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1. විධායක සාරාංශය

2008 වර්ෂයේදී එමීරේට්ස් සමාගම විසින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ කළමනාකරණයෙන් ඉවත්වන විට සමාගමේ මෙහෙයුම් අලාභය රු. මිලියන 4,428 ක් විය. ඒ අවස්ථාව වන විට සමාගම විසින් A 320 වර්ගයේ ගුවන්යානා 05 ක්, A 330-200 වර්ගයේ ගුවන්යානා 04 ක් හා A 340-300 වර්ගයේ ගුවන්යානා 05 ක් ලෙස මුළු ගුවන්යානා 14 ක් ධාවනයේ යොදවමින් පැවතුණි.

සමාගම විසින් 2011 වර්ෂයේදී 2010/2011 - 2014/2015 වර්ෂ 05 ක කාල සීමාව සඳහා වූ ව්‍යාපාරික සැලැස්මක් සකස් කර තිබුණි. එම සැලැස්මෙහි එක කාර්යභාරයක් ලෙස සමාගම සතුව පැවති 2013-2021 කාලය තුළ ජීවිත කාලය ඉකුත් වීම නිසා භාවිතයෙන් ඉවත් කිරීමට නියමිත වූ පටු බඳ ගුවන්යානා 13 ක් වෙනුවට වෙනත් ගුවන්යානා ලබා ගැනීමේ අවශ්‍යතාවය දක්වා තිබුණු අතර එය ගුවන්යානා ප්‍රතිස්ථාපන වැඩසටහන (Re-fleeting Programme) ලෙස හඳුන්වා දී තිබුණි.

එහිදී, සමාගමේ කළමනාකරණය විසින් 2013-2021 කාලය තුළ ඉවත් කරන ගුවන්යානා 13 ක් වෙනුවට අලුත්ම පුළුල් බඳ ගුවන්යානා 14 ක්, ධාවනයට එකතු කර ගැනීමට තීරණය කර තිබුණි. මේ යටතේ A 330-300 වර්ගයේ නව ගුවන්යානා 06 ක් හා 2013 වර්ෂයේදී අළුතෙන්ම හඳුන්වා දෙන ලද A 350-900 වර්ගයේ ගුවන්යානා 04 ක් මෙහෙයුම් කල්බදු පදනම මත ලබා ගැනීමටත් තවත් එම වර්ගයේම ගුවන්යානා 04 ක් නිෂ්පාදකයා වෙතින් මිලදී ගෙන නැවත විකුණා මෙහෙයුම් කල්බදු පදනම මත ලබා ගැනීමටත් තීරණය කර තිබුණි. මේ අනුව A 330-300 වර්ගයේ ගුවන්යානා 06 2014/2015 තුළදී විකිණීම හා ආපසු මෙහෙයුම් කල්බදු ලබා ගැනීම් පදනම මත ලබාගෙන තිබුණි. තවද සමාගම විසින් නිෂ්පාදක සමාගම සමඟ A 350-900 වර්ගයේ ගුවන්යානා 04 ක් මිලදී ගැනීම සඳහා 2013 ජුනි 28 දින ගිවිසුමකට එළඹ තිබූ අතර එම වර්ගයේ තවත් ගුවන්යානා 04 ක් මෙහෙයුම් කල්බදු පදනම මත ලබාගැනීම සඳහා 2013 සැප්තැම්බර් 27 දින හා 2014 නොවැම්බර් 12 දින ගිවිසුම් වලට එළඹ තිබුණි.

2015 වර්ෂයේදී සමාගම විසින් ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්මක් නැවත සකස් කර 2015 ජුනි 24 දින අමාත්‍ය මණ්ඩලය මඟින් අනුමත කරගෙන තිබුණි. එම සැලැස්ම අනුව ගුවන් සේවා සමාගම වෙත ඒ වන විට මිලදී ගැනීමට ගිවිසුම්ගතව තිබූ A 350-900 ගුවන්යානා 08 ධාවනයට එකතුකර නොගැනීමට යෝජනා කර තිබුණි. මේ අනුව මෙහෙයුම් පදනම මත ලබා ගැනීමට නියමිත A 350-900 වර්ගයේ ගුවන්යානා 04 සඳහා ගිවිසුම්ගතව තිබූ කල්බදු සමාගම් සමඟ සාකච්ඡා පවත්වා යම් සාධාරණ විසඳුමකට පැමිණීමට උපදේශන සමාගම් වල සහාය ලබා ගැනීමට 2015 වර්ෂයේදී

අධ්‍යක්ෂ මණ්ඩලය තීරණය කර තිබුණි. ඒ අනුව මෙම කාර්යය සඳහා සමාගම විසින් විදේශීය උපදේශන සමාගමක සහාය ලබා ගෙන තිබුණු අතර ඊට අමතරව මුදල් අමාත්‍යාංශය විසින් අනුයුක්ත කරන ලද විදේශීය උපදේශන සමාගමක සහායද ලබාගෙන තිබුණි. මේ අනුව ගුවන්යානා ප්‍රතිස්ථාපන වැඩසටහන යටතේ උපදේශකවරුන්ගේ සහායද සහිතව මෙහෙයුම් කල්බදු ක්‍රමයට ලබා ගැනීමට ගිවිසුම්ගත වුවද, A 350-900 වර්ගයේ ගුවන්යානා 04 හි අවශ්‍යතාවයක් වර්තමානය වන විට නොමැති බැවින් 2016 වර්ෂයේදී සමාගම විසින් අවසන් කිරීමේ ගිවිසුම්වලට කල්බදු සමාගම සමඟ ගිවිසුම්ගත වූ අතර වන්දි මුදල ලෙස ඇමරිකන් ඩොලර් මිලියන 171.77 ක් ගෙවීමට එකඟ වී තිබුණි. කෙසේ නමුත් මෙහෙයුම් කල්බදු සමාගම සමඟ එළඹ තිබූ අවසන් කිරීමේ ගිවිසුම ප්‍රකාර කොන්දේසිවලට යටත්ව ඇමරිකන් ඩොලර් මිලියන 56ක් ඉවත් කරගෙන මුළු වන්දි මුදල ලෙස ඇමරිකන් ඩොලර් මිලියන 115.77 ක් එනම් රු.මිලියන 16,924 ක් 2016 හා 2017 වර්ෂවලදී සමාගම විසින් ගෙවා තිබුණි. තවද සමාගම විසින් 2015 වර්ෂයේදී A 330-300 වර්ගයේ ගුවන්යානා 02 කට සවි කිරීමට එකඟව සිටි VIP කට්ටල ගිවිසුම ද අවලංගු කර තිබුණි.

එමෙන්ම, A 350-900 වර්ගයේ ගුවන්යානා 04 ක් නිෂ්පාදකයාගෙන් සෘජුවම මිලදී ගැනීම සඳහා එළඹ තිබූ ගිවිසුම අවසන් කිරීමේ සාකච්ඡා වාර්තාවේ දින වන තෙක් සිදු කෙරෙමින් පවතින අතර නිෂ්පාදකයා විසින් අදාළ ගුවන්යානා නිෂ්පාදනය නවතා වෙනත් ගුවන්යානා වර්ගයක් (A 321 Neo) ලබාදීම සඳහා යෝජනා කර තිබුණි.

2. වාර්තාවේ පසුබිම සහ ස්වභාවය

2017 සැප්තැම්බර් 20 දින සීමාසහිත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ කටයුතු පරීක්ෂාව සඳහා පැවති පාර්ලිමේන්තු පොදු ව්‍යාපාර පිළිබඳ කාරක සභා රැස්වීමේදී සීමාසහිත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමට ගුවන් යානා මිලදී ගැනීමේ ගනුදෙනුවට අදාළ ගිවිසුම් අවසන් කිරීම සම්බන්ධයෙන් පරීක්ෂා කර වාර්තාවක් ඉදිරිපත් කරන ලෙස විගණකාධිපති වෙත කරන ලද ඉල්ලීම (ඇමුණුම 01) පරිදි ඉදිරිපත් කළ යුතු ගුවන්යානා මිලදී ගැනීමේ ගිවිසුම් අවසන් කිරීම සම්බන්ධ වාර්තාව මෙලෙස ඉදිරිපත් කරනු ලැබේ.

3. අනුගමනය කරන ලද ක්‍රමවේදයන්
 

මෙම වාර්තාව පිළියෙල කිරීමේදී පහත දැක්වෙන ක්‍රමවේදයන් අනුගමනය කරන ලදී.
- 3.1. ලේඛන පරීක්ෂා කිරීම
 

පහත 5 ඡේදයේ දැක්වෙන කරුණුවලට යටත්ව, මතු දැක්වෙන ලේඛන පරීක්ෂාවට භාජනය කිරීම.
- 3.1.1. 2015/16 -2017/18 කාලසීමාවට අදාලව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් සකස් කර අමාත්‍ය මණ්ඩල අනුමැතිය සඳහා ඉදිරිපත් කරන ලද ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම සහ ඒ සම්බන්ධ අධ්‍යක්ෂ මණ්ඩල තීරණයන් සහ අමාත්‍ය මණ්ඩල තීරණයන්
- 3.1.2. A 350-900 ගුවන්යානා 04 ක් මිලදී ගැනීමේ ගිවිසුම හා A 350-900 ගුවන්යානා 04ක් කල්බදු පදනම මත ලබා ගැනීම සඳහා වූ ගිවිසුම් 04
- 3.1.3. A 350-900 ගුවන්යානා ගිවිසුම් අවසන් කිරීම සම්බන්ධයෙන් උපදේශන සමාගම් තෝරා ගැනීමට අදාල වූ,
  - i) අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා
  - ii) අධ්‍යක්ෂ මණ්ඩල තීරණයන්
  - iii) යවන ලද යෝජනා සඳහා වූ ඉල්ලීම් (Request for Proposals)
  - iv) යෝජනා ඇගයීම් වාර්තා
  - v) වෙනත් හුවමාරු වූ ලිපි (ඊ මේල් ආදිය)
- 3.1.4. “Skyworks” සමාගමෙන් සහ “Nyras” සමාගමෙන් උපදේශන සේවා ලබා ගැනීමට අදාල වූ,
  - i) උපදේශන සමාගම් සමඟ එළඹී ගිවිසුම්
  - ii) උපදේශන සමාගම් විසින් ලබාදුන් විවිධ වාර්තා
  - iii) උපදේශන සමාගම් තෝරා ගැනීමට සම්බන්ධ අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා හා අධ්‍යක්ෂ මණ්ඩල තීරණ
  - iv) උපදේශන සේවා වෙනුවෙන් කළ ගෙවීම් වවුචර් හා අනෙකුත් මූලාශ්‍ර ලේඛන
- 3.1.5. ජාත්‍යන්තර නීති උපදේශන සමාගම් වලින් උපදේශන සේවා ලබා ගැනීමට අදාල වූ,
  - i) උපදේශන සමාගම් සමඟ එළඹී ගිවිසුම්
  - ii) උපදේශන සමාගම් විසින් ලබාදුන් විවිධ වාර්තා
  - iii) උපදේශන සමාගම් තෝරා ගැනීමට සම්බන්ධ අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා හා අධ්‍යක්ෂ මණ්ඩල තීරණ
  - iv) උපදේශන සේවා වෙනුවෙන් කළ ගෙවීම් සම්බන්ධ ගෙවීම් වවුචර් හා අනෙකුත් මූලාශ්‍ර ලේඛන

- 3.1.6. A 350-900 ගුවන්යානා 04 හි මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීමේ ගිවිසුම් (Termination Agreements)
- 3.1.7. A 350-900 ගුවන්යානා 04 හි මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීමේ වන්දි ගෙවීම් වලට අදාල,  
 i) ගෙවීම් වවුචර්  
 ii) බැංකු ප්‍රකාශන  
 iii) කල්බදු සමාගම් මඟින් එවන ලද තහවුරු කිරීම් (Confirmations)  
 iv) අනෙකුත් මූලාශ්‍ර ලේඛන
- 3.1.8. ගිවිසුම් අවසන් කිරීම සම්බන්ධ අනුමැතීන්  
 i) අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා හා අධ්‍යක්ෂ මණ්ඩල තීරණ  
 ii) ආර්ථික කළමනාකරණ මණ්ඩල පත්‍රිකා හා තීරණ  
 iii) අමාත්‍ය මණ්ඩල සංදේශ හා තීරණ
- 3.1.9. විකිණීමේ හා ආපසු කල්බදු ලබා ගැනීමේ (Sell and Lease Back) පදනම මත ලබා ගත් A 330-300 ගුවන් යානා දෙකක් සඳහා VIP කාමර කට්ටල දෙකක් ලබා දීමේ ගිවිසුම අවසන් කිරීමට අදාල,  
 i) අවසන් කිරීමේ ගිවිසුම (Termination Agreement)  
 ii) අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා හා තීරණ  
 iii) අනෙකුත් මූලාශ්‍ර ලේඛන
- 3.1.10. 2020 හා 2021 දී ගුවන් සමාගම වෙත A 350-900 ගුවන්යානා 04 ක් මිලදී ගැනීම සඳහා එයාර්බස් සමාගම සමඟ එළඹී ගිවිසුම සංශෝධනය කිරීම හෝ අවසන් කිරීමට අදාල,  
 i) අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා හා අධ්‍යක්ෂ මණ්ඩල තීරණ  
 ii) ආර්ථික කළමනාකරණ මණ්ඩල පත්‍රිකා හා තීරණ  
 iii) අමාත්‍ය මණ්ඩල සංදේශ හා තීරණ  
 iv) මෙම ගිවිසුමේ වර්තමාන තත්ත්වයට අදාලව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමෙන් ලද තොරතුරු

- 3.2. වෙනත් පරීක්ෂාවන්
- 3.2.1. උක්ත ක්‍රියාවලියට අදාලව ලිඛිතව හා විද්‍යුත් තැපෑල මගින් ලද තොරතුරු විශ්ලේෂණාත්මකව විග්‍රහයකට ලක් කිරීම.
- 3.2.2. අදාල පාර්ශවයන් සමඟ සාකච්ඡා කිරීම.

4. විෂය පථය

සීමාසහිත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේදී A 350-900 වර්ගයේ නව ගුවන් යානා 04 ක් 2016 හා 2017 වර්ෂ තුළදී මෙහෙයුම් කල්බදු පදනම මත ලබා ගැනීමට අදාල ගිවිසුම්, A 330-300 වර්ගයේ ගුවන් යානා දෙකකට සවි කිරීමට නියමිත වූ VIP කට්ටල දෙකක් සඳහා වූ ගිවිසුම් සහ 2020 හා 2021 වර්ෂ තුළදී A 350-900 වර්ගයේ නව ගුවන් යානා 04 ක් මිලදී ගැනීමට අදාල ගිවිසුම් අවසන් කිරීමේ අවශ්‍යතාවය හඳුනාගැනීම, ඒ සඳහා උපදේශන සේවා ලබාගැනීම සහ ඒ සම්බන්ධ අධ්‍යක්ෂ මණ්ඩල අනුමැතීන්, ආර්ථික කළමනාකරණ මණ්ඩල තීරණ හා අමාත්‍ය මණ්ඩල තීරණයන් පරීක්ෂා කර වාර්තා කිරීම.

5. විෂය පථය සීමාවීම්

මෙම වාර්තාවේ දැක්වෙන නිරීක්ෂණයන් තුළින් නිගමනයන්ට එළඹීමේදී මාගේ විෂය පථය මතු දැක්වෙන සීමාවලට යටත්ව තිබූ බව අවධාරණය කරනු ලැබේ.

- 5.1. ගගන ඉංජිනේරු තාක්ෂණය පිළිබඳ දැනුම ජාතික විගණන කාර්යාලය සතු නොවීම හේතුවෙන් අන්තර්ජාතික ගුවන් සේවා උපදේශන සමාගම් මගින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ලබාදී තිබුණු අදාල වාර්තා මත පදනම්ව පරීක්ෂාවන් සිදු කිරීම.
- 5.2. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම මගින් ගුවන් යානා ඇණිය ප්‍රතිස්ථාපනය හා ගිවිසුම් අවලංගු කිරීම සම්බන්ධයෙන් යොදාගෙන තිබූ උපදේශන සමාගම් සහ නීති උපදේශන ආයතන සමඟ සාකච්ඡා කිරීමට විගණකාධිපති වෙත අවස්ථාවක් නොලැබීම.
- 5.3. ගිවිසුම් වලට එළඹීම හා ගිවිසුම් අවලංගු කිරීම සම්බන්ධ නීතිමය තත්වයන් පිළිබඳව අන්තර්ජාතික නීතිමය උපදේශන ආයතන මගින් ලබා දී තිබුණු වාර්තා මත පදනම්ව පරීක්ෂාවන් සිදු කිරීමට වීම.
- 5.4. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් විගණකාධිපති වෙත ලබා දුන් ලේඛන හා වාර්තා මත පදනම්ව පරීක්ෂාවන් සිදු කර තිබීම.
- 5.5. 2016 සැප්තැම්බර් 05 දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් Aercap සමාගම සමඟ පවත්වා තිබූ සාකච්ඡාව සඳහා අධ්‍යක්ෂ මණ්ඩල අනුමැතිය ලබා දී නොතිබුණු අතර එම සාකච්ඡා සටහන් ද පරීක්ෂණයට ඉදිරිපත් නොවුණි.

6.

**ක්‍රියාවලිය හැඳින්වීම**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් 2011 වර්ෂයේදී 2010/11 – 2014/15 කාලසීමාව සඳහා ඉදිරිපත් කර තිබූ පස් අවුරුදු ව්‍යාපාරික සැලැස්මට අනුව සමාගමේ පුළුල් බඳු ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේ වැඩසටහනක් හඳුන්වා දී තිබුණි. ඒ අනුව A 330-300 වර්ගයේ යානා 6 ක්ද A 350-900 වර්ගයේ යානා 4 ක්ද වශයෙන් ගුවන්යානා 10 ක් සෘජුවම එයාර්කැප් සමාගමෙන් ලබා ගැනීමටත් තවත් A 350-900 වර්ගයේ ගුවන්යානා 04 ක් මෙහෙයුම් කල්බදු ක්‍රමය යටතේ ලබා ගැනීමට ඉන්ටර්නැෂනල් ලීස් ඕනෑන්ස් සමාගම හා එයාර්කැප් සමාගම යන සමාගම් සමඟ ගිවිසුම්වලට එළඹ තිබුණි. ඒ අනුව A 330-300 වර්ගයේ යානා 6, 2014/2015 වර්ෂ වලදී ලැබීමට නියමිත වූ අතර ගිවිසුම් ප්‍රකාරව එම යානා මිලදීගෙන නැවත විකිණීමේ හා ආපසු මෙහෙයුම් කල්බදු ලබා ගැනීමේ පදනම (Sell and Lease Back) මත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ලබාගෙන තිබුණි.

A 350-900 වර්ගයේ ගුවන්යානා 3ක් ඉන්ටර්නැෂනල් ලීස් ඕනෑන්ස් සමාගමෙන් හා එක් යානයක් එයාර් කැප් සමාගමෙන් මෙහෙයුම් කල්බදු ක්‍රමය යටතේ ලබා ගැනීමට ගිවිස ගෙන තිබූ අතර එම යානා 04, 2016/2017 වර්ෂවලදී ලැබීමට නියමිතව තිබුණි. නමුත් ඒ වන විට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම දිගින් දිගටම අලාභ ලැබීම එනම් 2015/2016 වර්ෂයේ පැවති ඇ.ඩො. මිලියන 47.1 ක් වූ සමූහයේ ශුද්ධ අලාභය 2016/17 වර්ෂයේදී ඇ.ඩො. මිලියන 90 දක්වා ඉහළ ගොස් තිබීම, ඇ.ඩො. මිලියන 300 ක බැංකු ණය ශේෂයක් පැවතීම, ලංකා ඛනිජ තෙල් සංස්ථාව වෙත ඇ.ඩො. මිලියන 45 ක් හා ගුවන්තොටුපල හා ගුවන් සේවා සමාගම වෙත ඇ.ඩො. මිලියන 15 ක් 2016 මාර්තු මස වන විට ගෙවීමට පැවතීම යන කරුණු සමඟ සලකා බැලීමේදී 2016 හා 2017 වර්ෂ වලදී ලැබීමට නියමිතව තිබූ A 350-900 ගුවන්යානා 04 සඳහා එක් ගුවන් යානයක මාසික කල්බදු වාරිකය වූ ඇ.ඩො. මිලියන 1.215 බැගින් මුළු කල්බදු වාරිකය වූ ඇ.ඩො. මිලියන 174.96 ක් වර්ෂ 12 ක් සඳහා ගෙවීමේ අපහසු මූල්‍ය තත්ත්වයක සමාගම පැවතුණි.

ඒ අනුව ඇණවුම් කරන ලද A 350-900 වර්ගයේ ගුවන්යානා 04 සඳහා ඇතිකරගත් ගිවිසුම් අවලංගු කිරීම සඳහා පවතින විකල්ප අවස්ථාවන් ඇගයීම් කර උපදෙස් ලබා දීම සඳහා Skyworks හා Nyras යන ජාත්‍යන්තර උපදේශන සමාගම් වල සහාය ලබාගෙන තිබුණි. උපදේශකයන් තෝරා ගැනීම හා සේවයේ යෙදවීම සඳහා ප්‍රසම්පාදනයන් සිදු කිරීමේදී උපදේශකයන් තෝරා ගැනීම හා සේවයේ යෙදවීම පිළිබඳ 2007 අගෝස්තු මාසයේදී සහ 2007 නොවැම්බර් මාසයේදී ජාතික ප්‍රසම්පාදන නියෝජිත ආයතනය විසින් නිකුත් කරන ලද ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහයට අනුගත විය යුතු වේ (ඇමුණුම 77). තවද, ගුවන්යානා ගිවිසුම් අවසන් කිරීමේ වගකීම සම්බන්ධයෙන් 2015 දෙසැම්බර් 11 දින නීතිඥ අනිල් තිත්තවැල්ල මහතාගෙන් නීතිමය මතයක් ද සමාගමේ අධ්‍යක්ෂ මණ්ඩලය විසින් ලබාගෙන තිබුණි. එහිදී A350-900 වර්ගයේ ගුවන්යානා ශ්‍රී



ලන්කන් ගුවන් සමාගමේ අවශ්‍යතාව සමඟ සලකා බැලීමේදී ඉහළ ධාරිතාවයෙන් යුක්ත වීම නිසා කල්බදු ගිවිසුම් අවසන් කිරීමට තීරණය කර තිබුණි.

එමෙන්ම එයාර්බස් සමාගමෙන් සෘජුවම මිලදී ගැනීමට ගිවිසුම් ගත වූ A 350-900 වර්ගයේ ගුවන්යානා 4 2020/2021 වර්ෂයන්හි ලැබීමට නියමිතව ඇත. ඇණවුම් කරන ලද පුළුල් බඳ සහිත ගුවන්යානා වෙනුවට පටු බඳ සහිත ගුවන්යානා ලබා ගැනීමට අදාළ සමාගම වෙත ප්‍රති අර්පණයක් කිරීමට ආර්ථික කළමනාකරණ අමාත්‍ය මණ්ඩල අනු කමිටුව විසින් එළඹී තීරණයන්ට ප්‍රතිචාර ලෙස A 321 Neo වර්ගයේ යානා 8 ක් මිලදී ගැනීමට එයාර්බස් සමාගම 2018 අප්‍රියෙල් මාසයේදී ප්‍රති අර්පණයක් ලෙස ප්‍රතිචාර දක්වා තිබුණි.

7. ක්‍රියාවලිය

7.1. පුළුල්බඳ ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමට එයාර්බස් සමාගම සහ මෙහෙයුම් කල්බදු සමාගම් සමඟ ගිවිසුම් ගතවීම.

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් 2011 වර්ෂයේදී 2010/11 – 2014/15 කාලසීමාවට අදාළව ඉදිරිපත් කරන ලද පස් අවුරුදු ව්‍යාපාරික සැලැස්ම ප්‍රකාරව සමාගමේ පුළුල්බඳ ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේ වැඩසටහනක් ක්‍රියාත්මක කර තිබුණි. එහිදී පහත පරිදි පුළුල්බඳ ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමට එයාර්බස් සමාගම සහ මෙහෙයුම් කල්බදු සමාගම් සමඟ ගිවිසුම්ගත වී තිබුණි.

වගුව අංක 01 - එයාර් බස් සමාගම හා කල්බදු සමාගම් සමඟ ගිවිසුම්ගත වීම පිළිබඳ විස්තර

ගුවන්යානා වර්ගය	ප්‍රමාණය	ගිවිසුම්ගත වූ ආයතනය	ගිවිසුම්ගත දිනය	ගුවන්යානා ලැබීමට නියමිත කාලසීමාව
A 330-300	06	එයාර්බස් සමාගම	2013.06.19	2014/2015
A 350-900	04	එයාර්බස් සමාගම	2013.06.28	2020/2021
A 350-900	03	ඉන්ටර්නැෂනල් ලීස් ඊන්ෆැන්ස් සමාගම	2013.09.27	2016/2017
A 350-900	01	එයාර්කැප් (Aercap) සමාගම	2014.11.12	2016/2017
මුළු ගුවන්යානා	14			

7.1.1. A 330-300 වර්ගයේ ගුවන්යානා 06 ලබාගැනීම සඳහා ගිවිසුම්ගත වීම

ඉහත A 330-300 ගුවන්යානා 06 සෘජුව එයාර්බස් සමාගමෙන් මිලදී ගැනීම සඳහා 2013 ජුනි 19 දින ගිවිසුමකට එළඹ තිබුණි. එම ගුවන්යානා විකිණීමේ හා ආපසු මෙහෙයුම් කල්බදු ලබාගැනීමේ පදනම මත මෙහෙයුම් කල්බදු සමාගම් 02 ක් මඟින් මූල්‍යායනය කරවාගෙන 2014 ඔක්තෝබර් 29, දෙසැම්බර් 18, 2015 මාර්තු 25, අගෝස්තු 14, නොවැම්බර් 06 හා දෙසැම්බර් 29 යන දිනයන්හිදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත වර්ෂ 12ක කාලයක් සඳහා ලබාගෙන තිබුණි.

වගුව අංක 02 - මෙහෙයුම් කල්බදු ගිවිසුම්වලට අනුව කල්බදු වාරික පිළිබඳ විස්තර

ගුවන්යානා ලියාපදිංචි අංකය	කල්බදු කාලසීමාව	කල්බදු සමාගම	මාසික කල්බදු වාරිකය (ඇ.ඩොලර්)
i) 4R-ALL	29.10.2014 සිට 28.10.2026	එයාර්ලීස් කෝපරේෂන්	1,115,839
ii) 4R-ALM	18.12.2014 සිට 17.12.2026	HKAC ලීසිං සමාගම	1,010,884 (18.12.2014 සිට 17.12.2020 දක්වා) 1,002,233 (18.12.2020 සිට 17.12.2026 දක්වා)
iii) 4R-ALN	25.03.2015 සිට 24.03.2027	HKAC ලීසිං සමාගම	1,030,705 (25.03.2015 සිට 24.03.2021 දක්වා) 995,062 (25.03.2021 සිට 24.03.2027 දක්වා)
iv) 4R-ALO	14.08.2015 සිට 13.08.2027	HKAC ලීසිං සමාගම	1,045,020 (14.08.2015 සිට 13.08.2021 දක්වා) 1,002,233 (14.08.2021 සිට 13.08.2027 දක්වා)
v) 4R-ALP	09.11.2015 සිට 08.11.2027	HKAC ලීසිං සමාගම	1,014,633 (09.11.2015 සිට 08.11.2021 දක්වා) 991,259 (09.11.2021 සිට 08.11.2027 දක්වා)
vi) 4R-ALR	29.12.2015 සිට 28.12.2027	HKAC ලීසිං සමාගම	1,010,008 (29.12.2015 සිට 28.12.2021 දක්වා) 993,555 (29.12.2021 සිට 28.12.2027 දක්වා)

7.1.2. A 350-900 වර්ගයේ ගුවන්යානා 04 ක් එයාර්බස් සමාගමෙන් මිලදී ගැනීම සඳහා ගිවිසුම් ගතවීම ඉහත පරිදි A 350-900 වර්ගයේ ගුවන්යානා 04 ක් එයාර්බස් සමාගමෙන් සෘජුව මිලදී ගැනීම සඳහා 2013 ජුනි 28 දින ගිවිසුමකට එළඹ තිබූ අතර එම ගුවන්යානා 2020 හා 2021 වර්ෂයන්හිදී ලැබීමට නියමිතව ඇත. ගිවිසුමෙහි ඇතුළත් වැදගත් කොන්දේසි පහත වේ.

ගුවන් යානයේ මූලික මිල	(ඇමරිකන් ඩොලර්)	275,099,000
උපකරණ සැපයුම්	(ඇමරිකන් ඩොලර්)	9,672,000
එකතුව		<u>284,771,000</u>

ලැබීමටපෙර ගෙවීම(PDP)	-
ගිවිසුමට එළඹී අවස්ථාවේදී	1%
සැලසුම් කල භාරදෙන මාසයට ප්‍රථමමාසයේ පළමු දිනය	
84 මාසය	0.1%
72 මාසය	0.1%
60 මාසය	0.1%
48 මාසය	0.1%
30 මාසය	2.6%
24 මාසය	4%
18 මාසය	5%
05 මාසය	4%
ගුවන්යානා භාරදීමට ප්‍රථම මුළු ගෙවීම	<u>17%</u>

2018 මාර්තු 31 දින තෙක් එයාර්බස් සමාගම වෙත ගෙවා තිබූ ලැබීමට පෙර ගෙවීම් (Pre-delivery Payment) ඇ.ඩො. මිලියන 19.2 ක් විය.

**7.1.3. A 350-900 වර්ගයේ ගුවන්යානා 04 ක් මෙහෙයුම් කල්බදු පදනම මත ලබාගැනීම සඳහා ගිවිසුම්ගත වීම**

A 350-900 වර්ගයේ ගුවන්යානා 03 ක් ඉන්ටර්නැෂනල් ලීසිං ෆිනැන්ස් කෝපරේෂන් (ILFC) සමාගමෙන් හා තවත් A 350-900 වර්ගයේ ගුවන් යානයක් එයාර්කැප් (Aercap) සමාගමෙන් මෙහෙයුම් කල්බදු ක්‍රමයට ලබාගැනීම සඳහා 2013 සැප්තැම්බර් 27 දින සහ 2014 නොවැම්බර් 12 යන දිනයන්හිදී ගිවිසුම් වලට එළඹී තිබුණි. එම ගුවන්යානා 2016 හා 2017 දී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ලැබීමට නියමිතව තිබුණි.

මෙහි එක ගුවන් යානයක් සඳහා මාසික කල්බදු වාරිකය (Base Rent) ඇ.ඩොලර් මිලියන 1.215 ක් වූ අතර ඒ අනුව එක ගුවන් යානයක් සඳහා වර්ෂ 12ක කාලයකට ඇ.ඩොලර් මිලියන 174.96 ක් ගෙවීමට ගිවිසුම් ගත වී තිබුණි.

වගුව අංක 03 - මෙහෙයුම් කල්බදු සඳහා ගිවිසුම්ගත වීම පිළිබඳ විස්තර

මෙහෙයුම් කල්බදු සමාගමේ නම	ගිවිසුම් අංකය හා දිනය	ගුවන්යානා ලැබීමට නියමිත කාලසීමාව
International Lease Finance Corporation (ILFC)	79 2013.09.27	2016 ජූලි
International Lease Finance Corporation (ILFC)	80 2013.09.27	2016 අගෝස්තු
International Lease Finance Corporation (ILFC)	81 2013.09.27	2016 සැප්තැම්බර්
Aercap Global Aviation Trust (AGAT)	අංකයක් සඳහන්ව නොමැත 2014.11.12	2016 / 2017

7.2. ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේ වැඩසටහන යටතේ එළඹ තිබූ A350-900 ගුවන් යානා අත්පත් කර ගැනීමේ ගිවිසුම් අවසන් කිරීමේ යෝජනාව ඉදිරිපත් වූ ආකාරය

7.2.1. නව ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්මක් සකස් කිරීම සඳහා අමාත්‍ය මණ්ඩලය විසින් නියම කිරීම

7.2.1.1. “ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම සහ මිහින් ලංකා සමාගම සඳහා මූල්‍ය ප්‍රාග්ධනය ලබාගැනීම” මැයෙන් වූ අමාත්‍ය මණ්ඩල පත්‍රිකා අංක: 15/0451/638/001 මගින් ගුවන් සේවා ඇමතිතුමා ඉදිරිපත් කළ 2015 අප්‍රේල් 17 දිනැති සංදේශය සලකා බලා අමාත්‍ය මණ්ඩලය විසින් පහත තීරණ 2015 අප්‍රේල් 22 දින ලබා දී තිබුණි. (ඇමුණුම 08)

- i) ශ්‍රී ලන්කන් ගුවන් සේවය සහ මිහින් ලංකා සමාගම සඳහා වෙන වෙනම සවිස්තර ව්‍යාපාර සැලැස්මක් බැගින් සකස් කර ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉදිරිපත් කිරීම.
- ii) මුදල් ඇමතිතුමා විසින් 2015 ජනවාරි 29 දින 2015 වසර සඳහා ඉදිරිපත් කරන ලද අයවැය යෝජනා මගින් ප්‍රකාශයට පත් කර තිබූ ශ්‍රී ලන්කන් ගුවන් සේවය සහ මිහින් ලංකා සමාගම ඒකාබද්ධ කිරීම පිණිස යෝග්‍ය වන සැලැස්මක් කඩිනමින් සකස් කොට ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉදිරිපත් කිරීම.
- iii) ශ්‍රී ලන්කන් ගුවන් සේවය සහ මිහින් ලංකා සමාගම සඳහා බාධාවකින් තොරව ඉන්ධන සැපයීම තහවුරු කිරීම පිණිස ලංකා බනිජ් තෙල් සංස්ථාවට ගෙවිය යුතු හිඟ මුදල් පියවීම වෙනුවෙන් ඇපකරයක් හෝ විශ්වාසනීය ලිපියක් නිකුත් කරන ලෙස භාණ්ඩාගාරයේ ලේකම්වරයාට නියම කිරීම.

7.2.1.2. ඉහත අමාත්‍ය මණ්ඩල තීරණය ප්‍රකාරව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ නිලධාරීන් 03 දෙනෙක් සහ එක් උපදේශකවරයෙකුගෙන් සමන්විත කමිටුවක් විසින් ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්මක් (ඇමුණුම 09) සකස් කර පහත පරිදි ඒ සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය ලබාගෙන තිබුණි.

දිනය	කාර්යය
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2015 මැයි 26	සමාගමේ අධ්‍යක්ෂ මණ්ඩලය වෙත ඉදිරිපත් කිරීම හා එදිනම අධ්‍යක්ෂ මණ්ඩල අනුමැතිය ලබා ගැනීම
2015 මැයි 28	ගුවන් සේවා අමාත්‍යවරයා වෙත ඉදිරිපත් කිරීම
2015 මැයි 29	අගමැතිතුමා හා මුදල් අමාත්‍යවරයා වෙත ඉහත සැලැස්ම ඉදිරිපත් කිරීම
2015 ජූනි 01	ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉහත සැලැස්ම ඉදිරිපත් කිරීම
2015 ජූනි 05	ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව මගින් පත්කරන ලද කමිටුව වෙත සැලැස්ම ඉදිරිපත් කිරීම හා එම අනුකාරක සභාව මගින් සැලැස්මේ සඳහන් වූ විකල්ප යෝජනා 02 අතරින් පළමු විකල්පය වූ “ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම පවතින සමාගම් ව්‍යුහය තුළම ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම ප්‍රකාරව සහ මිහින් ලංකා සමාගම සමඟ ඒකාබද්ධ වී ක්‍රියාත්මක වීම” නිර්දේශ කර තිබීම
2015 ජූනි 09	ඉහත කමිටුවේ නිර්දේශය ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව විසින් අනුමත කිරීම
2015 ජූනි 24	අමාත්‍ය මණ්ඩලයේ අනුමැතිය ලබා දීම

7.2.2. **යෝජිත ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම (2015/16-2017/18)**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම හා මිහින් ලංකා ගුවන් සේවා සමාගම යන සමාගම් දෙකම සඳහා 2015/16 සිට 2017/18 කාලසීමාවට අදාළව යෝජිත ප්‍රතිව්‍යුහගත සැලැස්මක් සකස් කර අමාත්‍ය මණ්ඩලය වෙත 2015 ජූනි මාසයේදී ඉදිරිපත් කර ඒ සඳහා අනුමැතිය 2015 ජූනි 24 දින ලබාගෙන තිබුණි. එහි ඇතුළත්ව තිබූ ප්‍රධාන නිර්දේශ කිහිපයක් පහතින් වේ.

- i) අලාභ ලබමින් ක්‍රියාත්මක වන ග්‍රැන්ක්ෆර්ට්, පැරිස් සහ රෝමය යන ගුවන් ගමනාන්තවල ධාවනය අත්හිටුවන බව සහ එමගින් යුරෝපය දක්වා සතියකට වූ ගුවන් ගමන් වාර ප්‍රමාණය 18 සිට 7 දක්වා 2015/16 සිට 2016/17 වනවිට අඩුකිරීම.
- ii) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම හා මිහින් ලංකා ගුවන් සේවා සමාගම ඒකාබද්ධ කර කාර්යක්ෂම අයුරින් සමූහ ව්‍යාපාර කටයුතු වල යෙදවීම.
- iii) ගුවන්යානා ඇණිය පහත පරිදි නිසි ප්‍රමාණනය (Right Sizing of the fleet) කිරීම.

වගුව අංක 04 - ගුවන්යානා ඇණිය ප්‍රතිස්ථාපන සැලැස්ම

ගුවන්යානා වර්ගය	සැලැස්ම මඟින් යෝජනා කරන ගුවන් යානා ගණන		2015 සැප්තැම්බර් 15 දිනට පැවති ගුවන්යානා ගණන
	2016/17	2017/18	
A 320-200	06	03	06
A 321-200	02	02	02
A 320-NEO	-	04	-
A 330-200	03	02	07
A 330-300	07	07	03
A 340-300	-	-	03
	<u>18</u>	<u>18</u>	<u>21</u>

- iv) 2015/16 සිට 2017/18 වර්ෂය වන විට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අලාභය ඇමරිකානු ඩොලර් මිලියන 93.7 සිට 23.4 දක්වා අඩු කිරීම.
- v) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ණය බරින් මිදීම සහ ස්ථාවර හා නිරසාර තත්ත්වයක් ළඟා කර ගැනීම සඳහා පහත පරිදි අරමුදල් සම්පාදනය කර ගැනීම.

වගුව අංක 05 - අරමුදල් සම්පාදන සැලැස්ම

	2014/15	2015/16	2016/17	(ඇ.ඩොලර් මිලියන)	
				2017/18	එකතුව
රජයේ ප්‍රාග්ධන සම්පාදනය	125	70	60	-	255
ශ්‍රී ලන්කන් කේටරින් සමාගමේ කොටස් වලින් 49% ක් විකිණීම මඟින්	-	85	-	-	85
බිම් මෙහෙවර (Ground Handling) අංශය සමාගමක් බවට පත් කිරීම හා එම සමාගමේ කොටස් වලින් 40% ක් විකිණීම මඟින්	-	-	140	-	140
මුළු එකතුව	<u>125</u>	<u>155</u>	<u>200</u>	<u>-</u>	<u>480</u>

7.2.3. යෝජිත ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම ක්‍රියාත්මක කිරීම

7.2.3.1. 2015 ජුනි 26 දින පැවති අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති විසින් සමාගමේ යෝජිත ප්‍රතිව්‍යුහගත සැලැස්ම 2015 ජුනි 24 දින අමාත්‍ය මණ්ඩලය විසින් අනුමත කර ඇති බව දන්වා තිබුණි. (ඇමුණුම 10)

7.2.3.2. ඉහත සැලැස්ම ක්‍රියාත්මක කිරීම සම්බන්ධයෙන් 2015 අගෝස්තු 03 හා 25 දිනයන්හිදී පවත්වන ලද අධ්‍යක්ෂ මණ්ඩල රැස්වීම් වලදී වැඩි දුරටත් සාකච්ඡා කර තිබූ අතර 2015 ජූලි 24 දින ඉදිරිපත් කර තිබූ අංක: CEO/2015/06/80 දරණ අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාවෙහි සඳහන් පහත නිර්දේශ සඳහා අධ්‍යක්ෂ මණ්ඩල අනුමැතිය 2015 අගෝස්තු 25 දින ලබාදී තිබුණි. (ඇමුණුම 11)

- i) පුළුල්බඳ ගුවන්යානා ඇණිය 13 සිට 10 දක්වාත් පටුබඳ ගුවන්යානා 08 ක් ද ලෙස මුළු ගුවන්යානා ඇණිය 21 සිට 18 දක්වා අඩු කිරීම.
- ii) ලන්ඩන් ගුවන් මාර්ගයේ ගුවන් ගමන්වාර ගණන සතියකට ගමන්වාර 09 ක් දක්වා 2015 ශීත සෘතුවේදී වැඩි කිරීම.
- iii) මිහින් ලංකා ගුවන් සමාගම සමඟ ඒකාබද්ධ වී සමූහයේ කාර්යසාධනය ඉහල නැංවීම.
- iv) යුරෝපීය ගුවන් මාර්ගවල සම්බන්ධ වී ගුවන් ගමන් ධාවනයන් (Codeshare Operations) පැවැත්වීමට හවුල්කරුවෙකු සොයා ගැනීම සඳහා ඇගයීම් කිරීම.
- v) 2017 වර්ෂයේ කල්බදු සමාගම් වෙත ආපසු ලබාදීමට නියමිත A 330-200 ගුවන්යානා 03 සහ ලැබීමට නියමිත A 350-900 ගුවන්යානා 08 සඳහා හොඳම විසඳුමක් (Best Solution) ලබාදීම.
- vi) ඉහත (v) සඳහා සාකච්ඡා කර විසඳුමක් ලබා ගැනීමට බාහිර පාර්ශවයක් පත්කර ගැනීම සහ ඒ සඳහා අවම පාර්ශව 03 කගෙන් අභිප්‍රාය ප්‍රකාශ (Expressions of Interest - EOI) කැඳවා අධ්‍යක්ෂ මණ්ඩල අනුමැතිය යටතේ සුදුසු පාර්ශවයක් 2015 අගෝස්තු 31 දිනට පෙර තෝරා පත්කර ගැනීම.
- vii) සේවක පිරිවැය, සෘජු මෙහෙයුම් පිරිවැය, ගුවන් මාර්ග ප්‍රතිව්‍යුහගත කිරීමේ පිරිවැය ආදි පිරිවැයන් හැර අනෙකුත් පිරිවැයන් අවම කර ගැනීම සඳහා විශාල වටිනාකමකින් යුත් කොන්ත්‍රාත් සඳහා ඒ වනවිටත් ගිවිසගෙන තිබූ කොන්ත්‍රාත්කරුවන් සමඟ සාකච්ඡා පැවැත්වීම.
- viii) ශ්‍රී ලංකා රජයෙන් ඇ.ඩොලර් මිලියන 255 ක ප්‍රාග්ධන දායකත්වයක් ද, විශේෂිත ව්‍යාපාර ඒකක (ශ්‍රී ලන්කන් කේටරින් සමාගම හා බීම් මෙහෙවර - Ground handling අංශය) වල සුළු කොටස් හිමිකම් අලෙවියෙන් ඇ.ඩොලර් මිලියන 225 ක් ද ලෙස එකතුව ඇ.ඩොලර් මිලියන 480 ක් අරමුදල් සපයා ගැනීමට.
- ix) 2015 අගෝස්තු මාසයේදී මුදල් අමාත්‍යාංශයේ පහසුකම් සැපයීම මිහින් ලංකා බැංකුවෙන් ඇ.ඩොලර් මිලියන 86 ක ණය අරමුදල් සපයා ගැනීමට



x) ලංකා ඛනිජ තෙල් සංස්ථාවේ හිඟ මුදල් පියවීම සඳහා ලංකා බැංකුවෙන් හා මහජන බැංකුවෙන් රු. බිලියන 30 ක කෙටිකාලීන ණය ලබා ගැනීම සඳහා විශ්වාසනීය ලිපි භාණ්ඩාගාර ලේකම්ගෙන් ලබා ගැනීම.

7.2.3.3. ඉහත ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම ක්‍රියාත්මක වන දිනය 2015 ඔක්තෝබර් 01 දින බව දක්වා තිබූ නමුත් එහි ගුවන් මාර්ග ජාලය (Network Optimization) ක්‍රියාත්මක වන දිනය පසුව 2016 අප්‍රේල් 01 දින දක්වා කල් දැමීමට 2015 අගෝස්තු 25 දින අධ්‍යක්ෂ මණ්ඩලය විසින් තීරණය කර තිබුණි .

7.3. මෙහෙයුම් කල්බදු පදනම මත ලබා ගැනීමට ගිවිසුම් ගත වූ A 350-900 ගුවන්යානා 04 හි ගිවිසුම් අවසන් කිරීම හා වන්දි මුදල් ගෙවීම

7.3.1. ගිවිසුම් අවසන් කිරීම සඳහා අනුමැතිය

7.3.1.1. අධ්‍යක්ෂ මණ්ඩල යෝජනා හා තීරණ

7.3.1.1.1. **2015 අගෝස්තු 03 දිනැති අධ්‍යක්ෂ මණ්ඩල යෝජනා හා තීරණ (ඇමුණුම 12)**

i) ඉහත 7.2 හි දක්වන ලද ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම සහ මිහින් ලංකා සමාගම ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය 2015 ජූනි 24 දින ලැබී තිබුණි. ඒ අනුව, 2015 අගෝස්තු 03 දින පැවති ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී A 350-900 වර්ගයේ ගුවන්යානා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ඇතුළත් කර නොගත යුතු බවට එවකට ප්‍රධාන විධායක නිලධාරී ලෙස කටයුතු කළ අධ්‍යක්ෂ රබිත ජයවර්ධන මහතා විසින් කරුණු දක්වා තිබුණි.

ii) ඉහත අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අධ්‍යක්ෂවරයෙකු වූ වානක ද සිල්වා මහතා විසින් A 350 වර්ගයේ ගුවන්යානා සහ A 330 වර්ගයේ ගුවන්යානා සඳහා පිරිවැය සැසඳුම් ප්‍රකාශයක් එයාර්බස් සමාගමෙන් ලබාගන්නා ලෙස මූල්‍ය අංශ ප්‍රධානි ලෙස කටයුතු කරන යසන්ත දිසානායක මහතාගෙන් ඉල්ලා තිබුණි.

iii) තවද, සමාගමේ අධ්‍යක්ෂවරයෙකු වූ ජෝසප් බ්‍රිටෝ මහතා විසින් මෙම තීරණය එනම් A 350 වර්ගයේ ගුවන්යානා ලබා නොගැනීමේ තීරණය සමාගමේ අනාගතයට බලපාන බරපතල කාරණයක් බැවින් තවදුරටත් මේ සම්බන්ධයෙන් පවතින ගුවන් මාර්ග ද සලකා බලමින් අධ්‍යයනයක් සිදුකළ යුතු බවත් ගුවන් නියමු හැකියාව ආදී වෙනත් සාධක ද සලකා බලන ලෙස ඉල්ලා තිබුණි.

iv) ඒ අනුව, A 350 හා A 330 වර්ගයේ ගුවන්යානා පිළිබඳව සමාගමේ යෝජිත ගුවන් මාර්ග හා පවතින ගුවන් මාර්ග සලකා බලමින් ශක්‍යතා අධ්‍යයනයක් එයාර්බස් සමාගම ලවා සිදු කර ගැනීමට තීරණය කර තිබුණි.

- v) මෙහිදී තවදුරටත් A 350 වර්ගයේ ගුවන්යානා මෙහෙයුම් කල්බදු පදනමට ලබාගැනීම සඳහා ගිවිසුම් ගතව තිබූ කල්බදු සමාගම් සමඟ සාකච්ඡා පවත්වා යම් සාධාරණ විසඳුමකට පැමිණීමට උපදේශන සමාගම්වල සහාය ලබා ගැනීමටත් එහිදී EOI කැඳවීමට තෝරාගත් උපදේශන සමාගම් දෙක “DVB Bank” සහ “Skyworks” සමාගම් සමඟ හෙළිදරව් නොකිරීමේ ගිවිසුම් (Non Disclosure Agreements -NDA) වලට එළඹීමටත් තීරණය කර තිබුණි.
- vi) තවද මේ සඳහා ජෝසප් බ්‍රිටෝ මහතා විසින් ගුවන් සේවා කේෂ්ත්‍රයට අදාළ නීතිඥ සහාය ලබා ගත යුතු බවත් දක්වා තිබුණි.

**7.3.1.1.2. 2015 අගෝස්තු 25 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණය (ඇමුණුම 13)**

මෙහිදී එයාර්බස් සමාගම මගින් A 330 හා A 350 වර්ගයේ ගුවන්යානා සංසන්දනය කරමින් ලබා දී තිබුණු වාර්තාව පිළිබඳ අධ්‍යයනය කර ගුවන්යානා දෙවර්ගයේ ආදායම් ඉපයීම සම්බන්ධයෙන් (ගුවන් භාණ්ඩ මෙහෙයුම් ඇතුළුව) අධ්‍යක්ෂ මණ්ඩලය වෙත දැනුම් දෙන ලෙස සමාගමේ අධ්‍යක්ෂවරුන් දෙදෙනෙකු වන වානක ද සිල්වා සහ නිරංජන් ද සිල්වා මහතා විසින් මූල්‍ය අංශ ප්‍රධානි ලෙස කටයුතු කළ යසන්ත දිසානායක මහතාගෙන් ඉල්ලීමක් කර තිබුණි.

**7.3.1.1.3. 2015 සැප්තැම්බර් 11 දිනැති අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාව (ඇමුණුම 14)**

ඉහත 7.3.1.1.2 හි තීරණය ප්‍රකාරව A 350-900 හා A 330-300 වර්ගයේ ගුවන්යානා වල මෙහෙයුම් පිළිබඳව ඇගයීමක් සිදුකර ඒ පිළිබඳ වාර්තාවක් ප්‍රධාන විධායක නිලධාරී - රබිත ජයවර්ධන මහතා, ප්‍රධාන වාණිජ නිලධාරී - මනෝජ් ගුණවර්ධන මහතා සහ ආදායම් කළමනාකරණ හා සැලසුම් සාමාන්‍යාධිකාරී - සුමුදු උපනිස්ස මහතා විසින් අධ්‍යක්ෂ මණ්ඩලය වෙත 2015 සැප්තැම්බර් 21 දින ඉදිරිපත් කර තිබූ අතර එහි ඇතුළත්ව තිබූ ප්‍රධාන කරුණු පහත වේ.

- i) කොළඹ සිට ලන්ඩන් දක්වා ගුවන් මාර්ගයට අදාළව පමණක් ඇගයීම සිදුකර තිබූ බව.
- ii) මගී පැටවුම් සාධකය (Passenger Load Factor) ලෙස සියයට 70 හා සියයට 75 අදාළ කර ගැනීමේදී ගුවන්යානාවල කාර්යසාධනය පහත පරිදි වන බව.

වගුව අංක 06 - මගී පැටවුම් සාධකය අනුව ඇගයීමේදී ගුවන්යානාවල කාර්යසාධනය

විස්තරය -----	A 350-900 -----		A 330-300 -----	
	පැටවුම් සාධකය	70%	75%	70%
මගීන් සංඛ්‍යාව (එක් ගුවන් යානයකට)	232	248	208	223
මුළු ආදායම (USD)	247,462	261,360	216,595	229,066
මුළු විචල්‍ය පිරිවැය (USD)	(170,905)	(171,661)	(174,589)	(175,268)
දායකය (USD)	76,557	89,699	42,006	53,798
ස්ථාවර පිරිවැය වෙන්කිරීම් (USD)	(128,314)	(128,314)	(104,404)	(104,404)
ලාභය/(අලාභය) (USD)	<u>(51,757)</u>	<u>(38,615)</u>	<u>(62,398)</u>	<u>(50,606)</u>

iii) මගීන් සංඛ්‍යාවක් (No of Passengers) යොදාගෙන ඇගයීම් කිරීමේදී කාර්යසාධනය පහත පරිදි වන බව.

වගුව අංක 07 - මගීන් සංඛ්‍යාව අනුව ඇගයීමේදී ගුවන්යානාවල කාර්යසාධනය

විස්තරය -----		A 350-900 -----		A 330-300 -----	
		මගීන් සංඛ්‍යාව (එක් ගුවන් යානයකට)	235	250	265
පැටවුම් සාධකය (%)	71	76	80	79	84
මුළු ආදායම (USD)	250,230	262,828	275,426	239,326	251,922
මුළු විචල්‍ය පිරිවැය (USD)	(171,056)	(171,741)	(172,427)	(175,828)	(176,513)
දායකය (USD)	79,174	91,087	102,999	63,498	75,409
ස්ථාවර පිරිවැය වෙන්කිරීම් (USD)	(128,314)	(128,314)	(128,314)	(104,404)	(104,404)
ලාභය/(අලාභය) (USD)	<u>(49,140)</u>	<u>(37,227)</u>	<u>(25,315)</u>	<u>(40,906)</u>	<u>(28,995)</u>

ඉහත වගුව අංක 07 ට අනුව,

❖ මගීන් 235 ක් ගමන් කිරීමේදී A 330-300 යානයට වඩා A 350-900 යානයේ අලාභය ඇ.ඩොලර් 8235 ක් වැඩි වී තිබූ බව.

- ❖ මගීන් 250 ක් ගමන් කිරීමේදී A 350-900 ගුවන් යානයේ අලාභය ඇ.ඩොලර් 8232 කින් වැඩි වී තිබූ බව.
- ❖ A 350-900 යානයේ මගීන් 265 ක් වූයේ නම් A 330-300 යානයේ මගීන් 235 ක් හෝ 250 ක් සිටීමට වඩා ලාභදායී වී තිබූ බව.

**7.3.1.1.4. 2015 සැප්තැම්බර් 21 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණය; (ඇමුණුම 15)**

මෙහිදී ගුවන්යානා ඇණිය පිළිබඳ නැවත ඇගයීමක් කිරීම සඳහා Skyworks උපදේශන සමාගම සහ තවත් සමාගම් 02 කින් යෝජනා විමසීම් (RFP) කැඳවන ලද බවත් ඒ අනුව ලද යෝජනා ඇගයීම සඳහා පත්කළ පහත නම් සඳහන් නිලධාරීන් විසින් සිදුකරන ලද ඇගයීමේදී Skyworks සමාගම තෝරාගත් බවත් එවකට ප්‍රධාන විධායක නිලධාරීව සිටි රබිත ජයවර්ධන මහතා විසින් අධ්‍යක්ෂ මණ්ඩලය දැනුවත් කර තිබුණි.

- ජෝසප් බ්‍රිටෝ මහතා - අධ්‍යක්ෂ
- හරීන්ද්‍ර බාලපට්‍බැදි මහතා - අධ්‍යක්ෂ
- යසන්ත දිසානායක මහතා - මූල්‍ය අංශ ප්‍රධානි
- මනෝජ් ගුණවර්ධන මහතා - ප්‍රධාන වාණිජ නිලධාරී
- එස්.ඒ. චන්ද්‍රසේකර මහතා (උපදේශක)
- මැණික් ගුණසේකර මිය - ප්‍රධාන සමාගම් කටයුතු නිලධාරී (Chief Corporate Affairs Officer)
- රබිත ජයවර්ධන මහතා - ප්‍රධාන විධායක නිලධාරී

ඒ අනුව 2015 සැප්තැම්බර් 09 දින Skyworks සමාගම සමඟ ගුවන්යානා ඇණිය පිළිබඳ නැවත ඇගයීමක් කිරීම සඳහා ගිවිසුමකට එළඹ තිබුණි.

**7.3.1.1.5. 2015 ඔක්තෝබර් 22 හා 25 දිනයන්හිදී Skyworks උපදේශන සමාගම විසින් අධ්‍යක්ෂ මණ්ඩලය වෙත කරන ලද නිර්දේශයන් (ඉදිරිපත් කිරීම්) හා ඒ මත අධ්‍යක්ෂ මණ්ඩලය විසින් ගනු ලැබූ තීරණ**

Skyworks උපදේශන සමාගම විසින් 2015 ඔක්තෝබර් 22 දින ලබා දී තිබුණු අතුරු වාර්තාව (Interim Report) අනුව (ඇමුණුම 16) A 350-900 ගුවන්යානා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අපේක්ෂිත අවශ්‍ය සඳහා උචිත නොවන බව එනම්, මේ වන විට ශ්‍රී ලන්කන් ගුවන් සේවය ක්‍රියාත්මක වූ කෙටි දුර ධාවන මාර්ග සඳහා යොදාගැනීමෙන් උපරිම ප්‍රතිඵල ලබාගත නොහැකි බව නිර්දේශ කර තිබුණි. මෙම වාර්තාවට අමතරව 2015 ඔක්තෝබර් 25 දින කරන ලද ඉදිරිපත් කිරීම (ඇමුණුම 17) පරිදි ගිවිසුම් අවසන් කිරීමේ පිරිවැය (Break Cost) ඇ.ඩොලර් මිලියන 50-100 අතර වන බව දක්වා තිබුණි. එම වාර්තාවට අනුව A 350-900 ගුවන්යානා 04 ලබා ගැනීමේදී ඇ.ඩොලර්

මිලියන 300 ක පමණ අලාභයක් දැරීමට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමට සිදුවන බව දක්වා තිබුණි.

එම නිර්දේශ හා එයාර්බස් සමාගමෙන් ලබාගත් වාර්තාව මත පදනම්ව A 350-900 ගුවන්යානා කල්බදු සමාගම වන AerCap සමාගම වෙත A 350-900 ගුවන්යානා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ලබාගැනීමේ අපහසුතා පිළිබඳව පළමු දැනුම්දීම 2015 ඔක්තෝබර් 25 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණය ප්‍රකාරව, 2015 ඔක්තෝබර් 30 දින මූල්‍ය අංශ ප්‍රධානි - යසන්ත දිසානායක මහතා විසින් විද්‍යුත් තැපෑල මගින් සිදුකර තිබුණි. (ඇමුණුම 18) මෙම දැනුම් දීමෙහි කෙටුම්පත සකස් කිරීම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම, Skyworks උපදේශන සමාගම හා Kaye Scholer LLP නම් වූ ජාත්‍යන්තර ගුවන් සේවා නීති පිළිබඳ සමාගමේ සහය ඇතිව සිදුකර තිබුණි.

**7.3.1.1.6. 2015 නොවැම්බර් 27 දිනැති අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාව (ඇමුණුම 19)**

මෙම අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාවෙහි පහත කරුණු ඇතුළත් වී තිබුණි.

- i) ඉහත 7.3.1.1.5 ට අනුව AerCap සමාගම වෙත සිදුකරන ලද දැනුම්දීම ප්‍රකාරව 2015 නොවැම්බර් 23 වෙනි දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් AerCap සමාගම සමඟ ඇම්ස්ටර්ඩැම්හිදී සාකච්ඡාවක් පවත්වා තිබූ බව.
- ii) මේ සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති, ප්‍රධාන විධායක නිලධාරී හා මූල්‍ය අංශ ප්‍රධානි සහභාගී වී තිබූ අතර එම සාකච්ඡා නිෂ්ඵල වී තිබූ බව.
- iii) එමෙන්ම AerCap සමාගම විසින් A 350-900 ගුවන්යානා නැවත අලෙවිකරණය සඳහා නියෝජිතයෙකු (Re-marketing agent) පත්කරගන්නා ලෙස හා Cabot Leasing සමාගම ඒ සඳහා සුදුසු වන බව.
- iv) ඉහත (i) හි සඳහන් සාකච්ඡාවෙන් අනතුරුව Skyworks උපදේශන සමාගම සහ නීති උපදේශන සමාගම සමඟ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී විසින් සාකච්ඡා කර තිබූ බව හා එහිදී ගුවන්යානා නැවත අලෙවිකරණය (Re-marketing) සඳහා නියෝජිතයෙකු ලෙස Cabot Leasing සමාගම පත්කර ගැනීම වඩා උචිත බව Skyworks උපදේශන සමාගම විසින් ද යෝජනා කර තිබූ බව.
- v) තවද, ඉහත (i) හි සඳහන් සාකච්ඡාවේදී එයාර්බස් සමාගමේ සභාපති වෙත ගුවන් යානා නැවත අලෙවිකරණය හෝ ගුවන් යානා ලැබීමට නියමිත දින වකවානු වෙනස් කර ගැනීම සඳහා සහාය ඉල්ලා ලිපියක් යොමුකරන ලෙස ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත Skyworks උපදේශන සමාගම මගින් උපදෙස් ලබාදී තිබූ බව හා ඒ මත නීති උපදේශන

සමාගම මහින් ලිපියක් කෙටුම්පත් කර එයාර්බස් සමාගම වෙත යැවීමට සූදානම් කරමින් තිබූ බව.

vi) ඉහත උපදෙස් මත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් A 350-900 ගුවන්යානා නැවත අලෙවිකරණයට නියෝජිතයෙකු පත්කර ගැනීම සඳහා පහත උපදේශන සමාගම් 03 න් මිල ගණන් කැඳවීමට නිර්දේශ කරන බව.

- ❖ Cabot Aviation
- ❖ Nyras සමාගම
- ❖ DVB Bank

**7.3.1.1.7. එයාර්බස් සමාගමේ සහය ඉල්ලීම**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති විසින් එයාර්බස් සමාගමේ ප්‍රධාන මෙහෙයුම් නිලධාරී වෙත ලිපියක් යොමු කරමින් A 350-900 ගුවන්යානා ලැබීමට නියමිත දින ගණන් වෙනස් කර ගැනීම සඳහා ඉල්ලීම් කර තිබුණි. ඒ මත, එයාර්බස් සමාගමේ කණ්ඩායමක් කොළඹට එවා තිබූ අතර ඔවුන් විසින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ව්‍යාපාරික සැලසුම් පිළිබඳව විශ්ලේෂණය කර පසුව මෙම ගනුදෙනුව සිදුවූයේ Aercap සමාගම සමඟ වන බැවින් එම සමාගම මහින්ම ගැටලුව විසඳා ගත යුතු බව 2015 දෙසැම්බර් 22 දින පැවති සාකච්ඡාවේදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත දන්වා තිබුණි.

**7.3.1.1.8. 2016 ජනවාරි 26 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම - ගුවන්යානා ගිවිසුම් අවසන් කිරීමේ වගකීම සම්බන්ධ නීතිමය මතයක් ලබාගැනීම (ඇමුණුම 20)**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් 2015 දෙසැම්බර් 11 දින නීතිඥ අනිල් තිත්තවැල්ල මහතාගෙන් A 350-900 ගුවන්යානා ගිවිසුම් අවසන් කිරීම සම්බන්ධයෙන් නීතිමය මතයක් ලබාගෙන ඉහත අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී ඉදිරිපත් කර තිබුණි. එහි පහත කරුණු ඇතුළත් වී තිබුණි.

- i) A 350-900 ගුවන්යානාවල කල්බදු ගිවිසුම් අවසන් කරන්නේ නම්, ඒ සඳහා වෙනත් කල්බදු ගැනුම්කරුවෙකු (Lessee) සොයා ගැනීම හෝ එම ගුවන්යානා වෙනත් කටයුත්තකට යෙදවීම පිළිබඳ වගකීමක් කල්බදු සමාගම වෙත පැවතීමට හැකි බව.
- ii) මෙම ගුවන්යානා බාරදීම සඳහා සූදානම් වීමට (Ready for delivery) ප්‍රථම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ගිවිසුම් අවසන් කිරීමට කටයුතු කරන්නේ නම් ගුවන් සමාගම වෙත එය වඩාත් වාසිදායක වන බව.

- iii) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් A 350-900 වර්ගයේ ගුවන්යානා තම අවශ්‍යතාවයට වඩා ඉහළ බව හඳුනාගත් විගසම එය කල්බදු සමාගමට දැනුම්දීම මඟින් ඉක්මනින් වෙනත් ගුවන් සේවයක් සොයා ගැනීමට කල්බදු සමාගමට පහසුවන බව.
- iv) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් මෙම ගුවන්යානා ගිවිසුම් අවලංගු කිරීම සඳහා වන ප්‍රමාදය වැඩිවත්ම ගෙවීමට සිදුවන වන්දි මුදල ද ඉහළ යාහැකි බව.

**7.3.1.1.9. Aercap නියෝජිත ප්‍රධාන අවදානම් නිලධාරී (Chief Risk Officer) සමඟ කොළඹදී පැවති සාකච්ඡාව**

2016 ජනවාරි 07 දින Aercap සමාගමේ ප්‍රධාන අවදානම් නිලධාරී (Chief Risk Officer) කොළඹදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම සමඟ සාකච්ඡාවක් පවත්වා තිබුණි. එහිදී, A 350-900 ගුවන්යානා ලබා නොගතහොත් ඇමරිකානු ඩොලර් මිලියන 250 ක පමණ වන්දියක් ශ්‍රී ලන්කන් ගුවන් සේවයට ගෙවීමට සිදුවිය හැකි බව දන්වා තිබුණි.

**7.3.1.1.10. පොදු ව්‍යවසාය සංවර්ධන අමාත්‍යතුමා සහ නියෝජ්‍ය අමාත්‍යතුමා වෙත Skyworks උපදේශන සමාගම විසින් 2016 ජනවාරි 22 දින සිදුකළ ඉදිරිපත් කිරීම් (ඇමුණුම 21)**

මෙම ඉදිරිපත් කිරීමෙහි (Presentation) Skyworks උපදේශන සමාගම විසින් ප්‍රධාන විකල්පයන් 03 ක් ඉදිරිපත් කර තිබුණි. විස්තර පහත දැක්වේ.

- i) විකල්පය A - යුරෝපා ගමනාන්ත දක්වා ධාවනය කිරීම සඳහා A 350-900 ගුවන්යානා 03 ක් ලබාගැනීම.
- ii) විකල්පය B - A 350-900 ගුවන්යානා 03 ක් ලබාගෙන A 330-300 ගුවන්යානා 03 ක් ඉවත් කිරීම.
- iii) විකල්පය C - A 350-900 ගුවන්යානා ලබා නොගැනීම.

මෙහිදී, Skyworks සමාගම විසින් ඉහත විකල්ප ඇගයීම් කර විකල්ප C ක්‍රියාත්මක කිරීම වඩාත් උචිත බව දක්වා තිබුණි. ඒ අනුව, Aercap සමාගමේ නියමය පරිදි අවසන් තීරණය 2016 ජනවාරි 29 දිනට පෙර නීති සමාගමේ උපදෙස් ද ලබාගෙන තහවුරු කළ යුතුව තිබුණි.

**7.3.1.1.11. 2016 ජනවාරි 26 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම**

මෙහිදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී, විසින් ඉදිරිපත් කරන ලද අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාව (ඇමුණුම 22) ප්‍රකාරව ඉහත උපදේශන සමාගම මඟින් නිර්දේශිත විකල්පය C එනම් A 350-900 ගුවන්යානා ලබා නොගැනීම සඳහා අනුමැතිය ලබාදී තිබුණි.

තවද, ශ්‍රී ලන්කන් ගුවන් සේවය ප්‍රතිව්‍යුහගත කිරීම සඳහා මුදල් අමාත්‍යාංශය මගින් Nyras උපදේශන සමාගම පත්කර ඇති බව මෙම අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාව මගින් අධ්‍යක්ෂ මණ්ඩලය වෙත දන්වා තිබුණි.

**7.3.1.1.12. 2016 පෙබරවාරි 09 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම (ඇමුණුම 23)**

මෙහිදී සාකච්ඡාවට භාජනය වූ ප්‍රධාන කරුණු පහතින් වේ.

- i) A 350-900 ගුවන්යානා 03 ක නැවත අලෙවි කිරීමේ කාලසීමාව (Remarketing Period) මාස 03 ක් වූ විට ගිවිසුම් අවසන් කිරීමේ ගාස්තුව ඇ.ඩොලර් මිලියන 84 ක් වන බවත් එම කාලසීමාව මාස 09 ක් වූයේ නම් ගිවිසුම් අවසන් කිරීමේ ගාස්තුව ඇ.ඩොලර් මිලියන 133 ක් ලෙසත් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ඇස්තමේන්තුගත කර ඇති බව.
- ii) A 350-900 ගුවන්යානා 03 නැවත අලෙවි කිරීම සඳහා උපදේශන සේවා ලබාගැනීමට යෝජනා කැඳවීමේදී Skyworks උපදේශන සමාගම නැවත අලෙවි කිරීමේ කාලසීමාව (Remarketing Period) ලෙස මාස 09 ක් දක්වා තිබූ අතර Nyras සමාගම මාස 03 ක් ලෙස දක්වා තිබූ බව.
- iii) ඒ මත අධ්‍යක්ෂ මණ්ඩලය විසින් Nyras සමාගම මේ සඳහා තෝරා ගත් බව.

**7.3.1.1.13. 2016 පෙබරවාරි 26 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම - A 350-900 ගුවන් යානයක ගිවිසුම අවසන් කිරීම (ඇමුණුම 24)**

- i) මේ සම්බන්ධයෙන් මූල්‍ය අංශ ප්‍රධානි, සමූහයේ මූල්‍ය හා පරිපාලන අංශ ප්‍රධානි සහ ප්‍රධාන විධායක නිලධාරී යන නිලධාරීන් තිදෙනා විසින් ඒකාබද්ධව ඉදිරිපත් කර තිබූ අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාවෙහි පහත කරුණු ඇතුළත්ව තිබුණි.
  - ❖ Aercap සමාගම විසින් 4 වෙනි A 350-900 ගුවන් යානයේ ගිවිසුම අවසන් කිරීම සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත අර්පණය (offer) කර ඇති බව.
  - ❖ අනෙක් A 350-900 ගුවන්යානා 03 ලබාගන්නා බවට ලිඛිතව දැනුම් දීමක් කරන ලෙස එයාර්බස් සමාගම විසින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමෙන් ඉල්ලීමක් කර ඇති බව.
- ii) ඉහත අධ්‍යක්ෂ මණ්ඩල පත්‍රිකාව සලකා බලා අධ්‍යක්ෂ මණ්ඩලය විසින් Aercap සමාගම විසින් සිදුකර ඇති අර්පණයට (offer) පහත පරිදි ප්‍රති අර්පණයක් (Counter offer) සිදුකරන ලෙසත් පසුව එකඟ වූ වන්දි මුදල පිළිබඳව අධ්‍යක්ෂ මණ්ඩල අනුමැතිය සහ ශ්‍රී ලංකා රජයේ අනුමැතිය ලබා ගත යුතු බවත් තීරණය කර තිබුණි.
  - ❖ වන්දි මුදල් ගෙවීම වෙනුවට අමතර වෙනත් ගුවන් යානයක් ලබාගැනීම සහ මෙහෙයුම් කල්බදු යටතේ ලබාගෙන තිබූ වෙනත් ගුවන් යානයක කල්බදු කාලසීමාව දීර්ඝ කිරීම හෝ



- ❖ අධ්‍යක්ෂ මණ්ඩලය විසින් සමාගමේ ප්‍රධාන විධායක නිලධාරී වෙත Aercap සමාගම සමඟ සාකච්ඡා කර එම සමාගම වෙත ඇ.ඩොලර් මිලියන 12.56 ක වන්දි මුදලක් අර්පණය කරමින් මේ වනතෙක් ගෙවා ඇති ආරක්ෂිත තැන්පතුව වූ ඇ.ඩොලර් මිලියන 2.5 ක මුදල අඩුකර ඉතිරිය සඳහා එකඟ කරවා ගන්නා ලෙස නිර්දේශ කිරීම.

**7.3.1.1.14. 2016 මාර්තු 09 දිනැති අධ්‍යක්ෂ මණ්ඩල යෝජනා සම්මතය (ඇමුණුම 25)**

4 වෙනි A 350-900 ගුවන් යානයේ කල්බදු ගිවිසුම අවසන් කිරීමේ වන්දි මුදල් ලෙස අවසානයේදී Aercap සමාගම ඇ.ඩොලර් මිලියන 17.77 කට (ආරම්භක තැන්පතුව වූ ඇ.ඩොලර් මිලියන 2.5 ද ඇතුළත්ව) එකඟ වී තිබූ අතර එම වන්දි මුදල අධ්‍යක්ෂ මණ්ඩලය විසින් 2016 මාර්තු 09 දින අධ්‍යක්ෂ මණ්ඩල යෝජනා සම්මතයක් (Board Resolution) මගින් අමාත්‍ය මණ්ඩල අනුමැතිය ලබාගැනීමට යටත්ව අනුමත කර තිබුණි.

**7.3.1.1.15. 2016 මාර්තු 24 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම**

Nyras උපදේශන සමාගම විසින් A 350 ගුවන්යානා යෝජිත ගුවන් මාර්ග ජාලය සඳහා උපයෝජනය කිරීමට උචිත නොවන බව දක්වමින් ගිවිසුම ප්‍රකාර අවසන් වාර්තාව 2016 මාර්තු 18 දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී වෙත ලබා දී තිබුණි. මේ සම්බන්ධයෙන් ප්‍රධාන විධායක නිලධාරී විසින් 2016 මාර්තු 24 දින අධ්‍යක්ෂ මණ්ඩලය දැනුවත් කර තිබුණි. එම වාර්තාවෙහි Nyras සමාගම විසින් අනෙක් A 350-900 ගුවන්යානා 03 හි ගිවිසුම් අවසන් කිරීමේ ගාස්තු ලෙස ඇ.ඩොලර් මිලියන 180 ක් ඇස්තමේන්තු කර තිබුණි.

**7.3.1.1.16. 2016 ජූලි 28 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම (ඇමුණුම 26)**

මෙහිදී 2016 ඔක්තෝබර් හා නොවැම්බර් මාසවලදී ලැබීමට නියමිත අනෙක් A 350-900 ගුවන්යානා 03 සම්බන්ධයෙන් සාකච්ඡා කර තිබුණි. ඒ අනුව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති සහ ප්‍රධාන විධායක නිලධාරී විසින් A 350-900 ගුවන්යානා ගුවන් සේවය වෙත හඳුන්වාදීමට බලාපොරොත්තු නොවන බවත් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන කොටස්කරු වන ශ්‍රී ලංකා රජය සහ ගරු අග්‍රාමාත්‍යතුමා විසින් A 350-900 ගුවන්යානා පිරිවැය-එලදායි පදනමකට (Cost effective manner) ඉවත් කරන ලෙසට උපදෙස් ලබාදී ඇති බවත් අධ්‍යක්ෂ මණ්ඩලය වෙත දැනුම් දී තිබුණි.

7.3.1.2. ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල අනු කමිටුවේ නිර්දේශයන් හා අනුමැතීන් (CCEM Approval)

7.3.1.2.1. එයාර්කැප් සමාගම සමඟ ඇතිකරගත් A 350-900 ගුවන් යානයේ කල්බදු ගිවිසුම අවසන් කිරීම සහ වන්දි මුදල් ගෙවීම

i) 2016 අප්‍රේල් 05 දින පැවති CCEM රැස්වීමේදී ශ්‍රී ලන්කන් ගුවන් සමාගමේ කටයුතු පිළිබඳ පහත තීරණයන්ට එළඹ තිබුණි. (ඇමුණුම 27)

- ❖ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම ප්‍රතිව්‍යුහගත කිරීම සඳහා මුදල් අමාත්‍යාංශයේ ලේකම්, රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්, ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු පිළිබඳ අමාත්‍යාංශයේ උපදේශක, ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති හා රාජ්‍ය ව්‍යවසාය මණ්ඩලයේ සභාපතිගෙන් සමන්විත කමිටුවක් පත්කිරීම.
- ❖ අවශ්‍ය වන්නේ නම් ඉහත කමිටුව වෙත කේෂ්ත්‍රයේ නිපුණයන්ගේ (Experts) සහය ලබාගැනීම.
- ❖ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ආයෝජනය කිරීම සඳහා යෝජනා සඳහා ඉල්ලීම් (RFP) යැවීම සහ ප්‍රගතිය CCEM වෙත වාර්තා කිරීම.
- ❖ ශ්‍රී ලන්කන් ගුවන් සේවය වෙත ඇ.ඩොලර් මිලියන 65 ක් සහ මිනින් ලංකා ගුවන් සේවය වෙත ඇ.ඩොලර් මිලියන 5 ක ණය රාජ්‍ය බැංකු මඟින් ලබාගැනීම. (එයාර්කැප් සමාගම සමඟ ඇතිකරගත් A 350-900 ගුවන් යානාවේ කල්බදු ගිවිසුම අවසන් කිරීමේ ගාස්තුව ද ඇතුළු අත්‍යවශ්‍ය මූල්‍ය අවශ්‍යතා පියවා ගැනීම සඳහා)

ii) ඉහත තීරණයන් පිළිබඳව 2016 අප්‍රේල් 18 දින අග්‍රාමාත්‍ය කාර්යාලය මඟින් රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම් වෙත දන්වා යවා තිබුණි. රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් එයාර්කැප් සමාගම සමඟ ඇතිකරගත් A 350-900 ගුවන් යානයේ කල්බදු ගිවිසුම අවසන් කිරීමේ ගාස්තු ශ්‍රී ලංකා රජය විසින් දරන බවට 2016 අප්‍රේල් 05 දින පැවති CCEM රැස්වීමේදී තීරණය වූ බව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති වෙත 2016 අප්‍රේල් 20 දිනැති අංක රහිත ලිපිය මඟින් දන්වා තිබුණි. (ඇමුණුම 28)

7.3.1.2.2. ඉන්ටර්නැෂනල් ලීස් සින්දන්ස් සමාගම සමඟ ගිවිසගත් A 350-900 ගුවන්යානා 03 සම්බන්ධ කල්බදු ගිවිසුම අවසන් කිරීම හා වන්දි මුදල් ගෙවීම

i) 2016 අගෝස්තු 09 වෙනි දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා සහ නියෝජ්‍ය අමාත්‍යවරයා වෙත 2016 වර්ෂය අගභාගයේදී ලැබීමට නියමිත A 350-900 ගුවන්යානා සඳහා පවතින විකල්ප පිළිබඳව ඉදිරිපත් කිරීමක් සිදුකර තිබුණි. (ඇමුණුම 29)

ii) එවකට නියෝජ්‍ය අමාත්‍යවරයා විසින් ඉහත ඉදිරිපත් කිරීමට හා සාකච්ඡාවට අදාළ එක් පිටුවක කෙටි සටහනක් CCEM සාකච්ඡාවේදී ඉදිරිපත් කිරීම සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපතිවරයාට කරන ලද දැනුම් දීම මත 2016 අගෝස්තු 23 දින එම සටහන විද්‍යුත් තැපෑල මගින් නියෝජ්‍ය අමාත්‍යවරයා වෙත ලබා දී තිබුණි. (ඇමුණුම 30) එම සටහනෙහි ඇතුළත් වූ කරුණු පහතින් වේ.

- ❖ A 350-900 ගුවන්යානා 03 ක් 2016 වර්ෂය අගභාගයේදී ලබාගැනීම සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම Aercap කල්බදු සමාගම සමඟ ගිවිසුම් ගතව ඇති බව.
- ❖ කල්බදු කාලසීමාව වර්ෂ 12 ක් බව හා එක් ගුවන් යානයක් සඳහා මාසික වාරිකය ඇ.ඩොලර් මිලියන 1.43 ක් බව.
- ❖ මේ සඳහා පහත විකල්පයන් පවතින බව.

විකල්ප 01 ගුවන්යානා ලබාගෙන කොළඹ “Toulouse” හි තබා මාස 12-24 කාලයකදී විසඳුමක් සෙවීම. (මෙහිදී එක් ගුවන් යානයකට වාර්ෂිකව කල්බදු කුලිය ඇ.ඩොලර් මිලියන 51 ක් ගෙවීමට සිදුවන බවත් අතුරු බදු දීමෙන් එම පිරිවැය යම්තාක් දුරකට අවම කරගත හැකි බවත් දක්වා තිබුණි.)

විකල්ප 02 එක් A 350-900 ගුවන් යානයක් හෝ ලබා නොගැනීම. (මෙහිදී වන්දි ලෙස ඇ.ඩොලර් මිලියන 50-250 අතර ප්‍රමාණයක් ගෙවීමට සිදුවන බව හා සාකච්ඡා මගින් යම්තාක් දුරකට වන්දි ප්‍රමාණය අඩුකර ගත හැකි බව.)

විකල්ප 03 A 350-900 ගුවන්යානා 03 ලබාගෙන පුළුල්බදු ගුවන්යානා 10 ක් හා පටුබදු ගුවන්යානා 10 කින් යුත් ගුවන්යානා ඇණයක් 2016/17 වන විට පවත්වා ගැනීම. (මෙහිදී ගුවන්යානා 03 ක් අතිරික්ත වන බව හා වාර්ෂික අමතර අලාභ ලෙස ඇ.ඩොලර් මිලියන 32 ක් දැරීමට සිදුවන බව.)

- ❖ තවද, වන්දි මුදල් ගෙවීම (One Time Break Cost) හෝ ගුවන්යානා ශ්‍රී ලංකා රජය විසින් සම්පූර්ණයෙන්ම මිලදී ගැනීම (Possibility of outright purchase of the Aircraft by GOSL) යන කරුණු අවධාරණය කරමින් Aercap සමාගම වෙත යැවීම සඳහා ලිපියක් කෙටුම්පත් කර අමාත්‍යාංශය වෙත ලබා දී ඇති බව.

- ❖ ඉහත පරිදි ගුවන්යානා සම්පූර්ණයෙන්ම ශ්‍රී ලංකා රජය විසින් මිලදී ගැනීම සඳහා සාකච්ඡා වලදී එකඟ වුවහොත් ජර්මන් ගුවන් සේවා සමාගම (German Aviation Capital) විසින් එක් ගුවන් යානයක් ඇ.ඩොලර් මිලියන 98.5 කට ඔවුන් වෙත පවතින ගෙවීමේ හැකියාව අනුව මිලට ගැනීමට එකඟව ඇති බව හා මේ සඳහා ඔවුන් විසින් තහවුරු නොකළ මිල ඉදිරිපත් කිරීමක් (Unconfirmed bid) ශ්‍රී ලන්කන් ගුවන් සේවය වෙත ලබා දී ඇති බව.

iii) Aercap සමාගම විසින් වන්දි මුදලක් යෝජනා කිරීම (ඇමුණුම 31)

2016 අගෝස්තු 30 දින Aercap සමාගම විසින් ඉතිරි A 350-900 ගුවන්යානා 03 හි ගිවිසුම් අවසන් කිරීම සඳහා වන්දි ලෙස ඇ.ඩොලර් මිලියන 154 ක් එකවර ගෙවිය යුතු බව විද්‍යුත් තැපෑල මගින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී (CEO) වෙත දන්වා තිබුණි. මෙහිදී, කෙටුම්පත් කරන ලද අවසන් කිරීමේ ගිවිසුම (Termination Agreement) 2016 අගෝස්තු 31 වන විට ලබා දීමටත් 2016 සැප්තැම්බර් 08 හෝ එදිනට ප්‍රථම ගිවිසුමට එළඹීමටත් යෝජනා කර තිබුණි. තවද වැඩිදුරටත් සාකච්ඡා කිරීමට අවශ්‍ය නම් Aercap නියෝජිතයෙකු කොළඹට එවීමටත් කැමැත්ත ප්‍රකාශ කර තිබුණි.

වගුව අංක 08 - Aercap සමාගම විසින් වන්දි මුදල ගණනය කරන ලද ආකාරය

		(ඇ.ඩොලර් මිලියන)	
නැවත කල්බදු ලබාදීමේදී අහිමිවන වාරිකය (Re-lease Rental Delta)	}	133.7	(ගුවන්යානා 03 හිම අහිමිවන මාසික වාරිකය ඇ.ඩොලර් මිලියන 1.1 ක් බව උපකල්පනය කර තිබුණි.)
ගුවන්යානා රඳවා ගැනීමේ / මාරුකිරීමේ පිරිවැය (Aircraft Holding /Transtion Cost)	}	71.5	
ආරක්ෂිත තැන්පතුව (Security Deposit)	}	(7.5)	
මුළු එකතුව		197.7	
ශුද්ධ වර්තමාන අගය		146.5	(වට්ටම් සාධකය සියයට 6.5 ලෙස ගත්විට)
ආරක්ෂිත තැන්පතුව		7.5	
ඇස්තමේන්තුගත ප්‍රමාණය	}	154.0	මුළු වන්දි

iv) 2016 සැප්තැම්බර් 07 දින CCEM වෙත ඉදිරිපත් කළ වාර්තාව (ඇමුණුම 32)

මෙම වාර්තාව අනුව ගුවන් යානාවේ ආකෘතිය වෙනස් කිරීම (Re-Configuration) සඳහා දැරීමට සිදුවන අමතර පිරිවැය සහ එසේ ආකෘතිය වෙනස් කිරීම මත අහිමිවන කල්බදු වාරිකය (මෙහිදී ආකෘතිය වෙනස් කිරීම සඳහා අවම වශයෙන් මාස 14 ක කාලයක් ගතවන බවට සලකා තිබුණි) යන ප්‍රධාන කරුණු සැලකිල්ලට ගෙන වන්දි මුදල ඇස්තමේන්තු කර තිබුණි. ඒ අනුව, Aercap සමාගම විසින් 2016 අගෝස්තු 30 දින යෝජිත වන්දි මුදල ඇ.ඩොලර් මිලියන 154 ක් වූ බවත් 2016 සැප්තැම්බර් 05 දින පැවති සාකච්ඡාවේදී එම මුදල පහත පරිදි එක් ගුවන් යානයකට ආසන්න වශයෙන් ඇ.ඩොලර් මිලියන 36 බැගින් මුළු වන්දි ප්‍රමාණය ඇ.ඩොලර් මිලියන 106 දක්වා අඩුකර ගත් බවත් දක්වා තිබුණි.

වගුව අංක 09 - Aercap සමාගම වන්දි මුදල ගණනය කිරීමේදී එක් ගුවන් යානයක් සඳහා වන්දි මුදල ගණනය කළ ආකාරය

	ඇ.ඩොලර් මිලියන -----
ආකෘතිය වෙනස් කිරීමේ පිරිවැය (Re-configuration Cost)	10.0
මූල්‍ය පිරිවැය (Financing Cost)	8.3
ගිවිසුම් අවසන් කිරීමේ පිරිවැය (Termination Cost) - 4 වෙනි ගුවන් යානයට ගෙවන ලද මුදල හා සමානව	17.7
<b>මුළු වන්දි මුදල (එක් ගුවන් යානයකට)</b>	<b>36.0</b>

තවද, Skyworks සහ Nyras යන උපදේශන සමාගම් විසින් ගුවන්යානා 03 ම මාස 03, 09 හා 12 යන කාල පරිච්ඡේද ඇතුළත නැවත අලෙවිකර ගැනීම (Remarketing) මත ගෙවිය යුතු වන වන්දි මුදල් පහත පරිදි ඇස්තමේන්තු කර තිබුණි.

වගුව අංක 10 - උපදේශන සමාගම් විසින් වන්දි මුදල් ඇස්තමේන්තු කර ඇති ආකාරය

උපදේශන සමාගම	වන්දි මුදල (ඇ.ඩොලර් මිලියන)	කොන්දේසිය -----
Skyworks	84	- ගුවන්යානා 03 ම මාස 03 ක් ඇතුළත නැවත අලෙවිකරගත හැකිවීම මත (Re-marketing)
	133	- ගුවන්යානා 03 ම මාස 09 ඇතුළත නැවත අලෙවි කරගත හැකි වීම මත
Nyras	180	- ගුවන්යානා 03 ම මාස 12 ක් ඇතුළත නැවත අලෙවි කරගත හැකි වීම මත

ගිවිසුම් අවසන් කිරීමේ යෝජනාව ප්‍රතික්ෂේප කරන්නේ නම් පහත විකල්ප අවස්ථා 02 න් එකකට මුහුණ දීමට සිදුවන බව දක්වා තිබුණි.

විකල්ප 01 A 350-900 ගුවන්යානා 03 ලබාගන්නේ නම් වාර්ෂිකව ආසන්න වශයෙන් ඇ.ඩොලර් මිලියන 30 ක අමතර අලාභයක් දැරීමට සිදුවීම. (මෙම ගුවන්යානා වර්ෂ 05 ක් තබාගතහොත් මුළු අලාභය ඇ.ඩොලර් මිලියන 150 ක් පමණ වීම)

විකල්ප 02 නීතිමය ක්‍රියාමාර්ගයකට යොමුවීම - Aercap සමාගම සාධාරණ වන්දි මුදලක් යෝජනා කර ඇති අතර උසාවි නියෝග සාකච්ඡා මාර්ගවලින් වෙනස් කළ නොහැකි වනු ඇත.

යෝජිත වන්දි මුදල ගෙවා නිදහස් වීමෙන් පහත වාසි ගුවන් සේවය වෙත අත්වන බව ඉහත වාර්තාවෙහි වැඩිදුරටත් දක්වා තිබුණි.

- ❖ A 350-900 ගුවන්යානා නිසා දැරීමට සිදුවන අඛණ්ඩ අමතර අලාභ ඉදිරියේදී දැරීමට සිදු නොවීම.
- ❖ 2016 මාර්තු 31 දිනට මූල්‍ය ප්‍රකාශනවල පෙන්වුම් කෙරෙන කල්බදු පහසුකම් ලබාගැනීම මත මූල්‍යමය බැඳීම් ඇ.ඩොලර් මිලියන 865 (රු.බිලියන 126) සිට ඇ.ඩොලර් මිලියන 520 (රු.බිලියන 75.8) දක්වා අඩුවීම මඟින් වඩා ඵලදායී ආයෝජකයෙකු ශ්‍රී ලන්කන් ගුවන් සේවය වෙත ආකර්ෂණය කරගත හැකි වීම.
- ❖ A 350-900 ගුවන්යානා හැර අනෙකුත් ගුවන්යානා ප්‍රතිව්‍යුහගත කිරීම තුළින් ඉදිරි වර්ෂ 05 තුළ පහත පරිදි ඉතිරියක් බලාපොරොත්තු වියහැකි බව.

වගුව අංක 11 - ගුවන්යානා ප්‍රතිව්‍යුහගත (A 350-900 ගුවන්යානා හැර) කිරීම මඟින් ඉදිරි වර්ෂ 5 තුළ අපේක්ෂිත ඉතිරිවීම් පිළිබඳ විස්තර

වර්ෂය	අයවැය ගත කල්බදු පිරිවැය (ඇ.ඩොලර් මිලියන)	නැවත සාකච්ඡාවෙන් පසු (After re-negotiation) කල්බදු පිරිවැය (ඇ.ඩොලර් මිලියන)	අපේක්ෂිත ඉතිරිය (ඇ.ඩොලර් මිලියන)
2016/17	147	140 (9NB/10WB)	7
2017/18	151	119 (14NB/10WB)	32
2018/19	154	124 (14NB/10WB)	30
2019/20	154	124 (14NB/10WB)	30
2020/21	154	124 (14NB/10WB)	30
ඉදිරි වර්ෂ 05 සඳහා අපේක්ෂිත මුළු ඉතිරිය			129

“Standard Chartered” බැංකුව මඟින් ලබා දීමට එකඟ වී තිබූ ඩොලර් මිලියන 150 ක ණය මුදලින් 2016 සැප්තැම්බර් 30 දිනට ලබාගෙන තිබූ ඇ.ඩොලර් මිලියන 25 ක් වී තිබුණි. ඒ අනුව ඉතිරි ප්‍රමාණයෙන් ගිවිසුම් අවසන් කිරීමේ පිරිවැය ගෙවීමටත් ඒ සඳහා ශ්‍රී ලංකා රජයෙන් ඇපකරයක් ලබා ගැනීමට බලාපොරොත්තු වන බව සහ අවසන් කිරීමේ ගිවිසුම

(Termination Agreement) අත්සන් කළ පසු වන්දි මුදල් එකඟ වූ දිනයට එකඟ වූ ප්‍රමාණය ගෙවීමට අපොහොසත් වුවහොත් මුල් කල්බදු ගිවිසුම ප්‍රකාරව නීතිමය ක්‍රියාමාර්ග ගැනීමේ හැකියාවක් කල්බදු සමාගම සතුව පවතින බව වැඩිදුරටත් දක්වා තිබුණි.

v) 2016 සැප්තැම්බර් 07 දින CCEM තීරණය (ඇමුණුම 33)

ඉහත (iv) හි සඳහන් වාර්තාවෙහි ඇතුළත් කරුණු සලකා බැලීමෙන් පසුව A 350-900 ගුවන්යානා 03 හි ගිවිසුම් අවසන් කිරීමේ ගාස්තුව ඇ.ඩොලර් මිලියන 75-85 අතර විය යුතු බව මෙම රැස්වීමේදී තීරණය කර තිබුණි. මේ සම්බන්ධයෙන් Aercap සමාගම සමඟ සාකච්ඡා කර 2016 සැප්තැම්බර් 09 දින වන විට ගිවිසුමට එළඹිය යුතු බව ද දක්වා තිබුණි. තවද මේ සම්බන්ධයෙන් වියහැකි මාධ්‍ය ප්‍රචාරණයන් වළක්වා ගන්නා ලෙසටත් උපදෙස් ලබා දී තිබුණි.

vi) 2016 සැප්තැම්බර් 21 දින CCEM වෙත ඉදිරිපත් කරන ලද වාර්තාව (ඇමුණුම 34)

2016 සැප්තැම්බර් 09 දින Aercap සමාගම සමඟ ගිවිසුම් අවසන් කිරීමේ වන්දි මුදල අඩුකර ගැනීම සඳහා සාකච්ඡා පවත්වා තිබුණි. ඒ අනුව, භාවිතා කරන ලද A 330-200 ගුවන් යානයක් (MSN 1008) 2017 වර්ෂයේදී කල්බදු පදනමට ලබාගැනීම සහ තවත් A 330-200 ගුවන්යානයක (MSN 627) කල්බදු කාලසීමාව දීර්ඝ කිරීම යන කොන්දේසිවලට යටත්ව Aercap සමාගම විසින් වන්දි මුදල වශයෙන් ඇ.ඩොලර් මිලියන 98 ක් අයකර ගැනීමට එකඟ වූ බව දක්වා තිබුණි. එමෙන්ම එම වන්දි මුදල පහත පරිදි වාරික 6 කින් ගෙවීමට දෙපාර්ශවය එකඟතාවයකට එළඹ තිබුණි.

ගිවිසුම් අත්සන් කළ විගස	- ඇ.ඩොලර් මිලියන 7.5 ක ආරක්ෂිත තැන්පතුව
ගිවිසුම් අත්සන් කර දින 5 ක් ඇතුළත	- ඇ.ඩොලර් මිලියන 10
ගිවිසුම් අත්සන් කර දින 15 ක් ඇතුළත	- ඇ.ඩොලර් මිලියන 10
ගිවිසුම් අත්සන් කර දින 30 ක් ඇතුළත	- ඇ.ඩොලර් මිලියන 62.5
2017 ජනවාරි 31	- ඇ.ඩොලර් මිලියන 4
2017 පෙබරවාරි 28	- ඇ.ඩොලර් මිලියන 4

තවද මෙම වාර්තාවට අනුව ඉහත පරිදි ගිවිසුම් අවසන් කිරීමේ හා වන්දි මුදල ගෙවීමේ කොන්දේසි වලට එකඟ නොවන්නේ නම් ඇ.ඩොලර් මිලියන 154 ක් වන්දි මුදල ලෙස ගෙවිය යුතු අතර එම මුළු මුදලම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම දැරිය යුතු විය.

vii) 2016 සැප්තැම්බර් 21 දිනැති CCEM තීරණය (ඇමුණුම 35)

මෙහිදී Aercap සමාගමේ අවසාන යෝජනාව වූ ඇ.ඩොලර් මිලියන 98 සම්බන්ධයෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා සහ මුදල් අමාත්‍යවරයා විසින් එකඟ වී නොතිබුණි. ඒ අනුව, රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා සහ මුදල් අමාත්‍යවරයා විසින් Aercap සමාගම සමඟ සාකච්ඡාවක් පවත්වා වන්දි මුදල අඩුකර ගැනීමට කටයුතු කරන ලෙසට ආර්ථික කළමනාකරණ අමාත්‍ය මණ්ඩල කමිටුව (CCEM) දන්වා තිබුණි; එහිදී එම සාකච්ඡාව ඉදිරි දින කිහිපය තුළදී පැවැත්වීමට කටයුතු කරන ලෙස ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත දන්වා තිබුණි.

viii) 2016 සැප්තැම්බර් 28 දිනැති CCEM තීරණය (ඇමුණුම 36)

2016 සැප්තැම්බර් 21 දිනැති තීරණය ප්‍රකාරව රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා, මුදල් අමාත්‍යවරයා සහ අගමැති ජ්‍යෙෂ්ඨ උපදේශක, භාණ්ඩාගාරයේ ලේකම්, රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම් සහ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී යන නිලධාරීන්ගෙන් සමන්විත කණ්ඩායමක් Aercap සමාගම සමඟ මහ භාණ්ඩාගාරයේදී සාකච්ඡාවක් පවත්වා තිබුණි. එහිදී පහත කරුණු පිළිබඳ තීරණයන්ට එළඹ තිබුණු බව සඳහන් කර තිබුණි.

- ❖ A 330-200 වර්ගයේ ගුවන් යානාවක් අලුතෙන් කල්බදු ලබාගැනීම සහ පවතින A 330-200 ගුවන් යානාවක කල්බදු කාලසීමාව දීර්ඝ කර ගැනීමට යටත්ව ඇ.ඩොලර් මිලියන 98 ක වන්දි මුදලටම එකඟ වූ බව.
- ❖ ඉහත පරිදි ඇතිකරගත් එකඟතාව ලිඛිතව රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය වෙත එවන ලෙස මුදල් අමාත්‍යවරයා විසින් Aercap නියෝජිතයින් වෙත දැනුම් දුන් බව
- ❖ මෙම වන්දි ගෙවීම ජාත්‍යන්තර මූල්‍ය අරමුදල මගින් ශ්‍රී ලංකාව වෙත පනවා ඇති කොන්දේසි සමඟ එකඟ වන්නේ දැයි නීතිපතිවරයාගෙන් නීති උපදෙස් ලබාගත යුතු බව හා එසේ එකඟ නොවේ නම් ඒ බව Aercap වෙත දන්වා තවදුරටත් සාකච්ඡා කළ යුතු බව.

ix) 2016 ඔක්තෝබර් 01 දින Aercap සමාගමේ නියෝජිතයින් සමඟ භාණ්ඩාගාරයේදී සාකච්ඡාවක් පවත්වා තිබූ අතර එම සාකච්ඡාවට මුදල් අමාත්‍යාංශයේ උපදේශකවරයෙක්, ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී සහ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම සමූහයේ ප්‍රධාන මූල්‍ය හා පරිපාලන නිලධාරී සහභාගී වී තිබුණි.

මෙහි මූලික අරමුණ වී තිබුණේ ජාත්‍යන්තර මූල්‍ය අරමුදලේ කොන්දේසි වලට ගැලපෙන ආකාරයට ගිවිසුම් අවසන් කිරීමේ ගාස්තු (Termination fee) ගෙවීම සඳහා එකඟත්වය ලබා ගැනීමයි. ඒ අනුව, 2016 වර්ෂයේදී ඇ. ඩොලර් මිලියන 10.5 ක් පමණක් ගෙවිය හැකි බවත් ඉතිරිය වාරික 06 කින් 2017 වර්ෂයේදී ගෙවා නිමකරන බවටත් එකඟ වී තිබුණි.



මෙම සාකච්ඡාවේදී Aercap සමාගම විසින් ගුවන්යානා ලබාදීමට නියමිත කාලසීමාව ඉදිරි සති 02 කින් අවසන් වන බැවින් 2016 ඔක්තෝබර් 03 දින වන විට අවසන් කිරීමේ ගිවිසුම අනිවාර්යෙන්ම අත්සන් කළ යුතු බව වැඩිදුරටත් දන්වා තිබුණි. එබැවින්, මෙම සාකච්ඡාවේදී එකඟ වූ කරුණු පිළිබඳ ප්‍රධාන විධායක නිලධාරී -සුරේන් රත්වත්ත මහතා විසින් විද්‍යුත් තැපැල් පණිවිඩයක් (e-mail) මාර්ගයෙන් මුදල් අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා එදිනම දැනුවත් කර තිබුණි. (ඇමුණුම 37)

x) 2016 ඔක්තෝබර් 03 දින පෙ.ව. 12.17 ට (12.17 A.M) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපතිවරයා විසින් මුදල් අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා වෙත විද්‍යුත් තැපෑලෙන් යවන ලද විද්‍යුත් තැපැල් පණිවිඩය (ඇමුණුම 38)

මෙම ලිපියෙහි පිටපත් අග්‍රාමාත්‍ය ජ්‍යෙෂ්ඨ උපදේශක සහ ශ්‍රී ලන්කන් ගුවන් සමාගමේ ප්‍රධාන විධායක නිලධාරී වෙතද යවා තිබූ අතර එහි පහත කරුණු දක්වා තිබුණි.

- ❖ 2016 සැප්තැම්බර් 28 දින ලද CCEM අනුමැතියෙන් පසුව, එයාර්කැප් සමාගම සමඟ A350 ගිවිසුම් අවසන් කිරීම සඳහා වඩාත් හොඳ ගෙවීම් කොන්දේසි වලට එළඹීමට සාකච්ඡාවක් 2016 ඔක්තෝබර් 02 දින භාණ්ඩාගාරයේදී පවත්වන ලද බව
- ❖ යෝජිත වන්දි මුදල සඳහා CCEM අනුමැතිය 2016 සැප්තැම්බර් 28 දින ලද නමුත් එම ගෙවීම් ජාත්‍යන්තර මූල්‍ය අරමුදලේ කොන්දේසි වලට යටත්ව සිදුකළ යුතු බව.
- ❖ ජාත්‍යන්තර මූල්‍ය අරමුදලේ කොන්දේසි වලට අනුගත වීම මුදල් අමාත්‍යවරයාගේ විෂය පථය යටතට ගැනෙන අතර එය ඉහත සාකච්ඡාවේදී විසඳී ඇති බව .
- ❖ අවසන් කිරීමේ ගිවිසුම (Termination Agreement) අත්සන් කිරීම සඳහා අනෙකුත් සියලු කටයුතු සුදානම් බව හා ඒ සඳහා අනුමැතිය ඉල්ලා සිටින බව.

xi) 2016 ඔක්තෝබර් 03 දින පෙ.ව. 12.17 ට (12.17 A.M) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපතිවරයා විසින් එවන ලද විද්‍යුත් තැපැල් පණිවිඩය සඳහා එදින උදේ 06.01 ට (06.01A.M) අගමැති ජ්‍යෙෂ්ඨ උපදේශක විසින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපතිවරයා වෙත එවන ලද පිළිතුර (ඇමුණුම 39)

මෙහි ගරු අගමැතිතුමා විසින් අගමැති ජ්‍යෙෂ්ඨ උපදේශක වෙත ඉහත සභාපති විසින් යොමු කළ විද්‍යුත් තැපැල් පණිවිඩය පරිදි කටයුතු කරන ලෙසට උපදෙස් ලබා දෙන ලෙස දැනුම් දුන් බව දක්වා තිබුණි. (උපුටා ගැනීම : Hon. PM has directed me to advise you that you should proceed as indicated.)

xii) කල්බදු පදනම් මත A 350-900 ගුවන්යානා 3 ක් ලබා ගැනීමේ ගිවිසුම අවසන් කිරීමේ ගිවිසුමට (Termination Agreement) අත්සන් කිරීම (ඇමුණුම 40)

ඒ අනුව 2016 ඔක්තෝබර් 04 වෙනි දින A 350-900 ඉතිරි ගුවන්යානා 03 හි කල්බදු ගිවිසුම් අවසන් කිරීමේ ගිවිසුමට (Termination Agreement) Aercap සමාගමේ ප්‍රධාන විධායක නිලධාරී සහ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති විසින් අත්සන් තබා තිබුණි.

xiii) 2016 ඔක්තෝබර් 26 දිනැති CCEM තීරණය (ඇමුණුම 41)

පැවති හදිසි අවශ්‍යතාවය මත ඉහත අවසන් කිරීමේ ගිවිසුම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් 2016 ඔක්තෝබර් 04 දින අත්සන් කරන ලද බවත් ඒ සඳහා ආර්ථික කළමනාකරණ අනු කමිටුව විසින් උපදෙස් ලබාදුන් බවත් සාකච්ඡා වී තිබුණි. තවද මේ සම්බන්ධව අමාත්‍ය මණ්ඩල අනුමැතිය ලබාගැනීම සඳහා යොමු කරන බව ද මෙම CCEM තීරණයෙහි දක්වා තිබුණි.

7.3.1.3. අමාත්‍ය මණ්ඩල අනුමැතිය

ගුවන් යානා ගිවිසුම් අවලංගු කිරීමට අදාළව අමාත්‍ය මණ්ඩල සංදේශ 07 ක් ඉදිරිපත් කර තිබූ අතර එම සංදේශ වල ඇතුළත් කරුණු හා ඒ සම්බන්ධයෙන් ගනු ලැබූ තීරණයන් පහත පරිදි විය.

වගුව අංක 12 – A 350-900 ගුවන්යානා 3 ක් කල්බදු පදනම මත ලබා ගැනීමට එළඹ තිබූ ගිවිසුම අවලංගු කිරීමට අදාළව ඉදිරිපත් කර තිබූ අමාත්‍ය මණ්ඩල සංදේශ

අමාත්‍ය මණ්ඩල සංදේශය	අමාත්‍ය මණ්ඩල තීරණ අංකය හා /හෝ දිනය	විෂයය
i) 2016.10.07 දින ගරු අගමැතිතුමා ඉදිරිපත් කළ සංදේශය (ඇමුණුම 42)	2016.10.18 (ඇමුණුම 43)	2016.09.28 දින පැවති CCEM රැස්වීම් වාර්තාව
ii) 2016.10.31 දින ගරු අගමැතිතුමා ඉදිරිපත් කළ සංදේශය (ඇමුණුම 44)	2016.11.08 අමප/16/2301/702/003-35(ඇමුණුම 45)	2016.10.26 දින පැවති CCEM රැස්වීම් වාර්තාව
iii) 2017.02.08 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍ය කබිඊ හමීම් මහතා ඉදිරිපත් කළ සංදේශය - 2017/02 (ඇමුණුම 46)	2017.02.21 අමප/17/0336/733/006 (ඇමුණුම 47)	ශ්‍රී ලන්කන් ගුවන් සේවයේ A350-900 ගුවන් යානා කල්බදු ගිවිසුම් අවලංගු කිරීම
iv) -එම-	2017.02.28 අමප/17/0432/733/006-I (ඇමුණුම 48)	-එම-
v) 2017.04.19 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍ය සහ මුදල් අමාත්‍යවරයා විසින් ඉදිරිපත් කළ සංදේශය (ඇමුණුම 49)		-එම-

- vi) 2017.07.12 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍ය කබිට් හමිම් මහතා ඉදිරිපත් කළ සටහන (Note to the Cabinet) (ඇමුණුම 50) 2017.07.25 අමප/17/1535/733/006-IV (ඇමුණුම 51) -එම-
- vii) 2017.08.09 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් ඉදිරිපත් කළ සංදේශය (ඇමුණුම 52) 2017.08.15 අමප/17/1535/733/006-IV (ඇමුණුම 53) -එම-

7.3.1.3.1. අමාත්‍ය මණ්ඩලයන් විසින් වගුව අංක 12 හි සඳහන් සංදේශයන් සම්බන්ධයෙන් ගත් තීරණ

**i) 2016 ඔක්තෝබර් 18 දින පැවති අමාත්‍ය මණ්ඩල රැස්වීම(ඇමුණුම 43)**

මෙහිදී ඉහත ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය අනු කමිටුව මගින් A350-900 ගුවන් යානා 03 හි ගිවිසුම් අවසන් කිරීම සම්බන්ධයෙන් ලබා දී තිබුණු (7.3.1.2.2 (viii) හි දැක්වෙන) තීරණයන් සඳහා අමාත්‍ය අනු කමිටුව අනුමැතිය ලබා දුන් බව 2016 නොවැම්බර් 01 දින අග්‍රාමාත්‍ය කාර්යාලය මගින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත දැනුම් දී තිබුණි.

**ii) 2016 නොවැම්බර් 08 දින පැවති අමාත්‍ය මණ්ඩල රැස්වීම (ඇමුණුම 45)**

මෙහිදී, ගරු ජනාධිපතිවරයාගේ නිරීක්ෂණ ප්‍රකාරව A350-900 ගුවන් යානා ගිවිසුම් අවසන් කිරීම සම්බන්ධයෙන් CCEM තීරණ අංක: 26/10/2016/15 සඳහා වෙනම අමාත්‍ය මණ්ඩල පත්‍රිකාවක් සකස් කර ඉදිරිපත් කරන ලෙස දන්වා තිබුණි.

ඒ අනුව, ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් අමාත්‍ය මණ්ඩල පත්‍රිකාවට අවශ්‍ය තොරතුරු ඇතුළත් ලියවිල්ලක් සකස් කර 2016 නොවැම්බර් 29 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම් වෙත ලබා දී තිබුණි.

**iii) රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් 2017 පෙබරවාරි 08 දින ඉදිරිපත් කරන ලද අමාත්‍ය මණ්ඩල සංදේශය (ඇමුණුම 46)**

අතිගරු ජනාධිපතිතුමාගේ ඉල්ලීම පරිදි මෙම අමාත්‍ය මණ්ඩල පත්‍රිකාව ඉදිරිපත් කර තිබුණි. එහි ඇතුළත් වී තිබූ ප්‍රධාන කරුණු පහත වේ.

- ❖ ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය අනු කමිටුවට හා අමාත්‍ය මණ්ඩලය වෙත ගුවන් යානා ගිවිසුම් අවලංගු කිරීම සම්බන්ධයෙන් මින් පෙර ඉදිරිපත් කර තිබූ සියලු වාර්තා රේඛීය අමාත්‍යාංශය මගින් ඉදිරිපත් කර නොතිබූ බව
- ❖ නව ගුවන් යානයක් කල්බදු ලබා ගැනීම හා මිහින් ලංකා සමාගම විසින් කල්බදු ලබාගෙන තිබූ ගුවන් යානයද ඇතුළත් තවත් ගුවන් යානා 02 ක කල්බදු ගිවිසුම් දීර්ඝ කිරීමේ නියමයන් හා කොන්දේසි පිළිබඳව රේඛීය අමාත්‍යාංශය හෝ අමාත්‍ය මණ්ඩලය දැනුවත් කර නොමැති බව

- ❖ ගුවන් යානා ගිවිසුම් අවසන් කිරීම සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය ලබා ගත්තේ දැයි විමසමින් අමාත්‍යාංශ ලේකම්වරයා විසින් 2016 ඔක්තෝබර් 20 දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමට ලිපියක් (ඇමුණුම 54) ඉදිරිපත් කිරීමෙන් පසුව 2016 ඔක්තෝබර් 28 දින සමාගම විසින් අමාත්‍යාංශය දැනුවත් නොකර අමාත්‍ය මණ්ඩල පත්‍රිකාවක් ඉදිරිපත් කර ඇති බව
- ❖ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ, අමාත්‍ය මණ්ඩලයේ හෝ නීතිපතිවරයාගේ අනුමැතියකින් තොරව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් 2016 ඔක්තෝබර් 04 දින A 350-900 ගුවන් යානා 03 සඳහා කල්බදු ලබාගැනීමේ ගිවිසුම් අභෝගි කිරීමේ ගිවිසුමකට එළඹ ඇති බව
- ❖ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම මගින් International Lease Finance Corporation (ILFC) සමඟ කල්බදු ගිවිසුම් 03 කට එළඹ තිබූ නමුත් ගිවිසුම් අවසන් කිරීමේ සාකච්ඡා Aercap සමාගම සමඟ පවත්වා තිබූ බව හා ඊට හේතු වූ කරුණු පිළිබඳව අමාත්‍යාංශය දැනුවත් කර නොතිබූ බව
- ❖ 2016 අප්‍රියෙල් මාසයේදී A350-900 වර්ගයේ සිව්වන ගුවන් යානාවේ ගිවිසුම අභෝගි කර තිබූ අතර ඒ සඳහා අමාත්‍ය මණ්ඩල අනුමැතියක් ලබාගෙන නොතිබූ බව
- ❖ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්වරයා වෙත Aercap සමාගම සමඟ පැවති සාකච්ඡා වලට සහභාගී වීම සඳහා කිසිදු දැනුම් දීමක් කර නොතිබූ බව
- ❖ A 330-200 නව ගුවන් යානාව කල්බදු ලබා ගැනීම හා අනෙක් ගුවන් යානා 02 හි කල්බදු දීර්ඝ කිරීම යන කාරණාවන් සමාගමේ ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම හා එකඟ වන්නේ දැයි ගැටළු සහගත බව

**iv) 2017 පෙබරවාරි 21 දිනැති අමාත්‍ය මණ්ඩල තීරණය (ඇමුණුම 47)**

මෙහිදී ඉහත 2017 පෙබරවාරි 08 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා ඉදිරිපත් කරන ලද සංදේශය සලකා බලා තිබුණි. මෙම සංදේශය, අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණ හා මෙම රැස්වීමේදී රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් සිදුකරන ලද වැඩිදුර කරුණු පැහැදිලි කිරීම සහ අමාත්‍ය මණ්ඩලයේ තවත් සාමාජිකයන් කිහිපදෙනෙකු විසින් ඉදිරිපත් කරන ලද අදහස් දැක්වීම් සමඟ සලකා බලා තිබුණි. ඒ අනුව, මේ පිළිබඳව වැඩිදුර පරීක්ෂා කර නිර්දේශ අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කිරීම සඳහා ගරු අග්‍රාමාත්‍යතුමා විමසමින් අමාත්‍ය මණ්ඩල

අනුකාරක සභාවක් පත්කරන ලෙස ගරු ජනාධිපතිතුමාගෙන් ඉල්ලා සිටීමට තීරණය කර තිබුණි.

