income of these joint ventures.

	2015 MCHF	2014 MCHF
Carrying amount of joint ventures	16.1	15.7
Share of results	0.7	1.4
Share of total comprehensive income	**0.7**	**1.4**

The Group has not recognised losses totalling MCHF 0.0 (2014: MCHF 0.2) in relation to its interests in joint ventures, as the Group has no obligation in respect of these losses.

(b) Associates

The Group has interests in a number of individually immaterial associates. The following table details, in aggregate, the carrying amount, share of results and other comprehensive income of these associates.

	2015 MCHF	2014 MCHF
Carrying amount of associates	24.7	24.7
Share of results	2.7	3.8
Share of total comprehensive income	**2.7**	**3.8**

At the balance sheet date, contingent liabilities of the Group's associates and joint ventures amounted to MCHF 0.1 (2014: MCHF 0.8).

18. Deferred taxes

The movements in deferred tax assets and liabilities during the years ended 31 December 2015 and 2014 are as follows:

(i) Deferred tax (expense) recognised in the income statement

	2015 MCHF	2014 MCHF
Deferred tax assets (debited) to the income statement	(16.7)	(11.5)
Deferred tax liabilities credited to the income statement	8.2	2.5
Movements in deferred tax assets/liabilities recognised in the income statement	**(8.5)**	**(9.0)**

(ii) Deferred tax recognised in other comprehensive income

A deferred tax expense in the amount of MCHF 10.2 was recognised in other comprehensive income (2014: deferred tax income of MCHF 32.7, as disclosed in note 14).

(iii) Deferred tax assets

	2015 MCHF	2014 MCHF
At 1 January	**82.3**	**68.7**
Disposals through divestments (note 27)	-	(0.1)
(Credited) to the income statement	(16.7)	(11.5)
(Credited) / debited to other comprehensive income	(8.4)	24.8
Set-off with deferred tax liabilities	(3.6)	(1.9)
Currency translation differences	(4.2)	2.3
At 31 December	**49.4**	**82.3**

The balance relates to:

	2015 MCHF	2014 MCHF
Tax losses and tax credits	13.4	21.7
Property, vehicles and equipment	1.4	5.1
Receivables, payables and provisions	39.8	54.1
Intangible assets	2.1	3.0
Employee benefit obligations	20.7	30.7
Set-off with deferred tax liabilities	(28.0)	(32.3)
At 31 December	**49.4**	**82.3**

The Group has deferred tax assets amounting to MCHF 49.4 (2014: MCHF 82.3) mainly arising from timing differences in receivables, payables, provisions, employee benefit obligations and tax losses brought forward. Deferred tax assets are recognised for tax losses carried forward to the extent that realisation through future taxable profits is probable. The recovery of these recognised tax losses prior to their expiry is dependent upon the relevant companies earning sufficient future profits. Management believes that the recognised deferred tax assets are fully recoverable based on its forecasts of future results. An unexpected loss or reduction of profits would require a reassessment of the recoverability of deferred tax assets.

The Group has unrecognised tax losses and tax credits to carry forward and associated unrecognised deferred tax assets, which expire as follows:

	Unrecognised tax losses & tax credits		Unrecognised deferred tax assets	
	2015 MCHF	2014 MCHF	2015 MCHF	2014 MCHF
in 1 year	2.8	2.6	0.9	0.9
in 2 years	0.9	0.5	0.2	0.2
in 3 years	5.3	1.0	1.3	0.2
in 4 years	14.0	4.6	2.8	1.1
in 5 years	8.0	1.7	1.8	0.4
in 6 years	8.5	1.1	1.9	0.3
in 7+ years	70.3	49.2	15.2	16.4
no statutory expiry date	274.8	195.9	70.6	54.2
Total	**384.6**	**256.6**	**94.7**	**73.7**

In addtition, the Group has unrecognised deferred tax assets arising from deductible temporary differences MCHF 12.1 (2014: MCHF 3.3).

(iv) Deferred tax liabilities

	2015 MCHF	2014 MCHF
At 1 January	**65.0**	**68.4**
Acquisitions through business combinations (note 27)	0.6	-
(Credited) to the income statement	(8.2)	(2.5)
Credited / (debited) to other comprehensive income	1.8	(0.9)
Set-off with deferred tax assets	(3.6)	(1.9)
Currency translation differences	(1.3)	1.9
At 31 December	**54.3**	**65.0**

The balance relates to:

	2015 MCHF	2014 MCHF
Property, vehicles and equipment	12.6	17.7
Intangible assets	40.3	42.1
Receivables, payables and provisions	8.2	13.7
Borrowings	21.2	23.8
Set-off with deferred tax assets	(28.0)	(32.3)
At 31 December	**54.3**	**65.0**

Deferred tax liabilities of MCHF 5.5 (2014: MCHF 7.3) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries.

The above balances relate to a number of different tax jurisdictions and there is no further right to offset these deferred tax assets and deferred tax liabilities.

19. Post-employment and other long-term employee benefits

Non-current employee benefit obligations:			2015 MCHF	2014 MCHF
Personalvorsorge Swissport (PVS)	(a)	(iii)	112.4	95.1
Servisair Pension Plan (SPP)	(a)	(iii)	43.6	56.1
Defined benefit plans - Others	(a)	(iii)	18.0	14.9
Swiss bridging pension obligation	(b)	(i)	38.1	35.9
Total defined benefit plans			**212.1**	**202.0**
Swiss night-shift obligation	(c)		8.2	8.7
Jubilee provision	(d)		7.5	7.5
Other long-term employee benefits			0.8	0.6
Total other long-term employee benefits			**16.5**	**16.8**
Defined contribution plans			1.8	4.6
Total defined contribution plans			**1.8**	**4.6**
Total non-current employee benefit obligations			**230.4**	**223.4**

Income statement charge:			2015 MCHF	2014 MCHF
Defined benefit plan – Personalvorsorge Swissport (PVS)	(a)	(iv)	29.3	22.4
Defined benefit plan – Servisair Pension Plan (SPP)	(a)	(iv)	-	0.6
Defined benefit plans – Others	(a)	(iv)	2.2	2.2
Swiss bridging pension	(b)	(ii)	2.4	2.1
Total defined benefit plans charge (excluding interests)			**33.9**	**27.3**
Swiss night-shift			(0.3)	(0.8)
Jubilee provision			-	(1.4)
Other long-term employee benefits			1.3	0.7
Total other long-term employee benefits expense / (income)			**1.0**	**(1.5)**
Defined contribution plans (Note 9)			15.7	18.1
Total defined contribution plans charge			**15.7**	**18.1**
Total			**50.6**	**43.9**

(a) Defined benefit plans

The Group has different, funded and unfunded, defined benefit plans. The most significant plans are in Switzerland, Personalvorsorge Swissport (PVS), and in the United Kingdom (UK), Servisair Pension Plan (SPP). As of 31 December 2015, the plans for PVS and SPP account for 90.8% of the Group's total defined benefit obligation (2014: 90.7%) and for 91.0% (2014: 90.6%) of all plan assets. None of the other plans (aggregated in "Others") are significant from a Group perspective.

Personalvorsorge Swissport (PVS)

The Group has an independent pension plan in Switzerland established as a foundation: Personalvorsorge Swissport (PVS), covering the following Swiss entities: Swissport International AG, Swissport Baggage Sorting AG, PrivatPort S.A., Careport AG, GVAssistance AG and Swissport Group Services GmbH. Under Swiss law the plan is considered a defined contribution plan; however, because of inherent legal guarantees it is considered a defined benefit plan under IAS 19 and therefore an independent actuarial valuation has been performed using the projected unit credit method.

The objective of the foundation is to provide an occupational pension scheme against the financial consequences of old age, death or disability within the framework of the Swiss Federal Law on the Occupational Old Age, Survivors' and Disability Benefit Plan (BVG) and its implementation provisions for the employees of the affiliated companies and their relatives and / or survivors. It provides in all cases the minimum benefits prescribed by law based on the insuree's total savings capital for which the employer and the employees pay contributions to the pension plan.

The PVS pension plan is managed by a Board of Trustees that consist of six members, of an equal number of employer's and employees' representatives. The Board of Trustees provides insurees with a set of regulations regarding benefits payable by the Trust, its organisation, management and financing as well as its auditing and control. These regulations need to be submitted to pension fund supervisory authorities and specify the relationship of the foundation to its affiliated companies and its insurees.

In case of underfunding, based on BVG regulations, the Board of Trustees shall take measures to restore the scheme to financial stability. These measures may include the following: reduce benefits, levy restructuring contributions from employer and employees, temporarily rescind any pension increases and apply a lower interest rate. The provisional funding level based on BVG regulations as per 31 December 2015 is 113.3% (2014: 115.4%).

The actuarial risks are borne by the pension plan that has a legal structure of a foundation and are regularly assessed by the Board of Trustees. These risks consist of demographic risks such as longevity risk and financial risks such as the discount rate, future increases in salaries / wages, and the return on plan assets.

The Board of Trustees is responsible for the investment of the plan assets. All investment decisions made by the Board of Trustees need to be within the guidelines set out in a long term investment strategy 'Strategic Asset Allocation'. The Strategic Asset Allocation is based on legal requirements, expected future contributions and expected future obligations and is reassessed at least once a year.

Servisair Pension Plan (SPP)

In the UK, the Group operates a defined benefit pension scheme known as the Servisair Pension Plan (SPP) which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement (or earlier withdrawal or death). No other post-retirement benefits are provided. The SPP was closed to future accrual of benefits on 5 April 2012.

The Group operates the SPP under the UK regulatory framework. Benefits are paid to members from trustee-administered funds, which are responsible for ensuring that the SPP is sufficiently funded to meet current and future benefit payments. Plan assets are held in trusts separate to the Group. If investment experience is worse than expected, the Group's obligations are increased.

The nature of the relationship between the Group and the trustees is also governed by UK regulations. The trustees must agree a funding plan with the sponsoring company such that any funding shortfall is expected to be met by additional contributions and investment outperformance. In order to assess the level of contributions required, triennial valuations are carried out with the plan's obligations measured using prudent assumptions (relative to those used to measure accounting liabilities).

The trustees' other duties include managing the investment of SPP assets, administration of SPP benefits and exercising of discretionary powers. The Group works closely with the trustees to manage the SPP.

The SPP, in common with the majority of such plans in the UK, have a number of areas of risk.

The risks are considered from both a funding perspective, which drives the cash commitments of the Group, and from an accounting perspective, i.e. the extent to which such risks affect the amounts recorded in the Group's financial statements. The risks consist of demographic risks such as longevity risk and financial risks such as the discount rate, inflation risk and the return on plan assets.

The defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields using the projected unit credit method.

The SPP holds a large proportion of its assets in equity instruments and other return-seeking assets. The returns on such assets tend to be volatile and are not correlated to government bonds. This means that the funding level is likely to be volatile in the short term, potentially resulting in short-term cash requirements and an increase in the net defined benefit liability recorded on the balance sheet.

However, the Group believes that equity instruments offer the best returns over the long term with an acceptable level of risk and hence holds a significant proportion. The Group also believes that equities are appropriate to the duration of the SPP liabilities. Further, the SPP assets are well-diversified by investing in a range of asset classes, including property and corporate bonds.

Although investment decisions are the responsibility of the trustees, the Group takes an active interest to ensure that pension plan risks are managed efficiently and takes an active role in managing the ongoing liabilities in the SPP.

Others

This category includes several defined benefit plans including the following:

- AFS Aviation Fuel Services GmbH, funded, Germany
- Checkport Schweiz AG, Kloten, funded, Switzerland
- Cargo Service Center (UK) Limited Pension and Life Assurance Scheme, funded, UK
- Swissport (Legacy) Pension Scheme, funded, UK
- Swissport Tanzania Limited Employee's Gratuity Arrangement, unfunded, Tanzania
- Swissport France Holding SAS, unfunded, France
- Swissport Executive Aviation SAS, unfunded, France
- Swissport Cargo Services France Sarl, unfunded, France
- Pensionseinrichtung der Swissair AG, unfunded, Germany
- Swissport Belgium NV, unfunded, Belgium
- Swissport Belgium Cleaning NV, funded, Belgium
- Swissport Cargo Services, unfunded, Belgium
- Swissport Korea Ltd., funded, Korea

These defined benefit plans consist of plans that provide benefits on retirement, leaving service or death or plans that provide retirement lump sum gratuity to employees who retire after having completed a certain period of services. These plans are exposed to the similar risks as described above under the two major plans.

(i) Change in defined benefit obligation

	2015				2014			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Defined benefit obligation at the beginning of the period	**862.1**	**192.5**	**108.5**	**1'163.1**	**681.6**	**162.0**	**91.8**	**935.4**
Service cost:								
Current service cost	29.3	-	2.3	31.6	22.6	-	2.2	24.8
Past service cost	-	-	(0.1)	(0.1)	-	-	-	-
Gain on settlements	-	-	-	-	(0.2)	-	-	(0.2)
Interest cost	8.5	6.5	3.6	18.6	16.0	7.5	4.1	27.6
Cash flows:						-	-	-
Benefit payments from plan	(31.8)	(6.3)	(2.7)	(40.8)	(25.6)	(5.8)	(3.0)	(34.4)
Settlements payments	-	-	-	-	(3.0)	-	-	(3.0)
Employee contributions	12.4	-	0.8	13.2	12.5	-	0.8	13.3
Insurance premiums for risk benefits	-	-	(0.3)	(0.3)	-	-	(0.3)	(0.3)
Other significant events:								
Increase due to								
- effect of business combination	-	-	2.8	2.8	-	-	-	-
- effect of change in plan	-	-	3.5	3.5	-	-	-	-
Decrease due to disposal	-	-	-	-	-	-	(1.3)	(1.3)
Remeasurements:								
Effect of changes								
- in demographic assumptions	-	4.4	-	4.4	-	-	0.1	0.1
- in financial assumptions	8.6	(6.6)	(4.4)	(2.4)	151.9	20.8	11.4	184.1
Effect of experience adjustments	(8.0)	-	(0.4)	(8.4)	6.3	-	(0.4)	5.9
Foreign exchange	-	(8.5)	(5.8)	(14.3)	-	8.0	3.1	11.1
Defined benefit obligation at the end of the period	**881.1**	**182.0**	**107.8**	**1'170.9**	**862.1**	**192.5**	**108.5**	**1'163.1**

The calculated duration for the PVS plan is 17 years (2014: 17 years) and 20 years for the SPP plan (2014: 18 years). The duration for the other plans varies up to a maximum of 22 years (2014: 22 years).

(ii) Change in fair value of plan assets

	2015				2014			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Fair value of plan assets at the beginning of the period	**767.0**	**136.4**	**93.6**	**997.0**	**724.6**	**113.8**	**78.2**	**916.6**
Interest income	7.7	4.7	3.0	15.4	17.4	5.3	3.4	26.1
Cash flows:								
Employer contributions	16.4	8.4	1.9	26.7	16.5	-	2.2	18.7
Employer deficit payment	-	-	0.3	0.3	-	4.5	0.1	4.6
Employee contributions	12.4	-	0.8	13.2	12.5	-	0.8	13.3
Benefit payments from plan	(31.8)	(6.3)	(2.7)	(40.8)	(25.6)	(5.8)	(3.0)	(34.4)
Settlements payments	-	-	-	-	(3.0)	-	-	(3.0)
Insurance premiums for risk benefits	-	-	(0.3)	(0.3)	-	-	(0.3)	(0.3)
Administrative expenses and taxes	-	(1.0)	-	(1.0)	-	(0.6)	-	(0.6)
Other significant events:								
Increase due to								
- effect of business combination	-	-	0.3	0.3	-	-	-	-
- effect of change in plan	-	-	0.6	0.6	-	-	-	-
Remeasurements:								
Return on plan assets (excluding interest income)	(3.0)	2.2	(2.8)	(3.6)	24.6	13.5	9.2	47.3
Foreign exchange	-	(6.0)	(4.9)	(10.9)	-	5.7	3.0	8.7
Fair value of plan assets at the end of the period	**768.7**	**138.4**	**89.8**	**996.9**	**767.0**	**136.4**	**93.6**	**997.0**

(iii) Amounts recognised in the balance sheet

	2015				2014			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Defined benefit obligation	881.1	182.0	107.8	1'170.9	862.1	192.5	108.5	1'163.1
Fair value of plan assets	(768.7)	(138.4)	(89.8)	(996.9)	(767.0)	(136.4)	(93.6)	(997.0)
Net obligation	**112.4**	**43.6**	**18.0**	**174.0**	**95.1**	**56.1**	**14.9**	**166.1**

(iv) Components of defined benefit cost

	2015				2014			
	PVS	SPP	Others	Total	PVS	SPP	Others	Total
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
Service cost:								
Current service cost	29.3	-	2.3	31.6	22.6	-	2.2	24.8
Past service cost	-	-	(0.1)	(0.1)	-	-	-	-
Gain on settlements	-	-	-	-	(0.2)	-	-	(0.2)
Total service cost	**29.3**	**-**	**2.2**	**31.5**	**22.4**	**-**	**2.2**	**24.6**
Administrative expenses and taxes	**-**	**1.0**	**-**	**1.0**	**-**	**0.6**	**-**	**0.6**
Net interest cost:								
Interest expense in defined benefit obligation	8.5	6.5	3.6	18.6	15.9	7.5	4.1	27.6
Interest (income) on plan assets	(7.7)	(4.7)	(3.0)	(15.4)	(17.4)	(5.3)	(3.4)	(26.1)
Interest expense on effect of asset ceiling	-	-	-	-	1.0	-	-	1.0
Total net interest cost / (income)	**0.8**	**1.8**	**0.6**	**3.2**	**(0.5)**	**2.2**	**0.7**	**2.5**
Defined benefit cost included in the income statement	**30.1**	**2.8**	**2.8**	**35.7**	**21.9**	**2.8**	**2.9**	**27.7**
Remeasurements (recognised in other comprehensive income (OCI)):								
Effect of changes								
- in demographic assumptions	-	4.4	-	4.4	-	-	0.1	0.1
- in financial assumptions	8.6	(6.6)	(4.4)	(2.4)	151.9	20.8	11.4	184.1
Effect of experience adjustments	(8.0)	-	(0.4)	(8.4)	6.3	-	(0.4)	5.9
Return on plan assets (excluding interest income)	3.0	(2.2)	2.8	3.6	(24.6)	(13.5)	(9.2)	(47.3)
Change in asset ceiling (excluding interest income)	-	-	-	-	(38.8)	-	-	(38.8)
Total remeasurements included in OCI	**3.6**	**(4.4)**	**(2.0)**	**(2.8)**	**94.8**	**7.3**	**1.9**	**104.0**
Defined benefit cost recognised in the income statement and OCI	**33.7**	**(1.6)**	**0.8**	**32.9**	**116.7**	**10.1**	**4.8**	**131.7**

(v) Net defined benefit liability / (asset) reconciliation

	2015				2014			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Net defined benefit liability / (asset) at the beginning of the year	95.1	56.1	14.9	166.1	(5.1)	48.2	13.6	56.7
Defined benefit cost included in the income statement	30.1	2.8	2.8	35.7	21.9	2.8	2.9	27.6
Total remeasurements included in OCI	3.6	(4.4)	(2.0)	(2.8)	94.8	7.3	1.9	104.0
Other significant events:								
Increase due to								
- effect of business combination	-	-	2.6	2.6	-	-	-	-
- effect of change in plan	-	-	2.8	2.8	-	-	-	-
Decrease due to disposal	-	-	-	-	-	-	(1.3)	(1.3)
Cash flows:								
Employer contributions	(16.4)	(8.4)	(1.9)	(26.7)	(16.5)	-	(2.2)	(18.7)
Employer deficit payment	-	-	(0.3)	(0.3)	-	(4.5)	(0.1)	(4.6)
Foreign exchange	-	(2.5)	(0.9)	(3.4)	-	2.3	0.1	2.4
Net defined benefit liability / (asset) at the end of the year	**112.4**	**43.6**	**18.0**	**174.0**	**95.1**	**56.1**	**14.9**	**166.1**

(vi) Assumptions and other information

The principal actuarial assumptions used were:

	2015			2014		
	PVS	**SPP**	**Others***	**PVS**	**SPP**	**Others***
Discount rate	0.9%	3.9%	3.7%	1.0%	3.6%	3.6%
Future salary increase	1.5%	not applicable	2.7%	1.5%	not applicable	3.6%
Future pension increase	0.0%	2.10%	3.0%	0.0%	1.80%	3.0%
Mortality table	BVG 2010	SAPS 110% CMI_2013 [1.5%]	various	BVG 2010	SAPS 110% CMI_2013 [1%]	various

* expressed as weighted averages

(vii) Sensitivity analysis as at 31 December 2015

The discount rate, future salary increase and future pension increase were identified as significant actuarial assumptions for the PVS plan. The discount rate and the future pension increase were identified as significant assumptions for the SPP plan. A change in one of these assumptions by +0.25% or -0.25% (with all other assumptions remaing constant) would have the following impact on the defined benefit obligation at the end of the reporting period.

PVS

	2015 Defined benefit obligation		2014 Defined benefit obligation	
	0.25% increase	**0.25% decrease**	**0.25% increase**	**0.25% decrease**
Discount rate	-1.5%	1.6%	-0.8%	1.4%
Future salary growth	0.0%	-0.5%	0.1%	-0.1%
Future pension	3.1%	not applicable	3.1%	not applicable

SPP

	2015 Defined benefit obligation		2014 Defined benefit obligation	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
Discount rate	-3.2%	3.2%	-4.4%	4.4%
Future pension	2.1%	-2.1%	3.6%	-3.6%

The above sensitivity calculations are based on one assumption changing while the others remain unchanged. In practice, however, there are certain correlations between the individual assumptions. The same method was used to calculate the sensitivities and the defined benefit obligation at the balance sheet date.

(viii) Plan assets

Plan assets comprises:	2015 MCHF	2014 MCHF
Cash	45.0	47.5
Mortgages	48.7	24.1
Bonds	275.8	336.0
Equities	327.6	280.2
Real estate	243.1	235.0
Assets held by insurance company	18.5	17.4
Alternative investments	38.2	56.8
Total	**996.9**	**997.0**

Most of the equity, debt securities and assets held by insurance company have a quoted market price in an active market. Real estate, mortgages and alternative investments, which include hedge fund usually, do not have a quoted market price.

(ix) Funding

The expected contributions to be paid during the year ended 31 December 2016 in respect of the Group's defined benefit pension plans are MCHF 33.5.

(b) Swiss bridging pension obligation

As described in more detail in the accounting policy 3.14, this liability relates to the additional pension paid to pensioners of the Personalvorsorge Swissport (PVS) during the period before they are eligible to receive the State pension.

The main risks in relation to the bridging pensions consist of a financial risk (discount rate).

As required by IAS 19, the obligation has been measured at present value using the projected unit credit method and the movements in the balance are:

(i) Change in defined benefit obligation

	2015 MCHF	2014 MCHF
Defined benefit obligation at the beginning of the period	**35.9**	**30.8**
Service cost:		
Current service cost	2.4	2.2
Gain on settlements	-	(0.1)
Interest cost	0.3	0.7
Cash flows:		
Benefit payments from employer	(2.6)	(3.0)
Remeasurements:		
Effect of changes in financial assumptions	0.5	4.2
Effect of experience adjustments	1.6	1.1
Defined benefit obligation at the end of the period	**38.1**	**35.9**

(ii) Components of defined benefit cost

	2015 MCHF	2014 MCHF
Service cost:		
Current service cost	2.4	2.2
Gain on settlements	-	(0.1)
Total service cost	**2.4**	**2.1**
Net interest cost:		
Interest expense in defined benefit obligation	0.3	0.7
Total net interest cost	**0.3**	**0.7**
Defined benefit cost included in the income statement	**2.7**	**2.8**
Remeasurements (recognised in other comprehensive income (OCI)):		
Effect of changes in financial assumptions	0.5	4.2
Effect of experience adjustments	1.6	1.1
Total remeasurements included in OCI	**2.1**	**5.3**
Total defined benefit cost recognised in the income statement and OCI	**4.8**	**8.1**

(iii) Principal assumptions

	2015	2014
Discount rate	0.85%	1.0%
Rate of increase in social security pension (AHV)	1.0%	1.0%
Current maximum AHV pension (CHF)	28'200	28'080

(iv) Sensitivity analysis as at 31 December 2015

The discount rate was identified as a significant actuarial assumption for the bridging pension plan. A change in this assumption by +0.25% or -0.25% would have the following impact on the defined benefit obligation at the end of the reporting period.

	2015 Defined benefit obligation		2014 Defined benefit obligation	
	0.25% increase	**0.25% decrease**	**0.25% increase**	**0.25% decrease**
Discount rate	-1.0%	1.0%	-2.3%	2.4%

(v) Expected benefit payments

As at 31 December 2015	**MCHF**
Year 2016	2.7
Year 2017	3.3
Year 2018	2.7
Year 2019	2.8
Year 2020	3.2
Year 2021 - 2025	11.0

As at 31 December 2014	**MCHF**
Year 2015	2.4
Year 2016	3.0
Year 2017	3.0
Year 2018	3.0
Year 2019	3.0
Year 2020 - 2024	10.4

(c) Swiss night-shift obligations

As described in more detail in the accounting policy, this liability relates to the obligation in Switzerland to provide benefits to night shift workers.

(d) Jubilee Provision

As described in more detail in the accounting policy 3.14, this liability relates to the constructive obligation of some Group companies to pay long-service awards to employees on completion of a predetermined number of years service.

20. Prepayments, trade and other receivables

Non-current prepayments and receivables:	**2015 MCHF**	**2014 MCHF**
Loans to related parties (note 29)	1.0	-
Receivables from airport authorities (service concession)	11.2	11.8
Expected reimbursements from insurance companies	33.4	21.7
Capitalised transaction costs	0.2	4.8
Other receivables	9.4	19.7
Total	**55.2**	**58.0**

Current trade and other receivables:	**2015 MCHF**	**2014 MCHF**
Trade receivables from third parties	310.9	343.6
Trade receivables from related parties (note 29)	2.3	0.3
Less: Impairment allowance	(31.5)	(32.8)
Subtotal	**281.7**	**311.1**
Non-income tax receivables	29.1	25.1
Prepayments	48.9	40.9
Expected reimbursements from insurance companies	15.3	11.9
Restricted cash (note 21)	15.3	32.0
Accrued balances	19.6	18.5
Other receivables from third parties	51.6	48.6
Current loan to related parties (note 29)	1.2	0.6
Total	**462.7**	**488.7**

Trade receivables - neither past due nor impaired:

The credit quality of trade receivables that are neither past due nor impaired can be assessed by reference to historical information about counterparty default risk. Based on the experience from the last three years, more than 99% of the balances with customers that are neither past due nor impaired were fully recovered.

Trade receivables - past due, but not impaired:

Generally, trade receivables that are less than three months past due are not considered impaired. The carrying amounts of trade receivables that are past due, but not impaired, are as follows:

	2015 MCHF	2014 MCHF
Up to 3 months	74.0	82.3
3 to 6 months	4.9	5.2
Over 6 months	3.4	7.7
Total	**82.3**	**95.2**

Trade receivables - impaired and an allowance recognised:

The impairment allowance represents the Group's best estimate of incurred losses in respect of trade receivables. The allowance consists of a specific loss component that relates to individually significant exposures and a collective loss component based on historical experience. As of 31 December 2015, trade receivables of MCHF 32.2 (2014: MCHF 34.9) were impaired and an allowance of MCHF 31.5 (2014: MCHF 32.8) had been recognised. An allowance for the full amount was not recognised as it was assessed that a portion of these receivables is expected to be recovered. The majority of the individually impaired receivables relate to former clients of entities in Brazil, Spain, Switzerland and North America that have become insolvent.

The ageing of the impaired receivables is as follows:

	2015 MCHF	2014 MCHF
Up to 6 months	0.7	8.5
Over 6 months	31.5	26.4
Total	**32.2**	**34.9**

Movements in the Group allowance for impairment of trade receivables were as follows:

	2015 MCHF	2014 MCHF
At 1 January	**(32.8)**	**(32.4)**
Allowance decrease through divestments	-	3.1
(Impairments released) / write-offs during the period	(0.2)	(1.7)
Exchange differences	1.5	(1.8)
At 31 December	**(31.5)**	**(32.8)**

The recognition of allowances for impaired trade receivables and any subsequent recoveries of balances previously impaired are included in 'other operating expenses' in the consolidated income statement. Amounts charged to the allowance account are written off against the receivable when there is no expectation of recovering additional cash.

The non-current receivables and other current receivables are not impaired and not overdue.

21. Cash and cash equivalents, and restricted cash

	2015 MCHF	2014 MCHF
Cash at bank and on hand	120.5	113.8
Short term bank deposits	23.4	35.6
Total cash and cash equivalents in current assets	**143.9**	**149.4**
of which is restricted (note 20)	(15.3)	(32.0)
Unrestricted cash and cash equivalents	**128.6**	**117.4**

Cash in the amount of MCHF 15.3 (2014: MCHF 32.0) is restricted and presented as current other receivables. Restricted cash mainly comprises cash deposits for existing bank guarantees and certain labour guarantee cash deposits. The remaining part of restricted cash comprises principally short-term bank deposits that the Group is required to have by major suppliers, usually airports, to maintain in lieu of bank guarantees.

The short-term bank deposits have a weighted average maturity of 85.2 days (2014: 13.1 days).

22. Equity

(a) Share capital

As at 31 December 2015, the fully paid subscribed capital, amounting to CHF 426,591,687.92 (2014: CHF 426,591,687.92), is represented by 42,659,168,792 shares (2014: 42,659,168,792 shares); 28,804,039,636 Ordinary Shares, 12,505,129,156 Class A MCPS and 1,350,000,000 Class B MCPS with a nominal value of CHF 0.01 each.

Each Ordinary Share is entitled to one vote.

The MCPS are non-voting shares. There is no difference in the terms and conditions of Class A and Class B MCPS. Each year from the undistributed profits, the MCPS holders are entitled to a dividend amounting to 2.0 per cent of the nominal value of each MCPS. If no dividend is declared by the general meeting the amount of the dividend is allotted to a distributable reserve account. The MCPS are non-redeemable and can be converted into ordinary shares in full or in part at any time starting from 20 December 2019, upon decision of the shareholder(s) of the Company. In the event of a conversion, each such MCPS is to be converted in such a number of ordinary shares whose nominal value equals the sum of the nominal value of the MCPS to be converted plus the accumulated (and unpaid) MCPS dividend related to the MCPS to be converted. In the case of liquidation, the holder of each MCPS, after payment of all third party debts and liabilities of the Company or deposit of any funds to that effect, will have a preferential right to payment and be entitled to the payment in cash of the unpaid MCPS dividend.

The authorised capital amounts to CHF 941,511,687.92 (2014: CHF 941,511,687.92).

(b) Share premium and similar premiums

On 22 December 2015 Aguila 2 S.A., the parent company of Aguila 3 has contributed the amount of CHF 19,467,000 in order to be allocated to the equity reserve account into share premium and similar premiums of Aguila 3. As at 31 December 2015, there is a share premium and similar premiums for a total amount of CHF 101,204,212.73 (2014: CHF 81,737,212.73). The share premium and similar premiums arise from the issue of shares on incorporation of the company and from capital increase in 2013 and the capital contribution without issuance of shares in 2015.