**v) 2017 පෙබරවාරි 28 දිනැති අමාත්‍ය මණ්ඩල තීරණය (ඇමුණුම 48)**

2017 පෙබරවාරි 27 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් අමාත්‍ය මණ්ඩල සටහනක් ඉදිරිපත් කර තිබූ අතර එහි ශ්‍රී ලන්කන් ගුවන් සේවයේ A 350-900 ගුවන්යානා කල්බදු ගිවිසුම් අවලංගු කිරීම සම්බන්ධයෙන් මුදල් අමාත්‍යාංශය හා එක්ව ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශයක් අමාත්‍ය මණ්ඩල අනුමැතිය සඳහා ඉදිරිපත් කිරීමට කටයුතු කරන බව දක්වා තිබුණි.

මෙම අමාත්‍ය මණ්ඩල සටහන 2017 පෙබරවාරි 28 දින පැවති අමාත්‍ය මණ්ඩල රැස්වීමේදී සැලකිල්ලට ගෙන තිබුණි.

**vi) 2017 අප්‍රේල් 19 දිනැති අමාත්‍ය මණ්ඩල සංදේශය (ඇමුණුම 49)**

මෙම සංදේශය රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා සහ මුදල් අමාත්‍යවරයා විසින් ඒකාබද්ධව ඉදිරිපත් කර තිබූ අතර එහි A 350-900 ගුවන්යානා ගිවිසුම් අවසන් කිරීමේ ක්‍රියාවලිය සිදුකළ ආකාරය පැහැදිලි කර තිබුණි. මෙහිදී 2016 ඔක්තෝබර් 04 දින A 350-900 ගුවන්යානා 03 ක කල්බදු ගිවිසුම් අවසන් කිරීම සඳහා එළඹී ගිවිසුමේ කොන්දේසි පිළිබඳව ද කරුණු දක්වා තිබූ අතර එම ගිවිසුම නිසි පරිදි ක්‍රියාත්මක කිරීම සඳහා මුදල් අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් ගනු ලබන ක්‍රියාමාර්ගයන් ක්‍රියාත්මක කිරීම සඳහා භාණ්ඩාගාරයේ ලේකම් සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම් වෙත බලය පැවරීමට අනුමැතිය ඉල්ලා තිබුණි.

**vii) 2017 ජූලි 12 දිනැති අමාත්‍ය මණ්ඩල සංදේශය (ඇමුණුම 50)**

මෙම සංදේශය රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් ඉදිරිපත් කර තිබූ අතර එමඟින් ඉහත 2017 අප්‍රේල් 19 දින ඉදිරිපත් කරන ලද ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශය මඟින් ඉල්ලුම් කරන ලද අනුමැතිය ලබා දෙන ලෙස අවධානය යොමුකර තිබුණි. මෙහිදී 2017 අප්‍රේල් 19 දින සංදේශය ඉදිරිපත් කරන ලද්දේ 2017.02.21 දිනැති අමාත්‍ය මණ්ඩල තීරණ අංක: අමප/17/0336/733/066 දරණ තීරණය හා 2017.02.28 දිනැති අමාත්‍ය මණ්ඩල සටහන් අංක: අමප/17/0432/733/006 –I දරණ තීරණයට අනුව බව දක්වා තිබුණි. 2017 අප්‍රේල් 19 දිනැති සංදේශය 2017 ජූනි 13 දින සලකා බැලීමෙන් පසුව අමාත්‍ය මණ්ඩලය විසින් 2017 ජූනි 20 දින පැවති අමාත්‍ය මණ්ඩල රැස්වීම සඳහා ශ්‍රී ලන්කන් ගුවන් සමාගමේ සභාපති, ප්‍රධාන විධායක නිලධාරී සමඟ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම් කැඳවා තිබුණි. එහිදී

මේ සම්බන්ධයෙන් තීරණයක් ගැනීම කල්තබා තිබූ අතර එම කල්තැබූ තීරණය පිළිබඳ අවධානය යොමු කරවීම 2017 ජූලි 12 දිනැති අමාත්‍ය මණ්ඩල සංදේශයේ අරමුණ වී තිබුණි.

**viii) 2017 ජූලි 25 දිනැති අමාත්‍ය මණ්ඩල තීරණය (ඇමුණුම 51)**

ඉහත 2017 අප්‍රේල් 19 දිනැති අමාත්‍ය මණ්ඩල සංදේශය හා 2017 ජූලි 12 දිනැති අමාත්‍ය මණ්ඩල සංදේශය මෙහිදී සලකා බලා තිබුණි. මෙම අවස්ථාවේදී මුදල් අමාත්‍යවරයා විසින් පහත නිරීක්ෂණයන් කර තිබුණි.

- ❖ A 350-900 ගුවන්යානා 03 ක් මිලදී ගැනීමේ ගිවිසුම අවලංගු කර අමාත්‍ය මණ්ඩලයේ විධිමත් අනුමැතියකින් තොරව සියළු වන්දි මුදල් ගෙවා ඇති බව.
- ❖ 2016 සැප්තැම්බර් 28 දින පැවති CCEM තීරණය අනුව නීතිපතිතුමාගේ උපදෙස් ලබාගෙන තිබේද යන්න පැහැදිලි නොවීම.
- ❖ ගිවිසුමේ පහත කොන්දේසි පිළිබඳව CCEM අනුමැතිය ලබාගෙන තිබේදැයි පැහැදිලි නොවීම.
  - වාරික ගෙවීම පිළිබඳ එකඟ වූ සැලැස්ම
  - Aercap විසින් මිහින් ලංකා සමාගමට කල්බදු ක්‍රමය මත ලබා දී තිබූ පටුබඳ සහිත ගුවන්යානා 02 ක් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් පවරා ගැනීම.
- ❖ එබැවින් මේ සම්බන්ධ විස්තරාත්මක වාර්තාවක් අමාත්‍ය මණ්ඩලයේ සලකා බැලීම සඳහා ඉදිරිපත් කළ යුතු බව.

මේ අනුව, 2017 ජූලි 25 දිනැති අමාත්‍ය මණ්ඩල රැස්වීමේදී පහත තීරණයන්ට එළඹී තිබුණි.

- ❖ මුදල් අමාත්‍යවරයා විසින් ඉහතින් ලබා දී තිබුණු උපදෙස් වලට අනුව නිර්දේශ ඉදිරිපත් කිරීම සඳහා CCEM වෙත යොමු කිරීම.
- ❖ ඉහත CCEM විසින් සිදුකරන ලබන නිර්දේශ සලකා බැලීම පිණිස, රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා මගින් අමාත්‍ය මණ්ඩල සංදේශයක් ඉදිරිපත් කරන ලෙස අමාත්‍යාංශ ලේකමට නියම කිරීම.

**ix) 2017 අගෝස්තු 09 දිනැති අමාත්‍ය මණ්ඩල සංදේශය (ඇමුණුම 52)**

මෙම සංදේශය මගින් ඉහත 2017 අප්‍රේල් 19 දින රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍ය සහ මුදල් අමාත්‍යවරයා විසින් එක්ව ඉදිරිපත් කර තිබූ අමාත්‍ය මණ්ඩල සංදේශයට (Joint Cabinet Memorandum) අවධානය යොමුකර තිබුණි. ඒ අනුව, 2017 අගෝස්තු 02 දින CCEM මගින්

නිර්දේශිත A 350-900 ගුවන්යානා 03 අවලංගු කිරීමේ ගිවිසුම සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය ඉල්ලා තිබුණි. තව ද භාණ්ඩාගාරයේ ලේකම් සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම් වෙත ගිවිසුමේ අඩංගු කරුණු වලට අනුගත වීම පිණිස අධිකාරිය පැවරීමට ද අනුමැතිය ඉල්ලා තිබුණි.

x) **2017 අගෝස්තු 15 දිනැති අමාත්‍ය මණ්ඩල තීරණය (ඇමුණුම 53)**

මෙහිදී 2017 අප්‍රේල් 19 දිනැති ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශය හා 2017 අගෝස්තු 09 දිනැති අමාත්‍ය මණ්ඩල සංදේශය සලකා බලා පහත තීරණයන්ට එළඹ තිබුණි.

- ❖ A 350-900 ගුවන්යානා 03 කල්බදු ලබාගැනීමේ ගිවිසුම අවසන් කිරීමේ ගිවිසුමේ කොන්දේසි හා අනුකූල වන බව තහවුරු කර ගැනීම පිණිස, එකී ගිවිසුමෙහි අන්තර්ගත කරුණු සැලකිල්ලට ගෙන මුදල් හා ජනමාධ්‍ය ඇමතිතුමා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් ගනු ලැබිය යුතුව ඇති කුමන හෝ ක්‍රියාමාර්ග සඳහා අවශ්‍ය පහසුකම් සැලසීම සඳහා භාණ්ඩාගාරයේ ලේකම්ට සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්ට බලය පැවරීම සඳහා අනුමැතිය ලබාදීම.

- ❖ ශ්‍රී ලන්කන් ගුවන් සේවය විසින් සිදුකරනු ලැබ ඇති පහත සඳහන් ගනුදෙනුවලට අදාළ සිදුවීම් දාමය හා ඒ සම්බන්ධයෙන් වන මූල්‍ය වගකීම් පිළිබඳ තොරතුරු දක්වමින් විස්තරාත්මක වාර්තාවක් සති 02 ක් තුළ අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන ලෙස රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමාගෙන් ඉල්ලා සිටීම.

- A 350-900 පුළුල්බඳ ගුවන්යානා තුනක් සම්බන්ධයෙන් කල්බදු ගිවිසුමකට එළඹීම සහ
- A 350-900 ගුවන්යානා හතරක් සම්බන්ධයෙන් මිලදී ගැනීමේ ගිවිසුමකට එළඹීම.

7.3.2. ගිවිසුම් අවසන් කිරීම සඳහා උපදේශන සේවා ලබාගැනීම

7.3.2.1. “Skyworks” උපදේශන සමාගමෙන් උපදේශන සේවා ලබාගැනීම

7.3.2.1.1. “Skyworks” උපදේශන සමාගම තෝරාගැනීම

2015 අගෝස්තු 03 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණය ප්‍රකාරව A 350 වර්ගයේ ගුවන්යානා මෙහෙයුම් කල්බදු පදනමට ලබාගැනීම සඳහා ගිවිසුම්ගතව තිබූ කල්බදු සමාගම් සමඟ සාකච්ඡා කර යම් සාධාරණ විසඳුමකට පැමිණීමට උපදේශන සමාගම් වල සහාය ලබාගැනීමටත් එහිදී “DVB Bank” හා “Skyworks” යන උපදේශන සමාගම් සමඟ හෙළිදරව් නොකිරීමේ ගිවිසුම්වලට (Non-Disclosure Agreements –NDA) එළඹීමටත් තීරණය කර තිබුණි. ඒ අනුව 2015 අගෝස්තු 10 හා 12 දිනයන්හිදී පිළිවෙලින් “Skyworks” සහ “DVB Bank” යන උපදේශන සමාගම් සමඟ වර්ෂ 05 ක කාලසීමාවකට වලංගු වන පරිදි හෙළිදරව් නොකිරීමේ ගිවිසුම්වලට එළඹ තිබුණි.

2012 අගෝස්තු 12 දින යෝජනා සඳහා වූ ඉල්ලීම් (RFP) ඉහත ආයතන 02 වෙත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් යොමුකර තිබුණි. එම RFP සමඟ සමාගමේ වර්තමාන ගුවන්යානා ඇණිය සහ 2015 සිට 2021 දක්වා සමාගමට ලැබීමට නියමිත ගුවන්යානා පිළිබඳ විස්තර ඇතුළත් ඇමුණුමක් ද ඉදිරිපත් කර තිබුණි.

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් යොමු කරන ලද ඉහත යෝජනා සඳහා වූ ඉල්ලීමෙහි (RFP) (ඇමුණුම 55) පහත කරුණු ඇතුළත් වී තිබුණි.

- i) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම දිගු ගමන් මාර්ග (Longhaul Routes) වල ගුවන්යානා ධාවනයෙන් ඉවත් වීමට තීරණය කර ඇති බැවින් 2016/2017 වර්ෂවල ලැබීමට නියමිත A 350-900 වර්ගයේ ගුවන්යානා 04 ඉදිරි වර්ෂ 03 කදී අවශ්‍ය නොවන බව.
- ii) සමාගම ඉහත කී ඉදිරි වර්ෂ 03 හිදී ලැබීමට නියමිත ගුවන්යානා වල කල්බදු ගිවිසුම් අවලංගු කිරීමට හෝ කල්දමා ගැනීමට සලකා බලමින් සිටින බව.
- iii) ගුවන්යානා 04 හි කල්බදු ගිවිසුම් අවලංගු කිරීම / කල් දැමීම නිසා ඇතිවිය හැකි කල්බදු පිරිවැය හා වෙනත් ගැටළු විසඳා ගැනීම සම්බන්ධයෙන් පවතින විකල්පයන් පිළිබඳව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අධ්‍යක්ෂ මණ්ඩලය වෙත උපදෙස් ලබාදීමට.
- iv) මෙම ගනුදෙනුව අවසන් කිරීම සඳහා Airbus සමාගම සහ ගුවන්යානා කල්බදු සමාගම සමඟ පවත්වන සාකච්ඡාවන්ට සහභාගී වීමට.
- v) අවශ්‍ය ලේඛනගත කිරීම් (Documentation) සඳහා උපදෙස් ලබාදීමට.
- vi) සමාගමට ලැබීමට නියමිත ගුවන්යානා අවලංගු කිරීම හෝ කල්දැමීමට අදාළව දඩ වළක්වා ගැනීම ඉතා වැදගත් බව.
- vii) වර්තමාන හා අනාගත ගුවන් මාර්ග ජාලයේ අවශ්‍යතාවයන් හඳුනාගැනීම, ගුවන්යානා ඇණියෙහි ප්‍රශස්ත මිශ්‍රණය හඳුනාගැනීම සහ A 330 neo, A 330-300 හා A 350-900 වර්ගයේ ගුවන්යානාවල මෙහෙයුම් කටයුතු පිළිබඳ ආර්ථිකමය ඇගයීමක් සිදු කිරීමට අවශ්‍ය බව.
- viii) අදාළ යෝජනා [uleptenders@Srilankan.com](mailto:uleptenders@Srilankan.com) යන විද්‍යුත් තැපැල් ගිණුම වෙත 2015 අගෝස්තු 18 දින ප.ව. 11.30 ට හෝ ඊට පෙර ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපතිවරයාට ලැබෙන පරිදි යොමු කළ යුතු බව.



- ix) ගුවන්යානා නිෂ්පාදකයන් හෝ ගුවන්යානා කල්බදු සමාගම් සමඟ පවත්වන සාකච්ඡාවන් මෙහෙයවීම හෝ සහභාගිවීමේ හැකියාව, ගුවන්යානා ඇණවුම් කල් දැමීම / අවලංගු කිරීම හා ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය සඳහා උපදේශන සේවා සැපයීමේ හැකියාව සහ ගුවන් සමාගම් සඳහා සුදුසු ගුවන්යානා වර්ග ඇගයීමේ හැකියාව හා පළපුරුද්ද පැවතිය යුතු බව.
- x) යොදාගන්නා ක්‍රමවේදය, කණ්ඩායම හා ඔවුන්ගේ පළපුරුද්ද, යෝජිත පුරෝකථන කාලසීමාව, ගාස්තු අයකිරීම් පිළිබඳ කරුණු යෝජනාවෙහි අන්තර්ගත කළ යුතු බව.
- xi) මිනිත් ලංකා සමාගම විසින් කල්බදු ගිවිසුම් මත ලබාගෙන ඇති A 320 Neo වර්ගයේ ගුවන්යානා 02 හි අවලංගු කිරීම / කල් දැමීම සඳහා උපදේශන සේවා ලබාදීමට.

2015 සැප්තැම්බර් 21 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණය (ඇමුණුම 15) ප්‍රකාරව අභිප්‍රාය ප්‍රකාශයක් (EOI) Skyworks සමාගම ඇතුළු තවත් සමාගම් 02 කින් ලද බව දක්වා තිබුණි. මෙහිදී DVB Bank උපදේශන සමාගම සහ මීට පෙර ශ්‍රී ලන්කන් ගුවන් සේවය මගින් ඉහත කාර්යයම සඳහා ගිවිසුම්ගත පදනමකින් තොරව සේවයේ යොදවාගෙන සිටි “Nyras” සමාගම වෙතද RFP යොමුකර යෝජනා ලබාගෙන තිබුණි. මෙපරිදි ලද යෝජනා නිලධාරීන් 07 දෙනෙකුගෙන් යුත් කණ්ඩායමක් මගින් ඇගයීම් කර “Skyworks” සමාගම තෝරාගෙන තිබුණි.

**7.3.2.1.2. “Skyworks” සමාගමෙන් උපදේශන සේවා ලබාගැනීම සඳහා ගිවිසුම්ගත වීම**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම “Skyworks” උපදේශන සමාගම සමඟ 2015 සැප්තැම්බර් 09 දින ගිවිසුමකට එළඹ තිබුණි. එම ගිවිසුමෙහි ඇතුළත්ව තිබූ ප්‍රධාන කරුණු පහත වේ.

- i) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් අවශ්‍ය දත්ත හා තොරතුරු රැස්කිරීමේදී උපදේශන සමාගම වෙත සහාය ලබාදිය යුතු බව.
- ii) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ලබාදෙන පැටවුම් සාධක, ගුවන් ටිකට්පත් ගාස්තු ආදී ආදායම් සම්බන්ධ උපකල්පන සහ ගුවන් මාර්ග හා ගුවන්යානා සම්බන්ධ කරුණු මත පදනම්ව උපදේශන සමාගම විසින් ශ්‍රී ලන්කන් ගුවන් සේවයේ ව්‍යාපාරික සැලැස්ම ඇගයීම් කරන බව.
- iii) උපදේශන සමාගම විසින් පුළුල්බඳ ගුවන්යානා දීර්ඝ ගුවන් ගමන් මාර්ගවල යෙදවීම සම්බන්ධයෙන් ආර්ථික විශ්ලේෂණයක් සිදුකරන බව.

- iv) A 350 වර්ගයේ ගුවන්යානා වෙනුවට ප්‍රශස්ත අයුරින් භාවිතා කළ හැකි වෙනත් ගුවන්යානා පිළිබඳව උපදෙස් ලබාදෙන බව.
- v) Aercap සහ Airbus යන සමාගම් 02 මගින් A 350 ලබාගැනීම වෙනුවෙන් වූ වර්තමාන වගකීම සම්බන්ධයෙන් යොදාගත හැකි හොඳම උපායමාර්ගය පිළිබඳව ශ්‍රී ලන්කන් ගුවන් සේවයේ අධ්‍යක්ෂ මණ්ඩලය දැනුවත් කරන බව.
- vi) Aercap සහ Airbus සමාගම් සමඟ සිදුකරන සාකච්ඡාවලට සහභාගී වීම සහ ඔවුන් සමඟ හුවමාරු කරගන්නා ලියකියවිලි සකස් කරගැනීමට ශ්‍රී ලන්කන් ගුවන් සේවය වෙත සහාය වන බව.
- vii) උපදේශන සමාගම විසින් සියලු තොරතුරු ලබා දී සති 04 ක් ඇතුළත සිය වාර්තාව ලබාදෙන බව.
- viii) පහත පරිදි ගාස්තු අයකෙරෙන බව.
  - ❖ මාසික ගාස්තුව ලෙස ඇ.ඩොලර් 100,000 ((Work Fee)
  - ❖ මාසික ගාස්තුවෙන් මුල් මාස 02 සඳහා අත්තිකාරමක් ලෙස මාසයකට ඇ.ඩොලර් 50,000 බැගින් ඇ.ඩොලර් 100,000 ක් මුදලී ගෙවිය යුතු බව සහ එම ගාස්තු සාර්ථක වීමේ ගාස්තුවෙන් (Success Fee) හිලව් කරගත හැකි බව.
  - ❖ Aercap හෝ Airbus සමාගම් වෙත දඩ මුදල් ගෙවීමට සිදු නොවූයේ නම් හෝ ගිවිසුම් අවලංගු කිරීමට සිදු නොවූයේ නම් සාර්ථක වීමේ ගාස්තු (Success Fee) ලෙස ඇ.ඩොලර් 750,000 ක් එම සමාගම් සමඟ සාකච්ඡා කිරීම සහ ලියකියවිලි සකස් කිරීම වෙනුවෙන් ගෙවිය යුතු බව
  - ❖ A 320 ගුවන්යානා 02 අවලංගු කිරීම සඳහා මිහින් ලංකා සමාගමට සහය වීම හා උපදෙස් ලබාදීම වෙනුවෙන් ඇ.ඩොලර් 250,000 ක් ගෙවිය යුතු බව.
  - ❖ මීට අමතරව Skyworks සමාගම විසින් මෙම උපදේශන සේවාව සම්බන්ධයෙන් දරන සාධාරණ වියදම් (Reasonable out of pocket expenses) ඉන්වොයිසිය ඉදිරිපත් කර දින 15 ක් ඇතුළත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් පියවිය යුතු බව.
  - ❖ Skyworks සමාගමේ පුද්ගලයන් හට මේ සම්බන්ධයෙන් වන ගුවන් ගමන් සඳහා අනුග්‍රහය දැක්විය යුතු බව.

7.3.2.1.3. උපදේශන සේවාව ලබාගැනීම

7.3.2.1.3.1. “Skyworks” සමාගම මගින් 2015 ඔක්තෝබර් 22 දින අතුරු වාර්තාවක් ඉදිරිපත් කර තිබූ අතර එහි පහත කරුණු ඇතුළත් වී තිබුණි. (ඇමුණුම 16)

- i) “Skyworks” සමාගම විසින් ශ්‍රී ලන්කන් ගුවන් සේවයේ ගුවන් මාර්ග ජාලය විශ්ලේෂණය කර ඒ සඳහා යොදා ගත හැකි වඩාත් ඵලදායී සහ ඉපයීම් උපරිම කරන ගුවන්යානා වර්ග හඳුනාගත් බව.
  
- ii) A 350 වර්ගයේ ගුවන්යානා නිර්මාණය කර ඇත්තේ බෝයින් 777 හා A 340 වර්ගයේ ගුවන්යානා වෙනුවට දුර ගමන් ධාවන මාර්ග (Longhaul Routes) වල යෙදවීමට බව.
  
- iii) පහත කරුණු හේතුවෙන් A 350 වර්ගයේ ගුවන්යානා වලට වඩා A 330 වර්ගයේ ගුවන්යානා වඩා උචිත බව.
  - ඉහත විදේශීය ගුවන් ගමන් සඳහා වන වියදම් වෙනුවෙන් දිනකට ඇ.ඩොලර් 50 කට නොවැඩි මුදලක් ගෙවිය යුතු බව හා මෙම වියදම් ඇ.ඩොලර් 2,500 ඉක්මවන විට පූර්ව අනුමැතිය ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමෙන් ලබාගත යුතු බව.
  - A 350 වර්ගයේ ගුවන්යානා 04 ක් යොදා ගැනීම නිසා මෙහෙයුම් ආදායම් වාර්ෂිකව ඇ.ඩොලර් මිලියන 20 බැගින් මුළු කල්බදු කාලසීමාව වන වර්ෂ 12 තුළ ඇ.ඩොලර් මිලියන 240 ක් අඩුවීම.
  - මෙම A 350 ගුවන්යානා 04 පවතින පුළුල්බඳ ගුවන්යානා ඇණිය සමඟ සැලකීමේදී අමතර ගුවන්යානා වීම හා ඒ මත ගෙවීමට සිදුවන වාර්ෂික කල්බදු පිරිවැය වූ ඇ.ඩොලර් මිලියන 15-20 අතර ප්‍රමාණය ගුවන් සේවය මගින් දැරීමට සිදුවීම.
  - ඉන්ධන මිලෙහි සිදුවන ඉහළයාම් නිසා A 330 වලට වඩා A 350 ගුවන්යානාවල පිරිවැය ඉතිරියක් බලාපොරොත්තු විය නොහැකි බව.
  
- iv) සිදුකරන ලද විශ්ලේෂණයන් අනුව ශ්‍රී ලන්කන් ගුවන් මාර්ග ජාලය සඳහා A 330 ගුවන්යානා යොදාගැනීම වඩා ලාභදායී බව.
  
- v) ශ්‍රී ලන්කන් ගුවන් සේවයේ ගුවන්යානා උපයෝජනය දිනකට ගුවන් පැය 12.1 ක් වේ. ඒ අනුව A 350 ගුවන්යානාවල හැකියාව උපරිම අයුරින් ප්‍රයෝජනයට ගත නොහැකි වන අතර එහි පිරිවැය ද දරාගත නොහැක. එබැවින් A 350 ගුවන්යානා ශ්‍රී ලන්කන් ගුවන් සේවය වෙත උචිත නොවන බව.

7.3.2.1.3.2. “Skyworks” උපදේශන සමාගම විසින් 2016 ජනවාරි මාසයේදී ඉදිරිපත් කර තිබූ වාර්තාවේ පහත කරුණු ඇතුළත් වී තිබුණි. (ඇමුණුම 21)

- i) A 350 ගුවන්යානා ලබා ගැනීමට තීරණ ගනු ලැබූ වර්ෂයේදී ඉන්ධන මිල ඉහළ අගයක පැවතීමත් එම සාධකය පමණක් සලසා බැලීම මත A 350 වර්ගයේ ගුවන්යානා 3 ශ්‍රී ලන්කන් ගුවන් සේවයට එක්කර ගැනීමට ගනු ලැබූ තීරණය වර්තමානයේ පවතින වෙළඳපොළ සාධක සහ තරඟකාරී වාතාවරණය සමඟ සැලකීමේදී ඵලදායී තීරණයක් නොවන බව.
- ii) A 350 වර්ගයේ ගුවන්යානා ලබාගැනීම හෝ සාකච්ඡා මාර්ගයකට පැමිණීමෙන් තොරව නීතිමය පදනමකින් ගිවිසුම් අවලංගු කිරීම යන විකල්ප 02 ම ශ්‍රී ලන්කන් ගුවන් සේවය වෙත පිරිවැය අධික වන බව.
- iii) එමනිසා, ගුවන් මාර්ග ජාලය, ගුවන්යානා ඇණිය සහ සමාගමේ පිරිවැය ව්‍යුහය සංශෝධිත ව්‍යාපාර සැලැස්මේ කොටසක් ලෙස ලාභ ඉපයීමේ අරමුණින් සහ A 350 ගැටළුව විසඳීම සඳහා ප්‍රතිව්‍යුහගත කළ යුතු බව.
- iv) කල්බදු සමාගම් වලින් සහ අනෙකුත් මෙහෙයුම් පිරිවැය සඳහා ගිවිසුම්ගත වූවන්ගෙන් සාකච්ඡා මාර්ගයකට පැමිණීම මගින් සහන ලබාගැනීම ශ්‍රී ලන්කන් ගුවන් සේවය වෙත මෙම අවස්ථාවේදී පවතින වඩාත්ම හොඳම ක්‍රමවේදය වන බව.

7.3.2.1.4. උපදේශන සමාගම වෙත ගෙවීම් කිරීම

“Skyworks” උපදේශන සමාගම වෙත උපදේශන සේවා ලබාදීම වෙනුවෙන් 2015 සැප්තැම්බර් 25 දින සිට 2016 අප්‍රේල් 11 දින දක්වා ඇ.ඩොලර් 355,451.09 ක් එනම් රු. මිලියන 52 ක් (ඇ.ඩොලරයක ශ්‍රී ලංකා රුපියල් වටිනාකම 146 ක් ලෙස ගත් විට) පහත පරිදි ගෙවීම් කර තිබුණි. (ඇමුණුම 56)

වගුව 13 - “Skyworks” උපදේශන සමාගමට ගෙවීම් කළ ආකාරය

දිනය	ගෙවූ මුදල (ඇ.ඩොලර්)	කාරණය
-----	-----	-----
2015.09.25	100,000.00	මාසික ගාස්තු (Monthly Work Fee)
2015.10.21	100,000.00	මාසික ගාස්තු (Monthly Work Fee)
2015.12.02	52,832.21	මාසික ගාස්තු (Monthly Work Fee)
2015.12.29	50,692.38	මාසික ගාස්තු (Monthly Work Fee)
2016.02.10	50,379.99	වියදම් පියවීම (Out of pocket expenses)
2016.04.11	1,546.51	වියදම් පියවීම (Out of pocket expenses)
එකතුව	355,451.09	

7.3.2.2. “Nyras” සමාගමෙන් උපදේශන සේවා ලබාගැනීම

7.3.2.2.1. “Nyras” උපදේශන සමාගම තෝරාගැනීම

එකම කාර්යභාරය සඳහා පෙර අවස්ථාවේදී ප්‍රතිකේෂ කරන ලද “Nyras” උපදේශන සමාගම තෝරාගත් ආකාරය පිළිබඳව පැහැදිලිව තොරතුරු නොලැබුණි. කෙසේ නමුත්, ශ්‍රී ලන්කන් ගුවන් සමාගමේ නව ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම තහවුරු කර ගැනීම සඳහා මුදල් අමාත්‍යාංශය මගින් “Nyras” උපදේශන සමාගම පත්කරගෙන තිබූ බව 2016 ජනවාරි 26 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණය (ඇමුණුම 22) ට අනුව දැක්වුණි.

7.3.2.2.2. “Nyras” උපදේශන සමාගම සමඟ ගිවිසුම් ගතවීම

“Nyras” උපදේශන සමාගම සමඟ ගුවන්යානා ඇණිය සඳහා උපදේශන සේවා ලබාගැනීම සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙනුවෙන් ප්‍රධාන විධායක නිලධාරී 2016 පෙබරවාරි 03 දින ගිවිසුමකට එළඹ තිබුණි. (ඇමුණුම 57)

එහි ඇතුළත්ව තිබූ ප්‍රධාන කරුණු පහත වේ.

i) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී සුරේන් රත්වත්ත මහතා සමඟ Nyras සමාගම 2016 ජනවාරි 29 දින සිදුකළ දුරකථන සංවාදයකට අනුව මෙම ගිවිසුමට එළඹ ඇති බව.

ii) ශ්‍රී ලන්කන් ගුවන් සේවය මගින් පහත විකල්ප 04 ඇගයීම් කරන ලෙස ලබා දී ඇති බව.

විකල්ප A - A 350 ගුවන්යානා පවතින කල්බදු වාරික යටතේ ලබාගැනීම

විකල්ප B - A 350 ගුවන්යානා අඩු කල්බදු වාරික යටතේ ලබාගැනීම සහ A 330 ගුවන්යානා සියල්ල හෝ කිහිපයක් ඉවත් කිරීම

විකල්ප C - A 350 ගුවන්යානා එකක්වත් ලබා නොගෙන තිරසාර ගුවන් මාර්ග ජාලයක් සමඟ ව්‍යාපාර සැලැස්මක් පවත්වාගෙන යාම.

විකල්ප D - A 350 ගුවන්යානා එකක්වත් ලබා නොගෙන ගුවන් මාර්ග ජාලය සැලසුම් කිරීම - (මෙහිදී පවතින ගුවන් සේවා සමාගම විසුරුවා හැර ලාභදායී අංශ වෙතම ව්‍යාපාර අංශ බවට පත් කරමින් නව ගුවන් සේවයක් ලෙස පිහිටුවීම)

iii) 2016 මාර්තු 11 වනවිට අවසන් වාර්තාව ලබාදෙන බව හා එහි පහත කරුණු අඩංගු කරන බව.

- උපායමාර්ගික විකල්ප විශ්ලේෂණය (Strategic Options Analysis)
- පරිවර්තන (සංක්‍රාන්ති) විශ්ලේෂණය -Transition Analysis
- නව ගුවන්යානාවල සමච්ඡේදන විශ්ලේෂණය (Breakeven Analysis)
- කල්බදු හිමියන් සමඟ යෝජිත උපායමාර්ගික සාකච්ඡාවන් පිළිබඳව උපදෙස් දීම.

- දේශපාලන හා නීතිමය වශයෙන් පවතින ප්‍රධාන අවධානම් පිළිබඳ විශ්ලේෂණය
- ශ්‍රී ලංකා රජය විසින් ප්‍රාග්ධනය සහ කාරක ප්‍රාග්ධන අවශ්‍යතා සඳහා ආයෝජනය කළ යුතු මුදල් ප්‍රමාණය පිළිබඳ තොරතුරු

iv) ඉහත අවසන් වාර්තාවට ප්‍රථම කෙටුම්පත් වාර්තාවක් (Draft Report) ලබා දී ශ්‍රී ලන්කන් ගුවන් සේවයේ අදහස් ද සමඟින් අවසන් වාර්තාව නිකුත් කරන බව.

v) ගාස්තු අයකිරීම

- 2016 ජනවාරි 31 දින දක්වා මුදල් අමාත්‍යාංශය සමඟ GBP 65,000 සහ අදාල බදු සහ වියදම් සඳහා එකඟව ඇති බව.
- මෙම ගිවිසුමෙහි කාර්යභාරය සඳහා ගාස්තු GBP 150,000 ක් බව (පළමු සති 03 සඳහා GBP 40,000 බැගින් සහ අවසාන සතිය සඳහා GBP 30,000 ක් ලෙස සතිපතා ගෙවිය යුතු බව.)
- විදේශ ගුවන් ගමන් සඳහා ශ්‍රී ලන්කන් ගුවන් සේවය යොදා ගන්නා බව සහ නවාතැන් පහසුකම් හා ආහාරපාන සඳහා දිනකට ඇ.ඩොලර් 50 බැගින් ගෙවිය යුතු බව.

vi) අවසන් වාර්තාවේ දැක්වෙන කරුණු සම්බන්ධයෙන් කල්බදු හිමියන් හා Airbus සමාගම සමඟ සාකච්ඡා කිරීම සඳහා අවශ්‍ය නම් “Nyras” උපදේශන සමාගම සහභාගී වන බව.

vii) පාර්ශව දෙකෙන් කවරෙකු හෝ ගිවිසුම කඩ කළේ නම් හෝ වංචාවක් සිදු කළේ නම් හෝ රහස්‍යභාවය කඩ කළේ නම් GBP 1,000,000 කට නොවැඩි දඩයකට යටත් වන බව.

### 7.3.2.2.3. උපදේශන සේවා ලබාගැනීම

“Nyras” උපදේශන සමාගම විසින් 2016 පෙබරවාරි 03 දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම සමඟ ගිවිසුමකට එළඹීමට පෙර ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපතිවරයාගේ ඉල්ලීමකට අනුව මූලික ගුවන්යානා ඇණියේ විකල්ප පිළිබඳව අධ්‍යක්ෂ මණ්ඩලය සඳහා වාර්තාවක් (Initial fleet options review for the Board) 2015 අගෝස්තු 03 දින ඉදිරිපත් කර තිබුණි. එම වාර්තාවේ පහත කරුණු ප්‍රධාන වශයෙන් ඇතුළත් වී තිබුණි. (ඇමුණුම 58)

i) විෂය පථය

මෙම වාර්තාව මඟින් එයාර්බස් සමාගමෙන් මිලදී ගැනීම සඳහා ගිවිසගෙන තිබූ A 350-900 ගුවන්යානා 04 හා මෙහෙයුම් කල්බදු පදනමට ලබාගැනීමට ගිවිසගෙන තිබූ A 350-900 ගුවන්යානා 04 ශ්‍රී ලන්කන් ගුවන් සේවය සඳහා උචිත වන්නේදැයි විශ්ලේෂණය කළ බව.

- ii) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම මහින් ලබා දී තිබූ තොරතුරු
  - පැරිසිය, ෆැන්ක්ෆර්ට් හා රෝමය යන යුරෝපීය ගුවන් මාර්ග අලාභ ලබමින් පවතින බව.
  - A 350 ගුවන්යානා අවශ්‍ය නොවන බව හා A 330 ගුවන්යානා ඊට වඩා යෝග්‍ය බව.
  - තුන් අවුරුදු ප්‍රතිච්ඡාදන කිරීමේ සැලැස්මක් සමාගම සතු බව.
  - ගුවන්යානා සඳහා ගෙවීම් හා කල්බදු වාරික ගෙවීම් සාධාරණ ප්‍රමාණයකට වඩා ඉහළ ප්‍රමාණයකින් ශ්‍රී ලන්කන් ගුවන් සේවය විසින් ගෙවීම් කරන බව.
  - පැය 8කට වඩා ධාවනයේ යෙදවීමට දුරගමන් මාර්ග (Long haul routes) ලෙසත්, පැය 5-8 අතර කාලයේ ධාවනයේ යෙදේ නම් මධ්‍යම දුර ගමන් මාර්ග (Medium haul routes) ලෙසත්, පැය 5 ට අඩු නම් කෙටි දුර ගමන් මාර්ග (Short haul routes) ලෙසත් ගුවන් ගමන් මාර්ග වර්ගීකරණය කරන බව.

- iii) “Nyras” උපදේශන සමාගම මහින් ලබා දී තිබුණු නිර්දේශ
  - A 350-900 ගුවන්යානා වෙනුවට වෙනත් සුදුසු ගුවන්යානයක් ප්‍රතිස්ථාපනය කළ යුතු බව.
  - ශ්‍රී ලන්කන් ගුවන් සේවය වැනි ගුවන් සේවාවක් විසින් සෘජුව නිෂ්පාදකයාගෙන් ගුවන්යානා ඇනවුම් කරනවාට වඩා කල්බදු පදනම මත ලබාගැනීම වඩා උචිත බව.
  - දිගු කාලීන ගුවන්යානා බාරදීම් දින ගණන් වලට (2020 හා 2021 වැනි) එකඟ වීමෙන් නිෂ්පාදකයාගේ මිල ගණන් දිගු කාලයේදී වෙනස් විය හැකි නිසා ගුවන්යානා සඳහා තරඟකාරී මිලක් නොලැබීම.

“Nyras” උපදේශන සමාගම සමඟ 2016 පෙබරවාරි 09 දින එළඹ තිබූ ගිවිසුම ප්‍රකාරව අවසන් වාර්තාව 2016 මාර්තු 18 දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ලබා දී තිබුණි. එහි ඇතුළත්ව තිබූ ප්‍රධාන කරුණු පහත වේ.

- i) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වාර්තාවේ දින වන විට පහත කරුණු මත අභියෝගාත්මක මූල්‍ය තත්ත්වයක පසුවන බව.
  - ඇ.ඩොලර් මිලියන 300 ක බැංකු ණය ශේෂයක් පැවතීම.
  - 2019 වර්ෂයේදී කල්පිරෙන ඇ.ඩොලර් මිලියන 175 ක බැඳුම්කරයක් 2013 වර්ෂයේදී නිකුත් කර තිබීම.
  - ලංකා බැංකු තෙල් සංස්ථාව වෙත ඇ.ඩොලර් මිලියන 45 ක් හා ගුවන්තොටුපල හා ගුවන් සේවා සමාගම වෙත ඇ.ඩොලර් මිලියන 15 ක් ගෙවිය යුතුව පැවතීම.
  - 2015/16 දී පැවති සමූහයේ ශුද්ධ අලාභය ඇ.ඩොලර් මිලියන 47.1 සිට 2016/17 වන විට ඇ.ඩොලර් මිලියන 90 දක්වා ඉහළ යාම.
  - 2016 හා 2017 දී කල්බදු පදනමට ලැබීමට නියමිත A 350-900 ගුවන්යානා 04 සඳහා එක ගුවන් යානයකට මාසික කල්බදු කුලිය ඇ.ඩොලර් මිලියන 1.45 බැගින් දැරීම අපහසු වීම.

- එයාර්බස් සමාගමෙන් සෘජුවම 2020 හා 2021 දී ලබාගැනීම සඳහා ගිවිසුම්වලට එළඹ ඇති A 350-900 ගුවන්යානා 04 සඳහා ලැබීමට පෙර ගෙවීම් (Pre delivery payments) 2017 නොවැම්බර් සිට ගෙවීම් ආරම්භ වීම. (ඇ.ඩොලර් මිලියන 9 සිට එකතුව ඇ.ඩොලර් මිලියන 242 ක් තෙක් ගුවන්යානා ලැබීමට නියමිත කාලසීමාව දක්වා)

ii) ශ්‍රී ලන්කන් ගුවන් මාර්ග ජාලයෙහි පහත වෙනස්කම් සිදුකළ යුතු බව.

- කළමනාකරණයේ අදහස පරිදි පැරිසිය, ෆැන්ක්ෆර්ට් සහ රෝමය යන ගුවන් ගමන් මාර්ග වල ධාවනය නවතා දැමීම .
- අලාභ ලබන ගුවන් මාර්ගවල ගුවන් ගමන් වාර ප්‍රමාණය අඩු කිරීම.
- මිනින් ගුවන් ගමන් මාර්ග ශ්‍රී ලන්කන් ගුවන් සේවයට එකතු කර ගැනීම.
- පුළුල්බඳ ගුවන්යානා 09 ක් සහ පටුබඳ ගුවන්යානා 11 කින් යුත් ගුවන්යානා ඇණියක් පවත්වා ගැනීම.
- ගුවන්යානාවල ව්‍යාපාරික ආසන (Business Class Seats) අවම කර ආර්ථිකමය වර්ගයේ ආසන (Economy Class Seats) වැඩිකිරීම.

iii) ලංකා බනිජ් තෙල් සංස්ථාවෙන් ලබාගන්නා ඉන්ධන සඳහා අනෙකුත් රටවල ගුවන්තොටුපලවල් තුළින් ලබාගන්නා ඉන්ධන වලට වඩා සියයට 15 කින් පමණ ඉහළ මිලක් ගෙවීමට සිදු වීම නිසා මේ සම්බන්ධයෙන් ලංකා බනිජ් තෙල් සංස්ථාව සමඟ සාකච්ඡා කරන ලෙස.

iv) තවද ලාභ වර්ධනය කිරීමේ සැලැස්මක් (Profit Improvement Plan) හඳුන්වා දී සියලුම ජ්‍යෙෂ්ඨ කළමනාකාරිත්වයද, ව්‍යාපෘති කළමනාකරුවන්ද, මූල්‍ය අංශ ප්‍රධානියාගේ මෙහෙයවීම ඇතිව ප්‍රධාන විධායක නිලධාරීගේ මඟ පෙන්වීම යටතේ ක්‍රියාත්මක කිරීමට.

v) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ඉදිරිපත් කර තිබූ විකල්ප ඇගයීම් කිරීම Nyras උපදේශන ආයතනයෙහි ප්‍රධාන කාර්යභාරය වූ අතර ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ඉදිරිපත් කර තිබූ විකල්ප පහත පරිදි වූ බව.

විකල්ප A - මෙම විකල්පය යටතේ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ දැනට පවත්නා ගුවන් ඇණිය සහ ගුවන්යානා පියාසර කිරීමේ වැඩසටහන් එලෙසම පවත්වා ගැනීමට යෝජනා කර තිබුණි.

විකල්ප B - A 350-900 ගුවන්යානා 03 ක් ලබාගෙන A 330 ගුවන්යානා 03 ක් ඉවත් කිරීම හෝ අතුරුබදු දීම සහ A 350-900 එක් ගුවන්යානයක් ඉවත් කිරීම.



විකල්ප C - A 330 ගුවන්යානා ධාවනයෙහි යෙදවීමටත් A 350 ගුවන්යානා ඉවත් කිරීම හෝ අතුරුබදු දීම.

විකල්ප D - මෙය කොටස් දෙකක් යටතේ ඉදිරිපත් කර තිබුණි.

i) ඇවරකර නැවත ආරම්භ කිරීම. (Liquidation and Start up)

ii) අද්මිනිස්ත්‍රාසනය (Administration)

vi) විකල්ප D හි සඳහන් පළමු විකල්පය යටතේ “ගුවන් සමාගම ඇවරකර නැවත නව ගුවන් සමාගමක් ලෙස ප්‍රතිස්ථාපනය කිරීම” ඉදිරිපත් කර තිබූ අතර එහි සඳහන් දෙවන විකල්පය ලෙස ගුවන් සමාගම අද්මිනිස්ත්‍රාසනය කර A 350 ගුවන්යානා මිලදී ගැනීම සම්බන්ධයෙන් Aercap, Airbus සහ Rolls Royce සමාගම් සමඟ සාකච්ඡා කොට ගිවිසුම් වලින් ඉවත්වීම දක්වා තිබුණි.

vii) ඉහත (v) හි වූ විකල්පයන් හතර පිළිබඳව සිදුකරන ලද විශ්ලේෂණයේ සාරාංශයක් ඇමුණුම 55 හි දැක්වේ. ඒ අනුව විකල්ප D මඟින් ඉදිරිපත් කර තිබූ පළමු විකල්පය වන “ඇවර කිරීම” මඟින් සංචාරක ව්‍යාපාරයට වන බලපෑම සැලකිල්ලට ගනිමින් එය ප්‍රායෝගික නොවන විකල්පයක් ලෙස උපදේශන සමාගම විසින් හඳුනාගෙන තිබුණි. එහෙයින් අද්මිනිස්ත්‍රාසනය විකල්පය D යටතේ තෝරාගෙන තිබූ අතර ඒ සඳහා දේශීය නීති උපදේශකයෙකු සහ විදේශීය නීති උපදේශකයෙකු වූ “Kaye scholer” සමඟ කටයුතු කිරීමට උපදෙස් ලබා දී තිබුණි.

viii) “Nyras” ආයතනය විසින් ඉදිරිපත් කරන ලද වාර්තාවට අනුව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ඉදිරිපත් කරන ලද විකල්ප හතර ඇගයීම් කිරීමේ සාරාංශ නිගමනයන් පහත පරිදි වී තිබුණි.

➤ Nyras ආයතනය විසින් “විකල්පය D” සඳහා විස්තරාත්මක සැලැස්මක් පිළියෙල කිරීමට නිර්දේශ කිරීම. ඇමුණුම 59 අනුව විකල්ප A,B,C ට සාපේක්ෂව “විකල්පය D” අවම අලාභයක් සහිත බැවින් අද්මිනිස්ත්‍රාසනය සිදු කිරීමට නිර්දේශ කරන බව.

➤ A 350 ගුවන්යානා මිලදී ගැනීමේ ගිවිසුම් වලින් ඉවත්වීම සඳහා Aercap, Airbus සහ Rolls Royce යන ආයතන සමඟ සාකච්ඡා කිරීම හා මෙහිදී ලාංකික ජ්‍යෙෂ්ඨ රාජ්‍ය නිලධාරීන් විසින් මෙම ආයතන වල ඉහළ කළමනාකාරිත්වය සමඟ සාකච්ඡා කළ යුතු බව.

➤ සාකච්ඡා කිරීම වලින් පසුව Aercap, Airbus සහ Rolls Royce යන ආයතන ශ්‍රී ලංකා රජය අද්මිනිස්ත්‍රාසනය හෝ ඇවර කරන්නේ යැයි විශ්වාස කරන්නේ නම් පමණක් B සහ C විකල්ප ක්‍රියාත්මක කළ හැකි වන බව.

➤ මෙම ක්‍රියාවලිය තුළ විකල්ප D වඩාත් විශ්වාසදායී විකල්පය විය යුතු බව හා එසේම අද්මිනිස්ත්‍රාසකරුවෙකු (Administrator) ලෙස වෙනත් පාර්ශවයක් මෙම කාර්යය සඳහා

පත්කර ගැනීමට නොහැකි වුවහොත් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම සහ රජයට මෙම ක්‍රියාව සිදු කිරීමට සිදුවන බව.

7.3.2.2.4. උපදේශන සමාගම වෙත ගෙවීම් කිරීම

“Nyras” උපදේශන සමාගම වෙත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් 2015 දෙසැම්බර් 22 දින සිට 2016 සැප්තැම්බර් 02 දින දක්වා GBP 248,961.75 ක් එනම් රු. මිලියන 47 ක් (බ්‍රිතාන්‍ය පවුමක ශ්‍රී ලංකා රුපියල් අගය රු. 184.95 ක්) පහත පරිදි ගෙවීම් කර තිබුණි. (ඇමුණුම 60)

වගුව 14 - “Nyras” උපදේශන සමාගම වෙත ගෙවීම් කළ ආකාරය

දිනය	ගෙවීම් කළ මුදල (GBP)	කාරණය
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2015.12.22	25,000.00	මුදල් අමාත්‍යාංශය හා එකඟ වූ උපදේශන ගාස්තු
2016.01.21	25,000.00	-එම-
2016.01.29	15,000.00	-එම-
2016.02.19	40,000.00	ශ්‍රී ලන්කන් ගුවන් සේවය එකඟ වූ උපදේශන ගාස්තු
2016.02.25	40,000.00	-එම-
2016.02.26	40,000.00	-එම-
2016.03.08	30,000.00	-එම-
2016.05.24	2,050.00	අනියම් දීමනා ගෙවීම්
2016.05.24	1,800.00	-එම-
2016.05.24	1,434.00	ගුවන් ගමන් ගාස්තු ප්‍රතිපූර්ණය කිරීම
2016.05.24	3,750.00	උපදේශන සහාය සේවා ගාස්තු ගෙවීම
2016.05.24	600.00	අනියම් දීමනා ගෙවීම
2016.05.24	9,060.50	2016 අප්‍රේල් මාසයේදී පවත්වන ලද සාකච්ඡා සඳහා සහය වීම වෙනුවෙන් ගෙවීම
2016.09.02	15,267.25	2016 ජූනි සහ ජූලි මාස වලදී ඉන්ධන මිල අඩුවීම පිළිබඳව ශ්‍රී ලන්කන් ගුවන් සේවය සහ ලංකා ධනිෂ් තෙල් සංස්ථාව සඳහා වාර්තාවක් ලබාදීම වෙනුවෙන් ගෙවීම
එකතුව	<u>248,961.75</u>	

2016 ජනවාරි දක්වා මුදල් අමාත්‍යාංශයේ කාර්යයන් ඉටුකිරීම වෙනුවෙන් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් GBP 65,000 ක් ගෙවා තිබූ අතර එම මුදල් ප්‍රමාණය මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය මගින් 2016 මැයි 20 දින දී පහත පරිදි ප්‍රතිපූර්ණය කර තිබුණි. (ඇමුණුම 61)

වගුව 15 - “Nyras” උපදේශන සමාගම වෙත කළ ගෙවීම් වලින් මුදල් හා ක්‍රම සම්පාදන අමාත්‍යාංශය මඟින් ප්‍රතිපූරණය කරන ලද ප්‍රමාණය

ඉන්වොයිස් අංකය	ඉන්වොයිස් දිනය	GBP	රු.	ප්‍රතිපූරණය කරන ලද ප්‍රමාණය (රු.)
291031	2015.12.22	25,000	5,406,425	5,406,425
293814	2016.01.31	15,000	3,202,950	2,625,325
292989	2016.01.22	25,000	5,338,250	5,338,250
එකතුව		<u>65,000</u>	<u>13,947,625</u>	<u>13,370,000</u>

7.3.3. ගිවිසුම් අවසන් කිරීම සඳහා නීති උපදෙස් ලබාගැනීම

7.3.3.1. කල්බදු පදනම මත ලබා ගත් A 350-900 ගුවන්යානා 04 හි ගිවිසුම් අවසන් කිරීම සඳහා නීති උපදෙස් ලබාගැනීම.

ගුවන්යානා ප්‍රතිස්ථාපන වැඩසටහන සඳහා අන්තර්ජාතික නීති උපදේශන සමාගම ලෙස ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් සේවයේ යොදවා ගත් Clyde සමාගම ගිවිසුම් අවසන් කිරීම සඳහා ද සේවයේ යොදවා ගැනීමට තීරණය කර තිබුණි. එහිදී එම සමාගම Kaye Scholer LLP ලෙස තම සමාගමේ නාමය වෙනස් කර තිබීම හේතුවෙන් එම නව සමාගම ගිවිසුම් අවසන් කිරීම සඳහා සහාය දැක්වීමට යොදාගෙන තිබුණි.

මීට අමතරව දේශීය වශයෙන් අනිල් තිත්ත වැල්ල මහතාගෙන් ද ගිවිසුම් අවසන් කිරීමේ කාර්යය සඳහා නීති උපදෙස් ලබාගෙන තිබුණි.

ඉහත පරිදි නීති උපදේශන සේවා ලබාගැනීම වෙනුවෙන් රු. 34,892,573.23 ක මුදලක් (ඇමුණුම 62) සමාගම විසින් පරීක්ෂණ දිනවූ 2018 මාර්තු 31 දිනවන විට දරා තිබුණි.

7.3.3.2. A 350-900 ගුවන්යානා 04 ක් සෘජුව එයාර්බස් සමාගමෙන් මිලදී ගැනීමේ ගිවිසුම අවසන් කිරීම සඳහා නීති උපදෙස් ලබාගැනීම

මෙම ගිවිසුම අවලංගු කිරීම සඳහා පත්කර තිබූ අමාත්‍ය අනු කමිටුව මඟින් රජයේ ප්‍රසම්පාදන ක්‍රියාපටිපාටිය ඔස්සේ නීතිමය උපදෙස් ලබාගැනීම සඳහා නීතිමය ආයතන වලින් මිල කැඳවා තිබුණි. එයින්, තෝරාගත් ආයතන 03 ක් සමඟ සම්මුඛ පරීක්ෂණ පවත්වා Norton Rose Fulbright, London නම් ජාත්‍යන්තර නීති උපදෙස් ආයතනය මේ සඳහා තෝරාගෙන තිබුණි. එම ආයතනය මඟින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත 2017 ඔක්තෝබර් 25 දින සේවයේ යොදවා ගැනීමේ ලිපියක් (An engagement letter) නිකුත් කර තිබුණි. නමුත් පරීක්ෂණ දිනවන විටත් ඉහත ගුවන්යානා මිලදීගැනීමේ ගිවිසුම අවසන් කිරීමට සමාගම විසින් කටයුතු කර නොතිබුණි.

7.3.4. ගිවිසුම් අවසන් කිරීම

A 350-900 ගුවන්යානා මෙහෙයුම් කල්බදු පදනමට ලබාගැනීමේ ගිවිසුම් 04 අවසන් කිරීම සහ සංශෝධනය කිරීම සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම ගිවිසුම් 02 කට එළඹ තිබූ අතර විස්තර පහත දැක්වේ.

වගුව 16 - මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීමේ ගිවිසුම් පිළිබඳ විස්තර

මෙහෙයුම් කල්බදු සමාගමේ නම	ගිවිසුම්ගත දිනය	අවසන් කරන ලද ගිවිසුම්වල විස්තර
i) Aercap Global Aviation Trust (AGAT)	2016 අප්‍රේල් 06	2014.11.12 දිනැති A 350-900 එක් ගුවන් යානයක් සම්බන්ධයෙන් වූ මෙහෙයුම් කල්බදු ගිවිසුම අවසන් කිරීම (ඇමුණුම 63)
ii) International Lease Finance Coporation (ILFC)	2016 ඔක්තෝබර් 04	2013 සැප්තැම්බර් 27 දිනැති අංක 79, 80 හා 81 දරණ A 350-900 ගුවන් යානා මෙහෙයුම් කල්බදු ගිවිසුම් 03 අවසන් කිරීම (ඇමුණුම 40)

7.3.4.1. 2016 අප්‍රේල් 06 දිනැති ගිවිසුම

i) මෙම අවසන් කිරීමේ ගිවිසුමට (Termination Agreement) අදාළ මිලදී ගැනීමේ ගිවිසුම 2014 නොවැම්බර් 12 දින එයාර්කැප් (Aercap) සමාගම සමඟ එළඹ තිබුණි. කෙසේ වුවද, මෙම ගිවිසුම අවසන් කරන දින වන විට Aercap සමාගම මගින් ILFC සමාගම අත්පත් කරගෙන තිබීම හේතුවෙන් මෙම අවසන් කිරීමේ ගිවිසුමට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම Aercap සමාගම හා ILFC සමාගම යන පාර්ශව තුනම සම්බන්ධ වී තිබුණි.

- ii) මෙම අවසන් කිරීමේ ගිවිසුමෙහි ඇතුළත්ව තිබූ ප්‍රධාන කොන්දේසි පහතින් වේ.
  - ❖ ඇමරිකානු ඩොලර් මිලියන 2.5 ක් වූ ආරක්ෂිත තැන්පතුව (Security Deposit) කල්බදු සමාගම විසින් ආපසු ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ලබා නොදෙන බව.
  - ❖ 2016 අප්‍රේල් 06 දින වන විට ඉහත ආරක්ෂිත තැන්පතුවෙන් ඇ.ඩොලර් මිලියන 0.5 ක් පමණක් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ගෙවා තිබූ අතර ඉතිරි ඇ.ඩොලර් මිලියන 2 සඳහා 2016 අප්‍රේල් 08 දිනට ප්‍රථම බැංකු ණයවර ලිපියක් (Letter of Credit) ලබාදිය යුතු බව.
  - ❖ ගිවිසුම් අවසන් කිරීමේ ගාස්තුව ලෙස (Termination Fee) ඇ.ඩොලර් මිලියන 15.27 ක් ඉහත ආරක්ෂිත තැන්පතුවට අමතරව 2016 අප්‍රේල් 08 දින වන විට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ගෙවිය යුතු බව.

**7.3.4.2. 2016 ඔක්තෝබර් 04 දිනැති ගිවිසුම**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් A 350-900 වර්ගයේ ගුවන්යානා 03 ක් මෙහෙයුම් කල්බදු ක්‍රමයට ILFC සමාගමෙන් ලබාගැනීම සඳහා 2013 සැප්තැම්බර් 27 දින එළඹ තිබූ ගිවිසුම් 03 අවසන් කිරීම සඳහා මෙම ගිවිසුමට (Termination Agreement) එළඹ තිබුණි.

එම අවසන් කිරීමේ ගිවිසුමෙහි ඇතුළත්ව තිබූ ප්‍රධාන කොන්දේසි පහතින් වේ.

- i) ගිවිසුම් අවසන් කිරීමේදී වන්දි (Termination Fee) ලෙස ඇ.ඩොලර් මිලියන 146.5 ක් (ආරක්ෂිත තැන්පතුව ඇ.ඩොලර් මිලියන 7.5 හැර) පහත පරිදි වාරික 08 කින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් කල්බදු සමාගම වෙත ගෙවීම් කළ යුතු බව.

වගුව 17 – A 350-900 වර්ගයේ ගුවන්යානා 03 හි මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීමේදී වන්දි මුදල් ගෙවිය යුතු ආකාරය

ගෙවීම් කළ යුතු දිනය -----	මුදල (ඇ.ඩොලර් මිලියන) -----
ගිවිසුම් ගත දින සිට ව්‍යාපාරික දින 05 ක් ඇතුළත	10.5
2017 ජනවාරි 02	13.5
2017 පෙබරවාරි 02	13.3
2017 මාර්තු 02	13.3
2017 අප්‍රේල් 03	13.3
2017 මැයි 02	13.3
2017 ජූනි 02	13.3
2017 ජූනි 30	56.0
මුළු වන්දි මුදල	146.5

- ii) ඉහත වන්දි මුදලට අමතරව ඒ වන විට ගෙවා තිබූ ඇ.ඩොලර් මිලියන 2.5 බැගින් ගුවන්යානා 03 සඳහා වූ මුළු ආරක්ෂිත තැන්පතුව වූ ඇ.ඩොලර් මිලියන 7.5 ක මුදල ආපසු කල්බදු සමාගම විසින් නොගෙවන බව.
  
- iii) ඉහත වන්දි මුදල නියමිත දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ගෙවනු ලැබීමට අපොහොසත් වුවහොත් හා ඒ සඳහා ව්‍යාපාරික දින 03 කට වඩා ඉක්මවූයේ නම් වාර්ෂිකව පොලී අනුපාතය සියයට 3 ක් සහ නිවයෝක් JP Morgan Chase Bank මගින් නිවේදනය කරනු ලබන ප්‍රාථමික ණයදීමේ අනුපාතයේ එකතුව වන පොලී අනුපාතයකට පොලී ගණනය කර අමතරව ගෙවීම් කළ යුතු බව.
  
- iv) පහත අමතර කොන්දේසි ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් සපුරාලන්නේ නම්, ඉහත වන්දි මුදලෙහි අවසන් වාරිකය වූ ඇ.ඩොලර් මිලියන 56 ක මුදල කල්බදු සමාගම විසින් ඉවත්කර ගන්නා බව.
  - වන්දි ගෙවීමෙහි අවසාන වාරිකය හැර අනෙකුත් ගෙවීම් කිරීමට නියමිත දින සිට ව්‍යාපාරික දින 05 ක් තුළ සම්පූර්ණයෙන්ම ගෙවා නිමකර තිබීම.
  - අදාළ කල්බදු සමාගමෙන් නිෂ්පාදන අනු අංක 1008 දරණ A 330-200 වර්ගයේ ගුවන් යානයක් මෙහෙයුම් කල්බදු යටතේ 2016 නොවැම්බර් 30 දිනට පෙර ලබාගත යුතු බව.
  - 2011 නොවැම්බර් 18 දින අංක 627 දරණ මෙහෙයුම් කල්බදු ගිවිසුම යටතේ විචිත ලීසිං සමාගමෙන් (Whitney Leasing Limited) ලබාගෙන තිබූ A 330-200 ගුවන් යානයේ කල්බදු කාලසීමාව 2028 දෙසැම්බර් 07 දින හෝ ගුවන් යානයේ සේවා කාලසීමාව අවසන් වන දින (Design Service Goal Limit is reached) දක්වා 2016 නොවැම්බර් 30 දිනට පෙර දීර්ඝ කළ යුතු බව.
  - 2012 ඔක්තෝබර් 11 දිනැති කල්බදු ගිවිසුම යටතේ මිහින් ලංකා සමාගම විසින් ලබාගෙන තිබූ නිෂ්පාදන අනු අංක 2731 දරණ A 320-232 දරණ ගුවන් යානය හා 2012 ජූලි 18 දිනැති කල්බදු ගිවිසුම යටතේ මිහින් ලංකා සමාගම විසින් ලබාගෙන තිබූ නිෂ්පාදන අනු අංක 1946 දරණ A 321-200 ගුවන් යානය සම්බන්ධ වගකීම් පියවන බවට වූ සහතිකයක් 2016 නොවැම්බර් 30 දිනට පෙර ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ලබාදිය යුතු බව.
  - ඉහතින් දක්වන ලද ගුවන්යානා 04 ක් මෙහෙයුම් කල්බදු පදනමට ලබාගැනීමට අදාළ කොන්දේසි වලට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අධ්‍යක්ෂ මණ්ඩලය විසින් අනුමැතිය ලබාදුන් බවට වූ යෝජනා සම්මතයන් හෝ වෙනත් ලිඛිත සාක්ෂි 2016 ඔක්තෝබර් 28 දින වන විට කල්බදු සමාගම වෙත ලබාදිය යුතු බව.

- එමෙන්ම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ කොටස් හිමියන් විසින් ඉහතින් දක්වන ලද ගනුදෙනු අනුමත කරන ලද බවට වූ ලිඛිත සාක්ෂි 2016 ඔක්තෝබර් 28 දින වන විට කල්බදු සමාගම වෙත ඉදිරිපත් කළ යුතු බව.

7.3.5. මෙහෙයුම් කල්බදු සමාගම් වෙත වන්දි මුදල් ගෙවීම

7.3.5.1. 2016 අප්‍රේල් 06 දිනැති ගිවිසුම යටතේ එයාර්බස් (Aercap) සමාගමට වන්දි මුදල් ගෙවීම

මේ යටතේ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් කල්බදු සමාගම වෙත වන්දි මුදල් ලෙස ඇමරිකානු ඩොලර් 17,770,000 ක් (ඇ.ඩොලර් 2,500,000 ක ආරක්ෂණ තැන්පතුව ද ඇතුළත්ව) 2014 සැප්තැම්බර් 15 දින සිට 2016 මැයි 04 දින දක්වා කාලසීමාව තුළ අවස්ථා 05 කදී පහත පරිදි ගෙවා තිබුණි.

වගුව 18 – A 350-900 එක් ගුවන් යානයක මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීමේ වන්දි මුදල් ගෙවන ලද ආකාරය

දිනය	ගෙවන ලද මුදල (ඇ.ඩොලර්)
-----	-----
2014.09.15	250,000
2014.11.14	250,000
2016.05.04	3,270,000
2016.05.04	12,000,000
2016.05.04	2,000,000
එකතුව	<u>17,770,000</u>

7.3.5.2. 2016 ඔක්තෝබර් 04 දිනැති ගිවිසුම යටතේ ඉන්ටර්නැෂනල් ලීස් සිතැන්ස් සමාගමට (ILFC) වන්දි මුදල් ගෙවීම

මේ යටතේ ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් පහත පරිදි කල්බදු සමාගම වෙත වන්දි මුදල් ලෙස ඇමරිකානු ඩොලර් මිලියන 98 ක් (ගුවන්යානා 03 ක් සඳහා ආරක්ෂණ තැන්පතුව ඇ.ඩොලර් මිලියන 7.5 ක්ද ඇතුළත්ව) 2013 අගෝස්තු 08 දින සිට 2017 ජුනි 02 දින දක්වා කාලසීමාව තුළ ගෙවා තිබුණි. (ඇමුණුම 64)

7.4. **A 350-900 වර්ගයේ ගුවන්යානා 04 ක් එයාර්බස් සමාගමෙන් මිලදී ගැනීමේ ගිවිසුම සංශෝධනය/අවසන් කිරීම**

2017 ජූලි 28 දින ආර්ථික කළමනාකරණ අමාත්‍ය මණ්ඩල අනු කමිටුව විසින් A 350-900 වර්ගයේ ගුවන්යානා 04 ක් එයාර්බස් සමාගමෙන් සෘජුව මිලදී ගැනීම සඳහා වූ ගිවිසුම සංශෝධනය හෝ අවසන් කිරීම පිළිබඳ සලකා බැලීම සඳහා අමාත්‍ය මණ්ඩල අනු කමිටුවක් පත්කර තිබුණි. මීට අමතරව, 2017 දෙසැම්බර් 01 දින පැවති ආර්ථික කළමනාකරණ අමාත්‍ය මණ්ඩල අනු කමිටු (CCEM) රැස්වීමේදී එයාර්බස් සමාගම A 350-900 ගුවන්යානා 04 හි නිෂ්පාදන කටයුතු නැවත්වීමට එකඟ වූ බවත් අනාගත දිනයකදී මෙම ගුවන්යානා වෙනුවට පටුබඳ ගුවන්යානා ලබාදීම සඳහා එයාර්බස් සමාගම විසින් ප්‍රතිඅර්පනයක් (Counter Offer) සිදුකර ඇතිබවත් දක්වා තිබුණි. (ඇමුණුම 02) එම අනුකමිටු තීරණය අනුව ගුවන් යානා නිෂ්පාදනය නැවැත්වීම සඳහා 2017 දෙසැම්බර් 19 දින අමාත්‍ය මණ්ඩල අනුමැතිය (ඇමුණුම 03) ද ලබාදී තිබුණි.

ඒ අනුව, Airbus සමාගම විසින් A 350-900 ගුවන්යානා 04 වෙනුවට A 321 Neo වර්ගයේ ගුවන්යානා 08 ක් මිලදී ගැනීම ලෙස සංශෝධනය කිරීම සඳහා යෝජනාවක් (Proposal) (ඇමුණුම 04) ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත 2018 අප්‍රේල් මාසයේදී ලබා දී තිබුණි.

7.5. **A 330-300 වර්ගයේ ගුවන්යානා 02 ක් සඳහා VIP කාමර කට්ටල සවි කිරීමට ගිවිසුම්ගත වීම හා එම ගිවිසුම අවසන් කිරීම**

7.5.1. **A 330-300 ගුවන්යානා දෙකකට සම්බන්ධ කළ හැකි VIP කාමර කට්ටලයක් සැපයීම සඳහා එයාර් බස් සමාගම සමඟ ගිවිසුමකට එළඹීම**

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් විශේෂ පුද්ගලයන් සඳහා ගුවන් යානයක වෙන් කරන ස්ථානයක් සකස් කිරීම සඳහා (VIP කට්ටලය) එයාර්බස් සමාගම සමඟ 2013 ජූනි 28 දින ගිවිසුමකට එළඹ තිබුණි. (ඇමුණුම 06) එමෙන්ම එම ගිවිසුම 2013 දෙසැම්බර් 02 හා 2014 මාර්තු 31 දිනයන්හි දී සංශෝධනය කර තිබුණි. එම ගිවිසුමෙහි ඇතුළත් කරුණු පහත පරිදි වේ.

- එයාර්බස් සමාගමෙන් ගුවන්යානා 10 ක් මිලදී ගැනීමේදී එක් ගුවන් යානයකට ඇ.ඩොලර් මිලියන 1.5 ක වට්ටමක් බැගින් ගුවන්යානා 10 ක් සඳහා ඇ.ඩොලර් මිලියන 15 ක් වටිනා VIP කාමර කට්ටලයක් ලබා දීමට හා ඒ වෙනුවෙන් A 330-300 ගුවන්යානා 02 ක් සකස් කර ඉදිරිපත් කිරීමට එකඟ වූ බව.
- එම යෝජිත VIP කාමර කට්ටලයෙහි පුද්ගලයන් 12 කට පහසුකම් සැලසිය හැකි අතර ආරක්ෂක අංශයේ නිලධාරීන් සඳහා වෙනම අංශයක් ද පවතින බව.
- VIP කාමර කට්ටලය සකස් කිරීම සඳහා සති 12 ක කාලයක් ගතවන බව.
- පසුව VIP කට්ටලය අවශ්‍යතාවය සඳහා A 330-300 ගුවන්යානයේ සාමාන්‍ය ආසන ඉවත් කර සවි කිරීම සඳහා ආසන්න වශයෙන් දින 03 ක් ගතවන බව.



➤ VIP කට්ටලය ලබා නොගන්නේ නම් එයාර්බස් සමාගමෙන් වෙනත් භාණ්ඩ හා සේවා ලබාගැනීමේදී ඉහත ඇ.ඩොලර් මිලියන 15 ක වට්ටම් මුදල යොදාගත හැකි බව.

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී විසින් සභාපති වෙත යවා තිබූ 2015 ජනවාරි 17 දිනැති ලිපිය මඟින් (ඇමුණුම 05) VIP කාමර කට්ටල ගිවිසුම පිළිබඳව තොරතුරු ඉදිරිපත් කර තිබුණි.

ශ්‍රී ලන්කන් ගුවන් සේවය මඟින් A 350 හා A 330 ගුවන්යානා ඇනවුම් කිරීමට ප්‍රථම ඉහත VIP කට්ටලය පිළිබඳව එයාර්බස් සමාගම සමඟ එවකට ශ්‍රී ලංකාවේ ප්‍රජාතන්ත්‍රවාදී සමාජවාදී ජනරජයේ ජනාධිපතිවරයා විසින් සාකච්ඡා කර එකඟතාවයකට පැමිණ තිබූ බව 2015 පෙබරවාරි 12 දින පැවති අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී විසින් සඳහන් කර තිබුණි. (ඇමුණුම 07)

7.5.2. ගිවිසුම් අවසන් කිරීම සඳහා අනුමැතිය

7.5.2.1. අධ්‍යක්ෂ මණ්ඩල අනුමැතිය

i) 2015 පෙබරවාරි 12 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම (ඇමුණුම 65)

VIP කාමර කට්ටල ගිවිසුම අවසන් කිරීම සඳහා 2015 පෙබරවාරි 12 දින පැවති අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී තීරණය කර තිබුණි. එහිදී A 330-300 ගුවන්යානා 02 ක් කොළඹ “Toulouse” වෙත ලැබීමෙන් පසුව නැවත VIP කට්ටලය සවිකිරීමට අවශ්‍ය සැකැස්ම සකස් කිරීම සඳහා එයාර්බස් සමාගමේ වෙනත් අංශයක් වෙත යැවිය යුතු බව දක්වා තිබුණි. ඒ අනුව A 330-300 හතරවෙනි ගුවන්යානය 2015 පෙබරවාරි මස අවසානයේදී ලැබීමට නියමිත බවත් එම ගුවන්යානය VIP කට්ටලය සවිකිරීමට අවශ්‍ය සැකැස්ම සකස් කිරීම සඳහා ආපසු ලබා නොදෙන බවත් ශ්‍රී ලන්කන් ගුවන් සමාගමේ ප්‍රධාන විධායක නිලධාරී විසින් අවධාරණය කර තිබුණි.

තවද ශ්‍රී ලන්කන් ගුවන් සමාගමේ සභාපති විසින් එයාර්බස් සමාගම සමඟ පැවති සාකච්ඡාවේදී VIP කට්ටලය වෙනත් පාර්ශවයක් වෙත අලෙවි කිරීම සඳහා ඉල්ලීමක් සිදුකළ බව ද දක්වා තිබුණි.

ii) 2015 මාර්තු 10 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම (ඇමුණුම 66)

- ❖ මෙහිදී එයාර්බස් සමාගම විසින් VIP කට්ටලය වෙනත් පාර්ශවයක් වෙත අලෙවි කිරීම සඳහා වර්ෂයක කාලසීමාවක් ඉල්ලා තිබූ බව දක්වා තිබුණි.
- ❖ එහිදී ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ සභාපති විසින් VIP කට්ටලය ලබා ගැනීමට අදාළ ගිවිසුම අවලංගු කිරීම සම්බන්ධව විස්තරාත්මක වාර්තාවක් අගමැතිතුමා වෙත ඉදිරිපත් කරන ලද බව ද වැඩිදුරටත් දක්වා තිබුණි.

- 7.5.2.2. ආර්ථික කළමනාකරණ මණ්ඩල අනුමැතිය (CCEM) හා අමාත්‍ය මණ්ඩල අනුමැතිය  
VIP කට්ටල ගිවිසුම අවලංගු කිරීම සඳහා අධ්‍යක්ෂ මණ්ඩල රැස්වීම් වාර්තා පමණක් ඉදිරිපත් වූ  
අතර ඒ සම්බන්ධව ආර්ථික කළමනාකරණ මණ්ඩල අනුමැතීන් හෝ අමාත්‍ය මණ්ඩල අනුමැතීන්  
ඉදිරිපත් නොවුණි.
  
- 7.5.3. ගිවිසුම් අවසන් කිරීම
  - 7.5.3.1. VIP කට්ටලය ලබා ගැනීමේ ගිවිසුම 2015 පෙබරවාරි 24 දින ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම  
විසින් අවලංගු කර තිබුණි. (ඇමුණුම 67)
  
  - 7.5.3.2. මෙහිදී VIP කාමර කට්ටලය වෙනුවෙන් නිකුත් කරන ලද ඇ.ඩොලර් මිලියන 15 ක බැරපත  
සම්පූර්ණයෙන්ම VIP කාමර කට්ටල සඳහා වැයකර ඇති බව දක්වා තිබුණි. ඒ අනුව එම VIP  
කාමර කට්ටලය නැවත අලෙවි කරන තෙක් ඒ සම්බන්ධ හිමිකමක් ශ්‍රී ලන්කන් ගුවන් සේවා  
සමාගම සතු නොවන බවත්, අලෙවි කළේ නම් එම අලෙවි කළ වටිනාකමට අදාළව බැරපතක්  
“VIP Kit Settlement Credit Memorandum” නමින් එයාර්බස් සමාගම විසින් ශ්‍රී ලන්කන් ගුවන්  
සේවය වෙත නිකුත් කරන බවත් ගිවිසුමෙහි දක්වා තිබුණි.

7.6. A 350 හා A 330 වර්ගයේ ගුවන්යානා ප්‍රති අලෙවිකරණය

7.6.1. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් A 330 හා A 350 වර්ගයේ ගුවන්යානා ප්‍රති අලෙවිකරණය කිරීම (Remarketing) සඳහා නියෝජිත ආයතන 07 ක් සමඟ 2016 මාර්තු 04 දින සිට 2017 අප්‍රේල් 21 දින දක්වා පහත පරිදි ගිවිසුම් 07 කට එළඹ තිබුණි.

වගුව අංක 20 – A350 හා A 330 වර්ගයේ ගුවන්යානා ප්‍රතිඅලෙවිකරණ ගිවිසුම් පිළිබඳ විස්තර

නියෝජිත ආයතනය	ගිවිසුමට එළඹී දිනය	ගිවිසුම්ගත කාරණය
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i) Cabot Aviation (ඇමුණුම 68)	2016 මාර්තු 04	A 350-900 වර්ගයේ ගුවන්යානා 04 ක් හා A 330-300 වර්ගයේ ගුවන්යානා ප්‍රති අලෙවිකරණය
ii) Motevaliyan Tosee Tejarat Pvt ltd (ඇමුණුම 69)	2016 මාර්තු 15	ගුවන්යානා අතුරුබදු දීම සඳහා උපදේශන සේවා සැපයීම
iii) Millennium Aero Dynamics Pvt limited (ඇමුණුම 70)	2016 අගෝස්තු 18	German Aviation Capital සමාගම හඳුන්වාදීමට අවබෝධතා ගිවිසුමකට එළඹීම
iv) German Aviation Capital (ඇමුණුම 71)	2016 අගෝස්තු 18	A 350-900 වර්ගයේ ගුවන්යානා 03 ක් මිලදී ගැනීම
v) Fitzroy Aviation limited (ඇමුණුම 72)	2017 අප්‍රේල් 20	A 330-300, A 330-200 වර්ගයේ හෝ ගුවන් සේවය විසින් සපයන වෙනත් ඕනෑම ගුවන්යානයක් ප්‍රති අලෙවිකරණය
vi) Air Partner (ඇමුණුම 73)	2017 අප්‍රේල් 21	A 330-200 වර්ගයේ ගුවන්යානා 01 ක් හා A 330-300 වර්ගයේ ගුවන්යානා 03 ක් ප්‍රති අලෙවිකරණය
vii) Air Partner (ඇමුණුම 74)	2017 අප්‍රේල් 21	A 330-200 වර්ගයේ ගුවන්යානා 01 ක් හා A 330-300 වර්ගයේ ගුවන්යානා 03 ක් wetlease / ACMI වැඩසටහන අනුව ප්‍රති අලෙවිකරණය

7.6.2. අතිරික්ත ගුවන් යානා නැවත වෙනත් ගුවන් සේවා වෙත උප කල්බදු (Sub Lease) ලබාදීම යටතේ සමාගම විසින් පාකිස්ථානු ගුවන් සේවය වෙත එක් ගුවන්යානයක් 2016 අගෝස්තු 04 දින සිට 2017 පෙබරවාරි 09 දින දක්වා මාස 06 ක කාලයක් සඳහා අවම පැය 300 ක් සඳහා ස්ථාවර ගාස්තු පැයකට ඇමරිකන් ඩොලර් 8,100 ක් ද අතිරික්ත පැයකට ඇමරිකන් ඩොලර් 7,600 ක් ගෙවීමේ පදනමට Wet Lease ක්‍රමයට ලබාදී තිබුණි.

8. නිරීක්ෂණ

8.1. 2015/16-2017/18 ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම සකස් කිරීම, අනුමත කිරීම හා ක්‍රියාත්මක කිරීම

8.1.1. සමස්ත සමූහය ප්‍රතිව්‍යුහගත කිරීම සඳහා සකස් කර තිබූ සැලැස්මට අනුව කටයුතු නොකර ඉන් එක් කාර්යයක් පමණක් වන ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේ කාර්යය පමණක් ක්‍රියාත්මක කිරීම හේතුවෙන් අපේක්ෂිත ඉලක්කයන් කරා ළඟා වීමට නොහැකි වී තිබුණි.

8.1.2. නිසි ශක්‍යතා අධ්‍යයනයකින් හෝ ප්‍රමාණවත් උපදේශන සේවාවක් ලබාගැනීමකින් තොරව කළමනාකාරිත්වය විසින් 2015/16 සිට 2017/18 කාලසීමාවට අදාළ ප්‍රතිව්‍යුහගත සැලැස්ම තුළ ග්‍රෑන්ක්ලර්ට්, පැරිස් සහ රෝමය යන දිගු ගුවන් ගමන් මාර්ග වල ධාවනය අත්හිටුවීමට සහ එමගින් යුරෝපය දක්වා සතියකට වූ ගුවන් ගමන් වාර ප්‍රමාණය 2015/16 සිට 2016/17 වන විට 18 සිට 07 දක්වා අඩුකිරීමට සැලසුම් කර තිබුණි.

8.1.3. යෝජිත ප්‍රතිව්‍යුහගත සැලැස්ම අනුව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම හා මිහින් ලංකා ගුවන් සේවා සමාගම ඒකාබද්ධ කර කාර්යක්ෂම අයුරින් සමූහ ව්‍යාපාර කටයුතු වල යෙදවීමට අපේක්ෂා කර තිබුණ ද එම සමාගම් ඒකාබද්ධ කිරීමට කටයුතු කර නොතිබුණි. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් මිහින් ලංකා ගුවන් සමාගම සතුව තිබූ ගුවන් මාර්ග සහ ගුවන් යානා පමණක් අත්පත් කරගෙන මිහින් ලංකා ගුවන් සමාගම විසුරුවා හැරීමට තීරණය කර තිබූ අතර 2019 මැයි 31 දින වන විටත් එම කටයුතු අවසන් කර නොතිබුණි. (යොමුව 7.2.3.2 (iii) ඡේදය)

8.1.4. ප්‍රතිව්‍යුහගත සැලැස්මට අනුව මුළු ගුවන්යානා ඇණිය 2016/17 හා 2017/18 වනවිට ගුවන්යානා 18 කින් සමන්විත විය යුතු වුවද 2016/17 වර්ෂයේදී සත්‍ය ගුවන්යානා ඇණිය ගුවන්යානා 24 ක් දක්වා ගුවන්යානා 06 කින් ඉහළ ගොස් තිබුණි. ගුවන් ගමන්වාර අඩුකිරීමට සැලසුම් කර තිබියදී නව ගුවන් යානා එකතු කිරීම සඳහා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විධිමත් සැලැස්මකින් තොරව තීරණය කර තිබුණි. (යොමුව 7.2.2 (iii) ඡේදය)

වගුව අංක 19 - 2016/17 වර්ෂයේ ඇස්තමේන්තුගත සහ තත්‍ය ගුවන්යානා ප්‍රමාණය

ගුවන්යානා වර්ගය -----	2016/17 -----		
	ඇස්තමේන්තුගත -----	තත්‍ය -----	වෙනස -----
A 320-200	06	06	-
A 321-200	02	03	01
A 320-Neo	-	02	02
A 330-200	03	06	03
A 330-300	07	07	-
මුළු ප්‍රමාණය	<u>18</u>	<u>24</u>	<u>06</u>

- 8.1.5. සමාගමේ අලාභ 2015/16 සිට 2017/18 වන විට අඩු කිරීමට සැලසුම් කර තිබුණද, 2015/16 සිට 2016/17 වනවිට සමාගමේ සත්‍ය අලාභය රු.මිලියන 12,084 සිට රු.මිලියන 28,340 දක්වා වැඩි වී තිබුණි. ඒ අනුව පෙර වර්ෂයට සාපේක්ෂව 2016/17 වර්ෂයේ සත්‍ය අලාභය සියයට 57 කින් වැඩි වී ඇති බව තව දුරටත් නිරීක්ෂණය විය. (යොමුව 7.2.2 (iv) ඡේදය)
- 8.1.6. යෝජිත ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්මට අනුව ශ්‍රී ලංකා රජයෙන් ඇ.ඩොලර් මිලියන 255 ක ප්‍රාග්ධන දායකත්වයක් ලබා ගැනීමට සැලසුම් කර තිබුණ ද සැලැස්ම ක්‍රියාත්මක වන දිනය වන 2016 අප්‍රේල් 01 දින 2019 මැයි 31 දින දක්වා කිසිදු ප්‍රාග්ධන දායකත්වයක් සමාගමට රජයෙන් ලැබී නොතිබුණි. (යොමුව 7.2.2 (v) ඡේදය)
- 8.1.7. ශ්‍රී ලන්කන් කේටරින් සමාගමේ කොටස් අලෙවි කිරීම (ඇමුණුම 75) හා බිම් මෙහෙවර (Ground Handling) අංශයේ සියයට 40 ක් විකිණීම (ඇමුණුම 76)  
 ශ්‍රී ලංකා රජය විසින් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම රාජ්‍ය පෞද්ගලික හවුල් ව්‍යාපාරයක් (PPP) බවට පත් කිරීම සඳහා තීරණය කිරීම මත ශ්‍රී ලන්කන් කේටරින් සමාගමේ කොටස් විකිණීම මඟින් ලබා ගැනීමට සැලසුම් කර තිබූ ඇ.ඩොලර් මිලියන 85 ක් හා බිම් මෙහෙවර අංශයේ සියයට 40 ක් විකිණීම මඟින් ලබා ගැනීමට සැලසුම් කර තිබූ ඇ.ඩොලර් මිලියන 140 ක අරමුදල් සම්පාදනය කරගෙන නොතිබුණි. (යොමුව 7.2.2 (v) ඡේදය)
- 8.1.8. තවද 2019 මැයි 31 දින දක්වාම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත ආයෝජකයෙකු ආකර්ෂණය කර ගැනීමට නොහැකි වී තිබුණි.
- 8.1.9. 2017 වර්ෂයේ ආපසු ලබාදීමට නියමිත A 330-200 ගුවන්යානා 3 සම්බන්ධයෙන් හා 2017 වර්ෂයේ ලැබීමට නියමිත A 350-900 ගුවන්යානා 8 සේවයේ යොදවා ගැනීම හෝ වෙනත් විකල්ප භාවිතා කිරීම පිළිබඳ උපදේශන සේවා ලබා ගැනීම සඳහා බාහිර පාර්ශවයක් පත්කර කර ගෙන තිබුණි. අමාත්‍ය මණ්ඩලය අනුමත කළ ප්‍රතිව්‍යුහගත කිරීමේ සැලැස්ම මඟින් ගුවන්යානා ඇණිය 18 දක්වා නැවත ප්‍රමාණනය කිරීමට යෝජනා කර තිබුණ ද තබා ගැනීමට අපේක්ෂිත ගුවන්යානා සහ ඉවත්කිරීමට අපේක්ෂිත ගුවන්යානා පිළිබඳ නිශ්චිතව සඳහන් කර නොතිබුණි. තවද යෝජිත පරිදි බාහිර පාර්ශවයක සේවය ලබා ගත්තද සමාගම විසින් 2018 වන විට ගුවන්යානා 26ක් සේවයේ යොදවාගෙන තිබුණි.

- 8.2. ගුවන්යානා ගිවිසුම් අවසන් කිරීම සඳහා උපදේශන සේවා ලබා ගැනීම
- 8.2.1. ගුවන්යානා ඇණිය පිළිබඳ නැවත ඇගයීමක් කිරීම සඳහා Skyworks උපදේශන සමාගම තෝරා ගැනීමේදී, උපදේශන සමාගම් වලින් ලද යෝජනා සාමාජිකයන් හය දෙනෙකුගෙන් යුත් කමිටුවක් මගින් ඇගයීම් කර ඇති බවට 2015 සැප්තැම්බර් 21 දිනැති අධ්‍යක්ෂ මණ්ඩල තීරණයෙහි දක්වා තිබුණ ද එලෙස ඇගයීම් කර ඇති බවට ඇගයීම් පත්‍රිකා හා විස්තරාත්මක ඇගයීම් වාර්තා අධ්‍යක්ෂ මණ්ඩලය වෙත ඉදිරිපත් වී නොතිබුණි. (යොමුව 7.3.1.1.4 ඡේදය)
- 8.2.2. 2015 සැප්තැම්බර් 09 දින Skyworks සමාගම සමඟ උපදේශන කටයුතු සඳහා ගිවිසුමට එළඹීමේදී A 350-900 වර්ගයේ ගුවන්යානා භාවිතයට නොගැනීමට 2015 අගෝස්තු 25 දින සමාගම අධ්‍යක්ෂ මණ්ඩලය ගෙන තිබූ තීරණය පිළිබඳව සඳහන් නොකර සමාගමේ ගුවන්යානා ඇණිය පිළිබඳ නැවත ඇගයීමක් කිරීම සඳහා ගිවිසුමකට එළඹ තිබුණි.
- 8.2.3. පළමුව තෝරාගත් උපදේශන ආයතනය වන “Skyworks” සමාගම සමඟ 2015 සැප්තැම්බර් 09 දින එළඹී ගිවිසුම පරිදි එම ආයතනයට තොරතුරු ලැබී සති 04 ක් ඇතුළත සම්පූර්ණ වාර්තාවක් ඉදිරිපත් කරන බව එකඟ වී තිබුණි. කෙසේ වුවද, මෙම ආයතනය සති 06 ක කාලයක් ගතකර 2015 ඔක්තෝබර් 22 වන දින අතුරු වාර්තාවක් ඉදිරිපත් කර තිබූ අතර අවසන් වාර්තාව ගිවිසුමේ දින සිට සති 16 කට පසු 2016 ජනවාරි මාසයේදී ඉදිරිපත් කර තිබූ අතර එනම් සති 12ක ප්‍රමාදයකින් පසු ඉදිරිපත් කර තිබුණි. (යොමුව 7.3.2.1.3 ඡේදය)
- 8.2.4. A 350-900 ගිවිසුම් අවලංගු කිරීම සඳහා උපදේශන සේවා ලබාගැනීම වෙනුවෙන් “Skyworks” උපදේශන සමාගම 2015 සැප්තැම්බර් 21 දින තෝරා ගන්නා අවස්ථාවේදී “Nyras” උපදේශන සමාගම විසින් ඉදිරිපත් කරන ලද යෝජනාව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම මගින් ප්‍රතික්ෂේප කර තිබුණි. කෙසේ වෙතත් ඊට පසු දිනකදී ශ්‍රී ලන්කන් ගුවන් සමාගමේ ප්‍රධාන විධායක නිලධාරී “Nyras” උපදේශන සමාගම සමඟ පවත්වන ලද දුරකථන සංවාදයකට අනුව විධිමත් ප්‍රසම්පාදන ක්‍රියාමාර්ග අනුගමනය කිරීමකින් තොරව “Nyras” උපදේශන සමාගම සමඟ ද “Skyworks” සමාගම මගින් සිදුකරන ලද සේවාවම ලබාගැනීම සඳහා 2016 පෙබරවාරි 03 දින ගිවිසුමට එළඹ තිබීමේ අවශ්‍යතාවය විගණනයේදී තහවුරු නොවුණි.
- 8.2.5. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් Nyras ආයතනය වෙත A 350-900 ගිවිසුම් අවලංගු කිරීම පිළිබඳ උපදේශනය ලබාදීම වෙනුවෙන් 2015 දෙසැම්බර් 22 දින සිට 2016 සැප්තැම්බර් 02 දින දක්වා බ්‍රිතාන්‍ය පවුම් 248,961.75 ක් නිෂ්කාර්ය ලෙස ගෙවා තිබුණු අතර එය දළ වශයෙන් රු මිලියන 50 ක් වී තිබුණි. “Nyras” ආයතනය ඉදිරිපත් කරන ලද වාර්තා අනුව “A 350-900 ගුවන්යානා එකක්වත් ලබා නොගෙන ගුවන් මාර්ග ජාලය සැලසුම් කිරීම” - මෙහිදී පවතින ගුවන් සේවා සමාගම විසුරුවා හැර ලාභදායී අංශ වෙනම ව්‍යාපාර අංශ බවට පත් කරමින් නව ගුවන් සේවයක් ලෙස පිහිටුවීම යන විකල්ප D යටතේ ඉදිරිපත් කරන ලද යෝජනාව ක්‍රියාත්මක කිරීම

සඳහා හොඳම විකල්ප ලෙස නිර්දේශයන් ඉදිරිපත් කර තිබුණි. එසේ වුවද ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම මෙම වාර්තාවේ දින වනතුරුත් එම විකල්පය ක්‍රියාත්මක කිරීමට කටයුතු කර නොතිබීමෙන් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම “Nyras” ආයතනය වෙත ගෙවන ලද බ්‍රිතාන්‍ය පවුම් 248,961.75 ක මුදල නිෂ්කාර්ය වියදමක් බව වැඩිදුරටත් නිරීක්ෂණය විය. මෙහිදී ගිවිසුම මඟින් එකඟ නොවන ලද කාර්යයක් වූ ශ්‍රී ලංකා බනිජ් තෙල් නීතිගත සංස්ථාව සමඟ සාකච්ඡා කර ඉන්ධන මිල අඩුකර ගැනීමට කටයුතු කිරීම වෙනුවෙන් Nyras ආයතනය වෙත ගෙවන ලද බ්‍රිතාන්‍ය පවුම් 15,267.25 ක් එනම් ශ්‍රී ලංකා රු. මිලියන 2.25 ක් එම ගෙවීම් තුළ ඇතුළත් වී තිබුණි.

8.2.6. 2016 ජනවාරි 31 දින දක්වා “Nyras” උපදේශන සමාගම විසින් මුදල් අමාත්‍යාංශය වෙත සපයන ලද සේවාවන් වෙනුවෙන් බ්‍රිතාන්‍ය පවුම් 65,000 ක මුදලක් ශ්‍රී ලන්කන් ගුවන් සේවය මඟින් 2015 දෙසැම්බර් 22, 2016 ජනවාරි 21 හා ජනවාරි 29 යන දින වලදී ගෙවා තිබුණි. එම මුදල, මුදල් අමාත්‍යාංශය මඟින් ප්‍රතිපූර්ණය කිරීමට එකඟ වී තිබුණ ද ඉන්වොයිස් කරන ලද වටිනාකම වූ රු.13,947,625 ක් මුදලින් මුදල් අමාත්‍යාංශය විසින් රු. 577,625 ක් අඩුවෙන් එනම්, රු.13,370,000 පමණක් 2016 මැයි 20 දින දී ප්‍රතිපූර්ණය කර ගෙන තිබුණි.

8.2.7. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම A 350-900 වර්ගයේ ගුවන්යානා 04 හි මෙහෙයුම් කල්බදු ගිවිසුම් අවලංගු කරගැනීම නම් වූ ප්‍රධාන කාර්යය මුල් කරගනිමින් “Skyworks” හා “Nyras” යන උපදේශන සේවා ආයතන දෙකෙන් උපදේශන සේවා ලබාගැනීම වෙනුවෙන් රු. 99,186,143 මුදලක් එම ආයතන වෙත ගෙවා තිබුණි.

තවද ගුවන්යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේ වැඩසටහන සඳහා සීබර් ආයතනයෙන් උපදේශන සේවා ලබාගැනීමට කටයුතු කර තිබූ අතර එම ආයතනයට රු.144,887,459 ක මුදලක් උපදේශන සේවා ගාස්තු ලෙස ගෙවා තිබුණි. ඒ අනුව සමාගම විසින් ගුවන්යානා මිලදී ගැනීම හා අවලංගු කිරීම යන කාර්යයන් සඳහා උපදේශන සේවා ලබාගැනීම වෙනුවෙන් රු. 244,073,602 මුදලක් වැයකර තිබුණද එමඟින් ශ්‍රී ලන්කන් ගුවන් සේවයේ උත්තතිය වෙනුවෙන් ඵලදායී සේවාවක් ලබා ගැනීමට ගුවන් සේවා සමාගම අපොහොසත් වී තිබූ බව නිරීක්ෂණය විය.

- 8.3. උපදේශකයන් සේවයේ යෙදවීම පිළිබඳ ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහයට අනුකූල නොවීම් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම ගුවන්යානා මිලදී ගැනීමේ ගිවිසුම් අවලංගු කිරීම සඳහා උපදේශකවරුන් තෝරා ගැනීමේදී පහත අනුකූල නොවීම් නිරීක්ෂණය විය.
- 8.3.1. අමාත්‍යාංශය විසින් විධිමත් ප්‍රසම්පාදන කමිටුවක් පත්කරගෙන එකී කාර්යය ඉටුකර ගත යුතු වුවත් එසේ විධිමත් ලෙස පත්කිරීම් සිදුකර ඇති බවට සාක්ෂි විගණනයට ඉදිරිපත් නොකෙරිණි. (යොමුව:- ඇමුණුම 77 (i) ඡේදය)
- 8.3.2. සමාගම විසින් යෝජනා ඉල්ලීමේ ප්‍රකාශයක් (Request for Proposal) සකස් කර උපදේශන ප්‍රසම්පාදන කමිටුව මඟින් අනුමත කරවාගෙන යෝජනා ඉදිරිපත් කිරීමට අපේක්ෂිත උපදේශන සමාගම් වෙත ඉදිරිපත් කර නොතිබුණි. මේ හේතුව නිසා සමාගම විසින් සිය කාර්යයන් කර ගැනීම සඳහා උපදේශන සමාගම තෝරාගැනීමේදී ඇගයීම සිදුකළ ආකාරය පැහැදිලි නොවීය. (යොමුව:- ඇමුණුම 77 (ii) ඡේදය)
- 8.3.3. රු. මිලියන දෙක ඉක්මවන සහ සංකීර්ණ වූ කාර්යභාරයන් වෙනුවෙන් ජාත්‍යන්තර උපදේශන ආයතනවලින් සහභාගිත්වය අපේක්ෂා කරන අවස්ථාවලදී අභිප්‍රාය ප්‍රකාශ (EOI) ඉදිරිපත් කිරීම සඳහා ජාතික මෙන්ම ජාත්‍යන්තර මාධ්‍යවලද දැන්වීම් පලකළ යුතු වේ. නමුත් එම අවශ්‍යතාවලට අනුකූල වන පරිදි දැන්වීම් පලකර නොතිබූ අතර මේ හේතුව නිසා තරඟකාරී සහභාගිත්වයට ඉඩ හැරීම මඟින් සමාගමට ලබාගත හැකිව තිබූ උපරිම ගුණාත්මක හා ආර්ථිකමය වාසි ලබාගෙන ඇති බව නිරීක්ෂණය නොවීය. (යොමුව:- ඇමුණුම 77 (vii) ඡේදය)
- 8.3.4. සමාගම විසින් යෝජනා ඉදිරිපත් කිරීම සඳහා ඉල්ලුම් කර තිබුණේ ආයතන 02 කින් පමණි. තවද, සුදුසුකම්ලත් ආයතන විසින් අභිප්‍රාය ප්‍රකාශ ඉදිරිපත් කර නොමැති විටදී හෝ වෙනත් සුදුසුකම්ලත් ආයතන නොමැති විටදී පමණක් තෝරාගත් ආයතන සංඛ්‍යාව 7 ට අඩුවිය හැකි නමුදු මෙම අවස්ථාවේ දී නියමිත පිළිවෙත් අනුගමනය නොකර ආයතන 2 ක් පමණක් තෝරාගෙන තිබුණි. (යොමුව:- ඇමුණුම 77 (viii) ඡේදය)
- 8.3.5. යෝජනා කැඳවීමේදී එම යෝජනා වලංගු කාල සීමාව පිළිබඳ කිසිදු සඳහනක් කර නොතිබූ අතරම ඊ තැපැල මඟින් වර්ගීකරණය නොකළ යෝජනා ලබාගෙන තිබුණි. ඒ අනුව එම යෝජනා කලින් සකස් කරන ලද නිර්ණායකයන්ට අනුකූලව ඇගයීම කළ බවට විගණනයේදී නිරීක්ෂණය නොවීය. (යොමුව:- ඇමුණුම 77 (x) – (xvi) දක්වා වූ ඡේද)
- 8.3.6. යෝජනා විවෘත කිරීමේ කමිටුවක් පත් කර නොතිබූ අතර යෝජනා විවෘත කිරීමේ සිට ඇගයීම දක්වා වූ ක්‍රියාවලිය සමාගමේ තේරීම් කමිටුව විසින්ම සිදු කර තිබුණි. මූල්‍ය යෝජනා විවෘත කරන අවස්ථාවේදී එම යෝජනා ඉදිරිපත් කරන ලද උපදේශන සේවා සමාගම්වල නියෝජිතයන් සහභාගී



කරගත යුතු වුවත් මෙම උපදේශන සේවා ලබා ගැනීමේදී එසේ කටයුතු කර නොතිබුණි. ඒ අනුව ගුවන්යානා සහ ගුවන් මාර්ග ප්‍රතිසංවිධානය කිරීම සඳහා වූ උපදේශන සේවා ලබා ගැනීම වෙනුවෙන් සිදුකර තිබූ ප්‍රසම්පාදන කාර්යයන් විනිවිදභාවයෙන් තොරව සිදුකර තිබූ බව නිරීක්ෂණය විය. (යොමුව:- ඇමුණුම 77 (xv) ඡේදය)

8.3.7. උපදේශන සේවා ලබාගැනීමට DVB බැංකුව හා Skyworks ආයතන වෙත 2015 අගෝස්තු 18 දිනට හෝ ඊට පෙර යෝජනා ඉදිරිපත් කරන ලෙස 2015 අගෝස්තු 12 දිනදී දන්වා තිබුණි. කෙසේ වුවද, ඊට පසු දිනයක් වූ 2015 අගෝස්තු 20 වන දින Nyras වෙතද යෝජනා ඉදිරිපත් කරන ලෙස දන්වා තිබුණි.

ඒ අනුව, සමාගම ප්‍රසම්පාදන විධිවිධානයන් උල්ලංඝනය කරමින් සමාගමේ අභිමතය පරිදි තෝරාගත් උපදේශන ආයතන වලින් විවිධ දිනයන්හිදී අභිප්‍රාය ප්‍රකාශ (EOI) ලබාගෙන උපදේශන සේවා ආයතනයක් තෝරා ගැනීමට කටයුතු කර තිබුණි. (යොමුව:- ඇමුණුම 77 (xiv) ඡේදය)

- 8.4. මෙහෙයුම් කල්බදු පදනම මත ලබා ගැනීමට ගිවිසුම් ගත වූ A350-900 ගුවන්යානා 04 හි ගිවිසුම් අවසන් කිරීම හා වන්දි මුදල් ගෙවීම
- 8.4.1. A350 හා A330 වර්ගයේ ගුවන් යානා පිළිබඳ යෝජිත ගුවන් මාර්ග හා පවතින ගුවන් මාර්ග සලකා බලමින් ශක්‍යතා අධ්‍යයනයක් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමට එයාර්බස් සමාගමෙන් කරවා ගැනීමට 2015 අගෝස්තු 03 දින පැවති අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී තීරණය කිරීම ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමට සම්බන්ධිත ස්වාධීන නොවූ පාර්ශවයකගෙන් අධ්‍යයනයක් කරවා ගැනීම ප්‍රශ්නගත විය. (යොමුව:- 7.3.1.1.1 (iv) ඡේදය)
- 8.4.2. එයාර්බස් සමාගම විසින් ඉදිරිපත් කර තිබූ වාර්තාවට අනුව A 350-900 හා A 330-300 වර්ගයේ ගුවන්යානාවල මෙහෙයුම් පිළිබඳව ඇගයීම ලන්කන් ගුවන් මාර්ගයට අදාළව පමණක් සිදුකර තිබුණි. එසේ එක් ගුවන් මාර්ගයකට අදාළව පමණක් ඇගයීම හා තෝරාගත් යුරෝපීය ගමනාන්ත වල ගුවන් ගමන් හා සැසඳීම මගින් එහි ප්‍රතිඵල එම ගුවන් මාර්ගයෙන් බැහැර සමස්ථ දිගු ගමනාන්ත වලට ආදේශ කිරීම තාර්කික නොවන බව නිරීක්ෂණය විය. (යොමුව:- 7.3.1.1.2 ඡේදය)
- 8.4.3. අධ්‍යක්ෂ මණ්ඩලය විසින් Aercap සමාගම සමඟ සාකච්ඡා කර වන්දි මුදල් ගෙවීමට එකඟ කර ගැනීමේ කාර්යය ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී වෙත බලය ලබා දී තිබුණි. මෙහිදී එම නිලධාරියා විසින් Aercap සමාගම සමඟ සිදුකරන ලද සාකච්ඡා සටහන් (Negotiation Minutes) ද විගණනයට ඉදිරිපත් නොකෙරුණු අතර එම සාකච්ඡා සඳහා උපදේශන සමාගම් වල සහාය ලබා ගත් බවක් ද නිරීක්ෂණය නොවූයෙන් එම ගනුදෙනුව ප්‍රමාණවත් විනිවිදභාවයකින් සිදුව ඇති බව තහවුරු නොවීය.
- 8.4.4. 04 වෙනි A 350-900 ගුවන් යානයේ කල්බදු ගිවිසුම අවසන් කිරීම සඳහා වන්දි ගෙවීමට සහ සමාගමේ මූලික මූල්‍ය අවශ්‍යතා පියවා ගැනීමට ඇ.ඩොලර් මිලියන 65 ක ණය මුදලක් ලබාගැනීම සඳහා අනුමැතිය ආර්ථික කළමනාකරණ අමාත්‍ය මණ්ඩල අනු කමිටුව (CCEM) විසින් 2016 අප්‍රේල් 05 දින පැවති රැස්වීමේදී ලබා දී තිබුණද කල්බදු ගිවිසුම අහෝසි කිරීම හා වන්දි ලෙස ඇ.ඩොලර් මිලියන 17.77 ගෙවීම සම්බන්ධ අනුමැතියක් එහි නිශ්චිතව සඳහන්ව නොතිබුණි. එමෙන්ම, මේ සම්බන්ධයෙන් අමාත්‍ය මණ්ඩල අනුමැතියක් ලබාගත් බව විගණනයේදී තහවුරු නොවීය. (යොමුව:- 7.3.1.2.1 ඡේදය)
- 8.4.5. ඉහත 4 වෙනි A 350-900 ගුවන් යානයේ කල්බදු ගිවිසුම් අවලංගු කිරීමට අදාළව, ගෙවන ලද වන්දි මුදල වූ ඇ.ඩොලර් මිලියන 17.77 (අහිමි වූ ආරක්ෂිත තැන්පතුව ඇ.ඩොලර් මිලියන 2.5 ද ඇතුළත්ව) නිශ්චිතව ගණනය කරන ලද ආකාරය පිළිබඳව තහවුරුවක් විගණනයට ඉදිරිපත් නොකෙරුණි.

- 8.4.6. 2016 ජූලි 28 දිනැති අධ්‍යක්ෂ මණ්ඩල රැස්වීම සඳහා ගරු අග්‍රාමාත්‍යතුමා හා ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් සිදුකර තිබූ නිර්දේශ ඉදිරිපත් කර තිබුණි. ඉන්පසු A 350-900 ගුවන්යානා ගිවිසුම් අවලංගු කිරීම සම්බන්ධයෙන් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අධ්‍යක්ෂ මණ්ඩලය දැනුවත් කළ බවට තොරතුරු විගණනය වෙත හෙළිදරව් නොවුනි.
- 8.4.7. යෝජිත වන්දි මුදල ගෙවා නිදහස් වීම මඟින් ශ්‍රී ලන්කන් ගුවන් සේවය වෙත අඛණ්ඩ අමතර අලාභ ඉදිරියේදී දැරීමට සිදු නොවන බවත් ඒ මත වඩා හොඳ ආයෝජකයෙකු ශ්‍රී ලන්කන් ගුවන් සේවය වෙත ආකර්ෂණය කරගත හැකි බවත් 2016 සැප්තැම්බර් 07 දින CCEM වෙත ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් ඉදිරිපත් කරන ලද වාර්තාවේ දක්වා තිබුණි. නමුත්, එකඟ වූ වන්දි මුදල ගෙවා නිදහස් වීමෙන් පසු ද ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම 2019 මැයි 31 දින දක්වාම අඛණ්ඩව අලාභ ලබන අතර ආයෝජකයෙකු ආකර්ෂණය කර ගැනීමට ද අසමත් වී තිබුණි. (යොමුව:- 7.3.1.2.2 (iv) ඡේදය)
- 8.4.8. 2016 සැප්තැම්බර් 07 දින ආර්ථික කළමනාකරණ අනු කමිටුව වෙත ඉදිරිපත් කරන ලද වාර්තාව අනුව A 350-900 ගුවන්යානා හැර අනෙකුත් ගුවන්යානා ප්‍රතිව්‍යුහගත කිරීම තුළින් 2016/17 සිට 2020/21 දක්වා අපේක්ෂිත ඉතිරිය ඇ.ඩොලර් මිලියන 130 ක් බව දක්වා තිබුණ ද මෙහිදී කල්බදු වාරිකය අඩුකිරීම පමණක් සලකා බලා තිබුණු අතර අනෙකුත් සාධක එනම් නඩත්තු පිරිවැය, ඉන්ධන පිරිවැය ඉහළ යාම පිළිබඳව සලකා නොතිබුණි. (යොමුව:- 7.3.1.2.2 (iv) ඡේදය)
- 8.4.9. 2016 සැප්තැම්බර් 07 දින පැවති ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල අනු කමිටු (CCEM) රැස්වීමේදී A 350-900 ගුවන්යානා 03 හි ගිවිසුම් අවසන් කිරීමේ වන්දි මුදල ඇ.ඩොලර් මිලියන 75-85 අතර විය යුතු බවට තීරණය කර තිබුණද එම ප්‍රමාණය තීරණය කරන ලද පදනමක් නිශ්චිතව දක්වා නොතිබුණි. (යොමුව:- 7.3.1.2.2 (v) ඡේදය)
- 8.4.10. 2016 සැප්තැම්බර් 05 දින Aercap සමාගම සමඟ ගිවිසුම් අවසන් කිරීමේ වන්දි මුදල අඩුකර ගැනීම සඳහා පැවති සාකච්ඡාවට අනුව වන්දි මුදල කොන්දේසිවලට යටත්ව ඇ.ඩොලර් මිලියන 98 කට අඩුකර ගෙන තිබුණද එම කොන්දේසිවලට එකඟ වීමේදී කිසිදු පිරිවැය ප්‍රතිලාභ විශ්ලේෂණයක් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් සිදුකර නොතිබුණි. (යොමුව:- 7.3.1.2.2 (iv) ඡේදය)
- 8.4.11. A350-900 ගුවන් යානා 03 හි කල්බදු ගිවිසුම් අවසන් කිරීම සඳහා 2016 සැප්තැම්බර් මාසයේදී මහා භාණ්ඩාගාරයේදී පැවති සාකච්ඡාව සඳහා රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශ ලේකම් සම්බන්ධ වී තිබුණද එයින් පසු පැවති සාකච්ඡා සඳහා රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය සම්බන්ධ කරගෙන තිබුණු බව නිරීක්ෂණය නොවීය.

- 8.4.12. 2016 ඔක්තෝබර් 01 දින Aercap නියෝජිතයින් සමඟ භාණ්ඩාගාරයේ පැවති සාකච්ඡාව සඳහා සහභාගී වී සිටි ඇතැම් නිලධාරීන් එම සාකච්ඡාව සඳහා සහභාගී වියයුතු බවට අනුමැතිය ලබාදුන් පාර්ශවයන් පිළිබඳව විගණනයේදී නිරීක්ෂණය නොවීය. (යොමුව:- 7.3.1.2.2 (iv) ඡේදය)
- 8.4.13. ඉහත 8.4.12 හි දැක්වෙන සාකච්ඡාවේදී එකඟ වූ කරුණු පිළිබඳව ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ප්‍රධාන විධායක නිලධාරී විසින් විද්‍යුත් තැපැල් පණිවිඩයක් මාර්ගයෙන් මුදල් අමාත්‍යවරයා හා රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා එදිනම දැනුවත් කර තිබුණ ද මේ සම්බන්ධයෙන් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ අධ්‍යක්ෂ මණ්ඩලය දැනුවත් කර නොතිබුණි.
- 8.4.14. ගිවිසුම් අවසන් කිරීමේ ක්‍රියාවලියට අදාළ තීරණ වඩාත් කඩිනමින් ගෙන තිබුනේ නම් 7.3.5 හි සඳහන් ගෙවීම් තවදුරටත් අඩු කරගත හැකිව තිබූ බව නිරීක්ෂණය විය.
- 8.4.15. ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමේ ගුවන් යානා ඇණියට A350-900 ගුවන් යානා අවශ්‍ය නොවන බවට මූලික තීරණය කවර පාර්ශවයක් විසින් කෙදිනක ගෙන තිබුනේද යන්න අනාවරණය කර ගැනීමට ප්‍රමාණවත් තොරතුරු පරීක්ෂණයට ඉදිරිපත් නොකෙරුණි. (යොමුව:- 7.3.1.1 ඡේදය)
- 8.4.16. මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීමේ ගිවිසුම් වලට එළඹීමට පෙර ඒ සඳහා වූ පූර්ව අනුමැතියක් අමාත්‍ය මණ්ඩලයෙන් ලබාගෙන නොතිබුණි. (යොමුව:- 7.3.1.3 ඡේදය)
- 8.5. **A 350-900 වර්ගයේ ගුවන්යානා 04 ක් එයාර්බස් සමාගමෙන් මිලදී ගැනීම සඳහා ගිවිසුම් ගත වීම**
- 8.5.1. A 350-900 ගුවන් යානා 04 ක් එයාර්බස් සමාගමෙන් 2020/21 දී මිලදී ගැනීම සඳහා ගිවිසුමකට එළඹ තිබුණි. නමුත් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් A 350-900 වර්ගයේ ගුවන් යානා ලබා නොගැනීමට පසුව ගෙන ඇති තීරණය ප්‍රකාරව, 2017 දෙසැම්බර් 01 දින පැවති ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය අනු කමිටු (CCEM) රැස්වීමේදී එයාර්බස් සමාගම A 350-900 ගුවන් යානා 04 හි නිෂ්පාදන කටයුතු නැවැත්වීමට එකඟ වූ බවත් අනාගත දිනයකදී මෙම ගුවන් යානා වෙනුවට පටුබඳ ගුවන් යානා ලබා දීම සඳහා එයාර්බස් සමාගම විසින් ප්‍රති අර්පනයක් (Counter Offer) සිදුකර ඇති බවත් දක්වා තිබුණි. මෙහිදී, ගුවන් යානා වර්ගය වෙනස් කිරීම හේතුවෙන් ඉදිරියේදී යම් අමතර ගෙවීම් සිදුවීමේ අවදානමක් ඇතිවිය හැකි බව නිරීක්ෂණය විය. (යොමුව:- 7.4 ඡේදය)
- 8.5.2. එමෙන්ම, A 350-900 ගුවන්යානා 04 ක් මිලදී ගැනීම හෝ A 321 Neo වර්ගයේ ගුවන්යානා 08 ක් මිලදී ගැනීම යන විකල්ප 02 පිළිබඳව සමාගම විසින් විධිමත් විශ්ලේෂණයක් වාර්තාවේ දිනය දක්වා සිදුකර නොතිබුණි. (යොමුව:- 7.4 ඡේදය)

8.6. **VIP කාමර කට්ටල ගිවිසුම අවසන් කිරීම**

8.6.1. A 330-300 වර්ගයේ ගුවන් යානයක විශේෂ පුද්ගලයින් සඳහා වෙන් කරන ලද ස්ථානයක් (VIP කාමරය) සකස් කිරීම සඳහා 2013 ජුනි 28 දින එළඹී ගිවිසුම නැවත එම වර්ෂයේ දෙසැම්බර් 02 හා 2014 මාර්තු මසදී වශයෙන් අවස්ථා 2 කදී සංශෝධනය කිරීම තුලින් එම කාර්යය පිළිබඳ සමාගමේ කළමනාකාරිත්වය පූර්ව සැලසුම් හා අවබෝධයෙන් තොරව ගිවිසුමගත වී තිබූ බව නිරීක්ෂණය විය.