(c) Movements in share capital, share premium, similar premiums and MCPS

	Share capital	MCPS	MCPS reserve account	Share premium and similar premiums	Total
	MCHF	MCHF	MCHF	MCHF	MCHF
1 January 2014	**288.0**	**138.6**	**0.1**	**81.7**	**508.4**
31 December 2014	**288.0**	**138.6**	**0.1**	**81.7**	**508.4**
1 January 2015	**288.0**	**138.6**	**0.1**	**81.7**	**508.4**
Capital Contribution	-	-	-	19.4	19.4
31 December 2015	**288.0**	**138.6**	**0.1**	**101.1**	**527.8**

The movement in share premium and similar premiums during the year 2015 is described above under *(b) Share premium and similar premiums.*.

(d) Nature and purposes of reserves

Fair value reserve

This reserve records fair value changes on available-for-sale financial assets.

Currency translation reserve

This reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations, foreign exchange differences on loans in substance forming part of the net investments in foreign operations as well as foreign exchange differences from the translation of liabilities that hedge the Company's net investments in foreign operations.

(e) Dividends

Aguila 3 S.A. did not pay a dividend during the years ended 31 December 2015 or 2014. Individual Group companies paid dividends to non-controlling interests in both years.

23. Borrowings

	2015	2014
Current	**MCHF**	**MCHF**
Bank loans	16.0	11.0
Loans from related parties	0.2	-
Finance lease liabilities	15.4	13.8
Other	24.1	8.9
Total	**55.7**	**33.7**

	2015	2014
Non-current	**MCHF**	**MCHF**
Bonds(1)	1'286.3	1'266.0
Bank loans	150.2	74.1
Loans from other third parties	9.4	8.5
Finance lease liabilities	21.8	28.5
Other	7.9	4.0
Total	**1'475.6**	**1'381.1**

(1) All bonds are listed on the Official List of the Luxembourg Stock Exchange.

As per 31 December 2015 the Group has the following bonds outstanding:

Issue Date	Amount	Currency	Issue price in %	Interest rate in %	Maturity date
February 2011	350.0	MCHF	100.00%	7.875%	January 2018
February 2011	425.0	MUSD	100.00%	7.875%	January 2018
May 2012	130.0	MUSD	103.00%	7.875%	January 2018
July 2013	390.0	MUSD	102.75%	7.875%	January 2018

Directly attributable transaction costs incurred in connection with the issuance of the bonds were deducted from the proceeds and have been amortised as per 31 December 2015 due to the revised assumptions of an early repayment of the respective bonds, refer also to Note 30. The proceeds were used to finance the acquisitions of the Swissport Group in 2011, Flightcare S.L. in September 2012 and Servisair SAS in December 2013 and to repay certain existing third-party debts of these acquirees. The Group has entered into derivative contracts to hedge its currency risk on the MUSD 390.0 7.875% senior secured notes. The derivative contracts related to the bonds are measured at fair value through profit or loss and have been sold as per 31 December 2015.

The existing USD denominated bonds are partially (MUSD 633.0) used to hedge USD denominated net investments in foreign operations including USD denominated intra-group loans, for which settlement is neither planned nor expected in the foreseeable future. This resulted in a hedge loss of MCHF 2.1 for the year ended 31 December 2015 (year ended 31 December 2014: loss of MCHF 62.9) that is recognised in other comprehensive income.

As per 31 December 2015 the Group has a super senior revolving credit facility of MCHF 200.0 with a maturity date of 17 February 2017. The super senior revolving credit facility had a total utilised balance of MCHF 158.9 as at 31 December 2015 (2014: MCHF 84.9). The total utilised balance consisted of MCHF 53.9 (2014: MCHF 51.2) of utilised guarantees and MCHF 105.0 (2014: MCHF 33.7) of cash drawn down. An interest margin of 4% (2014: 4%) was applicable to all utilised guarantee amounts and an interest rate of 1 month CHF LIBOR + 4% was applicable to the cash drawn down amount as at 31 December 2015. The Company is required to meet a leverage ratio on a quarterly basis as defined in the super senior revolving credit facility agreement.

In connection with financing transactions, Aguila 3 and certain other Group companies granted the banking syndicate and holders of bonds pledges over shareholdings in certain Group companies, intellectual property rights as well as property, vehicles and equipment. In addition, cash at bank, insurance claims, as well as trade and intercompany receivables have been assigned as security for the banking syndicate and bondholders.

The assets pledged at the end of the reporting periods are as follows:

	2015 MCHF	2014 MCHF
Cash and cash equivalents	53.6	46.1
Trade and other receivables	216.3	267.8
Swissport Brand	193.8	193.8
Other intangibles	12.2	13.8
Vehicles and equipment	130.1	170.9
Total	**606.0**	**692.4**

The above figures also include assets pledged locally outside of the super senior revolving credit facility and the bonds. Intercompany receivables and shareholdings in certain Group companies are also pledged but not presented above as they are eliminated on a consolidated level.

Finance lease liabilities are payable as follows:

2015	Future minimum lease payments MCHF	Interest MCHF	Present value of minimum lease payments MCHF
- within 1 year	16.9	1.5	15.4
- between 1 and 5 years	22.9	2.3	20.6
- after 5 years	1.2	0.0	1.2
Total	**41.0**	**3.8**	**37.2**

2014	Future minimum lease payments MCHF	Interest MCHF	Present value of minimum lease payments MCHF
- within 1 year	15.8	2.0	13.8
- between 1 and 5 years	29.6	2.3	27.3
- after 5 years	1.3	0.1	1.2
Total	**46.7**	**4.4**	**42.3**

The maturity profile of non-current borrowings is as follows:

2015	13-24 months MCHF	25-60 months MCHF	> 60 months MCHF	Total MCHF
Bonds	1'286.3	-	-	1'286.3
Bank loans	109.0	17.9	23.3	150.2
Finance lease liabilities	11.2	9.4	1.2	21.8
Loans from other third parties	-	-	9.4	9.4
Other	7.0	0.2	0.7	7.9
Total	**1'413.5**	**27.5**	**34.6**	**1'475.6**

2014	13-24 months MCHF	25-60 months MCHF	> 60 months MCHF	Total MCHF
Bonds	-	1'266.0	-	1'266.0
Bank loans	11.0	42.0	21.1	74.1
Finance lease liabilities	12.0	15.3	1.2	28.5
Loans from other third parties	1.1	0.2	7.2	8.5
Other	3.3	0.7	-	4.0
Total	**27.4**	**1'324.2**	**29.5**	**1'381.1**

The weighted average effective interest rates on borrowings at the balance sheet dates were as follows:

	2015	2014
Bank loans	5.74%	4.55%
Finance lease liabilities	6.97%	7.11%
Bonds	7.88%	8.50%

For a description of the refinancing in connection with the sale of Aguila 3 to HNA Group refer to Note 30 – events ocurring after the reporting period.

All outstanding bonds of Aguila 3 have been repaid on the closing date using the proceeds from an intercompany loan of MEUR 1,229.9 (MCHF 1,348.8) from Swissport Investments S.A. .

24. Provisions

	Claims	Onerous contracts	Workers Compens.	Insurance provision	Other provision	Total
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
At 1 January 2015	**14.1**	**39.0**	**53.4**	**20.8**	**17.1**	**144.4**
Provisions made	13.0	11.2	24.9	10.4	4.4	**63.9**
Provisions used	(3.1)	(36.8)	(17.8)	(3.6)	(6.2)	**(67.5)**
Reversal of amounts no longer required	(0.8)	(7.4)	(0.8)	(1.1)	(2.7)	**(12.8)**
Reclassifications	-	0.2	-	(0.5)	0.8	**0.5**
Currency exchange differences	(3.3)	(1.6)	(0.2)	-	(1.9)	**(7.0)**
At 31 December 2015	**19.9**	**4.6**	**59.5**	**26.0**	**11.5**	**121.5**

Analysed between:	**2015**	**2014**
	MCHF	**MCHF**
Current	42.1	54.7
Non-current	79.4	89.7
Total	**121.5**	**144.4**

The provisions of the Group consist of the following:

Claims

The balance of the provision relates to various claims that have been incurred in the ordinary course of business.

The Group has provisions of MCHF 19.9 (2014: MCHF 14.1) predominantly in connection with labour related claims (mainly in Brazil). The final outcome of these issues may differ from management's expectations giving rise to an additional provisions or a reversal of already recognised provisions. No specific timing for the resolution of these claims is known as it depends on actions of the courts.

Onerous contracts

The onerous contracts provision mainly covered the future losses in relation to operating lease contracts and a customer contract, where the expected benefits to be received were not expected to cover the unavoidable costs in entities domiciled in the United Kingdom. During the financial year ended 31 December 2015 most of those onerous contracts provisions were either used (MCHF 36.8) or reversed due to no longer being required (MCHF 7.4), resulting in a decreased balance as per 31 December 2015. Onerous contract provisions of MCHF 11.2 were built during the year, mainly due to changed assumption in a long-term lease contract for a ware house in the UK.

Workers Compensation

These balances represent provisions for claims in the US in relation to injuries that occurred on the job. These provisions are partially offset by a receivable of MCHF 25.1 (2014: MCHF 17.7) from an insurance company, which is included in other receivables. It is estimated that the majority of the claim liability will be paid out in seven to ten years.

Insurance provisions

These balances represent provisions for claims in relation to aviation liabilities. These provisions are partially offset by receivables of MCHF 23.5 (2014: MCHF 15.9) from insurance companies, which are included in other receivables. The liabilities are expected to be paid within two to three years of incident.

Other provisions

During the year, provisions of MCHF 4.4 were made mainly to cover costs associated with employee termination benefits and healthcare risks. In addition to these two provisions, the year end balance of the other provisions relates to a variety of other matters where the Group anticipates an outflow of resources at some point in the future. The majority of the remaining provisions can be attributed to provisions for customs fines and to other labour related provisions.

25. Trade and other payables

	2015 MCHF	2014 MCHF
Trade payables to third parties	148.5	121.6
Tax payables	18.5	19.6
Guarantees	0.8	6.3
Advanced payments received	5.9	9.2
Other payables to third parties	27.0	29.2
Accrued items	77.1	89.7
Other payables to related parties (note 29)	3.1	0.9
Interest accruals - third parties	1.0	0.6
Interest accruals - bond	42.2	42.2
Payroll related accruals	114.6	135.9
Purchase related accruals	36.4	36.0
Total	**475.1**	**491.2**

Accruals include estimated costs for goods and services received but not yet invoiced.

26. Contingent liabilities

Bank guarantees

As at 31 December 2015 the Group had contingent liabilities in respect of bank guarantees, arising in the ordinary course of business and provided to third parties by the Group's banks, amounting to MCHF 85.6 (2014: MCHF 92.4). The guarantees represent contingent liabilities that will crystallise to the extent that the guarantees are drawn and the bank enforces its right to recover the amount drawn from the Group.

Legal matters

The Group and some of its subsidiaries are party to a number of proceedings and civil lawsuits in which the Group and some of its subsidiaries are defendants. There are various cases outstanding and provisions have been made where the Group expects an outflow to result from such proceedings (see note 24). It is possible that these provisions will prove to be inadequate, but the Group is not aware of any case where amounts not provided for could be material.

There are no other matters from which it is anticipated that a material liability could arise.

27. Business combinations and sale of subsidiaries

2015

Acquisitions:

(a) Acquisition of AGN / CREA and AFS

On 11 September 2015 Swissport Mexico Holding S. de R.L. de C.V., a fully owned subsidiary of the Group, acquired a total of 51% of the share capital and voting rights of AGN Aviation Services S.A. de C.V. ("AGN") and CREA Recursos Humanos, S.A. de C.V. ("CREA").

AGN is the third biggest ground handling provider in Mexico. With this purchase, Swissport expands its network in Mexico to 28 Stations and will offer its customers country- or multi-station-wide solutions for passenger and ramp handling services. CREA provides HR-related services to AGN and is a support entity for the business of AGN. Therefore CREA is not a separate cash generating unit.

On 16 Juli 2015, Swissport Deutschland GmbH, a fully owned subsidiary of the Group, acquired a total of 66.7% directly and indirectly of the share capital and voting rights of AFS Aviation Fuel Services GmbH ("AFS") including all of its operating subsidiaries, associates and joint ventures from its former owner BP Europa SE. AFS is the German market leader specialized in aircraft refueling services and airport tank storage facility management.

Details of the purchase consideration, the net identifiable assests and goodwill for the two acquisitions are as follows:

Combined impact of both acquisitions: consideration transferred:	**MCHF**
Cash paid	8.0
Total consideration transferred	**8.0**
Fair value of assets / (liabilities):	
Cash and cash equivalents	2.4
Trade and other receivables	9.4
Inventory	0.2
Property, vehicles and equipment	15.6
Intangible assets	2.1
Investment in associates and joint ventures	0.2
Borrowings	(4.9)
Trade and other payables	(15.4)
Employee benefit obligations	(2.6)
Deferred tax liabilities	(0.6)
Fair value of net identifiable assets, including non-controlling interest	**6.4**
Non-controlling interest	(2.5)
Fair value of net identifiable assets, excluding non-controlling interest	**3.9**
Goodwill (resulting from the acquisition of AGN/CREA)	**5.0**
(Gain) on bargain purchase (resulting from the acquisition of AFS)	**(0.9)**
Cash flow from acquisition:	
Cash paid to former shareholder	(8.0)
Acquired cash and cash equivalents	2.4
Net cash outflow	**(5.6)**

In connection with the acquisition of AGN / CREA a put/call option over the remaining non-controlling interest was entered into. Since the non-controlling shareholders still have access to the underlying return associated with their ownership interest non-controlling interest are still presented. The non-controlling interests have been identified based on their proportionate share of the net assets of the acquiree. The financial liability (MCHF 9.0) resulting from the put option was recognized with a debit entry in equity and valued at fair value on acquistion date.

In addition the Group spent MCHF 3.1 on the acquisition of a jointly controlled entity and MCHF 0.3 for other minor acquisitions.

(b) Impact of acquisitions on the results of the Group

The contribution to revenue and net result from the date of acquisition and the impact if the acquisition had taken place at 1 January is not material to the financial statements of the Group for both the acquisitions of AGN/CREA and AFS.

Deconsolidation:

(a) Loss of control of Swissport Dominicana S.A.

The Group has historically owned 34% of the shares of Swissport Dominicana S.A. but held control over the entity based on an agreement with a local shareholder to vote in conjunction with the Group. As a result of the voting agreement not being in place any longer the Group lost control and deconsolidated Swissport Dominicana S.A. as of 31 December 2015.

The deconsolidation has the following financial impact on the balance sheet of the Group as per 31 December 2015:

	MCHF
Cash and Cash Equivalents	(1.5)
Trade and other receivables	(16.0)
Property, vehicles and equipment	(0.7)
Goodwill	(22.0)
Other intangible assets	(0.6)
Inventories	(0.1)
Other long-term receivables	(13.8)
Deferred tax liability	0.1
Current borrowings	0.6
Income tax liabilities	0.7
Trade and other payables	5.7
Net assets and liabilities	**(47.7)**
Fair value of retained non-controlling interest	0.8
Carrying value of 66% non-controlling interest prior to transaction	18.3
Loss on disposal of subsiadries	**(28.6)**

The carrying amount of non-controlling interest of MCHF 18.3 together with the currency translation difference of non-controlling interest (MCHF 5.3) is recognized in the consolidated statement of Changes in Equity in non-controlling interest arising from change in ownership interests.

Disposals:

(a) France Ground Handling

On 7 October 2014, Swissport Nice SAS, Swissport France SAS, Swissport Services CDG SAS, Servisair France SA and Heracles, our groundhandling activities in France, were sold for a total of 2 Euros. Beside this, a negative consideration of MEUR 5.4 (MCHF 6.5) was agreed with the purchaser to implement the needed restructuing measures.

The purchaser of the entities claimed in 2015 that the measures implemented at the time of the initial sale were not sufficient to allow the long-term operation of the companies. The purchaser and the Group have entered into an agreement which requires Swissport to provide the disposed companies with additional funding for a total of MCHF 19.3, part of which has been paid in 2015 (MCHF 3.3) and the remainder will be paid in 2016 (MCHF 16.0).

2014

Acquisitions:

Minor acquisitions were effected in the year ended 31 December 2014 resulting in goodwill of MCHF 0.9.

Disposals:

(a) France Ground Handling

On 7 October 2014, Swissport Nice SAS, Swissport France SAS, Swissport Services CDG SAS, Servisair France SA and Heracles, our groundhandling activities in France, were sold for a total of 2 Euros. Beside this, a negative consideration of MEUR 5.4 (MCHF 6.5) was agreed with the purchaser to implement the needed restructuing measures.

Details of the net assets sold and the loss on sale of subsidiaries are below:

	MCHF
Cash and cash equivalents	4.4
Trade and other receivables	20.4
Property, vehicles and equipment	2.2
Intangible assets	0.1
Goodwill	0.2
Deferred tax assets	0.1
Inventories	0.1
Borrowings	(0.7)
Trade and other payables	(18.5)
Provisions	(2.5)
Net assets and liabilities	**5.8**
Consideration paid	**(6.5)**
Loss on deconsolidation	**(12.3)**

(b) Other

Other minor disposals were effected in the year ended 31 December 2014 resulting in a net gain on sale of subsidiaries of MCHF 0.1.

28. Commitments

Capital commitments

	2015 MCHF	2014 MCHF
Capital expenditures contracted for:		
Property, vehicles and equipment	12.2	8.0
Intangible assets	0.0	0.6
Total	**12.2**	**8.6**

Operating lease commitments

The Group has entered into commercial leases on certain buildings, vehicles and other operating equipment. The lease terms are mainly between 1 and 15 years. Escalation clauses and renewal options are included in some of the leases. Operating lease rentals for buildings of MCHF 131.0 (2014: MCHF 142.5) and leases of vehicles and equipment amounting to MCHF 52.2 (2014: MCHF 58.3) are included in the consolidated income statement in 'other operating expenses' and 'goods and services purchased', respectively.

The non-cancellable operating lease payments are due:	2015 MCHF	2014 MCHF
- within 1 year	108.2	117.8
- between 1 and 5 years	169.2	180.3
- after 5 years	24.9	23.8
Total	**302.3**	**321.9**

29. Related party transactions

Aguila 3 S.A. ("the Company") is 100% owned by Aguila 2 S.A. The Group was ultimately controlled by PAI Partners, a Europe-based private equity group as per December 31, 2015. See note 30 on the subsequent change of ultimate ownership to HNA Group which occurred on February 10, 2016.

The Group has entered into the following significant transactions with PAI Partners or companies controlled by PAI Partners that are outside of the Group.

PAI Partners charged the Group monitoring fees of MCHF 1.0 for the year ended 31 December 2015 (2014: MCHF 1.0) which have been recognised as other operating expense.

Aguila 2 S.A. is the sole holder of the Company's 12,505,129,156 "Class A" Mandatory Convertible Preferred Shares and 1,350,000,000 "Class B" Mandatory Convertible Preferred Shares (MCPS). MCPS holders are entitled to a dividend amounting to 2.0 per cent of the aggregate amount of the nominal value of each MCPS. See note 22.

The Group has not entered into any additional material transactions with related parties other than as set out below. Furthermore, throughout 2015 no director had a personal interest in any transaction of significance for the business of the Group.

Directors' remuneration

The Company's directors are:

Mr. Ricardo de Serdio	Chairman (until 10.02.2016)
Dr. Thomas Staehelin	Member
Mr. Benoît Chéron	Member (until 07.04.2015)
Mr. Federico Conchillo	Member (until 10.02.2016)
Mr. Michel Paris	Member (until 10.02.2016)
Mr. Nicolas Holzman	Member (until 10.02.2016)
Mr. Per H. Utnegaard	Member (until 03.08.2015)
Mr. Eric Born	Member (from 03.08.2015)
Mr. Dominique Robyns	Member (until 10.02.2016)
Mr. Emmanuel Mougeolle	Member (until 10.02.2016)
Mr. Maksud Ahmadkhanov	Member (from 10.02.2016)
Mr. Olivier Richaud	Member (from 10.02.2016)
Mrs. Agnes Csorgo	Member (from 10.02.2016)
Mr. Bo Cui	Member (from 10.02.2016)

During the year, the Company's Directors received MCHF 0.1 for their services as directors (2014: MCHF 0.1). Those directors who have executive positions with the Group received salaries and other benefits, which are disclosed below under Executive Management remuneration.

Executive Management remuneration

The Group's Executive Management members are:

Mr. Per H. Utnegaard	President and CEO (until 31.07.2015)
Mr. Eric Born	President and CEO (from 01.08.2015)
Mr. Alvaro Gómez-Reino	Member
Dr. Johannes C. Spindler	Member
Mr. Juan José Andres Alvez	Member
Mr. Peter Moser	Member
Mr. Philipp Joeinig	Member
Mr. Joe Phelan	Member
Mr. Nils Pries Knudsen	Member (from 12.03.2015)
Mr. Luzius Wirth	Member (from 01.10.2015)

The compensation paid or payable to Executive Management for employee services during the years is shown below:

	2015 MCHF	2014 MCHF
Short-term employee benefits (including bonus)	6.1	4.2
Post-employment benefits (pension contributions)	0.4	0.4
Total	**6.5**	**4.6**

The executive management and some of the managers of the Group are offered to participate in a management investment plan. The employees are offered to indirectly invest in one of the holding companies outside of the consolidation scope of the Group. The price paid for the shares equals the grant date fair value. At a specified exit event (e.g. a listing or disposal), the employees will sell back the shares to a PAI Partners-controlled entity at fair value. The shares can also be sold back if an employee leaves before the vesting date, but in general only at the lower of fair value and the price paid.

Even if the Group does not have an obligation to settle any payments to its employees in relation to this plan, for the Group the management investment plan is a share-based payment arrangement in the scope of IFRS 2 Share-based Payment due to the terms and conditions of the plan, including a service condition (the employees must be employed when the exit event occurs). The share-based payment plan is classified as equity-settled.

A number of 806,800,000 shares were acquired under this plan in the period ended 31 December 2011. In the period ended 31 December 2014, participants in the management investment plan were offered to participate in a capital increase related to the acquisition of the former Servisair Group. At the end of this period a number of 1,069,542,770 shares were held by management. No expense for this plan is recognised in the consolidated financial statements of the Group as the price of CHF 0.01 paid for a share acquired under this plan equals the grant date fair value of the equity instruments granted. The fair value was estimated with reference to valuation of the Swissport Group that was made in connection with the acquisition of the Swissport Group by the Aguila 3 Group.

Transactions and balances arising from sales / purchases of services during the years ended and as of 31 December 2015 and 2014.

2015	PAI Partners MCHF	Associates MCHF	Joint Ventures MCHF	Share of other partners of joint operations MCHF	TOTAL MCHF
Transactions:					
Management and trademark fees	(1.0)	-	0.4	-	(0.6)
Salary Recharges	-	-	5.4	-	5.4
Interest earned	-	-	0.1	-	0.1
Total	**(1.0)**	**-**	**5.9**	**-**	**4.9**
Assets:					
Non-current loan (note 20)	-	1.0	-	-	1.0
Current loan (note 20)	-	-	1.2	-	1.2
Trade receivable (note 20)	-	1.3	1.0	-	2.3
Total	**-**	**2.3**	**2.2**	**-**	**4.5**
Liabilities:					
Other payables (note 25)	0.9	-	2.2		3.1
Total	**0.9**	**-**	**2.2**	**-**	**3.1**

2014	PAI Partners MCHF	Associates MCHF	Joint Ventures MCHF	Share of other partners of joint operations MCHF	TOTAL MCHF
Transactions:					
Management and trademark fees	(1.0)	-	0.3	-	(0.7)
Interest earned	-	-	-	-	-
Total	**(1.0)**	**-**	**0.3**	**-**	**(0.7)**
Assets:					
Non-current loan (note 20)	-	0.0	-	-	0.0
Current loan (note 20)	-	0.0	0.5	0.1	0.6
Trade receivable (note 20)	-	0.1	0.1	0.1	0.3
Total	**-**	**0.1**	**0.6**	**0.2**	**0.9**
Liabilities:					
Trade payables (note 25)	-	-	-	-	-
Other payables (note 25)	0.9	-	-	-	0.9
Total	**0.9**	**-**	**-**	**-**	**0.9**

30. Events occurring after the reporting period

On 30 July 2015 HNA Group entered into a share purchase agreement with an entity beneficially owned by PAI, to acquire all of the issued and outstanding capital stock of Aguila 2, the parent company of Aguila 3 and therefore of the Group. The acquisition was closed on 10 February 2016. HNA Group intends to maintain the Group as an independent stand-alone business within the wider group.

Swissport Investments S.A., a company established by HNA Group to acquire Aguila 2, has issued senior secured notes, senior notes and a senior secured Term Loan B Facility with certain lenders. In connection with the acquisition Swissport International AG entered into a revolving credit facility on a senior secured basis which will provide borrowings up to an aggegated amount of MCHF 150.0. As per completion date of the transaction the amount of MCHF 110.0 has been commited. Following the completion date Swissport International AG will be one of the guarantors of the revolving credit facility.

On 10 February 2016 the Aguila 3 received an intercompany loan of MEUR 1,229.9 (MCHF 1,348.8) from Swissport Investments S.A and an advance from the sole shareholder Aguila 2 S.A. of MEUR 200 (MCHF 219.4) which were related to the repayment of the bonds and the super senior revolving credit facility. The pledges mentioned in Note 23 were released and new pledges and guarantees have been set up.

No other significant events that would require an adjustment or disclosure in the consolidated financial statements occurred between 31 December 2015 and 29 April 2016, the date of approval of the consolidated financial statements by the Board of Directors.

31. Aguila 3 Group Companies

The Group interest is 100% of the ordinary share capital, unless otherwise stated. The entities included in these consolidated financial statements are:

Fully consolidated entities		**Interest where not 100%**		**Country of operation**
		2015	**2014**	
Luxembourg				
Aguila 3 S.A.				Luxembourg
Swissport Cargo Services Luxembourg S.A.		75.0%	75.0%	Luxembourg
Switzerland				
Aguila Bid AG				Switzerland
Swissport International AG				Switzerland
Swissport Baggage Sorting AG				Switzerland
Swissport Group Services GmbH				Switzerland
Checkport Schweiz AG		85.0%	85.0%	Switzerland
PrivatPort S.A.		51.0%	51.0%	Switzerland
Careport AG		66.8%	66.8%	Switzerland
GVAssistance AG		70.0%	70.0%	Switzerland
Other European Countries				
Swissport Cargo Services Austria GmbH				Austria
Swissport Cargo Services Belgium N.V.				Belgium
Swissport Belgium N.V.				Belgium
Swissport Belgium Cleaning N.V.			-	Belgium
Swissport Bulgaria AD		51.0%	51.0%	Bulgaria
Swissport G.A.P. Vassilopoulos (Cyprus) Ltd.		51.0%	51.0%	Cyprus
Swissport Cyprus Ltd.		38.2%	38.2%	Cyprus
Swissport Denmark APS				Denmark
Swissport Finland OY				Finland
Swissport France Holding SAS				France
Swissport Cargo Services France Sarl				France
Swissport Executive Aviation SAS		51.0%	51.0%	France
Servisair SAS				France
AFS Aviation Fuel Services GmbH	(a) (b)	66.7%	-	Germany
Swissport Berlin GmbH	(a)	65.0%	-	Germany
Swissport Germany Holding GmbH	(b)			Germany
Swissport Cargo Services Deutschland GmbH	(b)			Germany
Swissport Losch GmbH & Co. OHG	(b)	55.0%	55.0%	Germany
Swissport Losch Services GmbH & Co. KG	(b)	55.0%	55.0%	Germany
Swissport Losch Services Verwaltungsgesellschaft mbH	(b)	55.0%	55.0%	Germany
Swissport Losch München GmbH & Co. KG	(b)	55.0%	55.0%	Germany
PrivatPort München GmbH & Co. KG	(b)	55.0%	55.0%	Germany
Flightcare Multiservices Ireland Limited				Republic of Ireland
Knights Cleaning Services Ltd.				Republic of Ireland
Swissport Ireland Ltd				Republic of Ireland

Fully consolidated entities		Interest where not 100%		Country of operation
		2015	2014	
Swissport Kazakhstan LLP				Kazakhstan
Swissport Holding B.V.				Netherlands
Swissport Nederland B.V.				Netherlands
Swissport Cargo Services The Netherlands B.V.				Netherlands
Swissport Amsterdam B.V.				Netherlands
Cargo Service Center East Africa B.V.				Netherlands
Swissport Poland Ltd.				Poland
Swissport Portugal SA				Portugal
Servisair Portugal Unipessoal Lda.				Portugal
Swissport Spain Aviation Services S.L.				Spain
Swissport Holding Spain S.L.				Spain
Swissport Handling S.A.				Spain
Swissport Spain S.A.				Spain
Servisair Iberica S.A.				Spain
Swissport Fuelling Ltd.				United Kingdom
Swissport Cargo Services UK Ltd.				United Kingdom
Swissport UK Holding Ltd.				United Kingdom
Swissport Stansted Ltd.				United Kingdom
Swissport Limited				United Kingdom
Swissport Fuelling Services UK Limited				United Kingdom
Flightcare Multiservices UK Limited				United Kingdom
Swissport GB Limited				United Kingdom
Servisair Group Limited				United Kingdom
Servisair (UK) Ltd.				United Kingdom
Servisair Holdings Limited				United Kingdom
Swissport Jersey Ltd.				United Kingdom
Swissport Guernsey Ltd.				United Kingdom
North America				
Swissport Canada Handling Inc.				Canada
Swissport Canada Inc.				Canada
Swissport Canada Deicing Inc.				Canada
Swissport Canada Fuel Services Inc.				Canada
Swissport North America Holdings Inc.				USA
Swissport North America Inc.				USA
Swissport Cargo Holdings Inc.				USA
Swissport Cargo Services L.P.				USA
Swissport Holdings Inc.				USA
Swissport Lounge LLC				USA
BWID LLC				USA
Dapsco Inc.				USA
Swissport USA Inc.				USA
Swissport Cargo Services Inc.				USA
Swissport Fueling Inc.				USA
Swissport Fueling of Nevada Inc.				USA
Swissport SA USA LLC				USA