8.6.2. එයාර්බස් සමාගමෙන් ගුවන්යානා 10 ක් මිලදී ගැනීමේදී ලැබීමට නියමිතව තිබූ ඇ.ඩොලර් මිලියන 15 ක වට්ටම සඳහා හිමි VIP කාමර කට්ටලය වෙනුවට එම සමාගමෙන් වෙනත් භාණ්ඩ හා සේවා ලබා ගැනීමේදී වට්ටම අඩුකර ගැනීමේ හිමිකමක් ලබාදී තිබුණි. නමුත් VIP කාමරය සකස් කිරීම සඳහා ගිවිසුම් වලට එළඹී දින සිට එම ගිවිසුම අවලංගු කළ දිනය වූ 2015 පෙබරවාරි 24 දින දක්වා මාස 20ක ආසන්න කාලයක් ගතවීම නිසා ශ්‍රී ලන්කන් ගුවන් සේවා සමාගමට එයාර්බස් සමාගමෙන් ලබා ගැනීමට තිබූ ඇ.ඩොලර් මිලියන 15 ක වට්ටම හිමිකම අහිමි වී තිබුණි.

8.7. **A 350 හා A 330 ගුවන්යානා ප්‍රති අලෙවිකරණය**

8.7.1. A 350 හා A 330 ගුවන්යානා 2013 හා 2014 වර්ෂයන්හිදී සමාගම වෙත ලබා ගැනීම සඳහා ගිවිසුම් ගත වී තිබූ අතර එයින් A 330 වර්ගයේ ගුවන්යානා 06 සමාගම වෙත නියමිත කාල සීමාව තුළදී ලබාගෙන තිබුණි. කෙසේ නමුත් ඉහත 7.6 ඡේදය ප්‍රකාරව එම ගුවන්යානා ප්‍රති අලෙවි කිරීම සඳහා ගිවිසුම් ගත වී තිබුණි. ඒ අනුව සමාගම විසින් ගුවන්යානා ඇණය ප්‍රතිස්ථාපනය කිරීමේදී සමාගමේ ගුවන්යානා අවශ්‍යතාවය පිළිබඳව සැලකිල්ලක් දක්වා නොතිබුණු බව නිරීක්ෂණය විය. (යොමුව:- 7.6 ඡේදය)

8.7.2. A 350-900 ගුවන්යානා නැවත අලෙවිකරණයට නියෝජිතයෙකු පත්කර ගැනීම සඳහා උපදේශන සමාගම් 03 කින් මිල ගණන් කැඳවීමට ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම හා එයාර්කැප් සමාගම සමඟ 2015 නොවැම්බර් 23 දින පැවති සාකච්ඡාවේදී නිර්දේශ කර තිබුණි. (ඇමුණුම 19) එම සමාගම් නිර්දේශ කිරීමේදී රජයේ ප්‍රසම්පාදන මාර්ගෝපදේශයන් අනුගමනය කර නොතිබුණි.

9. පද්ධති හා පාලන දුර්වලතා

9.1. සමාගම විසින් විධිමත් අධ්‍යයනයකින් සිදු කරනු ලැබූ පිරිවැය ප්‍රතිලාභ විශ්ලේෂණයකින් තොරව පහත කාර්යයන් ඉටු කර තිබුණි.

9.1.1. ගුවන්යානා ප්‍රතිස්ථාපනය කිරීම සඳහා වූ වැඩසටහන 2015 ජුනි 24 දින සංශෝධනය කිරීම.

9.1.2. A 350-900 ගුවන්යානා 04 ක් සෘජුව මිලදී ගැනීම හා එම වර්ගයේ තවත් යානා 4 ක් මෙහෙයුම් කල්බදු ක්‍රමය යටතේ ලබා ගැනීම.

9.1.3. මෙහෙයුම් කල්බදු ගිවිසුම් අවසන් කිරීම වෙනුවෙන් අදාළ මූල්‍ය සමාගම් වෙත වන්දි මුදල් ගෙවීමට එකඟ වීම.

9.1.4. කල්බදු ගිවිසුම් අවසන් කිරීම සම්බන්ධයෙන් AerCap සමාගම සමඟ එකඟ වූ වන්දි මුදල වූ ඇ.ඩොලර් මිලියන 154 න් ඇ.ඩොලර් මිලියන 56 ක් අඩු කර ගැනීමට අතිරේක කොන්දේසි වලට එළඹීම.

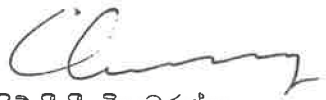
9.2. ගුවන් යානා ප්‍රතිස්ථාපනය කිරීමේ වැඩසටහන යටතේ එළඹ තිබූ කිසිදු ගිවිසුමක ගිවිසුම් අවසන් කිරීම පිළිබඳ අවසානාත්මක වගන්ති (Termination Clauses) ඇතුළත්ව නොතිබුණි. මේ හේතුවෙන් කල්බදු සමාගම යෝජනා කරන ලද වන්දි මුදල ගෙවීමට සමාගමට සිදුව තිබූ බව නිරීක්ෂණය විය.

10. **නිර්දේශ**
- 10.1. ශ්‍රී ලන්කන් ගුවන් සමාගමේ කටයුතු වලට අදාළ සියලු වැදගත් තීරණ ගැනීමේදී නිසි අධ්‍යයනයකින් යුතුව සකස් කරන ලද දිගු කාලීන සැලැස්මකට අනුගතව කටයුතු කළ යුතු බව. (යොමුව 9.1.)
- 10.2. සමාගම විසින් උපදේශන සමාගම්වලින් උපදේශන සේවා ලබා ගැනීමේදී ප්‍රසම්පාදන නියෝජ්‍යාතනය විසින් 2007 අගෝස්තු මාසයේදී හා නොවැම්බර් මාසයේදී පිළිවෙලින් නිකුත් කර ඇති උපදේශන මාර්ගෝපදේශ සංග්‍රහයේ හා උපදේශන අත්පොතෙහි විධිවිධානවලට අනුකූලව කටයුතු කළ යුතු බව. (යොමුව 8.3.)
- 10.3. සමාගමේ කටයුතු සඳහා උපදේශකයන් වෙතින් නිර්දේශ ලබා ගැනීම මෙන්ම එම නිර්දේශ ක්‍රියාත්මක කිරීම උපරිම ප්‍රශස්තභාවයකින් කළ යුතු බව (යොමුව 8.2.5)
- 10.4. ගුවන් සමාගම විසින් බාහිර පාර්ශවයන් සමඟ සාකච්ඡා පැවැත්වීමේදී සහ ගිවිසුම් වලට එළඹීමේදී සමාගම වෙනුවෙන් එක් නිලධාරියකුට වැඩි පිරිසක් එම සාකච්ඡා සඳහා යොමු කිරීම මගින් එම කාර්යයේ විනිවිදභාවය සහ අවංකභාවය ආරක්ෂා කර ගත යුතු බව. (යොමුව 8.4.14.)
- 10.5. අමාත්‍ය මණ්ඩල අනුමැතිය අත්‍යාවශ්‍ය වැදගත් කරුණු සම්බන්ධයෙන් අමාත්‍ය මණ්ඩලය වෙත ප්‍රමාණවත් තොරතුරු යොමුකර පූර්ව අනුමැතිය ලබා ගැනීමට හැකි උපරිම වශයෙන් කටයුතු කළ යුතු බව. (යොමුව 8.4.4 හා 8.4.17)

11.

නිගමනය

ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම විසින් A 350-900 වර්ගයේ ගුවන්යානා 04 ක් මෙහෙයුම් කල්බදු පදනම මත ලබා ගැනීමට අදාළ ගිවිසුම් ප්‍රමාණවත් පිරිවැය ප්‍රතිලාභ විශ්ලේෂණයකින් තොරව අවසන් කිරීම හේතුවෙන් ශ්‍රී ලන්කන් ගුවන් සේවා සමාගම වෙත භාණ්ඩ හෝ සේවා ස්වරූපයේ කිසිදු කාලීන ප්‍රතිලාභයක් ලැබීමකින් තොරව ඇ. ඩොලර් මිලියන 115.77 ක් එනම් ශ්‍රී ලංකා රු. මිලියන 17,058.1 ක් වැය කිරීමට සිදු වී තිබුණි. තවද ඉහත සඳහන් ගුවන්යානා වලට අමතරව A 350-900 වර්ගයේ ගුවන්යානා 04 ක් අදාළ නිෂ්පාදකයාගෙන් සෘජුවම මිලදී ගැනීම සඳහා වූ ගිවිසුම අවලංගු කර එම නිෂ්පාදකයා වෙතින්ම විකල්ප ගුවන්යානා මිලදී ගැනීමට සිදු කෙරෙමින් පවතින සාකච්ඡාවන්හි ප්‍රතිඵලය ලෙසද අදාළ නිෂ්පාදක වෙත ඉහත ස්වරූපයේ වැනි යම් ගෙවීමක් සිදු වීමට පවතින ඉඩකඩ බැහැර කළ නොහැක.



චන්ද්‍රව.පී.සී. වික්‍රමරත්න  
 විගණකාධිපති



வரையறுக்கப்பட்ட ஸ்ரீலங்கன் விமான சேவை கம்பனியால் 2013 மற்றும் 2014 ஆம் ஆண்டுகளின் போது மேற்கொள்ளப்பட்டிருந்த A 350-900 வகை 08 விமானங்களை கொள்வனவு செய்யும் உடன்படிக்கையை முடிவுறுத்துவது தொடர்பாக பாரனாமன்றத்தின் பொது முயற்சிகள் தொடர்பான குழுவின் வேண்டுகோளின் பிரகாரம் கணக்காய்வாளர் தலைமை அதிபதியால் மேற்கொள்ளப்பட்ட பரிசோதனையின் இறுதி அறிக்கை

#### 1. நிறைவேற்றுப் பொழிப்பு

2008 ஆம் ஆண்டின் போது எமிரேட்ஸ் கம்பனியால் இலங்கை விமான சேவைகள் கம்பனியின் தொழிற்பாட்டு முகாமைத்துவத்திலிருந்து நீங்கும் போது கம்பனியின் தொழிற்பாட்டு நடடம் ரூபா 4,428 மில்லியனாக இருந்தது. அது வரை கம்பனியால் A 320 வகையான 05 விமானங்கள், A 330-200 வகையிலான 04 விமானங்கள் மற்றும் A 340-300 வகையிலான 05 விமானங்கள் என மொத்தம் 14 விமானங்கள் ஓட்டத்தில் ஈடுபடுத்தப்பட்டிருந்தன.

கம்பனியால் 2011 ஆம் ஆண்டின் போது 2010/2011 - 2014/2015 இன் 05 ஆண்டு காலப்பகுதிக்காக வியாபார செயற்திட்டமொன்று தயாரிக்கப்பட்டிருந்தது. அத்திட்டத்தில் ஒரு செயற்பாடாக கம்பனியிடம் காணப்பட்ட 2013-2021 காலப்பகுதியில் ஆயுட்காலம் முடிவடைந்தமையால் 13 சிறிய ரக விமானங்களுக்கு பதிலாக வேறு விமானங்களை பெற்றுக்கொள்ளும் தேவைப்பாடு குறிப்பிடப்பட்டிருந்ததுடன் விமான மீள் வைப்பு நிகழ்ச்சித்திட்டம் (Re-fleeting Programme) என அறிமுகப்படுத்தப்பட்டிருந்தது.

அதன் போது கம்பனியின் முகாமைத்துவத்தினால் 2013-2021 காலப்பகுதியில் கைதவிர்க்கப்பட்ட 13 விமானங்களுக்கு பதிலாக 14 புதிய அகல உருவ விமானங்களை ஓட்டத்தில் ஈடுபடுத்த தீர்மானிக்கப்பட்டிருந்தது. அதன் கீழ் A 330-300 வகையான 06 விமானங்களும் 2013 ஆம் ஆண்டின் போது புதிதாக அறிமுகப்படுத்தப்பட்ட A 350-900 வகையிலான 04 விமானங்களை செயற்பாட்டுக் குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்கும் அதே வகையான 04 விமானங்களை தயாரிப்பாளரிடமிருந்து கொள்வனவு செய்யப்பட்டு மீண்டும் விற்பனை செய்து செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்கும் தீர்மானிக்கப்பட்டிருந்தது. இதன்படி A 330-300 வகையான 06 விமானங்கள் 2014/2015 களில் விற்பனை செய்தல் மற்றும் மீள் செயற்பாட்டுக் குத்தகையில் பெற்றுக்கொள்வதன் அடிப்படையில் பெற்றுக் கொள்ளப்பட்டிருந்தன. மேலும் கம்பனியால் தயாரிப்புக் கம்பனியுடன் A 350-900 வகையான 04 விமானங்களை கொள்வனவு செய்வதற்காக 2013 யூன் 28 ஆந் திகதி உடன்படிக்கையொன்று கைச்சாத்திடப்பட்டிருந்ததுடன்

அவ்வகையான மேலும், 04 விமானங்களை செயற்பாட்டுக் குத்தகையில் அடிப்படையில் பெற்றுக்கொள்வதற்காக 2013 செப்டெம்பர் 27 ஆந் திகதியிலும் 2014 நவம்பர் 12 ஆந் திகதியிலும் உடன்படிக்கைகள் கைச்சாத்திடப்பட்டிருந்தன.

2015 ஆம் ஆண்டின் போது கம்பனியால் மீளமைப்பு திட்டமொன்று தயாரிக்கப்பட்டு 2015 யூன் 24 ஆந் திகதி அமைச்சரவை மூலம் அங்கீகரிக்கப்பட்டிருந்தது. அத்திட்டத்தின் பிரகாரம் விமான சேவைகள் கம்பனிக்கு அதுவரை கொள்வனவு செய்வதற்கு உடன்படிக்கை செய்யப்பட்டிருந்த A 350-900 வகையான 08 விமானங்களை ஓட்டத்தில் சேர்த்துக் கொள்ளாமல் இருப்பதற்கு உத்தேசிக்கப்பட்டிருந்தது. இதன் பிரகாரம் செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்கு உத்தேசிக்கப்பட்டிருந்த A 350-900 வகையான 04 விமானங்களுக்காக உடன்படிக்கை செய்யப்பட்டிருந்த செயற்பாட்டுக் குத்தகை கம்பனியுடன் கலந்துரையாடல் மேற்கொண்டு ஏதேனும் நியாயமான தீர்வொன்றுக்கு வருவதற்கு மதியுரை கம்பனிகளின் ஒத்துழைப்பை பெற்றுக்கொள்வதற்கு 2015 ஆம் ஆண்டின் போது பணிப்பாளர் சபை தீர்மானித்திருந்தது. அதன் பிரகாரம் இச்செயற்திட்டத்திற்காக கம்பனியால் வெளிநாட்டு மதியுரைக் கம்பனியொன்றின் ஒத்துழைப்பு பெற்றுக்கொள்ளப்பட்டிருந்ததுடன் அதற்கு மேலதிகமாக நிதி அமைச்சினால் இணைக்கப்பட்டிருந்த வெளிநாட்டு மதியுரைக் கம்பனியொன்றின் ஒத்துழைப்பும் பெற்றுக்கொள்ளப்பட்டிருந்தன. இதன் பிரகாரம் விமானங்களை மீள் வைப்பு நிகழ்ச்சித்திட்டத்தின் மதியுரையாளர்களின் ஒத்துழைப்புடன் செயற்பாட்டுக் குத்தகையின் கீழ் கொள்வனவு செய்வதற்கு உடன்படிக்கை செய்யப்பட்டிருந்த போதிலும் A 350-900 வகையான 4 விமானங்களுக்கான தேவைப்பாடு தற்போது காணப்படாமையால் 2016 ஆம் ஆண்டின் போது கம்பனியால் முடிவுறுத்தும் உடன்படிக்கைகளுக்கு செயற்பாட்டு கம்பனியுடன் உடன்படிக்கை செய்யப்பட்டிருந்ததுடன் இழப்பீட்டு தொகையாக அமெரிக்க டொலர் 171.77 மில்லியனை செலுத்துவதற்கு இணங்கப்பட்டிருந்தது. எவ்வாறாயினும், செயற்பாட்டு குத்தகை கம்பனியுடன் மேற்கொள்ளப்பட்டிருந்த முடிவுறுத்தும் உடன்படிக்கைகளின் பிரகாரம் நிபந்தனைகளுக்கு உட்பட்டு அமெரிக்க டொலர் 56 மில்லியன் நீக்கப்பட்டு மொத்த இழப்பீட்டு தொகையாக அமெரிக்க டொலர் 115.77 மில்லியன் அல்லது ரூபா 16,924 மில்லியன் தொகையை 2016 மற்றும் 2017 ஆம் ஆண்டுகளின் போது கம்பனியால் கொடுப்பனவு செய்யப்பட்டிருந்தன. மேலும் கம்பனியால் 2015 ஆம் ஆண்டின் போது A 330-300 வகையான 02 விமானங்களுக்கு பொருத்துவதற்கு இணங்கப்பட்டு VIP உடன்படிக்கையும் இரத்துச் செய்யப்பட்டிருந்தன.

அவ்வாறே A 350-900 வகையான 04 விமானங்களை தயாரிப்பாளரிடமிருந்தே நேரடியாக கொள்வனவு செய்வதற்காக மேற்கொள்ளப்பட்டிருந்த உடன்படிக்கையை முடிவுறுத்தும் கலந்துரையாடல் அறிக்கை திகதி வரையிலும் மேற்கொள்ளப்பட்டு வருவதுடன் தயாரிப்பாளரால் குறித்த விமான தயாரிப்பு நிறுத்தப்பட்டு வேறு விமான வகையொன்று (A 321 Neo) வழங்குவதற்காக முன்மொழியப்பட்டிருந்தது.

2. **அறிக்கையின் பின்னணி மற்றும் தன்மை**

2017 செப்டெம்பர் 20 ஆந் திகதி வரையறுக்கப்பட்ட ஸ்ரீ லங்கன் விமானச் சேவை கம்பெனியின் நடவடிக்கைகளை பரிசோதனை செய்வதற்காக நடைபெற்ற பாராளுமன்ற பொது தொழில் முயற்சி தொடர்பான செயற்குழு கூட்டத்தில் வரையறுக்கப்பட்ட ஸ்ரீ லங்கன் விமானச் சேவை கம்பனிக்கு விமானங்களை பெற்றுக்கொள்ளும் கொடுக்கல் வாங்கல்களுக்குரிய உடன்படிக்கைகளை முடிவுறுத்தல் தொடர்பாக பரீட்சித்து அறிக்கை ஒன்று சமர்ப்பிக்கும்மாறு கணக்காய்வாளர் தலைமை அதிபதியிடம் விடுக்கப்பட்ட வேண்டுகோள் (பின்னிணைப்பு 01) பிரகாரம் சமர்ப்பிக்கப்பட வேண்டிய விமானங்கள் கொள்வனவு செய்யும் உடன்படிக்கைகளை முடிவுறுத்தல்கள் தொடர்பான அறிக்கை இவ்வாறு சமர்ப்பிக்கப்படுகின்றது.

3. **பின்பற்றப்பட்ட நடைமுறைகள்**

இந்த அறிக்கையை தயாரிக்கும் போது பின்வரும் நடைமுறைகள் பின்பற்றப்பட்டன.

3.1. **பதிவேடுகளைப் பரீட்சித்தல்**

கீழே 5 ஆம் பந்தியில் குறிப்பிடப்படும் விடயங்களுக்கு உட்பட்டு கீழே காட்டப்பட்டுள்ள பதிவேடுகள் பரிசோதனைக்கு உட்படுத்தப்பட்டன.

3.1.1. 2015/16 - 2017/18 காலப்பகுதிக்குரிய ஸ்ரீலங்கன் எயார் லைன்ஸ் விமான சேவைகள் கம்பனியால் தயாரிக்கப்பட்டு அமைச்சரவை அங்கீகாரத்திற்காக சமர்ப்பிக்கப்பட்ட மீளமைப்பு திட்டம் மற்றும் அது தொடர்பான பணிப்பாளர் சபை தீர்மானங்கள் மற்றும் அமைச்சரவை தீர்மானங்கள்

3.1.2. A 350-900 வகையான 04 விமானங்கள் கொள்வனவு ஒப்பந்தம் மற்றும் A 350-900 வகையான 04 விமானங்கள் செயற்பாட்டுக் குத்தகை அடிப்படையில் கொள்வனவு செய்வதற்கான 04 உடன்படிக்கைகள்

- 3.1.3. A 350-900 விமான உடன்படிக்கைகளை முடிவுறுத்துவது தொடர்பாக மதியுரைக் கம்பனி தெரிவு செய்வதற்குரிய
- பணிப்பாளர் சபை பத்திரம்
  - பணிப்பாளர் சபை தீர்மானங்கள்
  - அனுப்பி வைக்கப்பட்ட முன்மொழிவுகளுக்கான வேண்டுகோள் (Request for proposals)
  - முன்மொழிவுக்கான மதிப்பீட்டு அறிக்கை
  - ஏனைய பரிமாறப்பட்ட கடிதங்கள் (இலத்திரனியல் தபால் உட்பட)
- 3.1.4. Skyworks கம்பனியிடமிருந்தும் “Nyras” கம்பனியிடமிருந்தும் மதியுரை சேவைகளை பெற்றுக்கொள்வதற்காக
- மதியுரைக் கம்பனியுடன் மேற்கொள்ளப்பட்ட உடன்படிக்கை
  - மதியுரை கம்பனியால் வழங்கப்பட்ட வெவ்வேறு அறிக்கைகள்
  - மதியுரைக் கம்பனிகள் தெரிவு செய்து தொடர்பாக பணிப்பாளர் சபை பத்திரங்கள் பணிப்பாளர் சபை தீர்மானங்கள்
  - மதியுரை சேவைகளுக்காக மேற்கொள்ளப்பட்ட கொடுப்பனவு உறுதிச்சீட்டு மற்றும் ஏனைய மூல ஆவணங்கள்
- 3.1.5. சர்வதேச சட்ட மதியுரை கம்பனிகளிலிருந்து மதியுரை சேவை பெற்றுக்கொள்வதற்கு உரிய
- மதியுரைக் கம்பனியுடன் மேற்கொண்ட உடன்படிக்கை
  - மதியுரைக் கம்பனியால் வழங்கப்பட்ட வெவ்வேறு அறிக்கைகள்
  - மதியுரைக் கம்பனி தெரிவு செய்வதுடன் தொடர்புடைய பணிப்பாளர் சபை பத்திரங்கள் மற்றும் பணிப்பாளர் சபை தீர்மானங்கள்
  - மதியுரை சேவைகளுக்காக செய்யப்பட்ட கொடுப்பனவு தொடர்பான கொடுப்பனவு உறுதிச்சீட்டுக்கள் மற்றும் ஏனைய மூல பதிவேடுகள்
- 3.1.6. A 350-900 வகையான 04 குத்தகை உடன்படிக்கை முடிவுறுத்தும் உடன்படிக்கை (Termination Agreements)
- 3.1.7. A 350-900 வகையான 04 விமானங்களில் செயற்பாட்டு குத்தகை உடன்படிக்கை முடிவுறுத்தலின் இழப்பீட்டு கொடுப்பனவுகளுக்குரிய
- கொடுப்பனவு உறுதிச்சீட்டுக்கள்
  - வங்கிக் கூற்றுக்கள்
  - குத்தகை கம்பனி மூலம் அனுப்பிவைக்கப்பட்ட உறுதிப்படுத்தல்கள் (conformation)
  - ஏனைய மூலப் பதிவேடுகள்

- 3.1.8. உடன்படிக்கைகளை முடிவுறுத்துதல் தொடர்பான அங்கீகாரங்கள்
- பணிப்பாளர் சபை பத்திரங்கள் மற்றும் பணிப்பாளர் சபை தீர்மானங்கள்
  - பொருளாதார முகாமைத்துவ சபை பத்திரங்களும் தீர்மானங்களும்
  - அமைச்சரவை விஞ்ஞாபனமும் தீர்மானங்களும்
- 3.1.9. விற்பனை மற்றும் மறு குத்தகை பெற்றுக்கொள்ளல் (Sell and Lease Back) அடிப்படையில் பெற்றுக்கொண்ட A 330-300 வகையான இரண்டு விமானங்களுக்காக VIP அறைத் தொகுதிகள் வழங்கும் உடன்படிக்கைகளை முடிவுறுத்துவதற்குரிய
- முடிவுறுத்துவதற்குரிய உடன்படிக்கைகள் (Termination Agreement)
  - பணிப்பாளர் சபை பத்திரங்கள் மற்றும் தீர்மானங்கள்
  - ஏனைய மூல பதிவேடுகள்
- 3.1.10. 2020 மற்றும் 2021 களின் போது விமானக் கம்பனிக்கு A 350-900 வகையான 04 விமானங்களை கொள்வனவு செய்வதற்காக எயார் பஸ் கம்பனிகளுடன் மேற்கொள்ளப்பட்ட உடன்படிக்கைகளை திருத்துவதற்கு அல்லது முடிவுறுத்துவதற்குரிய
- பணிப்பாளர் சபை பத்திரங்கள் மற்றும் அமைச்சரவை தீர்மானங்கள்
  - பொருளாதார முகாமைத்துவ சபை பத்திரங்களும் தீர்மானங்களும்
  - அமைச்சரவை விஞ்ஞாபனமும் தீர்மானங்களும்
  - இந்த உடன்படிக்கையின் தற்போதைய நிலைமைக்குரிய ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியிடமிருந்து கிடைத்த தகவல்கள்
- 3.2. ஏனைய பரிசோதனைகள்
- 3.2.1. மேற்படி செயற்பாடுகளுக்கு ஏற்படையதாக பல்வேறு வகையில் பெற்றுக்கொண்ட தகவல்களை ஆய்வுடன் பகுப்பாய்விற்கு உட்படுத்தல்.
- 3.2.2. தொடர்புபட்ட தரப்பினருடன் கலந்துரையாடல்களை மேற்கொள்ளல்
4. விடயப்பரப்பு
- வரையறுக்கப்பட்ட ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியில் விமான தொகுதியினை மீளமைப்பு செய்யும் போது A 350-900 வகையில் 04 புதிய விமானங்கள் 2016 மற்றும் 2017 ஆம் ஆண்டுகளின் போது செயற்பாட்டுக் குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்குரிய உடன்படிக்கை A 330-300 வகையின் இரண்டு விமானங்களுக்கு பொருத்துவதற்கு நிர்ணயிக்கப்பட்ட VIP தொகுதிகளுக்கான உடன்படிக்கை மற்றும் 2020 மற்றும் 2021 ஆண்டுகளில்

A 350-900 வகையின் 04 விமானங்களை கொள்வதற்குரிய உடன்படிக்கைகைய முடிவுறுத்தும் தேவைப்பாடு இனங்காணுதல், அதற்காக மதியுரை சேவைகளை பெற்றுக்கொள்ளல் மற்றும் அது தொடர்பாக பணிப்பாளர் சபை அனுமதி பொருளாதார முகாமைத்துவ சபை தீர்மானங்கள் மற்றும் அமைச்சரவை தீர்மானங்களை பரீட்சித்து அறிக்கையிடல்

5. விடயவெல்லையின் எல்லைகள்

இந்த அறிக்கையில் குறிப்பிடப்பட்டுள்ள அவதானிப்புக்கள் மூலம் தீர்மானங்களுக்கு வரும் போது எனது விடயவெல்லை பின்வரும் வரையரைகளுக்கு உட்பட்டிருந்தது என்பதை வலியுறுத்துகின்றேன்.

- 5.1. விண்வெளி தொழில்நுட்பம் தொடர்பான அறிவுடன் கூடிய அலுவலகர்களை தேசிய கணக்காய்வு அலுவலகத்திடம் இல்லாமை காரணமாக தொழில்நுட்ப விடயங்கள் காரணமாக சர்வதேச விமானச் சேவைகள் ஆலோசனை கம்பனி மூலம் ஸ்ரீ லங்கன் விமானச் சேவைகள் கம்பனிக்கு வழங்கப்பட்டிருந்த அறிக்கைகளை அடிப்படையாகக் கொண்டு கணக்காய்வுகளை மேற்கொள்ளுதல்.
- 5.2. ஸ்ரீலங்கன் விமான சேவைகள் கம்பனி மூலம் விமான தொகுதிகளை மீளமைத்தல் மற்றும் உடன்படிக்கைகளை இரத்துச் செய்தல் தொடர்பாக பயன்படுத்தப்பட்டிருந்த மதியுரைக் கம்பனி மற்றும் சட்ட மதியுரையாளர் நிறுவனங்களுடன் கலந்துரையாடுவதற்கு கணக்காய்வாளர் தலைமை அதிபதிக்கு சந்தர்ப்பமொன்று வழங்கப்படாமை.
- 5.3. உடன்படிக்கைகளுக்கு வருதல் மற்றும் உடன்படிக்கைகளை இரத்துச் செய்தல் தொடர்பான சட்டரீதியான நிலைமை தொடர்பாக சர்வதேச சட்ட மதியுரை நிறுவனங்கள் மூலம் வழங்கப்பட்டிருந்த அறிக்கை அடிப்படையில் பரிசோதனைகளை மேற்கொள்வதற்கு நேர்ந்தமை.
- 5.4. ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியால் கணக்காய்வாளர் தலைமை அதிபதிக்கு வழங்கப்பட்ட பதிவேடுகள் மற்றும் அறிக்கையின் பேரில் பரிசோதனைகள் மேற்கொள்ளப்பட்டிருந்தமை.
- 5.5. 2016 செப்டெம்பர் 05 ஆந் திகதி ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியால் Aercap கம்பனியுடன் நடாத்தப்பட்டிருந்த கலந்துரையாடலுக்காக பணிப்பாளர் சபை அங்கீகாரம் வழங்கப்படாதிருந்ததுடன் அக்கலந்துரையாடல் குறிப்புக்களும் பரிசோதனைக்கு சமர்ப்பிக்கப்படவில்லை.

6.

### செயற்பாட்டின் அறிமுகம்

ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் 2011 ஆம் ஆண்டின் போது 2010/11 - 2014/15 காலப்பகுதிக்காக சமர்ப்பிக்கப்பட்டிருந்த ஐந்தாண்டு வியாபாரத்திட்டத்தின் பிரகாரம் கம்பனியின் அகல உருவ விமான தொகுதியை மீளமைக்கும் நிகழ்ச்சித்திட்டமொன்று அறிமுகப்படுத்தப்பட்டிருந்தது அதன் பிரகாரம் A 330-300 வகையான 6 விமானங்களும் A 350-900 வகையான 04 விமானங்களுமாக 10 விமானங்களை நேரடியாக எயார்பஸ் கம்பனியிடமிருந்து பெற்றுக் கொள்வதற்கு மேலும் A 350-900 வகையான 04 விமானங்களை செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக் கொள்வதற்கு இன்டர்நஷனல் லீஸ் பினான்ஸ் கம்பனி மற்றும் எயார் பஸ் கம்பனி ஆகிய கம்பனிகளுடன் உடன்படிக்கைகள் கைச்சாத்திடப்பட்டிருந்தன. அதன் பிரகாரம் A 330-300 வகையான 6 விமானங்கள் 2014/15 ஆம் ஆண்டுகளில் கிடைப்பதற்கு இருந்ததுடன் உடன்படிக்கையின் பிரகாரம் அவ் விமானங்களை கொள்வனவு செய்து மீள் விற்பனை செய்து மீண்டும் செயற்பாட்டுக் குத்தகை அடிப்படையில் பெற்றுக் கொள்ளும் அடிப்படையில் (Sell and Lease Back) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு பெற்றுக் கொள்ளப்பட்டிருந்தன.

A 350-900 வகையான 3 விமானங்கள் இன்டர்நஷனல் லீஸ் பினான்ஸ் கம்பனியிடமிருந்தும் ஒரு விமானம் எயார் கப் கம்பனியிடமிருந்தும் செயற்பாட்டுக் குத்தகையின் பெற்றுக் கொள்வதற்கு உடன்படிக்கை செய்யப்பட்டிருந்ததுடன், அந்த 04 விமானங்கள் 2016/2017 ஆம் ஆண்டுகளின் போது கிடைப்பதற்கு இருந்தன. எனினும் அது வரை ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி தொடர்ந்து நட்டம் அடைந்தமை அதாவது 2015/2016 ஆம் ஆண்டில் காணப்பட்ட அ.டொ. 47.1 மில்லியன் தொகையான தொகுதி நட்டம் 2016/17 ஆம் ஆண்டின் போது அ.டொலர் 90 மில்லியன் வரை அதிகரித்திருந்தமை, அ.டொ. 300 மில்லியன் அளவிலான கடன் மீதியொன்று காணப்பட்டமை, இலங்கை பெற்றோலிய கூட்டுத்தாபனத்திற்கு அ.டொலர் 45 மில்லியன் மற்றும் விமான நிலைய மற்றும் விமான சேவைகள் கம்பனிக்கு அ.டொ. 15 மில்லியன் என்ற வகையில் 2016 மார்ச் மாதம் அளவில் கொடுப்பனவு செய்வதற்கு இருந்தமை போன்ற விடயங்களை கருத்திற் கொள்ளும் போது 2016 மற்றும் 2017 ஆம் ஆண்டுகளில் கிடைப்பதற்கு இருந்த A 350-900 வகையான 4 விமானங்களுக்காக ஒரு விமானத்தின் மாதாந்த குத்தகை தவணை அ.டொ. 1.215 மில்லியன் வீதம் மொத்த குத்தகை தவணையான அ.டொ. 174.96 மில்லியனான தொகை 12 ஆண்டுகளுக்காக கொடுப்பனவு செய்வதில் சிக்கலான நிதி நிலைமையொன்றில் கம்பனி காணப்பட்டது.

அதன் பிரகாரம் கட்டளையிடப்பட்ட A 350-900 வகையான 04 விமானங்களுக்காக ஏற்படுத்திக் கொள்ளப்பட்ட உடன்படிக்கைகளை இரத்துச் செய்வதற்காக காணப்படும் மாற்று வாய்ப்புக்கள் மதிப்பீடு செய்யப்பட்டு ஆலோசனை வழங்குவதற்காக Skyworks மற்றும் Nyras ஆகிய சர்வதேச மதியுரைக் கம்பனிகளின் ஒத்துழைப்பு பெற்றுக் கொள்ளப்பட்டிருந்தது. மதியுரையாளர்களை தெரிவு செய்யும் போதும் சேவையில் ஈடுபடுத்துவதற்காக பெறுகை மேற்கொள்ளும் போது மதியுரையாளர்களை தெரிவு செய்தல் மற்றும் சேவையில் ஈடுபடுத்துதல் தொடர்பாக 2007 ஆகஸ்ட் மாதத்தின் போதும் 2007 நவம்பர் மாதத்தின் போதும் தேசிய பெறுகை முகவராண்மையால் வழங்கப்பட்ட பெறுகை வழிகாட்டல் கோவைக்கு இணங்க வேண்டும். (பின்னிணைப்பு 77) மேலும் விமானங்களில் உடன்படிக்கைகளை முடிவுறுத்துதல் பொறுப்பு தொடர்பாக 2015 திசெம்பர் 11 ஆந் திகதி சட்டத்தரணி திரு. அனில் தித்தவெல்ல அவர்களின் சட்ட அபிப்பிராயமொன்றையும் கம்பனியின் பணிப்பாளர் சபையால் பெற்றுக் கொள்ளப்பட்டிருந்தது. அதன் போது A 350-900 வகையிலான விமானங்கள் ஸ்ரீ லங்கன் விமானக் கம்பனியில் தேவைப்பாட்டுடன் கருத்திற் கொள்ளும் போது கூடிய இயலாவுடன் கூடியதாக இருந்தமையால் குத்தகை உடன்படிக்கை முடிவுறுத்துதற்கு தீர்மானிக்கப்பட்டிருந்தது.

அவ்வாறு எயார் பஸ் கம்பனியிடமிருந்து நேரடியாக கொள்வனவு செய்வதற்கு உடன்படிக்கை செய்யப்பட்ட A 350-900 வகையான 4 விமானங்கள் 2020/2021 ஆண்டுகளில் கிடைப்பதற்கு இருந்தன. கட்டளையிடப்பட்ட அகல உருவுடனான விமானங்களுக்குப் பதிலாக ஒடுங்கிய உருவுடனான விமானங்களைப் பெற்றுக் கொள்வதற்கு உரிய கம்பனிக்கு மீள் கட்டளையொன்று விடுவதற்கு பொருளாதார முகாமைத்துவ அமைச்சரவை உப குழுவினால் மேற்கொள்ளப்பட்ட தீர்மானங்களுக்கு பொறுப்பேற்றலாக A 321 Neo வகையின் 8 விமானங்களை கொள்வனவு செய்வதற்கு எயார் பஸ் கம்பனி 2018 ஏப்ரல் மாதத்தில் மீள் பொறுப்பேற்றலை தெரிவித்திருந்தது.



7. செயற்பாடு

7.1. அகல உரு விமான தொகுதியை மீளமைப்பதற்கு எயார் பஸ் கம்பனி மற்றும் செயற்பாட்டு குத்தகை கம்பனியுடன் உடன்படிக்கை கைச்சாத்திடல்

ஸ்ரீ லங்கன் விமான சேவை கம்பனியால் 2011 ஆம் ஆண்டின் போது 2010/11 - 2014/15 காலப்பகுதிக்குரிய சமர்ப்பிக்கப்பட்ட ஐந்தாண்டு வியாபார திட்டத்தின் பிரகாரம் கம்பனியின் அகல உருவ விமான தொகுதி மீளமைப்பு செய்யும் நிகழ்ச்சித்திட்டமொன்று செயற்படுத்தப்பட்டிருந்தது. அதன் போது கீழே காட்டப்பட்டிருந்ததன் பிரகாரம் அகல உருவ விமான தொகுதியை மீளமைப்பதற்கு எயார் பஸ் கம்பனி மற்றும் செயற்பாட்டு குத்தகை கம்பனியுடன் உடன்படிக்கை கைச்சாத்திடப்பட்டிருந்தது.

அட்டவணை இல 1 - எயார் பஸ் கம்பனி மற்றும் குத்தகை கம்பனியுடன் உடன்படிக்கை கைச்சாத்திடல் தொடர்பான விபரங்கள்

விமானங்களின் வகை	அளவு	உடன்படிக்கை கைச்சாத்திட்ட நிறுவகம்	உடன்படிக்கை கைச்சாத்திட்ட திகதி	விமானங்கள் கிடைப்பதற்கு நிர்ணயிக்கப்பட்ட காலப்பகுதி
A 330-300	06	எயார் பஸ் கம்பனி	2013.06.19	2015/2014
A 350-900	04	எயார் பஸ் கம்பனி	2013.06.28	2021/2020
A 350-900	03	இன்டர்ஷனல் லீஸ் பினான்ஸ் கம்பனி	2013.09.27	2017/2016
A 350-900	01	எயார்கெப் (Aercap) கம்பனி	2014.11.12	2017/2016
மொத்த விமானங்கள்	14			

7.1.1. A 330-300 வகையான 06 விமானங்களை பெற்றுக் கொள்வதற்கு உடன்படிக்கைகளை மேற்கொள்ளல்

A 330-300 வகையான 06 விமானங்களை நேரடியாக எயார் பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்வதற்காக 2013 யூன் 19 ஆந் திகதி உடன்படிக்கையொன்று கைச்சாத்திடப்பட்டிருந்தது அந்த விமானங்களை விற்பனை செய்து மீண்டும் செயற்பாட்டு குத்தகையில் பெற்றுக் கொள்ளும் அடிப்படையில் 02 செயற்பாட்டு குத்தகை கம்பனியின் மூலம் நிதியளிப்புச் செய்யப்பட்ட 2014 ஒக்தோபர் 29, திசெம்பர் 18, 2015 மார்ச் 25, ஆகஸ்ட் 14, நவம்பர் 06 மற்றும் திசெம்பர் 29 ஆந் திகதிகளில் ஸ்ரீ லங்கன் விமான

சேவைகள் கம்பனிக்கு 12 ஆண்டு காலப்பகுதிக்காக பெற்றுக்கொள்ளப்பட்டிருந்தன.

அட்டவணை இல 2 – செயற்பாட்டுக் குத்தகை உடன்படிக்கைகளின் பிரகாரம் குத்தகை தவணை தொடர்பான விபரங்கள்

விமானங்களின் பதிவிலக்கம்	குத்தகை காலப்பகுதி	குத்தகை கம்பனி	மாதாந்த குத்தகை தவணை (அ.டொலர்)
i) 4R-ALL	29.10.2014 முதல் 28.10.2026	எயார் லீஸ் கோப்ப ரேஷன்	1,115,839
ii) 4R-ALM	18.12.2014 முதல் 17.12.2026	HKAC லீஸிங் கம்பனி	1,010,884 (18.12.2014 முதல் 17.12.2020 வரை) 1,002,233 (18.12.2020 முதல் 17.12.2026 வரை)
iii) 4R-ALN	25.03.2015 முதல் 24.03.2027	HKAC லீஸிங் கம்பனி	1,030,705 (25.03.2015 முதல் 24.03.2021 வரை) 995,062 (25.03.2021 முதல் 24.03.2027 வரை)
iv) 4R-ALO	14.08.2015 முதல் 13.08.2027	HKAC லீஸிங் கம்பனி	1,045,020 (14.08.2015 முதல் 13.08.2021 வரை) 1,002,233 (14.08.2021 முதல் 13.08.2027 வரை)
v) 4R-ALP	09.11.2015 முதல் 08.11.2027	HKAC லீஸிங் கம்பனி	1,014,663 (09.11.2015 முதல் 08.11.2021 வரை) 991,259 (09.11.2021 முதல் 08.11.2027 வரை)
vi) 4R-ALR	29.12.2015 முதல் 28.12.2027	HKAC லீஸிங் கம்பனி	1,010,008 (29.12.2015 முதல் 28.12.2021 வரை) 993,555 (29.12.2021 முதல் 28.12.2027 வரை)

7.1.2.

**A 350-900 வகையான 04 விமானங்களை எயார்பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்வதற்கு உடன்படிக்கைகளை மேற்கொள்ளல்**

மேலே குறிப்பிட்டதன் பிரகாரம் A 350-900 வகையான 04 விமானங்களை நேரடியாக எயார் பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்வதற்காக 2013 யூன் 28 ஆந் திகதி உடன்படிக்கையொன்று கைச்சாத்திடப்பட்டிருந்ததுடன், அந்த விமானங்கள் 2020 மற்றும் 2021 ஆண்டுகளில் கிடைக்கப்பெற உள்ளன.

விமானத்தின் ஆரம்ப விலை (ஆமெரிக்க டொலர்)	275,099,000
உபகரண வசதிகள் (அமெரிக்க டொலர்)	9,672,000
மொத்தம்	284,771,000

பெற்றுக்கொள்வதற்கு முன்னர் (PDP)

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உடன்படிக்கை மேற்கொள்ளும் சந்தர்ப்பத்தில்	%1
திட்டமிடப்பட்டு கையளிக்கப்பட்ட மாதத்திற்கு முன்னைய மாதத்தின் முதல் நாள் மாதம்	
84 மாதம்	%0.1
72 மாதம்	%0.1
60 மாதம்	%0.1
48 மாதம்	%0.1
30 மாதம்	%2.6
24 மாதம்	%4
18 மாதம்	%5
05 மாதம்	%4
விமானத்தை கையளிப்பதற்கு முன் முழுக் கொடுப்பனவு	%17

2018 மார்ச் 31 ஆந் திகதி வரை எயார் பஸ் கம்பனிக்கு கொடுப்பனவு செய்யப்பட்டிருந்த கிடைப்பதற்கு முன்னரான கொடுப்பனவு (Pre-delivery Payment) அ.டொ.19.2. மில்லியன் ஆக இருந்தது.

7.1.3.

A 350-900 வகையான 04 விமானங்களை செயற்பாட்டுக் குத்தகை அடிப்படையில் பெற்றுக் கொள்வதற்கு உடன்படிக்கைகளை மேற்கொள்ளல்

A 350-900 வகையான 03 விமானங்களை இன்டர்ஷனல் லீசிங் பினான்ஸ் கோப்ப்ரேஷன் (ILFC) கம்பனியிடமிருந்தும் A 350-900 வகையான விமானமொன்றை ஏயார்கப் (Aeracap) கம்பனியிடமிருந்தும் செயற்பாட்டு குத்தகை முறைமையில் பெற்றுக் செய்வதற்காக 2013 செப்தம்பர் 27 ஆந் திகதி மற்றும் 2014 நவம்பர் 12 ஆந் திகதிகளில் உடன்படிக்கைகள் கைச்சாத்திடப்பட்டிருந்தன. அந்த விமானங்கள் 2016 மற்றும் 2017 ஆம் ஆண்டுகளின் போது ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு கிடைப்பதற்கு இருந்தன.

இங்கு விமானமொன்றுக்கான மாதாந்த குத்தகை தவணை (Base Rent) அ.டொ 1.215 மில்லியனாக இருந்ததுடன் அதன் பிரகாரம் விமானமொன்றுக்காக 12 ஆண்டு காலப்பகுதிக்கு அ.டொலர் 174.96 மில்லியன் கொடுப்பனவு செய்வதற்கு உடன்படிக்கை கைச்சாத்திடப்பட்டிருந்தது.

அட்டவணை இல 03 - செயற்பாட்டு குத்தகைக்காக உடன்படிக்கை கைச்சாத்திடல் தொடர்பான விபரங்கள்

செயற்பாட்டு குத்தகை கம்பனியின் பெயர்	உடன்படிக்கை இலக்கம் மற்றும் திகதி	விமானங்கள் கிடைப்பதற்கு இருந்த காலப்பகுதி
Finance International Lease Corporation (ILFC)	79 2013.09.27	2016 யூலை
Finance International Lease Corporation (ILFC)	80 2013.09.27	2016 ஆகஸ்ட்
Finance International Lease Corporation (ILFC)	81 2013.09.27	2016 செப்தம்பர்
Aercap Global Aviation Trust (AGAT)	இலக்கமொன்று குறிப்பிடப்படவில்லை 2014.11.12	2016/2017

- 7.2. விமானத்தொகுதியை மீளமைப்பு செய்யும் நிகழ்ச்சித்திட்டத்தின் கீழ் மேற்கொள்ளப்பட்டிருந்த A 350-900 விமானங்களை கையேற்றும் உடன்படிக்கையை முடிவுறுத்தும் முன்மொழிவு சமர்ப்பிக்கப்பட்ட விதம்.
- 7.2.1. புதிய மீளமைப்பு திட்டமொன்றை தயாரிப்பதற்கான அமைச்சரவையால் தீர்மானித்தல்
- 7.2.1.1. “ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா கம்பனிக்காக நிதி மூலதனம் வழங்குதல்” என்ற தலைப்பிலான 15/0451/638/001 ஆம் இலக்க அமைச்சரவை பத்திரத்தின் மூலம் விமான சேவை அமைச்சர் சமர்ப்பித்த 2015 ஏப்ரல் 17 ஆந் திகதிய அமைச்சரவை விஞ்ஞாபனத்தை கருத்திற் கொண்டு அமைச்சரவை பின்வரும் தீர்மானங்களை 2015 ஏப்ரல் 22 ஆந் திகதி வழங்கியிருந்தது. (பின்னிணைப்பு 08)
- i) “ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா கம்பனிக்காக வெவ்வேறாக விரிவான வியாபார திட்டமொன்று வீதம் தயாரிக்கப்பட்டு பொருளாதார அலுவல்கள் தொடர்பான அமைச்சரவை உப குழுவிற்கு சமர்ப்பித்தல்.
- ii) நிதி அமைச்சினால் 2015 சனவரி 29 ஆந் திகதி 2015 ஆம் ஆண்டிற்காக சமர்ப்பிக்கப்பட்டிருந்த வரவு செலவு திட்ட முன்மொழிவு மூலம் வெளியிடப்பட்டிருந்த ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா கம்பனி என்பவற்றை ஒன்றினைக்கும் பொருட்டு பொருத்தமான திட்டமொன்றை துரிதமாக தயாரித்து பொருளாதார அலுவல்கள் தொடர்பான அமைச்சரவை உப குழுவிற்கு சமர்ப்பித்தல்.
- iii) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா கம்பனிக்காக தடையின்றி எரிபொருள் வழங்களை உறுதிப்படுத்தும் பொருட்டு இலங்கை பெற்றோலிய கூட்டுத்தாபனத்திற்கு செலுத்த வேண்டிய நிலுவைத் தொகையை தீர்ப்பதற்கான பிணையொன்றோ அல்லது நம்பிக்கை கடிதமொன்றை வழங்குமாறு திறைசேரி செயலாளருக்கு குறிப்பிடுதல்.

7.2.1.2. மேற்படி அமைச்சரவையை தீர்மானத்தின் பிரகாரம் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் 03 உத்தியோகத்தர்கள் மற்றும் மதியுரையாளர்களைக் கொண்ட குழுவொன்றினால் மீளமைப்பு திட்டமொன்று (பின்னிணைப்பு 09) தயாரிக்கப்பட்டு கீழே காட்டப்பட்டுள்ளதன் பிரகாரம் அதற்காக அமைச்சரவை அங்கீகாரம் பெற்றுக் கொள்ளப்பட்டிருந்தது.

திகதி	செயற்பாடு
2015 மே 26	கம்பனியின் பணிப்பாளர் சபைக்கு சமர்ப்பித்தல் மற்றும் அத்திகதியிலேயே பணிப்பாளர் சபை அங்கீகாரம் பெற்றுக்கொள்ளல்
2015 மே 28	விமான சேவை அமைச்சருக்கு சமர்ப்பித்தல்
2017 யூன் 25	பிரதம மந்திரி மற்றும் நிதி அமைச்சர் ஆகியோருக்கு மேற்படி திட்டத்தை சமர்ப்பித்தல்
2018 யூன் 05	பொருளாதார அலுவல்கள் தொடர்பான அமைச்சரவை உப குழு மூலம் நியமிக்கப்பட்ட குழுவிற்கு திட்டத்தை சமர்ப்பித்தல் மற்றும் அக்குழுவின் மூலம் திட்டத்தில் குறிப்பிடப்பட்ட 02 மாற்று முன்மொழிவுகளுக்கு இடையே “ஸ்ரீலங்கன் விமான சேவை கம்பனி காணப்படும். கம்பனி கட்டமைப்பின் உள்ளே மீளமைப்பு செய்தல் திட்டத்தின் பிரகாரம் மற்றும் மிஹின் லங்கா கம்பனியுடன் ஒன்றினைந்து செயற்படுதல் என பரிந்துரைக்கப்பட்டிருந்தமை.
2018 யூன் 01	பொருளாதார அலுவல்கள் தொடர்பான அமைச்சரவை உப குழுவிற்கு மேற்குறித்த திட்டத்தைச் சமர்ப்பித்தல்
2018 யூன் 05	பொருளாதார அலுவல்கள் தொடர்பான அமைச்சரவை உப குழு மூலம் நியமிக்கப்பட்ட குழுவிற்கு திட்டத்தை சமர்ப்பித்தல் மற்றும் அக்குழுவின் மூலம் திட்டத்தில் குறிப்பிடப்பட்ட 02 மாற்று முன்மொழிவுகளுக்கு இடையே “ஸ்ரீலங்கன் விமான சேவை கம்பனி காணப்படும். கம்பனி கட்டமைப்பின் உள்ளே மீளமைப்பு செய்தல் திட்டத்தின் பிரகாரம் மற்றும் மிஹின் லங்கா கம்பனியுடன் ஒன்றினைந்து செயற்படுதல் என பரிந்துரைக்கப்பட்டிருந்தமை.

2015 யூன் 09 மேற்குறித்த குழுவின் பரிந்துரை பொருளாதார அலுவல்கள் தொடர்பான அமைச்சரவை உப குழுவினால் அங்கீகரிக்கப்பட்டிருந்தமை.

2015 யூன் 24 அமைச்சரவையின் அங்கீகாரம் வழங்குதல்

7.2.2. **உத்தேச மீளமைப்பு திட்டம் (2015/16-2017/18)**

ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா விமான சேவைகள் கம்பனி ஆகிய இரண்டு கம்பனிகளும் 2015/16 முதல் 2017/18 காலப்பகுதிக்குரிய உத்தேச மீளமைப்புத் திட்டமொன்றை தயாரித்து அமைச்சரவைக்கு 2015 யூன் மாதத்தின் போது சமர்ப்பிக்கப்பட்டு அதற்கான அங்கீகாரம் 2015 யூன் 24 ஆந் திகதி பெற்றுக் கொள்ளப்பட்டிருந்தது. அதில் உள்ளடக்கப்பட்டிருந்த பிரதான பரிந்துரைகள் சில கீழே காட்டப்பட்டுள்ளன.

- i) நடட்டத்தில் செயற்பட்டு வரும் பிராங்போட், பாரிஸ் மற்றும் ரோம் போன்ற விமான பயணங்களில் ஓட்டத்தை இடை நிறுத்துவதாகவும் அதன் மூலம் ஐரோப்பா வரை வாரமான்றுக்கு விமான பிரயாண எண்ணிக்கையை 18 இலிருந்து 7 வரை 2015/16 முதல் 2016/17 அளவில் குறைத்தல்.
- ii) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா விமான சேவைகள் கம்பனி ஆகிய இரண்டு கம்பனிகளை ஒன்றிணைத்து செயற்திறனான வகையில் தொகுதி வியாபார நடவடிக்கைகளில் ஈடுபடல்
- iii) விமான அணி தொகுதி பின்வருமாறு அளவினை சீராக்குதல்

அட்டவணை இல 04 - விமான அணி மறுசீரமைப்பு

விமானங்களின் வகை	திட்டத்தின் மூலம் முன் மொழியப்பட்ட விமானங்களின் எண்ணிக்கை		2015 செப்தம்பர் 15 இல் காணப்பட்ட விமானங்களின் எண்ணிக்கை
	2016/17	2017/18	
A 320-200	06	03	06
A 321-200	02	02	02
A 320 Neo	-	04	-
A 330-300	03	02	07
A 330-300	07	07	03
A 340-300	-	-	03
	<u>18</u>	<u>18</u>	<u>21</u>

iv) 2015/16 முதல் 2017/18 ஆம் ஆண்டு வரை ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் நட்டத்தை அமெரிக்க டொலர் 93.7 மில்லியனிலிருந்து 23.4 மில்லியன் வரை குறைத்தல்

v) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு கடன் சுமையிலிருந்து விடுபடல் மற்றும் நிலையான மற்றும் நிலைபேறான நிலைமையொன்றை அடைந்து கொள்வதற்காக கீழே காட்டப்பட்டுள்ளதன் பிரகாரம் பெற்றுக்கொடுத்தல்

அட்டவணை இல 05 – நிதிய வழங்கல் திட்டம்

(அமெரிக்க டொலர் மில்லியன்)

	2014/15	2015/16	2016/17	2017/18	மொத்தம்
அரசின் மூலதன வழங்கல்	125	70	60	-	255
ஸ்ரீலங்கன் கேடரிங் கம்பனியின் பங்குகளில் 49% விற்பனை செய்தல் மூலம்	-	85	-	-	85
நில கையாளல் (Ground Handling) பிரிவு கம்பனியொன்றாக மாற்றுதல் மற்றும் அக்கம்பனியின் பங்குகளில் 40% சதவீதத்தை விற்பனை செய்ததன் மூலம்	-	-	140	-	140
<b>மொத்தம்</b>	<b>125</b>	<b>155</b>	<b>200</b>	<b>-</b>	<b>480</b>

### 7.2.3. உத்தேச மீளமைப்பு திட்டத்தை செயற்படுத்துதல்

7.2.3.1. 2015 யூன் 26 ஆந் திகதி நடைபெற்ற பணிப்பாளர் சபைக் கூட்டத்தின் போது ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் தலைவரால் கம்பனியின் உத்தேச மீளமைப்பு திட்டம் 2015 யூன் 24 ஆந் திகதி அமைச்சரவையால் அங்கீகரிக்கப்பட்டுள்ளதாக தெரிவிக்கப்பட்டிருந்தது. (பின்னிணைப்பு 10)

7.2.3.2. மேற்படி திட்டத்தை செயற்படுத்துவது தொடர்பாக 2015 ஆகஸ்ட் 03 மற்றும் 25 ஆந் திகதிகளில் நடாத்தப்பட்ட பணிப்பாளர் சபை கூட்டங்களின் போது கூடுதலாக கலந்துரையாடப்பட்டிருந்ததுடன் 2015 யூலை 24 ஆந் திகதி சமர்ப்பிக்கப்பட்டிருந்த CEO/2015/06/80 ஆம் இலக்க பணிப்பாளர் சபை பத்திரத்தில் குறிப்பிடப்பட்ட பரிந்துரைக்காக பணிப்பாளர் சபை அங்கீகாரம் 2015 ஆகஸ்ட் 25 ஆந் திகதி வழங்கப்பட்டிருந்தது. (பின்னிணைப்பு 11)



- i) அகல உருவ விமான தொகுதி 13 முதல் 10 வரையிலும் 08 ஒடுங்கிய விமானங்களுக்காக மொத்த விமான தொகுதியை 21 இலிருந்து 18 வரை குறைத்தல்.
- ii) லண்டன் விமான மார்க்கத்தின் விமான பயணங்களை வாரத்திற்கு 09 பிரயாணங்கள் வரை 2015 குளிர்காலத்தில் குறைத்தல்
- iii) மிஹின் லங்கா விமானக் கம்பனியுடன் ஒன்றிணைந்து தொகுதியின் செயலாற்றலை அதிகரித்தல்.
- iv) ஐரோப்பிய விமான மார்க்கங்களுடன் தொடர்பு கொண்டு விமான (Codeshare Operations) செயற்பாட்டை நடாத்துவதற்கு பங்காளர் ஒருவரை தேடிக் கொள்வதற்காக மதிப்பீடொன்றை மேற்கொள்ளல்
- v) 2017 ஆம் ஆண்டில் குத்தகை கம்பனிக்கு மீளப் பெற்றுக்கொள்வதற்கு A 330-200 வகையான 03 விமானங்கள் மற்றும் கிடைப்பதற்குள்ள A 350-900 வகையான 08 விமானங்களுக்காக சிறந்த தீர்வொன்றை வழங்குதல்.
- vi) மேற்படி (v) இற்காக கலந்துரையாடி தீர்வொன்றை வழங்குவதற்கு வெளித்தரப்பினரை நியமித்தல் மற்றும் அதற்காக குறைந்தது 3 தரப்பினரின் அபிலாசை கூற்று (Expressions of Interest - EoI) கோரி பணிப்பாளர் சபை அங்கீகாரத்தின் கீழ் பொருத்தமான தரப்பினரொன்று 2015 ஆகஸ்ட் 31 ஆந் திகதிக்கு முன்னர் தெரிவு செய்து கொள்ளல்.
- vii) ஊழியர் கிரயம், நேரடி செயற்பாட்டு கிரயம், விமான ஓடு பாதை மீளமைப்பு கிரயம் போன்று கிரயங்கள் தவிர ஏனைய கிரயங்களை குறைப்பதற்காக பாரிய பெறுமதியொன்றுடனான அவ் ஒப்பந்தங்களுக்காக அதுவரை உடன்படிக்கை செய்யப்பட்டிருந்த ஒப்பந்தக்காரர்களுடன் கலந்துரையாடலை நடாத்துதல்.
- viii) இலங்கை அரசினால் அமெரிக்க டொலர் 255 மில்லியன் மூலதன பங்களிப்புடன் விசேட வியாபார அலகு (ஸ்ரீலங்கன் கேடரிங் கம்பனி மற்றும் நில கையாளல் Ground hailing பிரிவு) களில் சிறு பிரிவுகளின் உரித்து விற்பனையிலிருந்து அ.டொலர் 225 மில்லியனாக மொத்தம் அ.டொலர் 480 மில்லியன் நிதியத்தை பெற்றுக்கொள்வதற்கு
- ix) 2015 ஆம் ஆண்டின் போது நிதி அமைச்சின் வசதிகளை வழங்குதன் மூலம் இலங்கை வங்கியிடமிருந்து அ.டொ. 86 மில்லியனான கடன் தொகையை பெற்றுக்கொள்வதற்கு
- x) இலங்கை பெற்றோலிய கூட்டுத்தாபனத்தின் நிலுவை தொகையை தீர்வு செய்வதற்காக இலங்கை வங்கியிடமிருந்தும் மக்கள் வங்கியிடமிருந்தும் ரூபா 30 மில்லியன் குறுங்கால கடனைப் பெற்றுக்கொள்வதற்காக நாணயக் கடிதங்களை திறைசேரி செயலாளரிடமிருந்து பெற்றுக்கொள்ளல்.

7.2.3.3. மேற்படி மீளமைப்பு திட்டத்தை செயற்படுத்தும் திகதி 2015 ஒக்டோபர் 01 ஆந் திகதியாக குறிப்பிடப்பட்டிருந்த போதிலும் அதன் விமான மார்க்க வலையமைப்பு (Network Optimization) செயற்படுத்தும் திகதி வரை 2016 ஏப்ரல் 01 ஆந் திகதி வரை காலந் தாழ்த்துவதற்கு 2015 ஆகஸ்ட் 25 ஆந் திகதி பணிப்பாளர் சபையினால் தீர்மானிக்கப்பட்டிருந்தது.

- 7.3. செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்கு உடன்படிக்கை செய்யப்பட்ட A 350-900 வகையான 04 உடன்படிக்கைகளை முடிவுறுத்தல் மற்றும் இழப்பீட்டை செலுத்துதல்.
- 7.3.1. உடன்படிக்கைகளை முடிவுறுத்துவதற்கான அங்கீகாரம்
- 7.3.1.1. பணிப்பாளர் சபை முன்மொழிவுகளும் தீர்மானங்களும்
- 7.3.1.1.1. 2015 ஆகஸ்ட் 03 ஆந் திகதிய பணிப்பாளர் சபை முன்மொழிவுகள் மற்றும் தீர்மானங்கள் (பின்னிணைப்பு 12)
- i) மேற்படி 7.2 குறிப்பிடப்பட்டதன் பிரகாரம் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனி மற்றும் மிஹின் லங்கா கம்பனி என்பவற்றை மீளமைப்பு செய்யும் திட்டத்திற்காக அமைச்சரவை அங்கீகாரம் 2015 யூன் 24 ஆந் திகதி கிடைத்திருந்தது. அதன் பிரகாரம் 2015 ஆகஸ்ட் 03 ஆந் திகதி நடைபெற்ற விமான சேவைக் கம்பனியின் பணிப்பாளர் சபை கூட்டத்தின் போது A 350-900 வகையிலான விமானங்களை ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு உள்ளடக்கப்படக் கூடாதென அப்போதைய பிரதான நிறைவேற்று உத்தியோகத்தராக செயற்பட்ட திரு. ரபிக ஜயவர்த்தன அவர்களால் குறிப்பிடப்பட்டிருந்தது.
- ii) மேற்படி பணிப்பாளர் சபைக் கூட்டத்தின் போது ஸ்ரீலங்கன் விமான சேவைக் கம்பனி பணிப்பாளரில் ஒருவரான சானக த சில்வா அவர்களினால் A 350 வகை விமானங்கள் கூற்றினை A 330 வகையான விமானங்களுக்கான கிரய ஒப்பீட்டு கூற்றினை எயார் பஸ் கம்பனியிடமிருந்து பெற்றுக்கொள்ளுமாறு நிதிப் பிரிவு பிரதானியாக செயற்பட்ட திரு திசநாயக்க அவர்களிடம் கோரப்பட்டிருந்தது.
- iii) மேலும் கம்பனியின் பணிப்பாளரில் ஒருவரான திரு ஜோசப் பீட்ரோ அவர்களால் இத்தீர்மானம் அதாவது A 350 வகையான விமானங்களை பெற்றுக்கொள்ளாத தீர்மானம் கம்பனியின் எதிர்காலத்திற்கு தாக்கமளிக்கும் பாரதாரமான விடயமொன்றாக இருப்பதால் மேலும் இது தொடர்பாக காணப்படும் விமான ஓடுபாதைகளைக் கருத்திற் கொண்டு ஆய்வொன்று மேற்கொள்ளப்பட வேண்டிய போதிலும் விமான ஓட்டல் இயலுமை போன்ற போன்ற வேறு காரணிகளையும் கருத்திற் கொள்ளுமாறு கேட்டுக் கொள்ளப்பட்டிருந்தது.
- iv) அதன் பிரகாரம் A 350 மற்றும் A 330 வகையான விமானங்கள் தொடர்பான கம்பனியின் உத்தேச விமான மார்க்கங்கள் மற்றும் காணப்படும் விமான மார்க்கங்கள் கருத்திற் கொள்ளப்பட்டு சாத்திய வள

ஆய்வொன்றை எயார் பஸ் கம்பனி ஊடாக மேற்கொள்வதற்கு தீர்மானிக்கப்பட்டிருந்தது.

v) இங்கு மேலும், A 350 வகையான செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக் கொள்வதற்கான உடன்படிக்கை செய்யப்பட்டிருந்த குத்தகை கம்பனியுடன் கலந்துரையாடலை மேற்கொண்டு ஏதேனும் நியாயமான தீர்வொன்றுக்கு வருவதற்கு மதியுரைக் கம்பனிகளின் ஒத்துழைப்பை பெற்றுக்கொள்வதற்கும் அதன போது EOI கோருவதற்கு தெரிவு செய்யப்பட்ட இரண்டு மதியுரைக் கம்பனிகளின் “DVD Bank” மற்றும் Skyworks” கம்பனியுடன் வெளிப்படுத்தப்படாத உடன்படிக்கை (Non disclosures Agreement - NDA) களை மேற்கொள்வதற்கும் தீர்மானிக்கப்பட்டிருந்தது.

vi) மேலும் இதற்காக திரு ஜோசப் பீட்ரோ அவர்களால் விமான சேவைத்துறைக்குரிய சட்டத்தரணியின் ஒத்துழைப்பு பெற்றுக்கொள்ளப்பட வேண்டுமென குறிப்பிடப்பட்டிருந்தது.

7.3.1.1.2. 2015 ஆகஸ்ட் 25 ஆந் திகதிய பணிப்பாளர் சபை தீர்மானம் (பின்னிணைப்பு 13)

இங்கு எயார் பஸ் கம்பனி மூலம் A 330 மற்றும் A 350 வகையான விமானங்களை ஒப்பீடு செய்து பெற்றுக்கொள்ளப்பட்டிருந்த அறிக்கை தொடர்பாக ஆய்வு செய்து இரண்டு வகை விமானங்களின் வருமான உழைப்பு தொடர்பான (விமானப் பொருள் கையாளல் உட்பட) பணிப்பாளர் சபைக்கு அறிவிக்குமாறு கம்பனியின் இரண்டு பணிப்பாளர்களுக்கு திரு சானக த சில்வா மற்றும் திரு நிரன்ஜன் த சில்வா அவர்களால் நிதிப் தலைவராக கடமையாற்றிய திரு யசன்த திசநாயக்க அவர்களிடம் வேண்டுகோள் விடப்பட்டிருந்தது.

7.3.1.1.3. 2015 செப்டெம்பர் 11 ஆந் திகதிய பணிப்பாளர் சபை பத்திரம் (பின்னிணைப்பு 14)

மேற்குறித்த 7.3.1.1.2 இன் தீர்மானத்தின் பிரகாரம் A 350-900 மற்றும் A 330-300 வகை விமானங்களின் செயற்பாடு தொடர்பாக மதிப்பீடு ஒன்று செய்யப்பட்டு அது தொடர்பாக அறிக்கையொன்றை பிரதான நிறைவேற்று உத்தியோகத்தர் திரு. ரகித ஜயவர்த்தன, பிரதான வர்த்தக உத்தியோகத்தர் திரு. மனோஜ் குணவர்த்தன மற்றும் திட்டமிடல் பொது முகாமையாளர் திரு சுமுது உபதிஸ்ஸ ஆகியோரால் பணிப்பாளர் சபைக்கு 2015 செப்டெம்பர் 21

ஆந் திகதி சமர்ப்பிக்கப்பட்டிருந்ததுடன் அதில் உள்ளடக்கப்பட்டிருந்த பிரதான விடயங்கள் கீழே காட்டப்பட்டுள்ளன.

- i) கொழும்பு முதல் லண்டன் வரை விமான மார்க்கங்களுக்குரியதாக மாத்திரம் மதிப்பீடு செய்யப்பட்டிருந்ததாகவும்
- ii) பயணிகள் ஏற்றல் காரணி (Passengers Load Factor) என நூற்றுக்கு 70 வீதம் முதல் நூற்றுக்கு 75 சதவீதம் உரித்தாகும் போது விமானங்களின் செயலாற்றல் கீழே காட்டப்பட்டுள்ளவாறு காணப்பட்டன.

அட்டவணை இல 06 - பயணிகள் ஏற்றல் காரணியின் பிரகாரம் மதிப்பின் போது விமானங்களின் செயலாற்றல்.

விபரங்கள் -----	A 350-900 -----		A 330-300 -----	
	%70	%75	%70	%75
ஏற்றும் காரணி				
பயணிகளின் எண்ணிக்கை (ஒரு விமானத்திற்கு)	232	248	208	223
மொத்தம் வருமானம் (USD)	247,462	261,360	216,595	229,066
மொத்த கிரய விலகல் (USD)	(170,905)	(171,661)	(174,589)	(175,268)
பங்களிப்பு (USD)	76,557	89,699	42,006	53,798
நிலையான கிரய மாற்றம் (USD)	(128,314)	(128,314)	(104,404)	(104,404)
இலாபம்/ (நட்டம்) (USD)	(51,757)	(38,615)	(62,398)	(50,606)

- iii) பயணிகளின் எண்ணிக்கையொன்றை (No of Passengers) பயன்படுத்தி மதிப்பீடு செய்யும் போது செயலாற்றல் கீழே காட்டப்பட்டுள்ளன.

அட்டவணை இல 07 - பயணிகள் எண்ணிக்கை பிரகாரம் மதிப்பீட்டின் போது விமானங்களின் செயலாற்றல்.

விபரங்கள் -----	A 350-900 -----		A 330-300 -----		
பயணிகளின் எண்ணிக்கை (ஒரு விமானத்திற்கு)	235	250	265	235	250
ஏற்றும் காரணி (%)	71	76	80	79	84
மொத்தம் வருமானம் (USD)	250இ230	262இ828	275இ426	239இ326	251இ922
மொத்த கிரய விலகல் (USD)	(171,056)	(171,741)	(172,427)	(175,828)	(176,513)
பங்களிப்பு (USD)	79இ174	91இ087	102இ999	63இ498	75இ409
நிலையான கிரய ஒதுக்கீடு (USD)	(128,314)	(128,314)	(128,314)	(104,404)	(104,404)
இலாபம்/ (நட்டம்) (USD)	(49,140)	(37,227)	(25,315)	(40,906)	(28,995)

மேற்படி அட்டவணை இல 07 இன் பிரகாரம்

- ❖ 235 பிரயாணிகள் பிரயாணம் செய்யும் போது A 330-300 விமானத்தை விட A 350-900 விமானத்தின் நட்டம் 8235 அ.டொலர் வரை அதிகரித்தமை.
- ❖ 250 பிரயாணிகள் பிரயாணம் செய்யும் போது A 350-900 விமானத்தின் நட்டம் 8232 அ.டொலர் வரை அதிகரித்தமை
- ❖ A 350-900 விமானத்தில் 265 பிரயாணிகள் இருந்தால் A 330-300 விமானத்தில் 235 பயணிகளாக அல்லது 250 பேர் இருப்பதை விட இலாபகரமானதாக இருந்ததாகவும்

7.3.1.1.4. 2015 செப்டம்பர் 21 ஆந் திகதிய பணிப்பாளர் சபை தீர்மானம் (பின்னிணைப்பு 15)

இதன் போது விமான அணி தொடர்பாக மீண்டும் மதிப்பீடு செய்வதற்காக skyworks மதியுரை கம்பனி மற்றும் மேலும் 02 கம்பனிகளிலிருந்து முன்மொழிவுகளை விசாரித்தல் (RFP) கோரப்பட்டதாகவும் அதன் பிரகாரம் முன்மொழிவு மதிப்பீட்டிற்காக நியமிக்கப்பட்ட கீழே காட்டப்பட்டுள்ள உத்தியோகத்தர்களால் மேற்கொள்ளப்பட்ட மதிப்பீட்டின் போது தெரிவு skyworks கம்பனி செய்யப்பட்டதாக அப்போதைய பிரதான நிறைவேற்று உத்தியோகத்தராக இருந்த திரு ரபிக ஜயவர்த்தன அவர்களால் பணிப்பாளர் சபைக்கு அறிக்கையிடப்பட்டிருந்தது.

- ஜோசப் பீட்ரோ - பணிப்பாளர்
- திரு ஹரிந்திர பாலம்பிட்டி பந்த - பணிப்பாளர்
- திரு. யசன்த திசாநாயக்க - நிதிப் பிரிவுத் தலைவர்
- திரு. மனோஜ் குணவர்த்தன - பிரதான வியாபார உத்தியோகத்தர்
- திரு. எஸ் ஏ சந்திர சேகர - மதியுரையாளர்
- செல்வி மெனிக் குணசேகர - பிரதான கம்பனி அலுவலக உத்தியோகத்தர் (Chief Corporate Affairs Officer)
- திரு. ரசிக ஜயவர்த்தன - பிரதான நிறைவேற்று உத்தியோகத்தர்

அதன் பிரகாரம் 2015 திசம்பர் 09 ஆந் திகதி Skyworks கம்பனியுடன் விமான தொகுதி தொடர்பாக மீண்டும் மதிப்பீடு செய்வதற்காக உடன்படிக்கையொன்று மேற்கொள்ளப்பட்டிருந்தது.

7.3.1.1.5.

2015 ஒக்தோபர் 22 மற்றும் 25 ஆந் Skyworks திகதிகளில் மதியுரைக் கம்பனியால் பணிப்பாளர் சபைக்கு செய்யப்பட்ட பரிந்துரைகள் (சமர்ப்பித்தல்) மற்றும் அதன் அடிப்படையில் பணிப்பாளர் சபையினால் எடுக்கப்படும் தீர்மானம்

Skyworks மதியுரைக் கம்பனியால் 2015 ஒக்தோபர் 22 ஆந் திகதி வழங்கப்பட்டிருந்ததுடன் இடைக்கால அறிக்கை (Interim Report) இன் பிரகாரம் (பின்னிணைப்பு 16) A 350-900 வகையிலான ஸ்ரீலங்கன் விமான சேவைக் கம்பனியின் எதிர்பார்க்கப்பட்ட தேவைப்பாட்டிற்காக பொருத்தமில்லாத அதாவது இதுவரை ஸ்ரீலங்கன் விமான சேவை செயற்திட்டம் குறுந்தூர ஓட்ட மார்க்கங்களுக்காக பயன்படுத்தி ஆகக்கூடிய பெறுபேறுகளை பெற்றுக்கொள்ள முடியாதென பரிந்துரைக்கப்பட்டிருந்தது. இதுவரை ஸ்ரீலங்கன் விமான சேவை செயற்படுத்தப்பட்ட குறுந்தூர ஓட்டத்தின் மார்க்கங்களுக்காக ஈடுபடுத்தப்பட்டமையால் உச்ச பயனை பெற்றுக்கொள்ள முடியாதிருந்ததாக பரிந்துரைக்கப்பட்டிருந்தது. இவ்வறிக்கைக்கு மேலதிகமாக 2015 ஒக்தோபர் 25 ஆந் திகதி மேற்கொள்ளப்பட்ட வேண்டுகோளின் (பின்னிணைப்பு 17) பிரகாரம் உடன்படிக்கை பூர்த்தி செய்யும் கிரயம் (Break cost) அ.டொலர் 50 மில்லியனுக்கு இடைப்பட்டதாக குறிப்பிடப்பட்டிருந்தது. இவ்வறிக்கையின் பிரகாரம் A 350-900 வகையான 4 விமானங்களைப் பெற்றுக்கொள்ளும் போது அ.டொலர் 300 மில்லியன் அளவிலான நட்டமொன்றை ஏற்பதற்கு ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு ஏற்படுவதாக குறிப்பிடப்பட்டிருந்தது.

அந்த பரிந்துரை மற்றும் எயார் கம்பனியிடமிருந்து பெற்றுக்கொண்ட அறிக்கையின் அடிப்படையில் A 350-900 விமானங்கள் குத்தகை கம்பனியான Aercap கம்பனிக்கு A 350-900 விமானங்களை ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு பெற்றுக்கொள்வதில் சிக்கல்கள் தொடர்பாக முதலாவது அறிவித்தல் 2015 ஒக்தோபர் 25 ஆந் திகதிய பணிப்பாளர் சபை தீர்மானத்தின் பிரகாரம் 2015 ஒக்தோபர் 30 ஆந் திகதி நிதிப் பிரிவுத் தலைவர் திரு யசன்த திலாநாயக்க அவர்களால் இலத்திரனியல் தபால் மூலம் மேற்கொள்ளப்பட்டிருந்தது. (பின்னிணைப்பு 18) இந்த அறிவித்தலின் வரைவினை தயாரித்தல் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனி, Skyworks மதியுரைக் கம்பனி மற்றும் Kaye Scholar LLP பெயருடைய சர்வதேச விமான சேவை சட்டங்கள் தொடர்பான கம்பனியின் ஒத்துழைப்புடன் மேற்கொள்ளப்பட்டிருந்தது.

7.3.1.1.6. 2015 நவம்பர் 27 ஆந் திகதிய பணிப்பாளர் சபை பத்திரம் (பின்னிணைப்பு 19) இந்த பணிப்பாளர் சபை பத்திரத்தில் பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டிருந்தன.

- i) மேற்படி 7.3.1.1.5 இன் பிரகாரம் Accap கம்பனிக்கு செய்யப்பட்ட அறிவித்தலின் பிரகாரம் 2015 நவம்பர் 23 ஆந் திகதி ஸ்ரீலங்கன் விமான சேவைக் கம்பனியால் Aercap கம்பனியுடன் அம்ஸ்டராமில் கலந்துரையாடல் ஒன்று மேற்கொள்ளப்பட்டிருந்ததாகவும்,
- ii) இதற்காக ஸ்ரீலங்கன் விமான சேவைக் கம்பனியின் தலைவர் பிரதான நிறைவேற்று உத்தியோகத்தர் மற்றும் நிதிப்பிரிவு தலைவர் சமூகமளித்திருந்ததுடன் இக்கலந்துரையாடல் பயனற்றதாக இருந்ததாகவும்
- iii) அவ்வாறே Aercap கம்பனியால் 350-900 விமானங்களை மீண்டும் விற்பனை செய்வதற்காக முகவர் ஒருவரை (Remarketing agent) நியமிக்குமாறும் Cabot Leasing கம்பனி அதற்கு பொருத்தமானதெனவும்
- iv) மேற்படி (i) இல் குறிப்பிடப்பட்ட கலந்துரையாடலின் பின்னர் Skyworks மதியுரைக் கம்பனி மற்றும் சட்ட மதியுரையாளர் கம்பனியுடன் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தரினால் கலந்துரையாடப்பட்டிருந்ததாகவும் அதன் போது விமானங்களை மீண்டும் விற்பனை செய்வதற்காக (Re marketing) முகவராக Cabot Leasing கம்பனியை நியமிப்பது மிகவும் பொருத்தமானதென Skyworks மதியுரைக் கம்பனியாலும் முன்மொழியப்பட்டிருந்ததெனவும்,
- v) மேலும், மேற்படி (i) இல் குறிப்பிடப்பட்ட கலந்துரையாடலின் போது எயார்பஸ் கம்பனியின் தலைவருக்கு விமானங்களை மீண்டும் விற்பனை செய்தல் அல்லது விமானங்களை பெற்றுக்கொள்வதற்குள்ள காலப்பகுதியை மாற்றிக்கொள்வதற்கான ஒத்துழைப்பைக் கோரி கடிதமொன்றை அனுப்புமாறு ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு Skyworks மதியுரைக் கம்பனி ஊடாக அறிவித்தல் வழங்கப்பட்டிருந்ததாகவும் அதன் அடிப்படையில் சட்ட மதியுரையாளர் கம்பனியால் கடிதமொன்று வரையப்பட்டு எயார் பஸ் கம்பனிக்கு அனுப்புவதற்கு தயாரிப்படுத்தப்பட்டுள்ளதெனவும்.



vi) மேற்படி ஆலோசனையின் அடிப்படையில் ஸ்ரீலங்கன் விமான சேவையில் கம்பனியால் A 350-900 விமானங்களை மீண்டும் விற்பனை செய்வதற்கு முகவரொருவரை நியமிப்பதற்காக கீழே குறிப்பிடப்பட்டுள்ள 03 மதியுரைக் கம்பனிகளிடமிருந்தும் கூறுவிலை கோருவதற்கு பரிந்துரைக்கப்பட்டதாகவும்.

❖ Cabot Aviation

❖ Nyras கம்பனி

❖ DVB Bank

**7.3.1.1.7. எயார் பஸ் கம்பனியின் ஒத்துழைப்பினை கோருதல்.**

இலங்கை விமான சேவைகள் கம்பனியின் தலைவரால் எயார் பஸ் கம்பனியின் பிரதான செயற்பாட்டு உத்தியோகத்தருக்கு கடிதமொன்றை அனுப்பி A 350-900 விமானங்களை கிடைப்பதற்கு நிர்ணயிக்கப்பட்ட நாட்களை மாற்றுவதற்காக வேண்டுகோள் விடப்பட்டிருந்தது. அதன் அடிப்படையில் எயார் பஸ் கம்பனியின் குழுவொன்று கொழும்புக்கு அனுப்பி வைக்கப்பட்டிருந்ததுடன் அவர்களால் இலங்கை விமான சேவைக் கம்பனியின் வியாபார திட்டமீடல் தொடர்பாக பகுப்பாய்வு செய்யப்பட்டு பின்னர் இக்கொடுக்கல் வாங்கல்கள் Aercap கம்பனியுடன் மேற்கொள்ளப்பட்டதால் அக்கம்பனி ஊடாகவே பிரச்சினைகள் தீர்வு செய்யப்பட வேண்டுமென 2015 திசம்பர் 22 ஆந் திகதி நடைபெற்ற கலந்துரையாடலின் போது ஸ்ரீலங்கன் விமான சேவைக் கம்பனிக்கு அறிவிக்கப்பட்டிருந்தது.

**7.3.1.1.8. 2016 சனவரி 26 ஆந் திகதிய பணிப்பாளர் சபை கூட்டம் - விமான உடன்படிக்கைகளை முடிவுறுத்தும் பொறுப்பு தொடர்பாக சட்ட அபிப்பிராயமொன்றை பெற்றுக்கொள்ளல் (பின்னிணைப்பு 20)**

ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியால் 2015 திசம்பர் 11 அந் திகதி சட்டத்தரணி திரு சுனில் தீந்தவெல்லவிடமிருந்து A 350-900 விமானங்களை முடிவுறுத்துவது தொடர்பான சட்ட அபிப்பிராயமொன்றை பெற்றுக்கொண்டு அதில் பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டிருந்தன.

i) A 350-900 விமானங்களில் குத்தகை உடன்படிக்கை முடிவுறுத்தப்பட்டால் அதற்காக வேறு குத்தகையாளர் ஒருவரை (Lessee) தேடிக்கொள்வதற்கோ அல்லது அந்த விமானங்களை வேறு நடவடிக்கைகளுக்கோ ஈடுபடுத்துவது தொடர்பான பொறுப்பொன்றை குத்தகைக்கு கம்பனிக்கு கையளிக்க முடியுமெனவும்

ii) இவ்விமானங்களை கையளிப்பதற்கான (Ready for delivery) முன்னர் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியால் உடன்படிக்கைகளை

முடிவுறுத்துவதற்கு நடவடிக்கை எடுத்தால் விமானக் கம்பனிக்கு அது மிகவும் சாதகமானதாகவும்

iii) ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியால் A 350-900 வகையான விமானங்கள் ஆயின் தேவைகளினை விட கூடியதென இனங்காணப்பட்ட உடனேயே அதனை குத்தகை கம்பனிக்கு அறிவித்ததன் மூலம் விரைவாக வேறு விமான சேவையொன்றை தேடிக்கொள்வதற்கு குத்தகை கம்பனிக்கு இலகுவானதெனவும்

iv) ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியால் இந்த விமான கட்டணங்களை இரத்துச் செய்வதற்காக தாமதம் ஏற்படுவதால் கொடுப்பனவு செய்ய வேண்டிய இழப்பீட்டுத் தொகையும் அதிகரிக்க கூடுமெனவும்.

7.3.1.1.9. **Aercap முகவர் பிரதான ஆபத்து உத்தியோகத்தருடன் Chief Risk officer) கொழும்பில் இடம்பெற்ற கலந்துரையாடல்**

2016 சனவரி 07 ஆந் திகதி Aercap கம்பனியின் பிரதான ஆபத்து உத்தியோகத்தர் (Chief Risk officer) கொழும்பில் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியுடன் கலந்துரையாடலொன்று நடாத்தியிருந்தது. அதன்போது A 350-900 வகை விமானங்களை பெற்றுக்கொள்ளாவிட்டால் அமெரிக்க டொலர் 250 மில்லியன் அளவிலான இழப்பீடு ஒன்று ஸ்ரீலங்கன் விமான சேவை கம்பனிக்கு கொடுப்பனவு செய்ய வேண்டி ஏற்படுமென குறிப்பிடப்பட்டிருந்தது.

7.3.1.1.10. **பொது முயற்சிகள் அபிவிருத்தி அமைச்சர் மற்றும் பிரதி அமைச்சருக்கு Skyworks மதியுரைக் கம்பனி மூலம் 2016 சனவரி 22 ஆந் திகதி நடவடிக்கைகளைச் சமர்ப்பித்தல் (பின்னிணைப்பு 21)**

இந்த சமர்ப்பித்தலின் போது (Presentation) Skyworks மதியுரைக் கம்பனியால் 03 பிரதான மாற்றுவழிகள் சமர்ப்பிக்கப்பட்டிருந்தன. விபரங்கள் கீழே காண்பிக்கப்படுகின்றன.

- i) மாற்றுவழி A - ஐரோப்பிய பிரயாணங்கள் வரை பயணம் செய்வதற்காக A 350-900 என்ற 03 விமானங்களைப் பெற்றுக்கொள்ளல்.
- ii) மாற்றுவழி B - A 350-900 என்ற 03 விமானங்களைப் பெற்று A 330-300 என்ற 03 விமானங்களை அகற்றுதல்.
- iii) மாற்றுவழி C - A 350-900 விமானத்தைப் பெறாதிருத்தல்.

இதன் போது, Skyworks கம்பனியினால் மேற்கூறப்பட்ட மாற்று வழிகளை மதிப்பீடு செய்து மாற்றுவழி C இணை அமுல்படுத்துவது மிகவும் பொருத்தமானது என குறிப்பிடப்பட்டிருந்தது. அதன் பிரகாரம் AerCap கம்பனியின் நியதிகளின் படி இறுதித் தீர்மானம் 2016 சனவரி 29 ஆந் திகதிக்கு முன்னர் சட்டக் கம்பனியின் ஆலோசனையும் பெற்று உறுதிப்படுத்த வேண்டியிருந்தது.

**7.3.1.1.11. 2016 சனவரி 26 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம்**

இதன் போது ஸ்ரீ லங்கன் விமான சேவைக் கம்பனியின் பிரமான நிறைவேற்று உத்தியோகத்தரினால் சமர்ப்பிக்கப்பட்ட பணிப்பாளர் சபைக் குறிப்பின் (பின்னிணைப்பு 22) பிரகாரம் மேற்கூறப்பட்ட மதியுரைக் கம்பனியின் மூலம் பரிந்துரை செய்யப்பட்ட மாற்றுவழி (அதாவது A 350-900 விமானம் பெற்றுக் கொள்ளாமைக்காக அங்கீகாரம் வழங்கப்பட்டிருந்தது. மேலும், ஸ்ரீலங்கன் விமான சேவையை மீள் கட்டமைப்பதற்காக நிதியமைச்சின் மூலம் Nyras மதியுரைக் கம்பனி நியமிக்கப்பட்டுள்ளதாக இந்த பணிப்பாளர் சபைக் குறிப்பின் மூலம் பணிப்பாளர் சபைக்கு அறிவிக்கப்பட்டிருந்தது.

**7.3.1.1.12. 2016 பெப்ரவரி 09 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம் (பின்னிணைப்பு 23)**

இதன் போது கலந்துரையாடப்பட்ட பிரதான விடயங்கள் பின்வருமாறு.

i) A 350-900 என்ற 03 விமானங்களை மீண்டும் விற்பனை செய்யும் காலஎல்லை (Remarketing Period) 03 மாதங்கள் அளவில் உடன்படிக்கை பூர்த்தியாகும் கட்டணம் அ.டொலர் 874 மில்லியனாக இருந்தமை அந்த காலஎல்லை 09 மாதங்களாக இருக்குமாயின் உடன்படிக்கை பூர்த்தி செய்தல் கட்டணம், அ.டொலர் 133 மில்லியன் எனவும் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியினால் மதிப்பீடு செய்யப்பட்டிருந்தது.

ii) A 350-900 என்ற 03 விமானங்களை மீள் விற்பனை செய்வதற்காக மதியுரைச் சேவைகளைப் பெற்றுக் கொள்வதற்கு முன்மொழிவுகளைக் கோரும் போது Skyworks மதியுரைக் கம்பனி மீள் விற்பனை செய்யும் காலஎல்லையாக (Remarketing Period) 09 மாதங்கள் குறிப்பிடப்பட்டிருந்ததுடன் Nyras 03 மாதங்கள் என குறிப்பிடப்பட்டிருந்தன.

iii) அதன் அடிப்படையில் பணிப்பாளர் சபையினால் Nyras கம்பனி இதற்காக தெரிவு செய்யப்பட்டிருந்ததாகவும்.

7.3.1.1.13. 2016 பெப்ரவரி 26 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம் - A 350-900 விமானத்தின் உடன்படிக்கையை முடிவுறுத்தல் (பின்னிணைப்பு 24)

i) இது தொடர்பாக நிதிப் பிரிவு தலைவர், தொகுதியின் நிதி மற்றும் நிர்வாக பிரிவு தலைவர் மற்றும் பிரதான நிறைவேற்று உத்தியோகத்தர் மூன்று பேரினால் கூட்டாக சமர்ப்பிக்கப்பட்ட பணிப்பாளர் சபை குறிப்பில் பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டிருந்தன.

❖ Aercap கம்பனியினால் 4 ஆவது A 350-900 விமானத்தின் உடன்படிக்கையை முடிவுறுத்துவதற்காக ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு கொடைமுனைவு (Offer) செய்யப்பட்டிருந்ததாகவும்

❖ ஏனைய A 350-900 என்ற 03 விமானங்களையும் பெற்றுக் கொள்வதாக எழுத்து மூலம் அறிவிக்குமாறு எயார் பஸ் கம்பனியினால் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியிலிருந்து கோரப்பட்டிருந்தமை.

ii) மேற்கூறப்பட்ட பணிப்பாளர் சபை குறிப்பை கவனத்தில் கொண்டு பணிப்பாளர் சபையினால் Aercap கம்பனிகளால் மேற்கொள்ளப்பட்ட கொடைமுனைவு (offer) பின்வரும் பிரகாரம் மீள் அளிப்பு (Counter offer) மேற்கொள்வதாகவும், பின்னர் இணங்கப்பட்ட இழப்பீட்டுத் தொகை தொடர்பாக பணிப்பாளர் சபை அங்கீகாரமும் இலங்கை அரசின் அங்கீகாரமும் பெறப்பட வேண்டுமென தீர்மானிக்கப்பட்டிருந்தது.

❖ இழப்பீட்டுப் பணம் செலுத்துத்துவதற்குப் பதிலாக வேறு விமானமொன்றைப் பெற்றுக்கொள்ளல் மற்றும் பாவனைக் குத்தகை வாடகையின் கீழ் பெறப்படாதிருந்த போது குத்தகை வாடகையின் கீழ் பெறப்படாதிருந்த வேறு விமானமொன்றின் குத்தகைக் காலஎல்லையை நீடித்தல் அல்லது

❖ பணிப்பாளர் சபையினால் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தருக்கு Aercap கம்பனியுடன் கலந்துரையாடி அந்தக் கம்பனிக்கு அ.டொலர் 12.56 மில்லியன் தொகை நடட்டிட்டுத் தொகையொன்று அளிப்பு செய்யப்பட்டு இதுவரையிலும் செலுத்தப்பட்டுள்ள பாதுகாப்பு வைப்பான அ.டொலர் 2.5 மில்லியன் தொகை குறைக்கப்பட்டு மீதிக்காக இணக்கத்தைப் பெற்றுக் கொள்ளுமாறு பரிந்துரை செய்தல்.

7.3.1.1.14. 2016 மார்ச் 09 ஆந் திகதிய பணிப்பாளர் சபை முன்மொழிவுகளை அங்கீகரித்தல் (பின்னிணைப்பு 25)

4 ஆவது A 350-900 என்ற விமானத்தின் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் இழப்பீட்டுப் பணமாக இறுதியின் போது Aercap கம்பனி அ.டொலர் 17.77 மில்லியனுக்கு (ஆரம்ப வைப்பான அ.டொலர் 2.5

மில்லியனும் உள்ளடக்கி) இணங்கியிருந்ததுடன் அந்த இழப்பீட்டுப் பணம் பணிப்பாளர் சபையினால் 2016 மார்ச் 09 ஆந் திகதி பணிப்பாளர் சபை பிரேரணை அங்கீகாரம் (Board Resolution) மூலம் அமைச்சரவை அங்கீகாரத்தைப் பெற்றுக்கொள்வதன் கீழ் அங்கீகரிக்கப்பட்டிருந்தது.

**7.3.1.1.15. 2016 மார்ச் 24 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம்**

Nyras மதியுரைக் கம்பனியினால் A 350 என்ற விமானம் உத்தேச விமான வழி வலைப் பின்னலுக்காக பயன்படுத்துவதற்கு பொருத்தமாகக் காண்பித்து உடன்படிக்கையின் பிரகாரம் இறுதி அறிக்கை 2016 மார்ச் 18 ஆந் திகதி ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தருக்கு வழங்கப்பட்டிருந்தது. இது தொடர்பாக பிரதான நிறைவேற்று உத்தியோகத்தரால் 2016 மார்ச் 24 ஆந் திகதி பணிப்பாளர் சபைக்கு அறிவிக்கப்பட்டிருந்தது. அந்த அறிக்கையில் Nyras கம்பனியால் ஏனைய A 350-900 என்ற 03 விமானங்களின் உடன்படிக்கையை முடிவுறுத்தும் கட்டணமாக அ.டொலர் 180 மில்லியன் தொகை மதிப்பீடு செய்யப்பட்டிருந்தது.

**7.3.1.1.16. 2016 யூலை 28 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம் (பின்னிணைப்பு 26)**

இதன் போது 2016 ஒக்தோபர் மற்றும் நவம்பர் மாதங்களின் போது பெற்றுக்கொள்வதற்கு தீர்மானிக்கப்பட்ட ஏனைய A 350-900 என்ற 03 விமானங்கள் தொடர்பாக கலந்துரையாடப்பட்டிருந்தது. அதன் பிரகாரம் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் தலைவர் மற்றும் பிரதான நிறைவேற்று உத்தியோகத்தரால் A 350-900 என்ற விமானத்தை விமான சேவைக்கு அறிமுகப்படுத்துவதற்கு எதிர்பார்க்கப்படாதிருந்ததாக ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான பங்களாளரான A 350-900 என்ற விமானத்தின் கிரயம் பயன்தரு அடிப்படையில் (Cost effective Manner) அகற்றுமாறு ஆலோசனை வழங்கப்பட்டிருந்ததாகவும் பணிப்பாளர் சபைக்கு அறிவிக்கப்பட்டிருந்தது.

**7.3.1.2. பொருளாதார முகாமைத்துவம் தொடர்பான அமைச்சரவை உபகுழுவின் பரிந்துரை மற்றும் அங்கீகாரம் (CCEM Approval)**

**7.3.1.2.1. எயர்கெப் கம்பனியுடன் ஏற்படுத்தப்பட்ட A 350-900 என்ற விமானத்தின் குத்தகை உடன்படிக்கையை முடிவுறுத்தலும், இழப்பீட்டுப் பணம் செலுத்துதலும்.**

i) 2016 ஏப்ரல் 05 ஆந் திகதி நடைபெற்ற CCEM கூட்டத்தின் போது ஸ்ரீலங்கன் விமானக் கம்பனியின் நடவடிக்கைகள் தொடர்பாக பின்வரும் தீர்மானங்களுக்கு இணக்கம் காணப்பட்டிருந்தது. (பின்னிணைப்பு 27)

- ❖ ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியை மீள் கட்டமைப்பதற்காக நிதி அமைச்சின் செயலாளர், பொது முயற்சிகள் அபிவிருத்தி அமைச்சின் செயலாளர், தேசிய கொள்கைகள் மற்றும் பொருளாதார அலுவல்கள் அமைச்சின் மதியுரையாளர் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் தலைவர் மற்றும் பொது முயற்சிகள் சபையின் தலைவர் ஆகியோரை உள்ளடக்கிய குழுவை நியமித்தல்.
- ❖ தேவை ஏற்படுமாயின் மேற்கூறப்பட்ட குழுவிற்கு துறைசார் நிபுணர்களின் (Experts) உதவியைப் பெற்றுக்கொள்ளல்.
- ❖ ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு முதலீடு செய்வதற்காக முன்மொழிவுக்குள்ளான கோரிக்கைகள் (RFP) அனுப்புதல் மற்றும் செயன்முன்னேற்றம் என்பவற்றை CCEM இற்கு அறிக்கையிடல்.
- ❖ ஸ்ரீலங்கன் விமான சேவைக்கு அ.டொலர் 65 மில்லியன் தொகை மற்றும் மிஹின் லங்கா விமான சேவைக்கு அ.டொலர் 5 மில்லியன் கடன் அரசு வங்கிகள் மூலம் பெற்றுக்கொள்ளல். (எயர்கெப் கம்பனியுடன் ஏற்படுத்தப்பட்ட A 350-900 என்ற விமானத்தின் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் கட்டணத்தையும் உள்ளடக்கி தேவையான நிதித் தேவைப்பாடுகளை ஈடுசெய்து கொள்வதற்காக)

ii) மேற்கூறப்பட்ட தீர்மானம் தொடர்பான 2016 ஏப்ரல் 18 ஆந் திகதி பிரதமர் அலுவலகம் மூலம் பொது முயற்சிகள் அபிவிருத்தி அமைச்சின் செயலாளருக்கு அறிவிக்கப்பட்டிருந்தது. பொது முயற்சிகள் அபிவிருத்தி அமைச்சரினால் எயர்கெப் கம்பனியுடன் ஏற்படுத்தப்பட்ட A 350-900 என்ற விமானத்தின் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் கட்டணம் இலங்கை அரசினால் ஏற்றுக்கொள்வதாக 2016 ஏப்ரல் 05 ஆந் திகதி நடைபெற்ற CCEM கூட்டத்தின் போது தீர்மானிக்கப்பட்டதாக ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் தலைவருக்கு 2016 ஏப்ரல் 20 ஆந் திகதிய இலக்கமின்றிய கடிதம் மூலம் அறிவிக்கப்பட்டிருந்தது. பின்னிணைப்பு 28)

7.3.1.2.2. **இன்டர்நெஷனல் லீஸ் பினான்ஸ் கம்பனியுடன் உடன்படிக்கை செய்யப்பட்ட A 350-900 என்ற 03 விமானங்கள் தொடர்பான குத்தகை உடன்படிக்கையை முடிவுறுத்தலும் நடடஈடு செலுத்துதலும்.**

i) 2016 ஆகஸ்ட் 09 ஆந் திகதிய ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியினால் பொது முயற்சிகள் அபிவிருத்தி அமைச்சருக்கும் பிரதி அமைச்சருக்கும் 2016 ஆம் ஆண்டின் இறுதி அரைபகுதியில் கிடைப்பதற்கு இருந்த A 350-900 என்ற விமானத்திற்காக காணப்படுகின்ற மாற்றுவழிகள்

தொடர்பான சமர்ப்பித்தலொன்று மேற்கொள்ளப்பட்டிருந்தது. (பின்னிணைப்பு 29)

ii) முன்னாள் பிரதி அமைச்சரினால் மேற்படி முன்வைத்தலுக்கு மற்றும் கலந்துரையாடலுக்குரிய தாளொன்றிற்கான சிறு குறிப்பொன்று CCEM கலந்துரையாடலின் போது சமர்ப்பிப்பதற்கு ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் தலைவருக்கு வழங்கப்பட்ட அறிவித்தலின் அடிப்படையில் 2016 ஆகஸ்ட் 23 ஆந் திகதி அந்த குறிப்பு மின்னஞ்சல் மூலமாக பிரதி அமைச்சருக்கு வழங்கப்பட்டிருந்தது. (பின்னிணைப்பு 30) அந்த குறிப்பில் உள்ளடக்கப்பட்டிருந்த விடயங்கள் பின்வருமாறு.

❖ A 350-900 ரகத்திலான 03 விமானங்கள் 2016 ஆம் ஆண்டின் இறுதிப்பகுதியில் பெற்றுக்கொள்வதற்காக ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி Aercap குத்தகை கம்பனியுடன் உடன்படிக்கை கைச்சாத்திட்டுள்ளமை.

❖ குத்தகை காலம் 12 வருடங்கள் என்பதும் விமானமொன்றிற்காக மாதாந்த தவணை ஐ.அ.டொலர் 1.43 மில்லியன் என்பது.

❖ இதற்காக பின்வரும் மாற்றீடுகள் காணப்படுகின்றமை.

மாற்றீடு 01 விமானங்களை பெற்றுக்கொண்டு கொழும்பு “Toulouse” இல் வைத்து 12-24 மாத காலப்பகுதியில் தீர்வொன்றினை தேடுதல். (இதன் போது விமானமொன்றிற்கான வருடாந்த குத்தகையாக ஐ.அ.டொலர் 51 மில்லியனை செலுத்த நேர்கின்றதாகவும், இடைக் குத்தகை வழங்குவதன் மூலம் அந்த கிரயத்தினை ஓரளவிற்கு குறைத்துக்கொள்ள முடியும் எனவும் குறிப்பிடப்பட்டிருந்தது.)

மாற்றீடு 02 A 350-900 விமானமொன்றினையேனும் பெற்றுக்கொள்ளப்பட்டிராமை. (இதன் போது நட்டஈடாக ஐ.அ.டொலர் 50-250 மில்லியனுக்கு இடைப்பட்ட அளவினை செலுத்த நேர்வதாகவும் கலந்துரையாடல்கள் மூலம் ஓரளவிற்கு நட்டஈட்டு அளவினை குறைத்துக்கொள்ள முடியும் என்பதும்.)

மாற்றீடு 03 A 350-900 விமானங்கள் 03 பெற்றுக்கொள்ளப்பட்டு 10 பரந்த விமானங்கள் மற்றும் 10 குறுகிய விமானங்களையும் கொண்ட விமான குழாமொன்று 2016/17 அளவில் பேணுதல். (இதன் போது 3 விமானங்களின் மிகையொன்று உருவாகின்றமையும், வருடாந்தம் மேலதிக நட்டமாக ஐ.அ.டொலர் 32 மில்லியனை செலவிட நேர்கின்றமையும்.)

- ❖ மேலும் நட்புட்டு தொகையினை செலுத்துதல் (One Time Break Cost) அல்லது விமானங்கள் இலங்கை அரசினால் முழுமையாக கொள்வனவு செய்யப்படல் (Possibility of Outright purchase of the Aircraft by GOSL) எனும் விடயங்களை சுட்டிக்காண்பித்து Aercap கம்பனிக்கு செலுத்துவதற்காக கடிதமொன்று வரைபாக்கி அமைச்சிற்கு வழங்கப்பட்டுள்ளதாக.
- ❖ மேற்குறிப்பிடப்பட்டவாறு விமானங்கள் முழுமையாக இலங்கை அரசினால் கொள்வனவு செய்வதற்கு கலந்துரையாடல்களின் போது இணக்கப்பாடு காணப்படுமாயின் ஜேர்மன் விமான சேவைகள் கம்பனி (German Aviation Capital) இனால் விமானமொன்று ஐ.அ.டொலர் 98.5 மில்லியனுக்கு அவர்களிடம் காணப்படும் செலுத்தும் இயலுமையின் அடிப்படையில் கொள்வனவு செய்வதற்கு இணங்கியுள்ளதாகவும் இதற்காக அவர்களால் உறுதி செய்யப்படாத கூறுவிலைகளை சமர்ப்பித்தல் (Unconfirmed Bid) ஸ்ரீ லங்கன் விமான சேவைகளுக்கு வழங்கப்பட்டுள்ளதாக.

iii) Aercap கம்பனியால் நட்புட்டு தொகையொன்றினை முன்மொழிவு செய்தல் (பின்னிணைப்பு 31)

2016 ஆகஸ்ட் 30 ஆந் திகதி Aercap கம்பனியால் A 350-900 விமானங்கள் 03 இன் உடன்படிக்கைகளை நிறைவு செய்வதற்காக நட்புடாக ஐ.அ.டொலர் 154 மில்லியன் ஒரே தடவையில் செலுத்தப்பட வேண்டுமென மின்னஞ்சல் மூலம் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தர் (CEO) இற்கு அறிவிக்கப்பட்டிருந்தது. இதன் போது வரைபாக்கப்பட்ட முடிவுறுத்தும் உடன்படிக்கை (Termination Agreement) 2016 ஆகஸ்ட் 31 ஆந் திகதியளவில் வழங்குவதற்கும் 2016 செப்தம்பர் 08 ஆந் திகதி அல்லது அந்த திகதிக்கு முன்னர் உடன்படிக்கை கைச்சாத்திடுவதற்கு உத்தேசிக்கப்பட்டிருந்தது. மேலும், கலந்துரையாட வேண்டுமாயின் Aercap முகவர் ஒருவரை கொழும்பிற்கு அனுப்புவதற்கு விருப்பம் தெரிவிக்கப்பட்டிருந்தது.



அட்டவணை இலக்கம் 08 – Aercap கம்பனியால் நட்டஈட்டு தொகை கணிப்பிடப்பட்ட முறை

(ஐ.அ.டொலர் மில்லியன்)

மீள் குத்தகை பெற்றுக்கொள்ளும் போது இழக்கப்படும் தவணை (Re-lease Rental Delta)	133.7	(03 விமானங்களின் இழக்கப்படும் மாதாந்த தவணை ஐ.அ.டொலர் 1.1 மில்லியன்கள் என கருதப்பட்டிருந்தது.)
விமானங்களை நிறுத்தி வைத்தல் / மாற்றும் கிரயம் (Aircraft Holding / Transaction Cost)	71.5	
பாதுகாப்பு வைப்புக்கள் (Security Deposit)	(7.5)	
முழு மொத்தம்	197.7	
தேறிய இற்றைப் பெறுமதி	146.5	(கழிவு 6.5 சதவீதமாக கொள்ளும் போது)
பாதுகாப்பு வைப்பு	7.5	
மதிப்பிடப்பட்ட மொத்த நட்டஈட்டு தொகை	154.0	

iv) 2016 செப்டெம்பர் 07 ஆந் திகதி CCEM இற்கு முன்வைக்கப்பட்ட அறிக்கை (பின்னிணைப்பு 32)

இந்த அறிக்கையின் பிரகாரம் விமானத்தின் மாதிரியினை மாற்றுவதற்காக (Re-Configuration) மேற்கொள்ள நேரிடும் மேலதிக கிரயம் மற்றும் அவ்வாறு மாதிரியினை மாற்றியமைத்தலில் அடிப்படையில் இழக்கப்படும் குத்தகை தவறான (இதன் போது மாதிரியினை மாற்றுவதற்காக ஆகக் குறைந்தது 14 மாத காலம் எடுக்குமென கருதப்பட்டிருந்தது.) ஆகிய முக்கியமான விடயங்களை கருத்திற் கொண்டு நட்டஈட்டுத் தொகை மதிப்பிடப்பட்டிருந்தது. அதற்கமைய, Aercap கம்பனியால் 2016 ஆகஸ்ட் 30 ஆந் திகதி உத்தேசிக்கப்பட்ட நட்டஈட்டு தொகை ஐ.அ.டொலர் 154 மில்லியன்கள் எனவும், 2016 செப்டெம்பர் 05 ஆந் திகதி இடம்பெற்ற கலந்துரையாடலின் போது அந்த தொகை பின்வருமாறு விமானமொன்றிற்கு அண்ணளவாக ஐ.அ.டொலர் 36 மில்லியன் படி மொத்த நட்டஈட்டுத் தொகை ஐ.அ.டொலர் 106 மில்லியன் வரை குறைக்கப்பட்டதாக குறிப்பிடப்பட்டிருந்தது.

அட்டவணை இலக்கம் 09 - Aercap கம்பனி நட்டஈட்டுத் தொகையை கணிப்பிடும் போது விமானமொன்றிற்கான நட்டஈட்டு தொகை கணிப்பிடப்பட்ட விதம்.

			ஐ.அ.டொலர் மில்லியன்
மாதிரியை மாற்றியமைக்கும் கிரயம் (Re-Configuration Cost)			10.0
நிதிக் கிரயம் (Financing Cost)			8.3
உடன்படிக்கையை முடிவுறுத்தும் கிரயம் (Termination Cost) - 4 ஆம் விமானத்திற்கு செலுத்தப்பட்ட தொகைக்கு சமமான			17.7
மொத்த நட்டஈட்டுத் தொகை (விமானமொன்றிற்கு)			36.0

மேலும், Skyworks மற்றும் Nyras ஆகிய மதியுரைக் கம்பனிகளால் 03 விமானங்கள் 03, 09 மற்றும் 12 மாதங்கள் எனும் காலப்பகுதியினுள் மீள சந்தைப்படுத்தலின் (Remarketing) அடிப்படையில் செலுத்தப்பட வேண்டிய நட்டஈட்டுத்தொகை பின்வருமாறு மதிப்பிடப்பட்டிருந்தது.

அட்டவணை இலக்கம் 10 - மதியுரை கம்பனியால் நட்டஈட்டுத் தொகை பின்வருமாறு மதிப்பிடப்பட்டிருந்தது.

மதியுரைக் கம்பனி	நட்டஈட்டுத் தொகை (ஐ.அ.டொலர் மில்லியன்)	நிபந்தனைகள்
Skyworks	84	- 03 விமானங்களும் 03 மாதங்களினுள் மீள சந்தைப்படுத்த முடியுமானதென அடிப்படையில் (Re-Marketting)
	133	- 03 விமானங்கள் 09 மாதங்களினுள் மீள் சந்தைப்படுத்த முடியுமென்பதன் அடிப்படையில்
Nyras	180	- 03 விமானங்கள் 12 மாதங்களினுள் சந்தைப்படுத்த முடியாதென்பதன் அடிப்படையில்

உடன்படிக்கைக்கமைய முடிவுறுத்தும் முன்மொழிவு நிராகரிக்கப்படுமாயின், பின்வரும் 02 மாற்றும் சந்தர்ப்பங்களின் ஒன்றுக்கு முகங்கொடுக்க நேரிடும் என குறிப்பிடப்பட்டிருந்தது.

மாற்றுவழி 01 A 350-900 விமானங்கள் 03 பெற்றுக்கொள்ளப்படுமாயின் வருடாந்தம் அண்ணளவாக ஐ.அ.டொலர் 30 மில்லியனான மேலதிக நட்டமொன்று மேற்கொள்ளப்பட்டிருந்தமை. (இந்த விமானங்கள் 05 வருடங்கள் வைத்துக்கொள்ளப்படுமாயின் மொத்த நட்டம் சுமார் ஐ.அ.டொலர் 150 மில்லியன் ஆகும்.)

மாற்றுவழி 02 சட்டரீதியான நடவடிக்கை எடுத்தல் - Aercap கம்பனியானது நியாயமான நட்டஈட்டு தொகையொன்றை முன்மொழிந்திருந்ததுடன், நீதிமன்ற கட்டளையினை கலந்துரையாடல்கள் மூலம் மாற்றியமைக்க முடியாது.

உத்தேசித்த நட்டஈட்டுத் தொகையினை செலுத்தி விடுதலை பெறுவதன் மூலம் பின்வரும் நலன்கள் விமான சேவைகளுக்கு கிடைக்கும் என மேற்படி அறிக்கையில் தொடர்ந்தும் குறிப்பிடப்பட்டிருந்தது.

- ❖ A 350-900 விமானங்களின் காரணமாக செலவிடுவதற்கு நேர்ந்துள்ள தொடர்ச்சியான மேலதிக நட்டத்தினை எதிர்காலத்தில் மேற்கொள்ள முடியாமை.
- ❖ 2016 மார்ச் 31 ஆந் திகதியில் உள்ளபடியான நிதிக்கூற்றுக்களில் காண்பிக்கப்படுகின்ற குத்தகை வசதிகளை பெற்றுக்கொண்டிருந்தமையின் அடிப்படையில் நிதிக் கட்டுப்பாடு ஐ.அ.டொலர் 865 மில்லியன் (ரூபா 126 பில்லியன்) முதல் ஐ.அ.டொலர் மில்லியன் 520 (ரூபா 75.8 பில்லியன்) வரை குறைவடைந்தமையின் அடிப்படையில் மிகவும் ஆக்கபூர்வமாக முதலீட்டாளர் ஒருவர் ஸ்ரீலங்கன் விமான சேவைகளுக்கு ஈர்ப்பதற்கு முடியுமாக இருந்தமை.
- ❖ A 350-900 விமானங்களை தவிர ஏனைய விமானங்களை மீளமைப்பதன் மூலம் எதிர்வரும் 05 வருடங்களினுள் சேமிப்பொன்றை எதிர்பார்க்க முடியுமென்பது.

அட்டவணை இலக்கம் 11 - விமானங்களை மீள்கட்டமைப்பு (A 350-900 விமானங்கள் நீங்கலாக) செய்தல் மூலம் எதிர்வரும் 05 வருடங்களினுள் எதிர்பார்க்கப்பட்ட சேமிப்புக்கள் தொடர்பான விபரங்கள்.

ஆண்டு	பாதிடப்பட்ட குத்தகை கிரயம் (ஐ.அ.டொலர் மில்லியன்)	மீள் பின்னர் கிரயம் மில்லியன்	கலந்துரையாடலின் (Aftre re-negotiation) குத்தகை (ஐ.அ.டொலர் மில்லியன்)	எதிர்பார்க்கப்பட்ட சேமிப்பு (ஐ.அ.டொலர் மில்லியன்)
2016/17	147	140 (9NB/10WB)		7
2017/18	151	119 (14NB/10WB)		32
2018/19	154	124 (14NB/10WB)		30
2019/20	154	124 (14NB/10WB)		30
2020/21	154	124 (14NB/10WB)		30
எதிர்வரும் 05 வருடங்களுக்கான எதிர்பார்க்கப்பட்ட மொத்த சேமிப்பு				129

“Standard Chartered” வங்கியினூடாக வழங்குவதற்கு இணங்கியிருந்த 150 டொலர் மில்லியனான கடன் தொகையில் 2016 செப்டெம்பர் 30 ஆந் திகதி பெற்றுக்கொள்ளப்பட்டிருந்த ஐ.அ.டொலர் 25 மில்லியனாக இருந்தது. அதற்கமைய, எஞ்சிய அளவின் உடன்படிக்கையை முடிவுறுத்தும் கிரயத்தினை செலுத்துவதற்கும், அதற்காக இலங்கை அரசிடமிருந்து பிணையொன்றினை பெற்றுக்கொள்ள எதிர்பார்ப்பதாகவும் முடிவுறுத்தும் உடன்படிக்கை (Termination Agreement) கைச்சாத்திடப்பட்டதன் பின்னர் நட்டஈட்டு தொகை இணங்கிய திகதிக்கு இணங்கிய அளவினை செலுத்த தவறிடும் போது ஆரம்ப குத்தகை உடன்படிக்கையின் பிரகாரம் சட்ட ரீதியான நடவடிக்கை எடுக்கும் இயலுமை குத்தகை ம்பனியிடம் உள்ளதாக தொடர்ந்தும் அறிவிக்கப்பட்டிருந்தது.

- v) 2016 செப்டெம்பர் 07 ஆந் திகதிய CCEM தீர்மானம் (பின்னிணைப்பு 33) மேற்படி (iv) இல் குறிப்பிடப்பட்டுள்ள அறிக்கையில் உள்ளடக்கப்பட்டுள்ள விடயங்களை கவனத்திற் கொண்டதன் பின்னர் A 350-900 விமானங்கள் 03 இன் உடன்படிக்கை முடிவுறுத்தும் கட்டணங்கள் ஐ.அ.டொலர் 75-85 மில்லியனுக்கு இடைப்பட்டதாக இருக்க வேண்டும் என்பது. இந்த கூட்டத்தின் போது தீர்மானிக்கப்பட்டிருந்தது. இது தொடர்பில் Aercap கம்பனியுடன் கலந்துரையாடி 2016 செப்டெம்பர் 09 ஆந் திகதி வரையிலும் உடன்படிக்கை கைச்சாத்திட வேண்டுமென குறிப்பிடப்பட்டிருந்தது. மேலும்,

இது தொடர்பில் ஏற்படக்கூடிய ஊடக பிரச்சாரத்தினை தடுக்குமாறும் அறிவுரை வழங்கப்பட்டிருந்தது.

vi) 2016 செப்டெம்பர் 21 ஆந் திகதி CCEM இற்கு சமர்ப்பிக்கப்பட்ட அறிக்கை (பின்னிணைப்பு 34)

2016 செப்டெம்பர் 09 ஆந் திகதி Aercap கம்பனியுடன் உடன்படிக்கையை முடிவுறுத்தும் நட்டஈட்டு தொகையை குறைத்து கொள்வதற்காக கலந்துரையாடல் மேற்கொள்ளப்பட்டிருந்தது. அதற்கமைய பயன்படுத்தப்பட்ட A 330-200 விமானமொன்று (MSN 1008) 2017 ஆம் ஆண்டின் போது குத்தகை அடிப்படையில் பெற்றுக்கொள்ளல் மற்றும் மேலும் A 330-200 விமானமொன்றின் (MSN 627) குத்தகைக் கால எல்லையினை நீடிப்பு செய்தல் ஆகிய நிபந்தனைகளுக்கு உள்ளடங்கலாக Aercap கம்பனியால் நட்டஈடாக ஐ.அ.டொலர் 98 மில்லியனை அறவிடுதவற்கு இணங்கியுள்ளதாக அறிவிக்கப்பட்டிருந்தது. அவ்வாறே இந்த நட்டஈட்டுத் தொகையை 6 தவணைகளில் செலுத்துவதற்கு இரு தரப்பினரும் இணங்கியிருந்தனர்.

உடன்படிக்கை கைச்சாத்திடப்பட்டதும்	- ஐ.அ.டொலர் 7.5 மில்லியனான பாதுகாப்பு வைப்பு
உடன்படிக்கை கைச்சாத்திடப்பட்டு 5 நாட்களினுள்	- ஐ.அ.டொலர் 10 மில்லியன்
உடன்படிக்கை கைச்சாத்திடப்பட்டு 15 நாட்களினுள்	- ஐ.அ.டொலர் 10 மில்லியன்
உடன்படிக்கை கைச்சாத்திடப்பட்டு 30 நாட்களினுள்	- ஐ.அ.டொலர் 62.5 மில்லியன்
2017 சனவரி 31	- ஐ.அ.டொலர் 4 மில்லியன்
2017 பெப்ரவரி 28	- ஐ.அ.டொலர் 4 மில்லியன்

மேலும், இந்த அறிக்கையின் பிரகாரம் மேற்குறிப்பிடப்பட்டவாறு உடன்படிக்கையை முடிவுறுத்தல் மற்றும் நட்டஈட்டு தொகையை செலுத்தும் நிபந்தனைகளுக்கு உடன்படாதுவிடின் ஐ.அ.டொலர் 154 மில்லியனான நட்டஈட்டு தொகையாக செலுத்தப்பட வேண்டியதுடன், அந்த தொகையும் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனி ஏற்க வேண்டும்.

vii) 2016 செப்டெம்பர் 21 ஆந் திகதிய CCEM தீர்மானம் (பின்னிணைப்பு 35)

இதன் போது Aercap கம்பனியின் இறுதித் தீர்மானமான ஐ.அ.டொலர் 98 மில்லியன் தொடர்பில் பொது முயற்சிகள் அபிவிருத்தி அமைச்சர் மற்றும் நிதி அமைச்சால் இணக்கப்பாடு காணப்பட்டிருக்கவில்லை. அதற்கமைய, பொது முயற்சிகள் அபிவிருத்தி அமைச்சர் மற்றும் நிதி அமைச்சரால் Aercap கம்பனியுடன் கலந்துரையாடல் மேற்கொண்டு நட்டஈட்டுத்

தொகையை குறைப்பதற்கு நடவடிக்கை எடுக்குமாறு பொருளாதார முகாமைத்துவ அமைச்சரவை குழு (CCEM) அறிவித்திருந்தது. அதன் போது இந்த கலந்துரையாடலை எதிர்வரும் சில நாட்களினுள் நடாத்துவதற்கு நடவடிக்கை எடுக்குமாறு ஸ்ரீலங்கன் விமான சேவைகள் கம்பனிக்கு தெரிவித்திருந்தது.

viii) 2016 செப்டெம்பர் 28 ஆந் திகதிய CCEM தீர்மானம் (பின்னிணைப்பு 36)

2016 செப்டெம்பர் 21 ஆந் திகதிய தீர்மானத்தின் பிரகாரம் பொது முயற்சிகள் அபிவிருத்தி அமைச்சர், நிதி அமைச்சர் மற்றும் பிரதமரின் சிரேஷ்ட ஆலோசகர், திறைசேரியின் செயலாளர் மற்றும் ஸ்ரீலங்கன் விமான சேவைகள் பிரதம நிறைவேற்று உத்தியோகத்தர் ஆகிய சேவைகள் கம்பனியின் பிரதம நிறைவேற்று உத்தியோகத்தர் ஆகிய உத்தியோகத்தர்களை கொண்ட குழுவொன்று Aercap கம்பனியுடன் பொது திறைசேரியில் கலந்துரையாடலொன்றை மேற்கொண்டிருந்தது அதன் போது பின்வரும் விடயங்கள் தொடர்பான தீர்மானங்கள் எட்டப்பட்டிருந்ததாக குறிப்பிடப்பட்டிருந்தது.

- ❖ A 330-200 ரகத்திலான விமானமொன்றினை புதிதாக குத்தகைக்கு பெற்றுக்கொள்ளல் மற்றும் தற்போது காணப்படும் A 330-200 விமானமொன்றின் குத்தகை காலப்பகுதியை நீடிப்பு செய்வதற்கு கீழாக ஐ.அ.டொலர் 98 மில்லியனான நட்டஈட்டு தொகைக்கும் இணங்கியதாக.
- ❖ மேற்குறிப்பிடப்பட்டவாறு ஏற்படுத்திக்கொள்ளப்பட்ட இணக்கப்பாட்டினை எழுத்து மூலம் அரச தொழில் முயற்சிகள் அபிவிருத்தி அமைச்சிற்கு அனுப்புமாறு நிதி அமைச்சரால் Aercap முகவர்களுக்கு அறிவிக்கப்பட்டிருந்தது.
- ❖ இந்த நட்டஈட்டினை செலுத்துதல் சர்வதேச நிதி நிதியத்தினால் இலங்கைக்கு விதிக்கப்பட்டுள்ள நிபந்தனைகளுக்கு உடன்படுகின்றதா என சட்டமா அதிபரிடம் சட்ட ஆலோசனை பெற்றுக்கொள்ள வேண்டும் எனவும் அவ்வாறு இணங்காத போது அது தொடர்பில் Aercap இற்கு அறிவித்து தொடர்ந்தும் கலந்துரையாட வேண்டும் என்பதும்.

ix) 2016 ஒக்டோபர் 01 ஆந் திகதி Aercap கம்பனியின் முகவர்களுடன் திறைசேரியில் கலந்துரையாடலொன்று மேற்கொள்ளப்பட்டிருந்ததுடன், அந்த கலந்துரையாடலுக்கு நிதி அமைச்சின் ஆலோசகர் ஒருவர், ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தர் மற்றும் ஸ்ரீலங்கன் விமான சேவைகள் கம்பனியின்

குழுமத்தின் நிதி மற்றும் நிர்வாக உத்தியோகத்தர்கள் பங்குபற்றியிருந்தனர்.

இதன் பிரதான நோக்கமாக இருந்தது சர்வதேச நிதி நிதியங்களின் நிபந்தனைகளுக்கு பொருந்தும் வகையில் உடன்படிக்கைகளை முடிவுறுத்தும் கட்டணம் (Termination Fee) செலுத்துவதற்கான இணக்கப்பாட்டினை பெற்றுக்கொள்வதாகும். அதற்கமைய 2016 ஆம் ஆண்டின் போது ஐ.அ.டொலர் 10.5 மில்லியன் மாத்திரம் செலுத்த முடியும் எனவும் எஞ்சிய தொகை 06 தவணைகளில் 2017 ஆம் ஆண்டின் போது செலுத்தி முடிப்பதற்கும் இணக்கப்பாடு காணப்பட்டிருந்தது.

இந்த கலந்துரையாடலின் போது Aercap கம்பனியால் விமானங்களை வழங்க வேண்டிய காலம் எதிர்வரும் 02 வாரங்களினுள் நிறைவடைகின்றமையால், 2016 ஒக்தோபர் 03 ஆந் திகதியளவில் முடிவுறுத்தும் உடன்படிக்கை கட்டாயமாக கைச்சாத்திடப்பட வேண்டுமென மேலும் தெரிவிக்கப்பட்டிருந்தது. அதனால், இந்த கலந்துரையாடலின் போது இணங்கிய விடயங்கள் தொடர்பில் பிரதான நிறைவேற்று உத்தியோகத்தர் - சுரேன ரத்வத்த அவர்களினால் மின்னஞ்சல் மூலம் (e-mail) நிதி அமைச்சர் மற்றும் அரச தொழில் முயற்சிகள் அமைச்சருக்கு அத்திகதியே அறிவிக்கப்பட்டிருந்தது. (பின்னிணைப்பு 37)

x) 2016 ஒக்தோபர் 03 ஆந் திகதி பி.ப. 12.17 இற்கு (12.17 A.M.) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் தலைவரால் நிதி அமைச்சர் மற்றும் அரச தொழில் முயற்சிகள் அமைச்சருக்கு மின்னஞ்சல் மூலம் அனுப்பப்பட்ட மின்னஞ்சல் தகவல் (பின்னிணைப்பு 38).

இந்த கடிதத்தின் பிரதியொன்று பிரதமரின் சிரேஷ்ட ஆலோசகர் மற்றும் ஸ்ரீ லங்கன் விமான சேவைகளின் பிரதான நிறைவேற்று உத்தியோகத்தருக்கு அனுப்பப்பட்டிருந்ததுடன், அதில் பின்வரும் விடயங்கள் குறிப்பிடப்பட்டிருந்தன..

❖ 2016 செப்தம்பர் 28 ஆந் திகதி அனுப்பப்பட்ட CCEM அங்கீகாரத்தின் பின்னர் எயர்கெப் கம்பனியுடன் A 350 உடன்படிக்கையை முடிவுறுத்துவதற்காக மிகவும் சிறந்த கொடுப்பனவு நிபந்தனைகளை ஏற்படுத்துவதற்கு கலந்துரையாடலொன்று 2016 ஒக்தோபர் 02 ஆந் திகதி திறைசேரியில் நடாத்தப்படுவதாக.

❖ உத்தேச நடடாட்டுத் தொகைக்காக CCEM அங்கீகாரம் 2016 செப்தம்பர் 28 ஆந் திகதி பெறப்பட்ட போதிலும், அந்த கொடுப்பனவு சர்வதேச நிதி நிதியத்தின் நிபந்தனைகளின் கீழ் மேற்கொள்ளப்பட வேண்டும் என்பது.

- ❖ சர்வதேச நிதி நிதியத்தின் நிபந்தனைகளுக்கு உடன்படல் நிதி அமைச்சரின் விடயப்பரப்பிற்கு உள்ளடக்கப்படுவதுடன், அது மேற்படி கலந்துரையாடலில் தீர்க்கப்பட்டுள்ளதாக.
- ❖ முடிவுறுத்தல் உடன்படிக்கை (Termination Agreement) கைச்சாத்திடுவதற்காக ஏனைய அனைத்து பணிகளும் ஆயத்தமாக உள்ளதாகவும் அதற்காக அங்கீகாரம் கோரப்படுவதாகவும்.

xi) 2016 ஒக்தோபர் 03 ஆந் திகதி பி.ப 12.17 மணிக்கு (12.17 A.M) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் தலைவரினால் அனுப்பப்பட்ட மின்னஞ்சல் தகவலுக்காக அந்த நாளின் காலை 06.01 மணிக்கு (06.01 A.M) பிரதமரின் சிரேஷ்ட ஆலோசகரினால் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் தலைவருக்கு அனுப்பப்பட்ட பதில் (பின்னிணைப்பு 39). அதன் போது மதிப்பிற்குரிய பிரதமர் அவர்களால் பிரதமரின் சிரேஷ்ட ஆலோசகருக்கு மேற்படி தலைவரால் அனுப்பப்பட்ட மின்னஞ்சல் தகவல் பிரகாரம் செயற்படுமாறு அறிவுரை வழங்குமாறு அறிவிக்கப்பட்டதாக குறிப்பிடப்பட்டிருந்தது. (உசாத்துணை: Hon. PM has directed me to advise you that you should proceed as indicated.)

xii) குத்தகை அடிப்படையில் A 350-900 விமானங்கள் 3 பெற்றுக்கொள்ளும் உடன்படிக்கையை நிறைவு செய்யும் உடன்படிக்கைக்கு (Termination Agreement) கையொப்பமிடல் (பின்னிணைப்பு 40) அதன் பிரகாரம் 2016 ஒக்தோபர் 04 ஆந் திகதி A 350-900 எஞ்சிய 03 விமானங்களின் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் உடன்படிக்கைக்கு (Termination Agreement) Aercap கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தர் மற்றும் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் தலைவரினால் கையொப்பமிடப்பட்டிருந்தது.

xiii) 2016 ஒக்தோபர் 26 ஆந் திகதிய CCEM தீர்மானம் (பின்னிணைப்பு 41) நிலவிய அவசர தேவைப்பாட்டின் அடிப்படையில் மேற்படி முடிவுறுத்தும் உடன்படிக்கை ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் 2016 ஒக்தோபர் 04 ஆந் திகதி கைச்சாத்திடப்பட்டதாகவும், அதற்காக பொருளாதார முகாமைத்துவ உப குடியொன்றினால் ஆலோசனை வழங்கப்பட்டதாகவும் கலந்துரையாடப்பட்டிருந்தது. மேலும், இது தொடர்பில் அமைச்சரவையின் அங்கீகாரத்தினை பெற்றுக்கொள்வதற்காக முன்வைப்பதாகவும் இந்த CCEM தீர்மானத்தில் குறிப்பிடப்பட்டிருந்தது.



7.3.1.3. **அமைச்சரவை அங்கீகாரம்**

விமானங்களின் உடன்படிக்கைகளை இரத்துச் செய்வதுடன் தொடர்புடையதாக 07 அமைச்சரவை பிரமாணக்குறிப்புகள் முன்வைக்கப்பட்டிருந்ததுடன், அந்த பிரமாணக் குறிப்புகளில் உள்ளடக்கப்பட்டுள்ள விடயங்கள் மற்றும் அது தொடர்பில் எடுக்கப்பட்ட தீர்மானங்கள் பின்வருமாறு ஆகும்.

அட்டவணை இலக்கம் 12 - A 350- 900 விமானங்கள் 3 இனை குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்கு ஏற்படுத்திக்கொள்ளப்பட்டிருந்த உடன்படிக்கையை இரத்து செய்வதுடன் தொடர்புடையதாக முன்வைக்கப்பட்டிருந்த அமைச்சரவை பிரமாணக்குறிப்புகள்.

	அமைச்சரவை பிரமாணக்குறிப்பு				அமைச்சரவை தீர்மான இலக்கம் மற்றும் / அல்லது திகதி		விடயம்		
i)	2016.10.07	ஆந் திகதி	கௌரவ	2016.10.18	2016.09.28	ஆந் திகதி			
	அமைச்சரினால்	முன்வைக்கப்பட்ட	(பின்னிணைப்பு 42)	(பின்னிணைப்பு 43)	இடம்பெற்ற அறிக்கை	CCEM	கூட்ட		
	பிரமாணக்குறிப்பு (பின்னிணைப்பு 42)								
ii)	2016.10.31	ஆந் திகதி	கௌரவ	2016.11.08	2016.10.26	ஆந் திகதி			
	அமைச்சரினால்	முன்வைக்கப்பட்ட	(பின்னிணைப்பு 44)	அமப/16/2301/702/003-35(பின்னிணைப்பு 45)	இடம்பெற்ற அறிக்கை	CCEM	கூட்ட		
	பிரமாணக்குறிப்பு (பின்னிணைப்பு 44)								
iii)	2017.02.08	ஆந் திகதி	இடம்பெற்ற பொது முயற்சிகள் அபிவிருத்தி ஹாசிம் அவர்களால்	2017.02.21	2017.02.21	ஸ்ரீ லங்கன் விமான சேவையின்	A 350-900	விமான குத்தகை	இரத்துச்
	முன்வைக்கப்பட்ட பிரமாணக்குறிப்பு 2017/02(பின்னிணைப்பு 46)				அமப/17/0336/733/006 (பின்னிணைப்பு 47)		உடன்படிக்கையை செய்தல்.		
iv)		-மேற்படி-		2017.02.28	2017.02.28	-மேற்படி-			
				அமப/17/0432/733/006-I (பின்னிணைப்பு 48)					
v)	2017.04.19	ஆந் திகதி	பொது முயற்சிகள் அபிவிருத்தி அமைச்சரால்			-மேற்படி-			
	முன்வைக்கப்பட்ட பிரமாணக்குறிப்பு (பின்னிணைப்பு 49)								

vi) 2017.07.12 ஆந் திகதி பொது முயற்சிகள் 2017.07.25 -மேற்படி-  
அபிவிருத்தி அமைச்சர் கபீர் ஹாசிம் அமப/17/1535/733/006-IV  
அவர்களால் முன்வைக்கப்பட்ட குறிப்பு (பின்னிணைப்பு 51)  
(Note to the Cabinet) (பின்னிணைப்பு 50)

vii) 2017.08.09 ஆந் திகதி பொது முயற்சிகள் 2017.08.15 -மேற்படி-  
அபிவிருத்தி அமைச்சர் அவர்களால் அமப/17/1535/733/006-IV  
முன்வைக்கப்பட்ட பிரமாணக்குறிப்பு (பின்னிணைப்பு 53)  
(பின்னிணைப்பு 52)

7.3.1.3.1. அமைச்சரவையினால் அட்டவணை 12 இல் குறிப்பிடப்பட்ட  
பிரமாணக்குறிப்புகள் தொடர்பில் எடுக்கப்பட்ட தீர்மானங்கள்.

i) 2016 ஒக்தோபர் 18 ஆந் திகதி இடம்பெற்ற அமைச்சரவை கூட்டம்  
(பின்னிணைப்பு 43)

இதன் போது மேற்படி பொருளாதார முகாமைத்துவம் தொடர்பான  
அமைச்சரவை உப குழுவினால் A 350-900 விமானங்கள் 03 இன்  
உடன்படிக்கைகளை முடிவுறுத்தல் தொடர்பில் வழங்கப்பட்டிருந்த (7.3.1.2.2  
(viii) இல் குறிப்பிடப்பட்டுள்ள) தீர்மானங்களுக்காக அமைச்சரவை உப  
குழுவின் அங்கீகாரம் வழங்கப்பட்டதாக 2016 நவம்பர் 01 ஆந் திகதி  
பிரதமர் அலுவலகத்தினால் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு  
அறிவிக்கப்பட்டிருந்தது.

ii) 2016 நவம்பர் 08 ஆந் திகதி இடம்பெற்ற அமைச்சரவை கூட்டம்  
(பின்னிணைப்பு 45)

இதன் போது மான்புமிகு சனாதிபதியின் அவதானிப்புகளுக்கமைய A 350-  
900 விமானங்கள உடன்படிக்கையை முடிவுறுத்தல் தொடர்பில் CCEM  
தீர்மான இலக்கம் 26/10/2016/15 இற்காக தனியானதொரு அமைச்சரவை  
குறிப்பொன்று தயாரித்து சமர்ப்பிக்குமாறு அறிவிக்கப்பட்டிருந்தது.

இதற்கமைய, ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் அமைச்சரவை  
குறிப்புக்கு தேவையான தகவல்கள் உள்ளடக்கப்பட்ட ஆவணமொன்றை  
தயாரித்து 2016 நவம்பர் 29 ஆந் திகதி அரசு தொழில் முயற்சிகள்  
அபிவிருத்தி அமைச்சின் செயலாளருக்கு வழங்கப்பட்டிருந்தது.

- iii) அரசு தொழில் முயற்சிகள் அமைச்சரினால் 2017 பெப்ரவரி 08 ஆந் திகதி முன்வைக்கப்பட்ட அமைச்சரவை பிரமாணக்குறிப்பு (பின்னிணைப்பு 46) மாண்புமிகு சனாதிபதியின் வேண்டுகோளின் பிரகாரம் அந்த அமைச்சரவை பத்திரம் முன்வைக்கப்பட்டிருந்தது. அதில் உள்ளடக்கப்பட்டிருந்த பிரதான விடயங்கள் பின்வருமாறு.
- ❖ பொருளாதார முகாமைத்துவம் தொடர்பான உப குழுவிற்கு மற்றும் அமைச்சரவைக்கு விமான உடன்படிக்கையை இரத்துச் செய்தல் தொடர்பில் அதற்கு முன்னர் சமர்ப்பிக்கப்பட்டிருந்த அனைத்து அறிக்கைகளும் வரிசை அமைச்சருக்கு முன்வைக்கப்பட்டிருக்கவில்லை என்பது.
  - ❖ மேலுமொரு விமானமொன்று குத்தகை பெற்றுக்கொள்ளல் மற்றும் மிஹின் லங்கா கம்பனியால் குத்தகைக்கு பெற்றுக்கொள்ளப்பட்டிருந்த விமானங்களும் உள்ளடக்கப்பட்ட மேலும் 02 விமானங்களின் குத்தகை உடன்படிக்கையை நீடிப்பு செய்யும் கட்டளைகள் மற்றும் நிபந்தனைகள் தொடர்பாக வரிசை அமைச்சு இல்லது அமைச்சரவை அறிந்திருக்கவில்லை என்பது.
  - ❖ விமான உடன்படிக்கையை முடிவுறுத்துவதற்காக அமைச்சரவையின் அங்கீகாரம் ஏன் பெறப்பட்டது என வினவி அமைச்சரவை செயலாளரால் 2016 ஒக்தோபர் 20 ஆந் திகதி ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு கடிதமொன்று (பின்னிணைப்பு 54) சமர்ப்பிக்கப்பட்டதன் பின்னர் 2016 ஒக்தோபர் 28 ஆந் திகதி கம்பனியால் அமைச்சிற்கு அறிவிக்காது அமைச்சரவை பிரமாணக்குறிப்பொன்று சமர்ப்பிக்கப்பட்டிருந்ததாக.
  - ❖ அரசு தொழில் முயற்சிகள் அமைச்சின், அமைச்சரவையில் அல்லது நீதியரசரின் அங்கீகாரமின்றி ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் 2016 ஒக்தோபர் 04 ஆந் திகதி A 350-900 விமானங்கள் 03 இற்காக குத்தகை பெற்றுக்கொள்ளும் உடன்படிக்கையை அரத்துச் செய்யும் உடன்படிக்கையொன்று கைச்சாத்திடப்பட்டுள்ளதாக.
  - ❖ ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் International Lease Finance Corporation (ILFC) உடன் 03 குத்தகை உடன்படிக்கைகள் கைச்சாத்திடப்பட்டிருந்த போதிலும், உடன்படிக்கைகளை முடிவுறுத்தும் கலந்துரையாடல்கள் Aercap கம்பனியுடன் மேற்கொள்ளப்பட்டிருந்ததாகவும் அதற்கு காரணமாக அமைந்த விடயங்கள் தொடர்பில் அமைச்சிற்கு அறிவித்திருக்கவில்லை என்பது.

- ❖ 2016 ஏப்ரல் மாதத்தின் போது A 350-900 ரக நான்காவது விமானத்தின் உடன்படிக்கை இரத்துச் செய்யப்பட்டிருந்ததுடன், அதற்காக அமைச்சரவையின் அங்கீகாரம் பெற்றுக்கொள்ளப்பட்டிருக்கவில்லை என்பது.
- ❖ அரசு தொழில் முயற்சிகள் அமைச்சின் செயலாளருக்கு Aercap கம்பனியுடன் இடம்பெற்ற கலந்துரையாடல்களுக்கு பங்குபற்றுவதற்காக எவ்வித அறிவித்தலும் வழங்கப்பட்டிருக்கவில்லை என்பது.
- ❖ A 330-200 புதிய விமானத்தினை குத்தகைக்கு பெற்றுக்கொள்ளல் மற்றும் ஏனைய 02 விமானங்களின் குத்தகையினை நீடித்தல் ஆகிய விடயங்கள் கம்பனியினை மீள கட்டமைக்கும் திட்டம் மற்றும் இணங்குகின்றதா என்பது தொடர்பில் சிக்கல்கள் நிலவுகின்றதாக.

iv) 2017 பெப்ரவரி 21 ஆந் திகதிய அமைச்சரவை தீர்மானம் (பின்னிணைப்பு 47)

இதன் போது மேற்படி 2017 பெப்ரவரி 08 ஆந் திகதி அரசு தொழில் முயற்சிகள் அமைச்சர் சமர்ப்பித்த பிரமாணக்குறிப்பு கருத்திற்கொள்ளப்பட்டிருந்தது. இந்த குறிப்பு மான்புமிகு சனாதிபதியின் அவதானிப்புகள் மற்றும் இந்த கூட்டத்தின் போது அரசு தொழில் முயற்சிகள் அமைச்சரால் மேற்கொள்ளப்பட்ட மேலதிக விடயங்களின் விளக்கங்கள் மற்றும் அமைச்சரவையின் ஏனைய உறுப்பினர்கள் சிலரால் முன்வைக்கப்பட்ட கருத்துக்கள் ஆகியவற்றுடன் கருத்திற்கொள்ளப்பட்டிருந்தது. அதற்கமைய இது தொடர்பான மேலதிக விசாரணைகளை மேற்கொண்டு பரிந்துரைகளை அமைச்சரவைக்கு முன்வைப்பதற்காக மான்புமிகு பிரதமரை வினவி அமைச்சரவை உப குழுவொன்றினை நியமிக்குமாறு மதிப்பிற்குரிய சனாதிபதியிடம் கோரிக்கை விடுப்பதற்கு தீர்மானிக்கப்பட்டிருந்தது.

v) 2017 பெப்ரவரி 28 ஆந் திகதிய அமைச்சரவை தீர்மானம் (பின்னிணைப்பு 48)

2017 பெப்ரவரி 27 ஆந் திகதி அரசு தொழில் முயற்சிகள் அமைச்சரினால் அமைச்சரவை குறிப்பொன்று முன்வைக்கப்பட்டிருந்ததுடன், அதன் போது ஸ்ரீ லங்கன் விமான சேவைகளின் A 350-900 விமானங்களின் குத்தகை உடன்படிக்கைகளை இரத்துச் செய்தல் தொடர்பில் நிதி அமைச்சுடன் இணைந்ததாக ஒருங்கிணைந்த அமைச்சரவை பிரமாணக் குறிப்பொன்று

அமைச்சரவையின் அங்கீகாரத்திற்காக சமர்ப்பிப்பதற்கு நடவடிக்கை எடுப்பதாக அறிவிக்கப்பட்டிருந்தது.

இந்த அமைச்சரவை குறிப்பு 2017 பெப்ரவரி 28 ஆந் திகதி இடம்பெற்ற அமைச்சரவை கூட்டத்தின் போது கருத்திற்கொள்ளப்பட்டிருந்தது.

**vi) 2017 ஏப்ரல் 19 ஆந் திகதிய அமைச்சரவை பிரமாணக் குறிப்பு (பின்னிணைப்பு 49)**

இந்த பிரமாணக் குறிப்பு அரசு தொழில் முயற்சிகள் அமைச்சர் மற்றும் நிதி அமைச்சரினால் முன்வைக்கப்பட்டிருந்ததுடன், அதில் A 350-900 விமானங்களின் உடன்படிக்கைகளை முடிவுறுத்தும் நடைமுறை மேற்கொள்ளப்பட்ட விதம் தெளிவுபடுத்தப்பட்டிருந்தது. அதன் போது 2016 ஒக்டோபர் 04 ஆந் திகதி A 350-900 விமானங்கள் 03 இன் குத்தகை உடன்படிக்கைகளை முடிவுறுத்துவதற்காக ஏற்படுத்தப்பட்ட உடன்படிக்கையின் நிபந்தனைகள் தொடர்பிலும், விடயங்கள் குறிப்பிடப்பட்டிருந்ததுடன், அந்த உடன்படிக்கையை உரிய முறையில் அமுல்படுத்துவதற்காக நிதி அமைச்சர் மற்றும் அரசு தொழில் முயற்சிகள் அமைச்சரினால் மேற்கொள்ளப்பட்ட நடவடிக்கைகளை செயற்படுத்துவதற்காக திறைசேரியின் செயலாளர் மற்றும் அரசு தொழில் முயற்சிகள் அமைச்சின் செயலாளருக்கு அதிகாரத்தினை ஒப்படைப்பதற்கு அங்கீகாரம் கோரப்பட்டிருந்தது.

**vii) 2017 யூன் 12 ஆந் திகதிய அமைச்சரவை பிரமாணக் குறிப்பு (பின்னிணைப்பு 50)**

இந்த பிரமாணக் குறிப்பு அரசு தொழில் முயற்சிகள் அமைச்சரினால் முன்வைக்கப்பட்டிருந்ததுடன், அதன் மூலம் மேற்படி 2017 ஏப்ரல் 19 ஆந் திகதி முன்வைக்கப்பட்ட கூட்டிணைந்த அமைச்சரவை பிரமாணக் குறிப்பினூடாக கோரப்பட்ட அங்கீகாரத்தினை பெற்றுத்தருமாறு சுட்டிக்காண்பிக்கப்பட்டிருந்தது. இதன் போது 2017 ஏப்ரல் 19 ஆந் திகதி பிரமாணக்குறிப்பு முன்வைக்கப்பட்டது 2017.02.21 ஆந் திகதிய அமைச்சரவை தீர்மான இலக்கம் : அமப/17/0336/733/066 கொண்ட தீர்மானத்தின் பிரகாரம் மற்றும் 2017.02.28 ஆந் திகதிய அமைச்சரவை தீர்மான இலக்கம் : அமப/17/0432/733/006-I கொண்ட தீர்மானத்தின் பிரகாரம் என குறிப்பிடப்பட்டிருந்தது. 2017 ஏப்ரல் 19 ஆந் திகதிய குறிப்பு 2017 யூன் 13 ஆந் திகதி கவனத்திற் கொள்ளப்பட்டதன் பின்னர் அமைச்சரவையால் 2017 யூன் 20 ஆந் திகதி இடம்பெற்ற அமைச்சரவை கூட்டத்திற்காக ஸ்ரீ லங்கன் விமான கம்பனியின் தலைவர், பிரதான நிறைவேற்று உத்தியோகத்தருடன் அரசு தொழில் முயற்சிகள் அமைச்சின் செயலாளர் அழைக்கப்பட்டிருந்தார். அதன் போது இது தொடர்பான

தீர்மானமொன்றினை மேற்கொள்ளல் பிற்போடப்பட்டிருந்ததுடன், அந்த பிற்போடப்பட்ட தீர்மானம் தொடர்பில் கவனம் செலுத்துதல் 2017 யூலை 12 ஆந் திகதிய அமைச்சரவை பிரமாணக் குறிப்பின் நோக்கமாக இருந்தது.

viii) 2017 யூலை 25 ஆந் திகதிய அமைச்சரவை தீர்மானம் (பின்னிணைப்பு 51) மேற்படி 2017 ஏப்ரல் 19 ஆந் திகதிய அமைச்சரவை பிரமாணக்குறிப்பு மற்றும் 2017 யூலை 12 ஆந் திகதிய அமைச்சரவை பிரமாணக்குறிப்பு ஆகியன இதன் போது கவனத்திற்கொள்ளப்பட்டிருந்தன. இந்த சந்தர்ப்பத்தில் நிதி அமைச்சரால் பின்வரும் அவதானிப்புகள் மேற்கொள்ளப்படுகின்றன.

❖ A 350-900 விமானங்கள் 03 இனை கொள்வனவு செய்யும் உடன்படிக்கை இரத்துச் செய்யப்பட்டு அமைச்சரவையின் உரிய அங்கீகாரமின்றி அனைத்து நட்டஈட்டு தொகைகளும் செலுத்தப்பட்டுள்ளதாக.

❖ 2016 நவம்பர் 28 ஆந் திகதி இடம்பெற்ற CCEM தீர்மானத்தின் பிரகாரம் நீதியரசரின் ஆலோசனைகள் பெறப்பட்டுள்ளதா என தெளிவின்றியிருத்தல்.

❖ உடன்படிக்கையின் பின்வரும் நிபந்தனைகள் தொடர்பில் CCEM அங்கீகாரம் பெறப்பட்டுள்ளதா என தெளிவின்றியிருத்தல்.

– தவணைகளை செலுத்தல் தொடர்பில் இணங்கிய திட்டம்.

– Aercap இனால் மிஹின் லங்கா கம்பனிக்கு குத்தகை முறைமையின் அடிப்படையில் வழங்கப்பட்டிருந்த குறுகிய அமைப்புடைய 02 விமானங்கள் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் சுவீகரிக்கப்பட்டிருந்தமை.

❖ அதனால் இது தொடர்பிலான விரிவான அறிக்கையொன்று அமைச்சரவையின் பார்வைக்காக முன்வைக்கப்பட வேண்டும் என்பது.

இதன் பிரகாரம், 2017 யூலை 25 ஆந் திகதிய அமைச்சரவை கூட்டத்தின் போது பின்வரும் தீர்மானங்கள் எட்டப்பட்டிருந்தன.

❖ நிதி அமைச்சரினால் மேற்குறிப்பிடப்பட்டவாறு வழங்கப்பட்டிருந்த அறிவுறுத்தல்களுக்கமைய பரிந்துரைகளை முன்வைப்பதற்காக CCEM இற்கு முன்வைத்தல்.

❖ மேற்படி CCEM இனால் மேற்கொள்ளப்படும் பரிந்துரைகளை கவனத்திற் கொள்வதற்காக அரசு தொழில் முயற்சிகள் அமைச்சரினால் அமைச்சரவை பிரமாணக் குறிப்பொன்றினை முன்வைக்குமாறு அமைச்சின் செயலாளருக்கு பணித்தல்.

ix) 2017 ஆகஸ்ட் 09 ஆந் திகதிய அமைச்சரவை பிரமாணக்குறிப்பு (பின்னிணைப்பு 52)

இந்த பிரமாணக்குறிப்பினால் மேற்படி 2017 ஏப்ரல் 19 ஆந் திகதி அரசு தொழில் முயற்சிகள் அமைச்சு மற்றும் நிதி அமைச்சரினால் இணைந்ததாக சமர்ப்பிக்கப்பட்டிருந்த அமைச்சரவை பிரமாணக்குறிப்பிற்கு (Joint Cabinet Memorandum) கவனம் செலுத்தப்பட்டிருந்தது. அதற்கமைய 2017 ஆகஸ்ட் 02 ஆந் திகதி CCEM இனால் பரிந்துரைக்கப்பட்ட A 350-900 விமானங்கள் 03 இனை இரத்துச் செய்யும் உடன்படிக்கைக்காக அமைச்சரவையின் அங்கீகாரம் கோரப்பட்டிருந்தது. மேலும், திறைசேரியின் செயலாளர் மற்றும் அரசு தொழில் முயற்சிகள் அமைச்சின் செயலாளருக்கு உடன்படிக்கையில் உள்ளடக்கப்பட்டுள்ள விடயங்களுக்கு இசைவாக்கம் அடைவதற்கு அதிகாரத்தினை கையளிப்பதற்கும் அங்கீகாரம் கோரப்பட்டிருந்தது.

x) 2017 ஆகஸ்ட் 15 ஆந் திகதிய அமைச்சரவை தீர்மானம் (பின்னிணைப்பு 53)

இதன் போது 2017 ஏப்ரல் 19 ஆந் திகதிய ஒருங்கிணைந்த அமைச்சரவை பிரமாணக் குறிப்பு மற்றும் 2017 ஆகஸ்ட் 09 ஆந் திகதிய அமைச்சரவை பிரமாணக் குறிப்பு கவனத்திற்கொள்ளப்பட்டு தீர்மானம் எடுக்கப்பட்டிருந்தது.

❖ A 350-900 விமானங்கள் 03 இனை குத்தகைக்கு எடுக்கும் உடன்படிக்கையை முடிவுறுத்தும் உடன்படிக்கையின் நிபந்தனைகளுடன் இணங்குவதாக உறுதிப்படுத்திக்கொள்ளும் பொருட்டு அந்த உடன்படிக்கையில் உள்ளடக்கப்பட்டுள்ள விடயங்களை கருத்திற் கொண்டு நிதி மற்றும் வெகுசன ஊடக அமைச்சரி மற்றும் அரசு தொழில் முயற்சிகள் அபிவிருத்தி அமைச்சரினால் எடுக்கப்பட வேண்டிய எதேனும் நடவடிக்கையொன்றிற்கு தேவையான வசதிகளை ஏற்படுத்திக் கொடுப்பதற்காக திறைசேரியின் செயலாளருக்கு மற்றும்

அரசு தொழில் முயற்சிகள் அபிவிருத்தி அமைச்சின் செயலாளருக்கு அதிகாரத்தினை கையளிப்பதற்கு அங்கீகாரம் வழங்குதல்.

❖ ஸ்ரீ லங்கன் விமான சேவைகளினால் மேற்கொள்ளப்பட்டுள்ள பின்வரும் கொடுக்கல் வாங்கல்களுக்குரிய சம்பவங்கள் மற்றும் அதனுடன் தொடர்புடைய நிதி பொறுப்புகள் தொடர்பான தகவல்களை குறிப்பிட்டு விரிவான அறிக்கையொன்று 02 வாரங்களினுள் அமைச்சரவைக்கு சமர்ப்பிக்குமாறு அரசு தொழில் முயற்சிகள் அபிவிருத்தி அமைச்சரிடம் கோரப்பட்டிருந்தது.

– A 350-900 விசாலமான அமைப்புடனான மூன்று விமானங்கள் தொடர்பில் குத்தகை உடன்படிக்கை கைச்சாத்திடுவதற்கு மற்றும்,

– A 350-900 விமானங்கள் நான்கு தொடர்பில் கொள்வனவு உடன்படிக்கையொன்றினை கைச்சாத்திடல்.

7.3.2. **உடன்படிக்கையை முடிவுறுத்துவதற்காக மதியுரை சேவைகளை பெற்றுக்கொள்ளல்**

7.3.2.1. **“Skyworks” மதியுரை கம்பனியிடமிருந்து மதியுரை சேவைகளை பெற்றுக்கொள்ளல்**

7.3.2.1.1. **“Skyworks” மதியுரை கம்பனியை தெரிவு செய்தல்**

2015 ஆகஸ்ட் 03 ஆந் திகதிய பணிப்பாளர் சபை தீர்மானத்தின் பிரகாரம் A 350 ரக விமானங்கள் செயற்பாட்டுக் குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்காக கைச்சாத்திடப்பட்டிருந்த குத்தகை கம்பனியுடன் கலந்துரையாடி ஏதேனுமொரு நியாயமான தீர்வொன்றிற்கு வருவதற்கு மதியுரை கம்பனிகளின் உதவியை பெற்றுக்கொள்வதற்கும் அதன் போது “DVD Bank” மற்றும் “Skyworks” ஆகிய மதியுரை கம்பனிகளுடன் வெளிப்படுத்தாமைக்கான உடன்படிக்கைகளுக்கு (Non-Disclosure Agreements – NDA) கைச்சாத்திடுவதற்கும் தீர்மானிக்கப்பட்டிருந்தது. அதற்கமைய 2015 ஆகஸ்ட் 10 மற்றும் 12 ஆகிய திகதிகளில் முறையே “Skyworks” மற்றும் “DVD Bank “ ஆகிய மதியுரை கம்பனிகளுடன் 05 வருட காலப்பகுதியில் செல்லுபடியாகும் வகையில் வெளிப்படுத்தாமைக்கான உடன்படிக்கை கைச்சாத்திடப்பட்டிருந்தது.

2012 ஆகஸ்ட் 12 ஆந் திகதி முன்மொழிவுக்கான கோரிக்கை (RFP) மேற்படி 02 நிறுவனங்களுக்கு ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் அனுப்பப்பட்டிருந்தது. அந்த RFP உடன் கம்பனியின் தற்போதைய விமான அணி மற்றும் 2015 ஆம் ஆண்டு முதல் 2021 ஆம் ஆண்டு வரையிலும்



கம்பனிக்கு கிடைக்க வேண்டியதாக இருந்த விமானங்கள் தொடர்பிலான தகவல்கள் உள்ளடக்கப்பட்ட பின்னிணைப்பொன்றும் சமர்ப்பிக்கப்பட்டிருந்தது.

ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் அனுப்பப்பட்ட மேற்படி முன்மொழிவிற்கான கோரிக்கையில் (RFP) (பின்னிணைப்பு 55) பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டிருந்தன.

- i) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி நீண்ட பிரயாண பாதைகளில் (Longhaul Routes) விமான ஓட்டத்திலிருந்து நீங்குவதற்கு தீர்மானித்திருந்தமையால் 2016/2017 ஆண்டுகளில் பெறுவதற்கு உள்ள A 350-900 ரகத்திலான 04 விமானங்கள் எதிர்வரும் 03 வருடங்களுக்கு தேவையற்றது என்பது.
- ii) கம்பனி மேற்குறிப்பிட்ட எதிர்வரும் 03 வருடங்களினுள் பெறவுள்ள விமானங்களின் குத்தகை உடன்படிக்கையை இரத்துச் செய்வதற்கு அல்லது பிற்போடுவதற்கு நடவடிக்கை எடுக்கப்பட்டவாறு உள்ளதாக.
- iii) 04 விமானங்களின் குத்தகை உடன்படிக்கைகளை இரத்துச் செய்தல் / பிற்போடுதல் ஆகியவற்றினால் ஏற்படக்கூடிய குத்தகை கிரயம் மற்றும் ஏனைய சிக்கல்களை தீர்த்தல் தொடர்பில் நிலவும் மாற்றுவழியொன்று தொடர்பில் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் பணிப்பாளர் சபைக்கு ஆலோசனை வழங்குவதற்கு.
- iv) இந்த கொடுக்கல் வாங்கலினை முடிவுறுத்துவதற்காக Airbus கம்பனி மற்றும் விமான குத்தகை கம்பனியுடன் மேற்கொள்ளும் கலந்துரையாடல்களுக்கு பங்குபற்றல்.
- v) தேவையான ஆவணப்படுத்தல்களுக்காக (Documentation) ஆலோசனை வழங்குவதற்கு.
- vi) கம்பனிக்கு கிடைக்கவுள்ள விமானங்களை இரத்துச் செய்வதற்கு அல்லது பிற்போடுவதற்குரிய தண்டப்பணங்களை தடுத்தல் மிகவும் அவசியமானதென்பது.
- vii) தற்போதைய மற்றும் எதிர்கால விமானப் பாதை வலையமைப்பின் தேவைப்பாட்டினை இனங்காணல், விமான குழாமின் உயரிய கலவையை இனங்காணல் மற்றும் A 330 neo, A 330-300 மற்றும் A 350-900 ரகத்திலான விமானங்களின் செயற்பாட்டு நடவடிக்கைகள் தொடர்பான பொருளாதார மதிபாய்வொன்றை மேற்கொள்ளுதல் தேவை என்பது.

viii) உரிய முன்மொழிவுகள் [ulcptenders@Srilankan.com](mailto:ulcptenders@Srilankan.com) எனும் மின்னஞ்சல் கணக்கிற்கு 2015 ஆகஸ்ட் 18 ஆந் திகதி பி.ப 11.30 மணிக்கு அல்லது அதற்கு முன்னர் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் தலைவருக்கு கிடைக்கும் வகையில் அனுப்பப்பட வேண்டும் என்பது.

ix) விமான உற்பத்திகள் அல்லது விமான குத்தகை கம்பனிகளுடன் மேற்கொள்ளப்படும் கலந்துரையாடல்களை மேற்கொள்ளல் அல்லது பங்குபற்றும் இயலுமை, விமான கட்டளைகளை பிற்போடல் / இரத்துச் செய்தல் மற்றும் விமான அணியினை மீள் நிறுவுவதற்காக மதியுரை சேவைகளை வழங்கும் இயலுமை மற்றும் விமானக் கம்பனிக்காக பொருத்தமான விமான வகையினை மதிப்பீடு செய்யும் இயலுமை மற்றும் அனுபவம் காணப்பட வேண்டும் என்பது.

x) பயன்படுத்தப்பட்ட நடைமுறை, குழுக்கள் மற்றும் அவர்களின் அனுபவம், உத்தேச எதிர்வுகூறல் கால எல்லை, கட்டணங்களை அறவிடல் தொடர்பான விடயங்கள் முன்மொழிவில் உள்ளடக்கப்பட வேண்டும் என்பது.

xi) மிஹின் லங்கா கம்பனியினால் குத்தகை உடன்படிக்கையின் அடிப்படையில் பெற்றுக்கொள்ளப்பட்டுள்ள A 320 Neo ரகத்திலான 02 விமானங்களை இரத்துச் செய்தல் / பிற்போடுவதற்காக மதியுரை சேவைகளை பெற்றுக்கொள்வதற்காக.

2015 செப்தம்பர் 21 ஆந் திகதிய பணிப்பாளர் சபை தீர்மானத்தின் (பின்னிணைப்பு 15) பிரகாரம் அபிப்பிராயக் கூற்றொன்று (EOI) Skyworks கம்பனி உள்ளடங்கலாக மேலும் 02 கம்பனிகளிடமிருந்து கிடைத்ததாக குறிப்பிடப்பட்டிருந்தது. அதன் போது DVD Bank மதியுரை கம்பனி மற்றும் இதற்கு முன்னர் ஸ்ரீ லங்கன் விமான சேவைகள் மூலம் மேற்படி பணக்காக உடடன்படிக்கை அடிப்படையொன்றில்லாது சேவையில் ஈடுபடுத்தப்பட்டிருந்த “Nyras” கம்பனிக்கும் RFP அனுப்பப்பட்டு முன்மொழிவுகள் பெற்றுக்கொள்ளப்பட்டிருந்தன. இவ்வாறு கிடைத்த முன்மொழிவுகள் 07 உத்தியோகத்தர்களை கொண்ட குழுவொன்றின் மூலம் மதிப்பிடப்பட்டு “Skyworks” கம்பனி தெரிவு செய்யப்பட்டிருந்தது.

7.3.2.1.2. “Skyworks” கம்பனியிடம் மதியுரை சேவைகளை பெற்றுக்கொள்வதற்காக உடன்படிக்கை கைச்சாத்திடல்

ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி “Skyworks” மதியுரை கம்பனியுடன் 2015 செப்டம்பர் 09 ஆந் திகதி உடன்படிக்கையொன்றினை கைச்சாத்திட்டிருந்தது. அந்த உடன்படிக்கையில் உள்ளடக்கப்பட்ருந்த முக்கியமான விடயங்கள் பின்வருமாறு.

- i) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் தேவையான தரவுகள் மற்றும் தகவல்களை சேகரிக்கும் போது மதியுரை கம்பனியால் உதவி வழங்கப்பட வேண்டும் என்பது.
- ii) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் வழங்கப்படும் ஏற்றல் உள்ளடக்கங்கள், விமான பயணச்சீட்டு கட்டணம் ஆகிய வருமானம் தொடர்பான கருதுகோள்கள் மற்றும் விமான வழிகள் மற்றும் விமானங்கள் தொடர்பான விடயங்களின் அடிப்படையில் மதியுரை கம்பனியால் ஸ்ரீ லங்கன் விமான சேவையின் வியாபாரத் திட்டம் மதிப்பீடு செய்யப்படுவதாக.
- iii) மதியுரை கம்பனியால் பரந்த அமைப்புடைய விமானங்களை நீண்ட தூர விமான பயணப் பாதைகளில் ஈடுபடுத்தல் தொடர்பில் பொருளாதார பகுப்பாய்வொன்று மேற்கொள்ளப்படுவதாக.
- iv) A 350 ரகத்திலான விமானங்களுக்கு பதிலாக உச்சமான முறையில் பயன்படுத்தக்கூடிய ஏனைய விமானங்கள் தொடர்பில் அறிவுரைகள் வழங்கப்படுவதாக.
- v) Aercap மற்றும் Airbus ஆகிய 02 கம்பனிகளிடமிருந்து A 350 பெற்றுக்கொள்வதற்கான நடைமுறை பொறுப்பு தொடர்பில் பயன்படுத்தக்கூடிய மிகவும் சிறந்த வழிமுறை தொடர்பில் ஸ்ரீ லங்கன் விமான சேவைகளின் பணிப்பாளர் சபைக்கு அறிவிப்பதாக.
- vi) Aercap மற்றும் Airbus ஆகிய கம்பனிகளுடன் நடாத்தப்படும் கலந்துரையாடல்களில் பங்குபற்றல் மற்றும் அவர்களுடன் பறிமாற்றிக்கொள்ளப்படும் ஆவணங்களை தயாரிப்பதற்கு ஸ்ரீ லங்கன் விமான சேவைகளுக்கு உதவுவதாக.
- vii) மதியுரை கம்பனியால் அனைத்து தகவல்களையும் வழங்கி 04 வாரங்களினுள் தமது அறிக்கையை வழங்குவதாக.

viii) பின்வருமாறு கட்டணங்கள் அறவிடப்படுவதாக.

- ❖ மாதாந்த கட்டணமாக ஐ.அ.டொலர் 100,000 (Work Fee)
- ❖ மாதாந்த கட்டணத்தில் முதல் 02 மாதங்களுக்காக முற்பணமாக மாதமொன்றிற்கு ஐ.அ.டொலர் 50,000 படி ஐ.அ.டொலர் 100,000 முதலில் செலுத்தப்பட வேண்டும் என்பதும் அந்த கட்டணங்கள் சாத்தியக் கட்டணத்திலிருந்து (Success Fee) ஈடு செய்ய முடியும் என்பதும்.
- ❖ Arecap மற்றும் Airbus கம்பனிகளுக்கு தண்டப்பணம் செலுத்த நேரிடாவிடின் அல்லது உடன்படிக்கைகளை இரத்துச் செய்ய தேவை ஏற்படாதிருப்பின் சாத்தியக் கட்டணங்களாக (Success Fee) ஐ.அ.டொலர் 750,000 தொகை அந்த கம்பனிகளுடன் கலந்துரையாடல் மற்றும் ஆவணங்களை தயாரிப்பதற்காக செலுத்த வேண்டும் என்பது.
- ❖ A 320 விமானங்கள் 02 இரத்துச்செய்வதற்காக மிஹின் லங்கா கம்பனிக்கு உதவுதல் மற்றும் ஆலோசனைகளை வழங்குவதற்காக ஐ.அ.டொலர் 250,000 செலுத்த வேண்டும் என்பது.
- ❖ அதற்கு மேலதிகமாக Skyworks கம்பனியால் இந்த மதியுரை சேவை தொடர்பில் மேற்கொள்ளப்பட்ட சாதாரண செலவின (Reasonable out of pocket expenses) பற்றுச்சீட்டு முன்வைக்கப்பட்டு 15 நாட்களினுள் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் தீர்க்கப்பட வேண்டும் என்பது.
- ❖ Skyworks கம்பனியின் நபர்களுக்கு இதற்கான விமான பயணங்களுக்காக அணுசரணை வழங்கப்பட வேண்டும் என்பது.

### 7.3.2.1.3. மதியுரை சேவைகளை பெற்றுக்கொள்ளல்

7.3.2.1.3.1. “Skyworks” கம்பனியால் 2015 ஒக்தோபர் 22 ஆந் திகதி இடை அறிக்கையொன்று முன்வைக்கப்பட்டிருந்ததுடன், இதில் பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டிருந்தன. (பின்னிணைப்பு 16)

- i) “Skyworks” கம்பனியால் ஸ்ரீ லங்கன் விமான சேவையின் விமானப் பாதை வலையமைப்பினை பகுப்பாய்வு செய்து அதற்காக ஈடுபடுத்தக்கூடிய மிகவும் ஆக்கபூர்வமான மற்றும் ஈட்டங்களை ஊச்சப்படுத்தும் விமான ரகங்கள் இனங்காணப்பட்டுள்ளதாக.
- ii) A 350 ரகத்திலான விமானங்கள் நிர்மாணிக்கப்பட்டுள்ளது போயின் 777 மற்றும் A 340 ரக விமானங்களுக்கு பதிலாக நீண்ட தூர ஓட்டப் பாதைகளில் (Longhaul Routes) ஈடுபடுத்துவதற்கென.
- iii) பின்வரும் விடயங்களின் காரணமாக A 350 ரகத்திலான விமானங்களை விட A 330 ரக விமானங்கள் மிகவும் பொருத்தமானவை என்பது.

- ❖ மேற்படி வெளிநாட்டு விமான பயணங்களுக்கான செலவினங்களுக்காக நாளொன்றிற்கு ஐ.அ.டொலர் 50 இற்கு மேற்படாத தொகையொன்றினை செலுத்த வேண்டும் என்பது மற்றும் இந்த செலவினம் ஐ.அ.டொலர் 2,500 இனை விஞ்சும் போது முன் அனுமதி ஸ்ரீ லங்கள் விமான சேவைகள் கம்பனியிடமிருந்து பெற்றுக்கொள்ளப்பட வேண்டும் என்பது.
  - ❖ A 350 ரகத்திலான 04 விமானங்கள் பயன்படுத்தப்பட்டமையால் செயற்பாட்டு செயற்பாட்டு வருமானம் வருடாந்தம் ஐ.அ.டொலர் 20 மில்லியன் படி மொத்த குத்தகை காலமான 12 வருடங்களினுள் ஐ.அ.டொலர் 240 மில்லியன் குறைவடைந்தமை.
  - ❖ இந்த A 350 விமானங்கள் 04 தற்போது காணப்படும் பரந்த அமைப்புடைய விமான குழுமுடன் கவனத்திற்கொள்ளும் போது மேலதிக விமானங்களானமை மற்றும் அதன் அடிப்படையில் செலுத்த நேரிடும் வருடாந்த குத்தகை கிரயமான ஐ.அ.டொலர் 15-20 மில்லியனுக்கு இடைப்பட்ட அளவானது விமான சேவைகளால் மேற்கொள்ள நேர்ந்தமை.
  - ❖ எரிபொருள் விலையில் ஏற்படும் அதிகரிப்பினால் A 330 இனை விட A 350 விமானங்களில் கிரய சேமிப்பொன்றினை எதிர்பார்க்க முடியாது என்பது.
- iv) மேற்கொள்ளப்பட் பகுப்பாய்விற்கமைய ஸ்ரீ லங்கள் விமான வழி வலையமைப்பிற்காக A 330 விமானங்களை பயன்படுத்தல் மிகவும் இலாபகரமானது என்பது.
- v) ஸ்ரீ லங்கள் விமான சேவையின் விமானங்களின் பயன்பாடு நாளொன்றிற்கு விமான 12.1 மணித்தியாலங்கள் ஆகும். அதற்கமைய A 350 விமானங்களின் இயலுமையை உச்ச அளவில் பயன்படுத்த முடியாததுடன், அதன் கிரயமும் ஏற்க முடியாததாகும். அதனால் A 350 விமானங்கள் ஸ்ரீ லங்கள் விமான சேவைக்கு பொருத்தமற்றதென்பது.

7.3.2.1.3.2. “Skyworks” மதியுரை கம்பனியால் 2016 சனவரி மாதத்தின் போது சமர்ப்பிக்கப்பட்டிருந்த அறிக்கையில் பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டிருந்தன. (பின்னிணைப்பு 21)

- i) A 350 விமானங்களை பெற்றுக்கொள்வதற்கு தீர்மானிக்கப்பட்ட வருடத்தில் எரிபொருள் விலை நிலவியமையும் அந்த விடயத்தினை மாத்திரம் கருத்திற் கொண்டதன் அடிப்படையில் A 350 ரகத்திலான 3 விமானங்கள் ஸ்ரீ லங்கன் விமான சேவைக்கு சேர்ப்பதற்கு எடுக்கப்பட்ட தீர்மானம் தற்போது நிலவும் சந்தை நிலைமைகள் மற்றும் போட்டி நிலைமையுடன் கவனத்திற் கொள்ளும் போது ஆக்கபூர்வமான தீர்மானமொன்று அல்ல என்பது.
- ii) A 350 ரக விமானங்களை பெற்றுக்கொள்வதற்கு அல்லது கலந்துரையாடலுக்கு வராது சட்டரீதியான அடிப்படையொன்றில் உடன்படிக்கைகளை இரத்துச் செய்தல் எனும் 02 மாற்று வழிகளிலும் ஸ்ரீ லங்கன் விமான சேவைக்கு கிரயம் அதிகம் என்பது.
- iii) அதன் காரணமாக விமான வீதி வலையமைப்பு, விமான குழாம் மற்றும் கம்பனியின் கிரயக் கட்டமைப்பு திருத்தப்பட்ட வியாபார திட்டத்தின் ஒரு பெகுதியாக இலாபமீட்டும் நோக்கில் மற்றும் A 350 பிரச்சினையை தீர்ப்பதற்காக மீள்கட்டமைக்கப்பட வேண்டும் என்பது.
- iv) குத்தகை கம்பனிகளால் மற்றும் ஏனை செயற்பாட்டுக் கிரயங்களுக்காக உடன்படிக்கை கைச்சாத்திட்டவர்களுடன் கலந்துரையாடலொன்றிற்கு வருவதன் மூலம் சலுகைகளை பெற்றுக்கொள்ளல் ஸ்ரீ லங்கன் விமான சேவைக்கு இந்த சந்தர்ப்பத்தில் காணப்படும் மிகவும் சிறந்த வழிமுறையொன்று என்பது.

7.3.2.1.4. **மதியுரை சேவைகளுக்கு கொடுப்பனவுகளை மேற்கொள்ளல்**

“Skyworks” மதியுரை கம்பனிக்கு மதியுரை சேவைகளை வழங்குவதற்காக 2015 செப்டம்பர் 25 ஆந் திகதி முதல் 2016 ஏப்ரல் 11 ஆந் திகதி வரையிலும் ஐ.அ.டொலர் 355,451.09 அதாவது ரூபா 52 மில்லியன் (அமெரிக்க டொலர் ஒன்றின் இலங்கை ரூபாவின் பெறுமதி ரூபா 146 ஆக எடுக்கும் போது பின்வருமாறு கொடுப்பனவு மேற்கொள்ளப்பட்டிருந்தது. (பின்னிணைப்பு 56)

அட்டவணை இல 13 – “Skyworks” மதியுரை கம்பனிக்கு கொடுப்பனவு மேற்கொண்ட விதம்

திகதி	செலுத்திய தொகை	விபரம்
2015.09.25	100,000.00	மாதாந்த கட்டணம் (Monthly Work Fee)
2015.10.21	100,000.00	மாதாந்த கட்டணம் (Monthly Work Fee)
2015.12.29	52,832.21	மாதாந்த கட்டணம் (Monthly Work Fee)
2015.12.29	50,692.38	மாதாந்த கட்டணம் (Monthly Work Fee)
2016.02.10	50,379.99	செலவினங்களை தீர்த்தல் (Out of Pocket expenses)
2016.04.11	1,546.51	செலவினங்களை தீர்த்தல் (Out of Pocket expenses)
மொத்தம்	<u>355,451.09</u>	

7.3.2.2. “Nyras” கம்பனியிடமிருந்து மதியுரை சேவைகளை பெற்றுக்கொள்ளல்

7.3.2.2.1. “Nyras” மதியுரை கம்பனியை தெரிவு செய்தல்

ஒரே பணிக்காக முன்னைய சந்தர்ப்பத்தில் நிராகரிக்கப்பட்ட “Nyras” மதியுரை கம்பனியை தெரிவு செய்த விதம் தொடர்பில் தெளிவான தகவல்கள் கிடைக்கவில்லை. எவ்வாறெனினும், ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியை மீள் கட்டமைத்தல் திட்டத்தினை உறுதிப்படுத்துவதற்காக நிதி அமைச்சினூடாக “Nyras” மதியுரை கம்பனி நியமிக்கப்பட்டிருந்ததாக 2016 சனவரி 26 ஆந் திகதிய பணிப்பாளர் சபை தீர்மானத்தின் (பின்னிணைப்பு 22) பிரகாரம் தெரிவிக்கப்பட்டிருந்தது.

7.3.2.2.2. “Nyras” மதியுரை கம்பனியுடன் உடன்படிக்கை கைச்சாத்திடல்

“Nyras” மதியுரை கம்பனியுடன் விமான குழாமிற்காக மதியுரை சேவைகளை பெற்றுக்கொள்வதற்காக ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு பதிலாக பிரதான நிறைவேற்று உத்தியோகத்தர் 2016 பெப்ரவரி 03 ஆந் திகதி உடன்படிக்கையொன்று கைச்சாத்திடப்பட்டிருந்தது. (பின்னிணைப்பு 57) அதில் உள்ளடக்கப்பட்டிருந்த பிரதான விடயங்கள் பின்வருமாறு.

i) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தர் சுரேன ரத்வத்த அவர்களுடன் Nyras கம்பனி 2016 சனவரி 29 ஆந் திகதி மேற்கொள்ளப்பட்ட தொலைபேசி உரையாடலுக்கமைய இந்த உடன்படிக்கை கைச்சாத்திடப்பட்டுள்ளதாக.

- ii) ஸ்ரீ லங்கன் விமான சேவைகளினால் பின்வரும் 04 மாற்று வழிகள் மதிப்பீடு செய்யுமாறு வழங்கப்பட்டுள்ளதாக.
- மாற்றீடு A – A 350 விமானங்களை நிலவும் குத்தகை தவணைகளின் கீழ் பெற்றுக்கொள்ளல்.
- மாற்றீடு B – A 350 விமானங்களை குறைவான குத்தகை தவணையின் கீழ் பெற்றுக்கொள்ளல் மற்றும் A 330 விமானங்கள் அனைத்தும் அல்லது சிலவற்றை அகற்றுதல்.
- மாற்றீடு C – A 350 விமானம் ஒன்றையேனும் பெற்றுக்கொள்ளாது நிரந்தர விமான ஓட்டப்பாதை வலையமைப்பொன்றுடன் வியாபார திட்டமொன்றினை பேணிச்செல்லல்.
- மாற்றீடு D – A 350 விமானம் ஒன்றையேனும் பெற்றுக்கொள்ளாது விமான ஓட்டப்பாதை வலையமைப்பினை திட்டமிடல் - (இதன் போது நிலவும் விமான சேவைகள் கம்பனி கலைக்கப்பட்டு இலாபமான துறைகள் தனியான வியாபார பிரிவுகளாக மாற்றி புதிய விமான சேவையொன்றாக நிறுவுதல்)
- iii) 2016 மார்ச் 11 ஆந் திகதியளவில் இறுதி அறிக்கையை வழங்குமாறு மற்றும் அதில பின்வரும் விடயங்கள் உள்ளடக்கப்பட்டுள்ளது என்பது.
- உபாயமார்க்க மாற்றீட்டு பகுப்பாய்வு (Strategic Options Analysis)
  - மாற்றீடு (மாற்றுதல்) பகுப்பாய்வு - Transition Analysis
  - புதிய விமானங்களின் சமப்பாட்டு புள்ளி பகுப்பாய்வு (Breakeven Analysis)
  - குத்தகை உரிமையாளர்களுடன் உத்தேச உபாயவழி கலந்துரையாடலொன்று தொடர்பில் அறிவுரை வழங்குதல்.
  - அரசியல் மற்றும் சட்டரீதியான முறையில் நிலவும் பிரதானமான அச்சுறுத்தல் தொடர்பான பகுப்பாய்வு.
  - இலங்கை அரசினால் மூலதனம் மற்றும் செயற்பாட்டு மூலதன தேவைப்பாட்டிற்காக முதலீடு செய்யப்பட வேண்டிய பணத்தின் அளவு தொடர்பான தகவல்கள்.
- iv) மேற்படி இறுதி அறிக்கைக்கு முன்னர் வரைபு அறிக்கையொன்று (Draft Report) வழங்கப்பட்டு ஸ்ரீ லங்கன் விமான சேவையின் கருத்துரைகளுடன் இறுதி அறிக்கையை வெளியிடுவதாக.



v) கட்டணங்களை அறவிடல்.

- 2016 சனவரி 31 ஆந் திகதி வரையிலும் அமைச்சகளுடன் GBP 65,000 மற்றும் உரிய வரி மற்றும் செலவினங்களுக்கு இசைந்துள்ளதாக.
- இந்த உடன்படிக்கையில் பணிப்பொறுப்புகளுக்கான கட்டணங்கள் GBP 150,000 என (முதல் 03 வாரங்களுக்காக GBP 40,000 படி மற்றும் இறுதி வாரத்திற்காக GBP 30,000 ஆக வாரந்தோறும் செலுத்தப்பட வேண்டும் என்பது.)
- வெளிநாட்டு பயணங்களுக்காக ஸ்ரீ லங்கன் விமான சேவைகளுக்காக பயன்படுத்தப்படுவதாக மற்றும் தங்குமிட வசதிகள் மற்றும் உணவுக்காக நாளொன்றிற்கு ஐ.அ.டொலர் 50 படி செலுத்தப்பட வேண்டும் என்பது.

vi) இறுதி அறிக்கையில் காணப்படுகின்ற விடயங்கள் தொடர்பில்குத்தகை உரிமையாளர்கள் மற்றும் Airbus கம்பனியுடன் கலந்துரையாடுவதற்காக தேவையேற்படி “Nyras” மதியுரை கம்பனி பங்குபற்றுவதாக.

vii) இரு தரப்பினரில் எவரேனும் ஒருவர் உடன்படிக்கையை மீறினால் அல்லது மோசடியொன்றினை மேற்கொண்டால் அல்லது இரகசியத்தன்மையை மீறினால் GBP 1,000,000 இற்கு மேற்படாத தண்டப்பணத்திற்கு கட்டுப்படுவதாக.

#### 7.3.2.2.3. மதியுரை சேவைகளை பெற்றுக்கொள்ளல்

“Nyras” மதியுரை கம்பனியால் 2016 பெப்ரவரி 03 ஆந் திகதி ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியுடன் உடன்படிக்கையொன்றினை கைச்சாத்திடுவதற்கு முன்னர் ஸ்ரீ லங்கன் விமான சேவைகள் சங்கத்தின் தலைவரின் வேண்டுகோளுக்கமைய ஆரம்ப விமான குழாமின் பதிலீடு தொடர்பில் பணிப்பாளர் சபைக்கான அறிக்கையொன்று (Initial fleet options review for the Board) 2015 ஆகஸ்ட் 03 ஆந் திகதி சமர்ப்பிக்கப்பட்டிருந்தது. அந்த அறிக்கையில் பின்வரும் விடயங்கள் முக்கியமாக உள்ளடக்கப்பட்டிருந்தது. (பின்னிணைப்பு 58)

##### i) விடயப்பரப்பு

இந்த அறிக்கையின் மூலம் எயார்பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்வதற்காக உடன்படிக்கை கைச்சாத்திடப்பட்டிருந்த A 350-900 விமானங்கள் 04 மற்றும் செயற்பாட்டு குத்தகை அடிப்படையில்

பெற்றுக்கொள்வதற்கு உடன்படிக்கை கைச்சாத்திடப்பட்டிருந்த A 350-900 விமானங்கள் 04 ஸ்ரீ லங்கன் விமான சேவைகளுக்காக பொருத்தமானதா என பகுப்பாய்வு செய்ததாக.

ii) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியினூடாக வழங்கப்பட்டிருந்த தகவல்கள்

- பாரிஸ், பென்க்பர்ட் மற்றும் ரோம் ஆகிய ஐரோப்பிய விமான பாதைகள் நட்டமீட்டியவாறு உள்ளதாக.
- A 350 விமானங்கள் தேவையற்றது என்பது மற்றும் A 330 விமானங்கள் அதற்கு பொருத்தமானவை என்பது.
- மூன்று வருட மீள்கட்டமைப்பு திட்டமொன்று கம்பனியிடம் இல்லாதிருந்தமை.
- விமானங்களுக்காக கொடுப்பனவு மற்றும் குத்தகை தவணைகளை செலுத்துதல் நியாயமான அளவினை விட உயர்ந்த அளவினால் ஸ்ரீ லங்கன் விமான சேவைகளால் கொடுப்பனவுகள் மேற்கொள்ளப்படுவதாக.
- 8 மணித்தியாலங்களுக்கு அதிகமான ஓட்டத்தில் ஈடுபடும் போது தொலைதூர பிரயாண வழிகள் (Long haul routes) ஆகவும், 5-8 மணித்தியாலங்களுக்கு இடைப்பட்ட காலத்தில் ஓட்டத்தில் ஈடுபடுத்தப்படுமாயின் இடைநிலை தூர பிரயாண வழிகள் (Medium haul routes) ஆகவும், 5 மணித்தியாலங்களை விட குறைவாயின் சிறு தூர பயண வழிகள் (Short haul routes) ஆகவும் ஆகவும் விமான பயணங்கள் வகைப்படுத்தப்படுவதாக.

iii) “Nyras” மதியுரை கம்பனியால் வழங்கப்பட்டிருந்த பரிந்துரைகள்

- A 350-900 விமானங்களுக்கு பதிலாக வேறு பொருத்தமானதொரு விமானமொன்று மீள் நிறுவப்பட வேண்டும் என்பது.
- ஸ்ரீ லங்கன் விமான சேவை போன்ற விமான சேவையொன்றினால் நேரடி உற்பத்தியாளர்களிடமிருந்து விமானங்களை கட்டளையிடுவதை விட குத்தகை அடிப்படையில் பெற்றுக்கொள்ளல் மிகவும் பொருத்தமானது என்பது.
- நீண்ட கால விமானங்களை ஒப்படைக்கும் நாட்களுக்கு (2020 மற்றும் 2021 ஆகிய) இணங்குவதன் மூலம் உற்பத்தியாளரின் விலைகள் நீண்ட காலத்தில் வேறுபடும் என்பதால் விமானங்களுக்காக போட்டி அடிப்படையிலான விலையொன்று கிடைக்காமை.

“Nyras” மதியுரை கம்பனிக்கு 2016 பெப்ரவரி 09 ஆந் திகதி கைச்சாத்திடப்பட்டிருந்த உடன்படிக்கையின் பிரகாரம் இறுதி அறிக்கை 2016 மார்ச் 18 ஆந் திகதி ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு வழங்கப்பட்டிருந்தது. அதில் உள்ளடக்கப்பட்டிருந்த பிரதான விடயங்கள் பின்வருமாறு.

i) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியின் அறிக்கையின் திகதியளவில் பின்வரும் விடயங்களின் அடிப்படையில் சவாலானதொரு நிதி நிலைமையொன்றில் உள்ளமை.

- ஐ.அ.டொலர் 300 மில்லியன் வங்கிக் கடன் மீதியொன்று காணப்படுகின்றமை.
- 2019 ஆம் ஆண்டின் போது முதிர்வடையும் ஐ.அ.டொலர் 175 மில்லியனான பிணைமுறியொன்று 2013 ஆம் ஆண்டின் போது வெளியிடப்பட்டிருந்தமை.
- இலங்கை பெற்றோலியக் கூட்டுத்தாபனத்திற்கு ஐ.அ.டொலர் 45 மில்லியன் மற்றும் விமான நிலையம் மற்றும் விமான சேவைகள் கம்பனிக்கு ஐ.அ.டொலர் 15 மில்லியன் செலுத்த வேண்டியுள்ளமை.
- 2015/16 இல் காணப்பட்ட குழுமத்தின் தேறிய நட்டம் ஐ.அ.டொலர் 47.1 மில்லியன் முதல் 2016/17 அளவில் ஐ.அ.டொலர் 90 மில்லியன் வரை அதிகரித்தமை.
- 2016 மற்றும் 2017 இல் குத்தகை அடிப்படையில் பெறுவதற்கு உத்தேசித்துள்ள A 350-900 விமானங்கள் 04 இற்காக விமானமொன்றிற்கு மாதாந்த குத்தகை வாடகை ஐ.அ.டொலர் 1.45 மில்லியன் படி செலவிடல் கடினமாக இருத்தல்.
- எயாரபஸ் கம்பனியிடமிருந்து நேரடியாக 2020 மற்றும் 2021 இல் பெற்றுக்கொள்வதற்காக உடன்படிக்கைகள் கைச்சாத்திடப்பட்டுள்ள A 350-900 விமானங்கள் 04 இற்காக பெறுவதற்கு முன்னர் செலுத்தல்கள் (Pre delivery payments) 2017 நவம்பர் முதல் கொடுப்பனவுகள் ஆரம்பிக்கப்படுகின்றமை. (ஐ.அ.டொலர் 9 மில்லியன் முதல் ஐ.அ.டொலர் 242 மில்லியன் கூட்டுத்தொகை வரை விமானங்கள் கிடைக்க வேண்டிய கால எல்லை வரை)

ii) ஸ்ரீ லங்கன் விமான பாதை வலையமைப்பில் பின்வரும் மாற்றங்கள் மேற்கொள்ளப்பட வேண்டும் என்பது.

- முகாமைத்துவத்தின் கருத்தின் படி பாரிஸ், பென்க்பர்ட் மற்றும் உரோம் ஆகிய பிரயாணப் பாதைகளின் பயணங்களை நிறுத்திவிடல்.

- நட்டமீட்டும் விமானப் பாதைகளின் விமான பயணத் தடவைகளை குறைத்தல்.
  - மிஹின் விமான பயணப் பாதைகளை ஸ்ரீ லங்கன் விமான சேவைக்கு இணைத்தல்.
  - பரந்த அமைப்புடைய விமானங்கள் 09 மற்றும் குறுகிய அமைப்புடைய 11 விமானங்களையும் கொண்ட விமான குழாமொன்றினை பேணுதல்.
  - விமானங்களின் வணிக வகுப்பு ஆசனங்கள் (Business Class Seats) குறைத்து சிக்கன வகுப்பு ஆசனங்களை (Economy Class Seats) அதிகரித்தல்.
- iii) இலங்கை பெற்றோலியக் கூட்டுத்தாபனத்திடமிருந்து பெற்றுக்கொள்ளப்படும் எரிபொருளுக்காக ஏனைய நாடுகளின் விமான நிலையங்களில் பெற்றுக்கொள்ளப்படும் எரிபொருளினை விட 15 சதவீதம் உயர்வான விலையினை செலுத்த நேர்கின்றமையால் இது தொடர்பில் இலங்கை பெற்றோலியக் கூட்டுத்தாபனத்துடன் கலந்துரையாடல் நடத்துமாறு.
- iv) மேலும், இலாபத்தினை அதிகரிக்கும் திட்டமொன்று (Profit Improvement Plan) அறிமுகப்படுத்தி அனைத்து உயர் மட்ட முகாமைத்துவமும், செயற்திட்ட முகாமைத்துவமும், நிதி பிரிவின் தலைவர்களின் செயற்படுத்தலின் கீழ் பிரதம நிறைவேற்று உத்தியோகத்தர்களின் வழிகாட்டலின் கீழ் நடைமுறைப்படுத்துவதற்கு.
- v) ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் முன்வைக்கப்பட்டிருந்த மாற்றுவழிகளை மதிப்பீடு செய்தல் Nyras மதியுரை கம்பனியின் பிரதான கடமையாக இருந்ததுடன், ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் முன்வைக்கப்பட்டிருந்த மாற்றுவழிகள் பின்வருமாறு என்பது.
- மாற்றீடு A - இந்த மாற்றீட்டின் கீழ் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியில் தற்போது காணப்படும் விமான குழாம் மற்றும் விமானங்களை பறக்க வைக்கும் நிகழ்ச்சித்திட்டங்களை அவ்வாறே பேணுவதற்கும் உத்தேசிக்கப்பட்டிருந்தது.
- மாற்றீடு B - A 350-900 விமானங்கள் 03 பெற்றுக்கொள்ளப்பட்டு A 330 விமானங்கள் 03 இனை அகற்றுவதற்கு அல்லது இடைக் குத்தகைக்கு வழங்குதல் மற்றும் A 350-900 விமானமொன்றினை அகற்றுதல்.
- மாற்றீடு C - A 330 விமானத்தினை ஓட்டத்தில் ஈடுபடுத்துவதற்கும் A 350 விமானங்களை அகற்றுவதற்கு அல்லது இடைக் குத்தகைக்கு வழங்குதல்.

மாற்றீடு D - இது இரு பகுதிகளின் கீழ் முன்வைக்கப்பட்டிருந்தது.

- i) கலைத்து மீள ஆரம்பித்தல் (Liquidation and Start up)
- ii) நிர்வாகம் (Administration)

vi) மாற்றீடு D இல் குறிப்பிடப்பட்டுள்ள முதலாவது மாற்றுவழியின் கீழ் “விமான கம்பனியை கலைத்து மீள புதிய விமான கம்பனியொன்றாக மீள் நிறுவுதல்” முன்வைக்கப்பட்டிருந்ததுடன், அதில் குறிப்பிடப்பட்டுள்ள இரண்டாவது மாற்று வழியாக விமான கம்பனியை நிர்வகித்து A 350 விமானங்களை கொள்வனவு செய்தல் தொடர்பில் Aercap, Airbus மற்றும் Rolls Royce கம்பனிகளுடன் கலந்துரையாடி உடன்படிக்கைகளிலிருந்து வெளியேறல் குறிப்பிடப்பட்டிருந்தது.

vii) மேற்படி (v) இல் உள்ள மாற்றுவழிகள் நான்கு தொடர்பில் மேற்கொள்ளப்பட்ட பகுப்பாய்வின் பொழிப்பொன்று பின்னிணைப்பு 55 இல் காணப்படுகின்றது. அதற்கமைய மாற்றீடு D மூலம் முன்வைக்கப்பட்டிருந்த முதலாவது மாற்றுவழியாகிய “கலைத்தல்” மூலம் சுற்றுலாக் கைத்தொழிலுக்கு ஏற்படும் ததாக்கத்தினை கவனத்திற்கொண்டு அது நடைமுறைச்சாத்தியமற்ற மாற்றீடாக மதியுரைக் கம்பனியால் இனங்காணப்பட்டிருந்தது. அதனால் நிர்வாக மாற்றீடு D இன் கீழ் தெரிவு செய்யப்பட்டிருந்ததுடன், அதற்காக உள்நாட்டு சட்ட ஆலோசகர் ஒருவர் மற்றும் வெளிநாட்டு சட்ட ஆலோசகர் ஒருவரான “Kaye scholer” உடன் பணியாற்றுவதற்கு அறிவுரை வழங்கப்பட்டிருந்தது.

viii) “Nyras” நிறுவனத்தினால் முன்வைக்கப்பட்ட அறிக்கைக்கமைய ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் முன்வைக்கப்பட்ட நான்கு மாற்றீடுகளை மதிப்பீடு செய்தமையின் பொழிப்பின் முடிவுரைகள் பின்வருமாறு ஆகும்.

➤ Nyras நிறுவனத்தினால் “மாற்றீடு D” இற்காக விரிவான திட்டமொன்றினை தயாரிப்பதற்கு பரிந்துரை செய்தல். பின்னிணைப்பு 59 இன் பிரகாரம் மாற்றீடு A,B,C ஆகியவற்றுடன் ஒப்பிடும் போது “மாற்றீடு D” குறைவான நட்டமுடையது என்பதால் நிர்வாகம் மேற்கொள்ளலை பரிந்துரை செய்வதாக.

➤ A 350 விமானங்களை கொள்வனவு செய்யும் உடன்படிக்கைகளிலிருந்து நீங்குவதற்கா Aercap, Airbus மற்றும் Rolls Royce ஆகிய நிறுவனங்களுடன் கலந்துரையாடல் மேற்கொள்ளல்

மற்றும் இதன் போது இலங்கையை சேர்ந்த சிரேஷ்ட அரசு உத்தியோகத்தர்களால் இந்த நிறுவனங்களின் உயர் முகாமைத்துவத்துடன் கலந்துரையாடல் மேற்கொள்ள வேண்டும் என்பது.

- கலந்துரையாடல்களின் பின்னர் Arecap, Airbus மற்றும் Rolls Royce ஆகிய நிறுவனங்கள் இலங்கை அரசின் நிர்வாகம் அல்லது கலைக்கப்படும் என நம்பும் பட்சத்தில் மாத்திரம் B மற்றும் C மாற்றுவழிகளை நடைமுறைப்படுத்த முடியும் என்பது.
- இந்த நடைமுறையினுள் மாற்றுவழி D மிகவும் நம்பகத்தன்மையுடைய மாற்றுவழியாக இருக்க வேண்டும் என்பது மற்றும் இவ்வாறே நிர்வகிப்பவதாக (Administrator) மற்றுமொரு தரப்பினரை இந்த பணிக்காக நியமிப்பதற்கு முடியாதெனின் ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி மற்றும் அரசிற்கு இந்த நடைமுறை மேற்கொள்ள நேரமும் என்பது.

#### 7.3.2.2.4. மதியுரை கம்பனிக்கு கொடுப்பனவுகளை மேற்கொள்ளல்

“Nyras” மதியுரை கம்பனிக்கு ஸ்ரீ லங்கன் விமான சேவைகளால் 2015 திசம்பர் 22 ஆந் திகதி முதல் 2016 செப்தம்பர் 02 ஆந் திகதி வரையிலும் GBP 248,961.75 அததாவது ரூபா 47 மில்லியன் (பிரித்தானிய பவுன் ஒன்றிற்கான இலங்கை ரூபாவின் பெறுமதி ரூபா 184.95) பின்வருமாறு செலுத்தப்பட்டிருந்தது. (பின்னிணைப்பு 60)

அட்டவணை இல 14 - “Nyras” மதியுரை கம்பனிக்கு கொடுப்பனவு மேற்கொள்ளப்பட்ட விதம்

திகதி	செலுத்தப்பட்ட தொகை (GBP)	விடயம்
2015.12.22	25,000.00	நிதி அமைச்சுடன் இணங்கிய கட்டணங்கள்
2016.01.21	25,000.00	-மேற்படி-
2016.01.29	15,000.00	-மேற்படி-
2016.02.19	40,000.00	ஸ்ரீ லங்கன் விமான சேவைகளுடன் இணங்கிய மதியுரை கட்டணங்கள்
2016.02.25	40,000.00	-மேற்படி-
2016.02.26	40,000.00	-மேற்படி-
2016.03.08	30,000.00	-மேற்படி-
2016.05.24	2,050.00	அமைய கொடுப்பனவுகளை செலுத்துதல்
2016.05.24	1,800.00	-மேற்படி-
2016.05.24	1,434.00	விமான பிரயாண கட்டணங்களை மீளளிப்பு செய்தல்
2016.05.24	3,750.00	மதியுரை உதவி சேவைக் கட்டணங்களை செலுத்துதல்
2016.05.24	600.00	அமைய கொடுப்பனவுகளை செலுத்துதல்
	9,060.50	2016 ஏப்ரல் மாதத்தின் போது நடாத்தப்பட்ட கலந்துரையாடல்களுக்காக உதவியமைக்காக செலுத்துதல்

	15,267.25	2016 யூன் மற்றும் யூலை மாதங்களின் போது எரிபொருள் விலை குறைவடைந்தமை தொடர்பில் ஸ்ரீ லங்கன் விமான சேவைகள் மற்றும் இலங்கை பெற்றோலியக் கூட்டுத்தாபனத்திற்காக அறிக்கையொன்றினை வழங்கியமைக்கான கொடுப்பனவு
<b>மொத்தம்</b>	248,961.75	

2016 சனவரி வரையிலும் நிதி அமைச்சின் பணிகளை நிறைவேற்றுவதற்காக ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் GBP 65,000 செலுத்தப்பட்டிருந்ததுடன், அந்த தொகை நிதி மற்றும் திட்டமிடல் அமைச்சினால் 2016 மே 20 ஆந் திகதி பின்வருமாறு மீளளிப்பு செய்யப்பட்டிருந்தது. (பின்னிணைப்பு 61)

அட்டவணை இல 15 - “Nyras” மதியுரை கம்பனிக்கு ஒதுக்கப்பட்ட கொடுப்பனவுகளில் நிதி மற்றும் திட்டமிடல் அமைச்சினால் மீளளிப்பு செய்யப்பட்ட தொகை.

பற்றுச்சீட்டு இலக்கம்	பற்றுச்சீட்டு திகதி	GBP	ரூபா	மீளளிப்பு செய்யப்பட்ட தொகை (ரூபா)
291031	2015.12.22	25,000	5,406,425	5,406,425
293814	2016.01.31	15,000	3,202,950	2,625,325
292989	2016.01.22	25,000	5,338,250	5,338,250
மொத்தம்		65,000	13,947,625	13,370,000

7.3.3. **உடன்படிக்கைகளை முடிவுறுத்துவதற்காக சட்ட ஆலோசனைகளை பெற்றுக்கொள்ளல்**

7.3.3.1. **குத்தகை அடிப்பரையில் பெற்றுக்கொள்ளப்பட்ட A 350-900 விமானங்கள் 04 இன் உடன்படிக்கைகளை முடிவுறுத்துவதற்காக சட்ட ஆலோசனைகளை பெற்றுக்கொள்ளல்**

விமானங்களை மீள்நிறுவும் நிகழ்ச்சித்திட்டத்திற்காக சர்வதேச சட்ட ஆலோசனை கம்பனியாக ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனியால் சேவையில் ஈடுபடுத்தப்பட்ட Clyde கம்பனியை உடன்படிக்கையை முடிவுறுத்துவதற்காகவும் சேவையில் ஈடுபடுத்துவதற்கு தீர்மானிக்கப்பட்டிருந்தது. அதன் போது அந்த கம்பனி Kaye Scholer LLP ஆக தமது கம்பனியின் பெயரை மாற்றியிருந்தமையால் அந்த புதிய கம்பனி உடன்படிக்கையை முடிவுறுத்துவதற்காகவும் ஈடுபடுத்தப்பட்டிருந்தது. இதற்கு மேலதிகமாக தேசிய ரீதியில் அனில் தித்தவெல்ல அவர்களிடமும் உடன்படிக்கையை முடிவுறுத்தும் பணிக்காக சட்ட ஆலோசனை பெற்றுக்கொள்ளப்பட்டிருந்தது.

மேற்கூறப்பட்டவாறு சட்ட ஆலோசனை சேவைகளை பெற்றுக்கொண்டமைக்காக ரூபா 34,892,573.23 தொகை (பின்னிணைப்பு 62) கம்பனியால் பரிசோதனை மேற்கொள்ளப்பட்ட திகதியான 2018 மார்ச் 31 ஆந் திகதி வரையிலும் மேற்கொள்ளப்பட்டிருந்தது.

7.3.3.2.

**A 350-900 விமானங்கள் 04 நேரடியாக எயார்பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்யும் ஒப்பந்தத்தினை முடிவுறுத்துவதற்காக சட்ட ஆலோசனைகளை பெற்றுக்கொள்ளல்**

இந்த ஒப்பந்தத்தை இரத்துச் செய்வதற்காக நியமிக்கப்பட்டிருந்த அமைச்சரவை உப குழுவினால் அரசு பெறுகைகள் நடைமுறையினூடாக சட்டரீதியான ஆலோசனைகளை பெற்றுக்கொள்வதற்காக சட்ட நிறுவனங்களிடமிருந்து விலைமனுக்கள் கோரப்பட்டிருந்தன. அவற்றுள், தெரிவு செய்யப்பட்ட 03 நிறுவனங்களுடன் நேர்முகப் பரீட்சைகள் நடாத்தி Norton Rose Fulbright, London எனும் சர்வதேச சட்ட ஆலோசனை நிறுவனம் இதற்காக தெரிவு செய்யப்பட்டிருந்தது. இந்த நிறுவனத்தினூடாக ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனிக்கு 2017 ஒக்தோபர் 25 ஆந் திகதி சேவையில் ஈடுபடுத்தும் கடிதமொன்று (An Engagement Letter) வழங்கப்பட்டிருந்தது. எனினும் விசாரணை திகதி வரையிலும் மேற்படி விமானங்களை கொள்வனவு செய்த ஒப்பந்தத்தை முடிவுறுத்துவதற்கு கம்பனியால் நடவடிக்கை எடுக்கப்பட்டிருக்கவில்லை.



7.3.4. **உடன்படிக்கைகளை முடிவுறுத்தல்**

A 350-900 விமானங்களை செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்கான உடன்படிக்கைகள் 04 இனை முடிவுறுத்தல் மற்றும் திருத்துவதற்காக ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி 02 உடன்படிக்கைகளை கைச்சாத்திட்டிருந்ததுடன், விபரங்கள் பின்வருமாறு.

அட்டவணை இல 16 – செயற்பாட்டு குத்தகை உடன்படிக்கையை முடிவுறுத்தும் ஒப்பந்தம் தொடர்பான விபரங்கள்

செயற்பாட்டு குத்தகை கம்பனியின் பெயர்	உடன்படிக்கை திகதி	கைச்சாத்திடப்பட்ட உடன்படிக்கைகளின் விபரங்கள்
i) Aercap Global Aviation Trust (AGAT)	2016 ஏப்ரல் 06	2014.11.12 ஆந் திகதிய A 350-900 விமானமொன்று தொடர்பிலான செயற்பாட்டு குத்தகை உடன்படிக்கையை முடிவுறுத்தல். (பின்னிணைப்பு 63)
ii) International Lease Finance Corporation (ILFC)	2016 ஒக்தோபர் 04	2013 செப்தம்பர் 27 ஆந் திகதிய இலக்கம் 79, 80 மற்றும் 81 கொண்ட A 350-900 விமானங்களின் 03 செயற்பாட்டு குத்தகை உடன்படிக்கைகளை முடிவுறுத்தல். (பின்னிணைப்பு 40)

7.3.4.1. **2016 ஏப்ரல் 06 ஆந் திகதிய உடன்படிக்கை**

i) இந்த முடிவுறுத்தும் உடன்படிக்கைக்குரிய (Termination Agreement) கொள்வனவு உடன்படிக்கை 2014 நவம்பர் 12 ஆந் திகதி எயார்கெப் (Aercap) கம்பனியுடன் கைச்சாத்திடப்பட்டிருந்தது. எவ்வாறெனினும், இந்த உடன்படிக்கையை முடிவுறுத்தும் திகதியளவில் Aercap கம்பனியால் ILFC கம்பனியை கைப்பற்றியிருந்த காரணத்தால் இந்த முடிவுறுத்தும் உடன்படிக்கைக்கு ஸ்ரீ லங்கன் விமான சேவைகள் கம்பனி Aercap கம்பனி மற்றும் ILFC கம்பனி ஆகிய மூன்று தரப்பினரும் தொடர்புபட்டிருந்தனர்.

- ii) இந்த முடிவுறுத்தும் உடன்படிக்கையில் உள்ளடக்கப்பட்டிருந்த பிரதான நிபந்தனைகள் பின்வருமாறாகும்.
- ❖ அமெரிக்க டொலர் 2.5 மில்லியன் தொகையான பாதுகாப்பு வைப்புக்கள் (Security Deposit) குத்தகை கம்பனியால் மீண்டும் சிறீலங்கன் விமான சேவை கம்பனிக்கு வழங்குவதில்லை என்பது
  - ❖ 2016 ஏப்ரல் 06 ஆந் திகதி வரை மேற்கூறிய பாதுகாப்பு வைப்புக்களில் அமெரிக்க டொலர் 0.5 மில்லியன் மாத்திரம் சிறீலங்கன் விமான சேவைக் கம்பனியால் செலுத்தப்பட்டிருந்ததுடன் எஞ்சிய அமெரிக்க டொலர் 2 மில்லியனுக்காக 2016 ஏப்ரல் 08 ஆந் திகதிக்கு முன்னர் வங்கி நாணயக் கடிதம் (Letter of Credit) வழங்கப்பட வேண்டும் என்பது.
  - ❖ உடன்படிக்கைகளை முடிவுறுத்தும் கட்டணமாக (Termination Fees) அமெரிக்க டொலர் 15.27 மில்லியன் மேற்கூறிய பாதுகாப்பு வைப்புக்கு மேலதிகமாக 2016 ஏப்ரல் 08 ஆந் திகதியளவில் சிறீலங்கன் விமான சேவைகள் கம்பனியால் செலுத்தப்பட வேண்டும் என்பது.

7.3.4.2.

**2016 ஒக்தோபர் 04 ஆந் திகதிய உடன்படிக்கை**

சிறீலங்கன் விமான சேவைகள் கம்பனியால் A 350-900 வகையான 03 விமானங்களை செயற்பாட்டு குத்தகை முறைமையில் ILFC கம்பனியிடமிருந்து பெற்றுக் கொள்வதற்காக 2013 செப்டெம்பர் 27 ஆந் திகதி மேற்கொள்ளப்பட்ட 03 உடன்படிக்கைகளை முடிவுறுத்துவதற்காக இந்த உடன்படிக்கை (Termination Agreement) மேற்கொள்ளப்பட்டிருந்தது.

அந்த முடிவுறுத்தல் உடன்படிக்கையில் உள்ளடக்கப்பட்ட பிரதான நிபந்தனைகள் பின்வருமாறாகும்.

- i) உடன்படிக்கையை முடிவுறுத்தும் போது இழப்பீடாக (Termination Fee) அ.டொலர் 146.5 மில்லியன் (பாதுகாப்பு வைப்பு அ.டொலர் 7.5 மில்லியனை தவிர்த்து) பின்வருமாறு 08 தவணைகளில் சிறீலங்கன் விமான சேவைகள் கம்பனியால் குத்தகை கம்பனிக்கு செலுத்த வேண்டும்.

அட்டவணை இல 17 – A 350-900 வகையான 03 விமானங்களின் செயற்பாட்டுக் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் போது இழப்பீட்டுப் பணம் செலுத்த வேண்டிய முறைமை.

கொடுப்பனவு செய்யப்பட வேண்டிய திகதிகள்	பணம் (அமெரிக்க டொலர் மில்லியன்)
உடன்படிக்கை செய்யப்பட்ட திகதியிலிருந்து	10.5
05 வணிக நாட்களுக்குள்	
2017 சனவரி 02	13.5
2017 பெப்ரவரி 02	13.3
2017 மார்ச் 02	13.3
2017 ஏப்ரல் 03	13.3
2017 மே 02	13.3
2017 யூன் 02	13.3
2017 யூன் 30	56.0
மொத்த இழப்பீட்டுப் பணம்	146.5

- ii) மேற்கூறிய இழப்பீட்டுப் பணத்திற்கு மேலதிகமாக அதுவரை செலுத்தப்பட்ட அ.டொலர் 2.5 மில்லியன் வீதம் 03 விமானங்களுக்கான மொத்த பாதுகாப்பு வைப்பாகிய அ.டொலர் 7.5 மில்லியன் குத்தகைக் கம்பனியால் மீளச் செலுத்தப்படுவதில்லை என்பது.
- iii) மேற்கூறிய இழப்பீட்டுப் பணத்தை நிர்ணயிக்கப்பட்ட திகதியில் சிறீலங்கள் விமான சேவைகள் கம்பனியால் செலுத்துவதற்கு முடியாதிருந்தால் மற்றும் அதற்காக 03 வியாபார நாட்களுக்கு மேல் மிகைக்குமாயிருந்தால் வருடாந்தம் வட்டியானது 3 சதவீதம் மற்றும் நியுயோர்க் JP Morgan Chase Bank மூலம் அறிவிக்கப்படுகின்ற தொடக்க கடன் வழங்கும் விகிதத்தின் கூட்டுமொத்தமான வட்டி விகிதத்தில் வட்டி கணிக்கப்பட்டு மேலதிக கொடுப்பனவுகள் செய்யப்பட வேண்டும் என்பது.
- iv) கீழுள்ள மேலதிக நிபந்தனைகள் சிறீலங்கள் விமான சேவைகள் கம்பனியால் நிறைவேற்றப்படுமாயிருந்தால் மேற்கூறிய இழப்பீட்டுப் பணத்தில் இறுதித் தவணைப் பணமான அ.டொலர் 56 மில்லியன் பணம் குத்தகை கம்பனியால் நீக்கப்படும் என்பது.
- இழப்பீட்டினைச் செலுத்துகையில் இறுதித் தவணைப் பணத்தை தவிர்த்து ஏனைய கொடுப்பனவுகளை மேற்கொள்வதற்கு

நிர்ணயிக்கப்பட்ட திகதியிலிருந்து 05 வியாபார நாட்களுக்குள் முழுமையாகச் செலுத்தி பூர்த்தி செய்தல்.

- உரிய குத்தகை கம்பனியிடமிருந்து 1008 ஆம் உற்பத்தி தொடர் இலக்க A 330-200 வகையான விமானத்தை செயற்பாட்டுக் குத்தகையின் கீழ் 2016 நவம்பர் 30 ஆந் திகதிக்கு முன்னர் பெற்றுக்கொள்ளப்பட வேண்டுமென்பது.
- 2011 நவம்பர் 18 ஆந் திகதிய 627 ஆம் இலக்க செயற்பாட்டு குத்தகை உடன்படிக்கையின் கீழ் விட்னி லீசிங் கம்பனியிடமிருந்து (Whitney Leasing Limited) பெற்றுக்கொள்ளப்பட்டிருந்த A 330-200 விமானத்தின் குத்தகை கால எல்லை 2028 திசெம்பர் 07 ஆந் திகதி அல்லது விமானத்தின் சேவைக் காலஎல்லை முடிவடையும் திகதி வரை (Design Service Goal Limit is reached) 2016 நவம்பர் 30 ஆந் திகதிக்கு முன்னர் நீடிக்கப்பட வேண்டும் என்பது.
- 2012 ஒக்தோபர் 11 ஆந் திகதி குத்தகை உடன்படிக்கையின் கீழ் மிஹின் லங்கா கம்பனியால் பெற்றுக்கொள்ளப்பட்டிருந்த 2731 ஆம் உற்பத்தி தொடர் இலக்க A 320-232 ஆம் இலக்க விமானம் மற்றும் 2012 யூலை 18 ஆந் திகதிய குத்தகை உடன்படிக்கையின் கீழ் மிஹின் லங்கா கம்பனியால் பெற்றுக்கொள்ளப்பட்ட 1946 ஆம் உற்பத்தி தொடர் இலக்க A 321-200 வகையான விமானம் சம்பந்தமான பொறுப்புக்களை தீர்த்து வைக்கப்பட்டமைக்கான சான்றிதழ் 2016 நவம்பர் 30 ஆந் திகதிக்கு முன்னர் சிறீலங்கன் விமான சேவைகள் கம்பனியால் வழங்கப்பட வேண்டும் என்பது.
- மேலே காட்டப்பட்ட 04 விமானங்களை குத்தகை அடிப்படையில் பெற்றுக்கொள்வதற்குரிய நிபந்தனைகளுக்கு இலங்கை விமான சேவைகள் கம்பனியின் பணிப்பாளர்கள் சபையினால் அங்கீகாரம் வழங்கப்பட்டது என்பதற்கான பிரேரணைகள் சம்பந்தமாக அல்லது ஏனைய எழுத்து மூல சான்றுகள் 2016 ஒக்தோபர் 28 ஆந் திகதியளவில் குத்தகை கம்பனிக்கு வழங்கப்பட வேண்டும் என்பது.
- அவ்வாறே, இலங்கை விமான சேவைகள் கம்பனியின் பங்குதாரர்களால் மேலே காட்டப்பட்ட கொடுக்கல் வாங்கல்கள் அங்கீகரிக்கப்பட்டவை என்பதற்கான எழுத்து மூல சான்று 2016 ஒக்தோபர் 28 ஆந் திகதியளவில் குத்தகைக் கம்பனியிடம் சமர்ப்பிக்கப்பட வேண்டும் என்பது.

7.3.5. செயற்பாட்டுக் குத்தகைக் கம்பனிகளுக்கு இழப்பீட்டுப் பணத்தைச் செலுத்துதல்

7.3.5.1. 2016 ஏப்ரல் 06 ஆந் திகதிய உடன்படிக்கையின் கீழ் எயார்பங் (Aercap) கம்பனிக்கு இழப்பீட்டுப் பணத்தை செலுத்துதல்.

இதன் கீழ் சிறீலங்கன் விமான சேவைகள் கம்பனியால் குத்தகைக் கம்பனிக்கு இழப்பீட்டுப் பணமாக அமெரிக்க டொலர் 17,700,000 (அமெரிக்க டொலர் 2,500,000 பாதுகாப்பு வைப்பினையும் உள்ளடக்கி) 2014 செப்டெம்பர் 15 ஆந் திகதியிலிருந்து 2016 மே 04 ஆந் திகதி வரையான காலப்பகுதிக்குள் 05 சந்தர்ப்பங்களின் போது பின்வருமாறு செலுத்தப்பட்டிருந்தது.

அட்டவணை இல 18 – A 350-900 வகையான ஒரு விமானத்தின் செயற்பாட்டுக் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் இழப்பீட்டுப் பணம் செலுத்தப்பட்ட முறைமை

திகதி	செலுத்தப்பட்ட பணம் (அமெரிக்க டொலர்)
2014.09.15	250,000
2014.11.14	250,000
2016.05.04	3,270,000
2016.05.04	12,000,000
2016.05.04	2,000,000
மொத்தம்	17,770,000

7.3.5.2. 2016 ஒக்தோபர் 04 ஆந் திகதிய உடன்படிக்கையின் கீழ் சர்வதேச குத்தகைக் கம்பனிக்கு (ILFC) இழப்பீட்டுப் பணத்தை செலுத்துதல்

இதன் கீழ் சிறீலங்கன் விமான சேவைகள் கம்பனியால் பின்வருமாறு குத்தகை கம்பனிக்கு இழப்பீட்டுப் பணமாக அமெரிக்க டொலர் 98 மில்லியன் (03 விமானங்களுக்கான பாதுகாப்பு வைப்பு அமெரிக்க டொலர் 7.5 மில்லியனையும் உள்ளடக்கி) 2013 ஆகஸ்ட் 08 ஆந் திகதியிலிருந்து 2017 யூன் 02 ஆந் திகதி வரையான காலப்பகுதிக்குள் செலுத்தப்பட்டிருந்தது. (பின்னிணைப்பு 64)

7.4.

A 350-900 வகையான 04 விமானங்களை எயார்பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்யும் உடன்படிக்கையை திருத்தம் செய்தல் / முடிவுறுத்துதல் 2017 யூலை 28 ஆந் திகதி பொருளாதார முகாமைத்துவ அமைச்சரவை உப குழுவினால் A 350-900 வகையான 04 விமானங்களை எயார்பஸ் கம்பனியிடமிருந்து நேரடியாகக் கொள்வனவு செய்வதற்கான உடன்படிக்கையைத் திருத்துதல் அல்லது முடிவுறுத்தல் தொடர்பாக கவனத்தில் கொள்வதற்காக அமைச்சரவை உப குழு நியமிக்கப்பட்டிருந்தது. இதற்கு மேலதிகமாக 2017 திசெம்பர் 01 ஆந் திகதி நடைபெற்ற பொருளாதார முகாமைத்துவ அமைச்சரவை உப குழு (CCEM) கூட்டத்தின் போது எயார்பஸ் கம்பனி A 350 – 900 வகையான 04 விமானங்களின் உற்பத்தி நடவடிக்கைகளை நிறுத்துவதற்கு இணங்கியுள்ளதாகவும் எதிர்காலத்தில் இந்த விமானத்திற்குப் பதிலாக குறுகிய விமானங்களை வழங்குவதற்காக எயார்பஸ் கம்பனியால் மீள் கொடைமனு (Counter Offer) மேற்கொள்ளப்பட்டுள்ளதாகவும் தெரிவிக்கப்பட்டிருந்தது. (பின்னிணைப்பு 02) அந்த உப குழுவின் தீர்மானத்தின் பிரகாரம் விமானங்களை உற்பத்தி செய்வதனை நிறுத்துவதற்காக 2017 திசெம்பர் 19 ஆந் திகதி அமைச்சரவை அங்கீகாரமும் (பின்னிணைப்பு 03) வழங்கப்பட்டிருந்தது.

அதற்கிணங்க Airbus கம்பனியால் A 350-900 வகையான 04 விமானங்களுக்காக A 321 Neo வகையான 08 விமானங்களைக் கொள்வனவு செய்வதாக திருத்தம் செய்வதற்கான பிரேரணை (Proposal) (பின்னிணைப்பு 04) சிறீலங்கன் விமான சேவைகள் கம்பனிக்கு 2018 ஏப்ரல் மாத்தின் போது வழங்கப்பட்டிருந்தது.

7.5. A 330-300 வகையான 02 விமானங்களுக்கு VIP அறை தொகுதியைப் பொருத்துவதற்கு உடன்படிக்கை செய்து கொள்ளலும் அந்த உடன்படிக்கைகளை முடிவுறுத்தலும்.

7.5.1. A 330-300 வகையான இரண்டு விமானங்களுக்கு தொடர்புபடுத்தக்கூடிய VIP அறை தொகுதிகளை வழங்குவதற்காக எயார்பஸ் கம்பனியுடன் உடன்படிக்கை செய்து கொள்ளல்

சிறீலங்கன் விமான சேவைகள் கம்பனியால் விசேடத்துவமான நபர்களுக்காக ஒதுக்கீடு செய்யப்படும் இடத்தை தயார்படுத்துவதற்காக (VIP தொகுதி) எயார்பஸ் கம்பனியுடன் 2013 யூன் 28 ஆந் திகதி உடன்படிக்கை மேற்கொள்ளப்பட்டிருந்தது. (பின்னிணைப்பு 06) அவ்வாறே அந்த உடன்படிக்கை 2013 திசெம்பர் 02 மற்றும் 2014 மார்ச் 31 ஆந் திகதிகளில் திருத்தம் செய்யப்பட்டிருந்தன. அந்த உடன்படிக்கைகளில் உள்ளடக்கப்பட்ட விடயங்கள் பின்வருமாறாகும்.

- எயார் பஸ் கம்பனியிடமிருந்து 10 விமானங்களைக் கொள்வனவு செய்யும் போது ஒரு விமானத்திற்கு அமெரிக்க டொலர் 1.5 மில்லியன் கழிவு வீதம் 10 விமானங்களுக்காக அமெரிக்க டொலர் 15 மில்லியன் பெறுமதியான VIP அறைத் தொகுதிகளை வழங்குவதற்கும் அதற்காக A 330-300 வகையான 02 விமானங்களைத் தயாரித்து வழங்குவதற்கும் இணங்கி கொள்ளுதல் என்பது.
- அந்த உத்தேச அறைத் தொகுதிகளில் 12 நபர்களுக்கு வசதிகள் வழங்கக் கூடியதுடன் பாதுகாப்பு பிரிவின் உத்தியோகத்தர்களுக்காக தனியான பிரிவும் காணப்படுதல்.
- VIP அறைத் தொகுதிகளைத் தயாரிப்பதற்காக 12 வார காலம் எடுத்தல் என்பது
- பின்னர் VIP தொகுதியின் தேவைப்பட்டிற்காக A 330-300 வகையான விமானங்களிலுள்ள சாதாரண ஆசனங்களை அகற்றி பொருத்துவதற்காக அண்ணளவாக 03 நாட்கள் எடுத்தல் என்பது.
- VIP தொகுதியை பெற்றுக் கொள்வதில்லையாயின் எயார்பஸ் கம்பனியிடமிருந்து ஏனைய பொருட்களையும் சேவைகளையும் பெற்றுக்கொள்ளும் போது மேற்கூறிய அமெரிக்க டொலர் 15 மில்லியன் கழிவுப் பணத்தை பயன்படுத்த முடியும் என்பது.

சிறீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தரால் தலைவருக்கு அனுப்பிவைக்கப்பட்டுள்ள 2015 சனவரி 17 ஆந் திகதிய கடிதத்தின் மூலம் (பின்னிணைப்பு 05) VIP அறைத் தொகுதிகளைப் பொருத்துவது தொடர்பான தகவல்கள் சமர்ப்பிக்கப்பட்டிருக்கவில்லை.

சிறீலங்கன் விமான சேவைகள் மூலம் A 350 மற்றும் A 330 வகையான விமானங்களுக்கு கட்டளையிடுவதற்கு முன்னர் மேற்கூறிய VIP தொகுதி தொடர்பாக எயார்பஸ் கம்பனியுடன் இலங்கை சனநாயக சோசலிசக் கடியரசின் அப்போதைய சனாதிபதியால் கலந்துரையாடப்பட்டு இணக்கத்திற்கு வந்து கொள்ளப்பட்டிருந்ததுடன் 2015 பெப்ரவரி 12 ஆந் திகதி நடைபெற்ற பணிப்பாளர் சபைக் கூட்டத்தின் போது சிறீலங்கன் விமான சேவைக் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தரால் குறிப்பிடப்பட்டிருந்தது. (பின்னிணைப்பு 07)

7.5.2. **உடன்படிக்கைகளை முடிவுறுத்துவதற்கான அங்கீகாரம்**

7.5.2.1. **பணிப்பாளர்கள் சபையின் அங்கீகாரம்**

i) 2015 பெப்ரவரி 12 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம் (பின்னிணைப்பு 65)

VIP அறைத் தொகுதிகளின் உடன்படிக்கையை முடிவுறுத்துவதற்காக 2015 பெப்ரவரி 12 ஆந் திகதி நடைபெற்ற பணிப்பாளர் சபைக் கூட்டத்தின் போது தீர்மானம் எடுக்கப்பட்டிருந்தது. அதன் போது A 330 -300 வகையான 02 விமானங்கள் கொழும்பு “Toulouse” இற்கு கிடைத்ததன் பின்னர் மீண்டும் VIP தொகுதியைப் பொருத்துவதற்குத் தேவையான ஒழுங்குகளை தயார்படுத்துவதற்காக எயார்பஸ் கம்பனியே வேறு பிரிவிற்கு அனுப்பி வைக்க வேண்டுமெனத் தெரிவித்திருந்தது. அதற்கிணங்க A 330 - 300 வகையான நான்காவது விமானம் 2015 பெப்ரவரி மாதம் இறுதியளவில் பெற்றுக்கொள்வதற்கு நிர்ணயிக்கப்பட்டுள்ளது எனவும் அந்த விமானத்தின் VIP தொகுதியை பொருத்துவதற்கு தேவையான கட்டமைப்பை தயார்படுத்துவதற்காக மீள வழங்கவில்லை எனவும் சிறீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தரால் வலியுறுத்தப்பட்டிருந்தது.

மேலும், சிறீலங்கன் விமான சேவைகள் கம்பனியின் தலைவரால் எயார் பஸ் கம்பனியுடனான கலந்துரையாடலின் போது VIP தொகுதியை வேறு தரப்பினர்களுக்கு விற்பனை செய்வதற்காக வேண்டுகல் விடுவிக்கப்பட்டிருந்தது எனவும் தெரிவிக்கப்பட்டிருந்தது.

ii) 2015 மார்ச் 10 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டம் (பின்னிணைப்பு 66)

❖ இதன் போது எயார்பஸ் கம்பனியால் VIP தொகுதியை வேறு தரப்பினருக்கு விற்பனை செய்வதற்காக ஒரு ஆண்டு காலம் வேண்டப்பட்டிருந்தது. எனவும் தெரிவிக்கப்பட்டிருந்தது.