Fully consolidated entities		**Interest where not 100%**		**Country of operation**
		2015	**2014**	
Servisair Americas LLC				USA
Servisair Leasing Corporation				USA
Swissport SA Fuel Services LLC				USA
Servisair Fuel Leasing Corporation				USA
Hallmark Aviation Services L.P.		51.0%	51.0%	USA
Other Countries				
SPA Swissport Algerie Ltd.		51.0%	51.0%	Algeria
Swissport Argentina S.A.				Argentina
Swissport Brazil Ltda.				Brazil
Cargo Service Center Brazil S.A.T.A Ltda.				Brazil
Camport PLC		46.8%	46.8%	Cameroon
Swissport Chile SA				Chile
Interairport Services Swissport S.A.		51.0%	51.0%	Costa Rica
Aerocargo B.V.				Curacao
Cargo Services Center International N.V.				Curacao
Swissport Curacao N.V.				Curacao
Swissport Cargo Services Israel Ltd.		51.0%	51.0%	Israel
Swissport Kenya Limited				Kenya
Swissport Korea Ltd.		59.0%	59.0%	Republic of Korea
Swissport Japan Ltd.		51.0%	51.0%	Japan
Swissport Maroc SA		85.0%	85.0%	Morocco
AGN Aviation Services, S.A. de C.V.	(a)	51.0%	-	Mexico
CREA Recursos Humanos, S.A. de C.V.	(a)	51.0%	-	Mexico
Swissport Mexico Holding, S. de R.L. de C.V.				Mexico
Cargo Service Center de Mexico S.A. de C.V.				Mexico
Swissport Aviation Services de Mexico S.A. de C.V.				Mexico
Checkport Security Nigeria Limited		43.4%	43.4%	Nigeria
Swissport Peru S.A.C.				Peru
Swissport Saudi Arabia Ltd.	(a)		-	Saudi Arabia
Peruvian Investments 2008 PTE. Ltd.				Singapore
Swissport South Africa (PTY) Ltd.		51.0%	51.0%	South Africa
Checkport South Africa (PTY) Ltd.		43.4%	43.4%	South Africa
Swissport Tanzania Ltd.		51.0%	51.0%	Tanzania
Swissport Zanzibar Company Limited		65.0%	65.0%	Tanzania
Servisair Trinidad and Tobago Limited				Trinidad & Tobago
Swissport Cargo Services Venezuela S.A.		88.0%	88.0%	Venezuela
Tramitaven C.A.		60.0%	60.0%	Venezuela

Inactive entities		Interest where not 100%		Country of operation
		2015	2014	
Swissport Austria GmbH				Austria
Swissport Middle East Holding Inc.		51.0%	51.0%	Cayman Islands
Carribbean Jets				Dominican Republic
Swissport Middle East Services FZE				Dubai
Swissport Deutschland GmbH	(b)			Germany
Swissport Ground Handling GmbH				Germany
Swissport Services GmbH				Germany
Swissport Travel Center GmbH				Germany
Checkport Ghana		43.4%	43.4%	Ghana
Swissport Ghana		50.0%	50.0%	Ghana
Swissport GBH Honduras S.A.		41.0%	41.0%	Honduras
Servisair Nominees Services Limited				Republic of Ireland
Trading Spaces Limited				Republic of Ireland
Shamrock Logistics Limited				Republic of Ireland
Swissport Cargo Services Italy S.R.L.				Italy
Checkport Nederland B.V.				Netherlands
Swissport Mexico Participation II B.V.				Netherlands
Smart Handling B.V.				Netherlands
Servisair Assistance Piste Orly				France
Swissport Latinamerica S.A.				Panama
Swissport R.S. D.O.O.				Serbia
Swissport Singapore Pte Ltd.				Singapore
Swissport Fueling AG				Switzerland
Servisair PLS Ltd.				Turks and Caicos Islands
Servisair TCI Ltd.				Turks and Caicos Islands
Shamrock Logistics Limited				United Kingdom
Servisair (Contract Handling) Limited				United Kingdom
Swissport Pension (Scotland) Limited				United Kingdom
GlobeGround (UK) Limited				United Kingdom
GlobeGround Heathrow Limited				United Kingdom
Globeground Manchester Limited				United Kingdom
Airway Handling Limited				United Kingdom
Tri-Star Acquisition Corporation				USA
GlobeGround Services Inc.				USA
Swissport Uruguay S.A.				Uruguay
Servisair Inmobiliaria CA				Venezuela
Servisair Venezuela CA				Venezuela

Equity accounted entities		Interest where not 100%		Country of operation
		2015	2014	
Flughafen Graz Boden- Services GmbH		37.0%	37.0%	Austria
S&L Airport Services Ltd.		19.1%	19.1%	Cyprus
Compania de Economia Mixta Servicios Aeroportuarios del Ecuador - Quito		30.0%	30.0%	Ecuador
Swissport Dominicana S.A.	(c)	34.0%	34.0%	Dominican Republic
AFC Aviation Fuel Company OHG	(a)	50.0%	-	Germany
N*ICE Aircraft Services & Support GmbH		48.0%	48.0%	Germany
Quality Airport Services Israel Ltd.		50.0%	50.0%	Israel
GlobeGround Romania SRL		25.0%	25.0%	Romania
Bucharest International Cargo Centre SA		25.8%	25.8%	Romania
ZAO Cargo Terminal Pulkovo		40.0%	40.0%	Russia
Swissport ALD Limited		51.0%	51.0%	United Kingdom
Bradford Swissport Limited		50.0%	50.0%	United Kingdom
Heathrow Cargo Handling Limited		50.0%	50.0%	United Kingdom

Additional information on the Group's interests:

(a) The entity was founded or acquired during 2015.

(b) These entities are being consolidated within the consolidated Group financial statements. Therefore it is not necessary that they produce a local consolidated financial statement.

(c) Swissport Dominicana S.A. was fully consolidated in the financial year ended 31 December 2014. The Group lost control over the entity in 2015 and has subsequently deconsolidated the entity.

AGUILA 3 S.A.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

KPMG Luxembourg, Société coopérative
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To the Shareholder of
Aguila 3 S.A.
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L-2520 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the consolidated financial statements

Following our appointment by the General Meeting of the Shareholders dated 3 June 2014 we have audited the accompanying consolidated financial statements of Aguila 3 S.A. which comprise the consolidated balance sheet as at 31 December 2014, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

For the purposes of this Exchange Offer Memorandum, the consolidated management report has been omitted.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Aguila 3 S.A. as of 31 December 2014, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The consolidated management report, which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements.

Luxembourg, 29 April 2015

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

s/Oddone

Consolidated Balance Sheet

as at 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

Assets	Note	2014	* Restated 2013
Non-current assets			
Property, vehicles and equipment	15	291.1	304.9
Goodwill	16	1,088.8	1,063.0
Other intangible assets	16	324.5	340.5
Investments in associates and joint ventures	17	40.4	38.0
Available-for-sale financial assets		4.4	4.5
Deferred tax assets	18	82.3	68.7
Employee benefit assets	19	-	5.1
Prepayments and receivables	20	58.0	57.6
		1,889.5	**1,882.3**
Current assets			
Inventories		14.6	12.8
Trade and other receivables	20	488.7	458.6
Current tax assets		15.6	13.8
Available-for-sale financial assets		1.5	4.3
Derivatives		9.5	-
Cash and cash equivalents	21	117.4	141.0
		647.3	**630.5**
Total assets		**2,536.8**	**2,512.8**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent			
Share capital, share premium and equity instruments	22	508.4	508.4
Fair value reserve		0.6	0.5
Currency translation reserve		(59.0)	(45.8)
Retained earnings		(322.3)	(94.5)
		127.7	**368.6**
Non-controlling interest		**49.2**	**40.7**
Total equity		**176.9**	**409.3**
Liabilities			
Non-current liabilities			
Borrowings	23	1,381.1	1,258.9
Provisions	24	89.7	75.6
Employee benefit obligations	19	223.4	114.9
Derivatives		-	6.8
Deferred tax liabilities	18	65.0	68.4
		1,759.2	**1,524.6**
Current liabilities			
Borrowings	23	33.7	53.7
Provisions	24	54.7	24.5
Current tax liabilities		21.1	22.2
Trade and other payables	25	491.2	478.5
		600.7	**578.9**
Total liabilities		**2,359.9**	**2,103.5**
Total equity and liabilities		**2,536.8**	**2,512.8**

* Certain comparative amounts have been restated as detailed in note 3.

The notes on pages F-168 to F-229 form an integral part of these consolidated financial statements.

Consolidated Income Statement
for the years ended 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	2014	2013
Revenue	7	2,831.3	2,044.8
Other operating income	7	102.6	81.6
Total revenue and other operating income		**2,933.9**	**2,126.4**
Goods and services purchased	8	(484.8)	(339.3)
Personnel expenses	9	(1,823.8)	(1,331.0)
Other operating expenses	10	(440.4)	(318.6)
Depreciation of property, vehicles and equipment	15	(64.0)	(40.4)
Amortisation and impairment of intangible assets	16	(23.1)	(25.9)
Total operating expenses (excluding acquisition and integration costs)		**(2,836.1)**	**(2,055.2)**
Share of results of associates and joint ventures	17	5.2	1.4
Operating profit before acquisition and integration costs		**103.0**	**72.6**
Acquisition costs	11	0.0	(11.0)
Integration costs	11	(27.2)	-
Operating profit		**75.8**	**61.6**
Finance expense	12	(192.8)	(142.1)
Finance income	13	50.3	46.5
Loss on sale of subsidiaries	27	(12.2)	(20.7)
Gain on step acquisition	27	-	4.1
Loss before income tax		**(78.9)**	**(50.6)**
Income tax expense	14	(41.2)	(7.6)
Loss for the period		**(120.1)**	**(58.2)**
Attributable to:			
Owners of the parent		(141.1)	(75.6)
Non-controlling interest		21.0	17.4

The notes on pages F-168 to F-229 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the years ended 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	2014	2013
Loss for the period		**(120.1)**	**(58.2)**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net actuarial (losses) / gains on employee benefit obligations		(87.7)	19.9
Total items that will not be reclassified to profit or loss		(87.7)	19.9
Items that are or may be reclassified subsequently to profit or loss			
Net change in fair value of available-for-sale financial assets	22	0.1	0.1
Currency translation differences		51.0	(29.6)
Net (loss) / gain on hedge of net investments in foreign operations	23	(62.9)	9.3
Total items that are or may be reclassified subsequently to profit or loss		(11.8)	(20.2)
Total other comprehensive income for the period, net of tax		(99.5)	(0.3)
Total comprehensive income for the period, net of tax		**(219.6)**	**(58.5)**
Attributable to:			
Owners of the parent		(240.9)	(72.3)
Non-controlling interest		21.3	13.8

Individual line items in the statement above are disclosed net of tax. The income tax relating to other comprehensive income is disclosed in note 14.

The notes on pages F-168 to F-229 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2014

(all amounts in millions of Swiss Francs, unless otherwise stated)

		Attributable to owners of the parent						
	Note	**Share capital, share premium and equity instruments**	**Fair value reserve**	**Currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Balance at 1 January 2014		**508.4**	**0.5**	**(45.8)**	**(94.5)**	**368.6**	**40.7**	**409.3**
(Loss) / gain for the period		-	-	-	(141.1)	(141.1)	21.0	(120.1)
Other comprehensive income								
Net change in fair value of available-for-sale financial assets		-	0.1	-	-	0.1	-	0.1
Net actuarial losses on employee benefit obligations		-	-	-	(86.7)	(86.7)	(1.0)	(87.7)
Currency translation differences		-	-	49.7	-	49.7	1.3	51.0
Net losses on hedge of net investments in foreign operations	23	-	-	(62.9)	-	(62.9)	-	(62.9)
Total other comprehensive income, net of tax		-	0.1	(13.2)	(86.7)	(99.8)	0.3	(99.5)
Total comprehensive income, net of tax		**-**	**0.1**	**(13.2)**	**(227.8)**	**(240.9)**	**21.3**	**(219.6)**
Transactions with owners								
Contributions by / (distributions to) owners								
Dividends declared to non-controlling interest		-	-	-	-	-	(12.8)	(12.8)
Total transactions with owners		**-**	**-**	**-**	**-**	**-**	**(12.8)**	**(12.8)**
Balance at 31 December 2014		**508.4**	**0.6**	**(59.0)**	**(322.3)**	**127.7**	**49.2**	**176.9**

The notes on pages F-168 to F-229 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity
for the year ended 31 December 2013

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	Attributable to owners of the parent						
		Share capital, share premium and equity instruments	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2013		**455.2**	**0.4**	**(29.4)**	**(36.3)**	**389.9**	**42.9**	**432.8**
(Loss) / gain for the period		-	-	-	(75.6)	(75.6)	17.4	(58.2)
Other comprehensive income								
Net change in fair value of available-for-sale financial assets		-	0.1	-	-	0.1	-	0.1
Net actuarial gains on employee benefit obligations		-	-	-	19.6	19.6	0.3	19.9
Currency translation differences		-	-	(25.7)	-	(25.7)	(3.9)	(29.6)
Net gain on hedge of net investments in foreign operations	23	-	-	9.3	-	9.3	-	9.3
Total other comprehensive income, net of tax		-	0.1	(16.4)	19.6	3.3	(3.6)	(0.3)
Total comprehensive income, net of tax		**-**	**0.1**	**(16.4)**	**(56.0)**	**(72.3)**	**13.8**	**(58.5)**
Transactions with owners								
Contributions by / (distributions to) owners								
Issue of ordinary shares (including equity instruments)	22	42.5	-	-	-	42.5	-	42.5
Share premium	22	8.2	-	-	-	8.2	-	8.2
Interest on PPECs	22	2.4	-	-	(2.4)	-	-	-
Dividends on MCPS	22	0.1	-	-	(0.1)	-	-	-
Dividends declared to non-controlling interest		-	-	-	-	-	(17.1)	(17.1)
Total contributions by / (distributions to) owners		53.2	-	-	(2.5)	50.7	(17.1)	33.6
Changes in ownership interests in subsidiaries								
Non-controlling interest arising from business combination	27	-	-	-	-	-	0.1	0.1
Non-controlling interest arising from change in ownership interests		-	-	-	0.3	0.3	0.3	0.6
Disposal of subsidiary with non-controlling interest		-	-	-	-	-	0.7	0.7
Total changes in ownership interest in subsidiaries		-	-	-	0.3	0.3	1.1	1.4
Total transactions with owners		**53.2**	**-**	**-**	**(2.2)**	**51.0**	**(16.0)**	**35.0**
Balance at 31 December 2013		**508.4**	**0.5**	**(45.8)**	**(94.5)**	**368.6**	**40.7**	**409.3**

The notes on pages F-168 to F-229 form an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

for the years ended 31 December

(all amounts in millions of Swiss Francs, unless otherwise stated)

	Note	2014	2013
Cash flow from operating activities			
Loss for the period		(120.1)	(58.2)
Adjustments for:			
- Income tax expense	14	41.2	7.6
- Net finance expense	12 / 13	142.5	95.6
- Depreciation	15	64.0	40.4
- Amortisation and impairment of intangibles assets	16	23.1	25.9
- Other items	26	40.3	10.9
Changes in inventories		(1.2)	0.0
Changes in trade and other receivables		(27.1)	(12.4)
Changes in trade and other payables		14.9	7.6
Cash generated from operations		177.6	117.4
Income tax paid		(26.1)	(20.3)
Dividends received		4.4	0.9
Total cash flow from operating activities		**155.9**	**98.0**
Cash flow from investing activities			
Acquisitions of subsidiaries, net of cash & cash equivalents acquired		(1.0)	(338.9)
Repayment of capital by an associate		-	9.1
Disposal of subsidiary, net of cash and cash equivalents disposed		(6.4)	0.0
Purchase of property, vehicles and equipment	15	(44.7)	(35.8)
Proceeds from sale of property, vehicles and equipment		2.6	12.6
Purchase of intangible assets	16	(4.7)	(3.5)
(Grant) / Repayment of loan receivables		0.1	(0.9)
(Increase) / Decrease in restricted cash		(6.0)	5.4
Interest received		1.7	2.1
Sale of available-for-sale financial assets		7.5	0.9
Total cash flow used in investing activities		**(50.9)**	**(349.0)**
Cash flow from financing activities			
Issue of ordinary share capital (including MPCS)	22	-	50.7
Proceeds from borrowings		187.1	524.0
Repayment of borrowings		(187.5)	(160.6)
Bank charges and other financial costs paid		(6.8)	(6.2)
Financing and retainer fees paid		(2.3)	(11.7)
Accrued interest received on bond issue		-	0.5
Dividends paid to non-controlling interests		(12.6)	(17.1)
Interest paid		(106.9)	(77.0)
Other		-	0.2
Total cash flow (used in) / from financing activities		**(129.0)**	**302.8**
Net (decrease) / increase in cash and cash equivalents		**(24.0)**	**51.8**
Cash and cash equivalents at 1 January		141.0	96.7
Exchange gain / (loss) on cash and cash equivalents		0.4	(7.5)
Cash and cash equivalents at 31 December	21	**117.4**	**141.0**

The notes on pages F-168 to F-229 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. General information

Aguila 3 S.A. ('the Company' or 'Aguila 3') and its subsidiaries (together 'the Group' or 'the Aguila 3 Group') provide Ground Handling and Cargo Handling services to many of the world's leading airlines in 45 countries.

The parent company of the Group is Aguila 3 which is a limited company domiciled in Luxembourg and was legally incorporated on 13 December 2010. The address of the registered office is:

Aguila 3 S.A.
43-45 Allée Scheffer
L-2520 Luxembourg

The consolidated financial statements of the Group for the year ended 31 December 2014 comprise the Company and its subsidiaries and interests in associates and joint arrangements. They were authorised for issue by the Board of Directors on 29 April 2015.

2. Statement of compliance

These consolidated financial statements for the year ended 31 December 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

3. Accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

3.1. Basis of preparation

The consolidated financial statements are presented in millions of Swiss Francs, which is also the functional currency of the Company. Amounts expressed in Swiss Francs are designated as CHF, amounts expressed in thousands of Swiss Francs are designated as TCHF and amounts expressed in millions of Swiss Francs are designated as MCHF.

They are prepared under the historical cost basis, with the exception that certain items are stated at their fair value (available-for-sale financial assets as well as financial assets and liabilities, including derivative instruments, at fair value through profit or loss). Non-current assets and disposal groups held for sale are stated at the lower of the carrying amount and fair value less costs to sell.

Critical judgments made by management in the application of IFRS and key sources of estimation uncertainties are disclosed in note 5.

Restatement of comparative amounts

Impacts of acquisition accounting in relation to the acquisition of the former Servisair Group.

On 23 December 2013, Swissport France Holding SAS, a fully owned subsidiary of the Group, acquired 100 per cent of the share capital and voting rights of Servisair SAS including all its operating subsidiaries, associates and joint ventures (together 'the Servisair Group') from its former owner Derichebourg SA for an aggregate consideration of MCHF 372.9. The accounting for the acquisition of Servisair Group was provisional as of 31 December 2013 and was finalised in the fourth quarter of 2014.

The following table summarises the financial effects of the finalisation of the acquisition accounting on the consolidated balance sheet as at 31 December 2013 and the categories of assets and liabilities that were impacted by the purchase price allocation.

	Note	Reported MCHF	Adjustment MCHF	Restated MCHF
Property, vehicles and equipment	15	285.6	19.3	304.9
Goodwill	16	1,101.9	(38.9)	1,063.0
Other intangible assets	16	293.3	47.2	340.5
Investment in associates & jointly controlled entities	17	43.1	(5.1)	38.0
Deferred tax assets	18	56.9	11.8	68.7
Prepayments and receiveables	20	49.1	8.5	57.6
Trade and other receivables	20	463.3	(4.7)	458.6
Net impact on total assets			**38.1**	
Non-current borrowings	23	1,258.7	0.2	1,258.9
Non-current provisions	24	56.1	19.5	75.6
Deferred tax liabilities	18	51.9	16.5	68.4
Current provisions	24	25.6	(1.1)	24.5
Current tax liabilities		23.7	(1.5)	22.2
Trade and other payables	25	474.0	4.5	478.5
Net impact on total liabilities			**38.1**	

The 2013 unallocated goodwill amount of MCHF 258.9 and the purchase price allocation reduction to this of MCHF 38.1, was allocated 95.5% to the Ground Handling segment and 4.5% to the Cargo Handling segment.

Adoption of other new and amended standards and interpretations

Certain new or amended IFRS standards and interpretations that are effective for the 2014 reporting year are either not applicable to the Group, or do not have a material impact on the consolidated financial statements.

Adoption of standards and interpretations in 2015 and later

A number of new, revised or amended standards and new and revised interpretations have been published and are effective for the Group's accounting periods beginning on or after 1 January 2015, but the Group has not early adopted them. Their impact on the consolidated financial statements of the Group has not been systematically analysed yet. The expected effects as disclosed in the table below reflect a first assessment by Group management.

New, revised or amended standards and interpretations	*Effective date*	*Planned application by the Group*
IFRS 9 Financial Instruments (not yet endorsed by the EU)**	1 January 2018	Reporting year 2018
IFRS 15 Revenue from Contracts with Customers (not yet endorsed by the EU)**	1 January 2017	Reporting year 2017
Ammendments to IAS 1: Disclosure Initiative (not yet endorsed by the EU)*	1 January 2016	Reporting year 2016
Annual Improvements to IFRSs 2012-2014 Cycle (not yet endorsed by the EU)**	1 January 2016	Reporting year 2016
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*(not yet endorsed by the EU)	1 January 2016	Reporting year 2016
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation* (not yet endorsed by the EU)	1 January 2016	Reporting year 2016
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations* (not yet endorsed by the EU)	1 January 2016	Reporting year 2016
Employee Contributions (Amendments to IAS 19)*	1 July 2014	Reporting year 2015
Annual Improvements to IFRSs 2010-2012 Cycle*	1 July 2014	Reporting year 2015
Annual Improvements to IFRSs 2011-2013 Cycle*	1 July 2014	Reporting year 2015

* No or no significant impacts are expected on the consolidated financial statements.

** The impacts on the consolidated financial statements can not be determined with sufficient reliability yet.

3.2. Basis of consolidation

(a) Business combinations

Business combinations are accounted for using the acquisition method.

The consideration transferred for the acquisition of a subsidiary is measured as the fair value of the assets transferred, any liabilities incurred and any equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement as well as any share-based payment awards of the acquiree that are replaced mandatorily in the business combination. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at its fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired, is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in profit or loss.

The acquisition method is also applied to a business combination achieved without the transfer of consideration (e.g. when achieving control due to amended shareholder agreements). Applying the acquisition method to such a business combination requires the Group to adjust the carrying amount of any existing interest in the acquiree to fair value, recognise in profit or loss the difference between the carrying amount of any existing interest in the acquiree prior to obtaining control and the fair value of the interest held upon obtaining control, and recognise any amounts previously recognised in other comprehensive income relating to the previously-held equity interest on the same basis as would be required if the previously-held equity interest had been disposed of directly. To measure goodwill, the Group substitutes the acquisition date fair value of its interest in the acquiree for the consideration transferred.

(b) Subsidiaries

Subsidiaries ('Group companies') are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Group companies are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Group companies are required to adopt the Group's accounting policies. All transactions, balances and gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Intercompany foreign exchange differences are disclosed within exchange gains and losses in the consolidated income statement, except for those loans that are considered as net investments in foreign operations, in accordance with IAS 21.

(c) Acquisitions and disposals of non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For acquisitions of non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains and losses on disposals of non-controlling interests are also recorded in equity.

When the ownership interest in a subsidiary is changed without the control being lost, an appropriation between amounts recognised in other comprehensive income relating to such an interest and non-controlling interest is made.

(d) Associates

Associates are those entities in which the Group has significant influence (generally involving a shareholding of between 20% and 50% of the voting rights). Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method from the date significant influence until the date significant influence ceases. The investments are initially recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any loans that are considered to be part of the net investment, the Group does not recognise further losses, unless it has incurred obligations or has made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

If the ownership interest in an associate is reduced but significant influence is retained, a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(e) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts or law requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

Joint venture – when the Group has rights only to the net assets of the arrangements, it accounts for its interest using the equity method, as for associates (see note 3.2 (d) above).

Joint operation – when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(f) Loss of control, significant influence or joint control

When the Group ceases to have control, significant influence or joint control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest of an associate, joint arrangement or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(g) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than from continuing use. The asset (or disposal group) must be available for immediate sale in its present condition and the sale must be highly probable. Immediately before classification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is updated in accordance with applicable IFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are included in the consolidated income statement. Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations which is disposed of as part of a single co-ordinated plan, or is a company acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or, if earlier, when the operation meets the criteria to be classified as held for sale.

3.3. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Swiss Francs (CHF).

(b) Transactions and balances

Foreign currency transactions are translated into the respective functional currencies of the Group entities using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated at year-end exchange rates. Non-monetary assets and liabilities in foreign currencies that are stated at historical cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities in foreign currencies that are stated at fair value are translated at the foreign exchange rate at the date the values are determined. Foreign exchange gains and losses arising on translation are recognised in the consolidated income statement, except for currency translation differences relating to a financial liability designated as a hedge of the net investment in a foreign operation that is effective (see below), which are recognised in other comprehensive income.

(c) Foreign operations

The results and financial position of all Group entities that have a functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates of that period, which approximate the foreign exchange rates at the dates of the transactions;

(c) all exchange differences resulting from such transactions are recognised as a separate component of other comprehensive income.

If a loan is made to a foreign operation and the loan in substance forms part of the Group's investment in the foreign operation (i.e. settlement of the loan is neither planned nor likely in the foreseeable future), exchange differences arising from the loan are also recognised in the translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that is a foreign operation, a disposal involving loss of joint control over a jointly controlled arrangement that is a foreign operation, or a disposal involving loss of significant influence over an associate that is a foreign operation), all exchange differences accumulated in other comprehensive income in respect of that operation that are attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that is a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to the non-controlling interest and are not recognised in profit or loss. For all other partial disposals (i.e. reductions in the Group's ownership interests in associates or jointly controlled arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

Venezuela has met the conditions of a hyperinflationary economy since November 2009. As the operations in Venezuela are immaterial in the overall scope of the Group, IAS 29 'Financial Reporting in Hyperinflationary Economies' is not applied. The impact of not applying this standard on the consolidated financial statements is deemed immaterial.

(d) Hedge of a net investment in foreign operation

Currency translation differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective, and are in the currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the currency translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

(e) Principal exchange rates

The exchange rates used for the principal currencies of the Group were:

	Year-end rates		Average rates	
	2014	**2013**	**2014**	**2013**
Euro (EUR)	1.2027	1.2257	1.2140	1.2282
US Dollar (USD)	0.9894	0.8902	0.9170	0.9241
Pound Sterling (GBP)	1.5370	1.4681	1.5074	1.4495
Canadian Dollar (CAD)	0.8510	0.8325	0.8296	0.8952
Brazilian Real (BRL)	0.3692	0.3791	0.3904	0.4298
South African Rand (ZAR)	0.0853	0.0849	0.0847	0.0964

3.4. Property, vehicles and equipment

Buildings (comprising mainly warehouses, storage buildings, maintenance shops and offices) and all other equipment are stated at cost less depreciation and, if any, less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. Depreciation is calculated using the straight-line method over the asset's estimated useful life as follows:

Buildings and building improvements:	30 to 50 years
Motorised and non-motorised equipment:	7 to 15 years
IT equipment:	3 to 5 years

Where an asset comprises several parts with different useful lives, each part of the asset is depreciated separately over its applicable useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts and are included in the operating result in the consolidated income statement.

The useful lives, depreciation methods and residual values are reviewed at each balance sheet date.

3.5. Goodwill and other intangible assets

(a) Goodwill

Goodwill arising on an acquisition of a subsidiary represents the excess of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill related to the acquisition of associates and joint ventures is included in the carrying amount of the investments in associates and joint ventures respectively.

Separately recognised goodwill is tested annually for impairment and stated at cost less accumulated impairment losses.

On disposal of an entity, the carrying value of related goodwill is taken into account when calculating the gain or loss on disposal.

(b) Other intangible assets

Intangible assets with finite useful lives are stated at cost less accumulated amortisation and, if any, accumulated impairment losses.

Intangible assets acquired from third parties or acquired in a business combination are separately recognised as intangible assets. Intangible assets acquired in a business combination are recognised separately from goodwill if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated.

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring the specific software to use. These costs are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 3 years).

External computer software development costs are capitalised and amortised using the straight-line method over their useful lives (subject to a maximum of 3 years) where it is considered that economic benefits will be derived in future years.

Internal costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable software products are only recognised as intangible assets when development costs can be measured reliably, the software is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use the software. Direct costs include costs of materials, software development, employee costs and an appropriate portion of overheads directly attributable to the development of the asset.

Customer portfolios have finite useful lives and are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 10 years).

Licensing agreements have finite useful lives and are amortised using the straight-line method over their estimated useful lives (subject to a maximum of 20 years).

The Swissport brand has an indefinite useful life and is tested annually for impairment and stated at cost less accumulated impairment losses, if any.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts and are included in the operating result in the consolidated income statement.

Intangible assets arising from a service concession arrangement are recognised when the Group has a right to charge for usage of the concession infrastructure (see further policy 3.20). An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value upon initial recognition. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs; less accumulated amortisation and, if any, accumulated impairment losses. The estimated useful life is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

The useful lives, amortisation methods and residual values are reviewed at each balance sheet date.

3.6. Impairment of non-financial assets

The carrying amounts of the Group’s investments in property, vehicles and equipment, intangible assets, associates and joint ventures are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Goodwill and intangible assets with indefinite useful lives are tested for impairment every year. The Group’s policy is to test goodwill and intangible assets with indefinite useful lives for impairment prior to the preparation of the annual consolidated financial statements. In addition, an impairment test is performed if there are indications that goodwill and intangible assets with indefinite useful lives are impaired at any other time.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or “CGUs”). Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised in profit or loss for the amount by which the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss on goodwill is not reversed.

3.7. Financial assets

The Group classifies its financial assets into the following categories:

- Financial assets at fair value through profit and loss
- Loans and receivables
- Available-for-sale financial assets

The classification depends on the nature and the purpose of the transaction.

(a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short-term. Derivative instruments are classified as held for trading. The Group does not apply hedge accounting under IAS 39 with the exception of hedges of net investments in foreign operations (see policy 3.3 (d).

Derivative instruments (including separated embedded derivatives) and other financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss. Attributable transaction costs are recognised in profit or loss as incurred.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except when the carrying amount is expected to be recovered more than 12 months after the balance sheet date in which case they are classified as non-current assets. The Group's loans and receivables consist of trade and other receivables and restricted cash and cash equivalents.

Loans and receivables are recognised initially at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method less an allowance for impairment. See accounting policy 3.8 for additional details about trade receivables.

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are measured at amortised cost (see further policy 3.20).

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or not classified in any of the other categories.

Available-for-sale investments are initially recognised at fair value plus any directly attributable transaction costs. Available-for-sale financial assets are subsequently measured at fair value. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, with the exception of impairment losses being recognised in the consolidated income statement. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are re-classified to the consolidated income statement as 'gains and losses from available-for-sale financial assets'.

(d) Impairment of financial assets

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. The Group assesses, at each balance sheet date, whether there is any objective evidence that a financial asset may be impaired. If any such evidence exists, the Group estimates the recoverable amount of that asset and recognises any impairment loss in the consolidated income statement. For financial assets classified as available-for-sale, losses accumulated in the fair value reserve are reclassified from equity to profit or loss on sale or other disposal and impairment. See accounting policy 3.8 for additional details about trade and other receivables.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the recognition of the impairment loss, the impairment loss of the financial asset is reversed. The amount of the reversal is included in the consolidated income statement, with the exception for reversals of impairment losses on available-for-sale equity securities, for which any reversals are recognised in other comprehensive income. For financial assets carried at amortised cost, the reversal cannot result in a carrying amount that exceeds the amount that the amortised cost would have been at the date the impairment loss is reversed, had the impairment not been recognised.

3.8. Trade receivables

Trade receivables are recognised initially at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. The allowance is determined based on an individual and a portfolio basis.

An allowance for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. The impairment loss is equal to the difference between the carrying amount and the present value of the amounts expected to be recovered discounted at the asset's original effective interest rate. Receivables with a short duration are not discounted. Significant financial difficulties of the debtor, probability that the debtor will go into bankruptcy or need financial restructuring and default or delinquency in payments are considered indicators that a receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated income statement within 'other operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the consolidated income statement.

3.9. Inventories

Inventories are stated at the lower of cost or net realisable value. Allowances are made for obsolete, slow moving and excess inventories. Cost is determined by the first-in, first-out method (FIFO) and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Borrowing costs are not included in the cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Inventories consist mainly of de-icing liquid and spare parts.

3.10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, fixed term and call deposits with a term of less than 90 days from the date of acquisition. Restricted cash is presented as other current or non-current receivables depending on for how long the cash is restricted.

3.11. Share capital

(a) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. The redemption of ordinary shares is subject to prior redemption of all the Mandatory Convertible Preferred Shares as detailed below.

(b) Mandatory Convertible Preferred Shares (the "MCPS")

Mandatory Convertible Preferred Shares (the "MCPS") are classified as equity. The MCPS are non-voting shares. Each year from the undistributed profits, the MCPS holders are entitled to a dividend amounting to 2.0 per cent of the aggregate amount of the nominal value of each MCPS. The MCPS can be converted into ordinary shares in full or in part at any time starting from 20 December 2019, upon decision of the shareholder(s) of the Company. In the event of a conversion, each such MCPS is to be converted in such an amount of ordinary shares whose nominal value equals the sum of the nominal value of the MCPS to be converted plus the accumulated (and unpaid) MCPS dividend related to the MCPS to be converted. In the case of liquidation, the holder of each MCPS, after payment of all third party debts and liabilities of the Company or deposit of any funds to that effect, will have a preferential right to payment and be entitled to the payment in cash of the unpaid MCPS dividend.

3.12. Financial liabilities

The Group classifies its financial liabilities into the following categories:

- Financial liabilities at fair value through profit or loss
- Other financial liabilities

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss only include derivative liabilities, being classified as financial liabilities held for trading. Derivative instruments are measured at fair value, and changes therein are recognised in profit or loss. Attributable transaction costs are recognised in profit or loss as incurred.

(b) Other financial liabilities

The Group's other financial liabilities consist of trade and other payables as well as borrowings. Other financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

The difference between the proceeds (net of transaction costs) and the redemption value is amortised over the term of the borrowing using the effective interest method. Borrowings due to be settled within 12 months of the balance sheet date are presented as current liabilities, other borrowings are presented as non-current liabilities. Borrowings where the Company has an unconditional right and intent to defer payment for more than 12 months are presented as non-current liabilities.

Fees paid on the establishment of loan facilities are regarded as directly attributable transaction costs for the loan to the extent that it is probable that some or all of the facility will be drawn down and that cash flows and timing of cash flows can be estimated reliably. In this case, the fee is deferred until the draw-down occurs and then amortised using the effective interest rate method. To the extent that it is not probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for the service of having the possibility to draw down the facility and amortised on a straight-line basis over the term of the related facility.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised and included in the cost of these assets and amortised over the useful life of the respective assets. Borrowing costs not directly attributable to qualifying assets are recognised as a finance expense in the period in which they occur.

3.13. Current and deferred tax

Income tax on the profit or loss for the year comprises current and deferred taxes. Income tax is recognised in the consolidated income statement except to the extent that it relates to a business combination or to items recognised directly in equity or in other comprehensive income.

(a) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year. The current income tax expense / credit is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. It includes any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred tax

Deferred tax is recognised using the balance sheet liability method, for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The following temporary differences are not accounted for: the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from investments in subsidiaries to the extent that the timing of the reversal of the temporary difference can be controlled and it is probable that they will not reverse in the foreseeable future. The Group also does not recognise deferred tax liabilities in respect of withholding and other taxes that would be payable on the unremitted earnings of certain subsidiaries, as the parent is able to control the timing of the reversal of the temporary difference and such amounts are considered to be permanently reinvested.

The principal temporary differences arise from depreciation of property, vehicles and equipment, amortisation of intangible assets, provisions for pensions and other post-retirement benefits and tax losses carried forward, and, in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base.

The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using local tax rates enacted or substantively enacted by the balance sheet date.

Deferred tax assets relating to the carry forward of unused tax losses, tax credits and deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are only offset within the same tax jurisdiction where there is a legally enforceable right to offset current tax liabilities and assets and the reversal will occur within the same period.

3.14. Employment benefits

(a) Defined benefit and defined contribution plans

Group companies operate both defined benefit and defined contribution plans. The schemes are generally funded through trustee-administered funds.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as employee benefit expense in the periods during which services are rendered by the employees.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The asset or liability recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date, less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. The Group determines the net interest expense (income) on the net defined benefit liablitity (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net definet benefit obligation (asset).

When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. The present value of economic benefits available is equal to the present value of future service costs, less the present value of any minimum future funding contributions requirements, plus the amount that reduces future contributions because the entity made a prepayment. Consideration of a minimum funding requirement may also give rise to a liability.

Remeasurments arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

When the benefits of the plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

(b) Bridging pensions

In Switzerland the normal retirement age for the participants in the pension plan of Swissport is 63 for men and women. The normal retirement age for the state pension (AVS/AHV) is 65 for men and 64 for women. During the gap between the Swissport pension plan's normal retirement date and the first time when the state pension is paid, the Group pays a bridging pension equal to the maximum state pension (CHF 28,080 at 31 December 2014). The bridging pension is a defined benefit plan and is therefore determined as described above in policy 3.14 (a).

(c) Swiss night-shift obligations

Under the Swiss general workers contract (GAV), employers must provide employees working during the night with an option to take holidays and / or early retirement from the age of 57 onwards. The Swiss night-shift obligations are considered other long-term employee benefits. Liabilities for these obligations are calculated and recognised in the balance sheets of the companies concerned.

(d) Jubilee provision

Some Group companies have a constructive obligation to pay long service-awards to employees on completion of a predetermined number of years of service, e.g. 10 years. This long-term employee benefit can be received either in cash and / or in holiday entitlements. The jubilee provision is an other long-term employee benefit. The present value of the obligation is determined using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

(e) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(f) Share-based payment plans

The Group is part of a management investment plan under which it receives services from its employees participating in the plan under the specified service period, but it does not have an obligation to settle any payments to the participants under this plan. This obligation lies with one of the holding companies outside of the consolidation scope of the Group. This plan is therefore treated as an equity settled share-based payment plan in the consolidated financial statements of Aguila 3 S.A. Refer to note 30 for more information about this plan.

3.15. Provisions

A provision is recognised when the Group has a present legal or constructive obligation resulting from past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the future cash flows expected to be required to settle the obligations, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance expense.

(a) Legal claims

Provisions are made for legal claims when the Group believes, after taking legal advice where appropriate, that it is probable that the final outcome will be an outflow of resources and when the amount can be estimated reliably.

(b) Restructuring

Restructuring provisions mainly comprise employee termination payments and lease termination penalties, and are recognised in the period in which the Group becomes legally or constructively committed to payment. Employee termination benefits are recognised only after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy and the numbers of employees affected, or after individual employees have been advised of the specific terms. No provision is made for future operating losses.

(c) Onerous contracts

A provision of onerous contracts is recognised when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under the same contract. In the Group's line of business long-term rental contracts for warehousing facilities, vehicles or equipment can become onerous. The present obligation is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3.16. Contingent liabilities

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. They may also be present obligations that are unrecognised because the future outflow of resources is not probable or the amount cannot be reasonably determined. Contingent liabilities are not recognised but disclosed.

3.17. Revenue recognition

(a) Sales of services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue from services is recognised in the accounting period the services are provided, as a proportion of the stage of completion of the total services to be provided. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the outcome of transactions cannot be estimated reliably, revenue is recognised only to the extent of recoverable expenses.

(b) Interest income

Interest income is recognised as it accrues using the effective interest method.

(c) Management and trademark fees

Revenue from management and trademark fees, including 100% of that from associates and joint arrangements, is recognised on an accruals basis in accordance with the substance of the relevant agreements and is included in other operating income. Management and trademark fees within the Group are eliminated.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established. Dividends within the Group are eliminated.

(e) Service concession arrangements

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the Group. When the Group provides more than one service in a service concession arrangement, the consideration received is allocated by reference to the relative fair values of the services delivered when the amounts are separately identifiable. See also sections 3.5 (b) and 3.7 (b).

3.18. Leases

Leases of property, vehicles and equipment are classified as finance leases if the Group has substantially all the risks and rewards of ownership. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between the reduction of the lease liability and finance expenses so as to achieve a constant periodic rate of interest on the outstanding balance of the liability. The corresponding liability is included in borrowings. The property, vehicles and equipment acquired under finance lease contracts are depreciated over the shorter of the useful life of the asset and the lease term and tested for impairment when there is an impairment indicator (see policy 3.6).

Leases are classified as operating leases, if substantially all the risks and rewards of ownership are retained by the lessor. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

3.19. Dividend distribution

Dividend distributions to the Group's shareholder are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholder.

3.20. Service concession arrangements

Service concession arrangements where the Group contracts with a government or other public sector body to operate and maintain infrastructure assets, such as a cargo warehouse, and where the government or other public sector body (i) controls or regulates what services the Group must provide, to whom it must provide them, and at what price and (ii) controls a significant residual interest in the infrastructure at the end of the arrangement, are accounted for in accordance with IFRIC 12. Rather than recognising a tangible asset for the related construction costs the Group recognises a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset. The Group may also recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. Both types of arrangements may exist within a single contract.

3.21. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the information needs of the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Executive Management.

4. Financial risk management

4.1. Financial risk factors

The Group is exposed to a variety of financial risks, namely market risk (including currency and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse affects on the Group's financial performance.

Financial risk management is carried out by a central treasury department ('Corporate Treasury'), which applies the principles and policies described in this note. Local management are not authorised to enter into any derivative instruments. In accordance with its banking arrangement, the Group only uses derivative instruments following detailed assessment of the risk.

The Group has the following categories of financial instruments at the balance sheet date:

	2014 MCHF	2013* MCHF
Cash and cash equivalents	117.4	141.0
Trade and other receivables**	457.4	422.2
Total loans and receivables	**574.8**	**563.2**
Derivative assets	9.5	-
Total financial assets at fair value through profit or loss - held for trading	**9.5**	**-**
Equity securities	5.9	8.8
Total financial assets available for sale	**5.9**	**8.8**
Derivative liabilities	-	6.8
Total financial liabilities at fair value through profit or loss - held for trading	**-**	**6.8**
Borrowings	1,414.8	1,312.6
Trade and other payables**	326.5	320.9
Total financial liabilities at amortised cost	**1,741.3**	**1,633.5**

* Certain comparative figures have been restated as detailed in note 3.

**The amounts differ from the carrying amounts presented in the Consolidated Balance Sheet. Only financial instruments that fall within the scope of "IFRS 7 Financial Instruments: Disclosures" are included in the table above.

(a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from future commercial transactions, recognised assets and liabilities, and investments in foreign operations that are denominated in a currency other than the respective functional currencies of the Group entities. The functional currencies of the Group entities are mainly CHF, EUR, GBP and USD. The currency exposures primarily arise with respect to USD, EUR, GBP, CAD, BRL, ZAR, and CHF. Individual Group companies rarely enter into transactions with third parties that are not denominated in their functional currency. Where they do, the foreign exchange risk is not actively managed. Group policy does not permit the use of any kind of derivative instruments to hedge their foreign exchange risk in such cases.

Transactions with other Group companies are generally not hedged. However, Corporate Treasury may enter into foreign exchange forward contracts to remove the foreign exchange risk on transactions with other Group Companies (such as a loan to or from Group companies).

The net assets of the Group's investment in foreign operations are also a source of foreign exchange risk. The Group's policy is to reduce this risk by:

- funding acquisitions using local rather than central borrowings, where possible, to provide a natural cash flow hedge in that the subsidiaries are mainly financed in the currency in which they generate the majority of their operational cash flows; and
- otherwise having external borrowings denominated in the functional currencies of the Group companies concerned (principally USD and EUR). Where appropriate, these borrowings are designated as hedges of the net investments in foreign operations and the exchange gains and losses arising on the translation of these borrowings are recognised in other comprehensive income.

At the balance sheet date, the Group's exposure to foreign exchange risk (in millions), including intra-company balances, was as follows:

2014

	CHF	USD	EUR	GBP	CAD	BRL	ZAR
Cash and cash equivalents	2.4	40.9	27.3	3.1	4.1	16.4	6.1
Trade and other receivables	1,234.0	1,723.7	729.4	424.9	78.9	28.4	10.3
Trade and other payables	(176.4)	(257.0)	(181.2)	(146.7)	(38.4)	(25.5)	4.3
Borrowings	(1,444.9)	(2,365.9)	(601.7)	(312.7)	(36.5)	(10.8)	(8.5)
Gross balance sheet exposure	**(384.9)**	**(858.3)**	**(26.2)**	**(31.4)**	**8.1**	**8.5**	**12.2**
Foreign currency derivative contracts	-	93.5	(89.0)				
Net balance sheet exposure	**(384.9)**	**(764.8)**	**(115.2)**	**(31.4)**	**8.1**	**8.5**	**12.2**

2013*

	CHF	USD	EUR	GBP	CAD	BRL	ZAR
Cash and cash equivalents	21.0	24.9	35.1	15.7	9.6	9.4	10.6
Trade and other receivables	1,208.1	1,381.6	948.0	216.1	65.9	21.4	9.9
Trade and other payables	(167.2)	(226.9)	(211.3)	(94.1)	(30.7)	(20.5)	(6.2)
Borrowings	(1,441.1)	(1,991.4)	(783.3)	(131.4)	(34.8)	(2.7)	(13.5)
Gross balance sheet exposure	**(379.2)**	**(811.8)**	**(11.5)**	**6.3**	**10.0**	**7.6**	**0.8**
Foreign currency derivative contracts	-	87.4	(94.2)	-	-	-	-
Net balance sheet exposure	**(379.2)**	**(724.4)**	**(105.7)**	**6.3**	**10.0**	**7.6**	**0.8**

* Certain comparative figures have been restated as detailed in note 3.

The USD denominated borrowings (a bond) is partially (in an amount of MUSD 633.0 (2013: MUSD 403.8)) used to hedge USD denominated net investments in foreign operations and a USD denominated intra-group loan. The resulting loss of MCHF 62.9 (2013: gain of MCHF 9.3) is recognised in other comprehensive income.

Sensitivity analysis

A strengthening / weakening of the Swiss Franc, as indicated below, against the USD, EUR and GBP at 31 December 2014 and 2013 would have increased / decreased the profit or loss and equity for the periods by the amounts shown below. This analysis is based on foreign currency exchange rate variances and assumes that all other variables, in particular interest rates, remain constant. The change to profit or loss is mainly related to foreign exchange gains / losses on translation of intra-group loans, while the change to equity is related to the USD denominated borrowings used to hedge USD denominated net investments in foreign operations, and to USD, EUR and GBP loans that in substance form part of the net investment in foreign operations.

	2014		2013	
	MCHF Profit or loss	MCHF Equity	MCHF Profit or loss	MCHF Equity
USD (1% movement)	(2.1)	(1.5)	(3.9)	(0.9)
EUR (1% movement)	0.5	2.3	0.7	4.4
GBP (1% movement)	0.2	1.4	0.0	0.5

(b) Interest rate risk

The Group's interest rate risk mainly arises from external borrowings and cash and cash equivalents. Borrowings and cash and cash equivalents at variable rates expose the Group to cash flow interest rate risk. The Group's exposure to interest rate risk is limited as the majority of the Group's borrowings (bonds) have fixed interest rates, i.e. the interest expense is not subject to changes in market interest rates. The Group does not use derivative financial instruments to hedge its interest rate risk in respect of borrowings.

At the balance sheet date, the interest profile of the Group's interest-bearing financial assets and liabilities was as follows:

	2014 MCHF	2013 MCHF
Fixed rate instruments		
Cash and cash equivalents	1.4	7.0
Borrowings*	(1,376.2)	(1,261.6)
	(1,374.8)	**(1,254.6)**
Variable rate instruments		
Cash and cash equivalents	116.0	134.0
Borrowings*	(57.7)	(74.1)
	58.3	**59.9**

* The amounts presented exclude transaction costs and bond premium.

Fair value sensitivity analysis – fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under the fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change would also not have an impact on equity as the Group does not have any debt-securities classified as available for sale.

Cash flow sensitivity analysis – variable rate instruments

At 31 December 2014, if the interest rates had been 100 basis points lower or higher, with all other variables held constant, the profit for the year would have been MCHF 0.6 lower or higher (MCHF 0.6 for the year ended 31 December 2013).

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed on Group level. Credit risk arises from cash at banks, cash equivalents and deposits with banks and financial institutions, insurance companies, as well as credit exposures to customers including outstanding receivables.

The Group's internal policies require that credit exposures with banks and other financial institutions are regularly measured, actively managed and results reported to senior management. Credit risks related to trade receivables are systematically analysed, monitored and managed. The Group has policies in place to ensure that sales of products and services on credit are made to customers with an appropriate credit history. The Group does not hold any collateral as security. Concentrations of credit risk with respect to trade receivables (MCHF 311.1 as of 31 December 2014 and MCHF 291.9 as of 31 December 2013, restated as detailed in note 3) are limited due to the Group's large number of customers, who are internationally dispersed. Trade receivables from any single customer do not exceed 7% (2013: 8%) of the total trade receivables.

The carrying amount of financial assets represents the Group's maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was as follows:

	2014 MCHF	2013* MCHF
Cash and cash equivalents	117.4	141.0
Non-current receivables	53.2	50.6
Current receivables	404.2	371.6
	574.8	**563.2**

* Certain comparative figures have been restated as detailed in note 3.

The Group limits its exposure to credit risk by only holding cash and investing excess cash with counterparties that have high credit ratings. The table below shows the balances for cash and cash equivalents with banks and financial institutions at the balance sheet date:

	2014	2013
Cash and cash Equivalents	MCHF	MCHF
Counterparties external credit rating (Standard & Poors)		
Investment grade A- and above	62.8	92.1
Investment grade BBB+, BBB, BBB-	26.8	18.2
Non-investment grade BB+ and below	17.9	5.7
Not rated	9.9	25.0
Total Cash and cash Equivalents	**117.4**	**141.0**

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties to meet obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

All Group companies regularly monitor and manage their liquidity to ensure all obligations are met. According to the Group's investment policy, excess cash, which is regularly monitored by Corporate Treasury, is maintained in highly liquid and highly rated investments. The principal methods of managing the Group's liquidity and investments is the real time reporting of cash and cash equivalents, investments, borrowing commitments and the provision of a monthly detailed cash flow forecast.

In February 2011 Aguila 3 entered into a MCHF 200.0 super senior credit facility which is committed until 17 February 2017 and with availability of MCHF 115.1 as at 31 December 2014 (2013: MCHF 157.0). Other Group companies have entered into locally committed and uncommitted facilities for working capital purposes, letter of credit issuances and equipment leasing requirements.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Carrying amount	Contractual cash flows	< 12 months	13 – 24 months	25 – 60 months	> 60 months
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
At 31 December 2014						
Borrowings	1,414.8	1,801.5	140.8	130.8	1,497.5	32.4
Trade and other payables*	326.5	326.5	326.5	-	-	-
At 31 December 2013						
Borrowings	1,312.6	1,747.1	147.1	124.4	1,432.5	43.1
Trade and other payables*	320.9	320.9	320.9	-	-	-

* The amounts differ from the carrying amounts presented in the Consolidated Balance Sheet. Only financial instruments that fall within the scope of "IFRS 7 Financial Instruments: Disclosures" are included in the table above.

For financial guarantee contracts, refer to note 28.

4.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the leverage ratio set out in the super senior revolving credit facility agreement, refer to note 23. The objective of the Group is to make sure that this ratio is below the limit set out by the credit facility which were:

	2014	2013
Leverage ratio of the Group	4.80	4.75
Limit of the leverage ratio from the credit facility	5.50	5.70

4.3. Fair value estimation

The carrying amount of financial assets and current and non-current liabilities at variable interest rates approximates their fair values. The majority of the financial assets are current. The majority of the liabilities are non-current and at fixed interest rates (mainly the bonds). The fair value of non-current fixed rate interest-bearing liabilities (excluding the bonds) is MCHF 111.3 (2013: MCHF 87.8). This is estimated by discounting the future contractual cash flows at the current market interest rate (level 1 of fair value hierarchy, see below). The carrying amount of the bonds is MCHF 1,266.0 (2013: MCHF 1,167.5). The fair value of the bonds is estimated to be MCHF 1,258.0 (2013: MCHF 1,259.8). The fair value of the bonds is determined based on quoted market prices at the balance sheet date, therefore the fair value measurement of the bonds is categorised in level 1, see fair value hierarchy below. For finance leases, the market rate of interest is determined by reference to similar agreements.

Fair value hierarchy

The table below analyses recurring assets and liabilities carried at fair value, by the levels in the fair value hierarchy. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

31 December 2014

	Level 1 MCHF	Level 2 MCHF	Level 3 MCHF	Total MCHF
Available-for-sale financial assets	1.5	-	4.4	5.9
Derivative assets	-	9.5	-	9.5
Total assets	**1.5**	**9.5**	**4.4**	**15.4**

31 December 2013

	Level 1 MCHF	Level 2 MCHF	Level 3 MCHF	Total MCHF
Available-for-sale financial assets	0.3	-	8.5	8.8
Total assets	**0.3**	**-**	**8.5**	**8.8**
Derivative liabilities	-	6.8	-	6.8
Total liabilities	**-**	**6.8**	**-**	**6.8**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market prices used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of derivative instruments included in this category is determined based on current and available market data.

5. Accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make assumptions, estimates and judgements concerning the future that affect the application of accounting policies and reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates may, by definition, not always equate to the actual results. Estimates and assumptions are reviewed on an on-going basis and modified as appropriate in the period in which the estimate or assumption change if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments made by management in the application of IFRS that might have a significant affect on the consolidated financial statements and estimates and assumptions with a significant risk of materially impacting the carrying amounts of assets and liabilities in the next year are discussed below.

(a) Impairment testing of goodwill, other intangible assets and property, vehicles and equipment

The Group annually tests goodwill and intangible assets with indefinite useful lives for impairment, in accordance with its accounting policy. For the year ended 31 December 2014, goodwill in an amount of MCHF 1,088.8 (2013: MCHF 1,063.0, restated as detailed in note 3) and intangible assets with indefinite useful lives in an amount of MCHF 193.8 (2013: MCHF 193.8) were tested for impairment. No impairment loss was recognised in 2014 or 2013.

The Group also annually assesses whether there are any indicators that property, vehicles and equipment and intangible assets with finite useful lives are impaired. In such a case, the assets are tested for impairment. As of 31 December 2014, the Group had property, vehicles and equipment with a carrying amount of MCHF 291.1 (2013: MCHF 304.9, restated as detailed in note 3) and intangible assets with definite useful lives with a carrying amount of MCHF 130.7 (2013: MCHF 146.7, restated as detailed in note 3). No impairment was recognised in 2014 and an impairment loss of MCHF 4.6 was recognised in 2013, refer to note 16.

The impairment tests are normally based on value in use calculations. These calculations involve a variety of assumptions such as estimates of future cash flows in and outflows and choice of an appropriate discount rate. Actual cash flows might for example differ significantly from management's current best estimate. Changes in assessed presence of competitors, customers contracted by the Group, technological obsolescence etc. might impact the future cash flows and result in recognition of impairment losses.

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement and estimates are required in determining deferred as well as current tax assets and liabilities and assessing the extent to which deferred tax assets are recoverable, particularly those in connection with tax losses carried forward. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group has recognised deferred tax assets of MCHF 82.3 (2013: MCHF 68.7, restated as detailed in note 3) relating to tax losses and deductible temporary differences and deferred tax liabilities of MCHF 65.0 as of 31 December 2014 (2013: MCHF 68.4, restated as detailed in note 3). The Group also has unrecognised deferred tax assets relating to tax losses and deductible temporary differences of MCHF 73.7 (2013: MCHF 54.7).

The Group recognises liabilities for uncertain tax positions and potential exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax in the period in which such determination is made (see notes 14 and 18). Changes in tax laws and rates, taxable profit etc. might also have an impact on the amounts recognised as tax assets and liabilities.

(c) Litigations and claims

The current nature of the business exposes the Group to a number of proceedings and civil lawsuits. These procedures take, in some cases, years to be resolved and management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such proceedings. The related provisions for claims against the Group in an amount of MCHF 14.1 (2013: MCHF 13.8, restated as detailed in note 3) are presented in note 24; related contingent liabilities are presented in note 28.

(d) Insurance and workers compensation provisions

The Group has recognised insurance provisions in relation to aviation liabilities, and workers compensation provisions relating to injuries that occurred on the job. Both the insurance and workers compensation provisions are partially offset by receivables from insurance companies. In some cases the claim amount may take several years to be agreed upon. As such management seeks advice from legal counsel and makes appropriate assumptions on the timing and estimated amounts of cash outflows of such claims. The total related provisions of the Group amount to MCHF 74.2 (2013: MCHF 62.8, restated as detailed in note 3) which are presented in note 24.

(e) Defined benefit pension plans - actuarial valuations

As of 31 December 2014, the Group has recognised a liability for defined benefit plans in the amount of MCHF 223.4 (2013: asset of MCHF 5.1 and liability of MCHF 114.9). A number of assumptions are made in the calculation of the liability, including discount rate, future salary and pension increases. A relatively minor change in any of these assumptions can have a significant impact on the carrying amount of the defined benefit obligation. The assumptions used in these calculations are presented in note 19.

(f) Acquisition accounting

Intangible assets acquired in a business combination are required to be recognised separately from goodwill if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated.

The fair value of acquired intangible assets is based on valuation techniques. The valuation models require input based on assumptions about the future. The management uses its best knowledge to estimate the fair value as of the acquisition date. Intangible assets with finite useful lives are tested for impairment when there is an indication that they might be impaired while intangible assets with indefinite useful lives are tested for impairment annually (see (a) above). The management also made assumptions about the useful life of acquired other intangible assets which might be affected by external factors such as increased competition.

6. Segment information

(a) Description of reportable segments

Information about operating segments is reported in a manner consistent with the information needs of the Group Executive Management ("GEM"). As of 31 December 2014 the GEM consisted of seven members including the Group Chief Executive Officer and the Chief Financial Officer. The GEM has been identified as the Group's Chief Operating Decision Maker. Each operating segment engages in business activities from which it earns revenues and incurs expenses. Results of the operating segments are reviewed regularly by the GEM when making decisions about resource allocation between segments and performance assessment is based on the results of the operating segments.

The Group is focused on two areas of activity, Ground Handling and Cargo Handling. Core Ground Handling services include ramp and passenger handling, baggage services, lounge and ticketing supervision, cabin cleaning, de-icing, e-services, passengers with reduced mobility handling and executive aviation. Ground Handling also includes the provision of speciality services which are complementary to the core Ground Handling services. These services include fuelling, aircraft maintenance and aviation security. Cargo Handling services include physical import and export handling of cargo, warehousing and storage of cargo, document handling, trucking and mail handling. The Group's Ground Handling activities are managed and identified as one operating segment. The Group's Cargo Handling activities are also managed and identified as one operating segment. The Group's two operating segments are presented as reportable segments. The column "Other / Eliminations" consist of head office results and eliminations. It does not contain other segment results.

Therefore, the Group's operating (and reportable) segments are:

- Ground Handling; and
- Cargo Handling.

The accounting policies of the reportable segments are the same as applied in these consolidated financial statements.

(b) Segment information

Segment revenue:

The segment revenue information provided to the GEM for the reportable segments consist of revenue and other operating income before unallocated other income and reporting adjustments.

Segment revenue for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2014	**2,402.6**	**537.0**	**(4.4)**	**2,935.2**
2013	**1,704.2**	**429.2**	**(5.2)**	**2,128.2**

Reconciliation of segment revenue to the consolidated income statement:

	2014 MCHF	2013 MCHF
Revenue – for reportable segments	2,939.6	2,133.4
Revenue – Other / Eliminations	(4.4)	(5.2)
Subtotal	**2,935.2**	**2,128.2**
Unallocated other income and reporting adjustments	(1.3)	(1.8)
Revenue and other operating income per consolidated income statement	**2,933.9**	**2,126.4**
Less other operating income	(102.6)	(81.6)
Revenue per consolidated income statement	**2,831.3**	**2,044.8**

Segment result:

Since the first quarter of 2014, the GEM assesses the performance of the operating segments based on Swissport EBITDA. Swissport EBITDA is operating profit before acquisition and integration costs, as included in the consolidated income statement, before depreciation, amortisation, restructuring costs and non-cash pension expenses.

Segment result (Swissport EBITDA) for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2014	**185.0**	**56.1**	**(5.5)**	**235.6**
2013*	**127.5**	**25.4**	**(1.4)**	**151.5**

* The comparative amounts have been aligned to Swissport EBITDA in order to compare the performance of the operating segments.

Reconciliation of segment result (Swissport EBITDA) to the consolidated income statement for the years ended 31 December:

	2014 MCHF	2013* MCHF
Swissport EBITDA – for reportable segments	241.1	152.9
Swissport EBITDA – other / eliminations	(5.5)	(1.4)
Subtotal	**235.6**	**151.5**
Amortisation of intangible assets	(23.1)	(25.9)
Depreciation of tangible assets	(64.0)	(40.4)
Non-cash pension expenses	(5.0)	(5.8)
Restructuring and onerous contract charge	(38.6)	(6.5)
Unallocated other income and reporting adjustments	(1.9)	(0.3)
Operating profit before acquisition and integration costs	**103.0**	**72.6**
Acquisition costs	0.0	(11.0)
Integration costs	(27.2)	-
Operating profit	**75.8**	**61.6**
Finance expense	(192.8)	(142.1)
Finance income	50.3	46.5
Loss on sale of subsidiary	(12.2)	(20.7)
Gain on step acquisition	-	4.1
Loss before income tax per consolidated income statement	**(78.9)**	**(50.6)**

* The comparative amounts have been aligned to Swissport EBITDA in order to compare the performance of the operating segments.