❖ அதன் போது சிறீலங்கன் விமான சேவைகள் கம்பனியின் தலைவரால் VIP தொகுதியினைப் பெற்றுக் கொள்வது தொடர்பான உடன்படிக்கையை இரத்துச் செய்வது சம்பந்தமான விபரமான அறிக்கையை பிரதம மந்திரிக்கு சமர்ப்பித்ததாகவும் மேலும் தெரிவிக்கப்பட்டிருந்தது.

7.5.2.2. **பொருளாதார முகாமைத்துவச் சபையின் (CCEM) அங்கீகாரமும் அமைச்சரவையின் அங்கீகாரமும்.**

7.5.2.3. VIP தொகுதிக்கான உடன்படிக்கைகளை இரத்துச் செய்வதற்கான பணிப்பாளர் சபைக் கூட்டங்களின் அறிக்கைகள் மாத்திரம் சமர்ப்பிக்கப்பட்டிருந்ததுடன் அது சம்பந்தமாக பொருளாதார முகாமைத்துவக் குழுவின் அங்கீகாரமோ அல்லது அமைச்சரவையின் அங்கீகாரமோ சமர்ப்பிக்கப்பட்டிருக்கவில்லை.

7.5.3. **உடன்படிக்கைகளை முடிவுறுத்தல்**

7.5.3.1. VIP தொகுதியைப் பெற்றுக் கொள்ளும் உடன்படிக்கையானது 2015 பெப்ரவரி 24 ஆந் திகதி சிறீலங்கன் விமான சேவைகள் கம்பனியால் இரத்துச் செய்யப்பட்டிருந்தது. (பின்னிணைப்பு 67)

7.5.3.2. இதன் போது VIP அறைத் தொகுதிகளுக்காக வழங்கப்பட்ட அமெரிக்க டொலர் 15 மில்லியன் செலவுத்தாள் முழுமையாக VIP அறைத்தொகுதிக்காக செலவு செய்யப்பட்டுள்ளது எனத் தெரிவிக்கப்பட்டிருந்தது. அதற்கிணங்க VIP அறைத் தொகுதியை மீண்டும் விற்பனை செய்யும் வரை அது சம்பந்தமான உரிமை சிறி லங்கள் விமான சேவைகள் கம்பனிக்குரியதல்ல எனவும் விற்பனை செய்யப்பட்டால் அந்த விற்பனை செய்யப்பட்ட பெறுமதிக்குரிய செலவுத்தாள் “VIP Kit Settlement Credit Memorandum” எனும் பெயரில் எயார்பஸ் கம்பனியால் சிறீலங்கன் விமான சேவைகள் கம்பனிக்கு வழங்குவதாகவும் உடன்படிக்கையில் தெரிவிக்கப்பட்டிருந்தது.

7.6. A 350 மற்றும் A 330 வகையான விமானங்களை மீள் சந்தைப்படுத்தல்

7.6.1. சிறீலங்கன் விமான சேவைக் கம்பனியால் A 330 மற்றும் A 350 வகையான விமானங்களை மீள் சந்தைப்படுத்தலுக்காக (Remarketing) 07 முகவர் நிறுவனங்களுடன் 2016 மார்ச் 04 ஆந் திகதியிலிருந்து 2017 ஏப்ரல் 21 ஆந் திகதி வரை பின்வருமாறு 07 உடன்படிக்கைகள் மேற்கொள்ளப்பட்டிருந்தன.

அட்டவணை இல 20 – A 350 மற்றும் A 330 வகையான விமானங்களை மீள் சந்தைப்படுத்தும் உடன்படிக்கை தொடர்பான விபரம்.

முகவர் நிறுவனம்	உடன்படிக்கை செய்யப்பட்ட திகதி	உடன்படிக்கை செய்த விடயம்
i) Cabot Aviation (பின்னிணைப்பு 68)	2016 மார்ச் 04	A 350-900 வகையான 04 விமானங்களையும் A 330-300 வகையான விமானத்தையும் மீள் சந்தைப்படுத்தல்.
ii) Motevaliyan Tosee Tejarat Pvt Ltd. (பின்னிணைப்பு 69)	2016 மார்ச் 15	விமானத்தை உப குத்தகைக்கு வழங்குவதற்காக ஆலோசனை சேவைகளை வழங்குதல்.
iii) Millennium Aero Dyhamics Pvt Limited (பின்னிணைப்பு 70)	2016 ஆகஸ்ட் 18	German Aviation Capital கம்பனியை அறிமுகப்படுத்துவதற்கு புரிந்துணர்வு உடன்படிக்கையை மேற்கொள்ளல்.
iv) German Aviation Capital (பின்னிணைப்பு 71)	2016 ஆகஸ்ட் 18	A 350-900 வகையான 03 விமானங்களைக் கொள்வனவு செய்தல்.
v) Fitzroy Avation Limited (பின்னிணைப்பு 72)	2017 ஏப்ரல் 20	A 330-300, A 330-200 வகையான அல்லது விமான சேவைக் கம்பனியால் வழங்கப்படுகின்ற ஏனைய ஏதாது விமானத்தை மீள் சந்தைப்படுத்தல்.
vi) Air Partner (பின்னிணைப்பு 73)	2017 ஏப்ரல் 21	A 330-200 வகையான 1 விமானம் மற்றும் A 330-300 வகையான 03 விமானங்களை மீள் சந்தைப்படுத்தல்.
vii) Air Partner (பின்னிணைப்பு 74)	2017 ஏப்ரல் 21	A 330-200 வகையான 01 விமானம் மற்றும் A 330-300 வகையான 03 விமானங்களை Wetlease/ACMI நிகழ்ச்சித்திட்டத்தின் பிரகாரம் மீள் சந்தைப்படுத்தல்.

7.6.2.

மிகையான விமானங்களை மீண்டும் ஏனைய விமான சேவைகளுக்கு உபகுத்தகை (Sub Lease) வழங்குவதன் கீழ் கம்பனியால் பாகிஸ்தான் விமான சேவைக்கு ஒரு விமானத்தை 2016 ஆகஸ்ட் 04 ஆந் திகதியிலிருந்து 2017 பெப்ரவரி 09 ஆந் திகதி வரை 06 மாத காலத்திற்காக ஆகக் குறைந்தது 300 மணித்தியாலங்களுக்கு நிலையான கட்டணம் ஒரு மணித்தியாலத்திற்கு அமெரிக்க டொலர் 8,100 தொகையும் மேலதிக ஒரு மணித்தியாலத்திற்கு அமெரிக்க டொலர் 7,600 தொகையும் செலுத்தும் அடிப்படையில் Wet lease முறைமையில் வழங்கப்பட்டிருந்தது.

8. **அவதானிப்புக்கள்**

8.1. **2015/16 – 2017/18 காலத்திற்காக மீளமைக்கும் திட்டத்தை தயாரித்தல், அங்கீகரித்தல் மற்றும் அமுல்படுத்துதல்.**

8.1.1. ஒட்டுமொத்த தொகுதியையும் மீளமைப்புச் செய்வதற்காகத் தயாரிக்கப்பட்ட திட்டத்தின் பிரகாரம் நடவடிக்கை எடுக்கப்படாது அதில் ஒரு செயற்பாடு மாத்திரமான விமான அணியை மீளமைக்கும் செயற்பாடு மாத்திரம் அமுல்படுத்தப்பட்டதன் காரணமாக எதிர்பார்க்கப்பட்ட இலக்குகளை அடைந்து கொள்ள முடியாதிருந்தது.

8.1.2. முறைப்படியான சாத்தியவள ஆய்வினை அல்லது போதியளவு ஆலோசனை சேவையைப் பெற்றுக்கொள்ளாது முகாமைத்துவத்தால் 2015/2016 இலிருந்து 2017/18 வரையான காலப்பகுதிக்குரிய மீளமைப்புத் திட்டத்தின் பிராங்க்பேட், பரிஸ், ரோம், ஆகிய நீண்ட தூர விமானப் பயண வழிகளில் ஒருவதனைக் கைவிடுவதற்கும் அதன் மூலம் ஐரோப்பா வரை ஒரு வாரத்திற்கான விமானப் பயணங்களை 2015/16 இலிருந்து 2016/17 வரை 18 இலிருந்து 07 வரை குறைப்பதற்குத் திட்டமிடப்பட்டிருந்தது.

8.1.3. உத்தேச மீளமைப்புத் திட்டத்தின் பிரகாரம் சிறீலங்கன் விமான சேவைக் கம்பனி மற்றும் மிஹின் லங்கா விமான சேவைகள் கம்பனியை ஒன்றிணைத்து ஆக்கபூர்வமான முறையில் கூட்டு வியாபார நடவடிக்கைகளில் ஈடுபடுவதற்கு எதிர்பார்க்கப்பட்டிருந்தும் அக்கம்பனிகளை ஒன்றிணைப்பதற்கு நடவடிக்கை எடுக்கப்பட்டிருக்கவில்லை. சிறீலங்கன் விமான சேவைக் கம்பனியால் மிஹின் லங்கா விமான சேவைக் கம்பனிக்குச் சொந்தமாகக் காணப்பட்ட விமான வழிகளும் விமானங்களும் மாத்திரம் பொறுப்பேற்கப்பட்டு மிஹின் லங்கா விமானக் கம்பனியைக் கலைப்பதற்கு தீர்மானம் எடுக்கப்பட்டிருந்ததுடன் 2019 மே 31 ஆந் திகதி வரை அந் நடவடிக்கை பூர்த்தி செய்யப்பட்டிருக்கவில்லை. (தொடர்பு 7.2.3.2(iii) ஆம் பந்தி)

8.1.4. மீளமைப்பு திட்டத்தின் பிரகாரம் முழு விமான அணியும் 2016/17 மற்றும் 2017/18 காலப்பகுதியளவில் 18 விமானங்களை உள்ளடக்கி இருக்க வேண்டிய போதிலும் 2016/17 ஆண்டின் போது உள்ளபடியான விமான அணி 24 விமானங்கள் வரை 06 விமானங்களால் அதிகரித்திருந்தது. விமானப் பயணங்களை குறைப்பதற்கு திட்டமிடப்பட்டிருந்தும் புதிய விமானங்களை சேர்த்துக்கொள்வதற்கு சிறீலங்கன் விமான சேவைக் கம்பனி முறையான திட்டமின்றி தீர்மானித்திருந்தது. (தொடர்பு 7.2.2(iii) ஆம் பந்தி)

அட்டவணை இல 19 – 2016/17 ஆம் ஆண்டில் மதிப்பீடு செய்யப்பட்ட மற்றும் உள்ளபடியான விமானங்களின் அளவு

**விமானங்களின் வகை**

**2016/17**

	மதிப்பீடு	உள்ளபடியானவை	வேறுபாடு
	செய்யப்பட்டவை		
A 320 - 200	06	06	-
A 321 - 200	02	03	01
A 320 - Neo	-	02	02
A 330 - 200	03	06	03
A 330 - 300	07	07	-
முழு அளவு	18	24	06

8.1.5. கம்பனியின் நட்டத்தை 2015/16 இலிருந்து 2017/18 அளவில் குறைப்பதற்குத் திட்டமிடப்பட்டிருந்தும் 2015/16 இலிருந்து 2016/17 அளவில் கம்பனியின் உள்ளபடியான நட்டம் ரூபா 12,084 மில்லியனிலிருந்து ரூபா 28,340 மில்லியன் வரை அதிகரித்திருந்தது. அதற்கிணங்க முன்னைய ஆண்டுடன் ஒப்பிடுகையில் 2016/17 ஆம் ஆண்டில் உள்ளபடியான நட்டம் 57 சதவீதத்தால் அதிகரித்துள்ளது என்பது மேலும் அவதானிக்கப்பட்டது. (தொடர்பு 7.2.2(iv) ஆம் பந்தி)

8.1.6. உத்தேச மீளமைத்தல் திட்டத்தின் பிரகாரம் இலங்கை அரசாங்கத்திடமிருந்து அமெரிக்க டொலர் 255 மில்லியன் மூலதனப் பங்களிப்பை பெற்றுக்கொள்வதற்குத் திட்டமிடப்பட்டிருந்தும் திட்டத்தை அமுல்படுத்தும் திகதியான 2016 ஏப்ரல் 01 ஆந் திகதியிலிருந்து 2019 மே 31 அந் திகதி வரை எதுவித மூலதன பங்களிப்பும் கம்பனிக்கு அரசாங்கத்திடமிருந்து கிடைத்திருக்கவில்லை. (தொடர்பு 7.2.2(v) ஆம் பந்தி)

8.1.7. சிறிலங்கை கேட்டரின் கம்பனியின் பங்குகளை விற்பனை செய்தல் (பின்னிணைப்பு 75) மற்றும் தளச் செயற்பாடு (Ground Handing) பிரிவின் 40 சதவீதத்தை விற்பனை செய்தல் (பின்னிணைப்பு 76) இலங்கை அரசாங்கத்தால் சிறிலங்கை விமான சேவைகள் கம்பனியை அரசாங்க தனியார் பங்குடைமை தொழில் முயற்சியாக (PPP) மாற்றுவதற்கான தீர்மானத்தின் அடிப்படையில் சிறிலங்கை கேட்டரின் கம்பனியின் பங்குகளை விற்பனை செய்வதன் மூலம் பெற்றுக்கொள்வதற்குத் திட்டமிடப்பட்ட அமெரிக்க டொலர் 85 மில்லியன் மற்றும் தளச் செயற்பாட்டுப் பிரிவின் 40 சதவீதத்தை

விற்பனை செய்வதன் மூலம் பெற்றுக்கொள்வதற்குத் திட்டமிடப்பட்ட அமெரிக்க டொலர் 140 மில்லியன் நிதி வழங்கப்பட்டிருக்கவில்லை. (தொடர்பு 7.2.2(V) ஆம் பந்தி)

8.1.8. மேலும் 2019 மே 31 ஆந் திகதி வரை சிறீலங்கன் விமான சேவைகள் கம்பனிக்கு முதலீட்டாளர் ஒருவரை கவர்ச் செய்வதற்கு முடியாதிருந்தது.

8.1.9. 2017 ஆம் ஆண்டில் மீள வழங்குவதற்கு நிர்ணயிக்கப்பட்ட A 330-200 வகையான 3 விமானங்கள் சம்பந்தமாக மற்றும் 2017 ஆம் ஆண்டில் பெற்றுக்கொள்வதற்கு நிர்ணயிக்கப்பட்ட A 350-900 வகையான 8 விமானங்களை சேவையில் ஈடுபடுத்துதல் அல்லது வேறு மாற்று வழிகளைப் பயன்படுத்துவது தொடர்பாக ஆலோசனை சேவைகளைப் பெற்றுக்கொள்வதற்காக ஒரு வெளித்தரப்பினர் நியமிக்கப்பட்டிருந்தார். அமைச்சரவை அங்கீகரித்த மீளமைத்தல் திட்டத்தின் மூலம் விமான அணியை 18 வரை மீண்டும் மட்டுப்படுத்துவதற்குப் உத்தேசிக்கப்பட்டிருந்தும் வைத்துக்கொள்வதற்கு எதிர்பார்க்கப்பட்ட விமானங்கள் மற்றும் அகற்றுவதற்கு எதிர்பார்க்கப்பட்ட விமானங்கள் தொடர்பாக உறுதியாகக் குறிப்பிடப்பட்டிருக்கவில்லை மேலும், உத்தேசிக்கப்பட்டவாறு வெளித்தரப்பினரின் சேவை பெற்றுக்கொள்ளப்பட்டிருந்தும் கம்பனியால் 2018 ஆம் ஆண்டளவில் 26 விமானங்கள் சேவையில் ஈடுபடுத்தப்பட்டிருந்தன.

- 8.2. **விமான உடன்படிக்கைகளை முடிவுறுத்துவதற்காக ஆலோசனை சேவையைப் பெற்றுக்கொள்ளல்.**
- 8.2.1. விமான அணி தொடர்பாக மீண்டும் மதிப்பீடு செய்வதற்காக (Sky Works) ஆலோசனைக் கம்பனியைத் தெரிவு செய்யும் போது ஆலோசனைக் கம்பனிகளிடமிருந்து பெற்றுக்கொள்ளப்பட்ட பிரேரணைகள் ஆறு அங்கத்தவர்களைக் கொண்ட குழுவின் மூலம் மதிப்பீடு செய்யப்பட்டதாக 2015 செப்டெம்பர் 21 ஆந் திகதிய பணிப்பாளர் சபைத் தீர்மானத்தில் காட்டப்பட்டிருந்தும் அவ்வாறு மதிப்பீடு செய்யப்பட்டுள்ளது என்பதற்கு மதிப்பீட்டுப் பத்திரம் மற்றும் விபரமான மதிப்பீட்டு அறிக்கை பணிப்பாளர் சபைக்கு சமர்ப்பிக்கப்பட்டிருக்கவில்லை. (தொடர்பு 7.3.1.1.4 ஆம் பந்தி)
- 8.2.2. 2015 செப்டெம்பர் 09 ஆந் திகதி Skyworks கம்பனியுடன் ஆலோசனை நடவடிக்கைகளுக்காக உடன்படிக்கை மேற்கொள்ளும் போது A 350 – 900 வகையான விமானத்தைப் பயன்படுத்த முடியாமைக்கு 2015 ஆகஸ்ட் 25 ஆந் திகதி கம்பனியின் பணிப்பாளர் சபை எடுத்த தீர்மானம் தொடர்பாக குறிப்பிடப்படாது கம்பனியின் விமான அணி தொடர்பாக மீண்டும் மதிப்பீடு செய்வதற்காக உடன்படிக்கை செய்து கொள்ளப்பட்டிருந்தது.
- 8.2.3. முதலாவதாகத் தெரிவு செய்யப்பட்ட ஆலோசனை நிறுவனமான Skyworks கம்பனியுடன் 2015 செப்டெம்பர் 09 ஆந் திகதி செய்து கொள்ளப்பட்ட உடன்படிக்கையின் பிரகாரம் நிறுவனத்திற்கு தகவல்கள் கிடைத்து 4 வாரங்களுக்குள் முழுமையான அறிக்கையைச் சமர்ப்பிப்பதாக இணங்கி கொள்ளப்பட்டிருந்தது. எவ்வாறாயினும், இந்த நிறுவனம் 06 வார காலம் கடந்து 2015 ஒக்டோபர் 22 ஆந் திகதி இடைக்கால அறிக்கையை சமர்ப்பித்திருந்ததுடன் இறுதி அறிக்கையானது உடன்படிக்கை செய்த திகதியிலிருந்து 16 வாரங்களுக்குப் பின்னர் 2016 சனவரி மாதத்தின் போது சமர்ப்பிக்கப்பட்டிருந்ததுடன் அதாவது 12 வார தாமதத்தின் பின்னர் சமர்ப்பிக்கப்பட்டிருந்தது. (தொடர்பு 7.3.2.1.3 ஆம் பந்தி)
- 8.2.4. A 350-900 உடன்படிக்கையை இரத்துச் செய்வதற்காக ஆலோசனை சேவையை பெற்றுக்கொள்வது தொடர்பாக Skyworks ஆலோசனைக் கம்பனியை 2015 செப்டெம்பர் 21 ஆந் திகதி தெரிவு செய்யும் சந்தர்ப்பத்தின் போது “Nyras” ஆலோசனைக் கம்பனியால் சமர்ப்பிக்கப்பட்ட பிரேரணை சிறீலங்கன் விமான சேவைகள் கம்பனியின் மூலம் நிராகரிக்கப்பட்டிருந்தது. எவ்வாறாயினும், அதற்குப் பின்னைய திகதியின் போது சிறீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தர் “Nyras” ஆலோசனைக் கம்பனியுடன் நடாத்திய தொலைபேசி கலந்துரையாடலின் பிரகாரம் முறையான பெறுகை நடைமுறையைப் பின்பற்றாது “Nyras”

ஆலோசனைக் கம்பனியுடன் Skyworks கம்பனியின் மூலம் மேற்கொள்ளப்படுகின்ற சேவைகளையே பெற்றுக்கொள்வதற்காக 2016 பெப்ரவரி 03 ஆந் திகதி உடன்படிக்கை செய்து கொள்ளும் தேவைப்பாடு கணக்காய்வின் போது உறுதிப்படுத்தப்பட்டிருக்கவில்லை.

8.2.5. சிறீலங்கன் விமான சேவைகள் கம்பனியால் “Nyras” நிறுவனத்திற்கு A 350-900 உடன்படிக்கையை இரத்துச் செய்வது தொடர்பான ஆலோசனை வழங்குவதற்காக 2015 திசம்பர் 22 ஆந் திகதியிலிருந்து 2016 செப்டெம்பர் 02 ஆந் திகதி வரை பிரித்தானிய பவுண் 248,961.75 தொகை விளைவற்ற வகையில் செலுத்தப்பட்டிருந்ததுடன் அது அண்ணளவாக ரூபா 50 மில்லியனாக இருந்தது. “Nyras” நிறுவனம் சமர்ப்பித்த அறிக்கையின் பிரகாரம் “A 350-900 விமானம் ஒன்றினையேனும் பெற்றுக்கொள்ளாது ஆகாய வழி வலையமைப்பைத் திட்டமிடல்” இதன் போது காணப்படுகின்ற விமான சேவைக் கம்பனியைக் கலைத்து இலாபம் தரக்கூடிய பிரிவை தனியான ஒரு தொழில் முயற்சிப் பிரிவாக மாற்றி புதிய விமான சேவையாக தோற்றுவித்தல் எனும் மாற்றுவழி இன் கீழ் சமர்ப்பிக்கப்பட்ட பிரேரணையை அமுல்படுத்துவதற்காக சிறந்த மாற்றுவழியாக சிபார்சு சமர்ப்பிக்கப்பட்டிருந்தது. எவ்வாறாயினும், சிறீலங்கன் விமான சேவைகள் கம்பனி இவ்வறிக்கைத் திகதி வரையும் அம் மாற்று வழியை அமுல்படுத்துவதற்கு நடவடிக்கை எடுக்காமையால் சிறீலங்கன் விமான சேவைகள் கம்பனி “Nyras” நிறுவனத்திற்கு செலுத்திய பிரித்தானிய பவுண் 248,961.75 தொகை விறைவற்ற செலவாக மேலும் அவதானிக்கப்பட்டது. இதன் போது உடன்படிக்கையின் மூலம் இணங்கியிருக்காத செயற்பாடாகிய இலங்கை பெற்றோலியக் கூட்டுத்தாபனத்துடன் கலந்துரையாடி எரிபொருள் விலையைக் குறைப்பதற்கு நடவடிக்கை எடுப்பது தொடர்பாக “Nyras” நிறுவனத்திற்குச் செலுத்தப்பட்ட பிரித்தானிய பவுண் 15,267.25 ஆகிய இலங்கை ரூபா 2.25 மில்லியன் அக் கொடுப்பனவில் உள்ளடக்கப்பட்டிருந்தது.

8.2.6. 2016 சனவரி 31 ஆந் திகதி வரை “Nyras” ஆலோசனைக் கம்பனியால் நிதி அமைச்சுக்கு வழங்கப்பட்ட சேவைகளுக்காக பிரித்தானிய பவுண் 65,000 பணம் சிறீலங்கன் விமான சேவைகள் கம்பனியின் மூலம் 2015 திசம்பர் 22, 2016 சனவரி 21 மற்றும் சனவரி 29 ஆந் திகதிகளில் கொள்வனவு செய்யப்பட்டிருந்தன. அப் பணம் நிதி அமைச்சின் மூலம் மீளளிப்புச் செய்வதற்கு இணக்கம் செய்யப்பட்டிருந்தும் பட்டியலிடப்பட்ட பெறுமதியான ரூபா 13,947,625 பணத்தில் நிதி அமைச்சினால் ரூபா 577,625 குறைவாக அதாவது ரூபா 13,370,000 மாத்திரம் 2016 மே 20 ஆந் திகதி மீளளிப்புச் செய்யப்பட்டிருந்தது.



8.2.7. சிறீலங்கன் விமான சேவைகள் கம்பனி A 350-900 வகையான 04 விமானங்களின் செயற்பாட்டு குத்தகை உடன்படிக்கையை இரத்துச் செய்தல் எனப் பெயரிட்டப்பட்ட பிரதான செயற்பாட்டை அடிப்படையாகக் கொண்டு “Skyworks” மற்றும் “Nyras” ஆகிய இரண்டு ஆலோசனை சேவை நிறுவனங்களிடமிருந்து ஆலோசனை சேவைகளைப் பெற்றுக் கொள்வதற்காக ரூபா 99,186,143 பணம் அந் நிறுவனங்களுக்குச் செலுத்தப்பட்டிருந்தன. மேலும் விமான அணியை மீளமைப்புச் செய்யும் நிகழ்ச்சித்திட்டத்திற்காக சீபரி நிறுவனத்திடமிருந்து ஆலோசனை சேவைகளைப் பெற்றுக்கொள்வதற்கு நடவடிக்கை எடுக்கப்பட்டிருந்ததுடன் அந் நிறுவனத்திற்கு ரூபா 144,887,459 பணம் ஆலோசனை சேவைக் கட்டணமாகச் செலுத்தப்பட்டிருந்தது. அதற்கிணங்க கம்பனியால் விமானங்களைக் கொள்வனவு செய்தல் மற்றும் இரத்துச் செய்தல் நடவடிக்கைகளுக்காக ஆலோசனை சேவைகளைப் பெற்றுக் கொள்வதற்காக ரூபா 244,073,602 பணம் செலவு செய்யப்பட்டிருந்தும் அதன் மூலம் சிறீலங்கன் விமான சேவையின் மேம்பாட்டிற்காக ஆக்கபூர்வமான சேவையைப் பெற்றுக்கொள்வதற்கு விமான சேவைகள் கம்பனிக்கு முடியாதிருந்தது என்பது அவதானிக்கப்பட்டது.

- 8.3. **ஆலோசகர்களை சேவையில் ஈடுபடுத்துவது தொடர்பாக பெறுகை வழிகாட்டிக் கோவையுடனான இணக்கமின்மைகள்**  
சிறீலங்கன் விமான சேவைகள் கம்பனி விமானங்களைக் கொள்வனவு செய்யும் உடன்படிக்கைகளை இரத்துச் செய்வதற்காக ஆலோசகர்களைத் தெரிவு செய்யும் போது பின்வரும் இணக்கமின்மைகள் அவதானிக்கப்பட்டன.
- 8.3.1. அமைச்சினால் முறையான பெறுகைக் குழு நியமிக்கப்பட்டு அச் செயற்பாடு நிறைவேற்றப்பட வேண்டிய போதிலும் அவ்வாறு முறைப்படியாக நியமணங்கள் இடம்பெற்றுள்ளது என்பதற்கான சான்றுகள் கணக்காய்விற்குச் சமர்ப்பிக்கப்பட்டிருக்கவில்லை. (தொடர்பு :- பின்னிணைப்பு 77(i) ஆம் பந்தி)
- 8.3.2. கம்பனியால் பிரேரணைக்கான வேண்டுகல் கூற்றினைத் (Request For Proposal) தயாரித்து ஆலோசனைகளை பெறுகைக் குழுவின் மூலம் அங்கீகரித்து பிரேரணைகளைச் சமர்ப்பிப்பதற்கு எதிர்பார்த்து ஆலோசனைக் கம்பனிக்கு சமர்ப்பிக்கப்பட்டிருக்கவில்லை. இதன் காரணமாக கம்பனியால் தனது செயற்பாடுகளை மேற்கொள்வதற்காக ஆலோசனைக் கம்பனியைத் தெரிவு செய்யும் போது மதிப்பீடு செய்யப்பட்ட முறைமை விளக்கமளிக்கப்பட்டிருக்கவில்லை. (தொடர்பு :- பின்னிணைப்பு 77 (ii) ஆம் பந்தி)
- 8.3.3. ரூபா இரண்டு மில்லியனை மிகைத்த மற்றும் சிக்கலான செயற்பாடுகளுக்காக சர்வதேச ஆலோசனை நிறுவனங்களின் பங்களிப்புக்களை எதிர்பார்க்கின்ற சந்தர்ப்பங்களின் போது விருப்பக் கூற்றை (EOI) சமர்ப்பிப்பதற்காக உள்நாட்டைப் போல சர்வதேச ஊடகங்களிலும் அறிவித்தல் வெளியிடப்படுதல் வேண்டும். எனினும், அத் தேவைப்பாடுகளுக்கு இணங்கிய வகையில் அறிவித்தல்கள் வெளியிடப்படாதிருந்ததுடன் இதன் காரணமாக போட்டியான பங்குபற்றுதலுக்கு வாய்ப்பளிக்காததன் மூலம் கம்பனிக்கு பெற்றுக்கொள்ளக் கூடியதாகவிருந்த உச்ச அளவு தரம் மற்றும் பொருளாதாரரீதியாக நலன் பெற்றுக்கொள்ளப்பட்டது. என்பது அவதானிக்கப்படவில்லை. (தொடர்பு :- பின்னிணைப்பு 77 (vii) ஆம் பந்தி)
- 8.3.4. கம்பனியால் பிரேரணைகளைச் சமர்ப்பிப்பதற்காக 02 நிறுவனங்களிடமிருந்து மாத்திரம் வேண்டுகல்கள் விடுவிக்கப்பட்டிருந்தன. மேலும் தகைமையுள்ள நிறுவனத்தால் விருப்பக் கூற்று சமர்ப்பிக்கப்படாத போது அல்லது வேறு தகைமையுள்ள நிறுவனம் இல்லாத போது மாத்திரம் தெரிவு செய்யப்பட்ட நிறுவனங்களின் எண்ணிக்கை 07 இற்கு குறையலாம் ஆனால் இச்சந்தர்ப்பத்தின் போது உரிய நடைமுறையைப் பின்பற்றாது 2 நிறுவனங்கள்

மாத்திரம் தெரிவு செய்யப்பட்டிருந்தன. (தொடர்பு :- பின்னிணைப்பு 77 (viii) ஆம் பந்தி)

8.3.5. பிரேரணைகளைக் கோரும் போது அப்பிரேரணைகளின் செல்லுபடியாகும் காலஎல்லை தொடர்பாக எதுவும் குறிப்பிடப்பட்டிருக்காத அதேவேளை மின்னஞ்சல் மூலம் வகைப்படுத்தப்படாது பிரேரணைகள் பெற்றுக்கொள்ளப்பட்டிருந்தன. அதற்கிணங்க அப்பிரேரணைகள் ஏற்கனவே தயாரிக்கப்பட்ட பருமனளவுகளுக்கு இணங்க மதிப்பீடு செய்யப்பட்டது. என்பது கணக்காய்வின் போது அவதானிக்கப்படவில்லை. (தொடர்பு :- பின்னிணைப்பு 77 (x) – (xvi) ஆம் பந்தி)

8.3.6. பிரேரணைகளைத் திறக்கும் குழு நியமிக்கப்படாதிருந்ததுடன் பிரேரணைகளைத் திறப்பதிலிருந்து மதிப்பீடு செய்தல் வரையான நடைமுறையானது கம்பனியின் தெரிவுக் குழு வினாலேயே மேற்கொள்ளப்பட்டிருந்தது. நிதிப் பிரேரணைகளைத் திறக்கும் சந்தர்ப்பத்தின் போது அப்பிரேரணைகளைச் சமர்ப்பித்த ஆலோசனை சேவைக் கம்பனிகளின் பிரதிநிதிகளை பங்குபற்றச் செய்ய வேண்டிய போதிலும் இந்த ஆலோசனை சேவைகளைப் பெற்றுக்கொள்ளும் போது அவ்வாறு நடவடிக்கை எடுக்கப்பட்டிருக்கவில்லை. அதற்கிணங்க விமானங்கள் மற்றும் ஆகாய வழிகளை மீளமைப்புச் செய்வதற்கான ஆலோசனை சேவைகளைப் பெற்றுக்கொள்வதற்காக மேற்கொள்ளப்பட்ட பெறுகைச் செயற்பாடுகள் வெளிப்படைத்தன்மையின்றி இடம் பெற்றிருந்தமை அவதானிக்கப்பட்டது. (தொடர்பு :- பின்னிணைப்பு 77 (xv) ஆம் பந்தி)

8.3.7. ஆலோசனை சேவைகளைப் பெற்றுக்கொள்வதற்கு DVB வங்கி மற்றும் Sky Works நிறுவனத்திற்கு 2015 ஆகஸ்ட் 18 ஆந் திகதி அல்லது அதற்கு முன்னர் பிரேரணைகளைச் சமர்ப்பிக்குமாறு 2015 ஆகஸ்ட் 12 ஆந் திகதி தெரிவிக்கப்பட்டிருந்தது. எவ்வாறாயினும், அதற்கு பின்னைய திகதியான 2015 ஆகஸ்ட் 20 ஆந் திகதி “Nyras” இற்கும் பிரேரணையை சமர்ப்பிக்குமாறு தெரிவிக்கப்பட்டிருந்தது.

அதற்கிணங்க கம்பனி பெறுகை ஒழுங்கு விதிகளை மீறி கம்பனியின் விருப்பின் பேரில் தெரிவு செய்யப்பட்ட ஆலோசனை நிறுவனங்களிடமிருந்து பல்வேறு திகதிகளில் விருப்புக் கூற்று (E01) பெற்றுக்கொள்ளப்பட்டு ஆலோசனை சேவை நிறுவனத்தை தெரிவு செய்வதற்கு நடவடிக்கை எடுக்கப்பட்டிருந்தது. (தொடர்பு :- பின்னிணைப்பு 77 (XIV) ஆம் பந்தி)

- 8.4. செயற்பாட்டுக் குத்தகையின் அடிப்படையில் பெற்றுக்கொள்வதற்கு உடன்படிக்கை செய்யப்பட்ட A 350- 900 வகையான 04 விமானங்களின் உடன்படிக்கையை முடிவுறுத்துதலும் இழப்பீட்டினைச் செலுத்துதலும்.
- 8.4.1. A 350 மற்றும் A 330 வகையான விமானங்கள் தொடர்பாக உத்தேச விமான வழிகள் மற்றும் காணப்படுகின்ற விமான வழிகளை கவனத்திற்கு எடுத்துக்கொண்டு சாத்தியவள ஆய்வினை சிறீலங்கன் விமான சேவைக் கம்பனிக்கு ஏயார் பஸ் கம்பனியிடமிருந்து பெற்றுக்கொள்வதற்கு 2015 ஆகஸ்ட் 03 ஆந் திகதி நடைபெற்ற பணிப்பாளர் சபைக் கூட்டத்தின் போது தீர்மானித்தல் சிறீலங்கன் விமான சேவைகள் கம்பனிக்கு தொடர்புபட்ட சுயாதீனமற்ற தரப்பினர்களிடமிருந்து ஆய்வுகளைச் செய்து கொள்ளல் சிக்கலுக்குரியதாகும். (தொடர்பு :- 7.3.1.1.1 (iv) ஆம் பந்தி)
- 8.4.2. ஏயார் பஸ் கம்பனியால் சமர்ப்பிக்கப்பட்ட அறிக்கையின் பிரகாரம் A 350-900 மற்றும் A 330 – 300 வகையான விமானங்களின் செயற்பாடுகள் தொடர்பான மதிப்பீடு லண்டன் ஆகாய வழிகள் தொடர்பாக மாத்திரம் இடம்பெற்றிருந்தது. அவ்வாறு ஒரு விமான வழி தொடர்பாக மாத்திரமான மதிப்பீட்டினை தெரிவு செய்யப்பட்ட ஐரோப்பிய பயணங்களின் ஆகாய வழிகளுடன் ஒப்பீடு செய்தலின் மூலம் அதன் பெறுபேறுகள் அந்த ஆகாய வழிகளுக்குப் புறம்பாக ஒட்டு மொத்த நீண்ட தூரப் பயணங்களுக்கு பதிலீடு செய்தல் நடைமுறைச் சாத்திமற்றது என்பது அவதானிக்கப்பட்டது. (தொடர்பு :- 7.3.1.1.2 ஆம் பந்தி)
- 8.4.3. பணிப்பாளர் சபையினால் Aercap கம்பனியுடன் கலந்துரையாடி இழப்பீட்டுப் பணத்தை செலுத்துவதற்கு இணக்கம் செய்யவைக்கும் நடவடிக்கைகளுக்கு சிறீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தருக்கு அதிகாரம் வழங்கப்பட்டிருந்தது. இதன் போது அந்த உத்தியோகத்தரால் Aereap கம்பனியுடன் இடம் பெற்ற கலந்துரையாடல் குறிப்பும் (Negotitation Minutes) கணக்காய்விற்குச் சமர்ப்பிக்கப்படாதிருந்ததுடன் அக்கலந்துரையாடலுக்காக ஆலோசனைக் கம்பனிகளின் உதவி பெற்றுக்கொள்ளப்பட்டமையும் அவதானிக்கப்படாமையால் அக் கொடுக்கல் வாங்கல் போதியளவு வெளிப்படைத்தனமையுடன் இடம் பெற்றது என்பது உறுதிப்படுத்தப்படவில்லை.
- 8.4.4. 04 ஆவது A 350 – 900 வகையான விமானத்தின் குத்தகை உடன்படிக்கையை முடிவுறுத்துவதற்கான இழப்பீட்டினைச் செலுத்துவதற்கும் கம்பனியின் தொடக்க நிதி தேவைப்பட்டினைத் தீர்த்துக் கொள்வதற்கும் அமெரிக்க டொலர் 65 மில்லியன் கடன் பெற்றுக் கொள்வதற்கான அங்கீகாரம் பொருளாதார முகாமைத்துவ அமைச்சரவை உப குழுவால் (CCEM) 2016 ஏப்ரல் 05 ஆந் திகதி நடைபெற்ற கூட்டத்தின் போது வழங்கப்பட்டிருந்தும்

குத்தகை உடன்படிக்கையை இரத்துச் செய்தல் மற்றும் இழப்பீடாக அமெரிக்க டொலர் 17.77 மில்லியனைச் செலுத்துவது சம்பந்தமான அங்கீகாரம் அதில் உறுதியாகக் குறிப்பிடப்பட்டிருக்கவில்லை. அதே போல இது சம்பந்தமாக அமைச்சரவையின் அங்கீகாரம் பெற்றுக்கொள்ளப்பட்டமையும் கணக்காய்வின் போது உறுதிப்படுத்தப்படவில்லை. (தொடர்பு :- 7.3.1.2.1 ஆம் பந்தி)

8.4.5. மேலே குறிப்பிடப்பட்ட 4 ஆவது A 350 – 900 வகையான விமானத்தின் குத்தகை உடன்படிக்கையை இரத்துச் செய்வது தொடர்பாகச் செலுத்தப்பட்ட இழப்பீட்டுப் பணமான அமெரிக்க டொலர் 17.77 மில்லியன் (இழக்கப்பட்ட பாதுகாப்பு வைப்பாகிய அமெரிக்க டொலர் 2.5 மில்லியனையும் உள்ளடக்கி) உறுதியாக கணிப்பீடு செய்யப்பட்ட முறை தொடர்பான உறுதிப்படுத்தல் கணக்காய்விற்குச் சமர்ப்பிக்கப்பட்டிருக்கவில்லை.

8.4.6. 2016 யூலை 28 ஆந் திகதிய பணிப்பாளர் சபைக் கூட்டத்திற்காக கௌரவ பிரதம மந்திரி மற்றும் தொழில் முயற்சிகள் அபிவிருத்தி அமைச்சரால் சிபார்சுகள் சமர்ப்பிக்கப்பட்டிருந்தன. அதன் பின்னர் A 350 – 900 வகையான விமானத்தின் உடன்படிக்கையை இரத்துச் செய்தல் சம்பந்தமாக சிறீலங்கன் விமான சேவைகள் கம்பனியின் பணிப்பாளர் சபைக்கு தெளிவுபடுத்தப்பட்டமைக்கான தகவல்கள் கணக்காய்விற்கு வெளிப்படுத்தப்படவில்லை.

8.4.7. உத்தேச இழப்பீட்டுப் பணத்தை செலுத்தி விடுவிப்பதன் மூலம் சிறீலங்கன் விமான சேவைக்கு தொடர்ச்சியாக மேலதிக நட்டம் எதிர்காலத்தில் ஏற்படாது எனவும் அதன் அடிப்படையில் மிகவும் சிறந்த முதலீட்டாளர் ஒருவரை சிறீலங்கன் விமான சேவைகள் கம்பனியால் கவர்ந்து கொள்ள முடியும் எனவும் 2016 செப்டெம்பர் 07 ஆந் திகதி CCEM இற்கு சிறீலங்கன் விமான சேவைகள் கம்பனியால் சமர்ப்பிக்கப்பட்ட அறிக்கையில் தெரிவிக்கப்பட்டிருந்தது. எனினும், இணங்கி கொள்ளப்பட்ட இழப்பீட்டுப் பணத்தைச் செலுத்தி விடுவித்ததன் பின்னரும் சிறீலங்கன் விமான சேவைகள் கம்பனி 2019 மே 31 ஆந் திகதி வரை தொடர்ச்சியாக நட்டமடைந்துள்ளதுடன் முதலீட்டாளரைக் கவர்வதும் வெற்றியளித்திருக்கவில்லை. (தொடர்பு :- 7.3.1.2.2 (iv) ஆம் பந்தி)

8.4.8. 2016 செப்டெம்பர் 07 ஆந் திகதி பொருளாதார முகாமைதவ உப குழுவுிற்குச் சமர்ப்பிக்கப்பட்ட அறிக்கையின் பிரகாரம் A 350 -900 வகையான விமானத்தைத் தவிர்த்து ஏனைய அனைத்து விமானங்களையும் மீளமைப்புச் செய்வதன் மூலம் 2016/ 17 இலிருந்து 2020/21 வரை எதிர்பார்த்த சேமிப்பு அமெரிக்க டொலர் 130 மில்லியன் எனக் காட்டப்பட்டிருந்தும் இதன் போது குத்தகை தவணைப் பணத்தை குறைப்பது மாத்திரம் கவனத்திற்கு

எடுத்துக்கொள்ளப்பட்டிருந்ததுடன் ஏனைய காரணிகளான பராமரிப்புக் கிரயம், எரிபொருள் கிரயம் அதிகரித்துச் செல்லல் தொடர்பாக கவனம் செலுத்தப்பட்டிருக்கவில்லை. (தொடர்பு :- 7.3.1.2.2 (iv) ஆம் பந்தி)

8.4.9. 2016 செப்டெம்பர் 07 ஆந் திகதி நடைபெற்ற பொருளாதார முகாமைத்துவம் தொடர்பான அமைச்சரவை உப குழு (CCEM) கூட்டத்தின் போது A 350 - 900 வகையான 03 விமானங்களின் உடன்படிக்கையை முடிவுறுத்தும் இழப்பீட்டுப் பணம் அமெரிக்க டொலர் 75 மில்லியனுக்கும் 85 மில்லியனுக்கும் இடையில் இருக்க வேண்டுமென தீர்மானிக்கப்பட்டிருந்தும் அந்த அளவை தீர்மானித்த அடிப்படை உறுதியாகக்காட்டப்பட்டிருக்கவில்லை. (தொடர்பு :- 7.3.1.2.2 (V) ஆம் பந்தி)

8.4.10. 2016 செப்டெம்பர் 05 ஆந் திகதி Aercap கம்பனியுடனான உடன்படிக்கையை முடிவுறுத்தும் இழப்பீட்டுப் பணத்தை குறைப்பதற்காக இடம் பெற்ற கலந்துரையாடலின் பிரகாரம் இழப்பீடானது நிபந்தனைக்கு உட்பட்டு அமெரிக்க டொலர் 98 மில்லியனுக்கு குறைக்கப்பட்டிருந்தும் அந் நிபந்தனைகளுக்கு இணங்கும் போது எதுவித கிரய நலன் பகுப்பாய்வும் சிறீலங்கன் விமான சேவைகள் கம்பனியால் மேற்கொள்ளப்பட்டிருக்கவில்லை. (தொடர்பு :- 7.3.1.2.2 (iv) ஆம் பந்தி)

8.4.11. A 350-900 வகையான 03 விமானங்களின் குத்தகை உடன்படிக்கையை முடிவுறுத்துவதற்காக 2016 செப்டெம்பர் மாதத்தின் போது பொதுத் திறைசேரியில் இடம்பெற்ற கலந்துரையாடலுக்காக அரசாங்க தொழில்முயற்சிகள் அபிவிருத்தி அமைச்சின் செயலாளர் சம்பந்தப்பட்டிருந்தும் அதன் பின்னர் நடைபெற்ற கலந்துரையாடலுக்காக அரசாங்க தொழில்முயற்சிகள் அபிவிருத்தி அமைச்சு சம்பந்தப்பட்டிருந்தமை அவதானிக்கப்பட்டிருக்கவில்லை.

8.4.12. 2016 ஒக்டோபர் 01 ஆந் திகதி Aercap பிரதிநிதிகளுடன் திறைசேரியில் நடைபெற்ற கலந்துரையாடலுக்கு பங்குபற்றியிருந்த சில உத்தியோகத்தர்கள் அக்கலந்துரையாடலுக்காக பங்குபற்ற வேண்டும் என்பதற்கு அங்கீகாரம் வழங்கிய நபர்கள் தொடர்பாக கணக்காய்வின் போது அவதானிக்கப்படவில்லை. (தொடர்பு :- 7.3.1.2.2 (iv) ஆம் பந்தி)

8.4.13. மேலே 8.4.12 ஆம் பந்தியில் தரப்பட்டுள்ள கலந்துரையாடலின் போது இணங்கிய விடயங்கள் தொடர்பாக சிறீலங்கன் விமான சேவைகள் கம்பனியின் பிரதான நிறைவேற்று உத்தியோகத்தரினால் மின்னஞ்சல் தகவல் வழியாக நிதி அமைச்சர் மற்றும் அரசாங்க தொழில்முயற்சிகள் அபிவிருத்தி அமைச்சருக்கு அத்திகதியிலேயே தெரிவிக்கப்பட்டிருந்தும் இது சம்பந்தமாக

சிறீலங்கன் விமான சேவைகள் கம்பனியின் பணிப்பாளர் சபைக்கு தெளிவுபடுத்தியிருக்கவில்லை.

8.4.14. உடன்படிக்கையை முடிவுறுத்தும் நடைமுறை தொடர்பான தீர்மானம் மிகவும் விரைவாக எடுக்கப்படுமாயிருந்தால் 7.3.5 ஆம் பந்தியில் குறிப்பிடப்பட்ட கொடுப்பனவுகளை மேலும் குறைக்கக் கூடியதாக இருந்திருக்கும் என்பது அவதானிக்கப்பட்டது.

8.4.15. சிறீலங்கன் விமான சேவைகள் கம்பனியின் விமான அணிக்கு A 350-900 வகையான விமானங்கள் தேவையற்றது என்பதற்கான அடிப்படைத் தீர்மானம் எந்த நபரினாலும் எத் திகதியில் எடுக்கப்பட்டிருந்தது என்பதனை வெளிப்படுத்துவதற்கு போதியளவு தகவல்கள் பரீசீலனைக்குச் சமர்ப்பிக்கப்பட்டிருக்கவில்லை. (தொடர்பு :- 7.3.1.1 ஆம் பந்தி)

8.4.16. செயற்பாட்டுக் குத்தகை உடன்படிக்கையை முடிவுறுத்தும் உடன்படிக்கைகளை மேற்கொள்வதற்கு முன்னர் அதற்கான முன் அங்கீகாரம் அமைச்சரவையிடமிருந்து பெற்றுக்கொள்ளப்பட்டிருக்கவில்லை. (தொடர்பு :- 7.3.1.3 ஆம் பந்தி)

- 8.5. A 350-900 வகையான 04 விமானங்களை எயார்பஸ் கம்பனியிடமிருந்து கொள்வனவு செய்வதற்காக உடன்படிக்கை செய்து கொள்ளல்.
- 8.5.1. A 350-900 வகையான 04 விமானங்களை எயார்பஸ் கம்பனியிடமிருந்து 2020/21 ஆண்டின் போது கொள்வனவு செய்வதற்காக உடன்படிக்கை செய்து கொள்ளப்பட்டிருந்தது. எனினும் சிறீலங்கன் விமான சேவைகள் கம்பனியால் A 350-900 வகையான விமானங்களை பெற்றுக்கொள்வதற்கு பின்னர் எடுக்கப்பட்ட தீர்மானத்தின் பிரகாரம் 2017 திசம்பர் 01 ஆந் திகதி நடைபெற்ற பொருளாதார மகாமைத்தவம் தொடர்பான அமைச்சரவை உப குழு (CCEM) கூட்டத்தின் போது எயார்பஸ் கம்பனி A 350-900 வகையான 04 விமானங்களின் தயாரிப்பு நடவடிக்கைகளை நிறுத்துவதற்கு இணங்கியுள்ளதாகவும் எதிர்காலத்தில் இந்த விமானங்களுக்குப் பதிலாக குறுகிய விமானங்களை வழங்குவதற்காக எயார்பஸ் கம்பனியால் மீள் கொடை முனைவு (counter offer) விடுவிக்கப்பட்டுள்ளது எனக் காட்டப்பட்டிருந்தது. இதன் போது விமானங்களின் வகையை மாற்றம் செய்ததன் காரணமாக எதிர்காலத்தில் ஏதாவது மேலதிக கொடுப்பனவுகளை மேற்கொள்ள வேண்டிய ஆபத்து ஏற்படலாம் என்பது அவதானிக்கப்பட்டது. (தொடர்பு :- 7.4 ஆம் பந்தி)
- 8.5.2. அதே போல A 350 – 900 வகையான 04 விமானங்களைக் கொள்வனவு செய்தல் அல்லது A 321 Neo வகையான 08 விமானங்களை கொள்வனவு செய்தல் என்ற 02 மாற்று வழிகள் தொடர்பாக கம்பனியால் முறைப்படியான மீளாய்வானது அறிக்கைத் திகதி வரை இடம்பெற்றிருக்கவில்லை. (தொடர்பு :- 7.4 ஆம் பந்தி)



8.6. **VIP அறைத் தொகுதிகளுக்கான உடன்படிக்கையை முடிவுறுத்தல்**

8.6.1. A 330-300 வகையான விமானத்தில் விசேடத்துவமான நபர்களுக்காக ஒதுக்கீடு செய்யப்பட்ட ஒரு இடத்தை (VIP அறைகள்) தயாரிப்பதற்காக 2013 யூன் 28 ஆந் திகதி மேற்கொண்ட உடன்படிக்கையை மீண்டும் அதே ஆண்டின் திசெம்பர் 02 மற்றும் 2014 மார்ச் மாத்தில் ஆக 02 சந்தர்ப்பங்களின் போது திருத்தம் செய்ததன் மூலம் அச் செயற்பாடு தொடர்பாக கம்பனியின் முகாமைத்துவம் ஏற்கனவே திட்டமிடுதல் மற்றும் புரிந்துணர்வின்றி உடன்படிக்கை செய்து கொள்ளப்பட்டிருந்தது என்பது அவதானிக்கப்பட்டது.

8.6.2. எயார்பஸ் கம்பனியிடமிருந்து 10 விமானங்களைக் கொள்வனவு செய்யும் போது பெற்றுக்கொள்வதற்கு நிர்ணயிக்கப்பட்டிருந்த அமெரிக்க டொலர் 15 மில்லியன் கழிவிற்காக தகமையுள்ள VIP அறை தொகுதிக்குப் பதிலாக அக்கம்பனியிடமிருந்து வேறு பொருட்கள் மற்றும் சேவைகளுக்காக உடன்படிக்கை செய்து கொள்ளப்பட்ட திகதியிலிருந்து அந்த உடன்படிக்கை இரத்துச் செய்யப்பட்ட திகதியான 2015 பெப்ரவரி 24 ஆந் திகதி வரை 20 மாதங்களை அன்மித்த காலம் கடந்திருந்ததன் காரணமாக சிறீலங்கன் விமான சேவைகள் கம்பனிக்கு எயார்பஸ் கம்பனியிடமிருந்து பெற்றுக்கொள்ள வேண்டியிருந்த அமெரிக்கவிடமிருந்து அமெரிக்க டொலர் 15 மில்லியன் கழிவு இழக்கப்பட்டிருந்தது.

- 8.7. A 350 மற்றும் A 330 வகையான விமானங்களை மீள் சந்தைப்படுத்துதல்
- 8.7.1. A 350 மற்றும் A 330 வகையான விமானங்கள் 2013 மற்றும் 2014 ஆம் ஆண்டுகளின் போது கம்பனிக்கு பெற்றுக் கொள்வதற்காக உடன்படிக்கை செய்து கொள்ளப்பட்டிருந்ததுடன் அவற்றில் A 330 வகையான 06 விமானங்களை கம்பனியால் உரியகால எல்லையின் போது பெற்றுக் கொள்ளப்பட்டிருக்கவில்லை எவ்வாறாயினும், மேற்கூறிய 7.6 ஆம் பந்தியின் பிரகாரம் அந்த விமானங்களை மீளமைப்பதற்காக உடன்படிக்கை செய்து கொள்ளப்பட்டிருந்தது. அதற்கிணங்க கம்பனியால் விமான அணியை மீளமைக்கும் போது கம்பனியின் விமானத் தேவைப்பாடு தொடர்பாக கவனத்தில் கொள்ளப்பட்டிருக்கவில்லை என்பது அவதானிக்கப்பட்டது. (தொடர்பு :- 7.6 ஆம் பந்தி)
- 8.7.2. A 350-900 வகையான விமானங்களை மீண்டும் சந்தைப்படுத்துவதற்கான முகவரை நியமிப்பதற்காக 03 ஆலோசனைக் கம்பனியால் விலை மனுக்களைக் கோருவதற்கு சிறீலங்கன் விமான சேவைகள் கம்பனியானது எயார்கெப் கம்பனியுடன் 2015 நவம்பர் 23 ஆந் திகதி நடாத்திய கலந்துரையாடலின் போது சிபார்சு செய்யப்பட்டிருந்தது. (பின்னிணைப்பு 19) அக் கம்பனி சிபார்சு செய்யும் போது அரசாங்க பெறுகை வழிகாட்டிக் கோவைகள் பின்பற்றப்பட்டிருக்கவில்லை.

9. **முறைமைகள் மற்றும் கட்டுப்பாட்டுப் பலவீனங்கள்**
- 9.1. கம்பனியால் முறைப்படியான ஆய்வின் மூலம் மேற்கொள்ளப்படுகின்ற கிரய நலன் பகுப்பாய்வின்றி பின்வரும் செயற்பாடுகள் நிறைவேற்றப்பட்டிருந்தன.
- 9.1.1. விமானங்களை மீளமைப்பதற்கான நிகழ்ச்சித் திட்டத்தை 2015 யூன் 24 ஆந் திகதி திருத்தம் செய்தல்.
- 9.1.2. A 350-900 வகையான 04 விமானங்களை நேரடியாக கொள்வனவு செய்தல் மற்றும் அந்த வகையான மேலும் 04 விமானங்களை செயற்பாட்டு குத்தகை முறைமையின் கீழ் பெற்றுக்கொள்ளல்.
- 9.1.3. செயற்பாட்டுக் குத்தகை உடன்படிக்கையை முடிவுறுத்துவதற்காக உரிய நிதிக் கம்பனிக்கு இழப்பீட்டுப் பணத்தை செலுத்துவதற்கு இணங்குதல்.
- 9.1.4. குத்தகை உடன்படிக்கையை முடிவுறுத்துவது சம்பந்தமாக Aercap கம்பனியுடன் இணங்கி கொண்ட இழப்பீட்டுப் பணமாகிய அமெரிக்க டொலர் 154 மில்லியனில் அமெரிக்க டொலர் 56 மில்லியனை குறைப்பதற்கு மேலதிக நிபந்தனைகளைச் செய்து கொள்ளல்.
- 9.2. விமானங்களை மிளமைக்கும் நிகழ்ச்சித்திட்டதின் கீழ் மேற்கொள்ளப்பட்ட எந்த உடன்படிக்கையும் உடன்படிக்கைகளை முடிவுறுத்துவது தொடர்பான முடிவுறுத்தல் பிரிவை (Permination Clause) உள்ளடக்கியிருக்கவில்லை. இதன் காரணமாக குத்தகை கம்பனி பிரேரித்த இழப்பீட்டுப் பணத்தை கம்பனியால் செலுத்த வேண்டி ஏற்பட்டிருந்தது என்பது அவதானிக்கப்பட்டது.

10. **பரிந்துரைகள்**

- 10.1. சிறீலங்கன் விமான சேவைகள் கம்பனியின் செயற்பாடுகள் தொடர்பான அனைத்து முக்கிய தீர்மானங்களை எடுக்கும் போது முறையான ஆய்வுடன் தயாரிக்கப்பட்ட நீண்ட காலத் திட்டத்திற்கு இணங்க செயற்பட வேண்டும் என்பது (தொடர்பு :- 9.1)
- 10.2. கம்பனியால் ஆலோசனைக் கம்பனிகளிடமிருந்து ஆலோசனை சேவைகளைப் பெற்றுக்கொள்ளும் போது பெறுகை முகவர்களால் 2007 ஆகஸ்ட் மாதத்தின் போதும் நவம்பர் மாதத்தின் போதும் முறையே வழங்கப்பட்டுள்ள ஆலோசனை வழிகாட்டிக் கோவைகளிலுள்ள மற்றும் ஆலோசனை கையேட்டிலுள்ள ஒழுங்கு விதிகளுக்கு இணங்க நடவடிக்கை எடுக்கப்பட வேண்டும் என்பது (தொடர்பு :- 8.3)
- 10.3. கம்பனியின் செயற்பாடுகளுக்காக ஆலோசகரிடமிருந்து சிபார்சுகளைப் பெற்றுக்கொள்வதனைப் போல அச் சிபார்சுகளை நடைமுறைப்படுத்தலானது மிகவும் சிறப்பாகச் செய்யப்படுதல் வேண்டும் என்பது (தொடர்பு :- 8.2.5)
- 10.4. விமானக் கம்பனியால் வெளிதரப்பினர்களுடன் கலந்துரையாடல்களை நடாத்தும் போதும் உடன்படிக்கைகளை மேற்கொள்ளும் போதும் கம்பனியின் சார்பாக ஒரு உத்தியோகத்தருக்கு மேற்பட்ட நபர்கள் அக் கலந்துரையாடலுக்காக அனுப்பி வைப்பதன் மூலம் அச் செயற்பாட்டின் வெளிப்படைத்தன்மை மற்றும் நேர்மையைப் பாதுகாக்கச் செய்தல் வேண்டும் என்பது (தொடர்பு :- 8.4.14)
- 10.5. அமைச்சரவையின் அங்கீகாரம் அத்தியாவசியமான முக்கிய விடயங்கள் சம்பந்தமாக அமைச்சரவைக்கு போதிய தகவல்களை அனுப்பி முன் அங்கீகாரத்தைப் பெற்றுக் கொள்வதற்கு முடியுமான வகையில் உச்ச அளவில் செயற்பட வேண்டும் என்பது (தொடர்பு :- 8.4.4 மற்றும் 8.4.17)

11.

**முடிவுரை**

சிநீலங்கள் விமான சேவைகள் கம்பனியால் A 350-900 வகையான 04 விமானங்களை செயற்பாட்டு குத்தகை அடிப்படையில் பெற்றுக் கொள்வது தொடர்பான உடன்படிக்கைகளை போதியளவான கிரய நலன் பகுப்பாய்வின்றி முடிவுறுத்தியதன் காரணமாக சிநீலங்கள் விமான சேவைகள் கம்பனிக்கு பொருட்கள் அல்லது சேவைகள் தன்மையான எதுவித பொருத்தமான நலன்களும் பெற்றுக்கொள்ளப்படாது அமெரிக்க டொலர் 115.77 மில்லியன் அதாவது இலங்கை ரூபா 17,058.1 மில்லியன் செலவு செய்ய வேண்டி ஏற்பட்டிருந்தது. மேலும் மேலே குறிப்பிடப்பட்ட விமானங்களுக்கு மேலதிகமாக A 350-900 வகையான 04 விமானங்களை உரிய உற்பத்தியாளர்களிடமிருந்து நேரடியாகக் கொள்வனவு செய்வதற்கான உடன்படிக்கையை இரத்துச் செய்து அதே உற்பத்தியாளரிடமிருந்தே மாற்று விமானங்களை கொள்வனவு செய்வதற்காக இடம்பெற்ற கலந்துரையாடலின் விளைவாக உற்பத்தியாளருக்கு மேற்கூறிய தன்மையான ஏதாவது கொடுப்பனவை மேற்கொள்வதற்கு காணப்படுகின்ற வாய்ப்புக்களை மறுக்க முடியாதுள்ளது.

**மூப்பம்./டபிள்யூ. பி. சி. விக்ரமரத்ன.  
கணக்காய்வாளர் தலைமை அதிபதி**

டபிள்யூ. பி. சி. விக்ரமரத்ன  
கணக்காய்வாளர் தலைமை அதிபதி



The Final Report on the Examination carried out by the Auditor General as per the Request of the Committee on Public Enterprises of the Parliament relating to Termination of Agreements of Purchase of Eight A 350 - 900 Aircrafts entered into in the years 2013 and 2014 by Sri Lankan Airlines Limited

1. **Executive Summary**

The operating loss of Sri Lankan Airlines Limited was Rs. 4,428 million at the time of withdrawal of Emirates from the management of the Airlines in the year 2008. A total of 14 aircrafts comprising five A 320 Aircrafts, four A 330-200 aircrafts and five A 340-300 aircrafts were being operated by the Company at that time.

A Business Plan for a 05 year period from 2010/2011 – 2014/2015 had been prepared by the Company in the year 2011. The requirement of purchasing other aircrafts in place of 13 wide bodied Aircrafts due to be disposed since the expiry of useful life during the period between 2013 – 2021 which belonged to the Company, had been one of the functions of the said Plan and it had been introduced as the Re-fleeting Programme.

A decision had been made therein by the management of the Company to add 14 wide bodied aircrafts into operation in place of 13 aircrafts removed of during the period from 2013 – 2021. It had been decided thereunder to purchase six A 330-300 new aircrafts and to purchase four A 350-900 aircrafts introduced in the year 2013 on operating lease basis and to purchase 04 aircrafts of the same type from the manufacturer and to sell and lease back on operating lease basis. Accordingly, 06 no. of A 330-300 aircrafts had been purchased during the year 2014/2015 on the basis of sell and lease back method. Further, the Company had entered into an agreement on 28 June 2013 with the manufacturing company for purchase of 04 no. of A 350-900 Aircrafts and agreements had been entered into on 27 September 2013 and 12 November 2014 for purchase of 04 more Aircrafts of the same type on operating lease basis.

A Restructuring Plan had been prepared again by the Company in the year 2015 and Cabinet approval had been obtained on 24 June 2015. As per the said plan, it had been proposed to refrain from adding 08 no. of A 350-900 Aircrafts agreed to be purchased for the Airline at that time into operation. Accordingly, the Board of Directors had taken a decision in the year 2015 to obtain the service of consultancy firms in taking a fair decision by holding discussions with leasing companies with which agreements had been entered into in respect of 04 no. of A 350-900 Aircrafts of due to be purchased on operating lease basis. As such, the Company had obtained the service of a foreign consultancy firm for this purpose and further, the service of a foreign consultancy firm attached by the Ministry of Finance had been obtained as well. Despite having entered into agreements for purchase of Aircrafts on operating lease with the assistance of consultants under the Re-fleeting programme, 04 no. of A 350-900 Aircrafts are not required at present and as such, the Company had entered into agreements of termination with the leasing company in the year 2016 and had agreed to pay US\$ 171.77 million as compensation. However, in terms of the agreement of termination entered into with the leasing company, US\$ 56 had been deducted subject to conditions therein and the Company had paid US\$ 115.77 million or Rs. 16,924 million as total compensation in the years 2016 and 2017. Further, the agreement of installation of VIP kits in 02 no of A 330-300 Aircrafts in the year 2015 had been cancelled by the Company as well.

Further, the discussions on terminating the agreement entered into for direct purchase of 04 no. of A 350-900 Aircrafts from the manufacturer were being held up to the date of the report and the manufacturer had proposed to discontinue the manufacturing of relevant aircrafts and to supply another type of aircrafts (A 321 Neo).



2. **Background and Nature of the Report**

The report which should be presented on the examination of termination of agreements on the transaction relating to purchase of Aircrafts to Sri Lankan Airlines Limited as per the request made to the Auditor General (Annexure 01) at the Committee on Public Enterprises of the Parliament held on 20 September 2017 for the examination of the affairs of Sri Lankan Airlines Limited, is presented thus.

3. **The Methodologies followed**

In the preparation of this report, the following methodologies were adhered to.

3.1. **Examination of Documents**

Examination of the following documents subject to matters mentioned in paragraph 5 below

3.1.1. The Restructuring Plan prepared by Sri Lankan Airlines Limited relating to the period from 2015/16 – 2017/18 and submitted for Cabinet approval and decisions of the Board of Directors and Cabinet decisions thereon.

3.1.2. Purchase agreement of 04 no. of A 350-900 Aircrafts and 04 agreements for purchase of 04 No. of A 350-900 Aircrafts

- 3.1.3. i) Board Papers,  
ii) Board Decisions,  
iii) Requests for Proposals,  
iv) Reports on Evaluation of Proposals,  
v) Other means of correspondence (such as e-mail),

Relevant to selection of consultancy firms relating to termination of agreements of A350-900 Aircrafts

- 3.1.4.        i)    Agreements entered into with consultancy firms,  
              ii)    Various reports submitted by consultancy firms,  
              iii)   Board papers and decisions relating to selection of consultancy firms,  
              iv)    Vouchers of payment made for consultancy firms and other source documents,  
  
              Relevant to obtaining consultancy services from Skyworks and Nyras Companies.
- 3.1.5.        i)    Agreements entered into with consultancy firms,  
              ii)    Various reports submitted by consultancy firms,  
              iii)   Board papers and decisions relating to selection of consultancy firms  
              iv)    Vouchers of payment made for consultancy firms and other source documents  
  
              Relevant to obtaining consultancy services from international legal consultancy firms.
- 3.1.6.        Termination agreements of operating lease of 04 No. of A350-900 Aircrafts
- 3.1.7.        i)    Pay-in-vouchers  
              ii)    Bank Statements  
              iii)   Confirmations sent by leasing companies  
              iv)    Other source documents,  
  
              Relevant to compensations on termination of operating lease agreements of 04 Aircrafts of A 350-900
- 3.1.8.        Approvals relating to termination of agreements  
              i)    Board Papers and decisions  
              ii)    Papers and decisions of Cabinet Committee on Economic Management (CCEM)  
              iii)   Cabinet Memorandums and decisions

- 3.1.9. i) Termination Agreement,  
ii) Board Papers and decisions,  
iii) Other source documents,

Relevant to termination of agreement of supplying two VIP kits for two Aircrafts of A 330-300 purchased on sell and lease back basis.

- 3.1.10. i) Board Papers and decisions,  
ii) Papers and decisions of Cabinet Committee on Economic Management (CCEM),  
iii) Cabinet Memorandums and decisions,  
iv) Information obtained from Sri Lankan Airlines Limited relating to the current position of this agreement,

Relevant to termination of agreement of supplying two VIP kits for two Aircrafts of A 330-300 purchased on sell and lease back basis.

## 3.2. **Other Examinations**

3.2.1. Analysis written and electronic mail information obtained relating to the aforesaid process

3.2.2. Discussions with relevant parties

## 4. **Scope**

In the process of re-fleeting the Aircrafts of Sri Lankan Airlines Limited, agreements relating to purchase of 04 A350-900 new Aircrafts on operating lease basis during the years 2016 and 2017, agreements relating to two VIP kits due to be installed in two A330-300 Aircrafts and identifying the requirement of terminating agreements relating to purchase of 04 A350-900 new Aircrafts during the years 2020 and 2021, obtaining consultancy services therefor and examination of the approvals of the Board of Directors, decisions of Cabinet Committee Economic Management and Cabinet decisions thereon and reporting them.

5. **Limits of Scope**

In making conclusions through observations indicated in this report, it is emphasized that my scope was subjected to the following limits.

- 5.1. Carrying out examinations based on relevant reports submitted to Sri Lankan Airlines Limited through international airline consultancy firms due to lack of knowledge on aeronautical engineering technology in the National Audit Office.
- 5.2. No opportunity for the Auditor General to hold discussions with consultancy firms and legal consultancy firms engaged by Sri Lankan Airlines Limited relating to Re-fleeting of Aircrafts and termination of agreements.
- 5.3. Carrying out examinations based on reports submitted by the international legal consultancy firms on the legal conditions in entering into agreements and termination of agreements.
- 5.4. Carrying out examinations based on documents and reports presented to the Auditor General by Sri Lankan Airlines Limited.
- 5.5. The approval of the Board of Directors had not been granted for the discussions held by Sri Lankan Airlines Limited on 05 September 2016 with Aercap Company and the minutes of the discussions as well were not made available at the examination.

6. **Introduction to the Process**

According to the Five Year Business Plan for the period from 2010/11 – 2014/15 submitted in the year 2011 by Sri Lankan Airlines Limited, a Re-fleeting Programme on wide bodied Aircrafts of the Company had been introduced. Accordingly, agreements had been entered into with the two companies namely, International Lease Finance Company and AerCap Company for direct purchase of 10 Aircrafts comprising 06 A 330-300 Aircrafts, 04 A350-900 Aircrafts and to purchase 04 more A 350-900 Aircrafts on operating lease method. As such, 06 Aircrafts of A 330-300 Type were due to be delivered in the years 2014/2015 and in terms of agreements, they had been purchased by Sri Lankan Airlines Limited on the basis of Sell and Lease Back.

Agreements had been entered into for purchase of 03 A 350-900 Aircrafts from International Lease Finance Company and one Aircraft from AerCap Company on operating lease basis and the said 04 Aircrafts were due to be delivered in the years 2016/2017. However, by then, Sri Lankan Airlines Limited was continuously running at a loss. Moreover, in consideration of matters such as the increase in the net loss of the Group which was US\$ 47.1 million in the year 2015/2016 to US\$ 90 million in the year 2016/17, a remaining bank balance of US\$ 300 million, sums of US\$ 45 million and US\$ 15 million payable to the Ceylon Petroleum Corporation and to the Airport and Aviation Services Company Ltd, respectively by March 2016, the Company had faced financial difficulties in which it could not pay the total Base Rent of US\$ 174.96 million for 04 Aircrafts of A 350-900 Type for 12 years at the rate of US\$ 1.215 million per month for one Aircraft due to be delivered in the years 2016 and 2017.

Accordingly, the service of international consultancy firms, namely Skyworks and Nyras had been obtained for evaluation of existing alternatives for termination of agreements entered into for 04 ordered A 350-900 Aircrafts and to give instructions. In carrying out procurements for selecting consultants and deploying them in service, the Procurement Guidelines on selection and deployment of consultants issued by the National Procurement Agency in August 2007 and November 2007 should be complied with (Annexure 77). Further, the Board of Directors of the Company had obtained a legal opinion

from Mr. Anil Tittawella, Attorney-at-Law on 11 December 2015 relating to the responsibility of termination of Aircrafts agreements. In consideration of the requirement of Sri Lankan Airlines Limited, it was observed that A 350-900 Aircrafts are of high capacity with the requirement of the Company, and as such, it had been decided to terminate the lease agreements.

Further, the 04 A 350-900 Aircrafts agreed to be directly purchased from the Airbus Company are due to be delivered in the years 2020/2021. The Airbus Company had responded in April 2018 as a counter offer for purchase of 08 A 321 Neo Aircrafts as a response to the decisions taken by the Cabinet Subcommittee on Economic Management to make a counter offer to the relevant company for purchase of narrow bodied Aircrafts in place of the ordered wide bodied Aircrafts.

7. **Process**

7.1. **Entering into Agreements with the Airbus Company and Operating Leasing Companies for Re-fleeting of wide bodied Aircrafts**

In terms of the Five Year Business Plan submitted in the year 2011 by Sri Lankan Airlines Limited relating to the period 2010/11 – 2014/15, a Re-fleeting Programme had been implemented on wide bodied Aircrafts of the Company. Moreover, agreements had been entered into with the Airbus Company and operating leasing companies for Re-fleeting of wide bodied Aircrafts as follows.

Table 01 – Details on entering into agreements with the Airbus Company and Leasing Companies

<b>Type of Aircraft</b>	<b>Quantity</b>	<b>The Institute</b>	<b>Date entered into agreements</b>	<b>Due period of delivery of Aircrafts</b>
-----	-----	-----	-----	-----
A 330-300	06	Airbus Company	19.06.2013	2014/2015
A 350-900	04	Airbus Company	28.06.2013	2020/2021
A 350-900	03	International Lease Finance Company	27.09. 2013	2016/2017
A 350-900	01	Aercap Company	12.11. 2014	2016/2017
Total Aircrafts	<u>14</u>			

7.1.1. **Entering into Agreements for Purchase of 06 A 330-300 Aircrafts of Type**

An agreement had been entered into on 19 June 2013 for direct purchase of 06 A 330-300 Aircrafts from the Airbus Company. The said Aircrafts had been purchased for Sri Lankan Airlines Limited on the dates 29 October, 18 December 2014 and 25 March, 14 August, 06 November and 29 December of 2015 for a period of 12 years by financing through 02 operating leasing companies on the basis of Sell and Lease Back.

Table 02 – Details on monthly base rent according to operating lease agreements

<b>Aircraft Registration Number</b>	<b>Period of Lease</b>	<b>Leasing Company</b>	<b>Monthly Base Rent (US Dollars)</b>
-----	-----	-----	-----
i) 4R-ALL	From 29.10.2014 to 28.10.2026	Air Lease Corporation	1,115,839
ii) 4R-ALM	From 18.12.2014 to 17.12.2026	HKAC Leasing Company	1,010,884 (From 18.12.2014 to 17.12.2020) 1,002,233 (From 18.12.2020 to 17.12.2026 )
iii) 4R-ALN	From 25.03.2015 to 24.03.2027	HKAC Leasing Company	1,030,705 (From 25.03.2015 to 24.03.2021) 995,062 (From 25.03.2021 to 24.03.2027)
iv) 4R-ALO	From 14.08.2015 to 13.08.2027	HKAC Leasing Company	1,045,020 (From 14.08.2015 to 13.08.2021) 1,002,233 (From 14.08.2021 to 13.08.2027)
v) 4R-ALP	From 09.11.2015 to 08.11.2027	HKAC Leasing Company	1,014,633 (From 09.11.2015 to 08.11.2021) 991,259 (From 09.11.2021 to 08.11.2027)
vi) 4R-ALR	From 29.12.2015 to 28.12.2027	HKAC Leasing Company	1,010,008 (From 29.12.2015 to 28.12.2021) 993,555 (From 29.12.2021 to 28.12.2027)



7.1.2. **Entering into Agreements for Purchase of 04 A 350-900 Aircrafts from the Airbus Company**

An agreement had been entered into on 28 June 2013 for direct purchase of 04 A 350-900 Aircrafts as mentioned above and the said Aircrafts are due to be delivered in the years 2020 and 2021. Important conditions included in the agreement are as follows.

Initial price of the Aircraft	(US Dollars)	275,099,000
Supply of equipment	(US Dollars)	9,672,000
Total		<u>284,771,000</u>

Pre - Delivery Payment ( <b>PDP</b> )	-
At the time of entering into agreements	1%
First day of the first month before the month of handover as planned	
84th month	0.1%
72nd month	0.1%
60th month	0.1%
48 th month	0.1%
30 th month	2.6%
24 th month	4%
18 month	5%
05 month	<u>4%</u>
Total payment before handing over of Aircrafts	<u>17%</u>

The Pre-delivery payment made to the Airbus Company up to 31 March 2018 was US\$ 19.2 million.

7.1.3. **Entering into Agreements for Purchase of 04 A 350-900 Aircrafts on Operating Lease Basis**

Agreements had been entered into on 27 September 2013 and 12 November 2014 for purchase of 03 A 350-900 Aircrafts from International Leasing Finance Corporation (ILFC) and another A 350-900 Aircraft from AerCap Company on operating lease method respectively. The said Aircrafts were due to be delivered to Sri Lankan Airlines Limited in the years 2016 and 2017.

The Base Rent for one of the said Aircrafts amounted to US\$ 1.215 million and as such, agreements had been entered into for the payment of a sum of US\$ 174.96 million per Aircraft for a period of 12 years.

Table 03 – Details on entering into Operating Lease Agreements

<b>Name of the Operating Leasing Company</b>	<b>Number and Date of the Agreement</b>	<b>Due Period for Delivery of Aircrafts</b>
International Lease Finance Corporation (ILFC)	79 27. 09.2013	July 2016
International Lease Finance Corporation (ILFC)	80 27. 09.2013	August 2016
International Lease Finance Corporation (ILFC)	81 27. 09.2013	September 2016
AerCap Global Aviation Trust (AGAT)	A number has not been mentioned 12. 11.2014	2016 / 2017

7.2. **The manner in which the proposal is made for terminating the Purchase Agreement of A 350-900 Aircrafts entered into under the Re-fleeting Programme of Aircrafts.**

7.2.1. **Directions for preparing a new Re-structuring Plan by the Cabinet of Ministers**

7.2.1.1. The following decisions had been given on 22 April 2015 by the Cabinet of Ministers by considering the Memorandum dated 17 April 2015 submitted through the Cabinet Paper No.15/0451/638/001 on “Capital Infusion to Sri Lankan Airlines Limited and Mihin Lanka Ltd.” by the Minister of Aviation. (Annexure 08)

- i) To prepare a comprehensive Business Plan each for the Sri Lankan Airlines and Mihin Lanka Ltd. and submit same to the Cabinet Sub-committee on Economic Management.
- ii) To prepare an appropriate plan to amalgamate Sri Lankan Airlines Limited and Mihin Lanka Ltd. at the earliest as announced in the budget proposals submitted for the year 2015 by the Minister of Finance on 29 January 2015 and submit same to the Cabinet Sub-committee on Economic Management.
- iii) To direct the Secretary to the Treasury to issue a guarantee or a Letter of Comfort to the Ceylon Petroleum Corporation on behalf of Sri Lankan Airlines and Mihin Lanka Ltd. for the settlement of outstanding dues to the former for supply of fuel in order to ensure the uninterrupted supply of same to both Airlines.

7.2.1.2. In terms of the above Cabinet Decision, a Re-structuring Plan had been prepared by a Committee which consists of 03 officers of Sri Lankan Airlines Ltd. and one consultant (Annexure 09) and the Cabinet approval had been obtained therein as follows.

<b>Date</b> -----	<b>Function</b> -----
26 May 2015	Submission of the said Plan to the Board of Directors of the Company and obtaining the approval on the same day.
28 May 2015	Submission of the said Plan to the Minister of Aviation
29 May 2015	Submission of the said Plan to the Prime Minister and the Minister of Finance
01 June 2015	Submission of the said Plan to the Cabinet Sub-committee on Economic Management
05 June 2015	Submission of the Plan to the Committee appointed by the Cabinet Sub-committee on Economic Affairs and recommendation of the first option of 02 proposals, mentioned in the Plan by the said Sub-committee, that is “continuing operations of Sri Lankan Airlines Ltd. within the existing corporate structure, under a comprehensive restructuring plan by amalgamating with Mihin Lanka Ltd.”
09 June 2015	Approving the recommendation of the said Committee by the Cabinet Sub-committee on Economic Management
24 June 2015	Granting the Cabinet Approval

7.2.2. **Proposed Restructuring Plan (2015/16-2017/18)**

A proposed restructuring plan relating to the period from 2015/16 to 2017/18 for both companies, Sri Lankan Airlines Ltd. and Mihin Lanka Ltd. had been prepared and submitted to the Cabinet of Ministers in June 2015 and approval therein had been obtained on 24 June 2015. Several key recommendations included therein are given below.

- i) Suspend Frankfurt, Paris and Rome flights which are running at a loss, from the route network and thereby reduce the number of flight schedules to Europe from 18 to 7 from 2015/16 to 2016/17 per week.

- ii) Engage in group business activities by amalgamating Sri Lankan Airlines Ltd. and Mihin Lanka Ltd. in an efficient manner.
- iii) Right Sizing of the Aircraft Fleet

Table 04 – Re-fleeting Plan of Aircrafts

Aircraft Type	Number of Aircrafts proposed by the Plan		Number of Aircrafts operated as at 15 September 2015
	2016/17	2017/18	
A 320-200	06	03	06
A 321-200	02	02	02
A 320-NEO	-	04	-
A 330-200	03	02	07
A 330-300	07	07	03
A 340-300	-	-	03
	18	18	21

- iv) Reducing the loss of Sri Lankan Airlines Ltd. from US \$ 93.7 million to US \$ 23.4 million from 2015/16 to 2017/18.
- v) Funding for settlement of debts and for achieving fixed and sustainable position to Sri Lankan Airlines Ltd. as follows.

Table 05 – Funding Plan

	(US \$ Million)				
	2014/15	2015/16	2016/17	2017/18	Total
	-----	-----	-----	-----	-----
Providing Government capital	125	70	60	-	255
By selling 49 per cent shares of the Sri Lankan Catering Limited	-	85	-	-	85
Converting the Ground Handling Unit to a subsidiary and by selling 40 per cent shares of the said company	-	-	140	-	140
<b>Total</b>	<u>125</u>	<u>155</u>	<u>200</u>	<u>-</u>	<u>480</u>

### 7.2.3. **Implementation of the Proposed Restructuring Plan**

7.2.3.1. The Chairman of Sri Lankan Airlines Ltd. had informed at the meeting of the Board of Directors held on 26 June 2015 that the proposed restructuring plan had been approved by the Cabinet of Ministers on 24 June 2015. (Annexure 10)

7.2.3.2. It had been further discussed at the meetings of the Board of Directors held on 03 and 25 August 2015 regarding the implementation of the said Plan and the approval of the Board of Directors for following recommendations mentioned in the Board Paper No.CEO/2015/06/80 submitted on 24 July 2015 had been granted on 25 August 2015. (Annexure 11)

- i) Reduction in the total fleet from 21 aircrafts to 18 aircrafts as the wide bodied aircrafts from 13 to 10 and 08 narrow bodied aircrafts.
- ii) Increasing the current operating pattern with the possibility of operating 9 flights per week to London in Winter 2015.
- iii) Enhancing the performance of the Group by amalgamating with Mihin Lanka Ltd.
- iv) Evaluation is being carried out to determine most suitable partner for Codeshare Operations to Europe.
- v) Giving a best solution for three A 330-200 aircrafts due to be returned to lessors in 2017 and for 08 A 350-900 aircrafts to be delivered.

- vi) Appointing an external party to obtain a solution for (v) above through negotiations and selecting and appointing of an eligible party before 31 August 2015 with the approval of the Board of Directors by calling for expressions of interest (EOI) from at least three parties therefore.
- vii) Holding negotiations with contractors already entered into for high value contracts to minimize other costs except for staff related costs, direct operating costs, network restructuring related costs etc.
- viii) Funding a total sum of US \$ 480 million comprising a capital contribution of US \$ 255 million from the Government of Sri Lanka and US \$ 225 million from sale of minority stake in Special Business Units (Sri Lankan Catering Limited and Ground Handling Unit).
- ix) Funding debts amounting to US \$ 86 million from the Bank of Ceylon by the facilitating of Ministry of Finance in August 2015.
- x) Obtaining Letters of Comfort from the Secretary to the Treasury to obtain Rs. 30 billion from the Bank of Ceylon and Peoples' Bank on a short term basis to repay outstanding amounts to Ceylon Petroleum Corporation.

7.2.3.3. Even though it had been indicated that the date of implementation of the said restructuring plan was 01 October 2015, the Board of Directors had decided on 25 August 2015 to postpone the date of implementation of Network Optimization thereof up to 01 April 2016.

**7.3. Termination of Agreements of 04 A 350-900 aircrafts agreed to be purchased on operating lease basis and Payment of Compensation**

**7.3.1. Approval for the Termination of Agreements**

**7.3.1.1. Proposals and Decisions of the Board of Directors**

**7.3.1.1.1. Proposals and Decisions dated 03 August 2015 of the Board of Directors (Annexure 12)**

- i) The Cabinet approval for the Restructuring Plan of Sri Lankan Airlines Ltd. and Mihin Lanka Ltd., mentioned in 7.2 above, had been received on 24 June 2015. Accordingly, the former Chief Executive Officer, Mr. Rakhita Jayewardene had pointed out at the meeting of the Board of Directors of Sri Lankan Airlines Ltd. held on 03 August 2015 that the A 350-900 aircrafts should not be included in Sri Lankan Airlines Ltd.

- ii) Mr. Chanaka De Silva who was a Director of Sri Lankan Airlines Ltd. had requested at the above meeting of the Board of Directors, Mr. Yasantha Dissanayake who acts as the Head of the Financial Management to obtain a comparison report on costs from the Airbus Company for A 350 and A 330 aircrafts.
- iii) Further, Mr. Joseph Britto, Director of the Company had advised the Board that the said decision, that is, not to obtain A 350 Aircrafts, was critical for the future of the Company and as such, he further informed that a study should be carried out in this connection by considering the routes operated, pilot compatibility and all such factors required thereon.
- iv) As such, it had been decided to request a study from Airbus Company on the feasibility study of A 330s and A 350s on the proposed routes and the current routes of the Company.
- v) It was further decided to consider services from consultancy firms to discuss with lessors who had entered into agreements for the purchase of A 350 Aircrafts on operating lease basis and to find a fair solution and to enter into non-disclosure agreements with two consultancy firms, “DVD Bank” and “Skyworks” selected for calling EOI.
- vi) Further, Mr. Joseph Brito had notified that the services of an Aviation Lawyer should be obtained therefor.

**7.3.1.1.2. Decision dated 25 August 2015 of the Board of Directors (Annexure 13)**

Mr. Chanake De Silva and Niranjan De Silva, Directors of the Company had requested Mr. Yasantha Dissanayake, Head of the Financial Management, to study the contents of the comparison report of the A 330 and A 350 Aircrafts issued by the Airbus Company and inform the Board of Directors on the revenue earning capacity on both types of Aircrafts (including the cargo load as well ).



7.3.1.1.3. **Board Paper dated 11 September 2015 (Annexure 14)**

In terms of the decision of paragraph 7.3.1.1.2 above, an evaluation on operations of A 350-900 and A 330-300 Aircrafts had been carried out and a report thereon had been submitted to the Board of Directors on 21 September 2015 by the Chief Executive Officer - Mr. Rakhita Jayawardene, Chief Commercial Officer - Mr. Manoj Gunawardene and General Manager of Revenue, Management and Planning - Mr. Sumudu Upatissa and the main matters included therein are as follows.

- i) That the evaluation had been carried out only relating to the route from Colombo to London
- ii) That the performance of aircrafts in the evaluation according to the Passenger Load Factor of 70 per cent and 75 per cent, is as follows.

Table 06 – The Performance of Aircrafts in evaluating according to the Passenger Load Factor

Description -----	A 350-900 -----		A 330-300 -----	
Load Factor	<u>70%</u>	<u>75%</u>	<u>70%</u>	<u>75%</u>
No of Passengers per Flight	232	248	208	223
Total Revenue (USD)	247,462	261,360	216,595	229,066
Total Variable Cost (USD)	<u>(170,905)</u>	<u>(171,661)</u>	<u>(174,589)</u>	<u>(175,268)</u>
Contribution(USD)	76,557	89,699	42,006	53,798
Provisions for Fixed Cost (USD)	<u>(128,314)</u>	<u>(128,314)</u>	<u>(104,404)</u>	<u>(104,404)</u>
Profit/(Loss) (USD)	<u>(51,757)</u>	<u>(38,615)</u>	<u>(62,398)</u>	<u>(50,606)</u>

- iii) That the performance of aircrafts in evaluating according to the number of passengers are as follows.

Table 07 – The Performance of Aircrafts in evaluating according to the number of Passengers

<b>Description</b> -----		<b>A 350-900</b> -----		<b>A 330-300</b> -----	
No of Passengers per Flight	235	250	265	235	250
Load Factor (%)	71	76	80	79	84
Total Revenue (USD)	250,230	262,828	275,426	239,326	251,922
Total Variable Cost (USD)	<u>(171,056)</u>	<u>(171,741)</u>	<u>(172,427)</u>	<u>(175,828)</u>	<u>(176,513)</u>
Contribution (USD)	79,174	91,087	102,999	63,498	75,409
Provisions for Fixed Cost (USD)	<u>(128,314)</u>	<u>(128,314)</u>	<u>(128,314)</u>	<u>(104,404)</u>	<u>(104,404)</u>
Profit/(Loss) (USD)	<u>(49,140)</u>	<u>(37,227)</u>	<u>(25,315)</u>	<u>(40,906)</u>	<u>(28,995)</u>

According to the Table 07 above,

- ❖ At 235 passengers per flight, the loss of A 350-900 had increased by US \$ 8,235 than that of A 330-300
- ❖ At 250 passengers per flight, the loss of A 350-900 had increased by US \$ 8,232
- ❖ In case of 265 passengers in the A 350-900 flight, it was profitable than that of A 330-300 at 235 or 250 passengers.

**7.3.1.1.4. Decision dated 21 September 2015 of the Board of Directors (Annexure 15)**

The Former Executive Officer, Mr. Rakhita Jayawardene had informed the Board of Directors that the requests for proposals (RFP) from Skyworks Consultancy Company and another two companies for fleet re-evaluation had been made and that the Skyworks Company had been selected in the evaluation carried out by following officers appointed for evaluations of proposals so received.

- Mr. Joseph Britto - Director
- Mr. Harindra Balapatabendi - Director
- Mr. Yasantha Disaanayake - Head of the Financial Management
- Mr. Manoj Gunawardene - Chief Commercial Officer
- Mr. S.A.Chandrasekara (Consultant)
- Mrs. Manik Gunasekara - Chief Corporate Affairs Officer
- Mr. Rakhita Jayawardene - Chief Executive Officer

Accordingly, an agreement had been entered into on 09 September 2015 with the Skyworks Company for carrying out a re-evaluation on the Aircraft Fleet.

**7.3.1.1.5. Recommendations submitted to the Board of Directors by the Skyworks Consultancy Firm on 22 and 25 October 2015 and decisions taken by the Board of Directors thereon**

According to the Interim Report given on 22 October 2015 by the Skyworks Consultancy Firm (Annexure 16), it had been recommended that the A 350-900 Aircraft is not appropriate for requirements of Sri Lankan Airlines Ltd., that is, the maximum results cannot be achieved by using the said Aircraft for short-haul routes operated by Sri Lankan Airlines at present. In addition to this Report, the report submitted on 25 October 2015 (Annexure 17) revealed that the cost of termination the agreement Break Cost is between US \$ 50 million and US \$ 100 million. Further, the said Report revealed that a loss of approximatey US \$ 300 million has to be sustained by Sri Lankan Airlines Ltd. in purchasing 04 A 350-900 Aircrafts.

According to those recommendations and the report obtained from the Airbus Company, the first notification on the inability of obtaining A 350-900 Aircrafts to the Sri Lankan Airlines Ltd. had been made by Mr Yasantha Dissanayake, Head of the Financial Management, through e-mail on 30 October 2015 in terms of the Board Decision dated 25 October 2015 to the Aercap Company which is the lessor of A350-900. (Annexure 18) The preparation of the draft of this notification had been carried out by Sri Lankan Airlines Ltd. with the assistance of the Skyworks Cunsultancy Firm and the Kaye Scholer LLP on International Aviation Law.

**7.3.1.1.6. Board Paper dated 27 November 2015 (Annexure 19)**

The following matters had been included in the said Board Paper.

- i) That a discussion had been held on 23 November 2015 in Amsterdam with the Aercap Company by Sri Lankan Airlines Ltd. in terms of the Notification made to the Aercap Company according to paragraph 7.3.1.1.5 above;
- ii) That the Chairman, Chief Executive Officer and Head of Finance of Sri Lankan Airlines Ltd. had participated in this discussion and those discussions were fruitless;
- iii) That a Re-marketing Agent should be appointed for A 350-900 Aircrafts by the Aercap Company and the Cabot Leasing Company is appropriate thereon;
- iv) That subsequent to the discussion mentioned in (i) above, the Chief Executive Officer of Sri Lankan Airlines Ltd. had discussed with the Skyworks Cunsultancy Firm and the Legal Consulting Firm and it had been suggested by the Skyworks Consultancy Firm as well that the appointment of the Cabot Leasing Company as a Re-marketing Agent for aircrafts, is more appropriate.
- v) That the Skyworks Cunsultancy Firm had briefed Sri Lankan Airlines Ltd. at the discussion mentioned in (i) above, to forward a letter seeking the assistance for remarketing of aircrafts or changing the scheduled delivery dates of aircrafts, to the Chairman of the Airbus Company and a letter was being drafted and prepared to be sent to the Airbus Company by the Legal Counsel.

- vi) That according to instructions above, it is recommended that Sri Lankan Airlines Ltd. calls for quotations from following 03 consultancy firms for appointing a re-marketing agent for the A 350-900 Aircrafts;
- ❖ Cabot Aviation
  - ❖ Nyras Limited
  - ❖ DVB Bank

**7.3.1.1.7. Seeking the Assistance of the Airbus Company**

Requests had been made by the Chairman of the Sri Lankan Airlines Ltd. to the Chief Operating Officer of the Airbus Company by a letter to change the scheduled delivery dates of A 350-900 Aircrafts. Accordingly, a group of the Airbus Company had been sent to Colombo and they had analysed the business plans of the Sri Lankan Airlines and briefed the Sri Lankan Airlines Ltd. at the discussion held on 22 December 2015 that the said transaction was made with the AerCap Company and as such, the issue should be solved by that Company itself.

**7.3.1.1.8. Meeting of the Board of Directors held on 26 January 2016 – Obtaining a Legal Opinion regarding the Responsibility of the Termination of the Aircraft Agreement (Annexure 20)**

The Sri Lankan Airlines Ltd. had obtained a legal opinion regarding the termination of the A 350-900 Aircrafts Agreements from Mr. Anil Tittawella, Attorney-at-Law on 11 December 2015 and presented it at the above meeting of the Board of Directors. The following matters had been included therein.

- i) In case lease agreements of A 350-900 Aircrafts are terminated, there is a possibility of assigning a responsibility with the leasing company for finding out another lessee or using those aircrafts for another purpose
- ii) In case Sri Lankan Airlines Ltd. will take action to terminate the agreements before those aircrafts are ready for delivery, it is more profitable to the Airlines.

- iii) Once a decision is made by the Sri Lankan Airlines Ltd. that the A 350-900 Aircrafts are surplus to requirements, the lessor should be made aware thereon and as such, the lessor will have the flexibility and time to reutilize the aircrafts with other airlines.
- iv) When Sri Lankan Airlines Ltd. delays to terminate the aircraft agreements, the quantum of damages payable would increase.

**7.3.1.1.9. Discussion held with the Chief Risk Officer of the Aercap Company in Colombo**

The Chief Risk Officer of the Aercap Company had held a discussion with Sri Lankan Airlines Ltd. on 07 January 2016 in Colombo and it had been informed that in case of failure to obtain A 350-900 Aircrafts, Sri Lankan Airlines Ltd. should have to pay a compensation of US\$ 250 million.

**7.3.1.1.10. Presentations made by the consultancy firm, Skyworks to the Minister and Deputy Minister of Public Enterprise Development on 22 January 2016 (Annexure 21)**

Three main Alternatives had been submitted by the consultancy firm, Skyworks in this Presentation. Details appear below.

- i) Alternative A - taking three A 350-900 aircrafts for Europe destination
- ii) Alternative B - taking three A 350-900 aircrafts and removing three A 330-300 aircrafts
- iii) Alternative C - not taking A 350-900 aircrafts

Accordingly, the aforesaid alternatives were assessed by Skyworks Company and it was recommended to implement the alternative C. As such, the final decision should have been confirmed before 29 January 2016 after being consulted the legal advisors as requested by the Aercap Company.

**7.3.1.1.11. Meeting of the Board of Directors dated 26 January 2016**

According to the Directors to the Board Paper (Annexure 22) presented by the Chief Executive Officer of the Sri Lankan Airlines Limited, approval had been granted for the alternative C that is, not to take A 350-900 aircrafts as recommended by the said consultancy firm.

Furthermore, the Board of Directors had informed by the Directors to the Board Paper that consultancy firm, Nyras has been appointed by the Ministry of Finance for the re-structuring of Sri Lankan Airlines.

**7.3.1.1.12. Meeting of the Board of Directors dated 09 February 2016(Annexure 23)**

The significant matters discussed therein are given below.

- i) The Sri Lankan Airlines Limited has estimated that the termination fee of agreement amounts to USD 84 million once the Remarketing Period of three A 350-900 aircrafts completed 03 months and if it completed 09 months, the termination fee of agreement amounts to USD 133 million.
- ii) In requesting proposals for obtaining consultancy services for the Remarketing of three A 350-900 aircrafts, the Skyworks Company has stated the Remarketing Period as 09 while it was stated as 03 months by the Nyras Company.
- iii) Upon that, the Board of Directors has selected the Nyras Company.

**7.3.1.1.13. Meeting of the Board of Directors dated 26 February 2016 – Termination of Agreement of an A 350-900 aircraft (Annexure 24)**

- i) The following matters were included in the Board Paper thereon presented jointly by the three officers that is, Head of Financial Division, Head of Financial and Administration Division of the Group and the Chief Executive Officer.
  - ❖ Aercap Company has made an offer to the Sri Lankan Airlines Limited for the termination of Agreement of 4<sup>th</sup> A 350-900 aircraft

- ❖ Airbus Company has made a request to the Sri Lankan Airlines Limited to inform in writing that the other three A 350-900 aircrafts would be accepted.

ii) Having considered the contents of the Board Paper, the Board of Directors had asked to make a counter offer as follows in respect of the offer made by Aercap Company and the approval of the Board of Directors and Government of Sri Lanka should be obtained for the compensation agreed subsequently.

- ❖ Obtaining an additional aircraft instead of paying compensations and extending the lease of another aircraft obtained on operating leasing method or

- ❖ Recommending by the Board of Directors to the Chief Executive Officer of the Company to commence negotiations with Aercap Company by offering USD 12.56 million less security deposit paid to-date amounting to USD 2.5 million as an upfront payment to the lessor.

**7.3.1.1.14. Board Resolution dated 09 March 2016 (Annexure 25)**

Aercap Company had finally agreed for a sum of USD 17.77 million (including the initial deposit of USD 2.5 million) as the compensation for the termination of lease agreement of the 4<sup>th</sup> A 350-900 aircraft and the said compensation had been approved by the Board of Directors through a Board Resolution on 09 March 2016 subject to the approval of Cabinet of Ministers.

**7.3.1.1.15. Meeting of the Board of Directors dated 24 March 2016**

In terms of the Agreement, the Nyras Company had submitted the final report to the Chief Executive Officer of the Sri Lankan Airlines Limited on 18 March 2016 stating that A 350 aircrafts are not suitable for the utilization of proposed route network. The Board of Directors was made aware of this matter by the Chief Executive Officer on 24 March 2016. In the said Report, the Nyras Company had estimated a sum of USD 180 million as the termination fee of agreement of other three A 350-900 aircrafts.



**7.3.1.1.16. Meeting of the Board of Directors dated 28 July 2016 (Annexure 26)**

Discussions on other three A 350-900 aircrafts which were to be received in October and November 2016, had been held. Accordingly, the Chairman and the CEO of the Sri Lankan Airlines Limited had informed to the Board of Directors that it does not expect to induct and operate the A 350-900 aircrafts for the Airline and the Government of Sri Lanka being the major shareholder and the Hon. Prime Minister had instructed the Company to dispose the A 350-900 aircrafts in a cost-effective manner.

**7.3.1.2. Recommendations and Approval of the Cabinet Committee on Economic Management (CCEM)**

**7.3.1.2.1. Termination of Lease Agreement on A 350-900 aircraft entered into with Aercap Company and Payment of Compensation**

- i) The following decisions had been taken on the functions of the Sri Lankan Airlines Limited at the meeting of Cabinet Committee on Economic Management held on 05 April 2016. (Annexure 27)
  - ❖ Appointing a committee comprised of the Secretary of the Ministry of Finance, Secretary of the Ministry of Public Enterprises Development, Advisor to the Ministry of National Policies and Economic Affairs, Chairman of the Sri Lankan Airlines Limited and the Chairman of the Public Enterprise Board, for the restructuring of Sri Lankan Airlines Limited.
  - ❖ Obtaining the service of relevant experts for the said committee, if necessary.
  - ❖ Calling Request For Proposals (RFP) to invest in the Sri Lankan Airlines Limited and reporting the progress to the CCEM.
  - ❖ Obtaining loans of USD 65 million for Sri Lankan Airlines and USD 5 million for Mihin Lanka from State banks (to meet urgent financial requirements including the termination fee of the lease agreement for the A 350-900 aircraft entered into with Aercap Company.)

- ii) The said decisions had been informed to the Secretary of the Ministry of Public Enterprises Development by the Prime Minister's Office on 18 April 2016. The Minister of Public Enterprises Development, by the letter dated 20 April 2016 without number has informed the Chairman of Sri Lankan Airlines Limited that, it was decided at the CCEM held on 05 April 2016 that the Government of Sri Lanka will fund the termination fee of the lease agreement of A 350-900 aircraft entered into with AerCap Company. (Annexure 28)

**7.3.1.2.2. Termination of Lease Agreement on three A 350-900 aircrafts entered into with International Lease Finance Company and Payment of Compensation**

- i) Options for A 350-900 aircrafts which were to be received in the last quarter of year 2016 had been presented to the Minister and Deputy Minister of Public Enterprise Development by the Sri Lankan Airlines Limited on 09 August 2016. (Annexure 29)
  
- ii) An one page brief on the discussion had been submitted to the then Deputy Minister on 23 August 2016 through an e-mail for the said presentation and to present at CCEM discussion upon the notice to the Chairman of the Sri Lankan Airlines Limited. The matters included in that brief are given below. (Annexure 30)
  - ❖ The Sri Lankan Airlines Limited is contractually committed to take three A 350-900 aircrafts from AerCap Leasing Company in the last quarter of the year 2016.
  - ❖ Lease term is 12 years and monthly rental for one aircraft is USD 1.43 million
  - ❖ The following alternatives are available.

- Alternative 01 Acceptance of aircrafts and park in “Toulouse”in Colombo and planning to find a solution in 12 to 24 months.(it was stated that the financial impact from the lease cost per year is USD 51 million and possibly mitigated partially through sub-leasing)
- Alternative 02 Not accepting any A 350-900 aircraft. (the claim could be in the range of USD 50 million to USD 250 million and the amount could be reduced through an agreed settlement.)
- Alternative 03 Take delivery of the three A 350-900 aircrafts and maintain the 10 wide-body, 10 narrow-body fleet at the end of 2016/17. ( then 03 aircrafts will be in excess and the annual additional loss amounts to USD 32 million)

- ❖ A draft letter was provided to the Ministry to send to Aercap Company entailing the aspects of discussing one-time break cost and discussing the possibility of outright purchase of the aircrafts by GOSL.
- ❖ If the aircraft purchase discussions succeeds, the offer from German Aviation Capital to purchase the aircrafts at the rate of USD 98.5 million per aircraft would be pursued and an unconfirmed bid was submitted to the Sri Lankan Airlines.

iii) Proposing a termination by the Aercap Company (Annexure 31)

The Aercap Company through an e-mail on 30 August 2016, had notified the Chief Executive Officer of the Sri Lankan Airlines Limited to make a one-time termination fee of USD 154 million for the termination of agreements pertaining to three A 350-900 aircrafts. It was proposed to present the draft Termination Agreement by 31 August 2016 and to enter into the agreement on or before 08 September 2016. Willingness to send a representative to Colombo to clarify further queries was also expressed.

Table No. 08 - Composition of proposed Termination Fee by the AerCap Company

	(USD millions)	
Re-lease Rental Delta	133.7	(Rental Delta of 03 aircrafts was assumed at USD 1.1 million)
Aircraft Holding/Transition Cost	71.5	
Security Deposit	(7.5)	
Grand Total	<u>197.7</u>	
Net Current Value	<u>146.5</u>	(in case of discount factor at 6.5 per cent)
Security Deposit	7.5	
Estimated total Break Cost	<u>154.0</u>	

- iv) Report submitted to the Cabinet Committee on Economic Management (CCEM) on 07 September 2016 (Annexure 32)

According to this report, the break cost had been estimated after having considered the key factors such as re-configuration cost and re-lease rental delta (it was considered that re-configuration needs a minimum of 14 months). Accordingly, the AerCap Company had stated on 30 August 2016 that the proposed break cost amounted to USD 154 million and at the discussion held on 05 September 2016, it had been reduced to USD 106 million approximately, that is USD 36 million per aircraft as follows.

Table No. 09 - Composition of proposed Termination Fee per Aircraft by AerCap Company

	USD millions
Re-configuration Cost	10.0
Financing Cost	8.3
Termination Cost (same as paid for the 4 <sup>th</sup> aircraft)	17.7
Total Termination Fee ( per Aircraft)	<u>36.0</u>

Further, the Break Cost to be paid by the consultancy firms namely Skyworks and Nyras on remarketing the 03 aircrafts within a period of 03,09 and 12 months had been estimated as follows.

Table No. 10 - Composition of Break Cost estimated by Consultancy Firms

<b>Consultancy Firm</b>	<b>Break Cost(USD millions)</b>	<b>Condition</b>
-----	-----	-----
Skyworks	84	– On the possibility of re-marketing the all 03 aircrafts within 03 months
	133	– On the possibility of re-marketing the all 03 aircrafts within 09 months
Nyras	180	– On the possibility of re-marketing the all 03 aircrafts within 12 months

If the termination offer is rejected, the following alternatives were available.

Alternative 01 Acceptance and operation of the three A 350-900 aircrafts which will result in additional losses of approximately USD 30 million annually. (The Airline would at the very least keep the aircrafts for 05 years which would result in gross additional losses of approximately USD 150 million.)

Alternative 02 Litigation – Aercap company has offered a rational solution and the court orders will not be changed through negotiated settlement.

The report further describes the benefits of making the “one off” Termination Fee

❖ Continued additional losses due to operation of A 350-900 aircrafts will not be there.

- ❖ Financial Commitments reflected in Company Balance Sheet as at 31 March 2016, which stands at USD 865 million ( Rs.126 billion) , on account of Future lease Rentals will be reduced by USD 520(Rs.75.8 billion )making the Company more attractive to a Prospective Investor.
- ❖ The following Savings were expected in the 05 ensuing years from the restructuring of other aircrafts except the A 350-900 aircrafts.

Table No. 11 – Particulars of savings expected in the 05 ensuing years from the restructuring of aircrafts (except the A 350-900 aircrafts)

<b>Financial Period</b>	<b>Budgeted Lease Cost(USD millions)</b>	<b>Lease Cost after re-negotiation(USD millions)</b>	<b>Expected Savings(USD millions)</b>
2016/17	147	140(9NB/10WB)	7
2017/18	151	119(14NB/10WB)	32
2018/19	154	124(14NB/10WB)	30
2019/20	154	124(14NB/10WB)	30
2020/21	154	124(14NB/10WB)	30
Expected Total Savings over Five Years			129

Out of the loan of USD 150 million agreed to grant by the “Standard Chartered” Bank had been USD 25 million as at 30 September 2016. Accordingly, it was further stated that the termination fee to be paid from the savings and a guarantee from the Government of Sri Lanka was expected to be obtained therefor and after signing the Termination Agreement, in the event the termination Fee is not paid, the Company will consider it as an event of default and enforce their remedies under the original Lease Agreement.

- v) Decision of the Cabinet Committee on Economic Management (CCEM) dated 07 September 2016 (Annexure 33)

After considering the matters included in the Report mentioned in (iv) above, it was decided at this meeting that the termination cost for three A 350-900 aircrafts should be within the range of USD 75-85 million. Further, it was stated that an agreement should be reached by 09 September 2016 after having discussed with the Aercap Company. Moreover, instructions were given to avoid possible media publicity for this issue.

- vi) Report submitted to the Cabinet Committee on Economic Management (CCEM) on 21 September 2016 (Annexure 34)

Discussions had been held with the Aercap Company on 09 September 2016 to reduce the termination fee. Accordingly, it was stated that the Aercap Company had agreed to recover a termination fee of USD 98 million on condition of obtaining an used A 330-200 aircraft (MSN 1008) on lease basis in the year 2017 and lease extension of another A 330-200 aircraft (MSN 627). Further, both parties had agreed to pay the termination fee in 06 instalments as follows.

Upon signing the Agreement	- Security deposit of USD 7.5 million
Within 05 days of signing the Agreement	- USD 10 million
Within 15 days of signing the Agreement	- USD 10 million
Within 30 days of signing the Agreement	- USD 62.5 million
31 January 2017	- USD 4 million
28 February 2017	- USD 4 million

According to this Report, the termination fee should be USD 154 million, if after signing the Termination Agreement, the settlement is not made as above.

- vii) Decision of the Cabinet Committee on Economic Management (CCEM) dated 21 September 2016 (Annexure 35)

The Minister of Public Enterprise Development and the Minister of Finance had not agreed with the final decision of Aercap Company amounting to USD 98 million. Accordingly, the Cabinet Committee on Economic Management (CCEM) had informed the Minister of Public Enterprise Development and the Minister of Finance to discuss with the Aercap company to reduce the fee. Further, the Sri Lankan Airlines Limited was informed to arrange that meeting urgently in the next few days.

- viii) Decision of the Cabinet Committee on Economic Management (CCEM) dated 28 September 2016 (Annexure 36)

In terms of the decision dated 21 September 2016, a group comprised of the Minister of the Public Enterprises Development, Minister of Finance, Senior Advisor to the Prime Minister, Secretary to the Treasury, Secretary of the Ministry of Public Enterprises Development and the Chief Executive Officer of the Sri Lankan Airlines Limited, had a discussion with the Aercap Company at the General Treasury. The decisions on following matters had been taken during that discussion.

- ❖ It had been agreed for the termination fee of USD 98 million under the conditions of lease of new A 330-200 aircraft and extending the lease of another A 330-200 aircraft currently being used.
- ❖ The Minister of Finance has informed the Aercap representatives to submit a written statement with the conditions to the Ministry of Public Enterprises Development.
- ❖ Legal advice should be obtained from the Attorney General to verify with the International Monetary Fund whether the payment of termination is in par with the IMF conditions imposed on Sri Lanka. If not, it should be informed to Aercap and to be further negotiated.



- ix) A discussion had been held with the representatives of Aercap Company on 01 October 2016 at the Treasury and an Advisor to the Ministry of Finance, Chief Executive Officer of the Sri Lankan Airlines Limited, Chief Financial and Administration Officer of the Group of the Sri Lankan Airlines Limited had participated in the said discussion.

The primary concern was to obtain the concurrence for the payment of termination fee in par with the IMF conditions. Accordingly, the agreement was that only USD 10.5 million would be paid in the year 2016 and the remaining would be paid in 06 instalments in the year 2017.

It had been further discussed that the termination agreement should be signed by 03 October 2016 as the aircrafts were due to be delivered in 02 weeks by the Aercap Company. Therefore, the matters agreed in this discussion were informed by the Chief Executive Officer, Mr. Suren Ratwatte to the Minister of Finance and the Minister of Public Enterprises Development through an e-mail on that date itself. (Annexure 37)

- x) The E-mail message sent by the Chairman of the Sri Lankan Airline to the Minister of Finance and the Minister of Public Enterprise Development at 12.17 A.M. on 03 October 2016. (Annexure 38)

Copies of this letter had been sent to the Senior Advisor to the Prime Minister and the Chief Executive Officer of the Sri Lankan Airline, as well, and the following matter had been stated therein.

- ❖ After the approval of the CCEM received on 28 October 2016, a discussion was held with the Aercap Company on 02 October 2016 at the General Treasury in order to reach conditions with regard to making more desirable payments for the termination of A350 agreements.
- ❖ Although approval of the CCEM was received for the proposed compensation on 28 September 2016, payment thereof should be made under the conditions of the International Monetary Fund.
- ❖ Being complied with the conditions of the International Monetary Fund comes under the purview of the Minister of Finance and it had been resolved at the above discussion.

❖ All other arrangements have been made for signing the Termination Agreement and approval is sought therefor.

- xi) The E-mail message sent by the Chairman of the Sri Lankan Airline at 12.17 A.M. on 03 October 2016 and the reply sent by the Senior Advisor to the Prime Minister to the Chairman of the Sri Lankan Airline at 06.01 A.M. on the same day. (Annexure 39)

It had been indicated herein that the Hon. Prime Minister had directed the Senior Advisor to the Prime Minister to give instructions to take steps in accordance with the preceding E-mail message sent by the Chairman. (Quotation : Hon.PM has directed me to advise you that you should proceed as indicated.)

- xii) Execution of the Termination Agreement on purchasing three A 350-900 Aircrafts on lease. (Annexure 40)

Accordingly, the Chief Executive Officer of the Aercap company and the Chairman of the Sri Lankan Airline had placed their hands unto the Termination Agreement on purchasing three A 350-900 Aircrafts on lease on 04 October 2016.

- xiii) Decision of the CCEM dated 26 October 2016 (Annexure 41)

It had been discussed that the Sri Lanka Airline had signed the above Termination Agreement on 04 October 2016 depending on the urgent requirement prevailed and the instructions thereon had been given by the Cabinet Committee on Economic Management. Further, the decision of the CCEM stated that the matter would be referred seeking approval of the Cabinet.

### 7.3.1.3. **Approval of the Cabinet**

Seven Cabinet Memorandums had been submitted relating to the cancellation of Airbus Agreements and the matters included in those memorandums and the decisions taken thereon were as follows.

Table- No.12- Cabinet Memorandums presented relating to the termination of agreements entered into for purchasing three A 350-900 aircrafts on lease.

<b>Cabinet Memorandum</b>	<b>Cabinet Decision No. and /or date</b>	<b>Subject</b>
i) The Memorandum presented by Hon. Prime Minister on 07.10.2016 (Annexure 42)	18.10.2016 (Annexure 43)	Minute of the CCEM meeting held on 28.09.2016
ii) The Memorandum presented by Hon. Prime Minister on 31.10.2016 (Annexure 44)	16/2301/702/003 of 08.11.2016 (Annexure 45)	Minute of the CCEM meeting held on 26.10.2016
iii) The Memorandum presented by Mr.Kabir Hashim, the Minister of Public Enterprise Development on 08.02.2017. (Annexure 46)	17/0336/733/006 of 21.02.2017 (Annexure 47)	Termination of lease agreement on A 350-900 Aircrafts of the Sri Lankan Airline.
iv) -Do-	17/0432/733/006-1of 28.02.2017 (Annexure 48)	-Do-
v) The Memorandum presented by the Minister of Public Enterprise Development and the Minister of Finance on 19.04.2017(Annexure 49)		-Do-
vi) The Note to the Cabinet presented by Mr.Kabir Hashim, the Minister of Public Enterprise Development on 12.07.2017. (Annexure 50)	17/1535/733/006-IV of 25.07.2017 (Annexure 51)	-Do-
vii) The Memorandum presented by the Minister of Public Enterprise Development on 09.08.2017. (Annexure 52)	17/1535/733/006-IV of 15.08.2017 (Annexure 53)	-Do-

7.3.1.3.1. Decisions taken by the Cabinet on the Memorandums referred to in the Table 12.

i) **Cabinet meeting held on 18 October 2016 (Annexure 43)**

Herein, the Prime Minister's Office had informed the Sri Lankan Airline on 01 November 2016 that the Cabinet Sub-committee had granted approval for the decisions (stated in 7.3.1.2.2 (viii)) made by the above Cabinet Committee on Economic Management on the termination of agreements relating to three A 350-900 aircrafts.

ii) **Cabinet meeting held on 08 November 2016 (Annexure 45)**

Herein, according to the observations of His Excellency the President, it had been acknowledged to prepare and present a separate Cabinet Paper for the CCEM Decision No.26/10/2016/15 on the termination of agreements relating to A 350-900 aircrafts.

Accordingly, the Sri Lankan Airline had prepared a document containing necessary information for the Cabinet Paper and submitted to the Secretary to the Ministry of Public Enterprise Development on 29 November 2016.

iii) **Cabinet Memorandum presented by the Minister of Public Enterprise Development on 08 February 2017. (Annexure 46)**

This Cabinet Paper had been presented at the request of H.E. the President. The key matters included therein are as follows.

- ❖ All the reports on the termination of the agreements relating to the aircrafts heretofore presented to the Cabinet Committee on Economic Management and the Cabinet had not been forwarded through the Line Ministry.
- ❖ Either the Line Ministry or the Cabinet had not been made aware on acquiring a new Airbus on lease and the terms and conditions pertaining to extending the lease agreements of 02 Aircrafts including the Airbus obtained by the Mihin Lanka Ltd. on lease.

- ❖ After the Secretary to the Minister addressed a letter (Annexure 54) to the Sri Lankan Airline on 20 October 2016 enquiring whether the approval of the Cabinet had been obtained for the termination of the agreement on the Aircrafts, the Company had presented a Cabinet paper on 28 October 2016 without being informed the Ministry.
- ❖ The Sri Lanka Airline had entered into a Termination Agreement on purchasing three A 350-900 Aircrafts on lease on 04 October 2016 without approval of the Ministry of Public Enterprise Development, the Cabinet or the Attorney General.
- ❖ Even though the Sri Lankan Airline had entered into 03 lease agreements with International Lease Finance Corporation (ILFC), the Ministry had not been informed the fact that discussions were held with the Aercap Company on the termination of the agreements and the reasons attributed thereon.
- ❖ The agreement of the fourth A350-900 Airbus had been terminated in April 2016 and a Cabinet approval had not been thereon.
- ❖ The Secretary to the Ministry of Public Enterprise Development had not been delivered any notification to take part in the discussions held with Aercap Company.
- ❖ It was problematic as to whether the matters such as purchase of A330-220 on lease and the extension of lease agreements on the other 02 Aircrafts were in conformity with the restructuring plan of the Company.

iv) **Cabinet Decision dated 21 February 2017 (Annexure 47)**

Herein, the above Cabinet Memorandum dated 08 February 2017 presented by the Minister of Public Enterprise Development had been deliberated. This Memorandum had been taken into consideration along with the observations of the His Excellency the Presidents and further

clarifications made by the Minister of Public Enterprise Development and comments made by a several other members of the Cabinet at this meeting. Accordingly, a decision had been reached to make request to the H.E. the President to Appoint a Cabinet Sub-committee in consultation with the Hon. Prime Minister to further examine this matter and forward recommendations to the Cabinet.

v) **Cabinet Decision dated 28 February 2017 (Annexure 48)**

The Minister of Public Enterprise Development had presented a Note to the Cabinet on 27 February 2017 and it had been stated therein that measures would be taken to present a joint Cabinet Memorandum in collaboration with the Ministry of Finance in relation to the cancellation of the lease agreement on A 350-900 Airbus.

This Note to the Cabinet had been taken into consideration at the Cabinet meeting held on 28 February 2017.

vi) **Cabinet Memorandum dated 19 April 2017 (Annexure 49)**

The Minister of Public Enterprise Development and the Minister of Finance had **jointly** presented this Cabinet Memorandum and the procedure adopted in the termination of the agreements on A350-900 Airbus had been elaborated therein. Further, the particulars on the conditions contained in the agreement entered into for the termination of the lease agreements on three A 350-900 Aircrafts on 04 October 2016 had been stated in the above memorandum and thereby, approval had been sought to delegate the authority to the Secretary to the Treasury and the Secretary to the Ministry of Public Enterprise Development to execute the measures taken by the Minister of Public Enterprise Development and the Minister of Finance to ensure the proper implementation of the aforesaid agreement.

vii) **Cabinet Memorandum dated 12 July 2017 (Annexure 50)**

This Cabinet Memorandum had been presented by the Minister of Public Enterprise Development and thereby, it had been emphasized to grant the approval sought from the above Joint Cabinet Memorandum presented on 19 April 2017. Herein, it had been stated that the Cabinet Memorandum dated 19 April 2017 had been presented in accordance with the Cabinet Decision No.අමප/17/0336/733/006 of 21.02.2017 and the decision of the Note to the Cabinet No. අමප/17/0432/733/006-I of 28.02.2017. Subsequent to deliberating the Cabinet Memorandum dated 19 April 2017 on 13 June 2017, the Chairman of the Sri Lankan Airline, Chief Executive Officer and the Secretary to the Ministry of Public Enterprise Development had been summoned before the Cabinet meeting held on 20 June 2017. Therein, taking decision in this regard had been put off and to draw attention on the above postponed decision was the objective of the Cabinet Memorandum dated 12 July 2017.

viii) **Cabinet Decision dated 25 July 2017 (Annexure 51)**

Herein, the Cabinet Memorandum dated 19 April 2017 and the Cabinet Memorandum dated 12 July 2017 had been taken into consideration. The Minister of Finance had made the following observations on this occasion.

- ❖ Having been terminated the agreement relating to the purchase of three A350-900, compensations had been paid without obtaining a proper approval of the Cabinet.
- ❖ It was not clear as to whether consultations of the Attorney General had been sought in accordance with the decision of the CCEM meeting held on 28 September 2016.
- ❖ It was not clear as to whether the approval of the CCEM had been received in respect of the following conditions of the agreement.
  - The agreed plan on the payment of installment
  - Taking over of 02 narrow body Aircrafts by the Sri Lanka Airline which had been given to the Mihin Lanka Ltd. by Aercap Company on lease basis.

- ❖ Therefore, a detailed report in this connection should be submitted to the Cabinet for consideration.

Accordingly, the following decisions had been reached at the Cabinet meeting held on 25 July 2017.

- ❖ To refer the matter to the CCEM in order to make recommendations in terms of the aforesaid instructions given by the Minister of Finance.
- ❖ To direct the Secretary to the Ministry to present a Cabinet Memorandum through the Minister of Public Enterprise Development in order to deliberate the recommendations made by the CCEM.

ix) **Cabinet Memorandum dated 09 August 2017 (Annexure 52)**

This Cabinet Memorandum had drawn attention on the Joint Cabinet Memorandum presented by the Minister of Public Enterprise Development and the Minister of Finance on 19 April 2017. Accordingly, Cabinet approval had been sought for the Termination Agreement relating to the purchase of three A 350-900 Aircrafts recommended by the CCEM on 02 August 2017. Further, approval had been sought to delegate the authority to the Secretary to the Treasury and the Secretary to the Ministry of Public Enterprise Development in order for them to be adopted to the matters contained in the agreement.

x) **Cabinet Memorandum dated 15 August 2017 (Annexure 53)**

Herein, the Joint Cabinet Memorandum dated 19 April 2017 and the Cabinet Memorandum dated 09 August 2017 had been considered and the following decisions had been reached.

- ❖ In order to establish the fact of being complied with the conditions of the Termination Agreement relating to the purchase of three A350-900 Aircrafts, to grant approval to delegate authority to the Secretary to the Treasury and the Secretary to the Ministry of Public Enterprise



Development to facilitate whatever the step to be taken by the Minister of Finance and the Minister of Public Enterprise Development whilst considering the matters included in the aforesaid agreement.

- ❖ To make request to the Minister of Public Enterprise Development to submit a detailed report containing the relevant series of events on the following transactions carried out by the Sri Lankan Airline and the information regarding the financial responsibility thereon, to the Cabinet within a period of 02 weeks.
  - Entering into a lease agreement on the purchase of three wide-bodied A350-900 Aircrafts and,
  - Entering into an agreement on the purchase of four A 350-900 Aircrafts.

## 7.3.2. **Obtaining Consultancy Service for the Termination of Agreements**

### 7.3.2.1. **Obtaining Consultancy Service from the Skyworks Consultancy Company**

#### 7.3.2.1.1. **Selection of Skyworks Consultancy Company**

In terms of the decision of the Board of Directors meeting held on 03 August 2015, it had been decided to seek assistance of the consultancy firms in order to reach a fair solution in consultation with the leasing companies with which the agreements had been entered into for the purchase of A 350 Aircrafts on lease and to enter into Non-Disclosure Agreements (NDA) with the consultancy companies named DVD Bank and Skyworks. Accordingly, Non-Disclosure Agreements (NDA) had been entered into with the consultancy companies named the Skyworks and the DVD Bank on 10 and 12 August 2015 respectively so as to be valid for a period of 05 years.

The Sri Lankan Airline had referred the requests for proposals (RFP) to the above 02 institutions on 12 August 2012. An annexure including details of the present fleet of aircrafts owned by the company and the aircrafts to be received by the company from the year 2015 to the year 2021, too, had been furnished together with the above PRF.

The following matters had been included in the above requests for proposals (RFP) (Annexure) referred by the Sri Lanka Airline.

- i) Since the Sri Lankan Airline had decided to withdraw the flights from flying in the Longhaul Routes, the four A350-900 Aircrafts due to be received in the years 2016/2017 would not be required within 03 ensuing years.
- ii) The company was considering cancellation or postponing the lease agreements relating to the Aircrafts due to be received within the ensuing 03 years.
- iii) To give instructions to the Board of Directors of the Sri Lanka Airline on the available alternatives with respect to solve the issues on the leasing costs and probable other issues that may arise due to cancellation/postponing the lease agreement relating to 04 Aircrafts.
- iv) To take part in the discussions held by the Airbus Company and the Leasing Company in relation to the termination of this transaction.
- v) To give instructions on necessary documentations.
- vi) The fact that it was of paramount importance to prevent from imposing fines relating to the cancellation or postponing the Aircrafts due to be received by the Company.
- vii) It was necessary to recognize the present and future requirements of the air route network, the best composition of the aircrafts in the fleet and to carry out economical evaluation on the operations of the A 330 neo, A 330-300 and A 350-900 Aircrafts.
- viii) The relevant proposals should be referred to the E-mail-[ulcptenders@Srilanka.com](mailto:ulcptenders@Srilanka.com) on or before 11.30 A.M on 18 August 2015 so as to be received by the Chairman of the Sri Lankan Airline.

- ix) There should be capacity and experience on conducting and attending the discussions held with the aircrafts manufacturers or Airbus leasing companies, providing consultancy services on postponing/cancelling of orders for the Aircrafts and re-fleeting, and evaluating the types of aircrafts suitable for the Airline companies.
- x) The method adopted, the crew and its experience, proposed forecasting period and particulars on the recovery of charges should be included in the proposal.
- xi) To provide consultancy services for cancellation/postponing the agreement on two A320 Neo Aircrafts which had been obtained by the Mihin Lanka Ltd. on lease.

It was stated that the Expression of Interests (EOI) had been received by another 02 companies including Skyworks Company as per the decision of the Board of Directors dated 21 September 2015 (Annexure 15). Herein, RFP had been referred to the DVB Consultancy Company and the Nyra Limited which had been hereinbefore deployed in the service by the Sri Lankan Airline for the same purpose without any contractual basis, and obtained proposals. The proposals received in this manner had been evaluated by a body of persons comprising 07 officers and the Skyworks Consultancy Company had been selected therein.

**7.3.2.1.2. Entering into agreements for obtaining consultancy services for the Skyworks Consultancy Company.**

The Sri Lankan Airline had entered into an agreement with the Skyworks Consultancy Company on 09 September 2015. The key matters included in the above agreement were as follows.

- i) In the collection of necessary data and information, the Sri Lankan Airline should assist the Consultation Company.

- ii) That the business plan of the Sri Lankan Airline should be evaluated by the Consultancy Company based on the predictions on the loading factors, air ticket charges etc. and the details on the air routes and the aircrafts given by the Sri Lankan Airline.
- iii) An economic analysis should be done by the Consultancy Company with regard to flying the wide-bodied aircrafts in Longhaul Routs.
- iv) Consultations should be given on the use of another aircrafts that can be optimally used in place of the A 350 Aircrafts.
- v) The Board of Directors of the Sri Lankan Airlines should be educated on the best strategy usable on the present responsibility regarding the purchase of A350 Aircrafts from the AerCap and Airbus Companies.
- vi) To participate in the discussions held with the AerCap and Airbus Companies and provide assistance to the Sri Lankan Airline for the preparation of documents exchanged with such companies.
- vii) That the Consultancy Company should submit its report within 04 weeks from the receipt of all information.
- viii) That the charges would be recovered as follows.
  - ❖ The monthly fee of US\$ 100,000 ( Work Fee)
  - ❖ US\$ 100,000 at US\$ 50,000 per month should be paid from the monthly fee at the beginning as an advance for the first 02 months and that amount can be offset from the Success Fee.
  - ❖ Provided any fine was not paid to the AerCap and Airbus Companies or agreements had not to be cancelled, US\$ 75,000 should be paid as Success Fee for conducting discussions with those companies and preparation of documents.
  - ❖ US\$ 250,000 should be paid in respect of assisting and providing consultations to the Mihin Lanka Ltd. for the cancellation of two A320 Aircrafts.

- ❖ In addition, the Sri Lankan Airline should settle the Reasonable out of pocket expenses incurred by the Skyworks Company in respect of this consultancy service within 15 days from the submission of the invoice.
- ❖ The air travelling involved in this purpose by the individuals of the Skyworks Company should be sponsored.

#### 7.3.2.1.3. **Obtaining the Consultancy Service**

7.3.2.1.3.1. An interim report had been furnished on 22 October 2015 by the Company named “Skyworks” containing the matters given below. (Annexure 16)

- i) The fact that, after the air traffic network of the Sri Lankan Airlines being analyzed by the Skyworks, the types of aircrafts which are more productive and maximizing the earnings, have been identified.
  
- ii) The fact that the aircrafts of the model A 350 have been manufactured to be used along the long-haul routes in place of Boeing 777 and A 340.
  
- iii) The fact that A 330 is preferred over A 350 in accordance with the matters given below.
  - That a sum not exceeding US \$ 50 per day should be paid over the expenses relating to the aforesaid foreign air travels, and in the event that the said expenses do exceed US \$ 2,500, prior approval should be sought from the Sri Lankan Airlines.
  - As 04 aircrafts of the model A 350 have been utilized, the operating income had decreased by US \$ 240 million during the lease period of 12 years at US \$ 20 million per year.
  - Comparing with the existing fleet of 04 wide body aircrafts, those four A 350s were additional, and the Airline had to bear the US \$ 15-20 million payable thereon as the annual lease rent.
  - The fact that a saving of costs could not be expected with the A 350s than the A 330s due to rising fuel prices.

- iv) The fact that the utilization of A 330 for the air traffic network of Sri Lankan Airlines is more profitable in accordance with the analyses carried out.
- v) The utilization of aircrafts by the Sri Lankan Airlines is 12.1 airborne hours per day. As such, the A 350s cannot be made use of in an optimal manner, and the costs thereof are intolerable. Hence, the A 350s are not suitable for Sri Lankan Airlines.

7.3.2.1.3.2. The consultancy firm “Skyworks” had stated the following in their report furnished in January 2016. (Annexure 21)

- i) Fuel prices remained high in the year in which the decision was taken to purchase the A 350s. The decision taken to purchase three A 350s for the Sri Lankan Airlines based solely on that aspect, is not productive considering the market conditions and the competitive environment of the present day.
- ii) Either of the two alternatives : obtaining the A 350s, or cancellation of agreements on legal basis with no discussions held, is costly for the Sri Lankan Airlines.
- iii) Hence, the air traffic network, fleet of aircrafts, and the cost structure of the company should be restructured as a part of the revised business plan in view of earning profits and solving the issue of A 350.
- iv) To obtain relief from the leasing companies and the other parties with whom agreements had been entered into on the operating costs through discussions, is the best methodology for the Sri Lankan Airlines as of now.

#### 7.3.2.1.4. **Making Payments to the Consultancy Firm**

Payments amounting to Rs. US \$ 355,451.09 equivalent to Rs. 52 million had been paid in the following manner to the consultancy firm “Skyworks” from 25 September 2015 up to 11 April 2016 for providing consultancy services (considering the value of an American Dollar to be 146 LKR.) (Annexure 56)

Table 13- The manner in which payments had been made to “Skyworks”

Date	Amount Paid (US \$ )	Reason
-----	-----	-----
2015.09.25	100,000.00	Monthly work fee
2015.10.21	100,000.00	Monthly work fee
2015.12.02	52,832.21	Monthly work fee
2015.12.29	50,692.38	Monthly work fee
2016.02.10	50,379.99	Out of pocket expenses
2016.04.11	1,546.51	Out of pocket expenses
Total	<u>355,451.09</u>	

#### 7.3.2.2. **Obtaining Consultancy Services from the “Nyras” Company**

##### 7.3.2.2.1. **Selection of the “Nyras” Consultancy Company**

No clear information as to how “Nyras” Consultancy Company that had previously been turned down on the same purpose, had been selected, was not received. Nevertheless, it was stated in the Cabinet Decision, dated 26 January 2016 (Annexure 22) that the “Nyras” consultancy company had been appointed by the Ministry of Finance in order to verify the new restructuring plan of the Sri Lankan Airlines.

##### 7.3.2.2.2. **Entered into Agreement with the “Nyras” consultancy company**

The Chief Executive Officer, on behalf of the Sri Lankan Airlines, had entered into an agreement with the “Nyras” consultancy company on 03 February 2016 (Annexure 57) to obtain consultancy services for the fleet of aircrafts.

The key matters included therein, are as follows.

- i) The said agreement had been entered into following the telephone conversation made by the "Nyras" company with the Chief Executive Officer of the Sri Lankan Airlines, Mr. Suren Ratwatta on 03 February 2016. (Annexure 57)
- ii) The Sri Lankan Airlines had requested to evaluate the following 04 alternatives.
- Alternative A- Obtaining A 350s under the existing lease rents
  - Alternative B- Obtaining A 350 under low lease rents and removal of all or several of the A 330s.
  - Alternative C- To maintain a business plan with a sustainable air traffic network without obtaining any A 350.
  - Alternative D- To plan the air traffic network without obtaining any A 350. (the existing Airline is dissolved thereby forming a new Airline by establishing the profitable sections as separate business entities )
- iii) The final report would be furnished by 11 March 2016 with the following matters included.
- Strategic options analysis.
  - Transition analysis.
  - Breakeven analysis.
  - Instructing the lessors on the proposed strategic discussions.
  - Analyzing the political and legal risks.
  - Information relating to the amount of funds to be invested by the Government of Sri Lanka on capital and working capital requirements.
- iv) That the final report would be released together with the opinion of the Sri Lankan Airlines after furnishing a draft report prior to the final report.



- v) Recovery of fees
  - An agreement had been entered into with the Ministry of Finance in regard to relevant taxes and expenses totalling Rs. 65,000 GBP up to 31 January 2016.
  - The fee for the purpose of that agreement amounted to GBP 150,000 (a sum of GBP 40,000 for the first 03 weeks and GBP 30,000 for the last week should be paid weekly.)
  - Sri Lankan Airlines shall be used for foreign travels, and a sum of US \$ 50 be paid for food and accommodation
  
- vi) In order to hold discussions with the Airbus company and the lessors on the matters mentioned in the final report, the "Nyras" company would participate if necessary.
  
- vii) In the event of the agreement being breached by any of either parties, committing a fraud, or breaching confidentiality, the relevant party would be subjected to a fine not exceeding GBP 1,000,000.

#### 7.3.2.2.3. **Obtaining Consultancy Services**

Heeding to a request made by the Chairman of the Sri Lankan Airlines prior to entering into the agreement between the "Nyras" consultancy company and the Sri Lankan Airlines on 03 February 2016, an initial fleet options review for the Board had been furnished on 03 August 2015. The following key matters were included in that report. (Annexure 58)

- i) Scope
  - An analysis was conducted in this report as to whether the 04 aircrafts of the model A 350-900 agreed to be purchased from the Airbus company, and the four A 350-900 aircrafts agreed to be purchased on operating lease, had been suitable for the Sri Lankan Airlines.

- ii) The information furnished by the Sri Lankan Airlines
  - Flights to the European destinations such as Paris, Frankfurt and Rome incurred losses.
  - The A 350s were not necessary whilst the A 330s are more suitable.
  - The Company had a 3 year restructuring plan.
  - The Sri Lankan Airlines paid for the aircrafts and lease rents in excess of the average.
  - Air routes are classified as long haul routes, medium haul routes, and short haul routes if the flight is over 8 hours, 5-8 hours, or less than 5 hours respectively.
  
- iii) The recommendations made by the "Nyras" consultancy company;
  - The A 350-900 should be replaced with a different suitable aircraft.
  - An airline such as Sri Lankan Airlines should obtain aircrafts on lease rather than purchasing directly from the manufacturer.
  - As it is agreed to hand over the long term aircrafts in terms of days such as 2020 and 2021, the prices of the manufacturer would change in the long term; hence, a competitive price cannot be obtained for the aircrafts.

The final report had been furnished to the Sri Lankan Airlines on 18 March 2016 in accordance with the agreement entered into with the "Nyras" consultancy company on 09 February 2016. The key matters included therein are as follows.

- i) The financial position of the Sri Lankan Airlines remained critical as at the date of the report owing to the following matters.
  - The existence of a bank loan balance amounting to US \$ 300.
  - Issuance of a bond worth US \$ 175 million in the year 2013 which was to reach maturity in the year 2019.
  - Sums of US \$ 45 million and US \$ 15 million remained payable to Ceylon Petroleum Corporation and Airport and Aviation Services Ltd respectively.

- The net loss of the Group amounting to US \$ 47.1 million in the period 2015/16 had increased to US \$ 90 million by 2016/17.
  - It was intolerable to pay the monthly lease rent of US \$ 1.45 million for each of the four A 350-900 aircrafts scheduled to be received on lease in the years 2016 and 2017.
  - Pre delivery payments had to be made from November 2017 for the four A 350-900 aircrafts for which an agreement had been entered into to obtain directly from the Airbus Company in the years 2020 and 2021. ( A sum ranging from US \$ 9 million to 242 million up to the period in which the aircrafts will be received)
- ii) The following changes should be made on the air traffic network of Sri Lankan Airlines;
- Termination of flights to the destinations of Paris, Frankfurt, and Rome as per the opinion of the management.
  - To decrease the number of flights along the air routes incurring losses.
  - Routes of the Mihin Air should be transferred to the Sri Lankan Airlines.
  - A fleet comprising 09 wide-body aircrafts and 11 narrow-body aircrafts should be maintained.
  - The number of economy class seats should be increased by decreasing the number of business class seats in the aircrafts.
- iii) As the price paid for the fuel obtained from the Ceylon Petroleum Corporation is 15 per cent higher than the fuel obtained from the airports of the other countries, discussions should be held in this connection with the Ceylon Petroleum Corporation.
- iv) A profit improvement plan should be introduced and implemented under the guidance of the Chief Executive Officer with the involvement of the senior management, project managers, and the Head of the Financial Division.

v) It was the main responsibility of the “Nyras” consultancy company to evaluate the alternatives presented by the Sri Lankan Airlines. Such alternatives presented by the Sri Lankan Airlines were as follows.

Alternative A- It was proposed under this alternative to maintain the existing fleet of aircrafts and flight schedules of the Sri Lankan Airlines as it is.

Alternative B Obtaining three A350-900s thus removing or subleasing three A 330s, and removal of one A 350-900.

Alternative C- Making use of A330s whilst removing or subleasing the A350s.

Alternative D- This alternative had been presented under 02 options.

(i.) Liquidations and startup

(ii.) Administration.

vi) Liquidation and startup was presented under first option of Alternative D whereas second option proposed the administration of Airline thus conducting discussions with the companies such as, Aercap, Airbus, and Rolls Royce relating to the purchase of A 350s thereby terminating the agreements.

vii) Annexure 55 provides a summary on the analysis carried out on the 04 alternatives mentioned under (v) above. Accordingly, considering the impact on the tourism industry caused by the first option of “Liquidation” under Alternative D, the consultancy company had identified that option as being impractical. Hence, the option “Administration” had been selected under Alternative D, and instructions had been given to liaise with the local and foreign legal advisor named “Kaye Scholer” in that connection.

viii) According to the report furnished by the “Nyras” company, the summarized conclusions of the evaluations of four alternatives furnished by the Sri Lankan Airlines, are as follows.

➤ It was recommended by the “Nyras” company to prepare a detailed plan relating to Alternative D. According to Annexure 59, the

Alternative D causes minimum losses as against the Alternatives A, B, and C; hence, it was recommended to opt for “Administration”

- To conduct discussions with the companies such as, Aercap, Airbus, and Rolls Royce in order to terminate the agreements for the purchase of A 350s. Such discussions with the top level management of those companies should be held by the senior Government officers of Sri Lanka.
- The Alternatives B, and C could be implemented only if the companies, Aercap, Airbus, and Rolls Royce do believe that the Government of Sri Lanka would opt for “Administration” or “Liquidation” after discussions being held.
- The Alternative D should be the most reliable one in this process, and in the event that a different party could not be appointed in this connection as an Administrator, this should be done by the Sri Lankan Airlines and the Government.

#### 7.3.2.2.4. Making Payments to the Consultancy Company

Payments totalling GBP 248,961.75 equivalent to Rs. 47 million (considering the value of GBP 1 is Rs. 184.95) had been paid in the following manner by the Sri Lankan Airlines to the "Nyras" consultancy company during the period from 22 December 2015 up to 02 September 2016. (Annexure 60)

Table 14 – Payments made to the "Nyras" consultancy company.

Date	Amount Paid (GBP)	Reason
-----	-----	-----
2015.12.12	25,000.00	Consultancy fees agreed with the Ministry of Finance.
2016.01.21	25,000.00	-ditto-
2016.01.29	15,000.00	-ditto-
2016.02.19	40,000.00	Consultancy fees agreed by the Sri Lankan Airlines.
2016.02.25	40,000.00	-ditto-
2016.02.26	40,000.00	-ditto-
2016.03.08	30,000.00	-ditto-
2016.05.24	2,050.00	Payment of incidental allowance.
2016.05.24	1,800.00	-ditto-
2016.05.24	1,434.00	Reimbursement of air travel fees.
2016.05.24	3,750.00	Payment of fees on consultancy assistance.
2016.05.24	600.00	Payment of incidental allowance.
2016.05.24	9,060.50	Payment for assisting the discussions held in April 2016.
2016.09.02	15,267.25	Payment for furnishing a report to the Sri Lankan Airlines and the Ceylon Petroleum Corporation relating to the decrease in fuel prices in June and July 2016.
Total	248,261.25	

A sum of GBP 65,000 had been paid by the Sri Lankan Airlines up to January 2016 for the execution of activities of the Ministry of Finance. The said amount had been reimbursed in the following manner by the Ministry of Finance and Planning on 20 May 2016. (Annexure 61)

Table 15- Amounts reimbursed by the Ministry of Finance and Planning out of the payments made to the "Nyras" consultancy company.

<b>Invoice No.</b>	<b>Date of Invoice</b>	<b>GBP</b>	<b>Rs.</b>	<b>Amount Reimbursed (Rs.)</b>
-----	-----	-----	-----	-----
291031	2015.12.22	25,000	5,406,425	5,406,425
293814	2016.01.31	15,000	3,202,950	2,625,325
292989	2016.01.22	25,000	5,338,250	5,338,250
Total		<u>65,000</u>	<u>13,947,625</u>	<u>13,370,000</u>

### 7.3.3. **Obtaining Legal Advice on the Termination of Agreement**

#### 7.3.3.1. **Obtaining Legal Advice for the Termination of Agreements relating to the Four A 350-900 Aircrafts Obtained on Lease.**

It had been decided that the company named "Clyde" employed by the Sri Lankan Airlines as the international legal consultancy firm for the aircrafts re-fleeting programme, be consulted for the termination of the agreement as well. However, the said company had been renamed as "Kaye Scholer LLP" and hence, the new company had been consulted for the termination of agreements. Additionally, legal instructions had locally been obtained from Mr. Anil Tittawella in regard to the termination of agreements.

A sum of Rs. 34,892,573.23 (Annexure 62) had been incurred by the Company as of 31 March 2018, the date of inquiry.

#### 7.3.3.2. **Obtaining Legal Advice for the Termination of Agreement on the Direct Purchase of Four A350-900s from the Airbus Company.**

The Cabinet Sub-committee appointed for termination of the said agreement, had called for quotations to obtain legal advices from legal firms by following the Government Procurement Guidelines. Having conducted interviews with 03 institutions selected, the international legal consultancy firm, named "Norton Rose Fullbright, London", had been chosen. An engagement letter had been issued to the Sri Lankan Airlines by the said institution on 25 October 2017.

Nevertheless, the Company had failed to take action for termination of the said purchasing agreement even up to the date of inquiry.

#### 7.3.4. **Termination of Agreements**

Two agreements had been entered into by the Sri Lankan Airlines on the termination and revision of 04 agreements relating to obtaining A 350-900s on operating lease. Particulars are as follows.

Table 16 – Particulars on the agreement for the termination of operating lease agreements.

<b>Name of the Operating Lease Company</b>	<b>Date of Agreement</b>	<b>Particulars on the Agreements Terminated</b>
i) Aercap Global Aviation Trust (AGAT)	06 April 2016	Termination of the operating lease agreement relating to one of the A350-900 aircrafts, dated 2014.11.12. (Annexure 63)
ii) International Lease Finance Corporation (ILFC)	04 October 2016	Termination of 03 operating lease agreement Nos, 79,80, and 81 relating to A350-900, dated 27 September 2013.

##### 7.3.4.1. **The Agreement, dated 06 April 2016**

- i) The purchasing agreement relating to the said termination agreement had been entered into with the Aercap Company on 12 November 2014. However, by the date of terminating that agreement, the ILFC Company had been acquired by the Aercap Company. As such, the three companies of Sri Lankan Airlines, Aercap, and ILFC had all involved in the said termination agreement.



- ii) The main conditions included in this Termination Agreement appear below.
- ❖ That the Security Deposit amounting to USD 2.5 million would not be returned to Sri Lankan Airlines by the Leasing Company.
  - ❖ Only a sum of USD 0.5 million of the above Security Deposit had been paid by Sri Lanka Airlines by 06 April 2016 and that a Letter of Credit should be submitted before 08 April 2016 for the remaining USD 2 million.
  - ❖ That, a sum of USD 15.27 million should be paid by Sri Lankan Airlines by 08 April 2016 in addition to the above Security Deposit as the Termination Fee.

7.3.4.2. **Agreement dated 04 October 2016**

This Termination Agreement had been entered into by Sri Lankan Airlines for the termination of 03 agreements which had been entered into, on 27 September 2013 for obtaining 03 A 350- 900 aircrafts on Operating Leasing Method from International Lease Finance Company. (ILFC)

The main conditions included in that Termination Agreement appear below.

- i) That, payments should be made to the Leasing Company by Sri Lankan Airlines as Termination Fees amounting to USD 146.5 million (excluding the Security Deposit amounting to 7.5 million) in 08 installments as appear below.

Table 17- Method of Payment of Termination Fee in terminating the Operating Lease Agreements of the A 350- 900 Aircrafts.

<b>Date that the Payment should be made</b> -----	<b>Amount (USD million)</b> -----
Five business days within the date of the agreement	10.5
02 January 2017	13.5
02 February 2017	13.3
02 March 2017	13.3
03 April 2017	13.3
02 May 2017	13.3
02 June 2017	13.3
30 June 2017	56.0
Total amount of Termination Fees	146.5

- ii) That the total Security Deposit amounting to USD 7.5 million for the 03 aircrafts, USD 2.5 million each, paid by that time in addition to the above Termination Fee, is not being repaid by the Company.
  
- iii) That, the additional payment should be made as 3 per cent, the annual interest rate and by calculating the interest in an interest rate that is the total of the Primary Lending Rate noticed by the New York SP Morgan Chase Bank in the instance where Sri Lanka Airlines being failed to make the payment of the above Termination Fee on the due date and in the instance where 03 business days had been exceeded for making the above payment.
  
- iv) If the additional conditions are being fulfilled by Sri Lankan Airlines, a sum of USD 56 million, the final installment of the above termination fee would be removed by the Leasing Company.
  - That, other payments had been completed within 05 days from the due date, excluding the final installment of the Termination Fee.
  - That, an A 300- 200 Aircraft of which bearing the Product Serial No.1008 should be obtained before 30 November 2016 under operating lease from the relevant Leasing Company.

- That, the leasing period of the A 330- 200 Aircraft obtained from Whitney Leasing Limited under the Operating Leasing Agreement No.627 of 18 November 2011, should be extended either to 07 December 2028 or up to the date that the Design Service Goal of the Airplane is reached, before 30 November 2016.
- That, a certificate that liabilities relating to the A 320- 232 Aircraft of which bearing the Product Serial No.2731, obtained by Mihin Lanka Airlines under the Leasing Agreement dated 11 October 2012 and relating to the A 321- 200 Aircraft of which bearing the Product Serial No.1946, obtained by Mihin Lanka Airlines under the Leasing Agreement dated 18 July 2012, should be given by Sri Lankan Airlines before 30 November 2016.
- That, Proposals, Resolutions or other written evidence that the approval had been given by the Board of Directors of Sri Lankan Airlines, to the conditions relating to obtaining 04 airplanes mentioned above on operating lease basis, to the Leasing Company by 28 October 2016.
- Moreover, that, the written evidence that the transactions mentioned above by the shareholders of Sri Lankan Airlines had been approved, should be furnished to the Leasing Company by 28 October 2016.

**7.3.5. Payment of Termination Fees to the Operating Leasing Companies**

**7.3.5.1. Payment of Compensation to the Aercap Company under the Agreement dated 06 April 2016**

As such, Sri Lankan Airlines had paid a sum of USD 17,770,000 as Termination Fees (including the Security Deposit amounting to USD 2,500,000) in 05 instances for the period from 15 September 2014 to 04 May 2016, as given below.

Table 18- The Method of Payment Termination Fees of the termination of Operating Lease Agreements of one A- 350- 900 Aircraft

<b>Date</b>	<b>Amount Paid (USD)</b>
-----	-----
15.09.2014	250,000
14.11.2014	250,000
04.05.2016	3,270,000
04.05.2016	12,000,000
04.05.2016	2,000,000
Total	17,770,000

**7.3.5.2. Payment of Termination Fees to the International Lease Finance Company (ILFC) under the Agreement dated 04 October 2016**

As such, a sum of USD 98 million had been paid by Sri Lankan Airlines as Termination Fees to the Leasing Company as appear below (including the Security Deposit amounting to USD 7.5 million) for the period from 08 August 2013 to 02 June 2017. (Annexure 64)

7.4. **Revision/ Termination of the Agreement on purchasing 04 A 350- 900 Aircrafts from Aercap Company**

A Cabinet Sub- committee had been appointed for considering either on the revision or the termination of the agreement for directly purchasing 04 A 350- 900 Aircrafts from Aercap Company, by the Cabinet Sub- committee on Economic Management on 28 July 2017. In addition, it had been stated that it had been agreed to discontinue the manufacturing activities of the 04 A 350- 900 Aircrafts by Aercap Company in the meeting of the Cabinet Sub- committee on Economic Management (CCEM) held on 01 December 2017 and that a Counter Offer had made by Aercap Company for obtaining narrow- body aircrafts instead of these aircrafts on a future date. (Annexure 02) As per the decision of the Sub- committee, even the approval of the Cabinet of Ministers (Annexure 03) had been given for defaulting the manufacturing of aircrafts, on 19 December 2017.

As such, s Proposal (Annexure 04) had been given by Aercap Company for revising as purchasing 08 A 321 Neo Aircrafts instead of 04 A 350- 900 aircrafts to Sri Lankan Airlines in April 2018.

7.5. **Entering into Agreements to install VIP Kits for 02 A 330- 300 Aircrafts and termination of those Agreements**

7.5.1. **Entering into an Agreement with Aercap Company for the supply of VIP Kits that could be connected to two A 330- 300 Aircrafts**

An agreement had been entered into with Aercap Company for preparing VIP kits for the preparation of a compartment for Very Important Persons in an aircraft by Sri Lankan Airlines on 28 June 2013. (Annexure 06) Moreover, that agreement had been revised on 02 December 2013 and on 31 March 2014. The matters included in that agreement appear below.

- That, it had been agreed to provide VIP kits valued at USD 15 million for 10 aircrafts, with a discount amounting to USD 1.5 million per aircraft and to prepare and to furnish 02 aircrafts in this connection, in purchasing 10 aircrafts from Aercap Company.
- That, that proposed VIP kits can facilitate 12 persons and that it is equipped with a separate section for the Officers of the Armed Forces.

- That, it takes a period of 12 weeks in preparing the VIP kits.
- That, it takes approximately 03 days for the installation of VIP kits by removing the normal seats of the A 330- 300 aircraft, considering the necessity of the VIP kits.
- That, the above discount amounting to USD 15 million could be utilized in obtaining other goods and services from AerCap Company, if the VIP kits is not obtained.

Information on the Agreement on the VIP kits (Annexure 05) had been furnished by the Letter dated 17 January 2015 that had been sent to the Chairman by the Chief Executive Officer of Sri Lankan Airlines.

It had been stated by the Chief Executive Officer of Sri Lankan Airlines on the meeting of the Board of Directors held on 12 February 2015 that it had been discussed and had been entered into an agreement with the then President of the Democratic Socialist Republic of Sri Lanka on the above VIP kits prior to ordering A 350 and A 330 aircrafts from Sri Lankan Airlines. (Annexure 07)

## 7.5.2. **Approval for the Termination of the Agreements**

### 7.5.2.1. **Approval of the Board of Directors**

#### i) **Meeting of the Board of Directors dated 12 February 2015 (Annexure 65)**

It had been decided to terminate the agreement on the VIP kits in the meeting of the Board of Directors held on 12 February 2015. There, it had been stated that it should be sent to another division of AerCap Company itself for preparing a structure necessary to install the VIP kits again after 02 A 330- 300 aircrafts being received to “Toulouse” in Colombo. As such, it had been emphasized by the Chief Executive Officer of Sri Lankan Airlines that the fourth A 330- 300 aircraft is scheduled to be received in the end of February 2015 and that, that aircraft will not be returned for preparing the structure necessary for the installation of the VIP kits. Moreover, it had been stated that even a request had been made for selling the VIP kits to another party in the discussion conducted by the Chairman of Sri Lankan Airlines with AerCap Company.

ii) **Meeting of the Board of Directors dated 10 March 2015 (Annexure 66)**

- ❖ Here, it had been informed by Aercap Company that a request for a period of one year had been made for selling of VIP kits to another party.
- ❖ Here, it had been further informed that a detailed Report relating to the termination of the agreement relating to obtaining the VIP kits had been furnished to the Prime Minister, by the Chairman of Sri Lankan Airlines.

7.5.2.2. **Approval of the Cabinet Sub- committee on Economic Development (CCEM) and the Approval of the Cabinet of Ministers**

Only the Reports of the meetings of the Board of Directors were furnished in the termination of the agreement on the VIP kits and either the approvals of the Cabinet Sub- committee on Economic Management or the approvals of the Cabinet of Ministers were not furnished, relating thereto.

7.5.3. **Termination of the Agreements**

7.5.3.1. The agreement on obtaining the VIP kits had been terminated on 24 February 2015 by Sri Lankan Airlines. (Annexure 67)

7.5.3.2. Here, it had been stated that the Credit Card amounting to USD 15 million issued for the VIP kits had been spent totally for the VIP kits. As such; it had been stated in the agreement that any liability whatsoever is not being held relating thereto by Sri Lankan Airlines until a resale of the VIP kits being held and if, being sold, a Credit Card named “VIP Kit Settlement Credit Memorandum” relating to the value that those VIP kits being sold, will be issued by Aercap Company to Sri Lankan Airlines.

**7.6. Remarketing of A 350 and A 330 Aircrafts**

7.6.1. Seven agreements for the remarketing of A 330 and A 350 aircrafts had been entered into by Sri Lankan Airlines with 07 Representative Agencies for the period from 04 March 2016 to 21 April 2017, as appear below.

Table 20- Details on the Remarketing Agreements of the A 350 and A 330 Aircrafts

<b>Representative Agency</b>	<b>Date that the Agreement had been entered into</b>	<b>Agreed Matter</b>
i) Cabot Aviation (Annexure 68)	04 March 2016	Remarketing of 04 A 350- 900 aircrafts and A 330- 300 aircrafts.
ii) Motevaliyan Tosee Tejarat Pvt Ltd (Annexure 69)	15 Mrch 2016	Providing consuktancy services for the sub-lease of aircrafts.
iii) Millennium Aero Dynamics Pvt Limited (Annexure 70)	18 August 2016	Entering intoa mutual agreement for the introduction of the German Aviation Capital Company.
iv) German Aviation Capital (Annexure 71)	18 August 2016	Purchase of 03 A 350- 900 aircrafts.
v) Fitzroy Aviation limited (Annexure 72)	20 April 2017	Remarketing of an A 330- 300, A 330- 200 aircraft or any other aircraft supplied by the Airlines.
vi) Air Partner (Annexure 73)	21 April 2017	Remarketing of 01 A 330- 200 aircraft and 03 330- 300 aircrafts.
vii) Air Partner (Annexure 74)	21 April 2017	Remarketing of 01 A 330- 200 aircraft and 03 A 330- 300 aircrafts under the Wetlease/ ACMI Programme.

7.6.2. One aircraft had been given by the Company to Pakistan International Airlines under the Wet Lease Method on the basis of making a payment of a fixed fee as USD 8,100 per hour, for a minimum of 300 hours and making a payment of USD 7,600 for an additional hour, for a period of 06 months from 04 August 2016 to 09 February 2017, under the scheme of sub leasing of excess aircrafts to other Airlines.



8. **Observations**

8.1. **Preparing, approving and the implementation of the restructuring plan 2015/16- 2017/18**

8.1.1. It had not been able to achieve the intended targets due to implementing only the function of refueling the fleet of aircrafts, that is only one function of the Restructuring Plan, instead of taking action as per the Plan prepared for the restructuring of the entire group.

8.1.2. It had been planned to cancel the longer flights of Frankfurt, Paris and Rome in the Restructuring Plan relating to the period from the year 2015/16 to the year 2017/18 and to reduce the number of flights per week to Europe, by that Plan, from 18 to 07, from the year 2015/16 to the year 2016/17 by the Management either without a proper feasibility study or without obtaining a sufficient consultancy service.

8.1.3. Even though it had been intended to deploy in group business activities by consolidating Sri Lankan Airlines and Mihin Lanka Airlines as per the proposed Restructuring Plan, action had not been taken to consolidate those two Companies. It had been decided by Sri Lankan Airlines to acquire only the air routes and aircrafts belonging to Mihin Lanka Airlines and to dissolve Mihin Lanka Airlines and those activities had not been wound up even by 31 March 2019. (Reference Paragraph 7.2.3.2 (iii))

8.1.4. Even though the total fleet of aircrafts should consist of 18 aircrafts by the years 2016/17 and 2017/18 as per the Restructuring Plan, the actual fleet of aircrafts had been increased to 24 aircrafts, by the addition of 06 aircrafts in the year 2016/17. It had been decided by Sri Lankan Airlines to add new aircrafts without a proper plan, despite it had been planned to reduce the number of destinations. (Reference Paragraph 7.2.2 (iii))

Table 19- The number of estimated and actual number of aircrafts in the year 2016/17

Type of Aircraft -----	2016/17 -----		
	Estimated -----	Actual -----	Difference -----
A 320-200	06	06	-
A 321-200	02	03	01
A 320-Neo	-	02	02
A 330-200	03	06	03
A 330-300	07	07	-
Total	18	24	06

8.1.5. Even though it had been planned to decrease losses of the Company from the year 2015/16 to the year 2017/18, the actual loss of the Company had been increased to a sum of Rs. 28,340 million from a sum of Rs. 12,084 million from the year 2015/16 to the year 2016/17. As such, it was observed that the actual loss of the year 2016/17 had been increased by 57 per cent as compared with the preceding year. (Reference Paragraph 7.2.2 (iv))

8.1.6. Even though it had been planned to obtain a capital contribution amounting to USD 255 million from the government of Sri Lanka as per the proposed Restructuring Plan, any capital contribution whatsoever had not been received to the company from the government of Sri Lanka from 01 April 2016, the date that the plan is being implemented, to 31 May 2019. (Reference Paragraph 7.2.2 (v))

8.1.7. **Selling of shares of the Sri Lankan Catering Company (Annexure 75) and selling of 40 per cent of the Ground Handling Division (Annexure 76)**  
Funds amounting to USD 85 million planned to be obtained by selling shares of the Sri Lankan Catering Company and USD 140 million planned to be obtained by selling 40 per cent of the Ground Handling Division, on deciding to make Sri

Lankan Airlines a Public Private Partnership (PPP) by the Government of Sri Lanka, had not been provisioned. (Reference Paragraph 7.2.2(v))

8.1.8. Further, it had not been able to attract an investor to Sri Lankan Airlines even up to 31 May 2019.

8.1.9. An external party had been appointed for obtaining consultancy services relating to 3 A 330- 200 aircrafts that were scheduled to be returned in the year 2017 and deploying 8 A 350- 900 aircrafts in service, which is scheduled to be received in the year 2017 or on using other options. Even though it had been proposed to requantify the fleet of aircrafts to 18 by the Restructuring Plan approved by the Cabinet of Ministers, it had not been specifically stated on the number of aircrafts intended to be retained and on the number of aircrafts intended to be disposed. Moreover, even though the service of an external party was obtained as proposed, 26 aircrafts had been deployed in service by the Company by the year 2018.

8.2. **Obtaining Consultancy Services for the Termination of the Agreements on Aircrafts**

8.2.1. Even though it had been stated in the decision of the Board of Directors dated 21 September 2015 that the proposals received from consultancy firms are being evaluated by a Committee consisting of six members in selecting the Skyworks Consultancy Firm for the re- evaluation on the fleet of aircrafts, Evaluation Sheets and Detailed Evaluation Reports that evaluations had been so done, had not been furnished to the Board of Directors. (Reference Paragraph 7.3.1.4.4)

8.2.2. An agreement had been entered into, to carry out a re- evaluation on the fleet of aircrafts of the Company without mentioning on the decision made by the Board of Directors of the Company on 25 August 2015 to not to use A 350- 900 aircrafts, with Skyworks Company on 09 September 2015.

8.2.3. It had been agreed to furnish a complete report within 04 weeks after receiving information to that institute as per the agreement entered into on 09 September 2015 with Skyworks Company, the consultancy firm that was being initially selected. However, this Institution had furnished an interim report on 22 October 2015 after a lapse of 06 weeks and the final report had been furnished on January 2016, 16 weeks from the agreed date or, after a delay of 12 weeks. (Reference Paragraph 7.3.2.1.3)

8.2.4. The proposal furnished by Nyras Consultancy Firm had been rejected by Sri Lankan Airlines on the instance where Skyworks Company was selected on 21 September 2015 for obtaining consultancy services for the termination of the A 350- 900 agreements. However, the necessity of entering into an agreement on 03 February 2016 for obtaining the service carried out by Skyworks Company, with Nyras Consultancy Firm as well, without following proper procurement procedurs, as per a telephone conversation conducted with Nyras Consultancy Firm, by the Chief Executive Officer of Sri Lankan Airlines on a later date, was not confirmed to the audit.

8.2.5. A sum of 248,961.75 sterling pounds had been idly paid from 22 December 2015 to 02 September 2016 for obtaining consultancy on the termination of the A 350- 900 agreements to Nyras Consultancy Firm by Sri Lankan Airlines and it

had approximately been a sum of Rs.50 million. As per the Reports furnished by Nyras Consultancy Firm, “Planning the Air Route Network without obtaining at least one A 350- 900 aircraft”- here, recommendations had been furnished as the establishment of a new Airline by converting profitable divisions into separate business divisions by dissolving the prevailing Airline Company as the best option for the implementation of the proposal furnished under option D.

However, the Sri Lankan Airlines Limited had not taken action to execute the alternative until the date of this report and as a result, it was further observed that the amount of 248,961.75 sterling pounds paid to “Nyras Aviation Consultants” by the Sri Lankan Airlines is a fruitless expenditure. The amount of 15,267.25 sterling pounds or Sri Lankan rupees 2.25 million paid to the “Nyras Aviation Consultants” for making efforts to reduce the fuel prices by negotiating with the Sri Lanka Petroleum Corporation which was a function not stipulated in the agreement was also included in that payment.

8.2.6. An amount of 65,000 sterling pounds had been paid by the Sri Lankan Airlines on 22 December 2015 and on 21 and 29 of January 2016 for the services provided by the “Nyras Aviation Consultants” for the Ministry of Finance up to 31 January 2016. Even though the Ministry had agreed to reimburse the amount, the Ministry had reimbursed only an amount of Rs. 13,370,000, which is less than Rs. 577,625 out of the invoice value of Rs. 13,947,625.

8.2.7. An amount of Rs. 99,186,143 had been paid by the Sri Lankan Airlines to “Skyworks Aviation” and Nyras Aviation Consultants for obtaining consultation services from the Aviation Consultants for the main function of cancellation of operating lease agreement of the 04 no. of A 350-900 aircrafts.

Further, arrangements had been made to obtain consultation services from the Seabury Consulting for the Re-fleeting Programme and a sum of Rs. 144,887,459 had been paid to the Institution as charges for Consultation Services. Accordingly, it could be observed that the Sri Lankan Airlines had failed to obtain an effective service for the advancement of the Company even though a sum of Rs. 244,073,602 had been incurred for obtaining consultation services for activities such as purchasing of aircrafts and for cancellations.

8.3. **Non-compliance with the Procurement Guidelines for selection and employment of Consultants in the service**

The following non-compliances were observed in the selection of the consultants by the Sri Lankan Airlines for cancellation of the Agreement on purchasing aircrafts.

8.3.1. Even though the Ministry had to accomplish the said function by appointing a formal Procurement Committee, evidences to substantiate that appointments had been made by adopting the formal procedure had not been submitted to the audit. (Reference: - Paragraph (i) of the Annexure 77)

8.3.2. The Company had not prepared and approved a Requests for Proposal (RFP) from Consultancy Procurement Committee and such Request for proposal had not been submitted to the Consultancy Companies, which had expected to submit proposals. The manner of evaluating the Consultancy Companies for selecting the Consultancy Company by the Sri Lankan Airlines for the accomplishment of its functions was not obvious. (Reference: - Paragraph (ii) of the Annexure 77)

8.3.3. In instances where the participation of International Consultancy Institutions is sought for complex roles which are above Rs. 2 million, advertisements have to be published in the National as well as international media for the submission of Express of Interest (EOI). However, advertisements had not been published in compliance with the requirement and it could not be observed that the maximum qualitative and economical advantages had not been derived by the Company through allowing the competitive participation. (Reference: - Paragraph (vii) of the Annexure 77)

8.3.4. The Company had requested to submit proposals from two institutions only. Even though the selected number of institutions can be less than 7 only when the qualified institutions had not submitted Express of Intention (EOI) and when there are no other qualified institutions, only two institutions had been selected in this occasion without adhering to proper procedures. (Reference: - Paragraph (viii) of the Annexure 77)

- 8.3.5. When requests for proposals are invited, the validity period for submitting such proposals had not been mentioned and unclassified proposals had been obtained from the e-mail. Accordingly, it could not be observed at the Audit that the proposals had been evaluated in compliance with the pre-prepared criteria. (Reference: - Paragraphs (x) – (xvi) of the Annexure 77)
- 8.3.6. Committee for opening proposals had not been appointed and the process of opening and evaluation of proposals had been done by the Selection Committee of the Company. Even though the representatives of the Consultancy Service Companies had to be participated at the moment of opening the financial proposals, action had not been taken in compliance with that requirement in obtaining those consultation services. Accordingly, it could be observed that the procurement activities for obtaining consultation services for re-fleeting the aircrafts and air-routes had been carried out without adhering to the principle of transparency. (Reference: - Paragraph (xv) of the Annexure 77)
- 8.3.7. The DVB Bank and Skyworks institutions had been notified on 12 August 2015 to submit proposals on or before 18<sup>th</sup> of August 2015. However, the Nyra institution had also been informed to submit proposals on 20 August 2015, a date after 18 of August. Accordingly, action had been taken to select a Consultancy Service Institute by obtaining Express of Intention (EOI) on various dates from selected Consultancy institutions as per the discretion of the Company by violating the Provisions of the Procurement Procedure of the Company. (Reference: - Paragraph (xiv) of the Annexure 77)

8.4. **Termination of Agreements of the four A350-900 aircrafts for which agreements had been made for obtaining them on operating lease basis and payment of compensation.**

8.4.1. Making arrangements to conduct a study from a related party to the Sri Lankan Airlines and which is not an independent party as per the decision taken at the meeting of the Director Board held on 03 August 2015 to conduct a feasibility study for Sri Lankan Airlines by taking into consideration the proposed air-routes and existing air-routes in relation to A350 and A330, aircrafts from the Airbus Company was questionable. (Reference: - Paragraph 7.3.1.1.2)

8.4.2. As per the report submitted by the Airbus Company, the evaluation of the operation A 330-300 aircrafts had been done only for the London air-route. It was observed that the comparison of the result obtained from the evaluation of A 350 -900 aircraft in relation to one air-route with the air traffic of selected European destinations and substituting the results obtained by such comparison to the entire longer destinations away from that air route is not logical. (Reference: - Paragraph 7.3.1.1.1 (iv))

8.4.3. The Board of Directors had entrusted the power for negotiating with the Aercap Company and to make them agreed to pay the compensation, to the Chief Executive Officer of the Sri Lankan Airlines. The Negotiation Minutes of the negotiations made by the Officer with the Aercap Company had not been submitted to the Audit and it could not be observed that the assistance of the consultancy companies had been obtained for such negotiations and thereby, it could not be substantiated that the transaction had been carried out with adequate transparency.

8.4.4. Even though the approval had been granted by the Cabinet sub Committee on Economic Management (CCEM) at its meeting held on 05 April 2016 for obtaining a loan of 65 million U.S. dollars to pay compensation for terminating the lease agreement of the 04<sup>th</sup> A 350-900 aircraft and to settle the fundamental financial requirements of the Company, an approval for the payment of 17.77 million U.S. dollars for termination of the lease agreement and for the payment of compensation had not been conclusively mentioned therein. Likely, it could



not be substantiated at the audit that an approval of the Cabinet of Ministers had been obtained in this regard. (Reference: - Paragraph 7.3.1.2.1)

- 8.4.5. A confirmation on the manner of conclusively computing the sum of 17.77 million U.S. dollars (including the lost security deposit of 2.5 million U.S. dollars), which was the compensation paid in relation to terminate the lease agreement of the 4<sup>th</sup> A 350-900 aircraft mentioned above had not been submitted to the Audit.
- 8.4.6. The recommendations made by the Honorable Prime Minister and the Minister of Enterprise Development had been submitted for the meeting of the Board of Directors dated 28 July 2016. Subsequently, information to substantiate that the Board of Directors of the Sri Lankan Airlines Limited had been notified on the cancellation of the Agreements on A 350-900 Aircrafts were not revealed to the Audit.
- 8.4.7. The Sri Lankan Airlines Limited had informed through its Report submitted to the CCEM on 07 September 2016 that the Company can avoid continuous extra losses in the future by paying the proposed compensation and getting released from that payment and thereby, it would be possible for the Sri Lankan Airlines to attract a better investor. However, after paying the agreed compensation and getting released from the payment, the Sri Lankan Airlines Limited had been continuously functioning at loss up to 31 May 2019 and further it was unable to attract an investor. (Reference: - Paragraph 7.3.1.2.2 (iv))
- 8.4.8. Even though it had been mentioned that the anticipated savings for the period of 2016/17 up to 2020/21 through restructuring the other aircrafts other than A 350-900 aircrafts was 130 million U.S. dollars as per the report submitted to the Cabinet Sub Committee on Economic Management on 07 September 2016, only the reduction in the lease instalment had taken into consideration and the other factors such as the increase in the maintenance cost and fuel cost had not been taken in to consideration. (Reference: - Paragraph 7.3.1.2.2 (iv))
- 8.4.9. Even though it had been decided at the meeting of the Cabinet Sub Committee on Economic Management (CCEM) held on 07 September 2016 that the amount

of compensation for terminating the Agreements of the 03 no. of A 350-900 aircrafts should be between 75-85 U.S. dollars, a basis for determining the amount of compensation had not been indicated. (Reference: - Paragraph 7.3.1.2.2 (v))

- 8.4.10. Even though the amount of compensation had been reduced up to 98 million U.S. dollars subjected to conditions as per the negotiations held for deducting the amount of compensation for the termination of the agreement with the Aercap Company on 05 September 2016, Sri Lankan Airlines had not conducted any cost benefit analysis in the instance of agreeing to those conditions. (Reference: - Paragraph 7.3.1.2.2 (iv))
- 8.4.11. Even though the Secretary of the Ministry of Public Enterprises Development had participated to the discussion held at the General Treasury in the Month of September 2016 for the termination of the Lease Agreements of the 03 no. of A 350-900 aircrafts, it could not be observed that the Ministry of Public Enterprises Development had taken part in the discussions conducted subsequently.
- 8.4.12. The parties who had granted approval for certain officers participated in the discussion that those officers should take part in the discussion held at the General Treasury with the representatives of the Aercap on 01 October 2016 could not be observed at the Audit. (Reference: - Paragraph 7.3.1.2.2 (iv))
- 8.4.13. Even though the Minister of Finance and the Minister of Public Enterprises Development had been notified on the same day by the Chief Executive Officer of the Sri Lankan Airlines via e-mail on the matters for which both parties gave their consent at the discussion indicated in 8.4.12 above, the Board of Directors of the Sri Lankan Airlines had not been notified in this regard.
- 8.4.14. It could be observed that the payments mentioned in 7.3.5 above could be further reduced if decisions pertaining to the process of terminating the agreement had been taken expeditiously.

- 8.4.15. Adequate information had not been submitted for the investigation of the party who had taken the fundamental decision that A 350-900 aircrafts are not required for the fleet of aircrafts in the Sri Lankan Airlines Limited and as to when the decision was taken. (Reference: - Paragraph 7.3.1.1)
- 8.4.16. A prior approval had not been obtained from the Cabinet of Ministers for entering in to agreements for the termination of the operating lease agreement. (Reference: - Paragraph 7.3.1.3)

8.5. **Entering in to Agreements to purchase 04 no. of A 350-900 aircrafts from the Airbus Company**

8.5.1. An agreement had been entered in to by the parties to purchase 04 no. of A 350-900 aircrafts from the Airbus Company in 2020/21. However, it had been indicated that The Airbus Company had agreed to stop the manufacturing activities of the 04 no. of A350-900 aircrafts and a Counter Offer had been made, at the meeting of the Cabinet Sub Committee of Economic Management (CCEM) held on 01 December 2017, by the Airbus Company to provide narrow-body aircrafts in a future date instead of these aircrafts as per the decision subsequently taken by the Sri Lankan Airlines not to purchase A 350-900 aircrafts. It was observed that there might have a risk in the future for paying an additional amount due to the change in the type of aircrafts. (Reference: paragraph 7.4)

8.5.2. Likely, the Company had not made a systematic analysis on the 02 alternatives such as purchasing 04 no. of A 350-900 aircrafts or purchasing 08 no. of A 321 Neo aircrafts up to the date of this Report. (Reference: paragraph 7.4)

8.6. **Termination of the VIP Kits Agreement**

8.6.1. It was observed that the Management of the Company had entered into the agreement without understanding the prior plans about the activity agreement entered into on 28 June 2013 for the preparation of a place reserved for Very Important Persons (VIP room) in an A 330-300 aircraft had been revised in two occasions viz, on the 02<sup>nd</sup> December 2013 and in March 2014.

8.6.2. A claim for offering the discount in obtaining other goods and services from the company other than the VIP Kit which is the entitlement for the discount of 15 million U.S. dollars that had been scheduled to provide in the purchase of 10 aircrafts from the Airbus Company. However, the entitlement of the discount of 15 million U.S. dollars that had to be received from the Airbus Company to the Sri Lankan Airlines Limited was lost due to the lapse of 20 months from the date of entering in to the agreement for the preparation of the VIP room up to 24 February 2015, the date of cancellation of the agreement.

8.7. **Re-marketing of the A 350 and A 330 Aircrafts**

8.7.1. Agreements had been entered into for obtaining A 350 and A 330 aircrafts in the years 2013 and 2014 and 06 no. of A 330 aircrafts had been obtained for the company within the prescribed period. However, Agreements had been entered into for re-marketing of those aircrafts as per Paragraph 7.6 above. Accordingly, it was observed that the requirement of the Company for obtaining aircrafts had not been taken in to consideration in re-fleeting the fleet of aircrafts by the Company. (Reference: paragraph 7.6)

8.7.2. Sri Lankan Airlines Limited had recommended to invite quotations from 03 consultancy companies for appointing a representative for re-marketing A 350-900 aircrafts at the meeting held between the Sri Lankan Airlines Limited and Aercap Company on 23 November 2015. (Annexure 19). In the recommendation of those Companies, the Procurement Guidelines of the Government had not been followed.

9. **Weaknesses in Systems and Controls**

- 9.1. The following activities had been performed by the Company without carrying out a cost benefit analysis after a systematic study.
- 9.1.1. Revision of the Programme for re-fleeting of the aircrafts on 24 June 2015.
- 9.1.2. Direct purchasing of 04 no. of A 350-900 aircrafts and obtaining 4 aircrafts of the same type under operating lease method.
- 9.1.3. Agreeing to pay compensation to relevant financial companies for terminating operating lease Agreements.
- 9.1.4. Entering into additional Conditions for deducting 56 million U.S .dollars out of 154 million U.S. dollars, which was the agreed compensation with the Aercap Company in relation to the termination of the Lease Agreement.
- 9.1.5. Termination Clauses on the termination of the agreement had not been included in any of the agreements entered into under the programme of re-fleeting aircrafts. Therefore, it was observed that the Company had to pay the compensation proposed by the Leasing Company.

10. **Recommendations**

- 10.1. In taking all the important decisions related to the functions of the Sri Lankan Airlines, functions should be carried out in compliance with a long-term plan prepared after a proper study. (Reference 9.1)
- 10.2. Action should be taken in compliance with the Provisions of the Procurement Guidelines and Procurement Manual issued in August and November 2007 by the Procurement Agency in obtaining consultation services by the Company from the Consultancy Companies. (Reference 8.3)
- 10.3. Obtaining recommendations from the Consultants for the functions of the Company and the implementation of recommendations in optimum level. (Reference 8.2.5)
- 10.4. The transparency and the integrity of the task should be safeguarded by allowing more than one officer to represent the Company in instances where negotiations are conducted by the Airlines Limited with the external parties and in entering into agreements. (Reference 8.4.14)
- 10.5. Functions should be taken in maximum level for obtaining the prior approval by the provision of adequate information to the Cabinet of Ministers in relation to the important matters, for which it is essential to get the approval of the Cabinet of Ministers. (Reference 8.4. 4 and 8.4.17)

11.

**Conclusion**

The Sri Lankan Airlines Limited had to incur a sum of 115.77 million U.S. dollars equal to 17,058.1 million Sri Lankan Rupees without receiving any timely benefit for the Company in the nature of goods or services due to the termination of the agreements pertaining to obtaining 04 no. of A 350-900 aircrafts on operating lease basis without conducting an adequate cost benefit analysis on the termination of agreements. Further, it may be required to pay a certain sum of the above nature to the relevant manufacturer as a result of the negotiations that are being conducted to purchase alternate aircrafts from the same manufacturer by terminating the agreement for direct purchase of 04 no. of A 350-900 aircrafts from the relevant manufacturer in addition to the aforementioned aircrafts.

**Sgd./W.P.C. Wickramaratne**  
**Auditor General**

W.P.C. Wickramaratne  
Auditor General



AS directed by COPE, P/O  
prepare the two reports

**FIRST SESSION OF THE EIGHTH PARLIAMENT**

**Minutes of the 111<sup>th</sup> Meeting of the Committee on Public Enterprises (COPE)  
held in the Committee Room No. 05 of the Parliament of Sri Lanka**

**Wednesday, September 20<sup>th</sup> 2017 at 2.30 p.m.**

**Sri Lankan Airlines Ltd.**

**PRESENT**

Hon. Sunil Handunnetti (Chairman)  
Hon. Lakshman Senewiratne  
Hon. (Dr) Harsha De Silva  
Hon. Ajith P. Perera  
Hon. Anura Dissanayaka  
Hon. Chandrasiri Gajadeera  
Hon. Mahindananda Aluthgamage  
Hon. Bimal Rathnayake  
Hon. (Dr) Nalintha Jayathissa  
Hon. Harshana Rajakaruna

Ms. Nishanthi S. Wickramaratne, (Secretary to the Committee)

**In Attendance**

Mr. W.P.C Wickramaratne, Additional Auditor General, Auditor General's Department  
Ms. T.G.I. Padmini, Assistant Auditor General, - do -  
Ms. A.D. Dilrukshi, Superintendent of Audit, - do -

Mr. R.A.L. Udaya Kumara, Assistant Director, Department of Public Enterprises  
Ms. D. Gamage, Assistant Director, - do -

01. The Committee met pursuant to Adjournment.
02. The Hon. Sunil Handunnetti, Chairman took the Chair.
03. The Committee examined the following officials of the Ministry of Public Enterprises Development and the Officials of the Sri Lankan Airlines Ltd. with regard to the matters referred to the performance and the current affairs of the Sri Lankan Airlines Ltd.

Mr. Ravindra Hewawitharana, Secretary, Ministry of Public Enterprises Development  
Mr. M.R.H. Swarnathilaka, Chief Financial Officer, - do -  
Ms. M.M. Aliff, Director (Insurance, Aviation & Hospitality) - do -  
Mr. D.G.H.D. Perera, Chief Internal Auditor, - do -

Mr. A.N. Dias, Chairman, Sri Lankan Airlines Ltd.  
Mr. J.M.S. Brito, Director, - do -  
Mr. R.C.D. De Silva, Director, - do -  
Mr. R.S. Jayawardena, Director, - do -

Mr. N.J.D.S. Deva Aditya, Director,	- do -
Mr. H.K. Balapatabendi, Director,	- do -
Capt. Suren Ratwatte, Chief Executive Officer,	- do -
Mr. Lalith Withana, Group Chief Financial & Admin. Officer,	- do -
Mr. Dinnaga Padmaperuma, Chief Technical Officer,	- do -
Mr. Siva Ramachandran, Chief Commercial Officer,	- do -
Ms. Dalrene Thirukumar, Head of Corporate Secretarial Services / Company Secretary	- do -
Mr. Pradeep Kakulawala, Head of Human Resources,	- do -
Mr. Yasantha Dissanayake, Head of Financial Management,	- do -
Mr. Mayuka Ranasinghe, Head of Group Legal Affairs,	- do -
Mr. Mahesh Nanayakkara, Sr. Mgr. Group Assurance & Advisor Sevc.	- do -
Mr. Nalaka Sanjewa, Manager Finance,	- do -
Mr. Chinthaka Kulathilake, Head of Human Resources Administration,	- do -

04. The Committee deliberated.

05. **Failure to obtain the approval of the Cabinet of Ministers for the purchase of Aircrafts**

Following matters were revealed with regard to the purchase of 08 aircrafts as per the Cabinet Memorandum dated 27.03.2013.

- The approval of the Cabinet of Ministers had not been obtained for the same.
- It has been noted in the minutes of the relevant meeting of the Cabinet of Ministers as "adjourned".
- The then Minister of Finance has signed the relevant Cabinet memorandum.
- This Institution has not been vested with the powers to take decisions with regard to the above transaction.

The Committee inquired whether the Cabinet of Ministers had discussed about this transaction after the adjournment of meeting of the Cabinet of Ministers held on 16.04.2013 at which the Cabinet memorandum of 27.03.2013 was discussed.

The CAO stated that the Secretary to the Cabinet had confirmed, on an inquiry made from him that neither a Cabinet paper nor a note had been presented regarding this transaction after 16.04.2013.

The Committee directed the CAO to submit a copy of the letter relevant to the above confirmation to the Committee.

06. **The Report given by the Seabury Institute**

The Committee inquired whether the report submitted to the Committee at this day's meeting was the same report that was submitted to the Committee at its meeting held on 06.09.2017.

The AO stated the followings.

- The above report was the same report that was submitted to the Committee on 06.09.2017.
- As signature of Seabury Institute was not available in the above report submitted on 06.09.2017 and therefore, it was send back to the said institute for the signature.
- The report that has been submitted to the Committee on this day's meeting is the report that contains the signature of Seabury institute, as stated above.
- No amendments has been made to the contents of the report.

The Committee inquired whether a Technical Evaluation Committee was in operation in the institution to take the decision in respect of this transaction.

The AO stated that such Committee was not in operation at the institutional level and however a Working Committee was appointed to work with the Seabury Institute.

07. **Terminate the Agreement**

The Committee noted that, when a limit of US\$.75-85 million had been determined by the Cabinet Committee on Economic Management (CCEM) on 21.09.2016 in order to cancel the agreement, efforts had been made to cancel the same with an amount exceeding the above limit and the Committee inquired as to how the aforesaid rate was increased up to US\$98 million from the aforesaid lowest price limit.

The Following facts were revealed through the clarifications made by the AO regarding the above matter.

- It has been proposed by Aercap Company to terminate the agreement of 03 Aircrafts for a sum of US\$115 million.
- The Aercap Company had not agreed to the price proposed by the Cabinet Committee on Economic Management.(CCEM)
- It was able to get the amount reduced up to US\$ 98 million from the amount of US\$115 million.
- It had to be agreed with the following conditions in lieu of the above reduced amount of US\$ 98 million.
  - Payment of all the installments on the date agreed.
  - Extension of the lease of the air craft A330 -200 MSN 627 by ten years.
  - Implementation of the lease agreement of the aircraft, A330-200 MSN 1008.
  - Acquiring 02 narrow bodied Air Crafts by Sri Lankan Air Lines which were belonged to Aercap Company and which had been leased out to Mihin Lanka.
- The Board of Directors had agreed to pay the relevant amount.
- The Board of Directors was entrusted to obtain the approval of the Cabinet of Ministers for the same.

- Although it was unable to get the relevant amount reduced further, an opportunity was able to be carried into effect to pay the above amount in 2017.

The Committee inquired whether a Technical Evaluation Committee had been appointed to discuss with the Aercap Company to determine this amount and the following facts were unveiled in reply to it.

- A Technical Evaluation Committee was not appointed in this regard.
- The Chief Executive officer was vested with the relevant powers to take actions in this regard by the Board of Directors.
- That has been mentioned in the decisions of the Board of Directors.
- The Ministry was informed to participate only for the first meeting held in this regard, even when instructions had been given by CCEM.
- The Ministry was not informed thereafter to participate, at the discussions / meetings held in this regard.

The AO stated that the Board of Directors had approved the US\$ 98 million for which it was agreed to terminate the agreement.

#### 08. Determination of prices to terminate the Agreement

The following factors were unveiled during the interrogation regarding the manner of determination of prices for this matter.

- The approval of the Cabinet of Ministers had been obtained for the termination of the agreement.
- The approval has been obtained only for the prices being paid.
- Approval had not been obtained for method of payment.

#### 09. Not taking actions to obtain the participation of the relevant parties for the discussions

The Committee paid its attention to matter of not taking actions to obtain the participation of the Secretary to the Ministry of Public Enterprises Development who was one of the relevant parties of this transaction, for the discussions held regarding the termination of the agreement, which is in question.

The CAO stated the followings in reply to the questions raised by the Committee in this regard.

- His participation was obtained only for the first meeting held in this regard.
- No any discussion was held regarding the prices at the above meeting.
- It was only informed the institution to submit the conditions and proposals recommended by them to the Ministry, to terminate the relevant agreement.
- The Secretary was not officially informed to participate at any other meeting thereafter.

**10. The Agreement to terminate the Aircraft Transaction**

The Committee inquired whether legal clearances were obtained from the Attorney General for the termination of the aircraft agreement.

The AO stated that the expertise of an institution called "Aviation Legal Experts" in UK was obtained for this matter and the termination of the agreement was prepared after having obtained the guidance from the said institute.

It was also revealed that the opinion of the Attorney General had not been obtained for this matter by the institution and his opinion was to be obtained only as per the instructions of the Cabinet of Ministers.

The CAO stated that the opinion of the Attorney General was requested by the Ministry and the followings had been informed in response to the same.

- It would not be necessary to obtain the opinion of the Attorney General at this juncture of the matter, as his opinion had not been obtained at the time of taking the decision to purchase these aircrafts.
- It would be appropriate to take this decision by the Board of Directors after having considered it as a decision taken in connection to a business.
- The intervention of the government would not be required for this matter.

**11. Placing the signature to terminate the agreement**

The Committee inquired about the institutions, with which, it was signed to terminate the agreement and following factors were unveiled in response it.

- All the agreements pertaining to the aircrafts has been signed with a Company called "International Lease finance Corporation"
- The above Company had been purchased by another company called "Aercap" afterwards.
- Discussions were held with regard to termination of the agreement with the Company "Aercap" which was named as the Mother Company.
- It was with the "International Lease Finance Corporation" that the institution has signed to terminate the agreement.

**12. The Persons who were participated at the discussions to terminate the agreement**

The Committee inquired about the persons who had participated at the discussions to cancel the agreement and inquired about the participation of Dr. Rajan Sara, who had been a consultant to the, then Minister of Finance, at the said meeting.

The Committee was of the view that it is questionable matter as to how only the officials from the institution and the Ministry of Finance were participated and the participation of the officers from

the Ministry of Public Enterprises Development were not participated at the discussions held in this regard.

The Committee directed the Director, Department of Public Enterprises to report to the Committee, whether Dr. Rajan Sara was a former consultant to the Ministry of Finance or to the then Minister of Finance.

The Committee also directed the AO to submit the minutes of the meetings held in this regard to the Committee.

### **13. Summoning the former Board of Directors**

The Committee resolved to summon the former members of the Board of Directors before the Committee on a future date to obtain clarifications and information regarding this transaction.

The Committee directed the Auditor General to submit a report to the Committee, after having scrutinized all the documents which have been submitted by the institution regarding this matter, also including the answers for the followings.

- The shortcomings that had been made at the time of purchasing these aircrafts.
- Misappropriations that had been made during this transaction.

### **14. The Responsibility of the Officers of the Ministry**

The Committee inquired about the appointment of a Committee comprising of 04 Ministers by the Cabinet of Ministers.

The Committee paid its attention to the steps that have been taken by the officers in this regard before holding the discussions and taking decisions by the Ministers.

Followings are the steps that have been taken by the Secretary to the Ministry at the Ministerial level in this regard.

- A Committee has been appointed to investigate and report the difficulties that the institute is being faced in this regard.
- A report has been prepared.
- The above report has been forwarded to the Ministry of Finance.
- The instructions of the Attorney General has been sought for this matter.

The Committee directed the CAO to submit the written evidences to the Committee regarding the appointment of a Committee comprising of 04 Ministers.

### **15. Other 04 Aircrafts**

The Committee paid its attention to the 04 aircrafts that are to be purchased and was of the view that ceasing the production of these aircrafts could minimize the loss that would have to bear by the institute.

The AO stated that although it has been requested to cease the production of these aircrafts by the institution, no response has been received so far.

The Chairman of the Committee on Public Enterprises was authorized by the Members of the Committee to make a statement in the parliament in this regard.

The Committee directed the CAO to intervene this matter personally and to take necessary steps to settle it.

The Committee also directed the CAO to obtain the assistance of Attorney General on this matter.

#### 16. Detailed Reports

The Committee was of the view that it would be appropriate to obtain 2 detailed reports from the Auditor General regarding the purchase of aircrafts and the termination of the agreement and to prepare a report, based on the said reports, in order to present the same before Parliament.

Accordingly, the Committee directed the Auditor General to submit 02 detailed reports to the Committee with relevant information.

The Committee also directed the Secretary to the Committee to take necessary steps to prepare a report based on the above 02 reports and to present the same, before Parliament.

17. The Committee was at 5.20 p.m., adjourned until 2.30 p.m. on 21<sup>st</sup> September 2017

*N. S. Wickramananda*  
Secretary to the Committee

COPE Office,  
Parliament of Sri Lanka,  
Sri Jayewardenepura, Kotte.  
20.09.2017

\*Please note that all the replies requested by the Committee should be submitted in all 03 Languages (Sinhala 20 copies, English 15 copies and Tamil 07 copies)



**PRIME MINISTER'S OFFICE**

58, ටුරන්ත ඉරන්සිල්ලා පිල්වාරා මාවත, කොලොම්බු 07.  
58, Sir Ernest de Silva Mawatha, Colombo 07.

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My Ref.

PMO/01/ASR(CCEM)/2017/01(Vol II)

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உமது குறியீடு  
Your Ref.

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திகதி  
Date

08.12.2017

**Secretary**

Ministry of Public Enterprise Development

Dear Sir

**Cabinet Committee on Economic Management**

This has reference to my letter No: PMO/01/ASR(CCEM)/2017/01(Vol II) and dated 01.12.2017 on the above matter.

Decision circulated from the above letter has been amended as given below.

**Item No. (06/12/2017/19)**

**Current Situation of Purchase Agreement of A350-900 Aircraft of SriLankan Airlines with Airbus S.A.S (Ref. 29/11/2017/19)**

With regard to the Purchase Agreement of A350-900 Aircraft of SriLankan Airlines with Airbus S.A.S it was reported that Airbus S.A.S has agreed to stop manufacturing of the Aircraft and that SriLankan Airlines has no necessity to take up these Aircraft. However, the Purchase Agreement signed is in place and Airbus has made a counter offer for narrow-body aircraft for delivery at a future date. This offer is to be handed over to the appointed consultant for their decision and further negotiation on the necessity in respect of future routes. Chairman, SriLankan Airlines was advised to take necessary follow up action.

**Action by:** Secretary, Ministry of Public Enterprise Development

**Copies for information:** Secretary to the Cabinet of Ministers  
Chairman, SriLankan Airlines  
Director General, Dept. of Project Management and Monitoring

Thank you  
Yours sincerely

**EMSB Ekanayake**  
Secretary to the Prime Minister  
(Tel. - 0112575311/ Fax - 0112575310)



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ஈ மெயில்  
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 எனது குறியீடு }  
 My Ref. }

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 உமது குறியீடு }  
 Your Ref. }

දිනය } 01.12.2017  
 திகதி }  
 Date }

**Secretary**  
 Ministry of Public Enterprise Development

Dear Sir

**Cabinet Committee on Economic Management**

Given below is an extract of the Minutes of Cabinet Committee on Economic Management Meeting held on 29 November 2017, for your information and necessary follow up action.

**Item No. (29/11/2017/11)**

**Current Situation of Purchase Agreement of A350-900 Aircraft of SriLankan Airline with Airbus S.A.S**

With regard to the Purchase Agreement of A350-900 Aircraft of Sri Lankan Airline with Airbus S.A.S it was reported that Airbus S.A.S has agreed to stop manufacturing of the Aircrafts so that SriLankan Airline has no liability in this regard. Chairman, SriLankan Airlines was advised to take necessary follow up actions.

**Action by:** Secretary, Ministry of Public Enterprise Development

**Copies for information:** Secretary to the Cabinet of Ministers  
 Chairman, SriLankan Airlines  
 Director General, Department of Project Management & Monitoring

Thank you  
 Yours sincerely

**E M S B Ekanayake**  
 Secretary to the Prime Minister  
 (Tel. - 0112575311/ Fax - 0112575310)  
 (Email - [secpm@pmoffice.gov.lk](mailto:secpm@pmoffice.gov.lk))



*There was a subsequent communication from PM's office stating a more accurate paper culture issue*



PMO/1/ASR/58 (Vol VII)

27 .12.2017

LEO

cc - Rachev | Nyren

**Confidential****Secretary**

Ministry of Public Enterprise Development

Dear Sir

**Cabinet Committee on Economic Management (CCEM)**

This is further to my letter No. PMO/1/ASR(CCEM)/2017/01(Vol II) dated 08.12.2017 on the CCEM decision regarding **Current Situation of Purchase Agreement of A350-900 Aircraft of SriLankan Airlines with Airbus S.A.S (Ref. 29/11/2017/19) (Decision No.06/12/2017/19).**

02. Accordingly, please note that the Cabinet has **granted its concurrence** to the above mentioned decision of the CCEM (Copy of the Cabinet decision is attached herewith for your easy reference).

Thank you

Yours sincerely

**Saman D. Waduge**  
Additional Secretary (Management)

(Tel: 0114-354770/ Fax: 0114-354742)

(E-mail: [waduge@pmoffice.gov.lk](mailto:waduge@pmoffice.gov.lk))

**Sgd / E M S B Ekanayake**  
Secretary to the Prime Minister

Copies for information:

**Chairman, SriLankan Airlines****Director General, Department of Project Management & Monitoring**

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 அமைச்சரவை அலுவலகம்  
 OFFICE OF THE CABINET OF MINISTERS

மின்மேல்நகல் E-mail } info@cabinetoffice.gov.lk

ජනරජ ගොඩනැගිලිය, මුහුදු මාර්ගයේ පිහිටි පාර, කොළඹ 01, ශ්‍රී ලංකාව.

சென்னை கட்டிடம், சேர் பரோன் ஜயதிலக மாவாத்தி, கொழும்பு 01, இலங்கை.

Republic Building, Sir Baron Jayathilaka Mawatha, Colombo 01, Sri Lanka.

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 எனது இல. }  
 My No. }

17/2857/702/002-XXXIV

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 உமது இல. }  
 Your No. }

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 நாள் }  
 Date }

2017-12-21

**Urgent & Confidential**

Mr. E.M.S.B. Ekanayake  
 Secretary to the Prime Minister  
 Fax: 2575310

**CABINET DECISION -**

Given below is an extract of Item (05) of the Minutes of the Cabinet Meeting held on 2017-12-19.

**Item (05)**

Cabinet Paper No.17/2857/702/002-XXXIV, a Memorandum dated 2017-12-11 by the Prime Minister on "Minutes of the Meeting of the Cabinet Committee on Economic Management (CCEM) held on 06<sup>th</sup> December 2017" - the above Memorandum was considered along with the observations of the Minister of Finance and Mass Media. After discussion, Cabinet decided -

- (a) to grant its concurrence for the actions decided /recommendations made by the CCEM in Annex-1(93) to the Memorandum; and
- (b) to inform the Secretary to the Prime Minister, to direct the Secretaries to the relevant Ministries, to submit separate Cabinet Memoranda along with the recommendations / decisions of the CCEM, through their respective Ministers, to the Cabinet, for consideration, with regard to the matters falling under (a), (b) and (c) in paragraph (II) (ii) of the Cabinet decision dated 2016-11-08 on CP No. 16/2301/702/003-XXXV.

Contd..02/-

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 செயலகம் } 2329820  
 Secretary }

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 மேலதிகச் செயலகம் } 2329821  
 Additional Secretary }

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 துணை உதவி செயலகம் } 2325279  
 Senior Assistant Secretary } 2431004


It was also decided to treat this decision as confirmed and to authorize the Secretary to the Cabinet of Ministers to convey the same to the relevant authorities for necessary action accordingly.

Action by: **Secretary to the Prime Minister** - above observations annexed.

Copied to: **Secretary to the President** - copy of Memorandum and above observations annexed.

**My/National Policies and Economic Affairs** - copy of Memorandum and above observations annexed.

**My/Finance and Mass Media**

  
**S. Abeyasinghe**  
Secretary to the Cabinet of Ministers



நிதி மற்றும் வெகுசன ஊடக அமைச்சு  
**MINISTRY OF FINANCE AND MASS MEDIA**

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செயலகம், கொழும்பு 01.  
 இலங்கை

The Secretariat, Colombo 01.  
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15.12.2017

**Cabinet Memorandum**

**Observations of the Minister of Finance and Mass Media**

- Ministry/Agency** : Prime Minister of Sri Lanka
- Heading and Date** : Cabinet Committee on Economic Management held on 06<sup>th</sup> December 2017  
 11.12.2017
- Proposal/ Request** : The Decisions taken at the 93<sup>rd</sup> meeting of the Cabinet Committee on Economic Management (CEEM) held on 06<sup>th</sup> December 2017 are submitted as Annex .I (93) of the Cabinet Memorandum for the information of the Cabinet of Ministers.
- Observations** : Noted.

Mangala Samaraweera, M.P.  
 Minister of Finance and Mass Media

# **AIRBUS**

## **SALES PROPOSAL**

**for**

**EIGHT (8) A321 NEO AIRCRAFT**

**to**

**SRI LANKAN AIRLINES Ltd**



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**THIS SALES PROPOSAL (the "Sales Proposal") is made on April \_\_\_\_, 2018**

**BY**

**AIRBUS S.A.S.**, a French société par actions simplifiée, with its registered office at 2, rond-point Emile Dewoitine, 31700 Blagnac, France, registered with the Commercial and Companies Register of Toulouse under number 383 474 814 ("**AIRBUS**").

**TO**

**SRILANKAN AIRLINES Ltd**, a limited liability company incorporated under the Companies Act of Sri Lanka, bearing registration number PB 67 and whose registered office is at Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka, ("**ALK**");

hereinafter each individually referred to as a "**Party**" and collectively as the "**Parties**".



**1 SCOPE**

1.1 The purpose of this Sales Proposal is to set out the basic terms and conditions offered by AIRBUS to ALK, subject to the conditions precedent set out in Clause 9, for the purchase of eight (8) A321-200NX aircraft (the "A321 NEO Aircraft", or the "NEO Aircraft").

1.2 The terms and conditions offered to ALK in this Sales Proposal are personal to ALK purchasing the NEO Aircraft and ALK may not sell, assign, novate or transfer its rights and obligations under this Sales Proposal to any person without the prior written consent of AIRBUS.

1.3 This Sales Proposal constitutes the complete proposal by AIRBUS to ALK with respect to the potential sale of the NEO Aircraft that are the subject hereof. This Sales Proposal supersedes any previous issues, understandings, commitments or representations whatsoever oral or written in respect thereto.

This Sales Proposal when executed by both Parties shall constitute the entire agreement between the Parties and shall not be amended except by an instrument in writing of even date herewith or subsequent hereto executed by both Parties or by their duly authorized representatives.

1.4 For the avoidance of doubt, and for the purpose of all general clauses hereof, references to Aircraft in this Sales Proposal shall be deemed to be references to A321 NEO Aircraft.

**2 AIRCRAFT DEFINITION**

**2.1 Aircraft Specification**

**2.1.1** The NEO Aircraft shall be manufactured in accordance with the NEO Aircraft standard specification document set forth hereunder (the "A321NX Standard Specification").

Aircraft Type	Specification Document Reference
<b>A321 NEO AIRCRAFT</b>	E.000.02000NX, issue 1, dated April 22, 2016

**2.1.2 Aircraft Customisation**

The term "Specification" means the A321NX Standard Specification, as respectively amended by all applicable SCNs.

The Specification may be revised as follows:

- (i) by written agreement between AIRBUS and ALK in the form of a specification change notice (a "Specification Change Notice" or "SCN"), which shall set forth in detail the particular change to be made and the effect, if any, of such change on the design, performance, weight, time of delivery, price of the Aircraft and/or on the text of the Specification;
- (ii) by AIRBUS incorporating development changes, deemed necessary by AIRBUS to improve the Aircraft, prevent delay or ensure compliance with the Purchase Agreement:
  - a. through the issuance by AIRBUS of a Manufacturer Specification Change Notice ("MSCN"), which shall set out such MSCN's applicability, as well as the particular change to be made to the Specification and the effect, if any, of such change on the performance, weight, price, time of delivery of the Aircraft affected thereby and interchangeability or replaceability requirements under the Specification; Except when the MSCN is necessitated by an aviation authority directive or by equipment obsolescence, in which case the MSCN shall be accomplished without requiring ALK's consent, ALK shall be given a delay within which to accept or reject such MSCN.
  - b. through AIRBUS revising the Specification to incorporate development changes which have no adverse effect on any of the elements as set forth in paragraph (a) above, in which case such revision shall be performed by AIRBUS without ALK's consent.

**2.1.3 NEO Aircraft Design Weights**

In line with the Specification applicable to the NEO Aircraft the following design weights (Maximum Take-off Weight ("MTOW") Maximum Landing Weight ("MLW") and Maximum Zero Fuel Weight ("MZFW")) are selected and applicable to the NEO Aircraft:

	<b>MTOW</b>	<b>MLW</b>	<b>MZFW</b>
<b>A321 NEO Aircraft</b>	93.5 t	79.2 t	75.6 t

**2.1.4** AIRBUS shall provide ALK with a milestone chart reflecting, in terms of minimum lead-times prior to delivery of the first NEO Aircraft of a type, the dates when a mutual agreement shall be reached by way of execution of an SCN to integrate ALK specific features into the industrial process.

**2.2 Engines**

**2.2.1** The NEO Aircraft shall be equipped with a set of two (2) of the following series engines (the "Engines") manufactured by one of the following engine manufacturers CFM International, Inc ("CFM") or International Aero Engines, LLC ("IAE LLC")

<b>Aircraft Type</b>	<b>CFM</b>	<b>IAE LLC</b>
<b>A321 NEO AIRCRAFT</b>	LEAP-1A32 AET* (32,100 lbf)	PW1133G-JM AET* (32,700 lbf)

AET means Airbus Equivalent Thrust

**2.2.2** The engine type shall be selected by ALK at the latest twenty-four (24) months prior to the first day of the Scheduled Delivery Period (as such term is defined in Clause 3.1.1 hereof) of the first A321 NEO Aircraft to be delivered under this Sales Proposal.

**3 DELIVERY**

**3.1 Delivery Schedule**

**3.1.1** The NEO Aircraft shall be ready for delivery to ALK at the Aircraft final assembly line according to the following schedule:

Aircraft Rank	Delivery Period	Aircraft Type
- Aircraft N°1	1 <sup>st</sup> Quarter 2023	A321 NEO Aircraft
- Aircraft N°2	2 <sup>nd</sup> Quarter 2023	A321 NEO Aircraft
- Aircraft N°3	3 <sup>rd</sup> Quarter 2023	A321 NEO Aircraft
- Aircraft N°4	4 <sup>th</sup> Quarter 2023	A321 NEO Aircraft
- Aircraft N°5	1 <sup>st</sup> Quarter 2024	A321 NEO Aircraft
- Aircraft N°6	2 <sup>nd</sup> Quarter 2024	A321 NEO Aircraft
- Aircraft N°7	3 <sup>rd</sup> Quarter 2024	A321 NEO Aircraft
- Aircraft N°8	4 <sup>th</sup> Quarter 2024	A321 NEO Aircraft

Each such Quarter being, with respect to each NEO Aircraft, the "Scheduled Delivery Period".

**3.1.2** The scheduled delivery month ("Scheduled Delivery Month") of each NEO Aircraft shall be notified in writing to ALK by AIRBUS no later than twenty four (24) months prior to the first day of the Scheduled Delivery Period of such NEO Aircraft.

**3.1.3** The proposed delivery dates are for NEO Aircraft complying with the A321NX Standard Specification, and may be subject to review when the final Specification has been defined. Such delivery dates shall only be guaranteed if the Specification as well as BFE are set or received at dates consistent with the proposed delivery dates.

**3.1.4** The above delivery positions remain subject to prior sale or other disposal until fulfillment of the conditions set out in Clause 9 hereunder.

**3.1.5** The above delivery schedule is based on the current production projections for the NEO Aircraft industrialization and may be adjusted to closely reflect the certification and industrialization planning and production ramp-up constraints of the NEO Aircraft.

The delivery dates for the NEO Aircraft remain subject to the NEO Aircraft engine type availability from the engine manufacturers at the time of selection as set forth in Clause 2.2.2.

**3.1.6** Provided that the conditions set forth in Clause 9 below are fulfilled, and subject to the provisions of Clause 3.1.4, AIRBUS shall reserve exclusively for ALK the deliveries stated in Clause 3.1.1.

**4 AIRCRAFT PRICE**

The base price of the Aircraft (the "Aircraft Base Price") is the sum of:

- the Airframe Base Price as defined in Clause 4.1 and
- the Engines Base Price as defined in Clause 4.2

and is exclusive of any variation resulting from price revision provisions and, if any, other provisions of this Sales Proposal.

**4.1 Airframe Base Price**

The base price of the Airframe (the "Airframe Base Price") is the sum of:

- (i) the base price of the Airframe, corresponding to the Standard Specification, and the design weights as set out in Clause 2.1.3, including Nacelles and Thrust Reversers, and excluding Buyer Furnished Equipment , which is:

USD 99,185,600

- (ii) the base price of all additional preliminary SCN's, as set forth in Appendix 4, which for budgetary purposes can be estimated to be :

USD 4,232,700

- (iii) the base price of the "Master Charge Engine", which is applicable if CFM Engines is selected, which is :

USD 556,900

All base prices are expressed in United States Dollars (USD) at January 2018 delivery conditions and are subject to adjustment in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**4.2 NEO Aircraft Engines Base Prices**

**4.2.1** The base price of a set of two (2) CFM Engines CFM LEAP-1A is:

CFM LEAP-1A32: USD 27,206,400

at economic conditions prevailing for a theoretical delivery in January 2018.

Such base price has been computed from the Reference Price of :

CFM LEAP-1A32: USD 21,800,000

which has been established in accordance with the delivery conditions prevailing in January 2010 at Reference Composite Price Index of 186.92 and shall be subject to revision up to the NEO Aircraft delivery date in accordance with the CFM INTERNATIONAL Price Revision Formula set out in Clause 2 of Appendix 2 hereto

4.2.2 The base price of a set of two (2) PW1100G-JM engines is :

PW1133G-JM : USD 27,086,870

at economic conditions prevailing for a theoretical delivery in January 2018.

Such base price has been computed from the Reference Price of :

PW1133G-JM : USD 21,571,200

which has been established in accordance with the average economic conditions prevailing in December 2008, January 2009, February 2009 and corresponding to a theoretical delivery in January 2010 as defined by "EC1b", "ICb", and "C10b" and shall be subject to revision up to the NEO Aircraft delivery date in accordance with the International Aero Engines, LLC Price Revision Formula set out in Clause 3 of Appendix 2 hereto.

4.2.3 The engine thrusts (lbf) indicated in Clause 2.2.1 and in Appendix 1 under the name of each engine are Airbus Equivalent Thrust.

4.2.4 It is understood that the above-mentioned quotations as well as engine manufacturer Price Revision Formulae and engine designations are based upon information received from the respective engine manufacturer and remain subject to any modification that might be imposed by the engine manufacturer on AIRBUS and/or ALK.

**4.3 Final Aircraft Price**

The final price of each NEO Aircraft (the "Final Aircraft Price") at delivery shall be the sum of:

- (i) the Airframe Base Price as defined above and adjusted to the date of NEO Aircraft delivery in accordance with the AIRBUS Price Revision Formula;
- (ii) the base price of all SCNs mutually agreed upon before or after signature of the Purchase Agreement and adjusted to the date of each NEO Aircraft delivery in accordance with the AIRBUS Price Revision Formula;
- (iii) the relevant Reference Price of the engines, as quoted by the engine manufacturer to AIRBUS and adjusted to the date of NEO Aircraft delivery in accordance with the engine manufacturer's Price Revision Formula;
- (iv) and, as the case may be, any amount resulting from any other provisions of the Purchase Agreement and/or any other written agreement between ALK and AIRBUS.

**4.4 Buyer Furnished Equipment (BFE)**

Based upon experience the following BFE budget amounts may be used:

USD 3,670,300

at economic conditions prevailing for a theoretical delivery in January 2018.

The purchasing of BFE for the NEO Aircraft shall be the subject of separate arrangements between ALK and the relevant BFE supplier.

The above amounts are provided to ALK for information purposes only.

**5 PAYMENT TERMS**

**5.1 Predelivery Payment Reference Price**

The predelivery payments for each NEO Aircraft (the "Predelivery Payments" or "PDP") shall amount to thirty percent (30%) of the predelivery payment reference price. The predelivery payment reference price ("Predelivery Payment Reference Price" or "PDPRP") is defined as the Aircraft Base Price escalated at the non-compounded annual rate of four percent (4 %) to the year of the respective NEO Aircraft delivery.

**5.2 Predelivery Payment Schedule**

**5.2.1** For each NEO Aircraft, the Predelivery Payments shall be paid to AIRBUS according to the following schedule:

	Percentage of PDPRP:
• On signature of the Purchase Agreement	3%
• On the first day of the 12th month after the signature of the Purchase Agreement	2%
• On the first day of each of the following months prior to the Scheduled Delivery Month:	
- 36 months	5%
- 30 months	5%
- 24 months	5%
- 18 months	5%
- 12 months	5%
<hr/>	
Total PDP prior to Aircraft Scheduled Delivery Month	30%

Predelivery Payments theoretically falling due before signature of the Purchase Agreement shall be payable upon signature of the Purchase Agreement.

**5.2.2** Until the Scheduled Delivery Month has been notified to ALK, the Scheduled Delivery Month shall be deemed to be the first month of the relevant Scheduled Delivery Period for the purposes of Predelivery Payments.

**5.3 Commitment Fee**

In consideration of AIRBUS reserving for ALK the terms and conditions, including the price conditions, stated in this Sales Proposal until the Expiry Date, as such term is defined in Clause 9 hereof, ALK shall pay upon signature of this Sales Proposal a non-refundable commitment fee in an amount of USD 150,000 for each of the NEO Aircraft (the "Commitment Fee").

**5.4 Balance of the Final Aircraft Price**

The balance of the Final Aircraft Price shall be paid to AIRBUS at delivery of the respective NEO Aircraft.



**5.5 AIRBUS Bank Account**

All Commitment Fees and Predelivery Payments shall be transferred by ALK to the following AIRBUS bank account:

Beneficiary Name: AIRBUS

account identification: 0200210982USD00170

with:  
 BNP PARIBAS  
 SWIFT: BNPAUS3NXXX  
 ABA: 026007689  
 Corporate Banking 787, Seventh Avenue  
 New York, NY 10019  
 USA

or to such other account as may be designated by AIRBUS.

**5.6 Taxes**

**5.6.1** The amounts stated in this Sales Proposal to be payable by ALK are exclusive of value added tax ("VAT") chargeable under the laws of the country of the delivery location of the NEO Aircraft and accordingly ALK shall pay any VAT chargeable in respect of supplies to ALK as contemplated by this Sales Proposal and the Purchase Agreement.

**5.6.2** AIRBUS shall pay all other taxes, duties or similar charges of any nature whatsoever levied, assessed, charged or collected for or in connection with the manufacture, assembly, sale and delivery of any of the NEO Aircraft, services, instructions and data delivered or furnished under the Purchase Agreement provided such charges have been promulgated and are enforceable under the laws of the country of the delivery location of the NEO Aircraft.

**5.6.3** ALK shall bear the costs of and pay any and all taxes, duties or similar charges of any nature whatsoever not assumed by AIRBUS under Clause 5.6.2 including but not limited to any duties or taxes due upon or in relation to the importation or registration of the NEO Aircraft in ALK's country and/or any withholdings or deductions levied or required in ALK's country in respect of the payment to AIRBUS of any amount due by ALK under the Sales Proposal or the Purchase Agreement.

## 6 CUSTOMER SERVICES

**6.1** In order to facilitate ALK's operation of the NEO Aircraft, AIRBUS shall provide a range of customer services through its Customer Services Directorate, starting from before first NEO Aircraft delivery and continuing throughout the operational life of the NEO Aircraft. These services are further detailed in Appendix 3 and shall include but are not limited to:

- ⇒ Material Support
- ⇒ Training
- ⇒ Resident and Customer Support Representatives
- ⇒ Maintenance Planning and Operation Support
- ⇒ Warranties and Service Life Policy
- ⇒ Technical Documentation and Data
- ⇒ Supplier Support

**6.2** In order to provide optimum support to ALK, the detailed scope of the AIRBUS services package shall be discussed and defined together with ALK in the forthcoming Purchase Agreement.

**7 SPECIAL CONDITIONS**

**7.1 Airframe Credit Memorandum**

AIRBUS shall grant ALK, upon delivery of each NEO Aircraft a credit memorandum (the "Airframe Credit Memorandum") amounting to:

USD 40,000,000

The Airframe Credit Memorandum shall be applied against the Final Aircraft Price.

The Airframe Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.2 A321NX Operator Credit Memorandum**

AIRBUS shall grant ALK, upon delivery of each NEO Aircraft a credit memorandum (the "A321NX Operator Credit Memorandum") amounting to:

USD 4,500,000

The A321NX Operator Credit Memorandum shall be applied against the Final Aircraft Price.

The A321NX Operator Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.3 NEO EIS & Operation Credit Memorandum**

AIRBUS shall grant ALK, upon delivery of each NEO Aircraft a credit memorandum (the "NEO EIS & Operation Credit Memorandum") amounting to:

USD 3,500,000 -

The NEO EIS & Operation Credit Memorandum shall be applied against the Final Aircraft Price.

The NEO EIS & Operation Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.4 NEO Order Credit Memorandum**

AIRBUS shall grant ALK, upon delivery of each NEO Aircraft a credit memorandum (the "NEO Order Credit Memorandum") amounting to:

USD 2,500,000

The NEO Order Credit Memorandum shall be applied against the Final Aircraft Price.

The NEO Order Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.5 Fleet Extension Credit Memorandum**

AIRBUS shall grant ALK, upon delivery of each NEO Aircraft a credit memorandum (the "Fleet Extension Credit Memorandum") amounting to:

USD 1,250,000

The Fleet Extension Credit Memorandum shall be applied against the Final Aircraft Price or may be used for the purchase of goods and services from AIRBUS.

The Fleet Extension Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.6 Special Credit Memorandum**

AIRBUS shall grant ALK, upon delivery of each NEO Aircraft a credit memorandum (the "Special Credit Memorandum") amounting to:

USD 1,000,000

The Special Credit Memorandum shall be applied against the Final Aircraft Price or may be used for the purchase of goods and services from AIRBUS.

The Special Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.7 Weight Variant Credit Memorandum**

For each NEO Aircraft delivered with the weight variant 53, AIRBUS shall grant ALK, upon delivery of each of such NEO Aircraft a credit memorandum (the "Weight Variant Credit Memorandum") amounting to:

USD 700,000

The Weight Variant Credit Memorandum shall be applied against the Final Aircraft Price of each NEO Aircraft for which the weight variant 53 has been selected, or may be used for the purchase of goods and services from AIRBUS.

The Weight Variant Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.8 ACT Credit Memorandum**

For each NEO Aircraft delivered with one additional center tank (the "ACT"), AIRBUS shall grant ALK, upon delivery of each of such NEO Aircraft a credit memorandum (the "ACT Credit Memorandum") amounting to:

USD 580,000

The ACT Credit Memorandum shall be applied against the Final Aircraft Price or may be used for the purchase of goods and services from AIRBUS.

The ACT Provision and Installation Credit Memorandum is in US Dollars quoted in January 2018 delivery conditions and shall be revised up to the date of delivery of each respective NEO Aircraft in accordance with the AIRBUS Price Revision Formula set out in Clause 1 of Appendix 2 hereto.

**7.9 Reduced Predelivery Payments Schedule**

Notwithstanding the terms and conditions of Clauses 5.1 and 5.2, AIRBUS is prepared to reduce the Predelivery Payments in the following manner:

**7.9.1** The amount of Predelivery Payments for each NEO Aircraft set forth in Clause 5.1 shall be reduced to seventeen percent (17%) of the Predelivery Payment Reference Price. The Predelivery Payment Reference Price shall be escalated at the non-compounded annual rate of three percent (3%) to the year of the respective NEO Aircraft delivery.

**7.9.2** For each NEO Aircraft, the Predelivery Payments shall be paid to AIRBUS according to the following schedule:

- On signature of the Purchase Agreement: USD 2,401,829.81 (Fixed amount)

Percentage of PDPRP

- On the first day of each of the following months prior to the Scheduled Delivery Month:
  - 36 months prior to delivery 4% (minus a fixed amount of USD 2,401,829.81)
  - 24 months prior to delivery 4%
  - 12 months prior to delivery 4%
  - 9 months prior to delivery 5%

Total PDP prior to NEO Aircraft Scheduled Delivery Month 17%

Predelivery Payments theoretically falling due before signature of the Purchase Agreement shall be payable upon signature of the Purchase Agreement.

**7.10 A350XWB Purchase Agreement Termination and reallocation of Predelivery Payments**

7.10.1 In consideration of the Parties signing the Purchase Agreement by the Expiry Date, as such terms are defined in Clause 9.2 herein, AIRBUS shall grant to ALK the right to terminate the A350XWB Purchase Agreement reference CT1104200 signed on 28<sup>th</sup> June 2013 between the Parties (the "A350 Agreement") upon execution of the Purchase Agreement and subject to AIRBUS and ALK entering concurrently into a termination agreement to the A350 Agreement (the "Termination Agreement").

7.10.2 AIRBUS holds predelivery payments received in the frame of the A350 Agreement, amounting at the date hereof to nineteen million two hundred and fourteen thousand six hundred and thirty-eight US dollars and forty-five cents (USD 19,214,638.45) (the "Received Payments").

7.10.3 As an exceptional commercial gesture, upon execution of the Purchase Agreement, AIRBUS nevertheless agrees to reallocate the Received Payments against the Predelivery Payments required upon signature of the Purchase Agreement.

7.10.5 Until execution of the Termination Agreement, AIRBUS reserves all its rights or remedies it may have under the A350 Agreement or at law.

**7.11 VIP Kit Credit Memorandum**

7.11.1 In the frame of the A330-300 Purchase Agreement reference CT1104200, signed on 19<sup>th</sup> June 2013 (the "A330ceo Agreement"), AIRBUS has granted ALK a VIP Kit Credit Memorandum for VIP Aircraft, as such terms are defined in the A330ceo Agreement, in a total fixed amount amounting to fifteen million US dollars (USD 15,000,000).

7.11.2 Such VIP Credit Memorandum has been granted in consideration of ALK purchasing and taking Delivery of six (6) A330-300 aircraft and four (4) A350-900 aircraft ordered respectively under the A330ceo Agreement and the A350 Agreement.

7.11.3 From the date of execution of the Purchase Agreement and of the Termination Agreement, should ALK do not take delivery of all of the eight (8) A321 NEO Aircraft for any reason, then ALK shall immediately pay to AIRBUS, in addition to any other rights or remedies available to AIRBUS under the Purchase Agreement or at law, an amount equal to seven hundred and fifty thousand US dollars (USD 750,000) for each of the A321 NEO Aircraft for which ALK has not taken delivery.

**7.12 Engines and BFE Concessions**

The concessions provided by the engine manufacturer(s) and the BFE suppliers in respect of the engines and the BFE shall be negotiated directly between ALK and the respective selected engine manufacturer and BFE suppliers.

The concession amounts for the engine manufacturers and the BFE suppliers shown in the pricing summary attached in Appendix 1 hereto, are estimated assumptions only, and do not constitute an offer.

### 7.13 Airframe Price Escalation Protection

Notwithstanding the provisions of Clause 4.3 herein, for the period starting on January 2018 and ending on the Scheduled Delivery Month of the relevant NEO Aircraft or on 31<sup>st</sup> December 2024 whichever occurs first (with respect to each NEO Aircraft, the "Limitation Date"), should the AIRBUS Price Revision Formula as set forth in Clause 1 of Appendix 2 hereto produce a price adjustment (the "Price Adjustment"), being greater than an average yearly compounded rate of three per cent (3%), part of a year being prorated (the "First Threshold"), then the following provisions (the "Price Revision Protection") shall apply:

- a) The portion of the Price Adjustment which is lower than or equal to the First Threshold shall be borne by ALK;
- b) The portion of the Price Adjustment which is above the First Threshold and lower than or equal to an average yearly compounded rate of four point five per cent (4.5%), part of a year being prorated (the "Second Threshold"), shall be borne by AIRBUS;
- c) The portion of the Price Adjustment which is above the Second Threshold and lower than or equal to an average yearly compounded rate of seven per cent (7%), part of a year being prorated (the "Third Threshold"), shall be equally shared between AIRBUS and ALK;
- d) The portion of the Price Adjustment which is in excess of the Third Threshold shall be borne by ALK;

The Price Revision Protection shall apply to the Airframe Base Price as set forth in Clause 4 including all related SCNs, as well as to any other amount subject to revision in accordance with the AIRBUS Price Revision Formula set forth in Clause 1 of Appendix 2 hereto. For the avoidance of doubt, this Price Revision Protection shall apply to any purchase incentives which are subject to revision in accordance with the AIRBUS Price Revision Formula.

For the sake of clarity, after the Limitation Date, the Price Revision Protection shall not apply.

**8 CONFIDENTIALITY**

This Sales Proposal, including any Appendices, other documents or data exchanged between ALK and AIRBUS for the fulfilment of their respective obligations under the Sales Proposal shall be treated by both Parties (including their employees, agents and advisors) as strictly confidential and shall not be released in whole or in part to any third party.

The Parties expressly agree that, notwithstanding anything to the contrary in this Sales Proposal, in particular the provisions of Clause 9, this Clause 8 shall enter into force upon receipt of the Sales Proposal by ALK and shall be binding on the Parties for five (5) years after the Expiry Date.



9 VALIDITY

9.1 This Sales Proposal remains subject to the AIRBUS management board approval, which AIRBUS shall notify in writing to ALK. After such notification, the Sales Proposal, executed in two originals by AIRBUS, shall enter into force and be binding on ALK and AIRBUS in accordance with its terms upon fulfillment of the following conditions precedent:

- i) ALK signs two (2) originals of this Sales Proposal and returns one (1) original to AIRBUS
- ii) AIRBUS receives from ALK the Commitment Fee for each NEO Aircraft.

If the above conditions are not fulfilled on or before May 30<sup>th</sup>, 2018, and unless otherwise agreed in writing, AIRBUS and ALK shall have no obligation or liability to the other, whether in contract, tort or otherwise in respect of this Sales Proposal.

9.2 Upon fulfillment of the above conditions and entry into force of this Sales Proposal, the Parties agree to negotiate in good faith by July 31<sup>st</sup>, 2018 (the "Expiry Date") (i) a final sale and purchase agreement in respect of the NEO Aircraft (the "Purchase Agreement") and (ii) the A350 Termination Agreement, as such term is defined in Clause 7.10.1 herein, the sale of the NEO Aircraft being subject to the simultaneously signature of such Purchase Agreement and A350 Termination Agreement on or before the Expiry Date. Between the entry into force of the Sales Proposal and the Expiry Date, ALK may not (and shall ensure that its affiliates do not) directly or indirectly, be involved in any discussion or negotiation, or enter into any agreement or arrangement, with any person or entity other than AIRBUS for the sale and purchase of aircraft of a similar type or capacity to the NEO Aircraft.

If the Parties have not signed the Purchase Agreement on or before the Expiry Date, this Sales Proposal shall, unless otherwise agreed in writing by the Parties, automatically terminate, any tacit renewal of this Sales Proposal being hereby expressly excluded, and the Parties shall have no obligation or liability to the other, whether in contract, tort or otherwise in respect of this Sales Proposal other than the confidentiality undertakings set forth in Clause 8 hereof. For the avoidance of doubt, AIRBUS shall in such circumstances be entitled to retain the Commitment Fee.

9.3 Provided that the conditions set forth in Clauses 9.1 and 9.2 are fulfilled, AIRBUS shall reserve exclusively for ALK the delivery positions stated in Clause 3.

**10. LAW AND JURISDICTION**

This Sales Proposal shall be governed by, and construed in accordance with, the laws of England.

Any dispute arising out of or in connection with this Sales Proposal, including but not limited to its existence, validity, interpretation, implementation, breach, termination and/or enforcement, shall be referred to and finally settled by arbitration, under the Rules of Arbitration of the International Chamber of Commerce, which are deemed to be part of this Sales Proposal, by three (3) arbitrators appointed in accordance with such rules.

The Arbitration shall take place in Paris in the English language.

**11. CONTRACTS (RIGHT OF THIRD PARTIES) ACT 1999**

The Parties do not intend that any term of this Sales Proposal shall be enforceable solely by virtue of the Contracts (Right of Third Parties) Act 1999 by any person who is not a Party to this Sales Proposal.

This Sales Proposal has been executed in two (2) original copies.

Notwithstanding the above, this Sales Proposal may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same Sales Proposal.

**IN WITNESS WHEREOF** this Sales Proposal was entered into the day and year first above written.

For and on behalf of

**SRI LANKAN AIRLINES Ltd**

Name:

Title:

For and on behalf of

**AIRBUS SAS**

Name:

Title:

Date :

Dear Chairman,

Below is the brief on the VVIP KIT for Sri Lankan Airlines

The VIP KIT was offered by the then Chief Executive Officer of Airbus S.A.S to the Government of Sri Lanka as a goodwill gesture in recognition of SriLankan Airlines being a sole Airbus operator and a longstanding customer of Airbus S.A.S.

Subsequently, a Request for Proposal was issued to Airbus S.A.S and Boeing by SriLankan Airlines calling for offers for SriLankan Airlines' wide body fleet renewal programme. On completion of the evaluation of the proposals made by Airbus and Boeing, apart from the numerous credits and discounts offered by Airbus to SriLankan Airlines, a VIP KIT Customised for the A330-300 Aircraft was given by Airbus at no cost to SriLanka Airlines. The VIP KIT and the cost of modification for two A330-300 Aircraft was valued by Airbus S.A.S at USD 15,000,000 calculated based on USD 1,500,000 per Aircraft purchased by SriLankan Airlines.

Apart from the credits and discounts given in relation to the VIP KIT, Airbus S.A.S gave additional credits to SriLankan Airlines amounting to USD 13,500,000 which can be used to obtain goods and services from Airbus S.A.S.