Other segment information

Segment depreciation:

Segment depreciation of property, vehicles and equipment for the years ended 31 December:

	Ground Handling MCHF	Cargo Handling MCHF	Other / Eliminations MCHF	Total MCHF
2014	**52.2**	**12.3**	**(0.5)**	**64.0**
2013	**32.3**	**8.8**	**(0.7)**	**40.4**

Reconciliation of segment depreciation of property, vehicles and equipment to the consolidated income statement:

	2014 MCHF	2013 MCHF
Depreciation of property, vehicles and equipment – for reportable segments	64.5	41.1
Depreciation of property, vehicles and equipment – Other / Eliminations	(0.5)	(0.7)
Subtotal	**64.0**	**40.4**
Reporting adjustments	-	-
Depreciation of property, vehicles and equipment per consolidated income statement	**64.0**	**40.4**

Segment amortisation and impairment:

Segment amortisation and impairment of intangible assets for the years ended 31 December:

	MCHF	MCHF	MCHF	MCHF
2014	**15.7**	**4.1**	**3.3**	**23.1**
2013	**20.3**	**3.8**	**1.8**	**25.9**

Reconciliation of segment amortisation and impairment of intangible assets to the consolidated income statement:

	2014 MCHF	2013 MCHF
Amortisation and impairment of intangible assets – for reportable segments	19.8	24.1
Amortisation and impairment of intangible assets – Other / Eliminations	3.3	1.8
Amortisation and impairment of intangible assets per consolidated income statement	**23.1**	**25.9**

(c) Geographical information

The Group operates internationally in the following geographical areas: Europe, Africa, Asia and the Middle East, North America, South America and Central America and the Carribean. All services are provided in each of these geographical areas. Segment revenue is based on the geographical location of the service provided, and segment assets are based on the physical location of the assets.

Revenue and non-current assets of the Company's country of domicile and individual countries considered material for the years ended and as of 31 December 2014 and 2013 are as follows:

	2014		2013	
	Revenue MCHF	Non-current assets MCHF	Revenue MCHF	Non-current assets* MCHF
Luxemburg (country of domicile)	-	2.8	-	4.1
Switzerland	439.8	380.8	465.5	568.2
USA	630.5	283.2	400.1	184.2
UK	442.0	183.1	160.0	111.6

* Certain comparative figures have been restated as detailed in note 3.

The non-current assets presented consist of property, vehicles and equipment, goodwill, intangible assets and investments in associates and joint ventures.

d) Major customers

The Group's major customer accounted for 7.8% of total revenue for the year ended 31 December 2014 (year ended 31 December 2013: 12.1%). 91.2% (2013: 89.3%) of the revenue from the Group's major customer is included in Ground Handling with the remainder included in Cargo Handling.

7. Total revenue and other operating income

Revenue:

	2014* MCHF	2013 MCHF
Ground Handling	2,307.8	1,627.7
Cargo Handling	523.5	417.1
Total	**2,831.3**	**2,044.8**

Other operating income:

	2014* MCHF	2013 MCHF
Concession and rental	27.6	20.6
Management and trademark fees	2.4	1.7
Expenses recharged to customers	42.5	36.1
Sale of fuel (excl. into-plane fueling)	14.3	6.5
Other	15.8	16.7
Total	**102.6**	**81.6**

8. Goods and services purchased

	2014* MCHF	2013 MCHF
Purchased Ground Handling services	(133.1)	(92.9)
Purchased Cargo Handling services	(54.0)	(40.3)
Rent and maintenance of equipment	(180.3)	(124.6)
Material	(71.6)	(37.1)
Airport fees	(28.8)	(26.2)
Concession fees	(17.0)	(18.2)
Total	**(484.8)**	**(339.3)**

9. Personnel expenses

	2014* MCHF		2013 MCHF	
Wages and salaries		(1,429.1)		(1,021.2)
Social security costs		(172.8)		(133.8)
Personnel insurances		(73.8)		(47.7)
Pension costs - defined benefit plans (note 19)		(27.3)		(28.4)
Contributions and administrative costs paid	*(22.3)*		*(22.6)*	
Non cash pension costs / (income)	*(5.0)*		*(5.8)*	
Pension costs - defined contribution plans (note 19)		(18.1)		(13.0)
Staff allowance		(39.0)		(34.0)
Uniforms and protective clothes		(11.6)		(9.3)
Other staff costs		(52.1)		(43.6)
Total		**(1,823.8)**		**(1,331.0)**

The average number of employees was 56,755 during the year ended 31 December 2014 (year ended 31 December 2013: 40,855).

*The significant increase in total revenue and other operating income, goods and services purchased and personnel expenses compared to 2013 mainly comes from the acquisition of the former Servisair Group in December 2013 which did not generate any revenue and costs in 2013.

10. Other operating expenses

	2014 MCHF	2013 MCHF
Building occupancy	(179.1)	(132.8)
Information technology	(62.9)	(51.1)
Marketing	(3.8)	(3.0)
Office costs	(13.7)	(9.0)
Professional fees	(75.9)	(70.8)
Insurances	(30.5)	(17.1)
Impairment of trade receivables	(4.0)	(1.2)
Management fees	(2.5)	(2.3)
Travel costs	(13.1)	(12.3)
Onerous contract charges	(33.1)	-
Other	(21.8)	(19.0)
Total	**(440.4)**	**(318.6)**

The main variances compared to 2013 come from the acquisition of the former Servisair Group in late December 2013 and an onerous contract charges to cover the future losses in relation to operating lease contracts and a customer contract, where the expected benefits to be received will not cover the unavoidable costs.

Fees billed to the Group by KPMG Luxembourg, Société Coopérative, Luxembourg, and other member firms of the KPMG network during the years were as follows (excluding VAT):

	2014 MCHF	2013 MCHF
Audit fees	2.0	1.5
Other fees	0.4	0.9
Total	**2.4**	**2.4**

The audit and other fees as shown above are included in the line “professional fees”.

11. Acquisition and integration costs

In the year ended 31 December 2013, acquisition costs of MCHF 11.0 occurred mainly in connection with Group’s acquisition of Servisair SAS.

During 2014 the company occurred integration costs in relation to the acquisition of Servisair SAS as detailed in the table below.

	2014 MCHF	2013 MCHF
Rent and maintenance of equipment	(2.7)	-
Staff costs	(4.3)	-
Uniforms & protective clothes	(1.5)	-
Building occupancy	(0.8)	-
Onerous contract charge	(10.6)	
Information technology	(1.2)	-
Marketing	(0.3)	-
Travel costs	(0.5)	-
Professional fees	(5.3)	-
Total	**(27.2)**	**-**

12. Finance expense

	2014 MCHF	2013 MCHF
Interest expense	(114.9)	(96.1)
Retainer fees	-	(4.0)
Realised foreign exchange losses	(10.9)	(24.7)
Unrealised foreign exchange losses	(54.3)	(5.6)
Bank charges	(6.9)	(6.2)
Changes in fair value of derivatives	-	(3.5)
Net interest cost of defined benefit plans	(3.6)	(1.2)
Other financial costs	(2.2)	(0.8)
Total	**(192.8)**	**(142.1)**

Included in the interest expense for the year ended 31 December 2014 is MCHF 95.8 (year ended 31 December 2013: MCHF 79.3) of interest on the bonds. Interest expense includes monthly amortisation of transaction costs directly attributable to the super senior revolving credit facility and to the bonds as well as the monthly amortisation of bond premium directly attributable to the bonds issued in May 2012 and July 2013. Refer to note 23.

In July 2013, the Group issued USD 390.0 million senior secured notes to finance the acquisition of the former Servisair Group.The interest expense in relation to this bond only covered 5 months in 2013. In 2014, the interest expense in relation to this bond was for 12 months which mainly explains the increase of MCHF 18.8 compared to 2013.

Unrealised foreign exchange losses mainly come from the strenghtening of the USD against the CHF during 2014 which moved from 0.8902 as of 31.12.2013 to 0.9894 at year end 2014.

13. Finance income

	2014 MCHF	2013 MCHF
Interest income	1.6	2.0
Unrealised foreign exchange gains	22.1	9.9
Realised foreign exchange gains	6.9	24.3
Valuation adjustments of financial assets	-	0.1
Net interest income of defined benefit plans	0.5	0.0
Changes in fair value of derivatives	16.3	9.9
Gain on sale of financial assets	2.9	-
Other financial income	-	0.3
Total	**50.3**	**46.5**

14. Income taxes

Income / (expense) in the year

	2014 MCHF	2013 MCHF
Current tax expense	**(32.2)**	**(19.9)**
Origination and reversal of temporary differences	10.8	9.2
(Release) / recognition of previously unrecognised tax losses	(19.8)	3.1
Deferred tax income (note 18)	**(9.0)**	**12.3**
Total	**(41.2)**	**(7.6)**

The tax on the Group's (loss) / profit before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to losses / profits of the consolidated companies as follows:

	2014 MCHF	2013 MCHF
Loss before income tax	(78.9)	(50.6)
Tax expense calculated at the Group's tax rate of 26.44% (2013: 26.33%)	20.9	13.3
Income not subject to tax / (expenses) not deductible for tax purposes	(27.4)	(1.3)
(Release) / recognition of tax assets on prior period tax losses	(19.8)	3.1
Current period tax losses for which no deferred tax asset was recognised	(15.2)	(14.4)
Effect of different local tax rates and change in tax rate	2.5	0.8
Effect of prior year income tax adjustments	(0.6)	(5.4)
Withholding taxes	(1.6)	(3.7)
Income tax expense	**(41.2)**	**(7.6)**

The Group's tax rate of 26.44% (2013: 26.33%) reflects the weighted average tax rate applicable to results of the consolidated companies. The slight increase in the Group's tax rate from 26.33% for the year ended 31 December 2013 to 26.44% for the year ended 31 December 2014 can be attributed to a transfer of the results from lower tax to higher tax jurisdictions.

The tax (expense) / credit relating to components of the other comprehensive income is as follows:

	2014			2013		
	Before tax MCHF	Tax (expense) / credit MCHF	After tax MCHF	Before tax MCHF	Tax (expense) / credit MCHF	After tax MCHF
Available-for-sale financial assets	0.2	(0.1)	0.1	0.1	(0.0)	0.1
Actuarial gains / (losses)	(109.3)	21.6	(87.7)	25.1	(5.2)	19.9
Currency translation differences	39.8	11.2	51.0	(29.7)	0.1	(29.6)
Hedge of net investments in foreign operations	(62.9)	-	(62.9)	9.3	-	9.3
Other comprehensive income	**(132.2)**	**32.7**	**(99.5)**	**4.8**	**(5.1)**	**(0.3)**
Deferred tax		**32.7**			**(5.1)**	

For details on deferred taxes see note 18.

15. Property, vehicles and equipment

	Property & leasehold improvements	Vehicles, equipment & advance payments	Total
	MCHF	MCHF	MCHF
Cost:			
At 1 January 2013	**25.4**	**197.3**	**222.7**
Acquisitions through business combinations*	20.0	92.2	112.2
Additions	2.5	55.1	57.6
Disposals through divestments	(1.1)	(23.7)	(24.8)
Disposals	(0.1)	(33.6)	(33.7)
Reclassifications	3.2	(3.2)	-
Currency translation differences	(0.8)	(11.1)	(11.9)
At 31 December 2013*	**49.1**	**273.0**	**322.1**
Depreciation:			
At 1 January 2013	**2.5**	**26.0**	**28.5**
Depreciation charge	3.0	37.4	40.4
Disposals through divestments	(1.0)	(17.5)	(18.5)
Disposals	(0.1)	(26.2)	(26.3)
Currency translation differences	(0.7)	(6.2)	(6.9)
At 31 December 2013	**3.7**	**13.5**	**17.2**
Total carrying amount:			
At 1 January 2013	22.9	171.3	194.2
At 31 December 2013*	45.4	259.5	304.9
Carrying amount, assets under finances leases:			
At 1 January 2013	-	24.9	24.9
At 31 December 2013*	-	47.2	47.2
Cost:			
At 1 January 2014*	**49.1**	**273.0**	**322.1**
Additions	2.2	44.3	46.5
Disposals through divestments	-	(4.0)	(4.0)
Disposals	(2.4)	(8.9)	(11.3)
Reclassifications	1.7	(1.7)	-
Currency translation differences	3.6	14.0	17.6
At 31 December 2014	**54.2**	**316.7**	**370.9**
Depreciation:			
At 1 January 2014	**3.7**	**13.5**	**17.2**
Depreciation charge	5.9	58.1	64.0
Disposals through divestments	-	(1.7)	(1.7)
Disposals	(1.8)	(7.0)	(8.8)
Currency translation differences	1.7	7.4	9.1
At 31 December 2014	**9.5**	**70.3**	**79.8**
Total carrying amount:			
At 1 January 2014*	45.4	259.5	304.9
At 31 December 2014	44.7	246.4	291.1
Carrying amount, assets under finances leases:			
At 1 January 2014	-	47.2	47.2
At 31 December 2014	-	33.2	33.2

* Certain comparative figures have been restated as detailed in note 3.

For vehicles and equipment pledged as security refer to note 23.

During the year ended 31 December 2014 the Group acquired property, vehicles and equipment with an aggregate cost of MCHF 46.5 (year ended 31 December 2013: MCHF 57.6) of which MCHF 1.8 (2013: MCHF 21.8) was acquired by means of finance leases.

No vehicles and equipment held under finance lease have been acquired via business combinations in the year ended 31 December 2014 (year ended 31 December 2013: MCHF 10.6).

The Group leases various vehicles and other operating equipment under non-cancellable finance lease agreements. The lease terms are mainly between 3 and 7 years.

16. Goodwill and other intangible assets

Goodwill:

	Goodwill MCHF
Cost:	
At 1 January 2013	**872.6**
Acquisitions through business combinations*	227.3
Disposals through divestments	(19.2)
Currency translation differences	(17.7)
At 31 December 2013*	**1,063.0**
Total carrying amount:	
At 1 January 2013	872.6
At 31 December 2013*	1,063.0
Cost:	
At 1 January 2014*	**1,063.0**
Acquisitions through business combinations	0.9
Disposals through divestments	(0.2)
Currency translation differences	25.1
At 31 December 2014	**1,088.8**
Total carrying amount:	
At 1 January 2014*	1,063.0
At 31 December 2014	1,088.8

* Certain comparative figures have been restated as detailed in note 3.

Other intangible assets:

	Swissport Brand	Customer portfolios	Licensing agreements	Other	Total other intangible assets
	MCHF	MCHF	MCHF	MCHF	MCHF
Cost:					
At 1 January 2013	**193.8**	**77.9**	**52.3**	**26.0**	**350.0**
Acquisitions through business combinations (note 27)*	-	30.2	1.8	16.1	48.1
Additions	-	-	-	3.5	3.5
Disposals through divestments	-	(2.0)	-	(0.0)	(2.0)
Disposals	-	-	-	(0.3)	(0.3)
Currency translation differences	-	(1.1)	(0.1)	(0.2)	(1.4)
At 31 December 2013*	**193.8**	**105.0**	**54.0**	**45.1**	**397.9**
Amortisation:					
At 1 January 2013	**-**	**21.0**	**7.5**	**5.2**	**33.7**
Amortisation charge	-	11.9	4.8	4.6	21.3
Impairment	-	4.1	0.5	-	4.6
Disposals through divestments	-	(1.1)	-	(0.0)	(1.1)
Disposals	-	-	-	(0.3)	(0.3)
Currency translation differences	-	(0.6)	(0.1)	(0.1)	(0.8)
At 31 December 2013	**-**	**35.3**	**12.7**	**9.4**	**57.4**
Total carrying amount:					
At 1 January 2013	193.8	56.9	44.8	20.8	316.3
At 31 December 2013*	193.8	69.7	41.3	35.7	340.5
Cost:					
At 1 January 2014*	**193.8**	**105.0**	**54.0**	**45.1**	**397.9**
Additions	-	-	-	4.8	4.8
Disposals through divestments (note 27)	-	-	-	(0.1)	(0.1)
Disposals	-	(5.5)	(1.5)	(0.3)	(7.3)
Currency translation differences	-	2.3	0.1	0.8	3.2
At 31 December 2014	**193.8**	**101.8**	**52.6**	**50.3**	**398.5**
Amortisation:					
At 1 January 2014	**-**	**35.3**	**12.7**	**9.4**	**57.4**
Amortisation charge	-	12.3	4.6	6.2	23.1
Disposals	-	(5.5)	(1.5)	(0.2)	(7.2)
Currency translation differences	-	0.1	0.0	0.6	0.7
At 31 December 2014	**-**	**42.2**	**15.8**	**16.0**	**74.0**
Total carrying amount:					
At 1 January 2014*	193.8	69.7	41.3	35.7	340.5
At 31 December 2014	193.8	59.6	36.8	34.3	324.5

* Certain comparative figures have been restated as detailed in note 3.

The Swissport brand, identified as part of the acquisition accounting on Aguila 3's acquisition of the Swissport Group, has an indefinite useful life. The Swissport brand is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group. For the brand pledged as security, refer to note 23.

Customer portfolios and licensing agreements, identified as part of the acquisition accounting on Aguila 3's acquisition of the Swissport Group in February 2011 and the Group's purchases of Flightcare in September 2012 and Servisair in December 2013, have definite useful lives. The recoverable amount of the company's intangible assets was calculated using the value in use approach based on the information available in 2014.

The main components of "Other" as at 31 December 2014 are the Servisair Brand of MCHF 13.8 (2013: MCHF 15.3), the service concession agreements of Swissport Cargo Services Israel (SCS Israel) of MCHF 5.7 (2013: MCHF 6.1) (locally pledged as security, refer to note 23) and of Swissport Kenya Ltd (formely Airside Limited and CSC East Africa) of MCHF 5.4 (2013: MCHF 5.5). IFRIC 12 Service Concession Arrangements is applied by the Group for these two service concession arrangements, as further described below.

In 2007, SCS Israel entered into a service concession arrangement with the Israeli airport authority. Under this service concession arrangement, SCS Israel built a cargo terminal that was transferred to the airport authority upon completion of construction. In exchange, the authority granted SCS Israel a 20 year concession to operate the same cargo terminal. The authority is to repay SCS Israel part of this investment and SCS Israel is to pay an annual concession fee to the authority. The receivable is linked to the Israeli Consumer Price Index and adjusted on a regular basis. The intangible asset is amortised on a straight-line basis over the 20 year concession period and the receivable is offset annually with the concession fee payable. The amortisation charge for the year ended 31 December 2014 was MCHF 0.4, (year ended 31 December 2013: MCHF 0.4).

In 2007, Swissport Kenya Ltd entered into a service concession arrangement with the Kenya airport authority. Under this service concession arrangement, Swissport Kenya Ltd built a cargo terminal that was transferred to the airport authority upon completion construction. In exchange, the authority granted Swissport Kenya Ltd a 20 year concession to operate the same cargo terminal. Construction work started in early 2009 and finished in 2010. From the start of the operations, the intangible asset is amortised on a straight-line basis over the remaining concession period. The amortisation charge for the year ended 31 December 2014 was MCHF 0.4 (year ended 31 December 2013: MCHF 0.4).

Impairment testing of goodwill and intangible assets with indefinite useful lives

Goodwill is tested for impairment on an operating segment level, which reflects the lowest level at which goodwill is monitored for internal reporting purposes. For the goodwill allocated to Ground Handling MCHF 923.6 (2013: MCHF 902.1, restated as detailed in note 3) and Cargo Handling MCHF 165.2 (2013: MCHF 160.9, restated as detailed in note 3), the impairment tests were based on value-in-use calculations. These calculations use post-tax cash flow projections based on business plans approved by management covering a four-year period. Cash flows beyond the four-year period are extrapolated using the estimated growth rates stated below. The growth rates do not exceed the long-term inflation forecast of the country in which the cash generating units operate. Future cash flows are discounted based on the weighted average cost of capital (WACC). Risks that are specific to the cash generating units tested for impairment are included in the future cash flows.

The goodwill impairment testing is performed on an operating segment level, therefore the key assumptions used in the value-in-use calculations are aggregated by major line of service, as presented below:

	2014		2013	
	Weighted average estimated growth rate beyond four year period	**Pre-tax discount rate**	**Weighted average estimated growth rate beyond four year period**	**Pre-tax discount rate**
Ground Handling	2.4%	8.8%	2.5%	11.3%
Cargo Handling	3.2%	9.5%	3.1%	11.7%

All recoverable amounts exceeded their carrying amounts and consequently no impairment of goodwill was recognised in the years ended 31 December 2014 and 2013. Management considers that it is not likely for the assumptions used to change so significantly as to eliminate the excess.

The Swissport brand is tested for impairment at Group level. The carrying amount of the Swissport brand as of 31 December 2014 is MCHF 193.8 (2013: MCHF 193.8) which is implicitly covered in the significant headroom between the carrying amount and the recoverable amount identified when testing the goodwill for impairment on an operating segment level (see above).

17. Investments accounted for using the equity method

For a list of the Group's equity accounted investees refer to note 32. All of the Group's equity accounted investees provide services to the airline industry.

		2014 MCHF	2013* MCHF
Investments in joint ventures	(a)	15.7	16.2
Investments in associates	(b)	24.7	21.8
Balance at 31 December		**40.4**	**38.0**

* Certain comparative figures have been restated as detailed in note 3.

(a) Joint ventures

The Group has interests in a number of individually immaterial joint ventures. The following table details, in aggregate, the carrying amount, share of results and other comprehensive income of these joint ventures.

	2014 MCHF	2013* MCHF
Carrying amount of joint ventures	15.7	16.2
Share of results	1.4	1.4
Share of total comprehensive income	**1.4**	**1.4**

* Certain comparative figures have been restated as detailed in note 3.

The Group has not recognised losses totalling MCHF 0.2 (2013: MCHF 0.6) in relation to its interests in joint ventures, as the Group has no obligation in respect of these losses.

(b) Associates

The Group has interests in a number of individually immaterial associates. The following table details, in aggregate, the carrying amount, share of results and other comprehensive income of these associates.

	2014 MCHF	2013* MCHF
Carrying amount of associates	24.7	21.8
Share of results	3.8	0.0
Share of total comprehensive income	**3.8**	**0.0**

* Certain comparative figures have been restated as detailed in note 3.

At the balance sheet date, contingent liabilities of the Group's associates and joint ventures amounted to MCHF 0.8 (2013: MCHF 3.5).

18. Deferred taxes

The movements in deferred tax assets and liabilities during the years ended 31 December 2014 and 2013 are as follows:

(i) Deferred tax income recognised in the income statement

	2014 MCHF	2013 MCHF
Deferred tax assets (debited) / credited to the income statement	(11.5)	14.3
Deferred tax liabilities credited / (debited) to the income statement	2.5	(2.0)
Deferred tax income (note 14)	**(9.0)**	**12.3**

(ii) Deferred tax recognised in other comprehensive income

A deferred tax credit in the amount of MCHF 32.7 was recognised in other comprehensive income (2013: deferred tax expense of MCHF 5.1, as disclosed in note 14).

(iii) Deferred tax assets

	2014 MCHF	2013* MCHF
At 1 January	**68.7**	**33.4**
Acquisitions through business combinations (note 27)	-	30.7
Disposals through divestments (note 27)	(0.1)	(0.3)
(Debited) / Credited to the income statement	(11.5)	10.8
Credited / (debited) to other comprehensive income	24.8	(6.4)
Set-off with deferred tax liabilities	(1.9)	1.7
Currency translation differences	2.3	(1.2)
At 31 December	**82.3**	**68.7**

The balance relates to:

	2014 MCHF	2013* MCHF
Tax losses and tax credits	21.7	37.8
Property, vehicles and equipment	5.1	3.9
Receivables, payables and provisions	54.1	49.7
Intangible assets	3.0	(6.8)
Employee benefit obligations	30.7	11.2
Set-off with deferred tax liabilities	(32.3)	(27.1)
At 31 December	**82.3**	**68.7**

* Certain comparative figures have been restated as detailed in note 3.

The Group has deferred tax assets amounting to MCHF 82.3 (2013: MCHF 68.7) mainly arising from timing differences in receivables, payables, provisions, employee benefit obligations and tax losses brought forward. Deferred tax assets are recognised for tax losses carried forward to the extent that realisation through future taxable profits is probable. The recovery of these recognised tax losses prior to their expiry is dependent upon the relevant companies earning sufficient future profits. Management believes that the recognised deferred tax assets are fully recoverable based on its forecasts of future results. An unexpected loss or reduction of profits would require a reassessment of the recoverability of deferred tax assets.

The Group has unrecognised tax losses and tax credits to carry forward and associated unrecognised deferred tax assets, which expire as follows:

	Unrecognised tax losses & tax credits		Unrecognised deferred tax assets	
	2014 MCHF	2013 MCHF	2014 MCHF	2013 MCHF
in 1 year	2.6	2.7	0.9	0.8
in 2 years	0.5	1.5	0.2	0.4
in 3 years	1.0	2.6	0.2	0.7
in 4 years	4.6	7.1	1.1	1.8
in 5 years	1.7	4.2	0.4	1.1
in 6 years	1.1	0.4	0.3	0.1
in 7+ years	49.2	18.5	16.4	4.9
no statutory expiry date	195.9	160.2	54.2	44.9
	256.6	**197.2**	**73.7**	**54.7**

In addtition, the Group has unrecognised deferred tax assets arising from deductible temporary differences MCHF 3.3 (2013: MCHF 0.9).

(iv) Deferred tax liabilities

	2014 MCHF	2013* MCHF
At 1 January	**68.4**	**43.4**
Acquisitions through business combinations (note 27)	-	26.5
Disposals through divestments	-	(0.2)
Credited to the income statement	(2.5)	(1.5)
Credited to other comprehensive income	(0.9)	(1.3)
Set-off with deferred tax assets	(1.9)	1.7
Currency translation differences	1.9	(0.2)
At 31 December	**65.0**	**68.4**

The balance relates to:

	2014 MCHF	2013* MCHF
Property, vehicles and equipment	17.7	17.6
Intangible assets	42.1	38.7
Receivables, payables and provisions	13.7	12.1
Borrowings	23.8	27.1
Set-off with deferred tax assets	(32.3)	(27.1)
At 31 December	**65.0**	**68.4**

* Certain comparative figures have been restated as detailed in note 3.

Deferred tax liabilities of MCHF 7.3 (2013: MCHF 6.0) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries.

The above balances relate to a number of different tax jurisdictions and there is no further right to offset these deferred tax assets and deferred tax liabilities.

19. Post-employment and other long-term employee benefits

Non-current employee benefit assets:		**2014**	**2013**
		MCHF	**MCHF**
Personalvorsorge Swissport (PVS)	**(a)** (iii)	-	5.1
Total non-current employee benefit asset		**-**	**5.1**

Non-current employee benefit obligations:		**2014**	**2013**
		MCHF	**MCHF**
Personalvorsorge Swissport (PVS)	**(a)** (iii)	95.1	-
Servisair Pension Plan (SPP)	**(a)** (iii)	56.1	48.2
Defined benefit plans - Others	**(a)** (iii)	14.9	13.6
Swiss bridging pension obligation	**(b)** (i)	35.9	30.8
Total defined benefit plans		**202.0**	**92.6**
Swiss night-shift obligation	**(c)**	8.7	9.3
Jubilee provision	**(d)**	7.5	8.8
Other long-term employee benefits		0.6	1.1
Total other long-term employee benefits		**16.8**	**19.2**
Defined contribution plans		4.6	3.1
Total defined contribution plans		**4.6**	**3.1**
Total non-current employee benefit obligations		**223.4**	**114.9**

Income statement charge:		**2014**	**2013**
		MCHF	**MCHF**
Defined benefit plan – Personalvorsorge Swissport (PVS)	**(a)** (iv)	22.4	24.1
Defined benefit plan – Servisair Pension Plan (SPP)	**(a)** (iv)	0.6	-
Defined benefit plans – Others	**(a)** (iv)	2.2	2.1
Swiss bridging pension	**(b)** (ii)	2.1	2.2
Total defined benefit plans charge (excluding interests)		**27.3**	**28.4**
Swiss night-shift		(0.8)	(0.8)
Jubilee provision		(1.4)	(0.5)
Other long-term employee benefits		0.7	0.7
Total other long-term employee benefits income		**(1.5)**	**(0.6)**
Defined contribution plans (note 9)		18.1	13.0
Total defined contribution plans charge		**18.1**	**13.0**
Total		**43.9**	**40.8**

(a) Defined benefit plans

The Group has different, funded and unfunded, defined benefit plans with major plans in Switzerland, Personalvorsorge Swissport (PVS), and in the United Kingdom (UK), Servisair Pension Plan (SPP). As of 31 December 2014, the plans for PVS and SPP account for 90.7% of the Group's total defined benefit obligation (2013: 90.2%) and for 90.6 % (2013: 91.5%) of all plan assets. None of the other plans (aggregated in "Others") are significant from a Group perspective.

The main reason for the significant increase of the defined benefit obligation at the end of 2014, compared to the year ended 2013, is the reduction of the discount rate used in the valuation of the Personalvorsorge Swissport. This leads to a net defined benefit obligation of MCHF 95.1 (2013: pension asset of MCHF 5.1) for the plan. Despite this obligation, under Swiss Legislation (BVV2 art. 44) the plan is funded at 115.4% (2013: 113.0%). The defined benefit obligation of the Servisair Pension Plan increased to MCHF 56.1 (2013: MCHF 48.2), whereas the funding deficit for this plan at the balance sheet date amounted to MCHF 83.3.

Personalvorsorge Swissport (PVS)

The Group has an independent pension plan in Switzerland established as a trust: Personalvorsorge Swissport (PVS), covering the following Swiss entities: Swissport International Ltd., Swissport Baggage Sorting AG, Privat Port S.A., Careport AG, GVAssistance AG and Swissport Group Services GmbH. Under Swiss law the plan is considered a defined contribution plan; however, because of inherent legal guarantees it is considered a defined benefit plan under IAS 19 and therefore an independent actuarial valuation has been performed using the projected unit credit method.

The objective of the trust is to provide an occupational pension scheme against the financial consequences of old age, death or disability within the framework of the Swiss Federal Law on the Occupational Old Age, Survivors' and Disability Benefit Plan (BVG) and its implementation provisions for the employees of the founder and their relatives and / or survivors. It provides in all cases the minimum benefits prescribed by law based on the insuree's total savings capital for which the employer and the employees pay contributions to the pension plan.

The PVS pension plan is managed by a Board of Trustees that consist of six members, of an equal number of employer's and employees' representatives. The Board of Trustees provides insurees with a set of regulations regarding benefits payable by the Trust, its organisation, management and financing as well as its auditing and control. These regulations need to be submitted to pension fund supervisory authorities and specify the relationship of the Trust to its founder, its insurees and other beneficiaries.

In case of underfunding, based on BVG regulations, the Board of Trustees shall take various measures to restore the scheme to financial stability: levy restructuring contributions from employer and employees, temporarily rescind any pension increases, apply a lower interest rate, permit the employer to make deposits into a separate employer's contribution reserve account and voluntarily waive its entitlement to use these.

The actuarial risks are borne by the pension plan that has a legal structure of a foundation and are regularly assessed by the Board of Trustees. These risks consist of demographic risks such as longevity risk and financial risks such as the discount rate, future increases in salaries / wages, and the return on plan assets.

The Board of Trustees is responsible for the investment of the plan assets. All investment decisions made by the Board of Trustees need to be within the guidlines set out in a long term investment strategy 'Strategic Asset Allocation'. The Strategic Asset Allocation is based on legal requirements, expected future contributions and expected future obligations and is reassessed at least once a year.

In accordance with the BVG, the Board of Trustees commissions an accredited pension actuary to conduct periodic assessments of the Trust and it also appoints an external auditor to conduct annual examinations of the Trust's conduct of business, accounting and capital funds. The auditor provides the Trust with a written report of their examination. A valuation report is also prepared annually in accordance with IFRS requirements.

Servisair Pension Plan (SPP)

In the UK, the Group operates a defined benefit pension scheme known as the Servisair Pension Plan (SPP) which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement (or earlier withdrawal or death). No other post-retirement benefits are provided. The SPP was closed to future accrual of benefits on 5 April 2012.

The Group operates the SPP under the UK regulatory framework. Benefits are paid to members from trustee-administered funds, who are responsible for ensuring that the SPP is sufficiently funded to meet current and future benefit payments. Plan assets are held in trusts separate to the Group. If investment experience is worse than expected, the Group's obligations are increased.

The nature of the relationship between the Group and the trustees is also governed by UK regulations. The trustees must agree a funding plan with the sponsoring company such that any funding shortfall is expected to be met by additional contributions and investment outperformance. In order to assess the level of contributions required, triennial valuations are carried out with the Plan's obligations measured using prudent assumptions (relative to those used to measure accounting liabilities).

The trustees' other duties include managing the investment of SPP assets, administration of SPP benefits and exercising of discretionary powers. The Group works closely with the trustees to manage the SPP.

The Group's defined benefit pension plans, in common with the majority of such plans in the UK have a number of areas of risk.

The risks are considered from both a funding perspective, which drives the cash commitments of the Group, and from an accounting perspective, i.e. the extent to which such risks effect the amounts recorded in the Group's financial statements. The risks consist of demographic risks such as longevity risk and financial risks such as the discount rate, inflation risk and the return on plan assets.

The defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields.

The SPP holds a large proportion of its assets in equities and other return-seeking assets. The returns on such assets tend to be volatile and are not correlated to government bonds. This means that the funding level is likely to be volatile in the short term, potentially resulting in short-term cash requirements and an increase in the net defined benefit liability recorded on the balance sheet.

However, the Group believes that equities offer the best returns over the long term with an acceptable level of risk and hence holds a significant proportion. The Group also believes that equities are appropriate to the duration of the SPP liabilities. Further, the SPP's assets are well-diversified by investing in a range of asset classes, including property and corporate bonds. The investment in bonds is discussed further below.

Although investment decisions are the responsibility of the trustees, the Group takes an active interest to ensure that pension plan risks are managed efficiently and takes an active role in managing the ongoing liabilities in the SPP.

Others

This category includes several defined benefit plans including the following:

- Checkport Schweiz AG, Kloten, funded, Switzerland
- Cargo Service Center (UK) Limited Pension and Life Assurance Scheme, funded, UK
- Swissport (Legacy) Pension Scheme, funded, UK
- Swissport Tanzania Limited Employee's Gratuity Arrangement, unfunded, Tanzania
- Swissport France Holding SAS, unfunded, France
- Swissport Executive Aviation SAS, unfunded, France
- Swissport Cargo Services France Sarl, unfunded, France
- Swissport Nice SAS, unfunded, France *
- Swissport France SAS, unfunded, France *
- Swissport Services CDG SAS, unfunded, France *
- Pensionseinrichtung der Swissair AG, unfunded, Germany
- Swissport Belgium NV, unfunded, Belgium
- Swissport Cargo Services, unfunded, Belgium

* Units sold in 2014, so only form part of the 2013 comparative figures.

These defined benefit plans consist of plans that provide benefits on retirement, leaving service or death or plans that provide retirement lump sum gratuity to employees who retire after having completed a certain period of services. These plans are exposed to the similar risks as described above under the two major plans.

(i) Change in defined benefit obligation

	2014				2013			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Defined benefit obligation at the beginning of the period	**681.6**	**162.0**	**91.8**	**935.4**	**693.0**	**-**	**81.3**	**774.3**
Service cost:								
Current service cost	22.6	-	2.2	24.8	24.0	-	2.1	26.1
Past service cost	-	-	-	-	-	-	-	-
Gain on settlements	(0.2)	-	-	(0.2)				
Interest cost	16.0	7.5	4.1	27.6	13.7	-	3.6	17.3
Cash flows:		-	-	-				
Benefit payments from plan	(25.6)	(5.8)	(3.0)	(34.4)	(31.0)	-	(2.8)	(33.8)
Settlements payments	(3.0)	-	-	(3.0)				
Participant contributions	12.5	-	0.8	13.3	13.3	-	0.8	14.1
Insurance premiums for risk benefits	-	-	(0.3)	(0.3)	-	-	(0.3)	(0.3)
Other significant events:								
Increase due to								
- effect of business combination	-	-	-	-	-	162.0	0.5	162.5
- effect of change in plan	-	-	-	-	-	-	1.6	1.6
Decrease due to disposal	-	-	(1.3)	(1.3)	-	-	-	-
Remeasurements:								
Effect of changes								
- in demographic assumptions	-	-	0.1	0.1	-	-	1.0	1.0
- in financial assumptions	151.9	20.8	11.4	184.1	(30.1)	-	3.2	(26.9)
Effect of experience adjustments	6.3	-	(0.4)	5.9	(1.3)	-	0.9	(0.4)
Foreign exchange	-	8.0	3.1	11.1	-	-	(0.1)	(0.1)
Defined benefit obligation at the end of the period	**862.1**	**192.5**	**108.5**	**1,163.1**	**681.6**	**162.0**	**91.8**	**935.4**

The calculated duration for the PVS plan is 17 years (2013: 14.9 years) and 18 years for the SPP plan (2013: 21 years). The duration for the other plans varies up to a maximum of 22.6 years (2013: 23 years).

(ii) Change in fair value of plan assets

	2014				2013			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Fair value of plan assets at the beginning of the period	**724.6**	**113.8**	**78.2**	**916.6**	**674.9**	**-**	**73.3**	**748.2**
Interest income	17.4	5.3	3.4	26.1	13.6	-	3.1	16.7
Cash flows:				-				
Employer contributions	16.5	-	2.2	18.7	18.0	-	2.2	20.2
Employer deficit payment	-	4.5	0.1	4.6				
Participant contributions	12.5	-	0.8	13.3	13.3	-	0.8	14.1
Benefit payments from plan	(25.6)	(5.8)	(3.0)	(34.4)	(31.0)	-	(2.8)	(33.8)
Settlements payments	(3.0)	-	-	(3.0)				
Insurance premiums for risk benefits	-	-	(0.3)	(0.3)	-	-	(0.3)	(0.3)
Administrative expenses and taxes	-	(0.6)	-	(0.6)				
Other significant events:								
Increase due to								
- effect of business combination	-	-	-	-	-	113.8	-	113.8
- effect of change in plan	-	-	-	-	-	-	1.4	1.4
Remeasurements:								
Return on plan assets (excluding interest income)	24.6	13.5	9.2	47.3	35.8	-	0.6	36.4
Foreign exchange	-	5.7	3.0	8.7	-	-	(0.1)	(0.1)
Faire value of plan assets at the end of the period	**767.0**	**136.4**	**93.6**	**997.0**	**724.6**	**113.8**	**78.2**	**916.6**

(iii) Amounts recognised in the balance sheet

	2014				2013			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Defined benefit obligation	862.1	192.5	108.5	1,163.1	681.6	162.0	91.8	935.4
Fair value of plan assets	(767.0)	(136.4)	(93.6)	(997.0)	(724.6)	(113.8)	(78.2)	(916.6)
	95.1	**56.1**	**14.9**	**166.1**	**(43.0)**	**48.2**	**13.6**	**18.8**
Effect of asset ceiling	-	-	-	-	37.9	-	-	37.9
Net obligation / (asset)	**95.1**	**56.1**	**14.9**	**166.1**	**(5.1)**	**48.2**	**13.6**	**56.7**

(iv) Components of defined benefit cost

	2014				2013			
	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF	PVS MCHF	SPP MCHF	Others MCHF	Total MCHF
Service cost:								
Current service cost	22.6	-	2.2	24.8	24.0	-	2.1	26.1
Past service cost	-	-	-	-	-	-	-	-
Gain on settlements	(0.2)	-	-	(0.2)	-	-	-	-
Total service cost	**22.4**	**-**	**2.2**	**24.6**	**24.0**	**-**	**2.1**	**26.1**
Administrative expenses and taxes	**-**	**0.6**	**-**	**0.6**	**-**	**-**	**-**	**-**
Net interest cost:								
Interest expense in defined benefit obligation	15.9	7.5	4.1	27.6	13.7	-	3.6	17.3
Interest (income) on plan assets	(17.4)	(5.3)	(3.4)	(26.1)	(13.6)	-	(3.1)	(16.7)
Interest expense on effect of asset ceiling	1.0	-	-	-	-	-	-	-
Total net interest cost / (income)	**(0.5)**	**2.2**	**0.7**	**1.5**	**0.1**	**-**	**0.5**	**0.6**
Defined benefit cost included in the income statement	**21.9**	**2.8**	**2.9**	**26.7**	**24.1**	**-**	**2.6**	**26.7**
Remeasurements (recognised in other comprehensive income (OCI)):								
Effect of changes								
- in demographic assumptions	-	-	0.1	0.1	-	-	1.0	1.0
- in financial assumptions	151.9	20.8	11.4	184.1	(30.1)	-	3.2	(26.9)
Effect of experience adjustments	6.3	-	(0.4)	5.9	(1.3)	-	0.9	(0.4)
Return on plan assets (excluding interest income)	(24.6)	(13.5)	(9.2)	(47.3)	(35.8)	-	(0.6)	(36.4)
Change in asset ceiling (excluding interest income)	(38.8)	-	-	(38.8)	37.9	-	-	37.9
Total remeasurements included in OCI	**94.8**	**7.3**	**1.9**	**104.0**	**(29.3)**	**-**	**4.5**	**(24.8)**
Defined benefit cost recognised in the income statement and OCI	**116.7**	**10.1**	**4.8**	**130.7**	**(5.2)**	**-**	**7.1**	**1.9**

(v) Net defined benefit liability / (asset) reconciliation

	2014				2013			
	PVS	SPP	Others	Total	PVS	SPP	Others	Total
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
Net defined benefit liability / (asset)	(5.1)	48.2	13.6	56.7	18.1	-	8.0	26.1
Defined benefit cost included in the income statement	21.9	2.8	2.9	27.6	24.1	-	2.6	26.7
Total remeasurements included in OCI	94.8	7.3	1.9	104.0	(29.3)	-	4.5	(24.8)
Other significant events:								
Increase due to								
- effect of business combination	-	-	-	-	-	48.2	0.5	48.7
- effect of change in plan	-	-	-	-	-	-	0.2	0.2
Decrease due to disposal	-	-	(1.3)	(1.3)	-	-	-	-
Cash flows:								
Employer contributions	(16.5)	-	(2.2)	(18.7)	(18.0)	-	(2.2)	(20.2)
Employer deficit payment	-	(4.5)	(0.1)	(4.6)	-	-	-	-
Foreign exchange	-	2.3	0.1	2.4	-	-	0.0	0.0
Net defined benefit liability / (asset)	**95.1**	**56.1**	**14.9**	**166.1**	**(5.1)**	**48.2**	**13.6**	**56.7**

(vi) Assumptions and other information

The principal actuarial assumptions used were:

	2014			2013		
	PVS	SPP	Others*	PVS	SPP	Others*
Discount rate	1.0%	3.6%	3.6%	2.4%	4.6%	4.4%
Future salary increase	1.5%	not applicable	3.6%	1.5%	not applicable	3.8%
Future pension increase	0.0%	1.80%	3.0%	0.0%	2.15%	3.3%
Mortality table	BVG 2010	SAPS 110% CMI_2013 [1%]	various	BVG 2010	SAPS 110% CMI_2013 [1%]	various

* expressed as weighted averages

(vii) Sensitivity analysis as at 31 December 2014

The discount rate, future salary increase and future pension increase were identified as significant actuarial assumptions for the PVS plan. The discount rate and the future pension increase were identified as significant assumptions for the SPP plan. A change in one of these assumptions by +0.25% or -0.25% (with all other assumptions remaing constant) would have the following impact on the defined benefit obligation at the end of the reporting period.

PVS

	2014 Defined benefit obligation		2013 Defined benefit obligation	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
Discount rate	-4.1%	3.8%	-3.0%	3.4%
Future salary growth	0.1%	-0.1%	0.3%	-0.3%
Future pension	3.1%	not applicable	2.5%	not applicable

SPP

	2014 Defined benefit obligation		2013 Defined benefit obligation	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
Discount rate	-4.4%	4.4%	-5.1%	5.1%
Future pension	3.6%	-3.6%	4.0%	-4.0%

The above sensitivity calculations are based on one assumption changing while the others remain unchanged. In practice, however, there are certain correlations between the individual assumptions. The same method was used to calculate the sensitivities and the defined benefit obligation at the balance sheet date.

(viii) Plan assets

Plan assets comprises:	**2014** **MCHF**	**2013** **MCHF**
Cash	47.5	39.4
Mortgages	24.1	26.0
Bonds	336.0	264.0
Equities	280.2	316.9
Real estate	235.0	211.6
Assets held by insurance company	17.4	15.7
Alternative investments	56.8	43.0
Total	**997.0**	**916.6**

Most of the equity, debt securities and assets held by insurance company have a quoted market price in an active market. Real estate, mortgages and alternative investments, which include hedge fund usually do not have a quoted market price.

(ix) Funding

The expected contributions to be paid during the year ended 31 December 2015 in respect of the Group's defined benefit pension plans are MCHF 23.2.

(b) Swiss bridging pension obligation

As described in more detail in the accounting policy 3.14, this liability relates to the additional pension paid to pensioners of the Personalvorsorge Swissport (PVS) during the period before they are eligible to receive the State pension.

The main risks in relation to the bridging pensions consist of a financial risk (discount rate).

As required by IAS 19, the obligation has been measured at present value using the projected unit credit method and the movements in the balance are:

(i) Change in defined benefit obligation

	2014 **MCHF**	**2013** **MCHF**
Defined benefit obligation at the beginning of the period	**30.8**	**31.2**
Service cost:		
Current service cost	2.2	2.2
Gain on settlements	(0.1)	
Interest cost	0.7	0.6
Cash flows:		
Benefit payments from employer	(3.0)	(2.9)
Remeasurements:		
Effect of changes in financial assumptions	4.2	(1.0)
Effect of experience adjustments	1.1	0.7
Defined benefit obligation at the end of the period	**35.9**	**30.8**

(ii) Components of defined benefit cost

	2014 MCHF	2013 MCHF
Service cost:		
Current service cost	2.2	2.2
Gain on settlements	(0.1)	-
Total service cost	**2.1**	**2.2**
Net interest cost:		
Interest expense in defined benefit obligation	0.7	0.6
Total net interest cost	**0.7**	**0.6**
Defined benefit cost included in the income statement	**2.8**	**2.8**
Remeasurements (recognised in other comprehensive income (OCI)):		
Effect of changes in financial assumptions	4.2	(1.0)
Effect of experience adjustments	1.1	0.7
Total remeasurements included in OCI	**5.3**	**(0.3)**
Total defined benefit cost recognised in the income statement and OCI	**8.1**	**2.5**

(iii) Principal assumptions

	2014	2013
Discount rate	1.0%	2.4%
Rate of increase in social security pension	1.0%	1.0%
Current maximum AVS pension (CHF)	28,080	28,080

(iv) Sensitivity analysis as at 31 December 2014

The discount rate was identified as a significant actuarial assumption for the bridging pension plan. A change in this assumption by +0.25% or -0.25% would have the following impact on the defined benefit obligation at the end of the reporting period.

	2014 Defined benefit obligation		2013 Defined benefit obligation	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
Discount rate	-2.26%	2.35%	-2.07%	2.15%

(v) Expected benefit payments

As at 31 December 2014	**MCHF**
Year 2015	2.4
Year 2016	3.0
Year 2017	3.0
Year 2018	3.0
Year 2019	3.0
Year 2020 - 2024	10.4

As at 31 December 2013	**MCHF**
Year 2014	2.6
Year 2015	2.9
Year 2016	2.6
Year 2017	3.0
Year 2018	3.2
Year 2019 - 2023	9.7

(c) Swiss night-shift obligations

As described in more detail in the accounting policy, this liability relates to the obligation in Switzerland to provide benefits to night shift workers.

(d) Jubilee Provision

As described in more detail in the accounting policy 3.14, this liability relates to the constructive obligation of some Group companies to pay long-service awards to employees on completion of a predetermined number of years service.

20. Prepayments, trade and other receivables

	2014 MCHF	2013* MCHF
Non-current prepayments and receivables:		
Loans to related parties (note 30)	0.0	0.0
Receivables from airport authorities (service concession)	11.8	12.5
Expected reimbursements from insurance companies	21.7	21.7
Capitalised transaction costs	4.8	7.0
Other receivables	19.7	16.4
Total	**58.0**	**57.6**

	2014 MCHF	2013* MCHF
Current trade and other receivables:		
Trade receivables from third parties	343.6	323.7
Trade receivables from related parties (note 30)	0.3	0.6
Less: Impairment allowance	(32.8)	(32.4)
	311.1	**291.9**
Non-income tax receivables	25.1	27.1
Prepayments	40.9	43.0
Expected reimbursements from insurance companies	11.9	6.3
Restricted cash (note 21)	32.0	27.7
Accrued balances	18.5	16.9
Other receivables from third parties	48.6	44.6
Current loan to related parties (note 30)	0.6	1.1
Total	**488.7**	**458.6**

* Certain comparative figures have been restated as detailed in note 3.

Trade receivables - neither past due nor impaired:

The credit quality of trade receivables that are neither past due nor impaired can be assessed by reference to historical information about counterparty default risk. Based on the experience from the last three years, more than 99% of the balances with customers that are neither past due nor impaired were fully recovered.

Trade receivables - past due, but not impaired:

Generally, trade receivables that are less than three months past due are not considered impaired. The carrying amounts of trade receivables that are past due, but not impaired, are as follows:

	2014 MCHF	2013 MCHF
Up to 3 months	82.3	42.9
3 to 6 months	5.2	1.8
Over 6 months	7.7	1.9
	95.2	**46.6**

Trade receivables - impaired and an allowance recognised:

The impairment allowance represents the Group's best estimate of incurred losses in respect of trade receivables. The allowance consists of a specific loss component that relates to individually significant exposures and a collective loss component based on historical experience. As of 31 December 2014, trade receivables of MCHF 34.9 (2013: MCHF 37.3) were impaired and an allowance of MCHF 32.8 (2013: MCHF 32.4) had been recognised. An allowance for the full amount was not recognised as it was assessed that a portion of these receivables is expected to be recovered. The majority of the individually impaired receivables relate to former clients of entities in Brazil, Spain, Switzerland and North America that have become insolvent.

The ageing of the impaired receivables is as follows:

	2014 MCHF	2013 MCHF
Up to 6 months	8.5	0.7
Over 6 months	26.4	36.6
	34.9	**37.3**

Movements in the Group allowance for impairment of trade receivables were as follows:

	2014 MCHF	2013 MCHF
At 1 January	**(32.4)**	**(31.6)**
Allowance decrease through divestments	3.1	-
Receivable (impairments) / releases and write-offs during the period	(1.7)	0.6
Exchange differences	(1.8)	(1.4)
At 31 December	**(32.8)**	**(32.4)**

The recognition of allowances for impaired trade receivables and any subsequent recoveries of balances previously impaired are included in 'other operating expenses' in the consolidated income statement. Amounts charged to the allowance account are written off against the receivable when there is no expectation of recovering additional cash.

The non-current receivables and other current receivables are not impaired and not overdue.

21. Cash and cash equivalents, and restricted cash

	2014 MCHF	2013 MCHF
Cash at bank and on hand	113.8	133.9
Short term bank deposits	35.6	34.8
Total cash and cash equivalents in current assets	**149.4**	**168.7**
of which is restricted (note 20)	(32.0)	(27.7)
Unrestricted cash and cash equivalents	**117.4**	**141.0**

Cash in the amount of MCHF 32.0 (2013: MCHF 27.7) is restricted and presented as current other receivables. Restricted cash mainly comprises cash deposits for existing bank guarantees and certain labour guarantee cash deposits. The remaining part of restricted cash comprises principally short-term bank deposits that the Group is required to have by major suppliers, usually airports, to maintain in lieu of bank guarantees.

The short-term bank deposits have a weighted average maturity of 13.1 days (2013: 9.2 days).

22. Equity

(a) Share capital

On 20 December 2013, the Company reclassified all the shares in issue to “Ordinary Shares” and created a new category of shares, being Mandatory Convertible Preferred Shares (the "MCPS"). Each Ordinary Share is entitled to one vote. The MCPS are non-voting shares. On the same date, the Company issued 2,900,049,006 Ordinary Shares, for an amount of CHF 37,229,958.09 of which CHF 29,000,490.06 is allocated to the share capital and CHF 8,229,468.03 to the share premium, 12,505,129,156 Class A MCPS for an amount of CHF 125,051,291.56 and 1,350,000,000 Class B MCPS for an amount of CHF 13,500,000.00.

The capital increase was subscribed by the sole shareholder of the Company, Aguila 2 S.A., by way of a contribution in cash as regards the Ordinary Shares and the Class B MCPS and by way of a contribution in kind as regards the Class A MCPS. This contribution in kind consists of a claim of the Perpetual Preferred Equity Certificates (the "PPECs") issued by the Company and subscribed by the sole shareholder for a principal amount of CHF 118,211,856.00 and accrued interest thereon for an amount of CHF 6,839,435.56. As at the 31 December 2013 the PPECs balance was zero.

As at 31 December 2014, the fully paid subscribed capital, amounting to CHF 426,591,687.92 (2013: CHF 426,591,687.92), is represented by 42,659,168,792 shares (2013: 42,659,168,792 shares); 28,804,039,636 Ordinary Shares, 12,505,129,156 Class A MCPS and 1,350,000,000 Class B MCPS with a nominal value of CHF 0.01 each.

There is no difference in the terms and conditions of Class A and Class B MCPS. Each year from the undistributed profits, the MCPS holders are entitled to a dividend amounting to 2.0 per cent of the aggregate amount of the nominal value of each MCPS. The MCPS can be converted into ordinary shares in full or in part at any time starting from 20 December 2019, upon decision of the shareholder(s) of the Company. In the event of a conversion, each such MCPS is to be converted in such an amount of ordinary shares whose nominal value equals the sum of the nominal value of the MCPS to be converted plus the accumulated (and unpaid) MCPS dividend related to the MCPS to be converted. In the case of liquidation, the holder of each MCPS, after payment of all third party debts and liabilities of the Company or deposit of any funds to that effect, will have a preferential right to payment and be entitled to the payment in cash of the unpaid MCPS dividend.

The authorised capital amounts to CHF 941,511,687.92 (2013: CHF 941,511,687.92).

(b) Share premium

As at 31 December 2014, there is a share premium for a total amount of CHF 81,737,212.73 (2013: CHF 81,737,212.73). The share premium arises from the issue of shares on incorporation of the company and from capital increases in 2013.

(c) Movements in share capital, share premium, MCPS and PPECs

	Share capital	MCPS	MCPS reserve account	Share premium	PPECs	PPECs interest accrued	Total
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
1 January 2013	**259.0**	**-**	**-**	**73.5**	**120.3**	**2.4**	**455.2**
Accrued and unpaid interest added to PPECs	-	-	-	-	2.4	(2.4)	-
Interest on PPECs	-	-	-	-	-	2.4	**2.4**
Issue of ordinary share capital (including MCPS)	29.0	138.6	-	-	(122.7)	(2.4)	**42.5**
Share premium	-	-	-	8.2	-	-	**8.2**
MCPS dividend	-	-	0.1	-	-	-	**0.1**
31 December 2013	**288.0**	**138.6**	**0.1**	**81.7**	**-**	**-**	**508.4**
1 January 2014	**288.0**	**138.6**	**0.1**	**81.7**	**-**	**-**	**508.4**
31 December 2014	**288.0**	**138.6**	**0.1**	**81.7**	**-**	**-**	**508.4**

There was no movement during the year 2014.

(d) Nature and purposes of reserves

Fair value reserve

This reserve records fair value changes on available-for-sale financial assets.

Currency translation reserve

This reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations, foreign exchange differences on loans in substance forming part of the net investments in foreign operations as well as foreign exchange differences from the translation of liabilities that hedge the Company's net investments in foreign operations.

(e) Dividends

Aguila 3 S.A. did not pay a dividend during the years ended 31 December 2014 or 2013. Individual Group companies paid dividends to non-controlling interests in both years.

23. Borrowings

Current	2014 MCHF	2013 MCHF
Bank loans	11.0	15.0
Loans from other third parties	-	1.0
Finance lease liabilities	13.8	18.6
Other	8.9	19.1
Total	**33.7**	**53.7**

Non-current	2014 MCHF	2013* MCHF
Bonds[(1)]	1,266.0	1,167.7
Bank loans	74.1	36.9
Loans from other third parties	8.5	8.1
Finance lease liabilities	28.5	42.8
Other	4.0	3.4
Total	**1,381.1**	**1,258.9**

* Certain comparative figures have been restated as detailed in note 3.

[(1)] All bonds are listed on the Official List of the Luxembourg Stock Exchange.

The increase in the bonds of MCHF 98.3 compared to 2013 is due to the strengthening of the USD against the CHF in 2014 (ending rate 2013 of 0.8902 against 0.9894 for the year end 2014).

On 30 July 2013, the Group issued MUSD 390.0 7.875% senior secured notes due in January 2018 under the existing indenture governing Aguila 3 S.A.'s existing MCHF 350.0 7.875% senior secured notes due in January 2018 and MUSD 425.0 7.875% senior secured notes due in January 2018. The issue price of the notes was 102.750% of the principal amount; the resulting premium has been added to the proceeds of the loans. The premium is amortised using the effective interest method over a period ending on the due date of January 2018. The Group incurred directly attributable transaction costs of MCHF 7.5 which have been deducted from the proceeds of the notes. The transaction costs are amortised using the effective interest method over a period ending on the due date of January 2018. The purpose of the notes issue was to; (i) fund the consideration for the entire share capital and voting rights of Servisair SAS, refer to note 27, (ii) repay certain existing Servisair third-party debt and (iii) pay the fees and expenses incurred in connection with the acquisition and the notes offering, including underwriting fees and commissions, financial advisory and other transaction costs and professional fees. The Group has entered into derivatives contracts to hedge its currency risk on the MUSD 390.0 7.875% senior secured notes. The derivative contracts are measured at fair value through profit or loss and mature within 13 months from the reporting date.

In February 2011 the Group issued two bond tranches of MCHF 350.0 7.875% senior secured notes due in January 2018 and MUSD 425.0 7.875% senior secured notes due in January 2018. In May 2012 the Group issued MUSD 130.0 7.875% senior secured notes due in January 2018 under the above mentioned existing indenture. The Group has entered into derivatives contracts to hedge its currency risk on these notes. The derivative contracts are measured at fair value through profit or loss and mature within 13 months from the reporting date.

The existing USD denominated bonds are partially used to hedge USD denominated net investments in foreign operations including USD denominated intra-group loans, for which settlement is neither planned nor expected in the foreseeable future. This resulted in a hedge loss of MCHF 62.9 for the year ended 31 December 2014 (year ended 31 December 2013: gain of MCHF 9.3) that is recognised in other comprehensive income.

The Group has a super senior revolving credit facility of MCHF 200.0 with a maturity date of 17 February 2017. The super senior revolving credit facility had a total utilised balance of MCHF 84.9 as at 31 December 2014 (2013: MCHF 43.0). The total utilised balance consisted of MCHF 51.2 (2013: MCHF 36.4) of utilised guarantees and MCHF 33.7 (2013: MCHF 6.6) of cash drawn down. An interest margin rate of 4% (2013: 4%) was applicable to all utilised guarantee amounts and an interest rate of 1 month CHF LIBOR + 4% was applicable to the cash drawn down amount as at 31 December 2014. The Company is required to meet a leverage ratio on a quarterly basis as defined in the super senior revolving credit facility agreement.

In connection with financing transactions, Aguila 3 and certain other Group companies granted the banking syndicate and holders of bonds pledges over shareholdings in certain Group companies, intellectual property rights as well as property, vehicles and equipment. In addition, cash at bank, insurance claims, as well as trade and inter-company receivables have been assigned as security for the banking syndicate and bondholders.

The assets pledged at the end of the reporting periods are as follows:

	2014	2013
	MCHF	MCHF
Cash and cash equivalents	46.1	25.7
Trade and other receivables	267.8	155.1
Swissport Brand	193.8	193.8
Other intangibles	13.8	-
Vehicles and equipment	170.9	112.3
Total	**692.4**	**486.9**

The above figures also include assets pledged locally outside of the super senior revolving credit facility and the bonds. Intercompany receivables and shareholdings in certain Group companies are also pledged but not presented above as they are eliminated on a consolidated level.

Finance lease liabilities are payable as follows:

	Future minimum lease payments	Interest	Present value of minimum lease payments
2014	MCHF	MCHF	MCHF
- within 1 year	15.8	2.0	13.8
- between 1 and 5 years	29.6	2.3	27.3
- after 5 years	1.3	0.1	1.2
Total	**46.7**	**4.4**	**42.3**

	Future minimum lease payments	Interest	Present value of minimum lease payments
2013	MCHF	MCHF	MCHF
- within 1 year	21.6	3.0	18.6
- between 1 and 5 years	46.2	5.0	41.2
- after 5 years	1.8	0.2	1.6
Total	**69.6**	**8.2**	**61.4**

The maturity profile of non-current borrowings is as follows:

	13-24 months	25-60 months	> 60 months	Total
2014	**MCHF**	**MCHF**	**MCHF**	**MCHF**
Bonds	-	1,266.0	-	1,266.0
Bank loans	11.0	42.0	21.1	74.1
Finance lease liabilities	12.0	15.3	1.2	28.5
Loans from other third parties	1.1	0.2	7.2	8.5
Other	3.3	0.7	-	4.0
	27.4	**1,324.2**	**29.5**	**1,381.1**

	13-24 months	25-60 months	> 60 months	Total
2013*	**MCHF**	**MCHF**	**MCHF**	**MCHF**
Bonds	-	1,167.7	-	1,167.7
Bank loans	6.3	9.7	20.9	36.9
Finance lease liabilities	17.5	23.7	1.6	42.8
Loans from other third parties	0.2	0.2	7.7	8.1
Other	2.6	0.8	-	3.4
	26.6	**1,202.1**	**30.2**	**1,258.9**

* Certain comparative figures have been restated as detailed in note 3.

The weighted average effective interest rates on borrowings at the balance sheet dates were as follows:

	2014	2013
Bank loans	4.55%	4.65%
Finance lease liabilities	7.11%	6.18%
Bonds	8.50%	8.51%

24. Provisions

	Claims	Onerous contracts	Workers Compens.	Insurance provision	Other provision	Total
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
At 1 January 2014*	**13.8**	**2.0**	**48.6**	**14.2**	**21.5**	**100.1**
Disposals through divestments (note 27)	(0.6)	-	(1.9)	-	-	**(2.5)**
Provisions made	7.7	43.7	14.3	12.7	5.4	**83.8**
Provisions used	(6.7)	(7.3)	(12.6)	(8.1)	(6.6)	**(41.3)**
Reversal of amounts no longer required	(0.3)	-	0.0	-	(2.4)	**(2.7)**
Disposals through divestments	-	-	-	-	-	-
Reclassifications	0.3	-	-	0.3	(0.6)	-
Currency exchange differences	(0.1)	0.6	5.0	1.7	(0.2)	**7.0**
At 31 December 2014	**14.1**	**39.0**	**53.4**	**20.8**	**17.1**	**144.4**

Analysed between:	**2014**	**2013***
	MCHF	MCHF
Current	54.7	24.5
Non-current	89.7	75.6
Total	**144.4**	**100.1**

* Certain comparative figures have been restated as detailed in note 3.

The provisions of the Group consist of the following:

Claims

The balance of the provision relates to various claims that have been incurred in the ordinary course of business.

The Group has provisions of MCHF 14.1 (2013: MCHF 13.8) predominantly in connection with labour related claims (mainly in Brazil). The final outcome of these issues may differ from management's expectations giving rise to an additional provisions or a reversal of already recognised provisions. No specific timing for the resolution of these claims is known as it depends on actions of the courts.

Onerous contracts

The onerous contracts provision mainly covers the future losses in relation to operating lease contracts and a customer contract, where the expected benefits to be received will not cover the unavoidable costs. In the case of the onerous lease contracts, the leases cannot be transferred and there is no option to cancel the lease contract prior to their expiration.

Workers Compensation

These balances represent provisions for claims in the US in relation to injuries that occurred on the job. These provisions are partially offset by a receivable of MCHF 17.7 (2013: MCHF 15.2) from an insurance company, which is included in other receivables. It is estimated that the majority of the claim liability will be paid out in seven to ten years.

Insurance provisions

These balances represent provisions for claims in relation to aviation liabilities. These provisions are partially offset by receivables of MCHF 15.9 (2013: MCHF 12.8) from insurance companies, which are included in other receivables. The liabilities are expected to be paid out within two to three years of the policy year.

Other provisions

During the year provisions of MCHF 5.4 were made mainly to cover costs associated with employee termination benefits and healthcare risks. In addition to these two provisions, the year end balance of the other provisions relates to a variety of other matters where the Group anticipates an outflow of resources at some point in the future. The majority of the remaining provisions can be attributed to provisions for customs fines and to other labour related provisions.

25. Trade and other payables

	2014 MCHF	2013* MCHF
Trade payables to third parties	121.6	122.1
Trade payables to related parties (note 30)	-	0.4
Tax payables	19.6	17.5
Guarantees	6.3	7.2
Advanced payments received	9.2	10.7
Other payables to third parties	29.2	28.3
Accrued items	89.7	93.5
Other payables to related parties (note 30)	0.9	0.9
Interest accruals - third parties	0.6	0.9
Interest accruals - bond	42.2	38.6
Payroll related accruals	135.9	129.4
Purchase related accruals	36.0	29.0
Total	**491.2**	**478.5**

*Certain comparative amounts have been restated as detailed in note 3.

Accruals include estimated costs for goods and services received but not yet invoiced.

26. Details to the consolidated cash flow statement

	2014 MCHF	2013 MCHF
Share of results of associates and joint ventures (note 17)	(5.2)	(1.4)
Loss on sale of subsidiaries (note 27)	12.2	20.7
Gain on step acquisition (note 27)	-	(4.1)
Net gain on sale of property, vehicles and equipment	(0.1)	(5.2)
Pension contribution short of income statement cost (note 9)	5.0	5.8
Movement in employee benefit obligations	(5.4)	(1.9)
Movement in provisions	33.8	(1.8)
Others	0.0	(1.2)
Total adjustments non-cash items and other items	**40.3**	**10.9**

27. Business combinations and sale of subsidiaries

2014

Acquisitions:

Minor acquisitions were effected in the year ended 31 December 2014 resulting in a provisional goodwill of MCHF 0.9.

Disposals:

(a) France Ground Handling

On 7 October 2014, Swissport Nice SAS, Swissport France SAS, Swissport Services CDG SAS, Servisair France SA and Heracles, our groundhandling activities in France, were sold to GH Team for a total of 2 Euros. Beside this, a negative consideration of MEUR 5.4 (MCHF 6.5) was agreed with the purchaser to implement the needed restructuing measures.

Details of the net assets sold and the loss on sale of subsidiaries are below:

	MCHF
Cash and cash equivalents	4.4
Trade and other receivables	20.4
Property, vehicles and equipment	2.2
Intangible assets	0.1
Goodwill	0.2
Deferred tax assets	0.1
Inventories	0.1
Borrowings	(0.7)
Trade and other payables	(18.5)
Provisions	(2.5)
Net assets and liabilities	**5.8**
Consideration paid	**(6.5)**
Loss on sale of subsidiaries	**(12.3)**

(b) Other

Other minor disposals were effected in the year ended 31 December 2014 resulting in a net gain on sale of subsidiaries of MCHF 0.1.

2013

Acquisitions:

(a) Servisair SAS

On 23 December 2013, Swissport France Holding SAS, a fully owned subsidiary of the Group, acquired 100 per cent of the share capital and voting rights of Servisair SAS including all its operating subsidiaries, associates and joint ventures from its former owner Derichebourg SA for an aggregate consideration of MCHF 372.9. Servisair is a global operator in the airport services sector. Servisair has a worldwide footprint, with a particular focus on the United Kingdom, the United States, Canada and Ireland. Servisair provides services at 119 airports to approximately 500 airlines and offers a wide variety of services in Ground Handling (which includes fuelling as well as lounge and passenger services) and Cargo Handling.

Details of the purchase consideration, the net identifiable assets acquired and goodwill are as follows:

Consideration transferred:	**MCHF***
Cash paid	50.6
Amount owed by Servisair SAS to Derichebourg SA **	322.3
Total consideration transferred	**372.9**
Fair value of assets / (liabilities):	
Cash and cash equivalents	33.8
Trade and other receivables	165.2
Property, vehicles and equipment	107.8
Intangible assets	48.1
Deferred tax assets	22.1
Investment in associates and joint ventures	36.1
Inventories	6.5
Borrowings	(36.8)
Trade and other payables	(129.1)
Provisions	(36.7)
Employee benefit obligations	(48.9)
Deferred tax liabilities	(17.6)
Fair value of net identifiable assets	**150.5**
Goodwill	**222.4**
Cash flow from acquisition:	
Cash paid to former shareholder	(372.9)
Acquired cash and cash equivalents	33.8
Net cash outflow	**(339.1)**

* Certain comparative figures have been restated as detailed in note 3.

** On completion of the Group's acquisition of Servisair SAS a MCHF 322.3 loan payable by Servisair SAS to Derichebourg SA was purchased in full by Swissport France Holding SAS.

The trade and other receivables comprise gross contractual amounts due of MCHF 103.3, of which MCHF 12.7 (restated as per note 3) was expected to be uncollectible at the acquisition date.

Servisair SAS did not contribute revenue or profit or loss to the consolidated revenue and loss from date of acquisition to 31 December 2013. If Servisair SAS had been consolidated as of 1 January 2013, the Group's revenue would have been MCHF 2,924.6 and the Group's loss would have been MCHF 38.0 for the year ended 31 December 2013.

Acquisition costs of MCHF 9.8 arose in connection with this acquisition, refer to note 11.

(b) Swissport Executive Aviation SAS

As of 1 July 2013 the Group increased its ownership interest in Swissport Executive Aviation SAS from 50.0 per cent to 51.0 per cent. As a result the Group changed its accounting for Swissport Executive Aviation SAS from equity-accounting its 50.0 per cent share to full consolidation of its 51.0 per cent share and recognised a 49 per cent non-controlling interest. Swissport Executive Aviation SAS is based in Nice, France. It provides exclusive Ground Handling services to an international community of operators and executives who utilise private or corporate jets. The acquisition price paid was MCHF 0.1. The step acquisition resulted in a gain of MCHF 4.1, a goodwill of MCHF 4.1 and a non-controlling interest of MCHF 0.3. The acquisition resulted in a net cash inflow of MCHF 0.2.

(c) Interairport Services – Swissport S.A.

On 3 April 2013 Swissport Holding Spain S.L., a fully owned subsidiary of the Group, acquired 51 per cent of Interairport Services – Swissport S.A. from Intercambio Logístico Interlog S.A.. Interairport Services – Swissport S.A. is a Costa Rican Ground Handling company which offers Ground Handling services at two airports in Costa Rica. The acquisition resulted in a goodwill of MCHF 0.8, a non-controlling interest of MCHF -0.2 and a cash inflow of TCHF 49. The acquisition price shall be paid in the form of an earn-out only, which shall not exceed MUSD 0.6.

Disposals:

(a) Swissport Ukraine LLC

On 27 March 2013, the Group was subject to a hostile company raider attack in the Ukraine when a court in Kiev forced the Group to sell its 70.6 per cent shareholding in the former Swissport Ukraine LLC (now Interavia) to the 29.4 per cent minority shareholder, Ukraine International Airlines, at a cut-rate price of MUSD 0.4. This resulted in a loss on sale of subsidiary of MCHF 20.2. On 2 October 2013, upon the Group's cassation appeal, the Highest Economic Court of Ukraine cancelled the court rulings of the first and second instance and referred the case back to the first instance court. In May 2014 the Economic Court of Kyiv also ruled in favour of Swissport, however in September 2014 the Court of Appeal ruled against Swissport even though the company had obtained, in an ancilliary proceeding, a final and binding court ruling in its favour. However, in December 2014, and despite these contradictions in decisions, proceedings were finally lost in Ukraine.

Details of the net assets sold and the loss on sale of subsidiary are below:

	MCHF
Cash and cash equivalents	0.0
Trade and other receivables	2.5
Property, vehicles and equipment	4.9
Intangible assets	1.0
Goodwill	19.8
Current tax receivable	0.6
Inventories	0.1
Borrowings	(3.8)
Trade and other payables	(3.7)
Provisions	(0.2)
Deferred tax liabilities	(0.2)
Net assets and liabilities, including non-controlling interest	**21.0**
Non-controlling interest	0.4
Net assets and liabilities, excluding non-controlling interest	**20.6**
Consideration receivable	**0.4**
Loss on sale of subsidiary	**(20.2)**

(b) Other

Other minor disposals were effected in the year ended 31 December 2013 resulting in a net loss on sale of subsidiaries of MCHF 0.5.

28. Contingent liabilities

Bank guarantees

As at 31 December 2014 the Group had contingent liabilities in respect of bank guarantees, arising in the ordinary course of business and provided to third parties by the Group's banks, amounting to MCHF 92.4 (2013: MCHF 89.2). The guarantees represent contingent liabilities that will crystallise to the extent that the guarantees are drawn and the bank enforces its right to recover the amount drawn from the Group.

Legal matters

The Group and some of its subsidiaries are party to a number of proceedings and civil lawsuits in which the Group and some of its subsidiaries are defendants. There are various cases outstanding and provisions have been made where the Group expects an outflow to result from such proceedings (see note 24). It is possible that these provisions will prove to be inadequate, but the Group is not aware of any case where amounts not provided for could be material.

There are no other matters from which it is anticipated that a material liability could arise.

29. Commitments

Capital commitments

	2014 MCHF	2013 MCHF
Capital expenditures contracted for:		
Property, vehicles and equipment	8.0	3.8
Intangible assets	0.6	0.6
Total	**8.6**	**4.4**

Operating lease commitments

The Group has entered into commercial leases on certain buildings, vehicles and other operating equipment. The lease terms are mainly between 1 and 15 years. Escalation clauses and renewal options are included in some of the leases. Operating lease rentals of MCHF 142.5 (2013: MCHF 106.2) and leases of vehicles and equipment amounting to MCHF 58.3 (2013: MCHF 58.7) are included in the consolidated income statement in 'other operating expenses' and 'goods and services purchased', respectively.

	2014 MCHF	2013* MCHF
The non-cancellable operating lease payments are due:		
- within 1 year	117.8	128.8
- between 1 and 5 years	180.3	198.5
- after 5 years	23.8	27.9
Total	**321.9**	**355.2**

* restated following Servisair acquisition as described in note 3.

30. Related party transactions

Aguila 3 S.A. ("the Company") is 100% owned by Aguila 2 S.A. The Group is ultimately controlled by PAI Partners, a Europe-based private equity group.

The Group has entered into the following significant transactions with PAI Partners or companies controlled by PAI Partners that are outside of the Group.

PAI Partners charged the Group monitoring fees of MCHF 1.0 for the year ended 31 December 2014 (2013: MCHF 1.0) which have been recognised as other operating expense.

Aguila 2 S.A. is the sole holder of the Company's 12,505,129,156 "Class A" Mandatory Convertible Preferred Shares and 1,350,000,000 "Class B" Mandatory Convertible Preferred Shares (MCPS). MCPS holders are entitled to a dividend amounting to 2.0 per cent of the aggregate amount of the nominal value of each MCPS. See note 22.

The Group has not entered into any material transactions with related parties other than as set out below. Furthermore, throughout 2014 no director had a personal interest in any transaction of significance for the business of the Group.

Directors' remuneration

The Company's directors are:

Mr. Ricardo de Serdio	Chairman
Mr. Benoît Chéron	Member (until 07.04.2015)
Mr. Federico Conchillo	Member
Mr. Michel Paris	Member
Mr. Nicolas Holzman	Member
Mr. Per H. Utnegaard	Member
Dr. Thomas Staehelin	Member
Mr. Dominique Robyns	Member
Mr. Emmanuel Mougeolle	Member

During the year, the Company's Directors received MCHF 0.1 for their services as directors (2013: MCHF 0.1). Those directors who have executive positions with the Group received salaries and other benefits, which are disclosed below under Executive Management remuneration.

Executive Management remuneration

The Group's Executive Management members are:

Mr. Per H. Utnegaard	President and CEO
Mr. Alvaro Gómez-Reino	Member
Mr. Erich Bodenmann	Member (until 30.04.2014)
Dr. Johannes C. Spindler	Member
Mr. Juan José Andres Alvez	Member
Mr. Peter Moser	Member
Mr. Philipp Joeinig	Member
Mr. Roman Hermann	Member (until 31.08.2014)
Mr. Joe Phelan	Member

The compensation paid or payable to key management for employee services during the years is shown below:

	2014	2013
	MCHF	MCHF
Short-term employee benefits (including bonus)	4.2	4.0
Post-employment benefits (pension contributions)	0.4	0.5
Total	**4.6**	**4.5**

The executive management and some of the managers of the Group are offered to participate in a management investment plan. The employees are offered to indirectly invest in one of the holding companies outside of the consolidation scope of the Group. The price paid for the shares equals the grant date fair value. At a specified exit event (e.g. a listing or disposal), the employees will sell back the shares to a PAI Partners-controlled entity at fair value. The shares can also be sold back if an employee leaves before the vesting date, but in general only at the lower of fair value and the price paid.

Even if the Group does not have an obligation to settle any payments to its employees in relation to this plan, the management investment plan is a share-based payment arrangement in the scope of IFRS 2 Share-based Payment for the Group due to the terms and conditions of the plan, including a service condition (the employees must be employed when the exit event occurs). The share-based payment plan is classified as equity-settled.

A number of 806,800,000 shares were acquired under this plan in the period ended 31 December 2011. In the period ended 31 December 2014, participants in the management investment plan were offered to participate in a capital increase related to the acquisition of the former Servisair Group. At the end of this period a number of 934,976,360 shares were held by management. No expense for this plan is recognised in the consolidated financial statements of the Group as the price of CHF 0.01 paid for a share acquired under this plan equals the grant date fair value of the equity instruments granted. The fair value was estimated with reference to valuation of the Swissport Group that was made in connection with the acquisition of the Swissport Group by the Aguila 3 Group.

Transactions and balances arising from sales / purchases of services during the years ended and as of 31 December 2014 and 2013.

2014	PAI Partners MCHF	Associates MCHF	Joint Ventures MCHF	Share of other partners of joint operations MCHF	TOTAL MCHF
Transactions:					
Management and trademark fees	(1.0)	-	0.3	-	(0.7)
Interest earned	-	-	0.0	-	0.0
Assets:					
Non-current loan (note 20)	-	0.0	-	-	0.0
Current loan (note 20)	-	0.0	0.5	0.1	0.6
Trade receivable (note 20)	-	0.1	0.1	0.1	0.3
Total	**-**	**0.1**	**0.6**	**0.2**	**0.9**
Liabilities:					
Other payables (note 25)	0.9	-	-	-	0.9
Total	**0.9**	**-**	**-**	**-**	**0.9**

2013	PAI Partners MCHF	Associates MCHF	Joint Ventures MCHF	Share of other partners of joint operations MCHF	TOTAL MCHF
Transactions:					
Management and trademark fees	(1.0)	-	0.4	-	(0.6)
Interest earned	-	-	0.0	-	0.0
Assets:					
Non-current loan (note 20)	-	0.0	-	-	0.0
Current loan (note 20)	-	0.1	0.9	0.1	1.1
Trade receivable (note 20)	-	0.1	0.5	0.0	0.6
Total	**-**	**0.2**	**1.4**	**0.1**	**1.7**
Liabilities:					
Trade payables (note 25)	-	-	0.4	-	0.4
Other payables (note 25)	0.9	-	-	-	0.9
Total	**0.9**	**-**	**0.4**	**-**	**1.3**

31. Events occurring after the reporting period

No significant events that would require an adjustment of the consolidated financial statements occurred between 31 December 2014 and 29 April 2015, the date of authorisation of the consolidated financial statements by the Board of Directors.

The January 2015 decision of the Swiss National Bank (SNB) to remove the EUR / CHF exchange rate floor resulted in an immediate strengthening of the CHF against all other Group currencies. A strengthened CHF has a negative translational impact on the Group's reported results. Management carried out an additional impairment test to determine whether the impact of a significantly strengthened CHF could lead to an impairment of the Group's goodwill. The impairment test was performed using the foreign exchange rates of the day immediately following the announcement of the SNB's decision. The impairment test did not result in an impairment of the Group's goodwill.

32. Aguila 3 Group Companies

The Group interest is 100% of the ordinary share capital, unless otherwise stated. The entities included in these consolidated financial statements are:

Fully consolidated entities		Interest where not 100%		Country of operation
		2014	2013	
Luxembourg				
Aguila 3 S.A.				Luxembourg
Swissport Cargo Services Luxembourg S.A.		75.0%	75.0%	Luxembourg
Switzerland				
Aguila Bid AG				Switzerland
Swissport International AG				Switzerland
Swissport Baggage Sorting AG				Switzerland
Swissport Group Services GmbH				Switzerland
Checkport Schweiz AG		85.0%	85.0%	Switzerland
PrivatPort S.A.		51.0%	51.0%	Switzerland
Careport AG		66.8%	66.8%	Switzerland
GVAssistance AG		70.0%	70.0%	Switzerland
Other European Countries				
Swissport Cargo Services Austria GmbH				Austria
Swissport Cargo Services Belgium N.V.				Belgium
Swissport Belgium N.V.				Belgium
Swissport Bulgaria AD		51.0%	51.0%	Bulgaria
Swissport G.A.P. Vassilopoulos (Cyprus) Ltd.		51.0%	51.0%	Cyprus
Swissport Cyprus Ltd.		38.2%	38.2%	Cyprus
Swissport Cargo Services Denmark ApS.				Denmark
Swissport Denmark AS (formerly Servisair Denmark AS)				Denmark
Swissport Finland OY				Finland
Swissport Cargo Finland OY (formerly Finland OY)				Finland
Swissport France Holding SAS				France
Swissport Cargo Services France Sarl				France
Swissport France SAS	(a)	-		France
Swissport Services CDG SAS	(a)	-		France
Swissport Nice SAS	(a)	-		France
Swissport Executive Aviation SAS		51.0%	51.0%	France
Servisair SAS				France
Servisair France SA	(a)	-		France
Heracles (France)	(a)	-		France
Swissport Germany Holding GmbH				Germany
Swissport Cargo Services Deutschland GmbH				Germany
Swissport Losch GmbH & Co. OHG		55.0%	55.0%	Germany
Swissport Losch Solutions GmbH & Co. KG		55.0%	55.0%	Germany
Swissport Losch Services GmbH & Co. KG		55.0%	55.0%	Germany
Swissport Losch Services Verwaltungsgesellschaft GmbH		55.0%	55.0%	Germany
Swissport Losch Operations GmbH & Co. KG		55.0%	55.0%	Germany
Swissport Losch Operations Verwaltungsgesellschaft GmbH		55.0%	55.0%	Germany
Swissport Losch München GmbH & Co. KG		55.0%	55.0%	Germany
Flightcare Multiservices Ireland Limited (formerly Derichebourg Multiservices Ltd (Ireland))				Republic of Ireland
Knights Cleaning Services Ltd				Republic of Ireland
Swissport Ireland Ltd (formerly Servisair Ireland Ltd)				Republic of Ireland
Swissport Kazakhstan LLP				Kazakhstan
Swissport Holding B.V.				Netherlands
Swissport Nederland B.V.				Netherlands
Swissport Cargo Services The Netherlands B.V.				Netherlands
Servisair Amsterdam B.V.				Netherlands
Servisair Holdings B.V.				Netherlands
Cargo Service Center East Africa B.V.				Netherlands

Fully consolidated entities		Interest where not 100% 2014	2013	Country of operation
Swissport Poland Ltd.				Poland
Servisair Portugal Unipessoal Lda				Portugal
Swissport Spain Aviation Services S.L.				Spain
Swissport Holding Spain S.L.				Spain
Swissport Handling S.A.				Spain
Swissport Spain S.A.				Spain
Servisair Iberica S.A.				Spain
Swissport Fuelling Ltd.				United Kingdom
Swissport Cargo Services UK Ltd.				United Kingdom
Swissport UK Holding Ltd.				United Kingdom
Swissport Stansted Ltd.				United Kingdom
Swissport Limited				United Kingdom
Swissport Fuelling Services UK Limited				United Kingdom
Flightcare Multiservices UK Limited (formerly Derichebourg Multiservices Ltd (UK))				United Kingdom
Servisair Group Limited				United Kingdom
Servisair UK Ltd.				United Kingdom
Servisair Holdings Limited				United Kingdom
Swissport Jersey Limited (formerly Servisair Jersey Ltd)				United Kingdom
Swissport Guernsey Ltd. (formerly Servisair Guernsey Ltd.)				United Kingdom
North America				
Swissport Canada Handling Inc.				Canada
Servisair Inc				Canada
Servisair Deicing Services Inc				Canada
GlobeGround Fuel Services Inc.				Canada
Swissport North America Holdings Inc.				USA
Swissport North America Inc.				USA
Swissport Cargo Holdings Inc.				USA
Swissport Cargo Services L.P.				USA
Swissport Holdings Inc.				USA
Swissport Lounge LLC				USA
BWID LLC				USA
Dapsco Inc.				USA
Swissport USA Inc.				USA
Swissport Cargo Services Inc.				USA
Swissport Fueling Inc.				USA
Swissport Fueling of Nevada Inc.				USA
Swissport SA USA LLC (formerly Servisair USA Inc)				USA
Servisair Americas Inc				USA
Swissport SA LLC (formerly Servisair LLC (USA))				USA
Servisair Leasing Corporation				USA
Swissport SA Fuel Services LLC (formerly Servisair Fuel Services LLC (USA))				USA
Servisair Fuel Leasing Corporation				USA
Hallmark Aviation Services L.P.		51.0%	51.0%	USA
Other Countries				
SPA Swissport Algerie Ltd.		51.0%	51.0%	Algeria
Swissport Argentina S.A.				Argentina
Swissport Brazil Ltda.				Brazil
Cargo Service Center Brazil S.A.T.A Ltda.				Brazil
Camport PLC		46.8%	46.8%	Cameroon
Servisair Chile SA				Chile
Interairport Services Swissport S.A.		51.0%	51.0%	Costa Rica
Aerocargo B.V.				Curacao
Cargo Services Center International N.V.				Curacao
Swissport Curacao N.V.				Curacao
Swissport Dominicana S.A.		34.0%	34.0%	Dominican Republic

Fully consolidated entities		Interest where not 100%		Country of operation
		2014	2013	
Other Countries continued....				
Swissport Cargo Services Israel Ltd.		51.0%	51.0%	Israel
Swissport Kenya Limited (formerly Airside Ltd)				Kenya
Swissport Korea Ltd.		59.0%	59.0%	Republic of Korea
Swissport Japan Ltd.		51.0%	51.0%	Japan
Swissport Maroc SA		85.0%	85.0%	Morocco
Swissport Mexico Holding, S. de R.L. de C.V.		99.9%	99.9%	Mexico
Cargo Service Center de Mexico S.A. de C.V.				Mexico
Swissport Aviation Services de Mexico S.A. de C.V.				Mexico
Checkport Security Nigeria Limited		43.4%	43.4%	Nigeria
Swissport Peru S.A.C.				Peru
Peruvian Investments 2008 PTE. Ltd.				Singapore
Swissport South Africa (PTY) Ltd.		51.0%	51.0%	South Africa
Checkport South Africa (PTY) Ltd.		43.4%	43.4%	South Africa
Swissport Tanzania Ltd.		51.0%	51.0%	Tanzania
Swissport Zanzibar Company Limited		65.0%	65.0%	Tanzania
Servisair Trinidad and Tobago Limited				Trinidad & Tobago
Swissport Cargo Services Venezuela S.A.		88.0%	88.0%	Venezuela
Tramitaven C.A.		60.0%	60.0%	Venezuela
Servisair Venezuela CA				Venezuela
Servisair Inmobiliaria CA (Venezuela)				Venezuela

Equity accounted entities		Interest where not 100%		Country of operation
		2014	2013	
Flughafen Graz Boden-Services GmbH		37.0%	37.0%	Austria
S&L Airport Services Ltd.		19.1%	19.1%	Cyprus
Compania de Economia Mixta Servicios Aeroportuarios del Ecuador - Quito		30.0%	30.0%	Ecuador
N*ICE Aircraft Services & Support GmbH		48.0%	48.0%	Germany
Luft-hafen-Umschlag GmbH & Co. KG (LHU Hamburg)	(c)	-	24.9%	Germany
Verwaltungs-gesellschaft LHU GmbH Hamburg	(c)	-	24.8%	Germany
Quality Airport Services Israel Ltd.		50.0%	50.0%	Israel
GlobeGround Romania SRL		25.0%	25.0%	Romania
Bucharest International Cargo Centre SA		25.8%	25.8%	Romania
ZAO Cargo Terminal Pulkovo		40.0%	40.0%	Russia
Bradford Swissport Limited		50.0%	50.0%	United Kingdom
Heathrow Cargo Handling Ltd		50.0%	50.0%	United Kingdom

Inactive entities		Interest where not 100%		Country of operation
		2014	2013	
Swissport Austria GmbH				Austria
Swissport Middle East Holding Inc.		51.0%	51.0%	Cayman Islands
Carribbean Jets				Dominican Republic
Swissport Deutschland GmbH				Germany
Swissport Ground Handling GmbH				Germany
Swissport Services GmbH				Germany
Swissport Travel Center GmbH				Germany
Checkport Ghana		43.4%	43.4%	Ghana
Swissport Ghana		50.0%	50.0%	Ghana
Swissport GBH Honduras S.A.		41.0%	41.0%	Honduras
Swissport Cargo Services Magyarorszag KFT.	(b)	-		Hungary
Shamrock Logistics Limited				Republic of Ireland
Swissport Cargo Services Italy S.R.L.				Italy
Checkport Nederland B.V.				Netherlands
Swissport Mexico Participation II B.V.				Netherlands
Swissport Latinamerica S.A.				Panama
Swissport Portugal S.A.				Portugal
Swissport R.S. D.O.O.				Serbia
Swissport Singapore Pte Ltd.				Singapore
Swissport Fueling AG				Switzerland
Shamrock Logistics Limited				United Kingdom
Swissport Uruguay S.A.				Uruguay

Additional information on the Group's interests:

(a) Disposal of shareholding in Swissport France SAS, Swissport Nice SAS, Swissport Services CDG SAS, Servisair France SA and Heracles from 100% to 0%, France (October 2014).

(b) Swissport Cargo Services Magyarorszag KFT dissolved, Hungary (March 2014)

(c) Disposal of shareholding in LHU Luft-Hafen-Umschlag GmbH & Co. KG and Verwaltungsgesellschaft LHU Luft-Hafen-Umschlag GmbH from 24.9% to 0%, Germany (December 2014).

Swissport Financing S.à r.l. (formerly Aguila 3 S.A.)
Société à responsabilité limitée

Annual accounts
for the financial year ended December 31, 2016
(with the report of the Réviseur d'Entreprises Agréé thereon)

Registered office:
9, allée Scheffer
L-2520 Luxembourg
Luxembourg Trade and Companies Register number: B 157692
Share capital: CHF 426.591.687,92

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To the Sole Shareholder of
Swissport Financing S.à r.l. (formerly Aguila 3 S.A.)
9, allée Scheffer
L - 2520 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Following our appointment by the General Meeting of the Shareholder dated April 29, 2016, we have audited the accompanying annual accounts of Swissport Financing S.à r.l. (formerly Aguila 3 S.A.), which comprise the balance sheet as at December 31, 2016 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Managers' responsibility for the annual accounts

The Board of Managers is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Managers, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Swissport Financing S.à r.l. (formerly Aguila 3 S.A.) as of December 31, 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Luxembourg, July 13, 2017

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

Ch. Schmitt

SU001

RCSL Nr. : B157692	Matricule : 2010 2234 309
	eCDF entry date : 13/07/2017

BALANCE SHEET

Financial year from 01 01/01/2016 **to** 02 31/12/2016 *(in* 03 CHF)

Swissport Financing S.à r.l. (formerly Aguila 3 S.A.)

9, allée Scheffer
L-2520 Luxembourg

ASSETS

		Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101		101		102	
I. Subscribed capital not called	1103		103		104	
II. Subscribed capital called but unpaid	1105		105		106	
B. Formation expenses	1107	4	107	0,00	108	8.079.941,41
C. Fixed assets	1109		109	1.962.412.440,44	110	1.659.171.206,20
I. Intangible assets	1111		111		112	
1. Costs of development	1113		113		114	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		115		116	
a) acquired for valuable consideration and need not be shown under C.I.3	1117		117		118	
b) created by the undertaking itself	1119		119		120	
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		121		122	
4. Payments on account and intangible assets under development	1123		123		124	
II. Tangible assets	1125		125		126	
1. Land and buildings	1127		127		128	
2. Plant and machinery	1129		129		130	

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B157692	Matricule : 2010 2234 309

	Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131	131		132	
4. Payments on account and tangible assets in the course of construction	1133	133		134	
III. Financial assets	1135 5	135	1.962.412.440,44	136	1.659.171.206,20
1. Shares in affiliated undertakings	1137 5.1	137	298.315.000,00	138	298.315.000,00
2. Loans to affiliated undertakings	1139 5.2	139	1.664.097.440,44	140	1.360.856.206,20
3. Participating interests	1141	141		142	
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143		144	
5. Investments held as fixed assets	1145	145		146	
6. Other loans	1147	147		148	
D. Current assets	1151	151	50.603.486,69	152	96.342.174,85
I. Stocks	1153	153		154	
1. Raw materials and consumables	1155	155		156	
2. Work in progress	1157	157		158	
3. Finished goods and goods for resale	1159	159		160	
4. Payments on account	1161	161		162	
II. Debtors	1163 6	163	50.602.814,96	164	96.273.694,29
1. Trade debtors	1165	165		166	
a) becoming due and payable within one year	1167	167		168	
b) becoming due and payable after more than one year	1169	169		170	
2. Amounts owed by affiliated undertakings	1171 6.1	171	49.748.169,14	172	95.442.124,15
a) becoming due and payable within one year	1173 6.1.1	173	49.748.169,14	174	95.442.124,15
b) becoming due and payable after more than one year	1175	175		176	
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177		178	
a) becoming due and payable within one year	1179	179		180	
b) becoming due and payable after more than one year	1181	181		182	
4. Other debtors	1183	183	854.645,82	184	831.570,14
a) becoming due and payable within one year	1185	185	854.645,82	186	831.570,14
b) becoming due and payable after more than one year	1187	187		188	

RCSL Nr. : B157692	Matricule : 2010 2234 309

		Reference(s)		Current year		Previous year
III. Investments	1189		189		190	
1. Shares in affiliated undertakings	1191		191		192	
2. Own shares	1209		209		210	
3. Other investments	1195		195		196	
IV. Cash at bank and in hand	1197		197	671,73	198	68.480,56
E. Prepayments	1199		199		200	
TOTAL (ASSETS)			201	2.013.015.927,13	202	1.763.593.322,46

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B157692	Matricule : 2010 2234 309

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301	7	301	406.506.391,62	302	482.012.661,65
I. Subscribed capital	1303	7.1	303	426.591.687,92	304	426.591.687,92
II. Share premium account	1305	7.2	305	101.204.212,73	306	101.204.212,73
III. Revaluation reserve	1307		307		308	
IV. Reserves	1309		309		310	
1. Legal reserve	1311		311		312	
2. Reserve for own shares	1313		313		314	
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves, including the fair value reserve	1429		429		430	
a) other available reserves	1431		431		432	
b) other non available reserves	1433		433		434	
V. Profit or loss brought forward	1319		319	-45.783.239,00	320	-44.658.051,85
VI. Profit or loss for the financial year	1321		321	-75.506.270,03	322	-1.125.187,15
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
B. Provisions	1331		331		332	
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335		336	
3. Other provisions	1337		337		338	
C. Creditors	1435	8	435	1.606.509.535,51	436	1.281.580.660,81
1. Debenture loans	1437	8.1	437	0,00	438	1.276.082.693,30
a) Convertible loans	1439		439		440	
i) becoming due and payable within one year	1441		441		442	
ii) becoming due and payable after more than one year	1443		443		444	
b) Non convertible loans	1445	8.1.1	445	0,00	446	1.276.082.693,30
i) becoming due and payable within one year	1447	8.1.1.1	447	0,00	448	41.238.343,30
ii) becoming due and payable after more than one year	1449	8.1.1.1	449	0,00	450	1.234.844.350,00
2. Amounts owed to credit institutions	1355	8.2	355	2.045,55	356	0,00
a) becoming due and payable within one year	1357	8.2.1	357	2.045,55	358	0,00
b) becoming due and payable after more than one year	1359		359		360	

The notes in the annex form an integral part of the annual accounts

		Reference(s)		Current year		Previous year
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361		361		362	
a) becoming due and payable within one year	1363		363		364	
b) becoming due and payable after more than one year	1365		365		366	
4. Trade creditors	1367	8.3	367	60.550,86	368	2.049.174,02
a) becoming due and payable within one year	1369	8.3.1	369	60.550,86	370	2.049.174,02
b) becoming due and payable after more than one year	1371		371		372	
5. Bills of exchange payable	1373		373		374	
a) becoming due and payable within one year	1375		375		376	
b) becoming due and payable after more than one year	1377		377		378	
6. Amounts owed to affiliated undertakings	1379	8.4	379	1.606.386.996,74	380	3.384.195,20
a) becoming due and payable within one year	1381	8.4.1	381	230.672.720,53	382	3.384.195,20
b) becoming due and payable after more than one year	1383	8.4.2	383	1.375.714.276,21	384	0,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385		386	
a) becoming due and payable within one year	1387		387		388	
b) becoming due and payable after more than one year	1389		389		390	
8. Other creditors	1451		451	59.942,36	452	64.598,29
a) Tax authorities	1393		393	58.597,88	394	62.966,86
b) Social security authorities	1395		395	1.344,48	396	1.631,23
c) Other creditors	1397		397	0,00	398	0,20
i) becoming due and payable within one year	1399		399	0,00	400	0,20
ii) becoming due and payable after more than one year	1401		401		402	
D. Deferred income	1403		403		404	
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	2.013.015.927,13	406	1.763.593.322,46

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B157692	Matricule : 2010 2234 309
	eCDF entry date : 13/07/2017

PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2016 **to** 02 31/12/2016 (in 03 CHF)

Swissport Financing S.à r.l. (formerly Aguila 3 S.A.)

9, allée Scheffer
L-2520 Luxembourg

PROFIT AND LOSS ACCOUNT

		Reference(s)		Current year		Previous year
1. Net turnover	1701		701	0,00	702	0,00
2. Variation in stocks of finished goods and in work in progress	1703		703		704	
3. Work performed by the undertaking for its own purposes and capitalised	1705		705		706	
4. Other operating income	1713		713	0,00	714	0,00
5. Raw materials and consumables and other external expenses	1671		671	-91.309,33	672	-144.449,72
a) Raw materials and consumables	1601		601		602	
b) Other external expenses	1603	9	603	-91.309,33	604	-144.449,72
6. Staff costs	1605	10	605	0,00	606	-15.496,61
a) Wages and salaries	1607		607	0,00	608	-12.019,84
b) Social security costs	1609		609	0,00	610	-3.476,77
i) relating to pensions	1653		653		654	-3.476,77
ii) other social security costs	1655		655		656	
c) Other staff costs	1613		613		614	
7. Value adjustments	1657	11	657	-8.079.941,41	658	-4.509.985,95
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	11.1	659	-8.079.941,41	660	-4.509.985,95
b) in respect of current assets	1661		661		662	
8. Other operating expenses	1621	12	621	-273,86	622	-25.198,74

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B157692	Matricule : 2010 2234 309

		Reference(s)		Current year		Previous year
9. Income from participating interests	1715		715		716	
a) derived from affiliated undertakings	1717		717		718	
b) other income from participating interests	1719		719		720	
10. Income from other investments and loans forming part of the fixed assets	1721	13	721	125.519.169,62	722	102.288.485,73
a) derived from affiliated undertakings	1723	13.1	723	125.519.169,62	724	102.288.485,73
b) other income not included under a)	1725		725		726	
11. Other interest receivable and similar income	1727	14	727	4.774.540,74	728	1.090.805,59
a) derived from affiliated undertakings	1729		729		730	
b) other interest and similar income	1731	14.1	731	4.774.540,74	732	1.090.805,59
12. Share of profit or loss of undertakings accounted for under the equity method	1663		663		664	
13. Value adjustments in respect of financial assets and of investments held as current assets	1665		665		666	
14. Interest payable and similar expenses	1627	15	627	-197.525.362,56	628	-99.754.600,53
a) concerning affiliated undertakings	1629	15.1	629	-91.709.534,84	630	0,00
b) other interest and similar expenses	1631	15.2	631	-105.815.827,72	632	-99.754.600,53
15. Tax on profit or loss	1635	16	635	-132,02	636	-3.606,28
16. Profit or loss after taxation	1667		667	-75.403.308,82	668	-1.074.046,51
17. Other taxes not shown under items 1 to 16	1637	16	637	-102.961,21	638	-51.140,64
18. Profit or loss for the financial year	1669		669	-75.506.270,03	670	-1.125.187,15

1. General information

Swissport Financing S.à r.l. (formerly Aguila 3 S.A.) (hereafter the "Company") was incorporated on December 13, 2010 and is organised under the laws of Luxembourg as a Société Anonyme for an unlimited period.

On July 7, 2017 Aguila 2 S.à r.l. (formerly Aguila 2 S.A. and the former sole shareholder of the Company) resolved to change the legal from of the Company and to adopt the form of a private limited liability company "Société à responsabilité limitée" and to change the name to Swissport Financing S.à r.l..

On February 10, 2016 the registered office of the Company was moved from 43-45, allée Scheffer, L-2520 Luxembourg to 6, rue Guillaume Schneider, L-2522 Luxembourg. On October 28, 2016, the registered office of the Company was moved from 6, rue Guillaume Schneider, L-2522 Luxembourg to 9, allée Scheffer, L-2520 Luxembourg.

The Company's financial period starts on January 1 and ends on December 31 of each year.

The main activity of the Company is to hold participations, in any form whatsoever, in Luxembourg and foreign companies, including, to the extent permitted by law, in any direct and indirect parent company, or other business entities, acquire by purchase, subscription, or in any other manner as well as transfer by sale, exchange or otherwise, of stock, bonds, debentures, notes, convertible loan notes and other securities of any kind, and the ownership, administration, development and management of its portfolio. The Company may hold interests in partnerships and carry out its business through branches in Luxembourg or abroad.

The Company may borrow in any form and issue bonds, preferred equity certificates, whether convertible or not, warrants notes and debentures.

In a general fashion it may grant assistance (by way of loans, advances, guarantees or securities or otherwise, including upstream or cross stream) to companies or other enterprises in which the Company has an interest or which forms part of the group of companies to which the Company belongs, take any controlling and supervisory measures and carry out any operation which it may deem useful in the accomplishment and development of its purpose.

Finally, the Company can perform all commercial, technical and financial or other operations, connected directly or indirectly in all areas in order to facilitate the accomplishment of its purpose.

Based on the exemption granted by article 314 of the Luxembourg law of August 10, 1915, as subsequently amended, the Company is exempt from the obligation to draw up consolidated accounts and a consolidated management report for the year ended December 31, 2016. Therefore, in accordance with the legal provisions, these annual accounts are presented on a non-consolidated basis to be approved by the sole shareholder during the Annual General Meeting.

The annual accounts of the Company are included in the consolidated financial statements of Swissport Group S.à r.l. forming the smallest and largest body of undertakings of which the Company forms a part as an indirect undertaking. The registered office of Swissport Group S.à r.l. is located at 9, allée Scheffer, L-2520 Luxembourg where the consolidated financial statements are available.

2. Presentation of the comparative financial data

The provision of the law of December 18, 2015 on the annual accounts and the grand-ducal regulation of December 18, 2015 on the layout of balance sheet and profit and loss account, amending the law of December 19,2002 have been transposed in these annual accounts. The layout and the headings of certain balance sheet and profit and loss account captions have been modified accordingly. Some comparative figures have been reclassified for the same reason.

3. Principles, rules and valuation methods

3.1. General principles

These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the law of December 19, 2002, as subsequently amended are determined and applied by the Board of Managers.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Managers believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.2. Significant accounting and valuation methods

The accounting methods by the Company are in conformity with the going concern principle.
The significant valuation rules of the Company can be summarised as follows:

3.2.1.Formation expenses

The formation expenses are fully amortised during the year in which they are incurred.

In the case at hand, this item also includes transaction costs related to the external financing which were partly capitalized. The transaction costs related to the senior secured notes issued are amortized on a straight line basis over a period of seven years in line with the maturity of the senior secured notes. The transaction costs related to the revolving credit facility are amortized on a straight line basis over a period of six years in line with the maturity of the revolving credit facility.

The amortization of the capitalized transaction costs is presented as value adjustment in respect of formation expenses and of tangible and intangible fixed assets.

3.2.2. Financial assets

Financial assets such as shares in affiliated undertakings are valued at their historical acquisition cost. Loans granted to affiliated undertakings or other companies and defined as financial assets are valued at their nominal value.

If the Board of Managers determines that a durable impairment has occurred in the value of a financial asset, a value adjustment is made in order to reflect that loss. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.2.3. Debtors

Debtors are recorded at their nominal value. A value adjustment is made when their recovery is partly or completely in doubt. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.2.4. Creditors

Creditors are recorded at their repayment value.

3.2.5. Accrual for taxation

The tax liability estimated by the Company for the financial years for which the Company has not been assessed yet, is recorded under the caption "Other creditors - Tax authorities". The advance payments are disclosed in the assets of the balance sheet under "Other debtors".

3.2.6. Foreign currency translation

The Company maintains its books and records in CHF.

All transactions expressed in currency other than CHF are translated into CHF at the exchange rate prevailing at the date of the transaction.

The formation expenses and the fixed assets other than the long-term loans classified as financial assets and expressed in another currency than CHF are translated in CHF at the exchange rate prevailing at the date of their acquisition. At the balance sheet date, these fixed assets are maintained at their historical exchange rate.
Cash is translated at the exchange rate prevailing at the balance sheet date. Exchange gains and losses resulting from this conversion are accounted in the profit and loss account for the period.

Other assets and liabilities are translated separately respectively at the lower (assets) or at the higher (liabilities) of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation.

In the case there is an economic link between an asset and a liability, they are translated in total and only the unrealised net exchange losses are accounted for in the profit and loss account.

As at December 31, 2016, the balance sheet items expressed in USD and EUR were converted at the year-end EUR rate of 0,981480 (2015: 0,990786) and USD rate of 0,931434 (2015: 1,082632) respectively.

(Expressed in CHF)

4. Formation expenses

As the senior secured notes and the revolving credit facility were fully repaid during the year 2016, the related capitalized financing costs were fully amortized and charged to the profit and loss account of the year ended December 31, 2016.

The movements for the year are as follows:

	Senior Secured Notes of USD 425.000.000,00 CHF	Senior Secured Notes of CHF 350.000.000,00 CHF	Revolving credit facility CHF	Total CHF
Gross Book Value - Opening balance	**11.786.833,62**	**10.452.475,09**	**8.019.878,55**	**30.259.187,26**
Additions for the year	-	-	-	-
Gross Book Value - Closing balance	**11.786.833,62**	**10.452.475,09**	**8.019.878,55**	**30.259.187,86**
Amortisation - Opening balance	**8.274.292,71**	**7.337.580,16**	**6.567.372,98**	**22.179.245,85**
Amortisation for the year	3.512.540,91	3.114.894,93	1.452.505,57	8.079.941,41
Amortisation - Closing balance	**11.786.833,62**	**10.452.475,09**	**8.019.878,55**	**30.259.187,86**
Net Book Value - Closing balance	**0,00**	**0,00**	**0,00**	**0,00**

5. Financial assets

5.1. Shares in affiliated undertakings

Undertakings in which the Company holds at least twenty per cent of the share capital, or in which it is the member having unlimited liability is as follows:

Name of the company	Registered office	Percentage of ownership	Closing date of last financial period	Shareholders equity (TCHF)	Results of last financial period (TCHF)	Net Investment amount (TCHF)
Aguila Bid AG	55, Flughofstrasse CH-8152 Opfikon	100.00%	December 31, 2015	319.271,00	(176.094,00)	298.315,00

The figures mentioned in the Shareholder's equity and the Result of the last financial period are based on the last annual accounts available expressed in Swiss GAAP.

The Board of Managers considered the valuation of the subsidiary and therefore decided that no value adjustment is necessary to be recorded on that financial fixed asset in the accounts of the Company.

(Expressed in CHF)

5.2. Amounts owed by affiliated undertakings

The long term loans issued by Aguila Bid AG can be summarized in the following table:

Maturity date	Interest Rate	Nominal Value 31.12.2015 (CHF)	Additions during the year (CHF)	Disposal during the year (CHF)	Nominal Value 31.12.2016 (CHF)	Interest income (CHF)	Accrued interests (CHF)
29/01/2018	7.88%	291.034.917,20	-	-291.034.917,20	-	2.546.711,46	-
21/01/2022	7.50%	-	298.344.895,78	-	298.344.895,78	19.638.059,44	1.243.103,73
29/01/2018	4.00%	171.476.939,00	-	-171.476.939,00	-	762.119,73	-
21/01/2022	4.00%	-	173.769.014,09	-	173.769.014,09	6.136.403,88	386.153,37
29/01/2018	7.88%	401.192.350,00 USD 425.000.000,00	-	-401.192.350,00 (USD 425.000.000,00)	-	3.742.435,64	-
30/01/2018	7.91%	122.590.000,00 USD 130.000.000,00	-	-122.590.000,00 (USD 130.000.000,00)	-	1.149.105,95	-
30/01/2018	8.11%	361.062.000,00 USD 390.000.000,00	-	-361.062.000,00 (USD 390.000.000,00)	-	3.535.408,70	-
21/01/2022	8.10%	-	911.117.702,91 USD 970.644.169,69		911.117.702,91 USD 970.644.169,69	68.838.394,93	4.434.093,85
30/01/2018	2.03%	13.500.000,00	-	-13.500.000,00	-	30.450,00	-
21/01/2022	2.03%	-	13.591.465,90	-	13.591.465,90	244.399,14	15.328,15
21/01/2022	7.67%	-	267.274.361,76 EUR 243.691.943,00	-	267.274.361,76 EUR 243.691.943,00	18.154.925,07	1.114.838,42
Total		**1.360.856.206,20**	**1.664.097.440,44**	**-1.360.856.206,20**	**1.664.097.440,44**	**124.778.413,94**	**7.193.517,52**

The Board of Managers considered the valuation of the loans and therefore decided that no value adjustments are necessary to be recorded on those financial fixed assets in the accounts of the Company.

(Expressed in CHF)

6. Debtors

6.1. Amounts owed by affiliated undertakings

6.1.1.becoming due and payable within one year

This item is composed of:	2016 CHF	2015 CHF
- unpaid invoices *	14.250.378,44	14.250.378,44
- interest free loan granted to Aguila 2 S.à r.l. **	44.336,69	10.738,23
- interest free loan granted to Aguila Bid AG ***	19.325.039,74	19.467.000,00
- short term loans granted to Aguila Bid AG and Swissport Investments S.A.****	8.913.396,59	18.986.342,23
- accrued interest on loans (see note 5.2)	7.193.517,52	42.653.036,40
- accrued interest on short term loans with Aguila Bid AG	476.97	74.628,85
- accrued interest on short term loans with SP Invest S.A.	21.023,19	-
TOTAL	**49.748.169,14**	**95.442.124,15**

Borrower	Amount EUR	Amount CHF	Maturity	Interest income CHF	Interest rate
Aguila Bid AG	184.181,48	197.739,70	February 8, 2017	476,97	4.5%
Swissport Investments S.A.	8.118.059,16	8.715.656,89	June 12, 2017	21.023,19	4.5%
Total		**8.913.396,59**		**21.500,16**	

* The unpaid invoices amounting to CHF 14.250.378,44 derive mainly of a premium on the senior secured notes, subsequently recharged to Aguila Bid AG.

** This amount derives from a short terms advances granted to Aguila 2 S.à r.l. (formerly Aguila 2 S.A.) for a total amount of CHF 44.336,69 (2015: CHF 10.738,23).

*** On December 22, 2015 the Company granted an interest free loan to Aguila Bid AG for an amount of EUR 18.000.000,00 (CHF 19.325.039,74) with an initial maturity as of June 30, 2016 which was postponed to June 30, 2017.

**** The short terms loans to Aguila Bid AG and to Swissport Investments S.A. have generated an interest income amounting to CHF 21.500,16.

7. Capital and reserves

7.1. Subscribed capital

As at December 31, 2016 and December 31, 2015, the fully paid subscribed capital, amounting to CHF 426.591.687,92, is represented by 28.804.039.636 ordinary shares, 12.505.129.156 class A MCPS and 1.350.000.000 class B MCPS with a nominal value of CHF 0.01 each.

The MCPS are non-voting shares and their holders are only authorized to vote in respect of the resolutions contained in article 46 of the law on commercial companies.
The MCPS shall be converted into ordinary shares in full or in part at any time starting from December 20, 2019, upon decision of the shareholder(s) of the Company.

Each year, out of the Available Profits as described in the Company's articles of association, the MCPS holders are entitled to a dividend amounting to 2% of (i) the MCPS nominal value, (ii) the MCPS premium account (the "MCPS Dividend"). When the MCPS Dividend is allocated, the remaining Available Profits are dedicated to the ordinary shares.

If available profit would exist, MCPS dividend as detailed in article 16 of the Company's articles of association would amount to CHF 8.497.856,00.

The authorised capital amounts to CHF 941.511.687,92.

As at December 31, 2016 and December 31, 2015 all the shares and MCPS of the Company were pledged in favour of Barclay Bank Plc further to the Pledge Agreement dated February 10, 2016 and February 17, 2011 respectively.

7.2. Share premium account

As at December 31, 2016, and December 31, 2015 there is a share premium account for a total amount of CHF 81.737.212,73 and a capital contribution without issuance of shares account amounting to CHF 19.467.000,00.

7.3. Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

(Expressed in CHF)

8. Creditors

8.1. Debenture loans

8.1.1.Non convertible loans

The non convertible debenture loans can be summarized in the following table:

Nature	Maturity date	Interest Rate	Nominal Value December 31, 2015 (CHF)	Borrowing/ (Reimbursement) (CHF)	Nominal Value December 31, 2016 (CHF)	Interest expenses (CHF)	Accrued interest (CHF)
Senior Secured Notes due 2018	January 31, 2018	7.875%	350.000.000,00	(350.000.000,00)	-	3.521.875,00	-
Senior Secured Notes due 2018	January 31, 2018	7.875%	401.192.350,00 USD 425.000.000,00	(401.192.350,00) (USD 425.000.000,00)	-	4.303.259,21	-
Senior Secured Notes due 2018	January 31, 2018	7.875%	122.590.000,00 USD 130.000.000,00	(122.590.000,00) (USD 130.000.000,00)	-	1.316.291,05	-
Senior Secured Notes due 2018	January 31, 2018	7.875%	361.062.000,00 USD 390.000.000,00	(361.062.000,00) (USD 390.000.000,00)	-	3.948.873,15	-
Total			**1.234.844.350,00**	**1.234.844.350,00**	-	**13.090.298,41**	-

The references of the USD senior secured notes were USG01304AA50 and US00865AA20 and of the CHF senior secured notes were XS0585440430 and XS0585440604.

As at December 31, 2015 the accrued interest on senior secured notes was amounting to 41.238.343,30 whereas as at December 31, 2016 the accrued interest on senior secured notes is nil.

On February 10, 2016 the Company has redeemed the USD and CHF senior secured notes before the maturity date for a total amount of CHF 1.379.548.114,75. The amount paid includes penalities and fees related to the senior secured notes' early redemption for an aggregate amount of CHF 25.598.984,67 charged to the profit and loss account of the year.

8.2. Amounts owed to credit institutions

8.2.1.Becoming due and payable within one year

Amount shown under this caption derives from an overdraft on the current bank accounts for an amount of CHF 2.045,55 (2015: nil).

(Expressed in CHF)

8.3. Trade creditors

8.3.1. becoming due and payable within one year

This item is composed of:	2016 CHF	2015 CHF
- unpaid suppliers invoices	41.216,67	1.961.343,80
- accruals for administrative fees to be received	-	6.325,35
- accruals for audit and related fees to be received	11.841,60	74.943,38
- accruals for fiscal fees to be received	7.492,59	6.561,49
TOTAL	**60.550,86**	**2.049.174,02**

8.4. Amounts owed to affiliated undertakings

8.4.1. becoming due and payable within one year

This item is composed of:	2016 CHF	2015 CHF
- invoices paid by group companies *	5.576.420,56	3.384.195,20
- interest free loan from Aguila 2 S.à r.l. **	219.354.286,79	-
- accrued interest on loans (see note 8.4.2)	5.742.013,18	-
TOTAL	**230.672.720,53**	**3.384.195,20**

* This amount is composed of invoices paid by the group companies on behalf of the Company.

On February 10, 2016, the Company received a short term advance from Aguila 2 S.à r.l. (formerly Aguila 2 S.A.) of EUR 200.000.000,00 (CHF 219.354.286,79). This advance does not bear any interest and repayable on demand. In 2017 this advance was contributed to the capital contribution without issuance of shares account of the Company (see note 19).

8.4.2. Becoming due and payable in more than one year

Nature	Lender	Maturity date	Interest Rate	Nominal Value December 31, 2016 (CHF)	Interest expenses (CHF)	Accrued interests (CHF)
Loan	SPI *	January 21, 2022	7.67%	1.108.439.914,45 EUR 986.119.263,00	73.510.341,80	4.604.210,61
Loan	SPI *	January 21, 2022	7.67%	267.274.361,76 EUR 243.691.943,00	18.166.036,01	1.137.802,57
Total				**1.375.714.276,21**	**91.676.377,81**	**5.742.013,18**

* "SPI" means Swissport Investments S.A.

9. Other external expenses

This item is composed of the expenses of the year ended December 31, 2016 linked to the day-to-day management of the Company for CHF 91.309,33 (2015: CHF 144.449,72).

10. Staff costs

The Company has not employed any employee during the year ended December 31, 2016 (December 31, 2015: 1 part time employee).

11. Value adjustments

11.1. In respect of formation expenses and of tangible and intangible fixed assets

This item is composed of the full amortization on formation expenses as detailed in the note 4 for an amount of CHF 8.079.941,41 (2015: CHF 4.509.985,95).

12. Other operating expenses

This item is composed of a late filing VAT fine (2015: 25.198,74).

13. Income from investments and loans forming part of the fixed assets

13.1. Derived from affiliated undertakings

This item is mainly composed of the interest accrued during the year on the loans granted to Aguila Bid AG and Swissport Investments S.A. for an amount of CHF 125.519.169,62 (2015: CHF 102.288.485,73), see note 5.2.

14. Other interest receivable and similar income

14.1. Other interest and similar income

This item is composed of exchange gains for an amount of CHF 4.774.540,74 (2015: CHF 1.090.805,59).

15. Interest payable and similar expenses

15.1. concerning affiliated undertakings

This item is mainly composed of the interest accrued for the year ended December 31, 2016 on the loans granted by Swissport Investments S.A. for CHF 91.676.377,81 (see note 8.4.2) (2015: nil).

15.2. other interest and similar expenses

This item is mainly composed of the interest accrued during the year on the senior secured notes until the redemption for CHF 13.090.298,41 (2015: CHF 98.724.941,17) (see note 8.1.1.1), of foreign exchange losses accounted during the year for an amount of CHF 67.066.058,41 (2015: CHF 1.020.639,38) and of the penalties and fees supported by the Company further to the early redemption of the senior secured notes as detailed in the note 8.1 for an amount of CHF 25.598.984,67.

16. Tax status

The Company is subject in Luxembourg to the applicable general tax regulations.

17. Off-balance sheet commitments

On July 30, 2015, HNA Group Co Ltd. ("HNA Group") entered into a share purchase agreement with an entity beneficially owned by PAI Partners SAS, to acquire all of the issued and outstanding capital stock of Aguila 2 S.à r.l. (formerly Aguila 2 S.A. and the direct shareholder of the Company),. The acquisition was closed on February 10, 2016.

In this respect, and pursuant to a first-ranking share pledge agreement dated February 10, 2016, all the existing and future shares the Company holds in Aguila Bid AG including all dividends, subscription rights, claims and all of the Company's material assets were pledged in favour of Barclays Bank Plc as security for the secured obligations as at December 31,2016.

On January 20, 2016, Swissport Investments S.A. entered into a credit agreement with Barclays Bank PLC as "Administrative Agent" for a total amount of EUR 660.000.000,00 bearing yield at the rate of 6.25% per annum and repayable on February 10, 2022.

The amount of EUR 660.000.000,00 is secured by a collateral on assets as at December 31, 2016 of which the Company is part as a guarantor for a total exposure of USD 34.000.000,00.

According to debtor joinder agreement dated February 10, 2016, between the Company and Barclays Bank Plc, the Company is a guarantor of obligations in relation to senior secured notes due 2021 of EUR 400.000.000,00 (CHF 429.445.327,46), senior notes due 2022 of EUR 280.500.000,00 (CHF 301.148.535,88) and credit agreement dated January 20, 2016 of EUR 660.000.000,00 (CHF 784,584,790.31).

18. Remuneration to the members of the management and supervisory bodies

18.1. Emoluments granted to the members of the management and supervisory bodies

The Board of Managers does not receive remuneration in any kind from the Company.

18.2. Advances and loans granted to the members of the management and supervisory bodies

The Company did not grant any loan or advance to any member of the management and supervisory bodies.

19. Subsequent events

In February 2017 Aguila 2 S.à r.l. (formerly Aguila 2 S.A. and the former sole shareholder) contributed to the capital contribution account the advance granted to the Company on February 10, 2016 amounting to CHF 219.354.286,79 (EUR 200.000.000,00) (see note 8.4.1).

In February 2017, full repayment has occurred of the short term loans with total balance of CHF 197.739,70 (EUR 184.181,48) and the accrued interest up to February 8, 2017 (see note 6.1.1).

In February 2017, the Company received an advance from Aguila Bid AG of EUR 10.354.483,20 (CHF 11.019.217,50) and granted an advance to Swissport Investments S.A. on February 8, 2017 of EUR 10.540.000,00 (CHF 11.216.644,05).

In April 2017 Aguila 2 S.à r.l. (formerly Aguila 2 S.A. and the former sole shareholder) contributed to the capital contribution account an amount of CHF 61.956.800,00 (EUR 58.000.000,00).

In April 2017 the Company granted a loan to Swissport International AG for an amount of CHF 61.956.800,00 (EUR 58.000.000,00) bearing interest as 3.75% per annum and repayable before December 15, 2023.

With effective date as at July 7, 2017, the Company changed its legal form from S.A. to S.à r.l. and its name to Swissport Financing S.à r.l..

On July 7, 2017 all the shares issued by the Company together with any share premium were contributed by Aguila 2 S.à r.l. (formerly Aguila 2 S.A. and the former sole shareholder) to Swissport Holding International S.à r.l., a company incorporated on July 7, 2017 and fully owned by Aguila 2 S.à r.l..

The Company and Swissport Investments S.A. announced, on July 11, 2017, the commencement of an exchange offer and consent solicitation, upon the terms and subject to the conditions set forth in the exchange offer and consent solicitation memorandum dated July 11, 2017 in relation to (a) any and all of the outstanding 6.750% senior secured notes due 2021, issued by Swissport Investments S.A., with an original aggregate principal amount of EUR 400.000.000,00 all of which remains outstanding and (b) any and all of the outstanding 9.750% senior notes due 2022, issued by Swissport Investments S.A., with an original aggregate principal amount of EUR 290.000.000,00 of which EUR 280.500.000,00 remains outstanding.

No other matters or circumstances of importance other than those already described in the present notes to the annual accounts have arisen since the end of the financial year which could have significantly affected or might significantly affect the operations of the Company, the results of those operations or the affairs of the Company.

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