The proposed VIP KIT could accommodate 12 persons and a separate area for Protocol/Security Personnel. The VIP KIT is designed to be installed in the mid cabin of A330-300 Aircraft. The duration to effect permanent modification to the Aircraft to make provisions for the installation of the VIP KIT is 12 weeks. After effecting modifications to the Aircraft and putting it to use, the seats in the mid-cabin area require to be removed for the installation of the VIP KIT which will take approximately 3 days.

The initial plan was to install the provision for the VIP KIT in two A330-300 Aircraft, the first of which is scheduled for the delivery in February 2015 which we have now suspended pending a decision by the new Board. VVIP KIT was part of the aircraft purchase contract with Airbus and approved by the Board of Sri Lankan Airlines. SriLankan Airlines has the option to have the provision for the VIP KIT installed in any of the A330-300 Aircraft which are yet to be delivered or not to utilize those credits for the purpose of securing a VIP KIT. In the event we do not utilize the credit for the purchase and installation of the VVIP KIT, we will endeavour to obtain part of the credit (estimated value of the VVIP KIT) as a credit to obtain any other goods or services from Airbus in the future.

Kind rgds,

Kapila Chandrasena

27/01/2015

**LETTER AGREEMENT N° 9****SRILANKAN AIRLINES LTD.**

Airline Centre, Bandaranaike International Airport,  
Katunayake, Sri Lanka

**Subject : VIP KIT for A330 Aircraft**

SRILANKAN AIRLINES LTD. ("the Buyer") and AIRBUS S.A.S. ("the Seller") have entered into a Purchase Agreement ("the Agreement") dated June 19<sup>th</sup> 2013 which covers the manufacture and the sale by the Seller and the purchase by the Buyer of the A330-300 Aircraft as described in the Agreement.

Capitalized terms used herein and not otherwise defined in this Letter Agreement N°9 shall have the meanings assigned thereto in the Agreement.

Both parties agree that this Letter Agreement N°9, upon execution thereof, shall constitute an integral, nonseverable part of said Agreement and shall be governed by all its provisions, as such provisions have been specifically amended pursuant to this Letter Agreement N°9. In the event of any inconsistency, the terms of this Letter Agreement N°9 shall prevail.

**LETTER AGREEMENT N° 9**

**1. VIP KIT for A330 Aircraft**

**1.1** The Buyer has requested an offer from the Seller with respect to the supply of one (1) VIP Kit (the "VIP Kit") and installation of associated provisions on two (2) of the Aircraft scheduled for Delivery in October and December 2014 (the "VIP Aircraft"), such outfitting to be performed by a third party after Delivery of such VIP Aircraft by the Seller to the Buyer along the lines of the cabin definition contained in Appendix 1 to this Side Letter No 1.

**1.2** At Delivery of the first of the VIP Aircraft by the Seller to the Buyer, the Seller shall grant the Buyer a credit memorandum (the "VIP Kit Credit Memorandum") in a total fixed amount equal to:

US Dollars – Fifteen million

(USD 15,000,000)

which shall be exclusively used by the Buyer for the purchase from the Seller of one (1) VIP Kit and the associated provisions for the two (2) VIP Aircraft, as described in Appendix 1 hereto.

The VIP Credit Memorandum is granted in consideration of the Buyer purchasing and taking Delivery of the six (6) Aircraft and four (4) A350-900 aircraft (the "A350-900 Aircraft") ordered respectively under the Agreement and the A350 purchase agreement of even date herewith (the "A350 Agreement").

Should Delivery not occur for any of the six (6) Aircraft or any of the four (4) A350-900 Aircraft, except if exclusively resulting from the Seller's decision to terminate this Agreement or the A350 Agreement with respect to any of such Aircraft or A350 Aircraft, pursuant to Clauses 10 or 11 of respectively the Agreement or the A350 Agreement, then the Buyer shall pay to the Seller an amount equal to

US Dollars – One million five hundred thousand

(USD 1,500,000)

for each of the Aircraft or A350-900 Aircraft for which Delivery has not occurred, in addition to any other rights or remedies of the Seller.

**1.3** The Seller and the Buyer shall agree additional specific terms and conditions for the VIP Kit and the associated provisions in a separate outfitting agreement to be signed following signature of the Agreement and the A350 Agreement.

**2. Assignment**

Notwithstanding any other provision of this Letter Agreement N°9 or of the Agreement, this Letter Agreement N°9 and the rights and obligations of the Buyer herein shall not be assigned or transferred in any manner, and any attempted assignment or transfer in contravention of the provisions of this Clause shall be void and of no force or effect.

**LETTER AGREEMENT N° 9**

**3. Confidentiality**

This Letter Agreement N°9 (and its existence) shall be treated by both parties as confidential and shall not be released (or revealed) in whole or in part to any third party, except as may be required by law, or to their respective professional advisors for the purpose of implementation hereof, without the prior consent of the other party. In particular, each party agrees not to make any press release concerning the whole or any part of the contents and/or subject matter hereof or of any future addendum hereto without the prior consent of the other party.

**4. Law and Jurisdiction**

This Letter Agreement N°9 shall be governed by, and construed in accordance with, the laws of England.

Any dispute arising out of or in connection with this Letter Agreement N°9, including but not limited to its existence, validity, interpretation, implementation, breach, termination and/or enforcement, shall be referred to and finally resolved by arbitration, under the Rules of Arbitration of the International Chamber of Commerce, which are deemed to be part of this Letter Agreement N°9, by three (3) arbitrators appointed in accordance with such rules.

The seat of arbitration shall be London and the language of the arbitration proceedings shall be English.

**5. Counterparts**

This Letter Agreement N°9 may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same agreement.



If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement N°9 to the Seller.

Agreed and Accepted

Agreed and Accepted

For and on behalf of

For and on behalf of

**SRILANKAN AIRLINES LTD.**

**AIRBUS S.A.S.**



By : \_\_\_\_\_

By : \_\_\_\_\_

KAPILA CHANDRASENA  
Director / Chief Executive Officer  
SriLankan Airlines Limited

Its : \_\_\_\_\_

Its : \_\_\_\_\_

Date : 28 June 2013

Date : \_\_\_\_\_



**LETTER AGREEMENT N° 9**

If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement N°9 to the Seller.

Agreed and Accepted

Agreed and Accepted


For and on behalf of

For and on behalf of

**SRILANKAN AIRLINES LTD.**

**AIRBUS S.A.S.**

By : \_\_\_\_\_

By :   
**Christophe Mourey**  
Senior Vice President Contracts

Its : \_\_\_\_\_

Its : \_\_\_\_\_

Date : \_\_\_\_\_

Date : \_\_\_\_\_

LETTER AGREEMENT N° 1 TO AMENDMENT N°1 TO THE A330 PURCHASE AGREEMENT

**SRILANKAN AIRLINES LTD.**

Airline Centre, Bandaranaike International Airport,  
Katunayake, Sri Lanka

Date:

Subject : **VIP KIT for A330 Aircraft**

SRILANKAN AIRLINES LTD. ("the Buyer") and AIRBUS S.A.S. ("the Seller") have entered into a Purchase Agreement ("the Agreement") dated June 19<sup>th</sup> 2013, as amended by Amendment N°1 as of even date herewith, which covers the manufacture and the sale by the Seller and the purchase by the Buyer of the A330-300 Aircraft as described in the Agreement.

Capitalized terms used herein and not otherwise defined in this letter agreement N°1 to Amendment N°1 (the "**Letter Agreement N°1**") shall have the meanings assigned thereto in the Agreement.

Both parties agree that this Letter Agreement N°1, upon execution thereof, shall constitute an integral, nonseverable part of said Agreement and shall be governed by all its provisions, as such provisions have been specifically amended pursuant to this Letter Agreement N°1. In the event of any inconsistency, the terms of this Letter Agreement N°1 shall prevail.

LETTER AGREEMENT N° 1 TO AMENDMENT N°1 TO THE A330 PURCHASE AGREEMENT

1. **VIP KIT for A330 Aircraft**

The Buyer and the Seller hereby agree that the provisions of Clause 1 of Letter Agreement N°9 to the Agreement shall be deleted in its entirety and replaced with the following:

**QUOTE**

1. **VIP KIT for A330 Aircraft**

1.1 The Buyer has requested an offer from the Seller with respect to the supply of one (1) VIP Kit (the "**VIP Kit**") and installation of associated provisions on two (2) Aircraft to be agreed by the Buyer and the Seller subject to Seller's industrial constraints (the "**VIP Aircraft**"). Such outfitting shall be performed by the Seller after Delivery of such VIP Aircraft by the Seller to the Buyer along the lines of a cabin definition to be agreed by the Buyer and the Seller in a separate outfitting agreement, which agreement shall also specify which two (2) Aircraft shall be the VIP Aircraft (the "**Outfitting Agreement**").

1.2 The Seller shall grant the Buyer a credit memorandum (the "**VIP Kit Credit Memorandum**") in a total fixed amount equal to:

US Dollars – Fifteen million

(USD 15,000,000)

which shall be exclusively used by the Buyer for the purchase from the Seller of one (1) VIP Kit and the associated provisions for the two (2) VIP Aircraft, as shall be agreed in detail by the parties in the Outfitting Agreement.

The Seller may use the VIP Kit Credit Memorandum in its absolute discretion to procure and manufacture the required parts and elements of the VIP Kit and its associated provision.

The VIP Credit Memorandum is granted in consideration of the Buyer purchasing and taking Delivery of the six (6) Aircraft and four (4) A350-900 aircraft (the "A350-900 Aircraft") ordered respectively under the Agreement and the A350 purchase agreement dated June 28<sup>th</sup>, 2013 (the "A350 Agreement").

Should Delivery not occur for any of the six (6) Aircraft or any of the four (4) A350-900 Aircraft, except if exclusively resulting from the Seller's decision to terminate this Agreement or the A350 Agreement with respect to any of such Aircraft or A350 Aircraft, pursuant to Clauses 10 or 11 of respectively the Agreement or the A350 Agreement, then the Buyer shall pay to the Seller an amount equal to

US Dollars – One million five hundred thousand

(USD 1,500,000)

for each of the Aircraft or A350-900 Aircraft for which Delivery has not occurred, in addition to any other rights or remedies of the Seller.

**LETTER AGREEMENT N° 1 TO AMENDMENT N°1 TO THE A330 PURCHASE AGREEMENT**

1.3 The two (2) Aircraft which the Buyer and the Seller shall have agreed to be outfitted under the Outfitting Agreement, shall be registered under the registry of the Seller's Aviation Authority at Delivery and once outfitted with the VIP Kit provisions shall be redelivered to the Buyer under the registry of Buyer's Aviation Authority.

1.4 The Seller and the Buyer shall agree additional specific terms and conditions for the VIP Kit and the associated provisions in a separate Outfitting Agreement to be signed following signature of the Agreement and the A350 Agreement..

**UNQUOTE**

**2. Assignment**

Notwithstanding any other provision of this Letter Agreement N°1 or of the Agreement, this Letter Agreement N°1 and the rights and obligations of the Buyer herein shall not be assigned or transferred in any manner, and any attempted assignment or transfer in contravention of the provisions of this Clause shall be void and of no force or effect.

**3. Confidentiality**

This Letter Agreement N°1 (and its existence) shall be treated by both parties as confidential and shall not be released (or revealed) in whole or in part to any third party, except as may be required by law, or to their respective professional advisors for the purpose of implementation hereof, without the prior consent of the other party. In particular, each party agrees not to make any press release concerning the whole or any part of the contents and/or subject matter hereof or of any future addendum hereto without the prior consent of the other party.

**4. Law and Jurisdiction**

This Letter Agreement N°1 shall be governed by, and construed in accordance with, the laws of England.

Any dispute arising out of or in connection with this Letter Agreement N°1, including but not limited to its existence, validity, interpretation, implementation, breach, termination and/or enforcement, shall be referred to and finally resolved by arbitration, under the Rules of Arbitration of the International Chamber of Commerce, which are deemed to be part of this Letter Agreement N°1, by three (3) arbitrators appointed in accordance with such rules.

The seat of arbitration shall be London and the language of the arbitration proceedings shall be English.

**5. Counterparts**

This Letter Agreement N°1 may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same agreement.

*fl*

*(B)*

**LETTER AGREEMENT N° 1 TO AMENDMENT N°1 TO THE A330 PURCHASE AGREEMENT**

If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement N°1 to the Seller.

Agreed and Accepted

Agreed and Accepted

For and on behalf of

For and on behalf of

**SRILANKAN AIRLINES LTD.**

**AIRBUS S.A.S.**

By : 

By : 

KAPILA CHANDRASENA  
Director of Operations Officer  
SriLankan Airlines Limited

Its : \_\_\_\_\_

Its : SVA Contracts

Date : \_\_\_\_\_

Date : December 2<sup>nd</sup>, 2013

LETTER AGREEMENT N° 1 TO AMENDMENT N°2 TO THE A330 PURCHASE AGRE.**SRILANKAN AIRLINES LTD.**Airline Centre, Bandaranaike International Airport,  
Katunayake, Sri LankaDate: 31<sup>st</sup> MARCH 2014Subject: **VIP KIT for A330 Aircraft**

SRILANKAN AIRLINES LTD. ("the " **Buyer**") and AIRBUS S.A.S. (the " **Seller**") have entered into a Purchase Agreement (the " **Purchase Agreement**") dated June 19<sup>th</sup> 2013, as amended by an amendment and its associated letter agreement, both dated December 2<sup>nd</sup> 2013, (respectively the " **Amendment N°1**" and the " **Letter Agreement N°1 to Amendment N°1**") and as amended by an amendment as of even date herewith (the " **Amendment N°2**"), which covers the manufacture and the sale by the Seller and the purchase by the Buyer of the A330-300 Aircraft as described in the Purchase Agreement.

The Purchase Agreement, the Amendment N°1 and the Amendment N°2 shall hereinafter be collectively referred to as the " **Agreement**".

Capitalized terms used herein and not otherwise defined in this letter agreement N°1 to Amendment N°2 (the " **Letter Agreement N°1**") shall have the meanings assigned thereto in the Agreement.

Both parties agree that this Letter Agreement N°1, upon execution thereof, shall constitute an integral, non severable part of said Agreement and shall be governed by all its provisions, as such provisions have been specifically amended pursuant to this Letter Agreement N°1. In the event of any inconsistency, the terms of this Letter Agreement N°1 shall prevail.

**LETTER AGREEMENT N° 1 TO AMENDMENT N°2 TO THE A330 PURCHASE AGREEMENT**

**1. VIP KIT for A330 Aircraft**

The Buyer and the Seller hereby agree that, subject to the Buyer taking delivery of Aircraft MSN 1564 from ALC under the terms of the ALC Lease Agreement, as such terms are defined in Amendment N°2, the provisions of Clause 1 of Letter Agreement N°9 to the Agreement as amended by Letter Agreement N° 1 to Amendment N°1, shall be deleted in its entirety and replaced with the following:

**QUOTE**

**1. VIP KIT for A330 Aircraft**

**1.1** The Buyer has requested an offer from the Seller with respect to the supply of one (1) VIP Kit (the "**VIP Kit**") and installation of associated provisions on Aircraft N° 2 with CAC Id 463532 and Aircraft N°3 with CAC Id 463533 (the "**VIP Aircraft**"). Such outfitting shall be performed by the Seller after Delivery of such VIP Aircraft by the Seller to the Buyer in accordance with the cabin definition agreed by the Buyer and the Seller in a separate outfitting agreement entered into by the Parties on December 2<sup>nd</sup> 2013 (the "**Outfitting Agreement**").

**1.2** The Seller shall grant the Buyer a credit memorandum (the "**VIP Kit Credit Memorandum**") in a total fixed amount equal to:

US Dollars – Fifteen million

(USD 15,000,000)

which shall be exclusively used by the Buyer for the purchase from the Seller of one (1) VIP Kit and the associated provisions for the two (2) VIP Aircraft, as agreed in detail by the parties in the Outfitting Agreement.

The Seller may use the VIP Kit Credit Memorandum in its absolute discretion to procure and manufacture the required parts and elements of the VIP Kit and its associated provision.

The VIP Credit Memorandum is granted in consideration of (i) the Buyer leasing and taking delivery of Aircraft MSN 1564 from ALC under the terms of the ALC Lease Agreement and (ii) the Buyer purchasing and taking Delivery of the five (5) Aircraft and four (4) A350-900 aircraft (the "**A350-900 Aircraft**") ordered respectively under the Agreement and the A350 purchase agreement dated June 28<sup>th</sup>, 2013 (the "**A350 Agreement**").

Should (i) Delivery not occur for any of the five (5) Aircraft or any of the four (4) A350-900 Aircraft, except if exclusively resulting from the Seller's decision to terminate this Agreement or the A350 Agreement with respect to any of such Aircraft or A350-900 Aircraft, pursuant to Clauses 10 or 11 of respectively the Agreement or the A350 Agreement, or (ii) should Aircraft MSN 1564 not be delivered to the Buyer, then the Buyer shall pay to the Seller an amount equal to

US Dollars – One million five hundred thousand

(USD 1,500,000)

**LETTER AGREEMENT N° 1 TO AMENDMENT N°2 TO THE A330 PURCHASE AGREEMENT**

for (i) each of the Aircraft or A350-900 Aircraft for which Delivery has not occurred, in addition to any other rights or remedies of the Seller or (ii) for Aircraft MSN 1564 if not delivered to the Buyer.

**1.3** The two (2) VIP Aircraft shall be registered under the registry of the Seller's Aviation Authority at Delivery and once outfitted with the VIP Kit provisions shall be redelivered to the Buyer under the registry of Buyer's Aviation Authority.

**1.4** The Seller and the Buyer have agreed additional specific terms and conditions for the VIP Kit and the associated provisions in the Outfitting Agreement.

**UNQUOTE**

**2. Assignment**

This Letter Agreement N°1 and the rights and obligations of the Buyer herein shall not be assigned or transferred in any manner, and any attempted assignment or transfer in contravention of the provisions of this Clause shall be void and of no force or effect.

**3. Confidentiality**

This Letter Agreement N°1 (and its existence) shall be treated by both parties as confidential and shall not be released (or revealed) in whole or in part to any third party, except as may be required by law, or to their respective professional advisors for the purpose of implementation hereof, without the prior consent of the other party. In particular, each party agrees not to make any press release concerning the whole or any part of the contents and/or subject matter hereof or of any future addendum hereto without the prior consent of the other party.

**4. Law and Jurisdiction**

This Letter Agreement N°1 shall be governed by, and construed in accordance with, the laws of England.

Any dispute arising out of or in connection with this Letter Agreement N°1, including but not limited to its existence, validity, interpretation, implementation, breach, termination and/or enforcement, shall be referred to and finally resolved by arbitration, under the Rules of Arbitration of the International Chamber of Commerce, which are deemed to be part of this Letter Agreement N°1, by three (3) arbitrators appointed in accordance with such rules.

The seat of arbitration shall be London and the language of the arbitration proceedings shall be English.

**5. Counterparts**

This Letter Agreement N°1 may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same agreement.



**LETTER AGREEMENT N° 1 TO AMENDMENT N°2 TO THE A330 PURCHASE AGREEMENT**

If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement N°1 to the Seller.

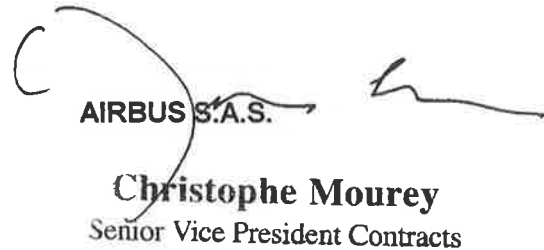
Agreed and Accepted

Agreed and Accepted

For and on behalf of

For and on behalf of

  
SRILANKAN AIRLINES LTD.

  
AIRBUS S.A.S.  
**Christophe Mourey**  
Senior Vice President Contracts

By : Kapila Chandrasena

By : \_\_\_\_\_

Its : Chief Executive Officer

Its : \_\_\_\_\_

Date : \_\_\_\_\_

Date : 31st MARCH 2014





**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 12<sup>TH</sup> FEBRUARY 2015 AT 2.30P.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

**Present:**

Mr. Ajith N. Dias	- Chairman
Mr. Joseph M. S. Brito	- Director
Mr. Mahinda Haradasa	- Director
Mr. R. Chanka D. De Silva	- Director
Lt. Col. Sunil Peiris	- Director
Ms. Dalrene Thirukumar	- Company Secretary

**QUOTE"**

15/01/13.2

Returning of the VVIP Kit and using the credit for procuring spare-parts for the aircrafts

Mr. K. Chandrasena/CEO was invited to the meeting to update the Board on the captioned subject.

CEO explained that an Airbus representative had met with the then President who had later communicated to CEO of the intention of SriLankan Airlines being gifted a VVIP Kit. He stated that this was prior to the order being placed with Airbus for 6 A330s and 4 A350s. The VVIP Kit was designed to fit a A330 aircraft.

He further explained that in order to accommodate the VVIP modification to the A330, the aircraft had to be configured and this was to be done in the delivery of the 4<sup>th</sup> and 5<sup>th</sup> A330 Aircraft. Board noted that the modification would take place upon delivery of Aircraft in Toulouse and re-directed to another division of Airbus for the Aircraft to be re-configured. CEO confirmed to the Board that the fourth delivery of the Aircraft was expected end of February 2015 and it would not be sent for modification/configuration.

Chairman stated that a meeting was held with Airbus representative in the morn and that Airbus has been requested to find a buyer to dispose of the VVIP kit.

Correspondence with Airbus and related documents were tabled for the information of the Board."**UNQUOTE**

A. Capital Infusion to SriLankan Airlines and Mihin Lanka

*Draft Minutes from the Cabinet Meeting held on 2015.04.22*

218 APR 2015

37. Cabinet Paper No.15/0451/638/001, a Memorandum dated 2015-04-17 by the Minister of Aviation on "Capital Infusion to SriLankan Airlines and Mihin Lanka Ltd." - the above Memorandum was considered along with the observations of the Minister of Finance. After discussion, it was decided -

- (i) to inform the Secretary, Ministry of Aviation -
  - (a) to direct the Chairmen and the Boards of Directors of Sri Lankan Airlines and Mihin Lanka Ltd. to prepare a viable and comprehensive Business Plan for each Airline at the earliest and submit same to the Cabinet Sub-Committee on Economic Affairs for consideration; and
  - (b) to prepare an appropriate plan to amalgamate Sri Lankan Airlines and Mihin Lanka Ltd. at the earliest, as announced in the Budget proposals submitted for the year 2015 by the Minister of Finance on 2015-01-29 in Parliament and submit same to the Cabinet Sub-Committee on Economic Affairs for consideration; and
- (ii) to direct the Secretary to the Treasury to issue a guarantee or a Letter of Comfort to the Ceylon Petroleum Corporation on behalf of SriLankan Airlines and Mihin Lanka Ltd. for the settlement of outstanding dues to the former for supply of fuel in order to ensure the uninterrupted supply of same to both Airlines.

Action by: My/Finance  
My/Aviation- above observations annexed.

Copied to: Secretary to the President - copy of Memorandum and above observations annexed.  
Secretary to the Prime Minister - copy of Memorandum and above observations annexed  
My/Policy Planning, Economic Affairs, Child, Youth and Cultural Affairs - copy of Memorandum and above observations annexed.  
My/Power and Energy - copy of Memorandum and above observations annexed.

PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

2015-04-22 හි ඇමුණුම අමාත්‍ය මණ්ඩල රැස්වීමේ පැවැත්වූ රාජ්‍ය සභාව.

26 APR 2015

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37. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 15/0481/038/001 වූ, “ශ්‍රී ලංකන් ඉවන් සමාගමට සහ මිහින් ලංකා සමාගම සඳහා මූල්‍ය ප්‍රාග්ධනය ලබාගැනීම” යන මූලධර්මය යටතේ සේවා ඇමුණුමට ඉදිරිපත් කළ 2015-04-17 දිනැති සංදේශය - ඉහත සංදේශය මුදල් මූලධර්මයෙන් නිරීක්ෂණ සමඟ සලකා බලන ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත සඳහන් පරිදි ක්රියා කරන ලදී:

(i) පහත සඳහන් පරිදි කටයුතු කරන ලෙස ඉවන් සේවා අමාත්‍යාංශයේ ලේකම්වරයාට දැනුම් දීම:

(අ) ශ්‍රී ලංකන් ඉවන් සේවය සහ මිහින් ලංකා සමාගම සඳහා සවිස්තර ව්‍යාපාරික පැලැස්මක් බැගින් සකස් කොට, එක් සැලැස්ම සලකා බැලීම පිණිස, කඩිනමින් ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉදිරිපත් කරන ලෙස එක් ඉවන් සේවා සමාගමට සහ මිහින් ලංකා සමාගමට සහ අමාත්‍ය මණ්ඩලවලට නියම කිරීම; සහ

(ආ) මුදල් ඇමුණුම විසින් 2015-01-20 දින පාර්ලිමේන්තුවට ඉදිරිපත් කරන ලද 2015 වසර සඳහා වන අයවැය සේව්‍යාවලින් ප්‍රකාශයට පත් කළ පරිදි ශ්‍රී ලංකන් ඉවන් සේවය සහ මිහින් ලංකා සමාගම සේව්‍යාවලට කිරීම පිණිස වන සේව්‍යා සැලැස්මක් කඩිනමින් සකස් කොට, එක් සැලැස්ම, සලකා බැලීම පිණිස ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉදිරිපත් කිරීම; සහ

(ii) ශ්‍රී ලංකන් ඉවන් සේවය සහ මිහින් ලංකා සමාගම සඳහා බාධාවකින් තොරව ඉන්ධන පැවරීම තහවුරු කිරීම පිණිස, එම ආයතන වෙත ඉන්ධන ලබා දීම වෙනුවෙන් ලංකා බැංකු මහලේ නීතිමය සංස්ථාවට අයවැය පුද්ගලික මුදල් පියවීම සඳහා එක් ඉවන් සේවා දෙක (02) වෙනුවෙන් ඇසකරගත් හෝ විශ්වාසනීය ලිපියක් තිබුණ ක්රන ලෙස භාණ්ඩාගාරයේ ලේකම්වරයාට නියම කිරීම.

ක්‍රියා කළ යුතු: මුදල් අමාත්‍යාංශය  
ඉවන් සේවා අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට දැන.

විවරණ: ජනාධිපති ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට දැන.  
අග්‍රාමාත්‍ය ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට දැන.  
ප්‍රතිපත්ති සම්පාදන, ආර්ථික කටයුතු, ළමා, කරුණ හා සංස්කෘතික කටයුතු අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට දැන.

Cabinet approved } June 2015  
Business Plan }

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# PROPOSED RE-STRUCTURING PLAN

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SRILANKAN AIRLINES AND MIHIN LANKA  
(2015/16 TO 2017/18)

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**FOREWORD**

This Business Plan documents in detail the Proposal approved by the GOSL in principle in June 2015.

In this connection the reader should note the following:

- This Plan was developed and approved by the GOSL in principle as the most suitable option **currently** available to position SriLankan and its strategic business units and Mihin Lanka as a commercially viable entity within a period of 3 years, in pursuance of the GOSL objective to reduce losses to levels which are financially sustainable while at the same time progressively reducing the amounts of funding required from the GOSL.
- The implementation date originally envisaged was 1<sup>st</sup> October 2015. The workings and projections and operating plans considered for this has been on the basis of the implementation date of 1<sup>st</sup> October 2015.
- This implementation date has now been deferred to 1<sup>st</sup> April 2016.
- The document also highlights the fact that during the Plan Period while it is envisaged that some underperforming routes will be temporarily suspended, the two airlines Mihin and SriLankan will continue to work closely to optimise the routes with the highest potential through a process of continuous monitoring and readjustment of capacity particularly in emerging markets such as China, India and South Asia to ensure that the planned objective is met at a Company/Group level.
- Therefore with the deferment of the implementation date, there have been certain schedule changes which will impact the detailed projections but overall outcome is expected to be in line with the planned objective.

31 August 2015

## 1. Introduction

SriLankan Airlines has over the past few years played the role of a network carrier focused on Sri Lanka, which serves the needs of the destination while at the same time creating opportunities for growth by maximising connectivity through Bandaranaike International Airport to position it as a regional hub.

This growth strategy which was pursued saw the airline expanding its fleet and its capacity and revenues over the last five years and also creating a multiplier benefit to the economy. However, due to a combination of external and internal factors the financial performance of the airline in pursuing this strategy was not on par with expectations.

The Government of Sri Lanka (GOSL) has now requested SriLankan Airlines Ltd (UL) and Mihin Lanka Ltd (MJ) to prepare a **viable and comprehensive Business Plan for each airline**, and to prepare an appropriate plan to amalgamate UL and MJ.<sup>1</sup>

Pursuant to this Directive, this 3 year Business Plan has been approved in principle by the GOSL as the most suitable option currently available to position SriLankan Airlines and its strategic business units and Mihin Lanka<sup>2</sup> as a commercially viable entity, reducing its losses to levels which are financially sustainable while at the same time progressively reducing amounts of funding from the GOSL.

## 2. Executive Summary

Based on the direction from the GOSL, this Business Plan sees the role of UL and MJ as carriers focussed more on robust commercial positioning indicators and sustainable financial indicators driving performance and entering into a period of consolidation and selective growth. It also takes into account the two airlines operating in a fiercely competitive market which is the result of progressive and sometimes unbridled liberalisation of traffic rights. The competitor environment is expected to become even more competitive with further liberalisation through “Open Skies”.<sup>3</sup>

The Business Plan identifies the following key measures to achieve the objectives set out above:

1. A Financial Re-structuring.
2. An Organisational Re-structuring.

<sup>1</sup> Please refer Cabinet Decision on Cabinet Paper No. 15/0451/638/001 and Memorandum date 17<sup>th</sup> April 2015 submitted by the Minister of Aviation on “Capital Infusion to SriLankan Airlines and Mihin Lanka” [Annex A]

<sup>2</sup> A separate Plan has been prepared for Mihin Lanka containing the operating plan and projections and contained in Annex I through to M

<sup>3</sup> The GOSL has declared that it will pursue a policy of liberalization which provides unrestricted capacity between two bilateral partners/countries (3<sup>rd</sup>/4<sup>th</sup> freedom traffic rights)

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3. A network optimisation by suspending non-strategic, consistently loss making routes/frequencies (with no potential for the foreseeable future), while keeping effective feed for the long and medium haul network.
4. A Right sizing of the fleet.
5. Continuation of an enabling Policy, Fiscal and Legal framework.
6. Narrowing the RASK<sup>4</sup> gap to competition with a commercial action plan.
7. Maximising the benefits of UL membership in oneworld and forging stronger bilateral partnerships to enhance connectivity to markets which can contribute incrementally to SriLankan's revenues at least cost to the airline.
8. Delivering a value proposition to the customers that will ensure competitiveness in line with the airlines' service philosophy.
9. Attaining a competitive cost structure through revisiting and re-negotiating core costs components.
10. Negotiating productivity improvements to achieve an efficient and flexible cost structure.
11. Implementing process improvements for optimum use of the state of the art IT Systems
12. Transforming the key strategic business units into self-sustaining subsidiaries with a view to selling a minority stake either to a strategic business partner or through an IPO.<sup>5</sup>

Accordingly, the 3 year Business Plan sees the route network focusing on commercially and financially sustainable markets particularly where the airlines have a significant leadership position and suspension of consistently underperforming routes with no significant future potential for a turnaround.<sup>6</sup>

The number of **Flight Frequencies** planned during the 3 year period (UL and MJ) is as follows:

Table 1: UL Weekly Frequencies

UL Frequencies	2015/16	2016/17	2017/18
Europe	18	7	7
Far East	62	62	62
Middle East	46	45	45
ISC & Maldives	126	121	121
<b>Total</b>	<b>252</b>	<b>235</b>	<b>235</b>

<sup>4</sup> Revenue per Available Seat Kilometre

<sup>5</sup> In the airline support services industry, bringing best of breed partners into such key support services businesses offers significant benefits in areas such as technology, cost management, market reach, management expertise and standardized industry best practices that is difficult for a standalone operation such as UL's. Scale, expertise and related benefits offered by a strategic partner could increase third party revenue generation.

<sup>6</sup> Frankfurt, Paris and Rome to be suspended from the Route Network

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Table 2: MJ Weekly Frequencies

MJ Frequencies	2015/16	2016/17	2017/18
Far East	7	10	10
Middle East	10	10	10
ISC & Maldives	22	27	28
Africa	3	3	3
<b>Total</b>	<b>42</b>	<b>50</b>	<b>51</b>

The plan will also see the **right sizing of the fleet** in accordance with the operating plans while shedding old aircraft.

Table 3: UI Fleet

	2015/16		2016/17	2017/18
	April to September	October to March	April to March	April to March
A320-200	6	6	6	3
A321-200	2	2	2	2
A321-NEO				4
A330-200	7	3	3	2
A330-300	3	7	7	7
A340-300	3			
<b>Total</b>	<b>21</b>	<b>18</b>	<b>18</b>	<b>18</b>

The MJ fleet will remain at four (4) narrow body aircraft over the Plan Period with 2 new Airbus A320 Neo aircraft joining the fleet in 2016/17 replacing Airbus A321-200 aircraft and Airbus A319-100 aircraft.

The financial performance resulting from the adoption of the strategies enumerated in this document is forecast below in US Dollar (Millions).

Table 4: Three Year Projected Financials UL

In USD M	Approved Budget	Projection	Projection
	2015/16	2016/17	2017/18
Profit/(Loss) From Air Transportation	(137.2)	(90.2)	(55.4)
Airport Services (BIA)	22.4	22.2	15.0
Dividends From SriLankan Catering	14.0	7.0	7.0
Other Income	7.1	10.9	10.0
<b>Net Profit/(Loss) Of The Company</b>	<b>(93.7)</b>	<b>(50.1)</b>	<b>(23.4)</b>

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Table 5: Three Year Projected Financials Mj

In USD M	Approved Budget	Projection	Projection
	2015/16	2016/17	2017/18
Net Profit/(Loss) Of The Company	1.9	(2.6)	5.3

The Plan calls for the following funding requirements to enable the airlines to reduce their debt burden and achieve a stable and sustainable position during this period of consolidation.

Table 6: Funding Requirements

In USD M	Equity contribution from GOSL – SriLankan	Equity contribution from GOSL – Mihin Lanka	Sale of minority stake in SBUs (Estimated)	Total
2014/15 Overdue	125	25	-	150
2015/16	70	-	SLC – 85	155
2016/17	60	-	Ground Handling – 140	200
2017/18	0	-	0	0
<b>Total</b>	<b>255</b>	<b>25</b>	<b>225</b>	<b>505</b>

Without adequate funding, the airlines' existence is in jeopardy even in the short term. A key dependency in terms of realising the expected outcome of the Plan is the implementation of the Debt Restructuring Proposals, the infusion of equity and the sale of minority stakes in SBUs in a timely manner.

#### 2.1.1. Expected Financial Outcomes of SriLankan by executing the Plan

Table 7: UL Three Year Plan Financial Outcomes

Key Financial Metrics	2014/15	2017/18	Improvement 14/15 vs 17/18
Reduce Annual Loss (USD M)	124	23	↑ 101
Reduce Annual Finance Cost (USD M)	38	13	↑ 25
Reduce Interest Bearing Debt (USD M)	530	179	↑ 351
Reduce Negative Equity (USD M)	557	148	↑ 410
Improve Free Cash (USD M)	(20)	100	↑ 120
Improve Unit Revenue - Cost Gap <sup>7</sup> (USC per ASK)	1.48	1.53	↑ 3%

<sup>7</sup> Unit Cost being the Cost excluding Fuel, per Available Seat Kilometre [Annex R]

**PROPOSED RE-STRUCTURING PLAN  
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**2.1.2. Expected Financial Outcomes of Mihin Lanka by executing the Plan**

Table 8: MJ Three Year Plan Financial Outcomes

<b>Key Financial Metrics</b>	<b>2014/15</b>	<b>2017/18</b>	<b>Improvement 14/15 vs 17/18</b>
Reduce Annual Loss (USD M)	(10)	5	↑ 15
Reduce Annual Finance Cost (USD M)	3	-	↑ 3
Reduce Interest Bearing Debt (USD M)	1	-	↑ 1
Increase Equity (USD M)	(12)	17	↑ 29
Improve Free Cash (USD M)	2	6	↑ 8
Improve Unit Revenue - Cost Gap <sup>7</sup> (USC per ASK)	1.42	1.84	↑ 30%

### 3. Background

In 2009, with the end of the internal conflict in Sri Lanka, the GOSL being the majority shareholder directed the airline to embark on a major expansion plan to support the massive economic development drive that was planned of which development of a vibrant Aviation Hub was a key element.<sup>8</sup>

Pursuant to this direction, a Strategic Business Plan was prepared in house covering the period 2010/2011 – 2014/15 ('Initial Plan') which envisaged the fleet growth from 12 aircraft in 2009/10 to 24 in 2014/15 (17 wide body from 9) and (7 narrow body from 3). It called for an Equity infusion of USD 300 Million over the first three years of the Plan Period.

This Initial Plan was then reviewed and a further study of the SriLankan Airlines business was undertaken by InterVISTAS Consulting Inc. & Via Capital Partners in late 2010 and early 2011. InterVISTAS Consulting Inc. & Via Capital Partners were appointed by the Board of Directors as external consultants in order to prepare a business plan that would be used to raise the funding required for the expansion envisaged. This plan envisaged a similar expansion in terms of fleet expansion and growth ("the InterVISTAS Plan").

<sup>8</sup> Quote from Mahinda Chintanaya "Sri Lanka being a country aspiring to be a regional aviation hub, the SLA will be the premier national carrier reaching 50 international destinations and feeding 14 domestic destinations through Mihin Lanka Ltd using state of the art 30 modern aircrafts. Mihin Lanka Ltd. will be the leader in budget airline. The SLA will be operating as a holding company under which five subsidiary companies, SLA, Mihin Lanka Ltd., Sri Lankan Catering Ltd, Sri Lankan Engineering and Maintenance Ltd, and Airport and Aviation Services Ltd. will provide a variety of air services to position the country as an emerging Aviation Hub. The net asset of SLA is expected to reach Rs. 50 billion in 2020 from Rs. 15 billion in 2009."

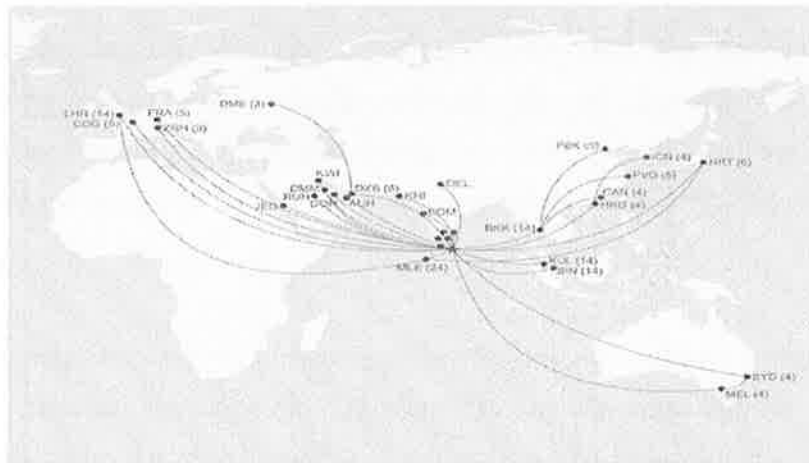
**PROPOSED RE-STRUCTURING PLAN  
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Table 9: Fleet Development Plan as per “the InterVISTAS Plan”

AC Type	Seats	FY2012	FY2013	FY2014	FY2015	FY2016
320	150	6	9	9	9	9
332	287	6	8	10	13	13
343	314	6	5	3	2	1

The proposed route network of the InterVISTAS Plan was as follows

Figure 1: InterVISTAS Proposed Route Network



**Quote from InterVISTAS Plan**

The new network focused on point-to-point service while still facilitating connectivity for regional markets. Frequencies to markets with strong tourism potential such as European and East Asian markets were expected to increase by 18 percent and 68 percent respectively. The airline was expected to continue to increase frequencies to regional markets in South Asia and the Middle East, growing from 6,013 flights to 7,372 flights by FY2016.

SLA’s original business plan (“Initial Plan”) proposed routes such as nonstop service to Moscow, Johannesburg, service between Male and Rome, Male and Milan, and service to Amsterdam via Abu Dhabi. After careful analysis, these routings were not included in the proposed network. The new network will redeploy the fleet toward nonstop service to Zurich, service to Moscow via Dubai, and increased frequencies to regional routes.

**Unquote**

The InterVISTAS Plan was the basis on which the subsequent aircraft acquisitions were based and the network developed.

However after the first year into the InterVISTAS Plan (2012/13) the Actual Performance had a significant deviation from the forecast in the InterVISTAS Plan. As a result of this, Seabury APG was engaged to identify the areas which resulted in the deviation. During this review certain assumptions on fuel price were also re-considered and the InterVISTAS Plan with modifications was restated from 2013/14 up to 2016/17 on the basis of the actual situation at the time (the “Seabury restated Plan”).



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At the end of the Financial Year 2013/14 and when reviewing the annual corporate budget for 2014/15 there appeared to be a significant negative variance when comparing the budgeted figures with the Seabury restated Plan figures on the Maintenance costs which in turn had a significant adverse impact on the forecasted bottom line.

As a result of this the airline revisited the Seabury restated Plan, and together with its Auditors changed the Maintenance Cost Policy re-stating the figures for two previous financial periods as well. This change in Accounting Policy was done on the basis that, with the acquisition of the new aircraft and retirement of the older fleet, going forward a more realistic basis of accounting for maintenance would be provisioning based on accruals rather than capitalizing the maintenance cost and depreciating until the next event. The result of this was a further restatement of the Business Plan for the period 2014/15 to 2016/17 taking into consideration certain network changes that had occurred.

Due to the rapid expansion both in terms of units and network in a relatively short period (together with the attendant increase in other costs), the lack of funding in a timely manner (resulting in having to resort to commercial borrowing at high finance costs), the volatility of fuel prices, and continued pressure on yields (passenger yields have shown an improvement on the airline's own performance over the years but not adequate to bridge the gap with UL costs) due to increased competition (driven by further liberalisation of traffic rights for foreign carriers) and investments in systems and related hardware, the bottom line was not in line with projections, eventually resulting in a serious loss of capital situation and a requirement for further funding and borrowing.

In this context, the GOSL, while having recognised and stressed the need for the country to have a strong National Carrier, has requested the airline to prepare a viable and comprehensive business plan for the two airlines (SriLankan and Mihin) and prepare an appropriate plan to amalgamate SriLankan and Mihin.<sup>9</sup>

Based on this decision, focusing on the need to position SriLankan and Mihin to be commercially and financially viable, SriLankan prepared two operating models, (Option 1 and Option 2)<sup>10</sup> of which

<sup>9</sup> Cabinet Decision of 17<sup>th</sup> April 2015

<sup>10</sup> In summary:

**Option 1** - SriLankan Airlines continuing operations within the existing corporate structure under a comprehensive restructuring plan and also amalgamating Mihin Lanka

**Option 2** - Transferring the entire business of the two airlines to a new corporate entity

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Option 1 was recommended to the Cabinet of Ministers and approved,<sup>11</sup> with the implementation being deferred to 1<sup>st</sup> April 2016.<sup>12</sup>

This 3 year Restructuring Plan proposes the way forward for the two airlines to overcome the various challenges including the competitor environment they are faced with, and use their individual strengths in order to consolidate and build a sustainable base within a period of three (3) years for future growth and development.

**4. Situational Assessment**

**4.1. UL Performance**

The total accumulated loss of the Company as at 31<sup>st</sup> March 2015 was LKR126.6 Billion.

The Company has suffered a serious loss of capital as a result of the accumulated losses.

The inherited debt of the Company stood at LKR 75.5 Billion (approximately USD 568 Million) as at 31<sup>st</sup> March 2015.

The financing cost for the Financial Year 2014/15 alone was LKR 5.0 Billion

The GOSL funding of USD 125 Million which was due for the Financial Year 2014/15 had not yet been received as at 31<sup>st</sup> March 2015.

Table 10: SriLankan Performance

<b>UL</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	Audited	Audited	Audited	Audited	Unaudited	Budget
Profit/(Loss) from Air Transport (LKR B)	(13.2)	(30.7)	(34.2)	(35.7)	(22.2)	(17.9)
Profit from Ground Handling (LKR B)	3.1	3.2	2.9	3.2	3.8	2.7
Dividends from SriLankan Catering (LKR B)	0.7	0.4	2.4	1.4	2.3	2.1
Other Net Income (LKR B)	3.3	(0.6)	2.8	(0.8)	(0.1)	0.5
<b>Total Company Profit/(Loss) – (LKR B)</b>	<b>(6.0)</b>	<b>(27.7)</b>	<b>(26.2)</b>	<b>(31.9)</b>	<b>(16.2)</b>	<b>(12.6)</b>
<b>Total Company Profit/(Loss) – (USD M)</b>	<b>(54)</b>	<b>(248)</b>	<b>(201)</b>	<b>(245)</b>	<b>(124)</b>	<b>(94)</b>

<sup>11</sup> Cabinet Decision of 24<sup>th</sup> June 2015

<sup>12</sup> For a detailed chronological record of the events leading to the GOSL approval of the 3 Year Business Plan please refer Annex B. This Plan is based on the original implementation date of October 2015 and the financial projections have been prepared accordingly.

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Therefore, SriLankan comes from a very critical situation due to a combination of external and internal factors, mentioned before.

#### 4.2. Mihin Performance

Table 11: Mihin Performance

MJ	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Audited	Audited	Audited	Audited	Unaudited	Budget
Profit/(Loss) from Air Transport (LKR B)	(1.0)	(2.0)	(3.4)	(2.7)	(1.4)	0.1
Other Net Income (LKR B)	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total Company Profit/(Loss) :- (LKR B)</b>	<b>(0.9)</b>	<b>(1.9)</b>	<b>(3.3)</b>	<b>(2.6)</b>	<b>(1.3)</b>	<b>0.2</b>
<b>Total Company Profit/(Loss) – (USD M)</b>	<b>(8.4)</b>	<b>(17.4)</b>	<b>(25.4)</b>	<b>(19.7)</b>	<b>(9.6)</b>	<b>1.6</b>

##### 4.2.1. Unit Costs compared to Unit Revenues

Although many efforts have been made over the years, SriLankan has not been able to establish itself as a financially sustainable airline except for very short periods in the airline's history. Many factors have contributed to this both external and internal. From the inception the airline has been undercapitalised. Consistently the airline's unit cost has been higher than its unit revenues.<sup>13</sup> While, airline has an advantage over its peers in competition in terms of unit costs, it is not adequate to compensate for the revenue disadvantage.

Figure 2: Last Ten Years UL Revenue and Cost per ASK



Source: SriLankan Airlines Published Financial Reports (except for the last FY 2014/15, the rest from Audited Accounts)

<sup>13</sup> Unit Cost refers to Cost per ASK and Unit Revenue refers to Net Traffic Revenue per ASK [Annex R]

#### 4.2.2. Shareholder Expectations

The airline has also not seen a consistent approach in terms of the expectation from the shareholder. The shareholder expectations have changed from time to time from that of being a National Airline providing air links to the world outside and supporting tourism and the national economy, to being bottom line focussed and competitive against the backdrop of a liberalised aviation policy of the shareholder and ever increasing competition.

Therefore, if the airline is to seek a different outcome from past experiences, the airline has to take bold steps and have confidence and courage to try a different approach and stay the course with this approach until it has consolidated its financial performance. The past has taught us that piecemeal change will not work.

#### 4.3. The Reality - Challenges and Strengths - UL

The airline carried a debt of LKR 75.5 Billion (USD 568 M) as at 31 March 2015. The annual interest cost burden arising from this level of debt is USD 33 M.

The operations of the airline thus far have been funded primarily through borrowings from local and international banks and institutional investors, financial grants in the form of Bonds from the GOSL and by deferring payments due to the Ceylon Petroleum Corporation and AASL. This situation cannot continue and has to be reversed.

If the airline continues its present level of operations, at the end of this Financial Year (2015/16) it will face a cash deficit of USD 338 M triggering a major crisis. Clearly, the airline is not in a position to repay its lenders or pay its major suppliers for goods and services without further recourse to borrowings and deferment of payments. Such a course of action, if resorted to, would lead to a substantial increase in the already unsustainable interest cost burden, thus weakening the airline further.

While the GOSL has re-iterated the importance of role of the National Airline in the overall economy, and is committed to support it financially, it requires the airline to present together with Mihin Lanka, a clear and realistic path to attain self-sufficiency in the near term.

The Challenges

- Operating in an extremely challenging industry where margins from core airline operations are very thin
- Unit costs higher than Unit revenues
- Fluctuating fuel prices
- Legacy cost structures
- Dependence on monopolies
- Aggressive expansion of foreign carriers to Sri Lanka resulting in yield erosion as the airline continues to operate in extremely price sensitive markets
- Lack of consistent adherence to industry best practices and benchmarking
- Intension of GOSL to fully liberalise traffic rights for foreign carriers
- Competition from Regional Hubs
- Possible entry of competition for Airport Services and In – flight Catering
- Adverse financial situation of the airline

Notwithstanding these challenges SriLankan and Mihin Lanka have some unique strengths and opportunities which can be harnessed in a meaningful manner to build the foundations for sustainability and future growth.

- A new fleet of 7 (seven) state of the art A330-300 aircraft and 3 (three) A330-200 aircraft as well as an enhanced product on the narrow body fleet of 8 A320/A321 and 4 narrow body aircraft of Mihin Lanka. (The average aircraft age of the new UL wide body fleet would be 1.2 years and the narrow body fleet would be 6.1 during the Plan Period compared with 7.1 for SQ and 8.5 for CX and 5.1 for MH)
- A lower cost base at Mihin enabling it to cater to different market segments on selected routes
- Geographical location to some key growth markets
- Ability to offer South India and Maldives as an extended home market
- Commitment and support of the GOSL to both SriLankan and Mihin
- A good safety record
- State of the art Information Technology and systems capable of providing management information on a real time basis for decision making
- A skilled work force
- Availability of traffic rights to most key markets
- An award winning crew

- A known brand accepted by our customers
- Membership in a global alliance
- Key strategic business units with the capability and potential of supporting the Group bottom line

## 5. The Way Forward

This Business Plan has been developed (elaborated upon in this document) in the context of the challenges outlined above and harnessing the strengths available to the airlines with the overall corporate objective of positioning SriLankan and its business units and Mihin Lanka as a commercially viable entity, reducing losses to levels which are financially sustainable and progressively reducing the amount of funding required from GOSL.

The most significant measures identified to see this objective being realised are dealt with in depth in the following pages.

### 5.1. Financial Re-structuring

The GOSL has recognised that the two airlines will not be able to achieve longer term sustainability without significant funding support from GOSL as well as the airline's own resources. Accordingly, the GOSL has agreed in principle to support the airlines during the Plan Period with funding as set out in the Plan.

In addition, the financial restructuring will see SriLankan using a combination of Debt: Equity Swaps, disposal of a 49% stake in SriLankan Catering in 2015/16 and disposal of a 40% stake in ground handling in 2016/17 and the re-issuance of the International Bond on maturity in 2019 all of which have been approved by the GOSL.

These measures are aimed at reducing the overall debt position of SriLankan, which stood at USD 568 M as at 31 March 2015 to USD 175 M by 31 March 2017, thus saving USD 20 M on interest costs annually and strengthening the Balance Sheet of the airline. A portion of the cash generated through the financial restructuring process will be used to restore working capital required to fund the operations of the airline during the restructuring phase.

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Equity funds from the GOSL and internally generated funds/cash flows are to be deployed in the following manner:

Table 12: Funding

	2015/16	2016/17	2017/18	TOTAL
<b>FUNDS GENERATED</b>				
Equity contribution from GOSL	195	60	-	255
Sale of minority stakes in:				
- SLC	85	-	-	85
- Ground Handling	-	140	-	140
Debt: Equity Swap with BoC	86	0	-	86
<b>Total</b>	<b>366</b>	<b>200</b>	<b>-</b>	<b>566</b>
<b>FUNDS DEPLOYED</b>				
Repayment of Loan/Dues to CPC	(140)	(16)	-	(156)
Settlement of Loans/OD BoC	(86)	-	-	(86)
Settlement of Dues to AASL	(9)	-	-	(9)
Settlement of Loans – SCB	(73)	(50)	-	(123)
Settlement of Loans - Commercial Bank	(5)	(11)	-	(16)
Settlement of Other Loans	(3)	-	-	(3)
Working Capital	(50)	(123)	-	(173)
<b>Total</b>	<b>(366)</b>	<b>(200)</b>	<b>-</b>	<b>(566)</b>

*Details of debt re-structuring and funding are contained under SriLankan Airlines Business Plan Assumptions Annex D and Mihin Lanka Business Plan Assumptions Annex I*

*Refer Tables 7 and Table 8 for the Expected Financial Outcomes of SriLankan and Mihin Lanka respectively*

## 5.2. Organisational Re-structuring

SriLankan has one fully owned subsidiary in SriLankan Catering Ltd which provides catering services to SriLankan, Mihin Lanka and other operators to Sri Lanka.

The Airport Services business unit provides ground handling services at BIA and MRJA for SriLankan and Mihin and for other carriers operating to the airports.

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The SriLankan Engineering SBU provides base maintenance and engineering services at BIA for SriLankan and Mihin as well to third party customers. A majority of its revenue is derived from the 'per flying hour' charge to the airline, based upon an internal transfer rate that is agreed annually.

SriLankan Aviation Academy (SLAC) provides mandatory and other training to SriLankan and Mihin and has recently increased its capacity for third party training. SLAC is the only Training Center in South Asia offering EASA (European Aviation Safety Agency) EASA 145 - Maintenance Organization/ EASA 147 – Training Organization certification. SLAC has the unique capability of providing on the job training at an EASA 145 certified organization. SLAC is also the only IATA Regional Training Partner (RTP) in South Asia which is the highest status offered by IATA to its education partners.

It is proposed that the strategic business units – SriLankan Airport Services, SriLankan Engineering and Maintenance and SriLankan Aviation Academy be converted to fully owned subsidiaries of SriLankan, enabling the businesses to raise capital/form joint ventures to realise their full potential with more transparency and accountability, while being service partners to the airlines.

The Plan envisages SriLankan Airport Services being converted to a full owned subsidiary and a 40% stake being disposed of to raise capital for SriLankan Airlines during the Plan Period.

SriLankan Engineering and Maintenance and SriLankan Aviation Academy will be converted to fully owned subsidiaries and be held accountable as standalone business units generating additional income for the Group while providing services to the two airlines at cost plus a reasonable margin.

#### 5.2.1. Mihin Lanka Amalgamation

The direction of the GOSL as set out in the Cabinet Decision of 17<sup>th</sup> April 2015, was to prepare a viable and comprehensive business plan for the two airlines amalgamating the two. Accordingly, the Plan envisages that GOSL would in 2016/17 transfer its shareholding in Mihin Lanka to SriLankan whereby Mihin Lanka would become a wholly owned subsidiary of SriLankan Airlines.

The Board of Directors of SriLankan will then be in a better position to influence and manage both airlines in a manner that synergises the two institutions and improves the bottom line of the Group rather than individual entities.



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**5.2.2. Partnerships with Airport and Aviation Services Limited (AASL) and SriLanka  
Tourism Promotion Board (SLTPB)**

AASL through a Memorandum of Understanding signed with SriLankan, granted SriLankan sole and exclusive rights for Ground Handling and sole rights for SriLankan Catering both for a period of 10 years from 29<sup>th</sup> March, 2011 at BIA on the basis of certain agreed Franchise Fees to be paid to AASL and the same rights at MRIA from 18<sup>th</sup> March, 2013.

Commencing from 7<sup>th</sup> July 2015, AASL has also been appointed for the provision of Ground Handling at MRIA. However, AASL is not currently operating or providing any Ground Handling services at MRIA. Despite the appointment of AASL for the provision of Ground Handling at MRIA, SriLankan's sole and exclusive rights for Ground Handling at MRIA shall be preferred over AASL, since it is AASL that has granted SriLankan the exclusive rights.

It is envisaged that the partnership between AASL and SriLankan be strengthened further, seeking mutual benefits for both parties as stakeholders after the formation of the Ground Handling Subsidiary.

It is also envisaged that the period of exclusivity be extended for a further period of 10 years for both SriLankan Catering and SriLankan Airport Services from 29<sup>th</sup> March 2021 at BIA and from 18<sup>th</sup> March, 2023 at MRIA.

With the increase in tourist arrivals to Sri Lanka, particularly from some new growth markets, the Plan also envisages closer co-operation with SLTPB to promote Sri Lanka together with SriLankan and Mihin in joint campaigns.

### 5.3. Policy, Legal and Fiscal Framework

#### 5.3.1. Aviation Policy

The GOSL is increasingly moving towards a completely liberalised Aviation Policy. This 3 year Business Plan has been developed taking into account the major impacts of such a policy on some of the airlines' traditional markets in terms of competition on what is not necessarily a level playing field. It is, however, assumed that in general the competition will not be introducing capacity far in excess of market demand.<sup>14</sup>

<sup>14</sup> Please refer Annex O for a synopsis of the Impact of Middle East Carriers aggressive capacity expansion on UL's European traffic.

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Currently SriLankan enjoys the following tax benefits and concessions from the GOSL.

**5.3.2. Concessions Enjoyed by SriLankan Airlines as at 31 May 2015**

▪ Exchange Control Regulation

Under the Agreement with the Board of Investment (BOI), SriLankan Airlines is exempted from exchange control regulation during the lifetime of the business.

▪ Income Tax

With effect from 1 April 2011 any activity under taken by SriLankan Airlines will be exempt from income tax for a period of 10 years i.e. 2021.

▪ Import Taxes

With effect from 1 January 2012 SriLankan Airlines has been exempt from the payment of Customs Import Duty, Value Added Tax, Ports and Aviation Development Levy, National Building Tax and CESS on all imports made by SriLankan as consignee for the purpose of providing international transportation.

▪ Economic Service Charge (ESC)

With effect from 1 April 2011, SriLankan Airlines turnover was made exempt from ESC.

▪ Nation Building Tax (NBT)

From 1 April 2011, SriLankan Airlines was made exempt from the imposition of NBT on any service provided by SriLankan Airlines.

**5.3.3. Concessions Enjoyed by SriLankan Catering Limited (SLC) as at 31 May 2015**

▪ Local Sales

Under the Agreement with BOI, SLC is permitted local sales in SriLankan Airlines premises and Sri Lanka up to 30% of the total turnover.

▪ Exchange Control Regulation

Under the Agreement with BOI, SLC is exempted from exchange control regulation during the lifetime of the business.

▪ Income Tax

Income tax payment on total profit of SLC is exempted till 30<sup>th</sup> May 2021. Thereafter, reduced tax rate of 15% will be applicable till 30<sup>th</sup> May 2029.

▪ Import Taxes

With effect from 1 January 2012 SLC has been exempt from the payment of Customs Import Duty, Value Added Tax, Ports and Aviation Development Levy, National Building Tax and CESS on all imports made by SLC as consignee for the purpose of providing international catering.

▪ Economic Service Charge (ESC)

With effect from 1 April 2011, SLC turnover is subject to a reduced rate of 0.25% as company registered with the BOI.

▪ Nation Building Tax (NBT)

From 1 April 2011, SLC was made exempt from the imposition of NBT on any service provided by SLC.

5.3.4. Concessions Enjoyed by Mihin Lanka (Pvt) Ltd as at 31 May 2015

▪ Exchange Control Regulation

Under the Agreement with the Board of Investment (BOI), Mihin Lanka is exempted from exchange control regulation during the lifetime of the business.

▪ Income Tax

With effect from 23 April 2009 any activity under taken by Mihin Lanka will be exempt from income tax for a period of 15 years i.e. 2024.

▪ Import Taxes

With effect from 1 January 2012, Mihin Lanka has been exempt from the payment of Customs Import Duty, Value Added Tax, Ports and Aviation Development Levy, National Building Tax and CESS on all imports made by Mihin Lanka as consignee for the purpose of providing international transportation.

▪ Economic Service Charge (ESC)

With effect from 1 April 2011, Mihin Lanka turnover was made exempt from ESC.

- Nation Building Tax (NBT)

From 1 April 2011, Mihin Lanka was made exempt from the imposition of NBT on any service provided by Mihin Lanka.

The Plan envisages that these will continue and moreover, that the tax exemptions and concessions offered to SriLankan Catering will continue after the divestiture of a minority stake for a period of 15 years from divestiture. Likewise, that SriLankan Airport Services, SriLankan Engineering and Maintenance and SriLankan Aviation Academy be granted similar exemptions and concessions that may be required.

Currently the Ceylon Petroleum Corporation charges a price which is significantly higher than comparative prices in the Region.<sup>15</sup> The airlines would require the GOSL to direct Ceylon Petroleum to provide Jet fuel requirements on an agreed formula.

This 3 year Plan envisages that all government agencies implement exemptions on taxes and other levies granted to SriLankan, Mihin and its subsidiaries in a consistent manner to give effect to the spirit of the exemptions and to facilitate the business.

The Plan also envisages that SriLankan and its subsidiaries and Mihin Lanka will be exempted from liability towards any taxes and/or levies that the GOSL (Central Government/Local Authority) may introduce in the future.

## 6. Operating Business Model – Network, Fleet, Revenue and Cost

Approach to Restructuring the Network based on the GOSL laid down parameters to prepare a viable and comprehensive Business Plan

### 6.1. Network - SriLankan

A Route Analysis was carried out on various scenarios (flexing certain dynamic variables such as fuel price) for 3 significant periods representing historical and projected performance.

Using a 'contribution' based modelling; routes' contribution towards Fixed Cost after Lease and Crew Layover costs was assessed.

<sup>15</sup> Refer Annex P Comparison of Regional Fuel Pricing

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In this analysis a number of routes consistently did not generate a return sufficient to meet the operating costs in all of the different scenarios.<sup>16</sup>

Based on these findings an optimum flight schedule was developed by suspension of some non-strategic, consistently underperforming routes/frequencies while keeping those routes which provided effective feed for the long haul network.

Figure 3: Planned Route Network - UL

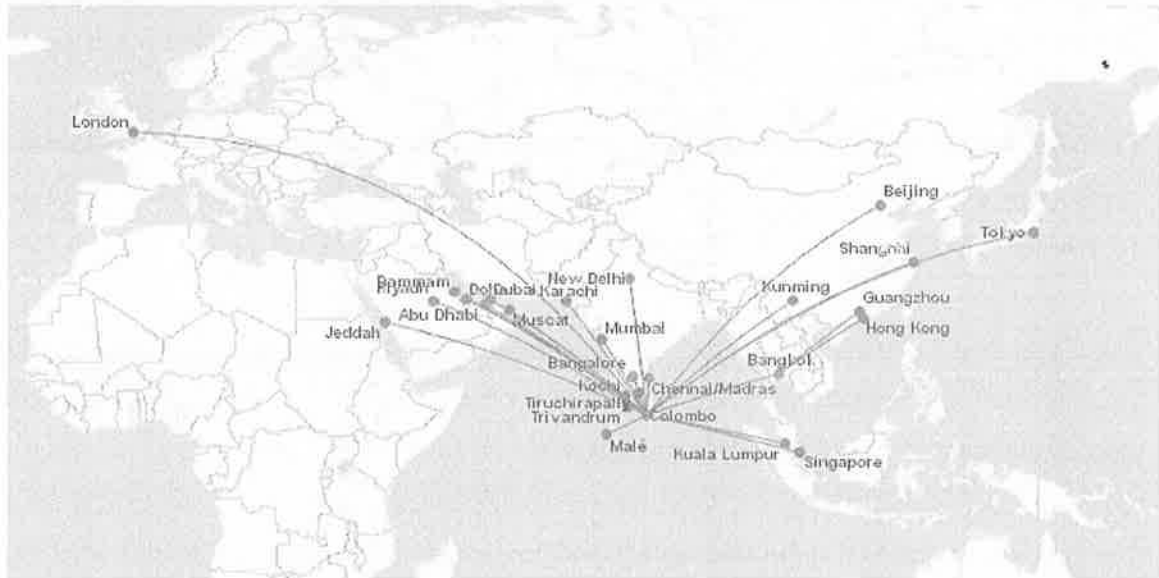
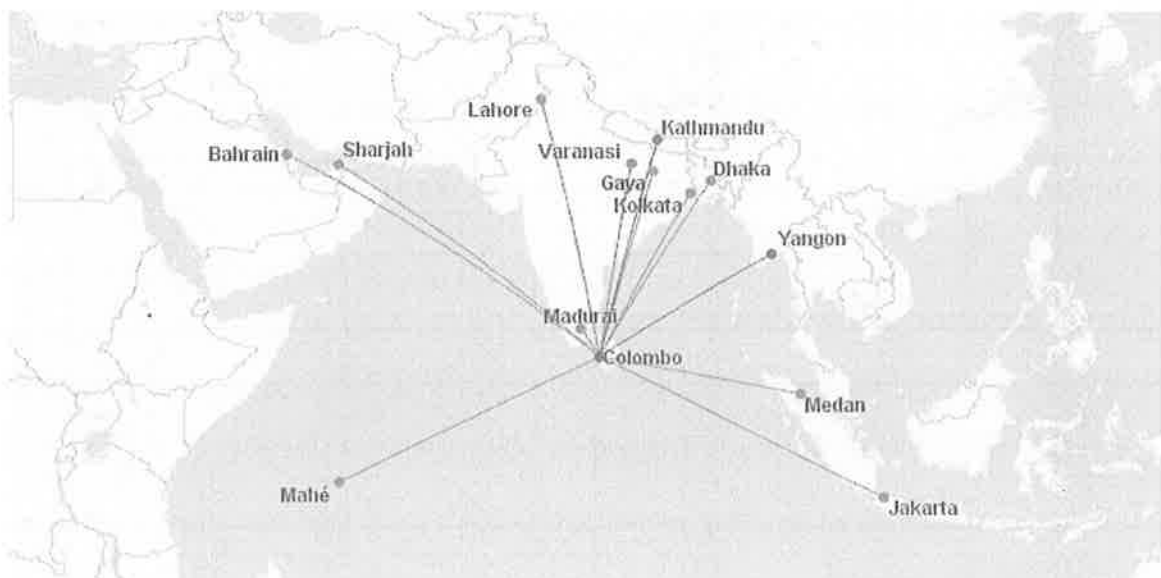


Figure 4: Planned Route Network - MJ



Note: Planned new MJ routes are in Blue

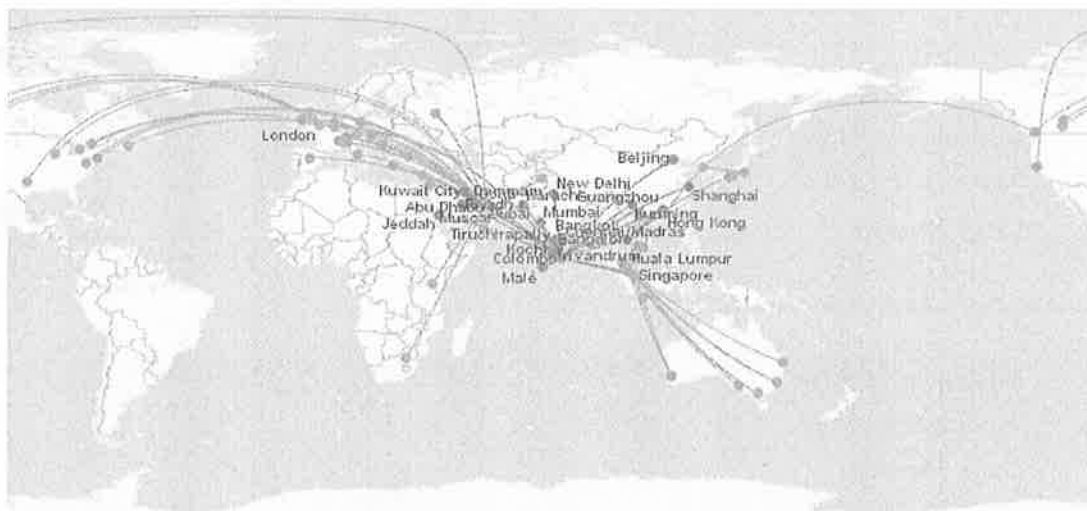
<sup>16</sup> Refer Annex C UL Route Analysis Summary

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During the Plan Period while certain underperforming routes in Europe will be suspended,<sup>17</sup> the two airlines will continue to work closely to optimise the routes with the highest potential, (through continuous monitoring and readjustment of capacity) particularly in emerging markets such as China, India and South East Asia to ensure that the bottom line over the Plan Period is achieved.

SriLankan currently has very strong codeshare partnerships and co-operation arrangements with several world class airlines. SriLankan’s membership in the oneworld alliance in May 2014 provided significant opportunities to increase network reach and enhance the value proposition to the airline’s frequent travellers. During the Plan Period working with its partners, SriLankan will strengthen and enhance connectivity to markets which can contribute to the airline’s revenues at least cost to the airline. It will continue to work closely with its oneworld partners to maximise the benefits of membership in the alliance.

Figure 5: Planned Codeshare Network



Note: UL codeshare network in green

**Major Codeshare Partners with whom UL currently codeshares**

- Air Canada
- Alitalia
- American Airlines
- Etihad Airways
- Japan Airlines
- Malaysia Airlines
- Oman Air
- Qantas Airways

<sup>17</sup> Frankfurt, Paris and Rome to be suspended from the Route Network - please Refer Annex Q for an analysis of the RASK/CASK gap on European Routes which demonstrates the dilemma in making European Routes sustainable

## 6.2. Fleet

The Plan will see the wide body fleet being optimised to serve the network over the 3 Year Period while leaving adequate flexibility and opportunity to expand Fleet after the period of consolidation.

All 4 (four) new A330-300 aircraft to be delivered in the Financial Year 2015/16 will be inducted to the fleet. This is in addition to the 3 (three) new A330-300 aircraft inducted to the fleet in 2014/15.

In the context of the right sizing of the Fleet over the Plan Period, possible early return of 3 Airbus A330-300 Aircraft will be explored together with the deferment or cancellation of the Airbus A350-900 Aircraft due for delivery during the Plan Period to achieve the most cost effective option.

## 6.3. Revenues

Based on the re-structured Network, the Revenue projections for the Plan Period are given in the Table below:

Table 13: UL Revenue Sources

UL Revenue USD M	2015/16	2016/17	2017/18
Passenger Revenue	711.7	697.9	748.2
Cargo Revenue	96.1	88.0	89.5

Table 14: MJ Revenue Sources

MJ Revenue USD M	2015/16	2016/17	2017/18
Passenger Revenue	92.7	106.5	113.2
Cargo Revenue	2.7	3.6	4.0

Passenger Revenue increases are achieved through a combination of yield and cabin factor with more emphasis being placed on selective yield increases towards closing the RASK/CASK gap.

Over the last two years, both airlines have seen significant investment in state of the art Revenue Management Systems and Passenger Services Systems which have improved the Passenger Yields with better Revenue Management Practices. Both airlines will continue to focus on implementing best practices with significant upside potential, to further improve the Passenger Revenue per ASK.

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The airlines will also place renewed emphasis on marketing and salesforce excellence recognising this to be a critical factor in delivering the projected revenues and achieving long term sustainability of the business in the face of increasing competition.

Direct selling through the airline's website and mobile apps will be increased with improved digital experience and user engagement.

Cargo revenue accounts of 11% of the Airline Revenues and is primarily from belly capacity offered on its scheduled services. The option of wet leasing of freighters is used to operate to specific markets to meet capacity shortfalls and to take advantage of cargo market opportunities especially in the short term.

Cargo handling services are provided through the Airport Services SBU at BIA. There is potential for this business to grow with the expected strong business outlook for the country in the coming years.

An increasing focus on Ancillaries is expected to provide a further impetus to the airlines' revenues. Ancillary services which are complimentary to flight services will be offered to increase cross selling and to capture potential revenue.

These include unbundled core services, improved customised flight services, cross selling services to passengers, and selling services to Businesses (such as Advertising space, Frequent Flyer Miles).

#### **6.4. Costs**

The Plan also sees the airlines aggressively pursuing cost reductions and operational efficiencies benchmarked to industry best practices.

While the airlines' unit costs are lower than its peers<sup>18</sup>, using state of the art Information Technology and systems that the airlines have invested in, the approach would be to maximise the benefits offered through these investments to optimise costs and implement standardised best practices.

All contracts will undergo a rigorous review process and negotiations will be carried out to achieve cost reductions on an ongoing basis.

It is expected that non personnel related costs would be reduced by approximately USD 51 Million over the Plan Period for SriLankan Airlines alone.

<sup>18</sup> Please refer Annex N for a comparison of the Unit Cost per ASK of SriLankan with peer carriers



### 6.5. The Customer

Integral to all of what the two airlines' do is the Customer's perception of their product and services and value proposition.

Therefore, Customer Experience Management will play a pivotal role to transform the organisation to being one which is customer centric, transferring this DNA to a personalised service.

Investments have already been made in new technologies and systems which are capable of accessing relevant customer information.

In this context, SriLankan and Mihin will refine their customer value proposition and systematically identify, recognise and classify their customers on the basis of their personal characteristics, preferences, needs and interests and give form to effective marketing initiatives and leverage communications technology to enable dynamic retailing to their customers.

### 6.6. Human Resources

The Plan recognises that employee and labour relations are key factors in achieving sustainable recovery.

A workplace culture that promotes trust and employment practices that promote coordination and productivity among employees will be adopted.

The organisation will proactively communicate with the employees honestly, openly and consistently about the state of the business and discuss options for the future with employees and employee groups.

Employee productivity improvements will be sought by benchmarking employee productivity against peers and through changes to work practices.

#### **Continuous communication and stakeholder engagement**

The Airlines will proactively communicate and report at regular intervals to all their stakeholders on progress of the Plan and the expected outcomes.

#### **Commitment and support for the Business Plan**

The Business Plan has an ambitious medium term target, in line with the objectives set by the GOSL.

Success of the Business Plan depends on maintaining resolve and execution of Plan by each and every stakeholder individually and collectively in a timely manner.

## 7. Risk and Sensitivity Analysis

Following section deals with the major risk factors that could impact on the Business Plan.

### 7.1. Market Risk - SriLankan Airlines

Despite a reduction in ASKs, net traffic revenue is expected to grow from USD 825 Million in 2015/16 to USD 854 Million in 2017/18, with passenger numbers remaining at around 4 Million annually, carrying over 85,000 tonnes of cargo and yields averaging USC 7 per RPK for passenger and just over USD 1 per kg for Cargo (per actual weight) respectively by 2017/18.

Achievement of these targets depends on the realisation of the expected growth in tourist traffic to Sri Lanka particularly from emerging growth markets, the degree of competition posed by the entry of new carriers/increase in the frequencies operated by existing carriers, the growth in exports/imports and in network traffic.

**Risk Level:** High

#### **Risk Mitigation Strategies:**

The Business Plan has considered the risks involved and has built-in following safeguards to mitigate the market risk.

- The route network is catering to emerging growth markets and there is sufficient flexibility in terms of the fleet to re-deploy capacity at short notice to more profitable routes and to change the mix of destination and network traffic.
- The Business Plan recognizes that the GOSL is increasingly moving towards a completely liberalized Aviation Policy. In this context the biggest impact that SriLankan faces is the aggressive capacity induction by Middle East Carriers to Sri Lanka which weakens its financial performance particularly on the long haul costly European Routes. In the light of this, the Business Plan sees the scaling down of European operations and retaining only London during the period of consolidation.

In terms of competition from other carriers, the Business Plan assumes that in general they will not be introducing capacity far in excess of demand and moreover, SriLankan has not seen irrational pricing from these competitors in the past.

- During the Plan Period the Management will continuously engage with the GOSL in order to minimize the impact of liberalization in terms of 5<sup>th</sup> freedom traffic rights to foreign carriers particularly to markets in SriLankan's core catchment area of South India and Maldives.

- In-depth market/feasibility studies will precede the introduction of any new destinations or additional frequencies.

## 7.2. Market Risk - Mihin Lanka

Mihin Lanka's fleet will continue to remain at 4 narrow body aircraft during the Plan Period. Net traffic revenue is expected to grow from USD 100 Million in 2015/16 to USD 120 Million in 2017/18, with passenger numbers reaching 0.7 Million, carrying 7,000 tonnes of cargo and yields averaging USC 7 per RPK for Passenger and USC 60 per kg for Cargo (per actual weight) respectively by 2017/18.

The Plan envisages, Mihin Lanka exploiting the advantage that it currently has on particularly routes with minimal competition and on the basis of achieving the growth in traffic flows anticipated. Therefore achieving the targets would be based on realizing these expectations and that any competition would act in a rational manner in inducting capacity and in establishing pricing.

**Risk Level:** Medium

### **Risk Mitigation Strategies:**

Due to the size, network it operates, and its business model, there is flexibility to move capacity from underperforming routes to more lucrative routes or even cut back capacity in the short term with minimal impact on the bottom line.

Its inherent cost advantage (even though small) also gives it flexibility to be more agile in adapting to market risks.

## 7.3. Environmental Risks

This is the risk of adverse changes to the operating environment of SriLankan Airlines and its subsidiaries.

### 7.3.1. Airport Service (Ground Handling) & Catering Exclusivity

Possible entry of competition for Airport Services and In-flight Catering has been identified as a Challenge. The loss of monopoly status currently enjoyed by SriLankan Airlines could cost the airline significant loss of revenues in terms of profits over the Plan Period and jeopardise the potential to raise funding for SriLankan through divestiture of minority stakes in each of these businesses as envisaged in the Business Plan.

**Risk Level:** Medium

**Risk Mitigation Strategies:**

The Plan envisages active engagement with Airport and Aviation Services Limited to make them a stakeholder in the business.

The Business Plan also envisages the realization of operational and cost efficiencies in providing ground handling services and catering services over the Plan Period for the two business units to remain competitive and provide world class services with inbuilt service KPIs being delivered to its customers.

Moreover, since the objective of the GOSL is to see the two airlines reducing their losses and evolving into financially sustainable entities with minimum dependence on the GOSL, the GOSL has in principle approved the activities envisaged by the Business Plan and accordingly the funding plan and it is expected that the GOSL will therefore support the initiatives and actions required for executing the Plan.

**7.3.2. Legal and Fiscal Regime**

Adverse changes to the rights, concessions, privileges and benefits provided within the existing legal and fiscal regime could have a material adverse effect on the Business Plan.

**Risk Level:** Medium

**Risk Mitigation Strategies:**

GOSL's endorsement of the Plan and required Enabling Policy, Legal and Fiscal Framework.

**7.4. Fuel Price Risk**

Exposure to volatile jet fuel prices is recognized as a key risk factor faced by the airlines world over.

Fuel accounts for 29% and 32% of total Operating Costs of SriLankan and Mihin respectively. The impact of a USC 1 change in the price of jet fuel is disclosed in the Sensitivity Analysis which follows.

**Risk Level:** High

**Risk Mitigation Strategies:**

While hedging has not been considered as a risk mitigating strategy specifically in this Business Plan, the following strategies have been taken in to account in managing the risk:

During the Plan Period the operation of an all new A330-300 fleet is expected to bring in a significant reduction in fuel burn across all long and medium haul routes.

Fuel management and efficiency are expected to receive the highest priority in terms of initiatives for cost reduction during the Plan Period and will be closely and proactively monitored.

Fuel Surcharges by way of YQ tax has remained in the ticketing mechanism and there is flexibility to re-adjust between the fare and fuel component to taken into account any significant fluctuation in fuel prices.

#### 7.5. Technological Obsolescence Risk

Owning/operating technologically obsolete aircraft can adversely impact on revenue and costs. Passenger perceptions in relation to technologically obsolete aircraft could drive down demand and yield. Operating obsolete aircraft would also lead to increased operating costs on account of additional maintenance and fuel consumption.

**Risk Level:** Low

#### **Risk Mitigation Strategies:**

During the Plan Period the airlines will operate with a young fleet due to the induction of new aircraft replacing the older ones in the fleet.

Older aircraft currently in the fleet are to be returned to their respective lessors at the end of their leases, or earlier after negotiation.

#### 7.6. Aircraft Residual Value Risk

This is the risk of not realizing expected aircraft values on disposal in future periods.

**Risk Level:** Low

#### **Risk Mitigation Strategies:**

The Restructuring Plan does not propose finance leases/purchases of aircraft to the fleet during the Plan Period.

#### 7.7. Interest Rate Risk

The company could be exposed to interest rate risk if fluctuations in interest rates cause aircraft lease rentals and debt service costs to react in response.

**Risk Level:** Low

**Risk Mitigation Strategies:**

All existing aircraft operating leases are on fixed rate terms. The Restructuring Plan assumes that all aircraft leases to be entered into during the Plan Period too would be at fixed rates to avoid risks arising from fluctuation of interest rates. No significant foreign currency denominated floating rate debt is planned for the duration of the Plan Period either.

**7.8. Exchange Rate Risk**

The airline is exposed to exchange rate risk due to mismatches between the quantum and timing of inflows and outflows in the currencies in which the airline conducts business.

The airline is also vulnerable to sudden currency fluctuations as was experienced in 2014/15 Financial Year.

**Risk Level:** Medium

**Risk Mitigation Strategies:**

The exchange rate risk is mitigated to an extent by forecasting the quantum and time frame of receivables in each currency and timing payments in each such currency to the extent possible, thus creating a natural hedge.

The diverse portfolio of currencies in which the airlines conducts business also helps mitigate the exchange rate risk.

**7.9. Sensitivity Analysis**

The following table highlights the primary sensitivities, indicating the effect on SriLankan:

Table 15: UI Sensitivity Analysis

Sensitivity Analysis USD M	Sensitivity	2015/16	2016/17	2017/18
Seat Factor	1%	8.82	8.75	9.24
Passenger Yield	1%	7.12	6.98	7.48
Direct Operating Cost	1%	5.22	4.96	4.97
Fuel Price	1%	2.66	2.59	2.59

Table 16: MI Sensitivity Analysis

Sensitivity Analysis USD M	Sensitivity	2015/16	2016/17	2017/18
Seat Factor	1%	1.13	1.36	1.45
Passenger Yield	1%	0.92	1.06	1.13
Direct Operating Cost	1%	0.53	0.65	0.64
Fuel Price	1%	0.31	0.38	0.37

## ANNEXURES

A. Capital Infusion to SriLankan Airlines and Mihin Lanka

*Draft Minutes from the Cabinet Meeting held on 2015.04.22*

28 APR 2015

37. Cabinet Paper No.15/0451/638/001, a Memorandum dated 2015-04-17 by the Minister of Aviation on "Capital Infusion to SriLankan Airlines and Mihin Lanka Ltd." - the above Memorandum was considered along with the observations of the Minister of Finance. After discussion, it was decided -

- (i) to inform the Secretary, Ministry of Aviation -
  - (a) to direct the Chairmen and the Boards of Directors of Sri Lankan Airlines and Mihin Lanka Ltd. to prepare a viable and comprehensive Business Plan for each Airline at the earliest and submit same to the Cabinet Sub-Committee on Economic Affairs for consideration; and
  - (b) to prepare an appropriate plan to amalgamate Sri Lankan Airlines and Mihin Lanka Ltd. at the earliest, as announced in the Budget proposals submitted for the year 2015 by the Minister of Finance on 2015-01-29 in Parliament and submit same to the Cabinet Sub-Committee on Economic Affairs for consideration; and
- (ii) to direct the Secretary to the Treasury to issue a guarantee or a Letter of Comfort to the Ceylon Petroleum Corporation on behalf of SriLankan Airline and Mihin Lanka Ltd. for the settlement of outstanding dues to the former for supply of fuel in order to ensure the uninterrupted supply of same to both Airlines.

Action by: My/Finance  
My/Aviation- above observations annexed.

Copied to: Secretary to the President - copy of Memorandum and above observations annexed.  
Secretary to the Prime Minister - copy of Memorandum and above observations annexed  
My/Policy Planning, Economic Affairs, Child, Youth and Cultural Affairs - copy of Memorandum and above observations annexed.  
My/Power and Energy - copy of Memorandum and above observations annexed.



PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

2015-04-28 දින පැවැත්වූ අමාත්‍ය මණ්ඩල රැස්වීමේ පත්‍රිකාවේ වැටුප්.

28 APR 2015

CEO

37. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 15/0451/638/001 වූ, “ශ්‍රී ලංකන් ගුවන් සමාගමට සහ මිහින් ලංකා සමාගම සඳහා මූල්‍ය ප්‍රාග්ධනය ලබාගැනීම” යන මාදයන් ගුවන් සේවා ඇමතිතුමා ඉදිරිපත් කළ 2015-04-17 දිනැති සංදේශය - ඉහත සංදේශය මුදල් ඇමතිතුමාගේ නිරීක්ෂණ යමඟ සලකා බලන ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, සහක සඳහන් පරිදි කිරණය කරන ලදී:

(i) සහාය සඳහන් පරිදි කටයුතු කරන ලෙස ගුවන් සේවා අමාත්‍යාංශයේ ලේකම්වරයාට දැනුම් දීම:

(අ) ශ්‍රී ලංකන් ගුවන් සේවය යහ මිහින් ලංකා සමාගම සඳහා සවිස්තර ව්‍යාපාරික සැලැස්මක් බැගින් සකස් කොට, එකී සැලැස්ම සලකා බැලීම පිණිස, කඩිනමින් ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉදිරිපත් කරන ලෙස එකී ගුවන් සේවා සමාගම්වල සහායකීවරුන් සහ අධ්‍යක්ෂ මණ්ඩලවලට නියම කිරීම; සහ

(ආ) මුදල් ඇමතිතුමා විසින් 2015-01-28 දින පාර්ලිමේන්තුවට ඉදිරිපත් කරන ලද 2015 වසර සඳහා වන අයවැය සේව්‍යාවලින් ප්‍රකාශයට පත් කළ පරිදි ශ්‍රී ලංකන් ගුවන් සේවය සහ මිහින් ලංකා සමාගම ඒකාබද්ධ කිරීම පිණිස වන යෝග්‍ය සැලැස්මක් කඩිනමින් සකස් කොට, එකී සැලැස්ම, සලකා බැලීම පිණිස ආර්ථික කටයුතු පිළිබඳ අමාත්‍ය මණ්ඩල අනුකාරක සභාව වෙත ඉදිරිපත් කිරීම; සහ

(ii) ශ්‍රී ලංකන් ගුවන් සේවය සහ මිහින් ලංකා සමාගම සඳහා බාධාවකින් තොරව ඉන්ධන සැපයීම තහවුරු කිරීම පිණිස, එම ආයතන වෙත ඉන්ධන ලබා දීම වෙනුවෙන් ලංකා බැංකු තෙල් නීතිලත සංස්ථාවට අයවිය යුතු හිඟ මුදල් පියවීම සඳහා එකී ගුවන් සේවා දෙක (02) වෙනුවෙන් ඇපකරයක් හෝ විශ්වසනීය ලිපියක් නිකුත් කරන ලෙස භාණ්ඩාගාරයේ ලේකම්වරයාට නියම කිරීම.

ක්‍රියා කළ යුතු: මුදල් අමාත්‍යාංශය  
ගුවන් සේවා අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට ඇත.

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## B. Events Leading to GOSL Approval of Three Year Business Plan

17 <sup>th</sup> April 2015	Cabinet Memorandum seeking approval for Treasury to grant capital infusion of USD 125M and USD 25M to UL and MJ respectively by 30th April 2015
17 <sup>th</sup> April 2015	Direction from Cabinet for UL and MJ Board to prepare plan to amalgamate UL and MJ at the earliest and submit plan to Cabinet Sub Committee on Economic Affairs
26 <sup>th</sup> May 2015	Presentation made to the Board on proposed restructuring plan – proposed implementation 1st October 2015
26 <sup>th</sup> May 2015	UL Board agreed with the proposed Plan and decided to submit to Hon. Prime Minister and Hon. Minister of Finance on 29th May 2015 after obtaining concurrence of Hon. Minister of Aviation.
28 <sup>th</sup> May 2015	Presentation made to Hon. Minister of Aviation
29 <sup>th</sup> May 2015	Presentation made to Hon. Prime Minister and Hon. Minister of Finance  (with second option (Option 2) requested to be included by Hon. Minister of Finance)
1 <sup>st</sup> June 2015	Cabinet Sub Committee on Econ. Affairs appointed Committee to review the two Options. Chairman UL requested to convene a meeting
5 <sup>th</sup> June 2015	Presentation made to the Committee by UL
5 <sup>th</sup> June 2015	Committee unanimously recommended Option 1 – i.e. UL continuing operations within the existing corporate structure, under a comprehensive restructuring plan and also amalgamating MJ
9 <sup>th</sup> June 2015	Cabinet Sub Committee on Econ. Affairs approved the recommendation of the Committee
24 <sup>th</sup> June 2015	Concurrence of Cabinet of Ministers received

C. UL Route Analysis Summary

Per Block Hour Route Analysis by Contribution to Fixed Cost after Lease and Crew Layover

At 2015/16 budgeted fuel price of USC 212 per AG (USD 67 per Crude Barrel)

All figures in USD '000

Indian Subcontinent

RANK	ROUTE	AC CATEGORY	CONTRIBUTION TO FC AFTER LEASE AND CREW LAYOVER	
			PER BLOCK HOUR	
1	CMB/MAA/CMB	W/B	4.43	
2	CMB/MLE/CMB	W/B	3.25	
3	CMB/BLR/CMB	N/B	3.01	
4	CMB/DEL/CMB	N/B	2.18	
5	CMB/BOM/CMB	N/B	1.34	
6	CMB/MAA/CMB	N/B	1.13	
7	CMB/MLE/CMB	N/B	0.99	
8	CMB/KHI/CMB	N/B	0.24	
9	CMB/TRZ/CMB	N/B	0.23	
10	CMB/TRV/CMB	N/B	(1.08)	
11	CMB/TRV/CMB	W/B	(1.61)	
12	CMB/COK/CMB	N/B	(1.78)	

Middle East

RANK	ROUTE	AC CATEGORY	CONTRIBUTION TO FC AFTER LEASE AND CREW LAYOVER	
			PER BLOCK HOUR	
1	CMB/DOH/CMB	W/B	3.38	
2	CMB/RUH/CMB	W/B	2.84	
3	CMB/DMM/CMB	W/B	2.71	
4	CMB/DXB/CMB	W/B	2.16	
5	CMB/KWI/CMB	W/B	1.27	
6	CMB/MCT/CMB	N/B	0.51	
7	CMB/JED/CMB	W/B	0.48	
8	CMB/AUH/CMB	N/B	0.31	

PROPOSED RE-STRUCTURING PLAN  
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 2015/16 – 2017/18

Far East

				CONTRIBUTION TO FC AFTER LEASE AND CREW LAYOVER	
RANK	ROUTE	AC CATEGORY		PER BLOCK HOUR	
1	CMB/BKK/CAN/BI	W/B		4.08	
2	CMB/BJS/CMB	W/B		3.85	
3	CMB/PVG/CMB	W/B		3.51	
4	CMB/TYO/CMB	W/B		2.73	
5	CMB/BKK/HKG/B	W/B		1.75	
6	CMB/KMG/CMB	N/B		0.77	
7	CMB/KUL/CMB	N/B		(0.01)	
8	CMB/SIN/CMB	N/B		(0.90)	
9	CMB/BKK/CMB	N/B		(1.16)	

Europe

				CONTRIBUTION TO FC AFTER LEASE AND CREW LAYOVER	
RANK	ROUTE	AC CATEGORY		PER BLOCK HOUR	
1	CMB/LON/CMB	W/B		1.05	
2	CMB/ROM/CMB	W/B		(0.50)	
3	CMB/PAR/CMB	W/B		(0.65)	
4	CMB/FRA/CMB	W/B		(0.73)	

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**D. SriLankan Airlines Business Plan Assumptions**

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**1. Fleet**

The current fleet of 21 aircraft (13 wide-bodied and 8 narrow-bodied aircraft) is to be reduced to 18, (10 wide-bodied and 8 narrow-bodied aircraft) effective 01 October 2015.

Reduction in the size of the fleet requires under mentioned actions:

1. Negotiating with the current Lessor for early return of 3 Airbus A330-200 aircraft (MSN 303, MSN 306 and MSN 311) on 01 October 2015. These aircraft were originally scheduled to be returned to their Lessor in January 2017.
2. Negotiating with Lessors the deferment of induction of 4 new Airbus A350-900 aircraft scheduled for delivery in 2016 (3 aircraft) and in 2017 (1 aircraft).

Subject to successful conclusion of negotiations with the respective Lessors, as highlighted in 1 and 2 above, the aircraft fleet will see the following changes during the plan period:

Table 1: Three Year Fleet Changes

	Additions	Retirements	Deferments
<b>2015/16</b>			
Airbus A330-300 Aircraft (Assuming adoption of 1(a))	4		
Airbus A330-200 Aircraft		4	
Airbus A340-300 Aircraft		3	
<b>2016/17</b>			
Airbus A350-900 Aircraft			3
<b>2017/18</b>			
Airbus A321-200 NEO	4		
Airbus A320-200 Aircraft		3	
Airbus A330-200 Aircraft		1	
Airbus A350-900 Aircraft			1
<b>Total</b>	<b>8</b>	<b>11</b>	<b>4</b>

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The operating fleet will remain at 18 from October 2015 throughout the plan period.

Table 2: Three Year Fleet

	2015/16		2016/17	2017/18
	April to September	October to March	April to March	April to March
A320-200	6	6	6	3
A321-200	2	2	2	2
A321-NEO				4
A330-200	7	3	3	2
A330-300	3	7	7	7
A340-300	3			
<b>Total</b>	<b>21</b>	<b>18</b>	<b>18</b>	<b>18</b>

No penalties have been considered in this plan on account of early termination/deferment of aircraft.

The following seat capacities are assumed for each type of aircraft:

Table 3: Seat Capacities

Aircraft Type	Business	Economy	Total
A320-200 (4 Units)	16	120	136
A320-200 (2 Units)	12	138	150
A321-200 (2 Units)	16	153	169
A321-200 NEO	12	138	150
A330-200	18	251	269
A330-300	28	269	297
A340-300 (2 units)	24	271	295
A340-300 (1 Unit)	38	205	243



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2. Network & Operating Plan

Table 4: Weekly Frequency plan

Route	2015/16 April - September	2015/16 October - March	2016/17 April - March	2017/18 April - March
<b>Europe</b>				
CMB/FRA/CMB	4	-	-	-
CMB/LON/CMB	7	7	7	7
CMB/PAR/CMB	4	-	-	-
CMB/ROM/CMB	3	-	-	-
<b>Europe Total</b>	<b>18</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Indian Sub Continent</b>				
CMB/BLR/CMB	11	11	11	11
CMB/BOM/CMB	7	7	7	7
CMB/COK/CMB	14	14	14	14
CMB/DEL/CMB	7	7	7	7
CMB/KHI/CMB	7	7	7	7
CMB/MAA/CMB	26	26	26	26
CMB/MLE/CMB	32	30	28	28
CMB/TRV/CMB	7	7	7	7
CMB/TRZ/CMB	14	14	14	14
<b>Indian Sub Continent Total</b>	<b>126</b>	<b>123</b>	<b>121</b>	<b>121</b>
<b>Middle East</b>				
CMB/AUH/CMB	7	9	11	11
CMB/DMM/CMB	4	4	4	4
CMB/DOH/CMB	7	7	7	7
CMB/DXB/CMB	7	7	7	7
CMB/JED/CMB	5	4	4	4
CMB/KWI/CMB	7	7	7	7
CMB/MCT/CMB	4	2	-	-
CMB/RUH/CMB	5	5	5	5
<b>Middle East - Total</b>	<b>46</b>	<b>45</b>	<b>45</b>	<b>45</b>
<b>South East Asia</b>				
CMB/BJS/CMB	4	4	4	4
CMB/BKK/CAN/BKK/CMB	4	4	4	4
CMB/BKK/CMB	7	7	7	7
CMB/BKK/HKG/BKK/CMB	3	3	3	3
CMB/KMG/CMB	3	3	3	3
CMB/KUL/CMB	14	14	14	14
CMB/PVG/CMB	4	4	4	4
CMB/SIN/CMB	19	19	19	19
CMB/TYO/CMB	4	4	4	4
<b>South East Asia Total</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>
<b>Grand Total</b>	<b>252</b>	<b>238</b>	<b>235</b>	<b>235</b>

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### 3. Passenger Forecast, Capacity and Seat Factor

The passenger traffic forecast for the financial year 2015/16 is based on fair share derived from QSI (Quality Service Index), changes in capacity, expected market growth rates based on PPP (Purchasing Power Parity) of respective markets, growth in tourism and actual carriage experienced in 2014/15. For the financial years 2016/17 and 2017/18, the passenger forecast is based on average growth rate of PPP of the respective countries (average growth rate of last 4 years up to 2014 were considered for the next two years - source IMF,). In situations where demand exceeds capacity, the cabin factor has been capped at 87% while taking a further yield increase to reflect excess demand.

Effective October 2015, following changes to the network have been incorporated and the passenger numbers have been adjusted accordingly;

- Discontinuation of flights to Frankfurt, Paris, Rome and Muscat
- Reduction in Frequencies to Jeddah from 5 frequencies per week to 4 Frequencies
- Introduction of 4 additional frequencies per week to Abu Dhabi

Capacity is expected to remain unchanged during 2016/17 and 2017/18. It is also assumed that competitor capacity growth will be on par with the industry growth rates.

No new routes or frequency/capacity increases are planned and the average seat factor is projected to reach 80.7% in 2015/16, 80.1% in 2016/17 and 81.2% in 2017/18.

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### 4. Yield

Each market's origin & destination (O&Ds) traffic has been segregated into three categories based on fair share derived from QSI (Quality Service Index) based on Leadership Position, Competitive Position and Challenger Position. In leadership position markets, a yield increase of up to 10% have been taken while the yields of markets in competitive position and challenger position were increased up to 5% and 3% respectively. For the financial years 2016/17 and 2017/18, overall yield increase has been capped at 5%.

The overall Yield per Passenger Revenue Kilometre is expected to reach USC 6.7 in 2016/17 and USC 7.1 in 2017/18, reflecting a 5.2% and 5.7% YRPK increase respectively. As significant currency exchange rate fluctuations have been experienced during the last 9 months, Bloomberg forecast exchange rates have been used in the 3 year plan to convert point of sale local currency revenues into USD. Based on these forecast rates, the impact due to exchange rates on passenger revenue is expected to be a positive of 0.3% in 2016/17 and a positive of 0.9% in 2017/18.

### 5. Passenger Revenue

Revenue from passenger, cargo, mail and excess baggage is projected to grow from USD 815 million in 2015/16 to USD 845 million in 2017/18, reflecting a growth rate of 4%.

### 6. Cargo Revenue

Cargo revenue is initially expected to shrink from the previous Budget of USD 107 million due to the planned capacity reduction on services to Europe commencing 01 October 2015. Revenue is expected to stabilise at around USD 90 million by the third year.

### 7. Profitability

The plan is projected to reduce the 2015/16 Budgeted deficit from Airline operations of USD 137 million to USD 129 million in the first year.

Deficit from Airline operations is projected to decline progressively to USD 90 million in 2016/17 and to USD 55 million in 2017/18.

Overall financial results of the Company are projected at following levels:

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**Option 1** – Assuming that a 40% stake in the SriLankan Ground Handling business (Airport Services BIA) and a 49% stake in SriLankan Catering are sold

Table 5: Three Year Planned Financials

In USD M	Approved Budget	Adjusted Budget*	Forecast	Forecast
	2015/16	2015/16	2016/17	2017/18
<b>Profit/(Loss) From Air Transportation</b>	<b>(137.2)</b>	<b>(128.8)</b>	<b>(90.2)</b>	<b>(55.4)</b>
Airport Services (BIA)**	22.4	30.1	22.2	15.0
Dividends From SriLankan Catering***	14.0	10.5	7.0	7.0
Other	7.1	10.0	10.9	10.0
<b>Net Profit/(Loss) of The Company</b>	<b>(93.7)</b>	<b>(78.3)</b>	<b>(50.1)</b>	<b>(23.4)</b>

\* 6 months of new operating plan effective October 2015.

\*\* Assumes a 40% stake in Ground Handling to be divested in 2016/17

\*\*\* Assumes a 49% stake in SriLankan Catering to be divested in 2015/16.

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**8. Direct Operating Costs**

**8.1. Aviation Fuel Costs**

Aviation fuel cost has been projected, based on under mentioned Jet Fuel prices and fuel burn estimates:

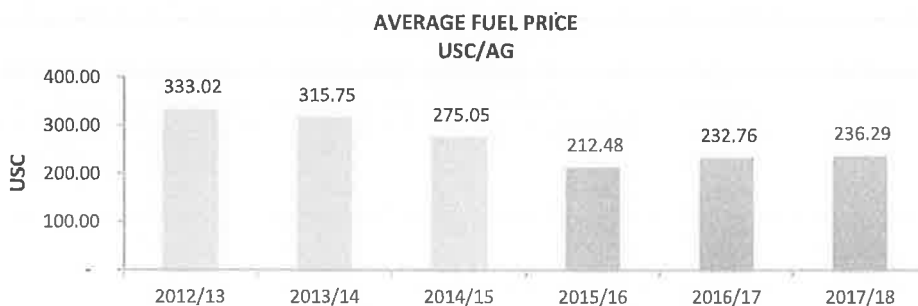
Table 6: Fuel Price Forecast

	2015/16	2016/17	2017/18
Crude Oil (ICE/BRENT) – USD/BBL	67.24	75.76	77.24
Jet Fuel – USC/AG	212.48	232.76	236.29
Fuel Burn – Million AG	125.17	111.33	109.80

In estimating projected fuel prices, Bloomberg forecast of median Crude oil price (ICE/BRENT) for each year has been used as the basis. An allowance of USD 12/BBL to represent the Crack spread and a further differential of USD 10/BBL for logistics costs have been added to the Crude oil price to arrive at the into-plane price of Jet fuel.

The average price of Jet fuel paid by SriLankan in previous years and projections for the plan period are follows:

Figure 1: Average Fuel Price 2012 - 2018



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Expected Fuel burn efficiencies from the new generation Airbus Aircraft to enter the fleet are reflected in fuel burn projections.

### 8.2. Aircraft Maintenance

Aircraft maintenance costs for the planning horizon are computed as follows:

Heavy maintenance visits, engine overhaul and landing gear overhaul expenses are accounted on an accrual basis.

The cost of labour and material used for providing Line and Base maintenance services by the SriLankan Engineering SBU is charged to Aircraft Maintenance on a Power-by-the hour basis. Component overhaul costs, consumables and C-check costs are also included in this cost component.

Total aircraft maintenance cost in USD can be expressed per block hour as follows:

Table 7: Per Block Hour Maintenance Cost

Aircraft Type (Cost in USD)	2015/16	2016/17	2017/18
<b>Narrow-bodied Aircraft</b>			
A320-200	971	1,082	1,022
A321-200	922	1,116	1,179
A321-NEO			1,119
<b>Wide-bodied Aircraft</b>			
A330-200	1,999	2,297	2,141
A330-300	1,438	1,541	1,537

Maintenance cost reductions resulting from the progressive induction of new generation aircraft to the fleet are reflected in the block hour rates.

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### 8.3. Landing, Handling, and Overflying

These variable costs have been projected at the route level and reflect the cost savings resulting from changes to the route network and frequencies.

Costs for 2016/17 and 2017/18 have been projected by taking a 2% year on year inflation.

### 8.4. In-flight Catering

In-flight catering costs have been computed at the route level, allowing for a 2% YoY inflation adjustment in 2016/17 and in 2017/18.

### 8.5. Crew Layover

These variable costs, which represent crew accommodation, subsistence and transport have been projected at the route level and reflect the cost savings resulting from changes to the route network and frequencies.

A 2% YoY inflation adjustment has been built in to the projections in 2016/17 and in 2017/18.

## 9. Overheads

### 9.1. Payroll costs

The total staff cadre is expected to remain at 6,987 during the plan period, with the exception of 52 members of the Technical Crew (Pilots) and 193 members of the Cabin Crew to be declared surplus to requirements due to restructuring of the route network effective October 2015.

In addition, 27 staff members currently employed in Paris, Frankfurt and Rome Sales and Airport offices are to be made redundant effective October 2015, with the closure of their respective offices.

Annual increments for staff based in Sri Lanka have been provided for at 15% per year and at 2% for the Technical Crew, based on the terms of the respective collective Bargaining Agreements (CBA's) with various employee groups.

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## 9.2. Aircraft related fixed costs

Aircraft lease rentals in respect of existing and additions to the fleet are based on actual contracted rates.

Average monthly Lease rentals by type of aircraft are given below:

Table 8: Average Monthly Aircraft Lease

Aircraft Type	Average Rent per month In USD
Airbus A320-200	290,991
Airbus A321-200	280,000
Airbus A321-200 NEO	467,196
Airbus A330-200	511,667
Airbus A330-300	1,077,603
Airbus A340-300	516,333

Aircraft insurance and license charges are expected to decrease from USD 3.99 million in 2015/16 to USD 3.70 million in 2016/17 and 2017/18.

Aircraft retrofit (Cabin Upgrade) costs are amortised over the shorter of 10 years or until lease completion date. Due to the proposed early retirement of Airbus A330-300 aircraft (MSN 303, MSN 306 and MSN 311), unamortised retrofit costs amounting to USD 5.89 million have been charged in full in 2015/16.

Depreciation of Rotable Spares have been charged to the Profit & Loss account at USD 3.09 million, USD 2.88 million and USD 3.59 million respectively, in 2015/16, 2016/17 and 2017/18.



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### 9.3. Area /Other Costs

Marketing variable costs such as Global Distribution System cost and Over-riding Commissions – passenger are projected forward based on 2015/16 approved budget, adjusted for projected passenger numbers. A 2%, YoY inflation adjustment has been built in to the projection of other marketing costs in 2016/17 and in 2017/18.

### 9.4. Corporate Overheads

Corporate overheads are projected forwards based on 2015/16 approved budget. A 2%, YoY inflation adjustment has been built in to the projections in 2016/17 and in 2017/18.

## 10. Cost Reduction Programme

Initiatives aimed at reducing controllable direct and indirect costs by 2% and 15% respectively have been identified at line level and their impact reflected in the projections. These initiatives are projected to reduce total operating cost by USD 51 million over the plan period.

## 11. Capital Expenditure

Following provisions are made for capital expenditure:

2015/16 – USD 20 million (includes Cabin Refurbishment cost of USD 6 m)

2016/17 – USD 15 million

2017/18 – USD 10 million

## 12. Dividends

No dividend payout is planned for the next three years.

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**13. Debt Restructuring and Funding**

The outstanding debt of the Company at 31 March 2015 stood at USD 567.5 million.

Table 9: Outstanding Debt as at 31 March 2015

	Interest Rate	Balance as at 31st Mar-15 USD M	Repayment Completion Date
Standard Chartered Bank Syndicate Loan	LIBOR+4%	100.0	March 2017
Ceylon Petroleum Corporation (CPC)	LIBOR+4%	47.9	July 2016
Bank of Ceylon - Short Term Loan ( <i>in LKR</i> )	9%	39.0	July 2015
Standard Chartered Bank – Short Term	LIBOR +4%	23.1	Aug-2015
Commercial Bank of Ceylon PLC – 3 Term Loans	LIBOR+4% - 6%	16.2	Dec-17- Aug-18
Bank of Ceylon - Term Loan	6.5%	3.9	Apr-2016
Amana Bank	LIBOR+5.5%	2.2	Dec-2021
Air Lease Corporation	1.6%	0.5	Jul-2017
GOSL Guaranteed International Bond	5.3%	175.0	Jun-2019
CPC Extended Credit ( <i>in LKR</i> )	11.5%	108.0	
BOC Overdraft	6.5%	42.7	
AASL Overdue		9.0	
<b>Total</b>		<b>567.5</b>	

The Company proposes to fund the repayment of outstanding debt and working capital requirement using a combination of a) Debt: Equity Swaps, b) disposal of a 49% stake in SriLankan Catering in 2015/16, c) disposal of a 40% stake in Ground Handling in 2016/17, d) additional equity contributions from the GOSL and e) re-issuance of the International Bond upon maturity in June 2019.

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a) Debt: Equity Swap with Bank of Ceylon in 2015/16

Table 10: Debt: Equity Swap BoC

		USD M
	To repay outstanding loans to BoC	43
	To liquidate overdraft	43
	<b>Total</b>	<b>86</b>

b) & C) Sale of minority stakes in SBU's (valued at 12X projected earnings)

Table 11: Sale of Minority Stakes in SBUs

		USD M
SriLankan Catering	2015/16	85
Ground Handling	2016/17	140
	<b>Total</b>	<b>225</b>

d) Additional Equity from GOSL

Table 12: Additional Equity from GOSL

		USD M
	2014/15 Overdue	125
	2015/16	70
	2016/17	60
	<b>Total</b>	<b>255</b>

**Total Funding over the plan period 566**

No provision has been made in the Profit & Loss projections or in Cash Flows in respect of one-off costs associated with the restructuring, currently estimated at USD 50 million. The Company would seek a Bank facility guaranteed by GOSL and repayable over 10 years to meet this contingency.

## SRILANKAN AIRLINES Re-structuring Plan

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### 14. Organisational Restructuring

It is proposed that the Strategic Business Units - SriLankan Airport Services (Ground Handling at the BIA), SriLankan Engineering & Maintenance, and SriLankan Training be converted to fully owned subsidiaries of SriLankan Airlines, enabling these businesses to raise capital/form joint ventures to realise their full potential, while being service partners to the airline.

With this conversion, SriLankan Engineering & Maintenance, SriLankan Airport Services and SriLankan Training will join the ranks of SriLankan Catering as fully owned Subsidiaries of SriLankan Airlines.

It is also proposed that the Government of Sri Lanka (GOSL) transfer its 100% shareholding in Mihin Lanka to SriLankan Airlines (SLA), thereby converting Mihin Lanka to a fully owned subsidiary of SriLankan Airlines.

Mihin Lanka will be rebranded and will continue to operate as a Low Cost Carrier.

It is also proposed to divest a 49% stake in SriLankan Catering in 2015/16, and a 40% stake in SriLankan Airport Services (Ground Handling at the BIA) SriLankan Ground Handling in 2016/17. These measures, are expected to generate approximately USD 85 million and USD 140 million respectively, based on an assumed earnings multiple of x12.

PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

E. UL Three Year Plan | Profit and Loss Statement

SRILANKAN AIRLINES LIMITED  
RE-STRUCTURING PLAN  
PROFIT & LOSS ACCOUNT

PROFIT & LOSS ACCOUNT	In USD M		
	2015/16	Projections 2016/17	2017/18
<b>OPERATING REVENUE</b>			
PASSENGER	711.7	697.9	748.2
EXCESS BAGGAGE	5.8	5.7	5.7
MAIL	1.5	1.4	1.4
CARGO	96.1	88.0	89.5
	815.1	793.0	844.7
NON - SCHEDULED SERVICES	1.0	1.0	1.0
	816.1	794.0	845.7
WRITE-BACK REVENUE	10.5	9.1	9.1
FFP NET ACCRUALS	(1.2)	(1.0)	(1.0)
NET TRAFFIC REVENUE	825.4	802.0	853.7
<b>OPERATING EXPENDITURE</b>			
AIRCRAFT STANDING CHARGES	16.1	7.9	8.9
AIRCRAFT LEASE CHARGES	145.8	150.4	156.3
AIRCRAFT MAINTENANCE & OVERHAUL	126.8	120.8	118.7
AVIATION FUEL & OIL	265.1	259.2	259.5
FLIGHT OPERATIONS	54.8	52.8	55.0
PASSENGER SERVICES	87.7	80.5	82.4
STATION & TRAFFIC	109.1	97.5	100.3
MARKETING	90.5	86.8	91.9
ADVERTISING & PROMOTIONS	8.0	7.5	7.6
ADMINISTRATION	16.2	17.1	19.4
TOTAL OPERATING EXPENDITURE	920.2	880.5	899.9
OPERATING SURPLUS/(DEFICIT) BEFORE FINANCE CHARGES	(94.8)	(78.4)	(46.2)
FINANCE CHARGES	(33.2)	(15.5)	(13.2)
OPERATING SURPLUS/(DEFICIT) BEFORE OTHER INCOME	(128.0)	(94.0)	(59.4)
<b>OTHER INCOME</b>			
IN-FLIGHT DUTY FREE SALES	3.7	3.8	4.0
LOSS ON SALE OF TREASURY BOND	(4.5)	-	-
PROFIT/(LOSS) FROM AIR TRANSPORTATION	(128.8)	(90.2)	(55.4)
AIRPORT SERVICES (BIA)	30.1	22.2	15.0
ENGINEERING PROFIT CENTRE	5.8	6.8	6.7
SRILANKAN TRAINING	1.3	1.4	1.2
SRILANKAN HOLIDAYS	0.2	0.2	0.2
SIMULATOR CENTRE	0.3	0.2	(0.3)
MISCELLANEOUS INCOME	2.4	2.2	2.2
DIVIDENDS FROM SLC	10.5	7.0	7.0
NET PROFIT/(LOSS) OF THE COMPANY	(78.3)	(50.1)	(23.4)
TAX FOR THE YEAR	-	-	-
NET PROFIT/(LOSS) OF THE COMPANY AFTER TAX	(78.3)	(50.1)	(23.4)

PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

F. UL Three Year Plan | Cash Flow Statement

SRILANKAN AIRLINES LIMITED  
RE-STRUCTURING PROJECT  
CASH FLOW STATEMENT

	2015/16 Projection USD M	2016/17 Projection USD M	2017/18 Projection USD M
<b>CASH INFLOW FROM OPERATIONS</b>	<b>925.54</b>	<b>899.85</b>	<b>945.70</b>
Air Transport Operations	831.10	807.57	859.28
Ground Handling, Duty Free Sales & Others	94.44	92.28	86.42
<b>CASH OUTFLOW ON OPERATIONS</b>	<b>(939.79)</b>	<b>(914.41)</b>	<b>(933.03)</b>
Aircraft Leases & related contractual payments	(177.59)	(175.83)	(168.68)
Aviation Fuel-Purchases	(265.12)	(259.16)	(259.46)
Aircraft Engine and other Overhauls	(49.14)	(58.04)	(70.65)
Other Operating Expenditure & Working Capital	(447.94)	(421.38)	(434.23)
<b>NET OPERATING CASH INFLOW/(OUTFLOW)</b>	<b>(14.25)</b>	<b>(14.57)</b>	<b>12.67</b>
<b>CASH OUTFLOW ON CAPEX &amp; AIRCRAFT DEPOSITS</b>	<b>5.40</b>	<b>(13.48)</b>	<b>(10.00)</b>
Capital Expenditure	(19.75)	(15.00)	(10.00)
Net Aircraft Pre-delivery/BFE Payments and Net Security Deposits	25.16	1.52	
<b>NET CASH INFLOW/(OUTFLOW) AFTER CAPEX &amp; AC DEPOSITS</b>	<b>(8.84)</b>	<b>(28.05)</b>	<b>2.67</b>
<b>DEBT SERVICE COSTS</b>	<b>(311.14)</b>	<b>(91.38)</b>	<b>(22.67)</b>
Loan Repayments - Capital Component of CPC Loan	(31.58)		
Loan Repayments - Capital Component of Loans from BOC	(42.90)		
Loan Repayments - Capital Component of Other Loans	(83.64)	(76.86)	(9.98)
Interest Payments & Finance Costs	(36.02)	(14.53)	(12.69)
Repayment of Overdue Invoices - CPC	(108.00)		
Repayment of Overdue Invoices - AASL	(9.00)		
<b>NET CASH INFLOW/(OUTFLOW) AFTER DEBT SERVICE COSTS</b>	<b>(319.99)</b>	<b>(119.43)</b>	<b>(20.01)</b>
<b>TO BE FINANCED BY:</b>	<b>365.55</b>	<b>200.00</b>	<b>-</b>
GOSL Equity Contribution for 2014/15	125.00	60.00	
GOSL Equity Contribution for 2015/16	70.00		
Debt: Equity Swap with BOC - Against Loans	42.90		
Debt: Equity Swap with BOC - Against Overdraft	42.65		
Sale of 40% of SriLankan Airport Services		140.00	
Sale of 49% of SriLankan Catering	85.00		
<b>NET CASH INFLOW/(OUTFLOW) AFTER EXTERNAL FINANCING</b>	<b>45.56</b>	<b>80.57</b>	<b>(20.01)</b>
CASH BALANCE BROUGHT FORWARD	(5.81)	39.75	120.33
CASH BALANCE CARRIED FORWARD	39.75	120.33	100.32
<b>FREE CASH</b>	<b>25.64</b>	<b>106.22</b>	<b>100.32</b>

PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

G. UL Three Year Plan | Balance Sheet

SRILANKAN AIRLINES LIMITED  
RE-STRUCTURING PROJECT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH

	2015/16 Projection USD M	2016/17 Projection USD M	2017/18 Projection USD M
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	71.05	60.57	51.17
Aircraft Predelivery Payments	18.47	19.89	19.89
Aircraft Maintenance Reserve	124.09	149.57	161.96
Aircraft and Spare Engine Deposits	44.60	41.66	41.66
Intangible Asset	9.63	9.63	9.63
Investments	0.16	6.16	6.16
	268.01	287.49	290.48
<b>Current Assets</b>			
Inventories	36.72	35.26	33.80
Trade and Other Receivables	99.25	98.28	97.74
Aircraft Predelivery Payments	-	-	-
Net Cash and Bank Balances	39.75	120.32	100.31
	175.73	253.86	231.85
<b>Total Assets</b>	<b>443.74</b>	<b>541.35</b>	<b>522.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	668.65	728.65	728.65
Reserves	103.75	239.75	239.75
Accumulated Loss	(1,042.50)	(1,092.63)	(1,116.07)
<b>Total Equity</b>	<b>(270.10)</b>	<b>(124.23)</b>	<b>(147.67)</b>
<b>Non-Current Liabilities</b>			
Interest Bearing Liabilities	180.48	175.00	175.00
Other Longterm Liabilities	85.29	108.35	117.20
	265.77	283.35	292.20
<b>Current Liabilities</b>			
Sales in Advance of Carriage	141.09	145.59	150.09
Trade and Other Payables	221.61	222.64	223.67
Income Tax Payable	-	-	-
Interest Bearing Liabilities	85.38	14.00	4.03
	448.08	382.23	377.79
<b>Total Equity and Liabilities</b>	<b>443.74</b>	<b>541.35</b>	<b>522.33</b>

SriLankan Airlines Re-structuring Plan				
Monetary Values In USD 000s				
Profit and Loss Account				
	2014/15 Actual	2015/16 Projection	2016/17 Projection	2017/18 Projection
<b>Net Revenue</b>				
Passenger	782,030	711,710	697,940	748,160
Excess Baggage	6,917	5,835	5,729	5,679
Mail	1,307	1,453	1,356	1,356
Cargo	103,051	96,060	87,976	89,507
Non-scheduled services/FFP net accruals	7,472	(207)	(35)	(35)
Write-back Revenue	19,922	10,528	9,074	9,074
<b>Total Operating Revenue</b>	<b>920,698</b>	<b>825,379</b>	<b>802,041</b>	<b>853,742</b>
<b>Direct Operating Costs</b>				
Fuel	409,371	265,053	259,158	259,465
Landing	27,665	24,433	23,026	23,487
Handling	55,342	41,803	35,102	35,825
Overflying	34,091	24,503	21,260	21,685
Aircraft Maintenance - Block Hour Charge	55,069	46,080	41,303	41,303
Aircraft Maintenance - Other	57,232	80,721	79,526	77,403
Inflight Catering	44,845	39,322	36,672	37,425
<b>Total D.O.Cs</b>	<b>683,615</b>	<b>521,915</b>	<b>496,047</b>	<b>496,592</b>
<b>Contribution to Fixed Costs</b>	<b>237,083</b>	<b>303,463</b>	<b>305,994</b>	<b>357,150</b>
<b>Fixed costs</b>				
Aircraft Related	181,454	203,173	196,790	206,283
Crew Layover	34,940	38,829	35,808	35,970
Area/other	124,601	126,867	120,892	127,271
<b>Total Fixed Costs</b>	<b>340,995</b>	<b>368,869</b>	<b>353,490</b>	<b>369,523</b>
<b>Total Route Costs</b>	<b>1,024,610</b>	<b>890,784</b>	<b>849,537</b>	<b>866,115</b>
<b>Contribution to Corporate Overheads</b>	<b>(103,912)</b>	<b>(65,406)</b>	<b>(47,496)</b>	<b>(12,373)</b>
Corporate Overheads	31,970	29,408	30,953	33,806
Finance charges	33,969	33,213	15,502	13,237
<b>Surplus/(Deficit) - Airline Operations</b>	<b>(169,851)</b>	<b>(128,026)</b>	<b>(93,951)</b>	<b>(59,416)</b>
Airport Services (BIA)	30,389	30,071	22,200	15,000
Airport Services Mattala (HRI)	(1,391)	-	-	-
In-flight Dutyfree Sales	3,386	3,671	3,801	4,041
Engineering Profit Centre	1,754	5,795	6,840	6,656
Provision for Bad Debts	(1,589)	-	-	-
Loss On Sale Of Treasury Bonds	-	(4,463)	-	-
SriLankan Training	366	1,610	1,607	912
SriLankan Holidays	249	179	183	181
Miscellaneous Revenue	1,062	2,370	2,190	2,190
Revaluation of FlysMiles	(5,542)	-	-	-
Dividends from SLC	17,275	10,500	7,000	7,000
Tax for the year	(165)	-	-	-
<b>Company Surplus/(Deficit)</b>	<b>(124,056)</b>	<b>(78,293)</b>	<b>(50,130)</b>	<b>(23,437)</b>
<b>Commercial Information</b>				
Leg Seats available	5,720,872	5,314,626	5,021,848	5,021,848
Pax Nos.	4,347,673	4,282,139	4,055,405	4,103,380
RPK (000's)	12,963,706	11,588,459	10,464,892	10,615,543
ASK (000's)	16,180,265	14,356,976	13,114,476	13,114,476
Seat Factor % - Overall	80%	81%	80%	81%
Cargo Tons	101,878	95,109	86,251	86,910
Cargo RTK (000's)	373,321	343,067	279,201	279,201
Cargo Yield/Actual Weight Kg. (USD)	1.01	1.01	1.02	1.03
RTK (000's)	1,519,929	1,386,028	1,221,041	1,234,600
ATK (000's)	2,224,868	1,953,378	1,742,859	1,742,859
Overall Load Factor %	68%	71%	70%	71%
Pax Yield/RPK - Overall	0.0603	0.0614	0.0667	0.0705
Pax Yield/ASK	0.0483	0.0496	0.0532	0.0570
Cargo Yield/Cargo RTK	0.2760	0.2800	0.3151	0.3206
No. of Flights	13,203	12,663	12,220	12,220
No. of Departures	27,873	26,056	25,168	25,168
Block Hours	98,689	89,563	83,144	83,144
Aircraft Utilization - Blk. Hrs. per day				
Narrow Body	13.20	13.39	13.59	12.08
Wide body	11.74	13.89	11.97	13.30
Fleet	12.32	13.67	12.69	12.69
Average Fuel Burn-off/Block Hour				
A 320	869	836	835	835
A 321	830	925	925	925
A 332	1,847	1,816	1,774	1,774
A 333	1,794	1,776	1,774	1,774
A 343	2,092	1,984	-	-
Average Fuel Price (USC/AG)	275	212	233	236
Unit Cost/ATK	0.4902	0.4881	0.5141	0.5239
Unit Cost/ATK (excluding fuel)	0.3062	0.3524	0.3654	0.3751
Total Maintenance Cost/ATK	0.0505	0.0649	0.0693	0.0681
Net Revenue/RTK	0.6058	0.5955	0.6569	0.6915
BELF(before corp. overheads)	76.03	76.58	74.21	71.86
BELF(after corp. overheads)	80.92	81.96	78.27	75.77
Operating Ratio %	89.86	92.66	94.41	98.57
RASK	0.0569	0.0575	0.0612	0.0651
CASK	0.0674	0.0664	0.0683	0.0696
CASK (excluding fuel)	0.0421	0.0479	0.0486	0.0498
CASK (excl. fuel & finance chgs)	0.0400	0.0456	0.0474	0.0488



H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS  
 SRILANKAN AIRLINES LTD  
 PERFORMANCE OF WORLDWIDE ROUTES  
 INDIAN SUB CONTINENT

In USD '000

Description	Actual 2014/15	2015/16	Projection 2016/17	2017/18
<b>Net Revenue</b>				
Passenger	153,587	153,773	154,858	164,395
Excess Baggage	1,233	1,010	990	969
Mail	10	11	10	10
Cargo	19,333	19,419	19,784	20,129
Non-scheduled services/FFP net accruals	850	(45)	(8)	(8)
<b>Total Traffic Revenue</b>	<b>175,014</b>	<b>174,168</b>	<b>175,635</b>	<b>185,496</b>
<b>Direct Operating Costs</b>				
Fuel	57,694	43,953	45,613	44,834
Landing	9,889	10,257	9,705	9,899
Handling - overseas	14,515	12,161	10,576	10,948
Overflying	1,781	1,854	1,865	1,902
Aircraft Maintenance	20,414	23,195	23,848	23,642
Inflight Catering	12,219	12,504	12,182	12,432
<b>Total D.O.C.s</b>	<b>116,512</b>	<b>103,923</b>	<b>103,788</b>	<b>103,657</b>
<b>Contribution to Fixed Costs</b>	<b>58,502</b>	<b>70,245</b>	<b>71,847</b>	<b>81,838</b>
<b>Fixed Costs</b>				
Aircraft Related	34,875	33,866	33,030	37,650
Crew Layover & Productivity	7,029	8,250	8,036	8,072
Area/Other	25,475	28,068	27,821	28,958
<b>Total Fixed Costs</b>	<b>67,380</b>	<b>70,184</b>	<b>68,887</b>	<b>74,681</b>
<b>Total Route Costs</b>	<b>183,892</b>	<b>174,107</b>	<b>172,675</b>	<b>178,338</b>
<b>Contribution to Corporate Overheads</b>	<b>(8,878)</b>	<b>61</b>	<b>2,960</b>	<b>7,157</b>
<b>Commercial Information</b>				
Leg Seats available	2,359,613	2,266,182	2,146,456	2,146,456
Pax Nos.	1,810,296	1,822,020	1,726,347	1,735,119
RPK (000's)	1,569,805	1,593,661	1,527,242	1,534,489
ASK (000's)	2,007,309	1,992,831	1,914,812	1,914,812
Seat Factor % - Overall	78.20	79.97	79.76	80.14
Cargo Tons	35,440	35,964	31,718	31,960
Cargo RTK (000's)	30,770	32,365	28,818	28,818
Cargo Yield/Actual Weight Kg. (USD)	0.55	0.54	0.62	0.63
RTK (000's)	167,898	175,794	166,270	166,922
ATK (000's)	245,205	243,473	230,290	230,290
Overall Load Factor %	68.47	72.20	72.20	72.48
Pax Yield/RPK - Overall	0.0978	0.0965	0.1014	0.1071
Pax Yield/ASK	0.0765	0.0772	0.0809	0.0859
Cargo Yield/Cargo RTK	0.6283	0.6000	0.6865	0.6985
No. of Flights	6,436	6,411	6,292	6,292
No. of Departures	13,131	12,822	12,584	12,584
Block Hours	20,472	20,230	19,905	19,905
Unit Cost/ATK	0.75	0.76	0.78	0.81
Unit Cost/ATK (excluding fuel)	0.51	0.58	0.59	0.61
Total Maintenance Cost/ATK	0.08	0.10	0.10	0.10
Net Revenue/RTK	1.04	0.99	1.06	1.11
BELF(before corp. overheads)	71.95	72.18	70.98	69.69
Operating Ratio %	95.17	94.01	97.32	99.74
RASK	0.0872	0.0874	0.0917	0.0969
CASK (excluding finance chgs)	0.0916	0.0892	0.0923	0.0955
CASK (excl. fuel & finance chgs)	0.0629	0.0672	0.0685	0.0721

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS  
 SRILANKAN AIRLINES LTD  
 PERFORMANCE OF WORLDWIDE ROUTES  
 MIDDLE EAST

In USD '000

Description	Actual 2014/15	2015/16	Projection 2016/17	2017/18
<b>Net Revenue</b>				
Passenger	206,977	206,073	211,253	225,019
Excess Baggage	4,110	3,792	3,760	3,731
Mail	79	70	48	48
Cargo	21,164	24,201	25,217	25,656
Non-scheduled services/FFP net accruals	562	(60)	(10)	(10)
<b>Total Traffic Revenue</b>	<b>232,893</b>	<b>234,076</b>	<b>240,268</b>	<b>254,443</b>
<b>Direct Operating Costs</b>				
Fuel	105,774	79,817	85,044	85,818
Landing	4,354	4,413	4,326	4,413
Handling - overseas	12,431	10,500	9,937	10,074
Overflying	5,860	6,107	6,120	6,242
Aircraft Maintenance	28,686	37,053	38,138	37,298
Inflight Catering	9,967	8,670	8,743	8,923
<b>Total D.O.C.s</b>	<b>167,072</b>	<b>146,560</b>	<b>152,308</b>	<b>152,769</b>
<b>Contribution to Fixed Costs</b>	<b>65,821</b>	<b>87,516</b>	<b>87,960</b>	<b>101,674</b>
<b>Fixed Costs</b>				
Aircraft Related	44,283	59,090	63,897	64,710
Crew Layover & Productivity	6,648	10,426	10,466	10,513
Area/Other	33,685	36,035	36,822	38,834
<b>Total Fixed Costs</b>	<b>84,616</b>	<b>105,550</b>	<b>111,185</b>	<b>114,057</b>
<b>Total Route Costs</b>	<b>251,688</b>	<b>252,110</b>	<b>263,493</b>	<b>266,826</b>
<b>Contribution to Corporate Overheads</b>	<b>(18,795)</b>	<b>(18,034)</b>	<b>(23,225)</b>	<b>(12,383)</b>
<b>Commercial Information</b>				
Leg Seats available	1,200,354	1,215,546	1,190,696	1,190,696
Pax Nos.	994,460	975,763	951,146	962,114
RPK (000's)	3,782,936	3,712,010	3,622,521	3,663,976
ASK (000's)	4,526,493	4,550,706	4,542,400	4,542,400
Seat Factor % - Overall	83.57	81.57	79.75	80.66
Cargo Tons	22,855	25,018	25,239	25,432
Cargo RTK (000's)	88,892	113,710	97,343	97,343
Cargo Yield/Actual Weight Kg. (USD)	0.93	0.97	1.00	1.01
RTK (000's)	427,658	447,791	423,370	427,101
ATK (000's)	632,665	641,851	627,017	627,017
Overall Load Factor %	67.60	69.77	67.52	68.12
Pax Yield/RPK - Overall	0.0547	0.0555	0.0583	0.0614
Pax Yield/ASK	0.0457	0.0453	0.0465	0.0495
Cargo Yield/Cargo RTK	0.2381	0.2128	0.2591	0.2636
No. of Flights	2,456	2,364	2,340	2,340
No. of Departures	4,953	4,728	4,680	4,680
Block Hours	24,304	23,597	23,466	23,466
Unit Cost/ATK	0.40	0.42	0.44	0.45
Unit Cost/ATK (excluding fuel)	0.23	0.30	0.31	0.31
Total Maintenance Cost/ATK	0.05	0.06	0.06	0.06
Net Revenue/RTK	0.54	0.52	0.57	0.60
BELF(before corp. overheads)	73.05	75.14	74.05	71.43
Operating Ratio %	92.53	86.53	86.12	90.00
RASK	0.0515	0.0514	0.0529	0.0560
CASK (excluding finance chgs)	0.0556	0.0575	0.0605	0.0614
CASK (excl. fuel & finance chgs)	0.0322	0.0400	0.0417	0.0425

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS  
 SRILANKAN AIRLINES LTD  
 PERFORMANCE OF WORLDWIDE ROUTES  
 S. E. ASIA & FAR EAST

In USD '000

Description	Actual 2014/15	2015/16	Projection 2016/17	2017/18
<b>Net Revenue</b>				
Passenger	212,334	237,202	255,153	275,211
Excess Baggage	1,039	733	762	764
Mail	584	371	303	303
Cargo	31,100	32,833	30,484	31,014
Non-scheduled services/FFP net accruals	4,902	(69)	(13)	(13)
<b>Total Traffic Revenue</b>	<b>249,958</b>	<b>271,070</b>	<b>286,689</b>	<b>307,280</b>
<b>Direct Operating Costs</b>				
Fuel	114,369	86,662	94,649	94,446
Landing	8,166	7,271	7,375	7,522
Handling - overseas	14,563	12,695	12,125	12,316
Overflying	8,818	8,181	8,305	8,471
Aircraft Maintenance	33,129	42,326	44,491	43,777
Inflight Catering	10,859	11,537	11,694	11,934
<b>Total D.O.C.s</b>	<b>189,905</b>	<b>168,672</b>	<b>178,638</b>	<b>178,466</b>
<b>Contribution to Fixed Costs</b>	<b>60,053</b>	<b>102,398</b>	<b>108,051</b>	<b>128,813</b>
<b>Fixed Costs</b>				
Aircraft Related	52,107	64,756	68,775	73,147
Crew Layover & Productivity	11,887	13,730	13,766	13,828
Area/Other	34,339	42,140	43,786	46,260
<b>Total Fixed Costs</b>	<b>98,333</b>	<b>120,626</b>	<b>126,327</b>	<b>133,235</b>
<b>Total Route Costs</b>	<b>288,237</b>	<b>289,298</b>	<b>304,966</b>	<b>311,702</b>
<b>Contribution to Corporate Overheads</b>	<b>(38,279)</b>	<b>(18,228)</b>	<b>(18,276)</b>	<b>(4,422)</b>
<b>Commercial Information</b>				
Leg Seats available	1,487,715	1,462,042	1,468,480	1,468,480
Pax Nos.	1,024,234	1,184,574	1,206,237	1,233,284
RPK (000's)	3,435,138	3,747,417	3,817,436	3,909,021
ASK (000's)	4,511,497	4,724,093	4,770,997	4,770,997
Seat Factor % - Overall	76.14	79.33	80.01	81.93
Cargo Tons	26,929	24,663	24,518	24,706
Cargo RTK (000's)	113,021	110,876	108,271	108,271
Cargo Yield/Actual Weight Kg. (USD)	1.15	1.33	1.24	1.26
RTK (000's)	412,603	448,144	451,840	460,083
ATK (000's)	617,185	648,505	647,915	647,915
Overall Load Factor %	66.85	69.10	69.74	71.01
Pax Yield/RPK - Overall	0.0618	0.0633	0.0668	0.0704
Pax Yield/ASK	0.0471	0.0502	0.0535	0.0577
Cargo Yield/Cargo RTK	0.2752	0.2961	0.2816	0.2864
No. of Flights	3,019	3,235	3,224	3,224
No. of Departures	7,173	7,200	7,176	7,176
Block Hours	29,868	31,746	31,730	31,730
Unit Cost/ATK	0.47	0.48	0.50	0.51
Unit Cost/ATK (excluding fuel)	0.28	0.35	0.35	0.36
Total Maintenance Cost/ATK	0.05	0.07	0.07	0.07
Net Revenue/RTK	0.61	0.60	0.63	0.67
BELF(before corp. overheads)	77.09	73.75	74.18	72.03
Operating Ratio %	86.72	87.21	88.93	93.31
RASK	0.0554	0.0574	0.0601	0.0644
CASK (excluding finance chgs)	0.0639	0.0633	0.0663	0.0680
CASK (excl. fuel & finance chgs)	0.0385	0.0450	0.0465	0.0482

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS  
SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
EUROPE

In USD '000

Description	Actual 2014/15	2015/16	Projection 2016/17	2017/18
<b>Net Revenue</b>				
Passenger	208,924	114,662	76,676	83,535
Excess Baggage	531	300	218	215
Mail	634	1,001	995	995
Cargo	31,439	19,606	12,491	12,708
Non-scheduled services/FFP net accruals	1,139	(33)	(4)	(4)
<b>Total Traffic Revenue</b>	<b>242,667</b>	<b>135,536</b>	<b>90,375</b>	<b>97,449</b>
<b>Direct Operating Costs</b>				
Fuel	131,215	54,622	33,853	34,367
Landing	5,137	2,492	1,620	1,652
Handling - overseas	13,830	6,446	2,464	2,486
Overflying	17,632	8,362	4,971	5,070
Aircraft Maintenance	29,889	24,228	14,352	13,988
Inflight Catering	11,713	6,611	4,053	4,136
<b>Total D.O.C.s</b>	<b>209,416</b>	<b>102,760</b>	<b>61,313</b>	<b>61,700</b>
<b>Contribution to Fixed Costs</b>	<b>33,251</b>	<b>32,776</b>	<b>29,062</b>	<b>35,750</b>
<b>Fixed Costs</b>				
Aircraft Related	47,895	39,461	25,087	24,775
Crew Layover & Productivity	9,376	6,424	3,540	3,556
Area/Other	30,990	20,625	12,463	13,218
<b>Total Fixed Costs</b>	<b>88,261</b>	<b>66,509</b>	<b>41,091</b>	<b>41,549</b>
<b>Total Route Costs</b>	<b>297,676</b>	<b>169,269</b>	<b>102,404</b>	<b>103,249</b>
<b>Contribution to Corporate Overheads</b>	<b>(55,010)</b>	<b>(33,733)</b>	<b>(12,028)</b>	<b>(5,800)</b>
<b>Commercial Information</b>				
Leg Seats available	632,141	370,856	216,216	216,216
Pax Nos.	507,661	299,782	171,675	172,863
RPK (000's)	4,173,865	2,535,371	1,497,693	1,508,057
ASK (000's)	5,127,661	3,089,345	1,886,268	1,886,268
Seat Factor % - Overall	81.40	82.07	79.40	79.95
Cargo Tons	16,581	9,465	4,776	4,812
Cargo RTK (000's)	140,625	86,115	44,769	44,769
Cargo Yield/Actual Weight Kg. (USD)	1.90	2.07	2.62	2.64
RTK (000's)	511,610	314,299	179,562	180,495
ATK (000's)	728,923	419,550	237,637	237,637
Overall Load Factor %	70.19	74.91	75.56	75.95
Pax Yield/RPK - Overall	0.0501	0.0452	0.0512	0.0554
Pax Yield/ASK	0.0407	0.0371	0.0406	0.0443
Cargo Yield/Cargo RTK	0.2236	0.2277	0.2790	0.2839
No. of Flights	1,155	653	364	364
No. of Departures	2,342	1,306	728	728
Block Hours	23,861	13,990	8,044	8,044
Unit Cost/ATK	0.41	0.43	0.45	0.46
Unit Cost/ATK (excluding fuel)	0.23	0.30	0.31	0.31
Total Maintenance Cost/ATK	0.04	0.06	0.06	0.06
Net Revenue/RTK	0.47	0.43	0.50	0.54
BELF(before corp. overheads)	86.10	93.56	85.62	80.47
Operating Ratio %	81.52	74.98	83.58	89.29
RASK	0.0473	0.0439	0.0479	0.0517
CASK (excluding finance chgs)	0.0581	0.0568	0.0565	0.0572
CASK (excl. fuel & finance chgs)	0.0325	0.0392	0.0386	0.0390

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/MLE/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	20,941.29	18,301.26	21,443.44	22,867.00
Excess Baggage	138.64	111.30	125.15	124.19
Mail	3.36	3.71	3.73	3.73
Cargo	1,364.11	1,490.46	1,860.22	1,892.58
Non-scheduled services/FFP net accruals	83.27	(5.32)	(1.06)	(1.05)
<b>Total Traffic Revenue</b>	<b>22,530.66</b>	<b>19,901.41</b>	<b>23,431.47</b>	<b>24,886.46</b>
<b>Direct Operating Costs</b>				
Fuel	7,643.29	4,651.79	5,505.74	5,337.52
Landing	912.52	821.55	914.54	932.83
Handling - overseas	2,006.03	1,801.58	1,770.66	1,832.29
Aircraft Maintenance	2,813.08	2,790.51	3,264.01	3,252.39
Inflight Catering	1,846.60	1,789.68	1,959.36	1,999.59
<b>Total D.O.C.s</b>	<b>15,221.52</b>	<b>11,855.10</b>	<b>13,414.31</b>	<b>13,354.61</b>
<b>Contribution to Fixed Costs</b>	<b>7,309.15</b>	<b>8,046.31</b>	<b>10,017.16</b>	<b>11,531.84</b>
<b>Fixed Costs</b>				
Aircraft Related	4,231.04	3,877.04	4,159.05	5,006.12
Crew Layover	634.18	1,093.71	1,187.31	1,192.68
Area/Other	3,226.20	3,355.03	3,815.45	3,981.62
<b>Total Fixed Costs</b>	<b>8,091.41</b>	<b>8,325.78</b>	<b>9,161.81</b>	<b>10,180.43</b>
<b>Total Route Costs</b>	<b>23,312.93</b>	<b>20,180.88</b>	<b>22,576.12</b>	<b>23,535.05</b>
Contribution to Corporate Overheads	(782.26)	(279.47)	855.35	1,351.41
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(782.26)</b>	<b>(279.47)</b>	<b>855.35</b>	<b>1,351.41</b>
<b>Commercial Information</b>				
Leg Seats available	308,278.00	291,252.00	315,952.00	315,952.00
Pax Nos.	243,402.00	224,997.08	249,620.65	252,780.40
RPK (000's)	186,955.00	172,797.76	191,708.66	194,135.35
ASK (000's)	236,758.00	221,984.26	242,651.14	242,651.14
Seat Factor % - Overall	78.96	77.84	79.01	80.01
Cargo Tons	2,724.00	2,399.19	2,554.26	2,573.76
Cargo RTK (000's)	2,099.00	1,877.34	2,090.40	2,090.40
Cargo Yield/Actual Weight Kg. (USD)	0.50	0.62	0.73	0.74
RTK (000's)	18,424.00	17,429.14	19,344.18	19,562.58
ATK (000's)	26,157.00	24,153.20	26,259.86	26,259.86
Overall Load Factor %	70.44	72.16	73.66	74.50
Pax Yield/RPK - Overall	0.1120	0.1059	0.1119	0.1178
Pax Yield/ASK	0.0885	0.0824	0.0884	0.0942
Cargo Yield/Cargo RTK	0.6500	0.7939	0.8899	0.9054
No. of Flights	1,037.00	964.00	1,040.00	1,040.00
No. of Departures	2,074.00	1,928.00	2,080.00	2,080.00
Block Hours	2,973.00	2,778.39	2,997.43	2,997.43
Unit Cost/ATK (excluding Co Oh & Finance)	0.89	0.84	0.86	0.90
Unit Cost/ATK (excluding fuel)	0.60	0.64	0.65	0.69
Total Maintenance Cost/ATK	0.11	0.12	0.12	0.12
Net Revenue/RTK	1.22	1.14	1.21	1.27
BELF(before corp. overheads & finance Charges)	72.88	73.17	70.98	70.45
Operating Ratio %	96.64	92.24	99.28	101.49
RASK	0.0952	0.0897	0.0966	0.1026
CASK (excluding finance chgs)	0.0985	0.0925	0.0950	0.0991
CASK (excl. fuel & finance chgs)	0.0662	0.0716	0.0723	0.0771

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/MLE/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	19,305.32	19,023.95	14,649.69	15,969.39
Excess Baggage	81.86	64.10	47.37	48.05
Mail	1.12	1.24	0.88	0.88
Cargo	5,680.34	5,290.65	4,277.13	4,351.55
Non-scheduled services/FFP net accruals	79.17	(5.53)	(0.72)	(0.74)
<b>Total Traffic Revenue</b>	<b>25,147.81</b>	<b>24,374.41</b>	<b>18,974.34</b>	<b>20,369.13</b>
<b>Direct Operating Costs</b>				
Fuel	9,706.12	6,499.51	5,030.54	5,106.88
Landing	1,539.60	1,435.80	1,008.38	1,028.55
Handling - overseas	1,882.57	1,758.55	1,140.60	1,165.25
Aircraft Maintenance	2,080.72	2,917.44	2,086.52	2,033.65
Inflight Catering	1,628.78	1,737.42	1,225.90	1,251.07
Total D.O.C.s	16,837.80	14,348.73	10,491.94	10,585.40
<b>Contribution to Fixed Costs</b>	<b>8,310.01</b>	<b>10,025.68</b>	<b>8,482.40</b>	<b>9,783.73</b>
<b>Fixed Costs</b>				
<b>Aircraft Related</b>	3,537.74	4,751.80	3,647.28	3,601.85
Crew Layover	867.18	916.63	640.57	643.47
Area/Other	3,368.93	3,507.59	2,624.95	2,774.20
<b>Total Fixed Costs</b>	<b>7,773.85</b>	<b>9,176.02</b>	<b>6,912.80</b>	<b>7,019.53</b>
<b>Total Route Costs</b>	<b>24,611.65</b>	<b>23,524.75</b>	<b>17,404.74</b>	<b>17,604.93</b>
Contribution to Corporate Overheads	536.16	849.66	1,569.59	2,764.20
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>536.16</b>	<b>849.66</b>	<b>1,569.59</b>	<b>2,764.20</b>
<b>Commercial Information</b>				
Leg Seats available	346,316.00	328,296.00	223,808.00	223,808.00
Pax Nos.	233,881.00	233,881.92	170,535.35	176,531.60
RPK (000's)	179,860.00	179,621.31	130,971.15	135,576.27
ASK (000's)	265,971.00	249,368.06	171,884.54	171,884.54
Seat Factor % - Overall	67.62	72.03	76.20	78.88
Cargo Tons	8,872.00	8,117.89	5,661.53	5,704.75
Cargo RTK (000's)	6,830.00	6,922.31	4,600.13	4,600.13
Cargo Yield/Actual Weight Kg. (USD)	0.64	0.65	0.76	0.76
RTK (000's)	22,302.00	23,088.23	16,387.53	16,801.99
ATK (000's)	39,073.00	36,492.17	25,981.39	25,981.39
Overall Load Factor %	57.08	63.27	63.07	64.67
Pax Yield/RPK - Overall	0.1073	0.1059	0.1119	0.1178
Pax Yield/ASK	0.0726	0.0763	0.0852	0.0929
Cargo Yield/Cargo RTK	0.8316	0.7643	0.9298	0.9460
No. of Flights	619.00	599.00	416.00	416.00
No. of Departures	1,238.00	1,198.00	832.00	832.00
Block Hours	1,746.00	1,684.67	1,169.44	1,169.44
Unit Cost/ATK	0.63	0.64	0.67	0.68
Unit Cost/ATK (excluding fuel)	0.38	0.47	0.48	0.48
Total Maintenance Cost/ATK	0.05	0.08	0.08	0.08
Net Revenue/RTK	1.13	1.06	1.16	1.21
BELF(before corp. overheads & finance Charges)	55.86	61.06	57.86	55.89
Operating Ratio %	102.18	98.69	104.92	111.34
RASK	0.0946	0.0977	0.1104	0.1185
CASK (excluding finance chgs)	0.0925	0.0965	0.1039	0.1054
CASK (excl. fuel & finance chgs)	0.0560	0.0705	0.0747	0.0756

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/MAA/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	9,749.70	10,285.08	12,245.42	12,620.38
Excess Baggage	117.32	126.76	144.67	138.31
Mall	0.38	0.62	0.68	0.68
Cargo	374.38	543.31	729.37	742.06
Non-scheduled services/FFP net accruals	14.56	(2.99)	(0.61)	(0.58)
<b>Total Traffic Revenue</b>	<b>10,256.34</b>	<b>10,952.78</b>	<b>13,119.54</b>	<b>13,500.86</b>
Direct Operating Costs				
Fuel	2,366.72	2,339.74	2,947.22	2,857.17
Landing	544.21	724.14	855.43	872.54
Handling - overseas	851.40	1,004.42	1,061.33	1,098.31
Overflying	110.29	133.95	158.33	161.49
Aircraft Maintenance	1,035.96	1,408.25	1,767.61	1,761.31
Inflight Catering	696.73	927.16	1,089.27	1,111.63
<b>Total D.O.C.s</b>	<b>5,605.31</b>	<b>6,537.65</b>	<b>7,879.18</b>	<b>7,862.45</b>
Contribution to Fixed Costs	4,651.03	4,415.13	5,240.36	5,638.40
Fixed Costs				
Aircraft Related	1,566.66	1,956.57	2,252.31	2,711.04
Crew Layover	491.14	652.86	760.53	763.98
Area/Other	1,352.91	1,867.78	2,204.73	2,251.40
<b>Total Fixed Costs</b>	<b>3,410.71</b>	<b>4,477.21</b>	<b>5,217.58</b>	<b>5,726.42</b>
<b>Total Route Costs</b>	<b>9,016.02</b>	<b>11,014.86</b>	<b>13,096.76</b>	<b>13,588.87</b>
Contribution to Corporate Overheads	1,240.32	(62.08)	22.78	(88.01)
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>1,240.32</b>	<b>(62.08)</b>	<b>22.78</b>	<b>(88.01)</b>
Commercial Information				
Leg Seats available	131,794.00	161,776.00	187,200.00	187,200.00
Pax Nos.	115,341.00	136,156.20	153,317.92	149,578.46
RPK (000's)	79,124.00	93,403.16	105,176.09	102,610.82
ASK (000's)	90,411.00	110,686.10	128,419.20	128,419.20
Seat Factor % - Overall	87.52	84.39	81.90	79.90
Cargo Tons	901.00	1,079.44	1,238.44	1,247.89
Cargo RTK (000's)	618.00	786.40	910.42	910.42
Cargo Yield/Actual Weight Kg. (USD)	0.42	0.50	0.59	0.59
RTK (000's)	7,382.00	9,192.69	10,376.26	10,145.39
ATK (000's)	10,189.00	12,529.89	14,497.55	14,497.55
Overall Load Factor %	72.45	73.37	71.57	69.98
Pax Yield/RPK - Overall	0.1232	0.1101	0.1164	0.1230
Pax Yield/ASK	0.1078	0.0929	0.0954	0.0983
Cargo Yield/Cargo RTK	0.6056	0.6909	0.8011	0.8151
No. of Flights	425.00	539.00	624.00	624.00
No. of Departures	850.00	1,078.00	1,248.00	1,248.00
Block Hours	1,102.00	1,402.13	1,623.24	1,623.24
Unit Cost/ATK	0.88	0.88	0.90	0.94
Unit Cost/ATK (excluding fuel)	0.65	0.69	0.70	0.74
Total Maintenance Cost/ATK	0.10	0.11	0.12	0.12
Net Revenue/RTK	1.39	1.19	1.26	1.33
BELF (before corp. overheads & Finance Charges)	63.69	73.78	71.45	70.44
Operating Ratio %	113.76	93.43	96.07	95.56
RASK	0.1134	0.0990	0.1022	0.1051
CASK (excluding finance chgs)	0.0997	0.1012	0.1040	0.1080
CASK (excl. fuel & finance chgs)	0.0735	0.0801	0.0810	0.0858

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
 PERFORMANCE OF WORLDWIDE ROUTES  
 CMB/MAA/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	21,356.73	27,082.08	25,075.51	26,258.19
Excess Baggage	213.70	185.96	165.04	160.33
Mail	0.96	1.46	1.23	1.23
Cargo	2,735.03	6,180.25	6,407.63	6,519.12
Non-scheduled services/FFP net accruals	73.58	(7.87)	(1.24)	(1.21)
<b>Total Traffic Revenue</b>	<b>24,379.99</b>	<b>33,441.87</b>	<b>31,648.17</b>	<b>32,937.65</b>
<b>Direct Operating Costs</b>				
Fuel	7,249.11	8,198.94	8,025.17	8,146.95
Landing	2,510.02	3,425.22	3,101.60	3,163.63
Handling - overseas	1,639.90	2,092.22	1,747.82	1,790.96
Overflying	250.82	327.59	297.91	303.87
Aircraft Maintenance	1,847.11	3,621.20	3,328.61	3,244.27
Inflight Catering	1,512.25	2,002.85	1,812.19	1,849.40
<b>Total D.O.C.s</b>	<b>15,009.22</b>	<b>19,668.02</b>	<b>18,313.30</b>	<b>18,499.08</b>
<b>Contribution to Fixed Costs</b>	<b>9,370.77</b>	<b>13,773.85</b>	<b>13,334.87</b>	<b>14,438.57</b>
<b>Fixed Costs</b>				
Aircraft Related	3,140.06	5,898.06	5,818.47	5,746.00
Crew Layover	873.03	1,314.68	1,180.23	1,185.57
Area/Other	3,523.07	4,890.58	4,492.47	4,631.03
<b>Total Fixed Costs</b>	<b>7,536.17</b>	<b>12,103.33</b>	<b>11,491.17</b>	<b>11,562.60</b>
<b>Total Route Costs</b>	<b>22,545.38</b>	<b>31,771.35</b>	<b>29,804.47</b>	<b>30,061.68</b>
<b>Contribution to Corporate Overheads</b>	<b>1,834.61</b>	<b>1,670.52</b>	<b>1,843.70</b>	<b>2,875.97</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>1,834.61</b>	<b>1,670.52</b>	<b>1,843.70</b>	<b>2,875.97</b>
<b>Commercial Information</b>				
Leg Seats available	347,929.00	440,684.00	391,664.00	391,664.00
Pax Nos.	295,525.00	358,518.80	313,956.08	311,215.54
RPK (000's)	202,730.00	245,943.89	215,373.87	213,493.86
ASK (000's)	238,679.00	301,144.40	268,681.50	268,681.50
Seat Factor % - Overall	84.94	81.67	80.16	79.46
Cargo Tons	9,724.00	12,629.96	11,201.98	11,287.50
Cargo RTK (000's)	6,672.00	9,303.26	8,091.72	8,091.72
Cargo Yield/Actual Weight Kg. (USD)	0.28	0.49	0.57	0.58
RTK (000's)	24,463.00	31,438.21	27,475.37	27,306.17
ATK (000's)	34,553.00	46,343.19	41,310.85	41,310.85
Overall Load Factor %	70.80	67.84	66.51	66.10
Pax Yield/RPK - Overall	0.1053	0.1101	0.1164	0.1230
Pax Yield/ASK	0.0895	0.0899	0.0933	0.0977
Cargo Yield/Cargo RTK	0.4099	0.6643	0.7919	0.8057
No. of Flights	602.00	816.00	728.00	728.00
No. of Departures	1,204.00	1,632.00	1,456.00	1,456.00
Block Hours	1,548.00	2,091.06	1,865.60	1,865.60
Unit Cost/ATK	0.65	0.69	0.72	0.73
Unit Cost/ATK (excluding fuel)	0.44	0.51	0.53	0.53
Total Maintenance Cost/ATK	0.05	0.08	0.08	0.08
Net Revenue/RTK	1.00	1.06	1.15	1.21
BELF (before corp. overheads & finance Charges)	65.47	64.45	62.63	60.33
Operating Ratio %	108.14	100.59	102.47	105.70
RASK	0.1021	0.1110	0.1178	0.1226
CASK (excluding finance chgs)	0.0945	0.1078	0.1137	0.1149
CASK (excl. fuel & finance chgs)	0.0641	0.0806	0.0838	0.0845



SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/TRZ/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	9,453.93	9,937.97	9,429.26	9,886.89
Excess Baggage	137.35	115.66	106.77	104.21
Mail				
Cargo	325.02	334.23	387.78	394.53
Non-scheduled services/FFP net accruals	16.83	(2.89)	(0.47)	(0.46)
<b>Total Traffic Revenue</b>	<b>9,933.14</b>	<b>10,384.97</b>	<b>9,923.34</b>	<b>10,385.17</b>
Direct Operating Costs				
Fuel	2,897.61	2,462.12	2,690.12	2,607.92
Landing	509.15	530.51	539.59	550.38
Handling - overseas	1,052.59	759.74	639.04	682.18
Overflying	159.28	153.11	155.76	158.88
Aircraft Maintenance	1,358.22	1,492.19	1,613.41	1,607.66
Inflight Catering	1,164.85	1,214.69	1,229.30	1,254.54
<b>Total D.O.C.s</b>	<b>7,141.70</b>	<b>6,612.36</b>	<b>6,867.22</b>	<b>6,861.57</b>
<b>Contribution to Fixed Costs</b>	<b>2,791.44</b>	<b>3,772.61</b>	<b>3,056.12</b>	<b>3,523.60</b>
Fixed Costs				
Aircraft Related	2,039.14	2,073.20	2,055.83	2,474.54
Crew Layover	836.01	884.20	887.29	891.31
Area/Other	1,908.43	2,207.70	2,142.85	2,202.21
<b>Total Fixed Costs</b>	<b>4,783.58</b>	<b>5,165.10</b>	<b>5,085.97</b>	<b>5,568.06</b>
<b>Total Route Costs</b>	<b>11,925.28</b>	<b>11,777.46</b>	<b>11,953.19</b>	<b>12,429.63</b>
<b>Contribution to Corporate Overheads</b>	<b>(1,992.15)</b>	<b>(1,392.50)</b>	<b>(2,029.85)</b>	<b>(2,044.46)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,992.15)</b>	<b>(1,392.50)</b>	<b>(2,029.85)</b>	<b>(2,044.46)</b>
Commercial Information				
Leg Seats available	211,702.00	219,000.00	218,400.00	218,400.00
Pax Nos.	190,167.00	193,751.00	176,472.00	175,752.00
RPK (000's)	81,809.00	85,831.69	78,177.10	77,858.14
ASK (000's)	93,784.00	96,799.04	96,751.20	96,751.20
Seat Factor % - Overall	87.23	88.67	80.80	80.47
Cargo Tons	1,571.00	1,496.01	1,484.02	1,495.35
Cargo RTK (000's)	679.00	675.25	673.40	673.40
Cargo Yield/Actual Weight Kg. (USD)	0.21	0.22	0.26	0.26
RTK (000's)	8,199.00	8,400.10	7,709.34	7,680.63
ATK (000's)	10,814.00	10,721.90	10,692.53	10,692.53
Overall Load Factor %	75.82	78.35	72.10	71.83
Pax Yield/RPK - Overall	0.1156	0.1158	0.1206	0.1270
Pax Yield/ASK	0.1008	0.1027	0.0975	0.1022
Cargo Yield/Cargo RTK	0.4785	0.4950	0.5759	0.5859
No. of Flights	730.00	730.00	728.00	728.00
No. of Departures	1,460.00	1,460.00	1,456.00	1,456.00
Block Hours	1,437.00	1,485.71	1,481.64	1,481.64
Unit Cost/ATK	1.10	1.10	1.12	1.16
Unit Cost/ATK (excluding fuel)	0.83	0.87	0.87	0.92
Total Maintenance Cost/ATK	0.13	0.14	0.15	0.15
Net Revenue/RTK	1.21	1.24	1.29	1.35
BELF(before corp. overheads & Finance Chgs )	91.03	88.85	86.85	85.97
Operating Ratio %	83.29	83.15	79.90	80.67
RASK	0.1059	0.1073	0.1026	0.1073
CASK (excluding finance chgs)	0.1272	0.1233	0.1255	0.1306
CASK (excl. fuel & finance chgs)	0.0963	0.0979	0.0977	0.1037

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/BOM/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	11,939.17	11,391.02	11,306.14	11,927.71
Excess Baggage	221.25	172.57	164.64	160.47
Mail	1.19	1.42	1.34	1.34
Cargo	837.23	928.56	1,077.41	1,096.15
Non-scheduled services/FFP net accruals	28.42	(3.31)	(0.56)	(0.55)
<b>Total Traffic Revenue</b>	<b>13,027.25</b>	<b>12,490.26</b>	<b>12,548.97</b>	<b>13,185.12</b>
<b>Direct Operating Costs</b>				
Fuel	3,858.91	3,217.76	3,515.09	3,407.69
Landing	461.17	480.99	488.98	498.76
Handling - overseas	881.01	693.99	632.78	654.35
Overflying	187.94	182.28	185.39	189.09
Aircraft Maintenance	1,632.17	1,760.24	1,903.23	1,896.45
Inflight Catering	639.91	625.68	633.21	646.21
<b>Total D.O.C.s</b>	<b>7,661.11</b>	<b>6,960.94</b>	<b>7,358.67</b>	<b>7,292.55</b>
<b>Contribution to Fixed Costs</b>	<b>5,366.15</b>	<b>5,529.32</b>	<b>5,190.30</b>	<b>5,892.57</b>
<b>Fixed Costs</b>				
<b>Aircraft Related</b>	<b>2,451.49</b>	<b>2,445.61</b>	<b>2,425.12</b>	<b>2,919.05</b>
<b>Crew Layover</b>	<b>413.59</b>	<b>442.10</b>	<b>443.64</b>	<b>445.65</b>
<b>Area/Other</b>	<b>1,807.53</b>	<b>1,878.20</b>	<b>1,898.58</b>	<b>1,978.94</b>
<b>Total Fixed Costs</b>	<b>4,672.61</b>	<b>4,765.91</b>	<b>4,767.34</b>	<b>5,343.64</b>
<b>Total Route Costs</b>	<b>12,333.72</b>	<b>11,726.85</b>	<b>12,126.01</b>	<b>12,636.19</b>
<b>Contribution to Corporate Overheads</b>	<b>693.53</b>	<b>763.41</b>	<b>422.95</b>	<b>548.94</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>693.53</b>	<b>763.41</b>	<b>422.95</b>	<b>548.94</b>
<b>Commercial Information</b>				
Leg Seats available	111,311.00	102,258.00	101,920.00	101,920.00
Pax Nos.	91,867.00	89,388.00	84,144.00	83,688.00
RPK (000's)	142,302.00	138,462.01	130,339.06	129,632.71
ASK (000's)	172,421.00	169,584.52	169,150.80	169,150.80
Seat Factor % - Overall	82.53	81.65	77.05	76.64
Cargo Tons	1,346.00	1,282.63	1,272.49	1,282.21
Cargo RTK (000's)	2,086.00	2,102.40	2,096.64	2,096.64
Cargo Yield/Actual Weight Kg. (USD)	0.62	0.72	0.85	0.85
RTK (000's)	14,338.00	14,563.98	13,827.16	13,763.58
ATK (000's)	19,617.00	19,046.21	18,986.79	18,986.79
Overall Load Factor %	73.09	76.47	72.83	72.49
Pax Yield/RPK - Overall	0.0839	0.0823	0.0867	0.0920
Pax Yield/ASK	0.0692	0.0672	0.0668	0.0705
Cargo Yield/Cargo RTK	0.4014	0.4417	0.5139	0.5228
No. of Flights	361.00	365.00	364.00	364.00
No. of Departures	722.00	730.00	728.00	728.00
Block Hours	1,727.00	1,752.59	1,747.79	1,747.79
Unit Cost/ATK	0.63	0.62	0.64	0.67
Unit Cost/ATK (excluding fuel)	0.43	0.45	0.45	0.49
Total Maintenance Cost/ATK	0.08	0.09	0.10	0.10
Net Revenue/RTK	0.91	0.86	0.91	0.96
BELF(before corp. overheads & finance Charges)	69.20	71.79	70.37	69.47
Operating Ratio %	105.62	98.63	98.12	99.27
RASK	0.0756	0.0737	0.0742	0.0779
CASK (excluding finance chgs)	0.0715	0.0708	0.0737	0.0769
CASK (excl. fuel & finance chgs)	0.0492	0.0519	0.0529	0.0567

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/TRV/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	3,669.59	2,386.62	3,133.74	3,322.27
Excess Baggage	44.44	23.32	29.20	28.61
Mail				
Cargo	287.50	212.07	291.96	297.04
Non-scheduled services/FFP net accruals	6.99	(0.69)	(0.15)	(0.15)
<b>Total Traffic Revenue</b>	<b>4,008.53</b>	<b>2,621.32</b>	<b>3,454.74</b>	<b>3,647.77</b>
Direct Operating Costs				
Fuel	1,245.07	829.28	1,073.38	1,040.58
Landing	287.91	220.79	268.53	273.90
Handling - overseas	767.44	385.35	408.12	426.61
Overflying	63.51	46.13	56.12	57.25
Aircraft Maintenance	580.18	498.61	643.76	641.47
Inflight Catering	550.88	447.71	541.04	552.15
<b>Total D.O.C.s</b>	<b>3,495.00</b>	<b>2,427.88</b>	<b>2,990.96</b>	<b>2,991.96</b>
Contribution to Fixed Costs	513.53	193.44	463.78	655.81
Fixed Costs				
Aircraft Related	877.19	692.75	820.29	987.36
Crew Layover	397.12	317.34	380.27	381.99
Area/Other	879.08	659.18	830.30	855.04
<b>Total Fixed Costs</b>	<b>2,153.38</b>	<b>1,669.28</b>	<b>2,030.86</b>	<b>2,224.39</b>
<b>Total Route Costs</b>	<b>5,648.38</b>	<b>4,097.16</b>	<b>5,021.82</b>	<b>5,216.35</b>
Contribution to Corporate Overheads	(1,639.85)	(1,475.84)	(1,567.08)	(1,568.58)
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,639.85)</b>	<b>(1,475.84)</b>	<b>(1,567.08)</b>	<b>(1,568.58)</b>
Commercial Information				
Leg Seats available	114,519.00	78,600.00	93,600.00	93,600.00
Pax Nos.	89,640.00	56,827.20	70,201.02	70,201.02
RPK (000's)	32,808.00	20,798.75	25,693.57	25,693.57
ASK (000's)	41,914.00	28,668.05	34,257.60	34,257.60
Seat Factor % - Overall	78.28	72.55	75.00	75.00
Cargo Tons	1,062.00	799.74	939.63	946.80
Cargo RTK (000's)	389.00	291.34	346.94	346.94
Cargo Yield/Actual Weight Kg. (USD)	0.27	0.27	0.31	0.31
RTK (000's)	3,413.00	2,163.23	2,659.37	2,659.37
ATK (000's)	4,532.00	3,223.61	3,838.80	3,838.80
Overall Load Factor %	75.30	67.11	69.28	69.28
Pax Yield/RPK - Overall	0.1118	0.1147	0.1220	0.1293
Pax Yield/ASK	0.0876	0.0833	0.0915	0.0970
Cargo Yield/Cargo RTK	0.7395	0.7279	0.8415	0.8562
No. of Flights	344.00	262.00	312.00	312.00
No. of Departures	688.00	524.00	624.00	624.00
Block Hours	619.00	496.44	591.19	591.19
Unit Cost/ATK	1.25	1.27	1.31	1.36
Unit Cost/ATK (excluding fuel)	0.97	1.01	1.03	1.09
Total Maintenance Cost/ATK	0.13	0.15	0.17	0.17
Net Revenue/RTK	1.17	1.21	1.30	1.37
BELF(before corp. overheads & finance Charges)	106.10	104.89	100.70	99.07
Operating Ratio %	70.97	60.54	66.43	67.74
RASK	0.0956	0.0914	0.1008	0.1065
CASK (excluding finance chgs)	0.1348	0.1446	0.1486	0.1544
CASK (excl. fuel & finance chgs)	0.1051	0.1157	0.1172	0.1241

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/TRV/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	255.25	1,564.75	847.93	892.69
Excess Baggage	2.17	9.74	5.03	4.90
Mall	-	-	-	-
Cargo	19.41	697.41	409.96	417.09
Non-scheduled services/FFP net accruals	(0.35)	(0.45)	(0.04)	(0.04)
<b>Total Traffic Revenue</b>	<b>276.48</b>	<b>2,271.44</b>	<b>1,262.88</b>	<b>1,314.64</b>
<b>Direct Operating Costs</b>				
Fuel	154.36	690.03	389.59	395.50
Landing	48.71	245.99	126.20	128.73
Handling - overseas	64.42	288.55	137.18	140.26
Overflying	6.17	29.40	15.09	15.39
Aircraft Maintenance	51.40	310.66	161.59	157.50
Inflight Catering	41.63	127.55	65.35	66.69
<b>Total D.O.C.s</b>	<b>366.69</b>	<b>1,692.19</b>	<b>894.99</b>	<b>904.06</b>
<b>Contribution to Fixed Costs</b>	<b>(90.21)</b>	<b>579.25</b>	<b>367.89</b>	<b>410.58</b>
<b>Fixed Costs</b>				
Aircraft Related	76.69	505.99	282.46	278.94
Crew Layover	26.68	165.95	84.30	84.68
Area/Other	70.85	424.98	224.25	229.98
<b>Total Fixed Costs</b>	<b>174.23</b>	<b>1,096.92</b>	<b>591.02</b>	<b>593.61</b>
<b>Total Route Costs</b>	<b>540.92</b>	<b>2,789.11</b>	<b>1,486.01</b>	<b>1,497.67</b>
<b>Contribution to Corporate Overheads</b>	<b>(264.44)</b>	<b>(517.66)</b>	<b>(223.13)</b>	<b>(183.03)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(264.44)</b>	<b>(517.66)</b>	<b>(223.13)</b>	<b>(183.03)</b>
<b>Commercial Information</b>				
Leg Seats available	11,478.00	55,414.00	27,976.00	27,976.00
Pax Nos.	6,754.00	37,257.80	18,994.98	18,862.98
RPK (000's)	2,472.00	13,636.36	6,952.16	6,903.85
ASK (000's)	4,201.00	20,293.24	10,239.22	10,239.22
Seat Factor % - Overall	58.84	67.20	67.90	67.43
Cargo Tons	81.00	1,483.75	740.82	746.48
Cargo RTK (000's)	29.00	753.96	380.64	380.64
Cargo Yield/Actual Weight Kg. (USD)	0.24	0.47	0.55	0.56
RTK (000's)	263.00	1,981.23	1,006.33	1,001.99
ATK (000's)	640.00	3,103.09	1,566.61	1,566.61
Overall Load Factor %	41.15	63.85	64.24	63.96
Pax Yield/RPK - Overall	0.1033	0.1147	0.1220	0.1293
Pax Yield/ASK	0.0608	0.0771	0.0828	0.0872
Cargo Yield/Cargo RTK	0.6587	0.9250	1.0770	1.0958
No. of Flights	21.00	103.00	52.00	52.00
No. of Departures	42.00	206.00	104.00	104.00
Block Hours	38.00	179.39	90.57	90.57
Unit Cost/ATK	0.85	0.90	0.95	0.96
Unit Cost/ATK (excluding fuel)	0.60	0.68	0.70	0.70
Total Maintenance Cost/ATK	0.08	0.10	0.10	0.10
Net Revenue/RTK	1.05	1.15	1.25	1.31
BELF (before corp. overheads & Finance Chgs)	80.50	78.40	75.59	72.86
Operating Ratio %	51.11	78.26	82.50	85.23
RASK	0.0658	0.1119	0.1233	0.1284
CASK (excluding finance chgs)	0.1288	0.1397	0.1478	0.1492
CASK (excl. fuel & finance chgs)	0.0920	0.1057	0.1098	0.1106

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/KHI/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	13,678.38	13,201.78	13,695.76	14,426.03
Excess Baggage	65.42	61.15	61.13	59.85
Mall	0.99	1.13	1.06	1.06
Cargo	1,349.15	1,309.05	1,518.82	1,545.25
Non-scheduled services/FFP net accruals	13.12	(3.84)	(0.68)	(0.67)
<b>Total Traffic Revenue</b>	<b>15,107.05</b>	<b>14,569.28</b>	<b>15,276.09</b>	<b>16,031.53</b>
Direct Operating Costs				
Fuel	5,792.99	4,586.04	5,010.71	4,857.61
Landing	529.40	427.63	434.95	443.65
Handling - overseas	812.56	657.42	596.30	617.87
Overflying	283.50	375.88	382.40	390.05
Aircraft Maintenance	2,354.17	2,509.19	2,713.02	2,703.36
Inflight Catering	873.16	816.22	826.04	843.00
<b>Total D.O.C.s</b>	<b>10,645.79</b>	<b>9,372.39</b>	<b>9,963.42</b>	<b>9,855.54</b>
Contribution to Fixed Costs	4,461.26	5,196.89	5,312.67	6,175.99
Fixed Costs				
Aircraft Related	3,522.67	3,486.18	3,456.98	4,161.06
Crew Layover	413.61	442.10	443.64	445.65
Area/Other	2,249.33	2,377.90	2,453.74	2,567.41
<b>Total Fixed Costs</b>	<b>6,185.61</b>	<b>6,306.18</b>	<b>6,354.36</b>	<b>7,174.12</b>
<b>Total Route Costs</b>	<b>16,831.40</b>	<b>15,678.57</b>	<b>16,317.78</b>	<b>17,029.66</b>
Contribution to Corporate Overheads	(1,724.35)	(1,109.29)	(1,041.69)	(998.14)
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,724.35)</b>	<b>(1,109.29)</b>	<b>(1,041.69)</b>	<b>(998.14)</b>
Commercial Information				
Leg Seats available	110,910.00	102,200.00	101,920.00	101,920.00
Pax Nos.	86,548.00	87,925.00	86,718.00	86,634.00
RPK (000's)	208,927.00	212,250.95	209,337.25	209,134.48
ASK (000's)	267,737.00	260,205.06	263,608.80	263,608.80
Seat Factor % - Overall	78.03	81.57	79.41	79.34
Cargo Tons	1,581.00	1,496.01	1,484.02	1,495.35
Cargo RTK (000's)	3,817.00	3,859.51	3,848.94	3,848.94
Cargo Yield/Actual Weight Kg. (USD)	0.85	0.88	1.02	1.03
RTK (000's)	22,223.00	22,962.10	22,689.29	22,671.04
ATK (000's)	30,642.00	27,766.31	27,690.24	27,690.24
Overall Load Factor %	72.53	82.70	81.94	81.87
Pax Yield/RPK - Overall	0.0655	0.0622	0.0654	0.0690
Pax Yield/ASK	0.0511	0.0507	0.0520	0.0547
Cargo Yield/Cargo RTK	0.3534	0.3392	0.3946	0.4015
No. of Flights	362.00	365.00	364.00	364.00
No. of Departures	724.00	730.00	728.00	728.00
Block Hours	2,484.00	2,498.29	2,491.44	2,491.44
Unit Cost/ATK	0.55	0.56	0.59	0.62
Unit Cost/ATK (excluding fuel)	0.36	0.40	0.41	0.44
Total Maintenance Cost/ATK	0.08	0.09	0.10	0.10
Net Revenue/RTK	0.68	0.63	0.67	0.71
BELF (before corp. overheads & finance Charges)	80.80	88.99	87.53	86.97
Operating Ratio %	89.76	85.59	88.43	89.25
RASK	0.0564	0.0560	0.0579	0.0608
CASK (excluding finance chgs)	0.0629	0.0619	0.0638	0.0666
CASK (excl. fuel & finance chgs)	0.0412	0.0442	0.0448	0.0482

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/DEL/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	16,862.59	18,279.26	19,422.32	20,699.92
Excess Baggage	41.31	39.29	40.28	39.71
Mail	1.80	1.42	1.39	1.39
Cargo	1,360.13	1,318.34	1,529.59	1,556.21
Non-scheduled services/FFP net accruals	57.37	(5.31)	(0.96)	(0.95)
<b>Total Traffic Revenue</b>	<b>18,323.19</b>	<b>19,632.99</b>	<b>20,992.62</b>	<b>22,296.27</b>
Direct Operating Costs				
Fuel	5,784.28	4,980.77	5,416.67	5,251.17
Landing	453.39	525.46	495.16	505.07
Handling - overseas	759.03	554.44	493.62	515.19
Overflying	236.38	247.02	249.35	254.33
Aircraft Maintenance	2,425.38	2,555.31	2,762.89	2,753.05
Inflight Catering	754.02	630.80	589.16	601.25
<b>Total D.O.C.s</b>	<b>10,412.48</b>	<b>9,493.80</b>	<b>10,006.85</b>	<b>9,880.06</b>
<b>Contribution to Fixed Costs</b>	<b>7,910.72</b>	<b>10,139.19</b>	<b>10,985.78</b>	<b>12,416.21</b>
Fixed Costs				
Aircraft Related	3,635.70	3,550.26	3,520.52	4,237.54
Crew Layover	246.48	442.10	443.64	445.65
Area/Other	2,355.69	2,764.84	2,869.69	3,014.26
<b>Total Fixed Costs</b>	<b>6,237.87</b>	<b>6,757.20</b>	<b>6,833.85</b>	<b>7,697.45</b>
<b>Total Route Costs</b>	<b>16,650.34</b>	<b>16,251.00</b>	<b>16,840.70</b>	<b>17,577.52</b>
<b>Contribution to Corporate Overheads</b>	<b>1,672.85</b>	<b>3,381.99</b>	<b>4,151.93</b>	<b>4,718.76</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>1,672.85</b>	<b>3,381.99</b>	<b>4,151.93</b>	<b>4,718.76</b>
<b>Commercial Information</b>				
Leg Seats available	105,286.00	121,862.00	120,016.00	120,016.00
Pax Nos.	90,176.00	101,887.00	103,068.00	103,692.00
RPK (000's)	218,677.00	247,075.98	249,939.90	251,453.10
ASK (000's)	255,319.00	296,776.35	293,560.80	293,560.80
Seat Factor % - Overall	85.65	83.25	85.14	85.66
Cargo Tons	1,369.00	1,353.53	1,342.68	1,352.93
Cargo RTK (000's)	3,322.00	3,371.51	3,362.27	3,362.27
Cargo Yield/Actual Weight Kg. (USD)	0.99	0.97	1.14	1.15
RTK (000's)	22,255.00	25,608.34	25,856.86	25,993.05
ATK (000's)	28,896.00	34,239.27	33,669.01	33,669.01
Overall Load Factor %	77.02	74.79	76.80	77.20
Pax Yield/RPK - Overall	0.0771	0.0740	0.0777	0.0823
Pax Yield/ASK	0.0660	0.0616	0.0662	0.0705
Cargo Yield/Cargo RTK	0.4095	0.3910	0.4549	0.4628
No. of Flights	365.00	365.00	364.00	364.00
No. of Departures	730.00	730.00	728.00	728.00
Block Hours	2,562.00	2,544.21	2,537.24	2,537.24
Unit Cost/ATK	0.58	0.47	0.50	0.52
Unit Cost/ATK (excluding fuel)	0.38	0.33	0.34	0.37
Total Maintenance Cost/ATK	0.08	0.07	0.08	0.08
Net Revenue/RTK	0.82	0.77	0.81	0.86
BELF (before corp. overheads & finance Chgs)	69.99	61.91	61.61	60.86
Operating Ratio %	110.05	110.86	117.20	119.65
RASK	0.0718	0.0662	0.0715	0.0760
CASK (excluding finance chgs)	0.0652	0.0565	0.0594	0.0621
CASK (excl. fuel & finance chgs)	0.0426	0.0397	0.0410	0.0442

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/BLR/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	13,106.47	14,088.82	15,170.69	16,417.96
Excess Baggage	47.40	44.63	46.56	47.02
Mail				
Cargo	719.51	743.44	863.55	878.58
Non-scheduled services/FFP net accruals	31.13	(4.10)	(0.75)	(0.76)
<b>Total Traffic Revenue</b>	<b>13,904.52</b>	<b>14,872.78</b>	<b>16,080.06</b>	<b>17,342.80</b>
<b>Direct Operating Costs</b>				
Fuel	3,158.03	2,600.70	2,843.99	2,757.09
Landing	648.92	825.75	868.18	885.54
Handling - overseas	1,052.26	747.74	653.26	687.15
Overflying	179.45	178.65	181.93	185.57
Aircraft Maintenance	1,432.56	1,575.97	1,705.69	1,699.62
Inflight Catering	882.66	979.74	992.51	1,012.89
<b>Total D.O.C.s</b>	<b>7,353.89</b>	<b>6,908.56</b>	<b>7,245.56</b>	<b>7,227.87</b>
<b>Contribution to Fixed Costs</b>	<b>6,550.62</b>	<b>7,964.22</b>	<b>8,834.49</b>	<b>10,114.93</b>
<b>Fixed Costs</b>				
Aircraft Related	2,147.51	2,189.60	2,173.42	2,616.08
Crew Layover	631.73	694.04	697.16	700.31
Area/Other	1,805.54	2,050.21	2,159.60	2,276.99
<b>Total Fixed Costs</b>	<b>4,584.78</b>	<b>4,933.85</b>	<b>5,030.18</b>	<b>5,593.38</b>
<b>Total Route Costs</b>	<b>11,938.67</b>	<b>11,842.41</b>	<b>12,275.74</b>	<b>12,821.25</b>
<b>Contribution to Corporate Overheads</b>	<b>1,965.85</b>	<b>3,030.38</b>	<b>3,804.31</b>	<b>4,521.55</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>1,965.85</b>	<b>3,030.38</b>	<b>3,804.31</b>	<b>4,521.55</b>
<b>Commercial Information</b>				
Leg Seats available	173,837.00	160,440.00	160,160.00	160,160.00
Pax Nos.	133,610.00	141,415.00	145,584.00	150,000.00
RPK (000's)	94,767.00	101,111.73	104,092.56	107,250.00
ASK (000's)	124,294.00	126,677.98	122,694.00	122,694.00
Seat Factor % - Overall	76.24	79.82	84.84	87.41
Cargo Tons	1,901.00	1,901.67	1,888.80	1,903.22
Cargo RTK (000's)	1,351.00	1,392.39	1,389.96	1,389.96
Cargo Yield/Actual Weight Kg. (USD)	0.38	0.39	0.46	0.46
RTK (000's)	9,453.00	10,492.45	10,758.29	11,042.46
ATK (000's)	13,671.00	13,306.50	13,283.28	13,283.28
Overall Load Factor %	69.15	78.85	80.99	83.13
Pax Yield/RPK - Overall	0.1383	0.1393	0.1457	0.1531
Pax Yield/ASK	0.1054	0.1112	0.1236	0.1338
Cargo Yield/Cargo RTK	0.5327	0.5339	0.6213	0.6321
No. of Flights	552.00	573.00	572.00	572.00
No. of Departures	1,104.00	1,146.00	1,144.00	1,144.00
Block Hours	1,510.00	1,569.12	1,566.39	1,566.39
Unit Cost/ATK	0.87	0.89	0.92	0.97
Unit Cost/ATK (excluding fuel)	0.64	0.69	0.71	0.76
Total Maintenance Cost/ATK	0.10	0.12	0.13	0.13
Net Revenue/RTK	1.47	1.42	1.49	1.57
BELF(before corp. overheads & finance Charges)	59.37	62.79	61.83	61.46
Operating Ratio %	116.47	117.81	125.59	130.12
RASK	0.1119	0.1174	0.1311	0.1414
CASK (excluding finance chgs)	0.0961	0.0951	0.1020	0.1066
CASK (excl. fuel & finance chgs)	0.0706	0.0745	0.0788	0.0841

H\_SRI LANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRI LANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/COK/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	7,989.31	8,230.25	8,438.61	9,106.79
Excess Baggage	66.86	55.28	53.82	53.59
Mail	-	-	-	-
Cargo	337.17	371.41	430.98	438.48
Non-scheduled services/FFP net accruals	14.31	(2.39)	(0.42)	(0.42)
<b>Total Traffic Revenue</b>	<b>8,407.65</b>	<b>8,654.55</b>	<b>8,923.00</b>	<b>9,598.43</b>
<b>Direct Operating Costs</b>				
Fuel	3,388.99	2,896.15	3,164.34	3,067.65
Landing	562.58	593.38	603.54	615.61
Handling - overseas	1,774.32	1,417.36	1,294.86	1,338.00
Overflying	183.21	179.51	182.62	186.27
Aircraft Maintenance	1,567.26	1,755.24	1,897.82	1,891.07
Inflight Catering	1,056.99	1,204.21	1,218.70	1,243.72
<b>Total D.O.C.s</b>	<b>8,533.35</b>	<b>8,045.85</b>	<b>8,361.88</b>	<b>8,342.32</b>
<b>Contribution to Fixed Costs</b>	<b>(125.70)</b>	<b>608.70</b>	<b>561.12</b>	<b>1,256.11</b>
<b>Fixed Costs</b>				
Aircraft Related	2,349.82	2,438.67	2,418.24	2,910.76
Crew Layover	821.56	884.20	887.29	891.31
Area/Other	1,810.80	2,084.36	2,104.36	2,195.17
<b>Total Fixed Costs</b>	<b>4,982.18</b>	<b>5,407.23</b>	<b>5,409.88</b>	<b>5,997.24</b>
<b>Total Route Costs</b>	<b>13,515.53</b>	<b>13,453.07</b>	<b>13,771.76</b>	<b>14,339.56</b>
<b>Contribution to Corporate Overheads</b>	<b>(5,107.88)</b>	<b>(4,798.53)</b>	<b>(4,848.76)</b>	<b>(4,741.13)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(5,107.88)</b>	<b>(4,798.53)</b>	<b>(4,848.76)</b>	<b>(4,741.13)</b>
<b>Commercial Information</b>				
Leg Seats available	213,704.00	204,400.00	203,840.00	203,840.00
Pax Nos.	159,426.00	160,015.00	153,735.00	156,183.00
RPK (000's)	82,423.00	82,727.76	79,481.00	80,746.61
ASK (000's)	110,485.00	110,644.20	112,912.80	112,912.80
Seat Factor % - Overall	74.60	74.77	70.39	71.51
Cargo Tons	1,987.00	1,923.97	1,909.08	1,923.66
Cargo RTK (000's)	1,027.00	1,029.30	1,026.48	1,026.48
Cargo Yield/Actual Weight Kg. (USD)	0.17	0.19	0.23	0.23
RTK (000's)	8,414.00	8,474.80	8,179.77	8,293.67
ATK (000's)	12,603.00	12,547.41	12,513.04	12,513.04
Overall Load Factor %	66.76	67.54	65.37	66.28
Pax Yield/RPK - Overall	0.0969	0.0995	0.1062	0.1128
Pax Yield/ASK	0.0723	0.0744	0.0747	0.0807
Cargo Yield/Cargo RTK	0.3282	0.3608	0.4199	0.4272
No. of Flights	717.00	730.00	728.00	728.00
No. of Departures	1,434.00	1,460.00	1,456.00	1,456.00
Block Hours	1,656.00	1,747.61	1,742.82	1,742.82
Unit Cost/ATK	1.07	1.07	1.10	1.15
Unit Cost/ATK (excluding fuel)	0.80	0.84	0.85	0.90
Total Maintenance Cost/ATK	0.12	0.14	0.15	0.15
Net Revenue/RTK	1.00	1.02	1.09	1.16
BELF (before corp. overheads & finance Charges)	107.32	104.99	100.89	99.02
Operating Ratio %	62.21	60.56	62.32	64.59
RASK	0.0761	0.0782	0.0790	0.0850
CASK (excluding finance chgs)	0.1223	0.1233	0.1239	0.1291
CASK (excl. fuel & finance chgs)	0.0917	0.0971	0.0959	0.1020



H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/SIN/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	31,033.07	34,471.83	36,535.63	39,413.23
Excess Baggage	131.43	129.29	133.21	134.69
Mail	81.72	123.62	128.61	128.61
Cargo	2,541.38	2,877.06	3,331.13	3,389.09
Non-scheduled services/FFP net accruals	74.04	(10.02)	(1.81)	(1.82)
<b>Total Traffic Revenue</b>	<b>33,861.64</b>	<b>37,591.78</b>	<b>40,126.77</b>	<b>43,063.80</b>
<b>Direct Operating Costs</b>				
Fuel	13,918.02	14,711.29	15,871.02	15,386.09
Landing	943.61	1,069.55	1,048.91	1,069.88
Handling - overseas	2,179.44	1,969.30	1,802.59	1,861.14
Overflying	470.65	527.75	518.35	528.71
Aircraft Maintenance	6,201.49	7,949.95	8,593.28	8,562.67
Inflight Catering	2,213.38	2,980.05	3,015.02	3,076.92
<b>Total D.O.C.s</b>	<b>25,926.59</b>	<b>29,207.89</b>	<b>30,849.16</b>	<b>30,485.43</b>
<b>Contribution to Fixed Costs</b>	<b>7,935.05</b>	<b>8,383.89</b>	<b>9,277.61</b>	<b>12,578.37</b>
<b>Fixed Costs</b>				
Aircraft Related	9,133.29	11,045.38	10,949.69	13,179.81
Crew Layover	2,579.50	3,046.65	3,056.41	3,070.24
Area/Other	5,044.70	7,153.81	7,385.93	7,807.85
<b>Total Fixed Costs</b>	<b>16,757.49</b>	<b>21,245.84</b>	<b>21,392.03</b>	<b>24,057.89</b>
<b>Total Route Costs</b>	<b>42,684.08</b>	<b>50,453.73</b>	<b>52,241.19</b>	<b>54,543.32</b>
<b>Contribution to Corporate Overheads</b>	<b>(8,822.44)</b>	<b>(12,861.95)</b>	<b>(12,114.42)</b>	<b>(11,479.52)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(8,822.44)</b>	<b>(12,861.95)</b>	<b>(12,114.42)</b>	<b>(11,479.52)</b>
<b>Commercial Information</b>				
Leg Seats available	249,188.00	288,160.00	276,640.00	276,640.00
Pax Nos.	192,706.00	221,885.00	225,566.00	232,730.00
RPK (000's)	529,749.00	609,961.87	620,080.93	639,774.77
ASK (000's)	685,018.00	818,333.32	814,803.60	814,803.60
Seat Factor % - Overall	77.33	74.54	76.10	78.52
Cargo Tons	2,136.00	2,339.07	2,304.41	2,322.00
Cargo RTK (000's)	5,890.00	6,948.89	6,927.86	6,927.86
Cargo Yield/Actual Weight Kg. (USD)	1.19	1.23	1.45	1.46
RTK (000's)	51,342.00	61,845.46	62,735.14	64,507.59
ATK (000's)	78,998.00	93,285.15	91,084.77	91,084.77
Overall Load Factor %	64.99	66.30	68.88	70.82
Pax Yield/RPK - Overall	0.0586	0.0565	0.0589	0.0616
Pax Yield/ASK	0.0453	0.0421	0.0448	0.0484
Cargo Yield/Cargo RTK	0.4315	0.4140	0.4808	0.4892
No. of Flights	827.00	991.00	988.00	988.00
No. of Departures	1,654.00	1,982.00	1,976.00	1,976.00
Block Hours	6,464.00	7,915.40	7,891.44	7,891.44
Unit Cost/ATK	0.54	0.54	0.57	0.60
Unit Cost/ATK (excluding fuel)	0.36	0.38	0.40	0.43
Total Maintenance Cost/ATK	0.08	0.09	0.09	0.09
Net Revenue/RTK	0.66	0.61	0.64	0.67
BELF(before corp. overheads & finance Charges)	81.92	88.98	89.67	89.70
Operating Ratio %	79.33	68.61	72.52	74.81
RASK	0.0494	0.0459	0.0492	0.0529
CASK (excluding finance chgs)	0.0623	0.0634	0.0661	0.0691
CASK (excl. fuel & finance chgs)	0.0420	0.0454	0.0466	0.0502

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/BKK/HKG/BKK/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	17,634.53	17,222.87	18,972.91	20,464.05
Excess Baggage	154.92	199.82	210.30	211.56
Mail	2.55	3.04	2.88	2.88
Cargo	4,714.59	4,775.73	2,204.20	2,242.55
Non-scheduled services/FFP net accruals	64.03	(5.01)	(0.94)	(0.94)
<b>Total Traffic Revenue</b>	<b>22,570.62</b>	<b>22,196.44</b>	<b>21,389.35</b>	<b>22,920.09</b>
Direct Operating Costs				
Fuel	8,914.79	7,418.88	8,050.16	8,172.33
Landing	862.18	954.13	972.72	992.17
Handling - overseas	1,687.86	1,237.65	1,212.24	1,221.48
Overflying	935.54	779.23	790.47	806.28
Aircraft Maintenance	2,473.86	3,412.21	3,517.91	3,428.78
Inflight Catering	761.07	708.25	719.22	733.99
<b>Total D.O.C.s</b>	<b>15,635.30</b>	<b>14,510.36</b>	<b>15,262.72</b>	<b>15,355.02</b>
<b>Contribution to Fixed Costs</b>	<b>6,935.32</b>	<b>7,686.09</b>	<b>6,126.63</b>	<b>7,565.07</b>
Fixed Costs				
Aircraft Related	3,866.30	5,557.67	6,149.39	6,072.79
Crew Layover	1,106.43	1,194.85	1,202.31	1,207.75
Area/Other	3,486.14	3,583.27	3,726.06	3,930.81
<b>Total Fixed Costs</b>	<b>8,458.87</b>	<b>10,335.79</b>	<b>11,077.76</b>	<b>11,211.36</b>
<b>Total Route Costs</b>	<b>24,094.17</b>	<b>24,846.15</b>	<b>26,340.48</b>	<b>26,566.38</b>
<b>Contribution to Corporate Overheads</b>	<b>(1,523.55)</b>	<b>(2,649.70)</b>	<b>(4,951.13)</b>	<b>(3,646.29)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,523.55)</b>	<b>(2,649.70)</b>	<b>(4,951.13)</b>	<b>(3,646.29)</b>
Commercial Information				
Leg Seats available	171,268.00	180,480.00	185,328.00	185,328.00
Pax Nos.	113,714.00	154,903.00	160,857.00	165,117.00
RPK (000's)	293,609.00	294,356.60	306,552.20	314,374.05
ASK (000's)	352,641.00	357,298.27	357,747.13	357,747.13
Seat Factor % - Overall	83.26	82.38	85.69	87.88
Cargo Tons	3,653.00	3,517.22	3,479.39	3,505.95
Cargo RTK (000's)	11,827.00	13,020.23	11,809.04	11,809.04
Cargo Yield/Actual Weight Kg. (USD)	1.29	1.36	0.63	0.64
RTK (000's)	37,661.00	39,512.32	39,398.74	40,102.71
ATK (000's)	52,350.00	53,213.00	52,965.34	52,965.34
Overall Load Factor %	71.94	74.25	74.39	75.71
Pax Yield/RPK - Overall	0.0601	0.0585	0.0619	0.0651
Pax Yield/ASK	0.0500	0.0482	0.0530	0.0572
Cargo Yield/Cargo RTK	0.3986	0.3668	0.1867	0.1899
No. of Flights	156.00	156.00	156.00	156.00
No. of Departures	624.00	624.00	624.00	624.00
Block Hours	1,923.00	1,970.38	1,971.70	1,971.70
Unit Cost/ATK	0.46	0.47	0.50	0.50
Unit Cost/ATK (excluding fuel)	0.29	0.33	0.35	0.35
Total Maintenance Cost/ATK	0.05	0.06	0.07	0.06
Net Revenue/RTK	0.60	0.56	0.54	0.57
BELF(before corp. overheads & finance Charges)	76.80	83.12	91.60	87.76
Operating Ratio %	93.68	84.15	77.36	82.13
RASK	0.0640	0.0621	0.0598	0.0641
CASK (excluding finance chgs)	0.0683	0.0718	0.0763	0.0771
CASK (excl. fuel & finance chgs)	0.0430	0.0510	0.0538	0.0543

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/TYO/CMB - A330/A340

DESCRIPTION	ACTUAL	2015/16	PROJECTION	2017/18
	2014/15		2016/17	
<b>Net Revenue</b>				
Passenger	34,885.73	38,049.49	39,701.64	42,513.42
Excess Baggage	30.46	28.76	29.82	30.26
Mail	131.33	124.09	116.86	116.86
Cargo	6,010.53	6,365.94	6,576.98	6,691.42
Non-scheduled services/FFP net accruals	73.50	(11.06)	(1.96)	(1.96)
<b>Total Traffic Revenue</b>	<b>41,131.55</b>	<b>44,557.22</b>	<b>46,423.33</b>	<b>49,349.99</b>
<b>Direct Operating Costs</b>				
Fuel	21,075.30	14,022.76	15,289.97	15,522.00
Landing	1,428.48	1,297.33	1,316.83	1,343.17
Handling - overseas	2,346.51	2,039.93	1,996.43	2,008.76
Overflying	1,539.05	1,712.22	1,738.33	1,773.10
Aircraft Maintenance	4,801.96	6,321.83	6,482.14	6,317.89
Inflight Catering	1,936.37	1,907.43	1,926.41	1,965.96
<b>Total D.O.C.s</b>	<b>33,127.68</b>	<b>27,301.50</b>	<b>28,750.11</b>	<b>28,930.88</b>
<b>Contribution to Fixed Costs</b>	<b>8,003.87</b>	<b>17,255.72</b>	<b>17,673.23</b>	<b>20,419.12</b>
<b>Fixed Costs</b>				
Aircraft Related	7,516.98	10,296.73	11,330.91	11,189.78
Crew Layover	1,735.78	1,837.87	1,840.51	1,848.84
Area/Other	5,607.22	6,016.29	6,277.83	6,663.10
<b>Total Fixed Costs</b>	<b>14,859.99</b>	<b>18,150.89</b>	<b>19,449.26</b>	<b>19,701.71</b>
<b>Total Route Costs</b>	<b>47,987.67</b>	<b>45,452.39</b>	<b>48,199.36</b>	<b>48,632.59</b>
<b>Contribution to Corporate Overheads</b>	<b>(6,856.12)</b>	<b>(895.17)</b>	<b>(1,776.03)</b>	<b>717.40</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(6,856.12)</b>	<b>(895.17)</b>	<b>(1,776.03)</b>	<b>717.40</b>
<b>Commercial Information</b>				
Leg Seats available	114,257.00	124,146.00	123,552.00	123,552.00
Pax Nos.	78,137.00	91,025.00	93,120.00	96,432.00
RPK (000's)	538,911.00	624,795.60	639,175.68	661,909.25
ASK (000's)	784,258.00	860,292.58	848,060.93	848,060.93
Seat Factor % - Overall	68.72	72.63	75.37	78.05
Cargo Tons	4,235.00	4,068.15	4,028.38	4,059.13
Cargo RTK (000's)	29,473.00	29,032.82	28,893.90	28,893.90
Cargo Yield/Actual Weight Kg. (USD)	1.42	1.56	1.63	1.65
RTK (000's)	77,373.00	85,264.42	86,419.72	88,465.74
ATK (000's)	120,113.00	123,686.07	123,094.27	123,094.27
Overall Load Factor %	64.42	68.94	70.21	71.87
Pax Yield/RPK - Overall	0.0647	0.0609	0.0621	0.0642
Pax Yield/ASK	0.0445	0.0442	0.0468	0.0501
Cargo Yield/Cargo RTK	0.2039	0.2193	0.2276	0.2316
No. of Flights	208.00	209.00	208.00	208.00
No. of Departures	416.00	418.00	416.00	416.00
Block Hours	3,737.00	3,650.53	3,633.07	3,633.07
Unit Cost/ATK	0.40	0.37	0.39	0.40
Unit Cost/ATK (excluding fuel)	0.22	0.25	0.27	0.27
Total Maintenance Cost/ATK	0.04	0.05	0.05	0.05
Net Revenue/RTK	0.53	0.52	0.54	0.56
BELF(before corp. overheads & finance Charges)	75.15	70.32	72.89	70.82
Operating Ratio %	85.71	91.55	90.91	95.64
RASK	0.0524	0.0518	0.0547	0.0582
CASK (excluding finance chgs)	0.0612	0.0550	0.0594	0.0602
CASK (excl. fuel & finance chgs)	0.0343	0.0387	0.0414	0.0419

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/BJS/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	16,462.00	33,197.27	36,366.70	39,181.30
Excess Baggage	30.13	43.34	44.78	44.28
Mail	126.03	62.75	15.33	15.33
Cargo	2,063.07	5,439.08	2,941.93	2,993.12
Non-scheduled services/FFP net accruals	229.30	(9.65)	(1.80)	(1.81)
<b>Total Traffic Revenue</b>	<b>18,910.54</b>	<b>38,732.79</b>	<b>39,366.94</b>	<b>42,232.21</b>
<b>Direct Operating Costs</b>				
Fuel	9,190.16	11,378.09	12,390.33	12,578.36
Landing	568.18	813.68	824.37	840.85
Handling - overseas	655.73	1,009.14	970.49	982.82
Overflying	926.83	1,494.11	1,518.69	1,549.07
Aircraft Maintenance	1,759.10	5,280.66	5,414.56	5,277.37
Inflight Catering	579.99	1,107.92	1,118.94	1,141.92
<b>Total D.O.C.s</b>	<b>13,679.98</b>	<b>21,083.59</b>	<b>22,237.39</b>	<b>22,370.38</b>
<b>Contribution to Fixed Costs</b>	<b>5,230.56</b>	<b>17,649.20</b>	<b>17,129.55</b>	<b>19,861.83</b>
<b>Fixed Costs</b>				
Aircraft Related	3,681.60	8,600.91	9,464.77	9,346.88
Crew Layover	904.35	1,442.42	1,444.49	1,451.03
Area/Other	2,441.34	5,141.47	5,275.33	5,575.24
<b>Total Fixed Costs</b>	<b>7,027.29</b>	<b>15,184.80</b>	<b>16,184.59</b>	<b>16,373.15</b>
<b>Total Route Costs</b>	<b>20,707.26</b>	<b>36,268.40</b>	<b>38,421.98</b>	<b>38,743.53</b>
<b>Contribution to Corporate Overheads</b>	<b>(1,796.73)</b>	<b>2,464.40</b>	<b>944.96</b>	<b>3,488.68</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,796.73)</b>	<b>2,464.40</b>	<b>944.96</b>	<b>3,488.68</b>
<b>Commercial Information</b>				
Leg Seats available	68,303.00	121,250.00	123,552.00	123,552.00
Pax Nos.	50,699.00	92,684.00	94,469.00	95,321.00
RPK (000's)	262,063.00	479,083.60	488,310.26	492,714.25
ASK (000's)	353,058.00	627,526.94	638,640.29	638,640.29
Seat Factor % - Overall	74.23	76.34	76.46	77.15
Cargo Tons	2,141.00	3,534.13	3,493.62	3,520.29
Cargo RTK (000's)	11,566.00	19,902.29	19,435.10	19,435.10
Cargo Yield/Actual Weight Kg. (USD)	0.96	1.54	0.84	0.85
RTK (000's)	34,324.00	63,019.82	63,383.03	63,779.39
ATK (000's)	51,145.00	88,193.86	87,703.11	87,703.11
Overall Load Factor %	67.11	71.46	72.27	72.72
Pax Yield/RPK - Overall	0.0628	0.0693	0.0745	0.0795
Pax Yield/ASK	0.0466	0.0529	0.0569	0.0614
Cargo Yield/Cargo RTK	0.1784	0.2733	0.1514	0.1540
No. of Flights	122.50	209.00	208.00	208.00
No. of Departures	245.00	418.00	416.00	416.00
Block Hours	1,792.00	3,049.31	3,034.72	3,034.72
Unit Cost/ATK	0.40	0.41	0.44	0.44
Unit Cost/ATK (excluding fuel)	0.23	0.28	0.30	0.30
Total Maintenance Cost/ATK	0.03	0.06	0.06	0.06
Net Revenue/RTK	0.55	0.61	0.62	0.66
BELF(before corp. overheads & finance Charges)	73.49	66.91	70.54	66.71
Operating Ratio %	91.32	100.02	97.09	103.19
RASK	0.0536	0.0617	0.0616	0.0661
CASK (excluding finance chgs)	0.0587	0.0599	0.0626	0.0633
CASK (excl. fuel & finance chgs)	0.0326	0.0418	0.0432	0.0436

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/KUL/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	19,881.31	27,465.98	28,571.05	30,488.92
Excess Baggage	95.64	113.27	113.30	112.46
Mail		0.00	0.00	0.00
Cargo	660.87	1,087.72	1,262.02	1,283.98
Non-scheduled services/FFP net accruals	21.97	(7.99)	(1.41)	(1.41)
<b>Total Traffic Revenue</b>	<b>20,659.79</b>	<b>28,658.99</b>	<b>29,944.96</b>	<b>31,883.96</b>
Direct Operating Costs				
Fuel	8,658.36	10,107.36	11,043.84	10,706.40
Landing	343.88	491.95	500.37	510.38
Handling - overseas	903.05	915.17	794.24	837.38
Overflying	237.00	313.00	318.42	324.79
Aircraft Maintenance	3,519.07	5,338.82	5,772.51	5,751.95
Inflight Catering	1,079.21	1,532.18	1,550.60	1,582.44
<b>Total D.O.C.s</b>	<b>14,740.56</b>	<b>18,698.46</b>	<b>19,979.97</b>	<b>19,713.33</b>
<b>Contribution to Fixed Costs</b>	<b>5,919.22</b>	<b>9,960.53</b>	<b>9,964.98</b>	<b>12,170.62</b>
Fixed Costs				
Aircraft Related	5,387.77	7,417.57	7,355.42	8,853.50
Crew Layover	678.47	1,730.24	1,736.28	1,744.14
Area/Other	3,087.08	5,202.44	5,370.02	5,646.84
<b>Total Fixed Costs</b>	<b>9,153.32</b>	<b>14,350.24</b>	<b>14,461.73</b>	<b>16,244.48</b>
<b>Total Route Costs</b>	<b>23,893.88</b>	<b>33,048.70</b>	<b>34,441.70</b>	<b>35,957.81</b>
<b>Contribution to Corporate Overheads</b>	<b>(3,234.10)</b>	<b>(4,389.71)</b>	<b>(4,496.74)</b>	<b>(4,073.86)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(3,234.10)</b>	<b>(4,389.71)</b>	<b>(4,496.74)</b>	<b>(4,073.86)</b>
Commercial Information				
Leg Seats available	155,530.00	225,570.00	224,952.00	224,952.00
Pax Nos.	125,645.00	187,667.00	185,220.00	187,596.00
RPK (000's)	308,961.00	461,473.15	455,455.98	461,298.56
ASK (000's)	382,448.00	563,627.39	571,058.49	571,058.49
Seat Factor % - Overall	80.79	81.88	79.76	80.78
Cargo Tons	955.00	1,247.02	1,237.38	1,246.82
Cargo RTK (000's)	2,348.00	3,228.06	3,219.22	3,219.22
Cargo Yield/Actual Weight Kg. (USD)	0.69	0.87	1.02	1.03
RTK (000's)	28,965.00	44,760.64	44,210.25	44,736.09
ATK (000's)	44,422.00	65,267.52	65,088.70	65,088.70
Overall Load Factor %	65.20	68.58	67.92	68.73
Pax Yield/RPK - Overall	0.0643	0.0595	0.0627	0.0661
Pax Yield/ASK	0.0520	0.0487	0.0500	0.0534
Cargo Yield/Cargo RTK	0.2815	0.3370	0.3920	0.3988
No. of Flights	531.00	730.00	728.00	728.00
No. of Departures	1,062.00	1,460.00	1,456.00	1,456.00
Block Hours	3,790.00	5,315.62	5,301.05	5,301.05
Unit Cost/ATK	0.54	0.51	0.53	0.55
Unit Cost/ATK (excluding fuel)	0.34	0.35	0.36	0.39
Total Maintenance Cost/ATK	0.08	0.08	0.09	0.09
Net Revenue/RTK	0.71	0.64	0.68	0.71
BELF (before corp. overheads & finance Charges)	75.41	79.08	78.12	77.51
Operating Ratio %	86.46	79.60	81.85	83.76
RASK	0.0540	0.0508	0.0524	0.0558
CASK (excluding finance chgs)	0.0625	0.0604	0.0623	0.0652
CASK (excl. fuel & finance chgs)	0.0398	0.0424	0.0430	0.0464

## H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/BKK/CAN/BKK/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	28,847.15	31,312.78	33,982.09	36,652.75
Excess Baggage	201.83	24.36	25.00	24.94
Mail	88.90	56.72	38.63	38.63
Cargo	5,757.17	6,105.34	6,318.41	6,428.34
Non-scheduled services/FFP net accruals	102.86	(9.10)	(1.68)	(1.69)
<b>Total Traffic Revenue</b>	<b>34,997.91</b>	<b>37,490.09</b>	<b>40,362.45</b>	<b>43,142.97</b>
Direct Operating Costs				
Fuel	13,200.53	10,003.53	10,870.20	11,035.16
Landing	1,446.96	1,432.72	1,450.19	1,479.20
Handling - overseas	3,046.52	2,904.09	2,856.31	2,868.64
Overflying	1,404.78	1,210.30	1,229.43	1,254.02
Aircraft Maintenance	3,436.20	4,634.41	4,750.27	4,629.91
Inflight Catering	1,151.40	1,034.94	1,044.23	1,065.67
<b>Total D.O.C.s</b>	<b>23,686.39</b>	<b>21,219.99</b>	<b>22,200.63</b>	<b>22,332.58</b>
<b>Contribution to Fixed Costs</b>	<b>11,311.52</b>	<b>16,270.10</b>	<b>18,161.82</b>	<b>20,810.39</b>
Fixed Costs				
Aircraft Related	5,356.22	7,548.33	8,303.57	8,200.14
Crew Layover	966.95	1,600.79	1,603.08	1,610.34
Area/Other	4,383.80	5,209.87	5,380.93	5,662.46
<b>Total Fixed Costs</b>	<b>10,706.97</b>	<b>14,358.99</b>	<b>15,287.59</b>	<b>15,472.94</b>
<b>Total Route Costs</b>	<b>34,393.36</b>	<b>35,578.98</b>	<b>37,488.21</b>	<b>37,805.52</b>
<b>Contribution to Corporate Overheads</b>	<b>604.55</b>	<b>1,911.11</b>	<b>2,874.24</b>	<b>5,337.45</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>604.55</b>	<b>1,911.11</b>	<b>2,874.24</b>	<b>5,337.45</b>
Commercial Information				
Leg Seats available	238,782.00	246,156.00	247,104.00	247,104.00
Pax Nos.	154,522.00	203,128.00	205,687.00	209,352.00
RPK (000's)	432,410.00	440,683.22	443,468.33	451,339.06
ASK (000's)	485,204.00	478,255.58	484,745.79	484,745.79
Seat Factor % - Overall	89.12	92.14	91.48	93.11
Cargo Tons	5,331.00	5,241.79	5,217.70	5,257.54
Cargo RTK (000's)	14,977.00	15,660.24	15,010.74	15,010.74
Cargo Yield/Actual Weight Kg. (USD)	1.08	1.16	1.21	1.22
RTK (000's)	53,237.00	55,321.73	54,922.89	55,631.25
ATK (000's)	68,143.00	67,807.56	68,173.08	68,173.08
Overall Load Factor %	78.13	81.59	80.56	81.60
Pax Yield/RPK - Overall	0.0667	0.0711	0.0766	0.0812
Pax Yield/ASK	0.0595	0.0655	0.0701	0.0756
Cargo Yield/Cargo RTK	0.3844	0.3899	0.4209	0.4282
No. of Flights	209.00	209.00	208.00	208.00
No. of Departures	836.00	836.00	832.00	832.00
Block Hours	2,666.00	2,676.13	2,662.40	2,662.40
Unit Cost/ATK	0.50	0.52	0.55	0.55
Unit Cost/ATK (excluding fuel)	0.31	0.38	0.39	0.39
Total Maintenance Cost/ATK	0.05	0.07	0.07	0.07
Net Revenue/RTK	0.66	0.68	0.73	0.78
BELF(before corp. overheads & finance Charges)	76.78	77.43	74.83	71.51
Operating Ratio %	101.76	99.73	102.98	109.08
RASK	0.0721	0.0784	0.0833	0.0890
CASK (excluding finance chgs)	0.0709	0.0765	0.0798	0.0807
CASK (excl. fuel & finance chgs)	0.0437	0.0556	0.0574	0.0580

SRI LANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/PVG/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	17,049.59	31,967.31	35,364.76	38,995.09
Excess Baggage	39.19	66.12	69.34	70.58
Mail				
Cargo	3,178.69	5,629.04	7,214.46	7,339.98
Non-scheduled services/FFP net accruals	353.58	(9.29)	(1.75)	(1.80)
<b>Total Traffic Revenue</b>	<b>20,621.05</b>	<b>37,653.17</b>	<b>42,646.81</b>	<b>46,403.85</b>
<b>Direct Operating Costs</b>				
Fuel	9,226.01	11,184.87	12,206.55	12,391.79
Landing	586.48	615.53	625.27	637.78
Handling - overseas	825.97	1,227.54	1,190.91	1,203.24
Overflying	868.10	1,410.09	1,432.20	1,460.85
Aircraft Maintenance	1,700.34	5,208.27	5,340.34	5,205.03
Inflight Catering	586.40	1,121.74	1,132.91	1,156.17
<b>Total D.O.C.s</b>	<b>13,793.31</b>	<b>20,768.05</b>	<b>21,928.19</b>	<b>22,054.85</b>
<b>Contribution to Fixed Costs</b>	<b>6,827.74</b>	<b>16,885.12</b>	<b>20,718.62</b>	<b>24,349.01</b>
<b>Fixed Costs</b>				
Aircraft Related	3,602.15	8,483.01	9,335.03	9,218.75
Crew Layover	779.30	1,272.08	1,273.90	1,279.67
Area/Other	2,463.88	5,087.54	5,298.23	5,632.67
<b>Total Fixed Costs</b>	<b>6,845.33</b>	<b>14,842.63</b>	<b>15,907.16</b>	<b>16,131.09</b>
<b>Total Route Costs</b>	<b>20,638.64</b>	<b>35,610.68</b>	<b>37,835.35</b>	<b>38,185.94</b>
<b>Contribution to Corporate Overheads</b>	<b>(17.59)</b>	<b>2,042.48</b>	<b>4,811.46</b>	<b>8,217.92</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(17.59)</b>	<b>2,042.48</b>	<b>4,811.46</b>	<b>8,217.92</b>
<b>Commercial Information</b>				
Leg Seats available	67,525.00	119,274.00	120,640.00	120,640.00
Pax Nos.	52,924.00	93,311.00	96,552.00	100,284.00
RPK (000's)	268,113.00	475,606.17	492,125.54	511,147.55
ASK (000's)	344,579.00	605,574.57	614,902.08	614,902.08
Seat Factor % - Overall	77.81	78.54	80.03	83.13
Cargo Tons	2,621.00	4,215.79	4,171.70	4,203.55
Cargo RTK (000's)	13,279.00	21,913.65	21,808.80	21,808.80
Cargo Yield/Actual Weight Kg. (USD)	1.21	1.34	1.73	1.75
RTK (000's)	36,453.00	64,718.21	66,100.10	67,812.08
ATK (000's)	50,770.00	86,124.44	86,060.22	86,060.22
Overall Load Factor %	71.80	75.14	76.81	78.80
Pax Yield/RPK - Overall	0.0636	0.0672	0.0719	0.0763
Pax Yield/ASK	0.0495	0.0528	0.0575	0.0634
Cargo Yield/Cargo RTK	0.2394	0.2569	0.3308	0.3366
No. of Flights	124.00	209.00	208.00	208.00
No. of Departures	248.00	418.00	416.00	416.00
Block Hours	1,753.00	3,007.51	2,993.12	2,993.12
Unit Cost/ATK	0.41	0.41	0.44	0.44
Unit Cost/ATK (excluding fuel)	0.22	0.28	0.30	0.30
Total Maintenance Cost/ATK	0.03	0.06	0.06	0.06
Net Revenue/RTK	0.57	0.58	0.65	0.68
BELF(before corp. overheads & finance Charges)	71.86	71.07	68.14	64.84
Operating Ratio %	99.91	99.03	106.83	115.06
RASK	0.0598	0.0622	0.0694	0.0755
CASK (excluding finance chgs)	0.0599	0.0609	0.0640	0.0648
CASK (excl. fuel & finance chgs)	0.0331	0.0425	0.0442	0.0447

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/BKK/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	6,773.39	13,962.35	15,601.13	16,698.13
Excess Baggage	71.87	127.13	135.79	134.84
Mail	0.50	1.08	1.02	1.02
Cargo	274.03	505.04	579.18	589.25
Non-scheduled services/FFP net accruals	69.16	(4.06)	(0.77)	(0.77)
<b>Total Traffic Revenue</b>	<b>7,188.95</b>	<b>14,591.54</b>	<b>16,316.35</b>	<b>17,422.47</b>
<b>Direct Operating Costs</b>				
Fuel	2,803.34	5,048.86	5,893.70	5,713.62
Landing	137.72	369.11	405.90	414.02
Handling - overseas	534.63	842.15	780.62	802.19
Overflying	211.38	412.26	432.15	440.79
Aircraft Maintenance	1,263.40	2,654.95	2,977.45	2,966.85
Inflight Catering	392.05	788.59	827.78	844.77
<b>Total D.O.C.s</b>	<b>5,342.52</b>	<b>10,115.93</b>	<b>11,317.60</b>	<b>11,182.25</b>
<b>Contribution to Fixed Costs</b>	<b>1,846.43</b>	<b>4,475.61</b>	<b>4,998.75</b>	<b>6,240.23</b>
<b>Fixed Costs</b>				
Aircraft Related	1,841.99	3,688.70	3,793.92	4,566.62
Crew Layover	743.67	1,122.13	1,126.04	1,131.14
Area/Other	1,184.10	2,635.64	2,910.76	3,060.19
<b>Total Fixed Costs</b>	<b>3,769.76</b>	<b>7,446.46</b>	<b>7,830.72</b>	<b>8,757.96</b>
<b>Total Route Costs</b>	<b>9,112.28</b>	<b>17,562.39</b>	<b>19,148.32</b>	<b>19,940.20</b>
<b>Contribution to Corporate Overheads</b>	<b>(1,923.33)</b>	<b>(2,970.85)</b>	<b>(2,831.98)</b>	<b>(2,517.73)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,923.33)</b>	<b>(2,970.85)</b>	<b>(2,831.98)</b>	<b>(2,517.73)</b>
<b>Commercial Information</b>				
Leg Seats available	66,574.00	113,046.00	123,032.00	123,032.00
Pax Nos.	50,620.00	104,047.00	109,654.00	111,112.00
RPK (000's)	120,729.00	248,152.69	261,523.60	265,001.40
ASK (000's)	158,779.00	269,614.71	293,431.32	293,431.32
Seat Factor % - Overall	76.04	92.04	89.13	90.31
Cargo Tons	241.00	398.05	400.09	403.14
Cargo RTK (000's)	582.00	1,106.32	1,103.28	1,103.28
Cargo Yield/Actual Weight Kg. (USD)	1.13	1.27	1.45	1.46
RTK (000's)	11,097.00	23,440.06	24,640.41	24,953.41
ATK (000's)	15,887.00	31,509.96	34,580.00	34,580.00
Overall Load Factor %	69.85	74.39	71.26	72.16
Pax Yield/RPK - Overall	0.0561	0.0563	0.0597	0.0630
Pax Yield/ASK	0.0427	0.0518	0.0532	0.0569
Cargo Yield/Cargo RTK	0.4709	0.4565	0.5250	0.5341
No. of Flights	192.00	365.00	364.00	364.00
No. of Departures	384.00	730.00	728.00	728.00
Block Hours	1,322.00	2,643.42	2,734.28	2,734.28
Unit Cost/ATK	0.57	0.56	0.55	0.58
Unit Cost/ATK (excluding fuel)	0.40	0.40	0.38	0.41
Total Maintenance Cost/ATK	0.08	0.08	0.09	0.09
Net Revenue/RTK	0.65	0.62	0.66	0.70
BELF (before corp. overheads & finance Charges)	88.54	89.54	83.62	82.59
Operating Ratio %	78.89	76.73	80.49	82.78
RASK	0.0453	0.0541	0.0556	0.0594
CASK (excluding finance chgs)	0.0574	0.0669	0.0673	0.0702
CASK (excl. fuel & finance chgs)	0.0397	0.0482	0.0473	0.0508



H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/KMG/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	1,988.63	9,552.34	10,056.78	10,804.00
Excess Baggage	0.13	0.45	0.45	0.44
Cargo	2.10	-	-	-
Mail		47.97	55.46	56.42
Non-scheduled services/FFP net accruals	53.20	(2.78)	(0.50)	(0.50)
<b>Total Traffic Revenue</b>	<b>2,044.07</b>	<b>9,597.99</b>	<b>10,112.19</b>	<b>10,860.36</b>
Direct Operating Costs				
Fuel	935.42	2,785.95	3,033.10	2,940.43
Landing	77.51	227.11	230.16	234.76
Handling - overseas	209.51	550.03	521.13	530.37
Overflying	100.51	322.38	326.78	333.31
Aircraft Maintenance	495.58	1,524.42	1,642.26	1,636.41
Inflight Catering	105.30	356.09	359.07	366.44
<b>Total D.O.C.s</b>	<b>1,923.83</b>	<b>5,765.99</b>	<b>6,112.49</b>	<b>6,041.72</b>
Contribution to Fixed Costs	120.24	3,832.00	3,999.70	4,818.64
Fixed Costs				
Aircraft Related	676.54	2,117.98	2,092.59	2,518.79
Crew Layover	176.43	482.67	482.59	484.77
Area/Other	291.18	2,109.50	2,161.31	2,281.33
<b>Total Fixed Costs</b>	<b>1,144.16</b>	<b>4,710.15</b>	<b>4,736.49</b>	<b>5,284.89</b>
<b>Total Route Costs</b>	<b>3,067.98</b>	<b>10,476.14</b>	<b>10,848.98</b>	<b>11,326.62</b>
Contribution to Corporate Overheads	(1,023.92)	(878.15)	(736.79)	(466.25)
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,023.92)</b>	<b>(878.15)</b>	<b>(736.79)</b>	<b>(466.25)</b>
Commercial Information				
Leg Seats available	14,618.00	43,960.00	43,680.00	43,680.00
Pax Nos.	9,075.00	35,924.00	35,112.00	35,340.00
RPK (000's)	28,623.00	113,304.30	110,743.25	111,462.36
ASK (000's)	46,105.00	143,570.08	147,607.20	147,607.20
Seat Factor % - Overall	62.08	78.92	75.03	75.51
Cargo Tons	6.00	101.64	185.76	187.17
Cargo RTK (000's)	19.00	63.59	63.18	63.18
Cargo Yield/Actual Weight Kg. (USD)	0.34	0.47	0.30	0.30
RTK (000's)	2,476.00	10,260.97	10,030.07	10,094.79
ATK (000's)	5,288.00	39,416.97	39,165.91	39,165.91
Overall Load Factor %	46.82	26.03	25.61	25.77
Pax Yield/RPK - Overall	0.0695	0.0843	0.0908	0.0969
Pax Yield/ASK	0.0431	0.0665	0.0681	0.0732
Cargo Yield/Cargo RTK	0.1084	0.7545	0.8777	0.8930
No. of Flights	52.50	157.00	156.00	156.00
No. of Departures	105.00	314.00	312.00	312.00
Block Hours	507.00	1,517.80	1,508.13	1,508.13
Unit Cost/ATK	0.58	0.27	0.28	0.29
Unit Cost/ATK (excluding fuel)	0.40	0.20	0.20	0.21
Total Maintenance Cost/ATK	0.09	0.04	0.04	0.04
Net Revenue/RTK	0.83	0.94	1.01	1.08
BELF(before corp. overheads & finance Charges)	70.28	28.41	27.48	26.88
Operating Ratio %	66.63	82.51	85.51	88.11
RASK	0.0443	0.0669	0.0685	0.0736
CASK (excluding finance chgs)	0.0665	0.0771	0.0782	0.0819
CASK (excl. fuel & finance chgs)	0.0463	0.0577	0.0577	0.0620

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/KWI/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	33,280.75	33,184.30	36,176.21	38,759.80
Excess Baggage	1,341.54	1,169.80	1,227.73	1,224.91
Mail	2.19	2.25	1.09	1.09
Cargo	5,120.99	4,720.47	5,201.36	5,291.86
Non-scheduled services/FFP net accruals	22.63	(9.65)	(1.79)	(1.79)
<b>Total Traffic Revenue</b>	<b>39,768.09</b>	<b>39,067.17</b>	<b>42,604.60</b>	<b>45,275.88</b>
Direct Operating Costs				
Fuel	20,934.56	14,860.69	16,113.72	16,358.25
Landing	601.25	590.34	597.08	609.02
Handling - overseas	940.02	786.32	724.54	746.12
Overflying	959.38	940.27	954.74	973.84
Aircraft Maintenance	5,080.11	6,862.86	7,050.87	6,872.22
Inflight Catering	1,595.55	1,309.08	1,306.51	1,333.33
<b>Total D.O.C.s</b>	<b>30,110.86</b>	<b>25,349.56</b>	<b>26,747.47</b>	<b>26,892.78</b>
<b>Contribution to Fixed Costs</b>	<b>9,657.23</b>	<b>13,717.62</b>	<b>15,857.13</b>	<b>18,383.09</b>
Fixed Costs				
Aircraft Related	7,949.11	11,177.94	12,325.07	12,171.55
Crew Layover	1,159.67	2,090.52	2,097.82	2,107.32
Area/Other	6,094.49	6,379.71	6,606.76	6,978.88
<b>Total Fixed Costs</b>	<b>15,203.27</b>	<b>19,648.17</b>	<b>21,029.65</b>	<b>21,257.75</b>
<b>Total Route Costs</b>	<b>45,314.13</b>	<b>44,997.73</b>	<b>47,777.12</b>	<b>48,150.53</b>
<b>Contribution to Corporate Overheads</b>	<b>(5,546.04)</b>	<b>(5,930.56)</b>	<b>(5,172.52)</b>	<b>(2,874.66)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(5,546.04)</b>	<b>(5,930.56)</b>	<b>(5,172.52)</b>	<b>(2,874.66)</b>
Commercial Information				
Leg Seats available	204,811.00	205,502.00	210,392.00	210,392.00
Pax Nos.	168,826.00	169,895.00	175,932.00	179,112.00
RPK (000's)	698,771.00	712,709.53	738,034.74	751,374.84
ASK (000's)	859,182.00	858,045.30	882,594.44	882,594.44
Seat Factor % - Overall	81.33	83.06	83.62	85.13
Cargo Tons	5,288.00	5,061.15	5,017.26	5,055.56
Cargo RTK (000's)	21,959.00	22,966.01	21,275.44	21,275.44
Cargo Yield/Actual Weight Kg. (USD)	0.97	0.93	1.04	1.05
RTK (000's)	83,295.00	87,109.87	87,698.56	88,899.17
ATK (000's)	125,739.00	119,228.47	115,293.62	115,293.62
Overall Load Factor %	66.24	73.06	76.07	77.11
Pax Yield/RPK - Overall	0.0476	0.0466	0.0490	0.0516
Pax Yield/ASK	0.0387	0.0387	0.0410	0.0439
Cargo Yield/Cargo RTK	0.2332	0.2055	0.2445	0.2487
No. of Flights	365.00	365.00	364.00	364.00
No. of Departures	730.00	730.00	728.00	728.00
Block Hours	3,953.00	3,962.95	3,951.83	3,951.83
Unit Cost/ATK	0.36	0.38	0.41	0.42
Unit Cost/ATK (excluding fuel)	0.19	0.25	0.27	0.28
Total Maintenance Cost/ATK	0.04	0.06	0.06	0.06
Net Revenue/RTK	0.48	0.45	0.49	0.51
BELF(before corp. overheads & finance Charges)	75.48	84.15	85.30	82.00
Operating Ratio %	87.76	80.95	84.26	88.75
RASK	0.0463	0.0455	0.0483	0.0513
CASK (excluding finance chgs)	0.0527	0.0545	0.0565	0.0571
CASK (excl. fuel & finance chgs)	0.0284	0.0372	0.0382	0.0386

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/RUH/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	31,237.73	30,705.26	30,058.94	31,729.69
Excess Baggage	876.02	775.10	728.83	716.01
Mail	0.88	1.19	1.11	1.11
Cargo	3,061.18	3,201.15	3,564.54	3,626.56
Non-scheduled services/FFP net accruals	18.56	(8.93)	(1.49)	(1.46)
<b>Total Traffic Revenue</b>	<b>35,194.37</b>	<b>34,673.77</b>	<b>34,351.93</b>	<b>36,071.90</b>
<b>Direct Operating Costs</b>				
Fuel	16,038.74	10,942.90	11,410.45	11,583.61
Landing	850.65	814.48	787.55	803.30
Handling - overseas	2,833.31	2,200.01	2,106.35	2,121.76
Overflying	985.86	1,150.03	1,162.17	1,185.41
Aircraft Maintenance	3,618.93	4,852.44	4,995.47	4,868.90
Inflight Catering	1,249.50	1,283.18	1,433.36	1,462.79
<b>Total D.O.C.s</b>	<b>25,576.99</b>	<b>21,243.05</b>	<b>21,895.35</b>	<b>22,025.76</b>
<b>Contribution to Fixed Costs</b>	<b>9,617.39</b>	<b>13,430.72</b>	<b>12,456.59</b>	<b>14,046.14</b>
<b>Fixed Costs</b>				
Aircraft Related	5,641.52	7,903.45	8,732.19	8,623.42
Crew Layover	812.32	924.66	926.87	931.07
Area/Other	4,805.90	4,908.10	4,934.70	5,195.01
<b>Total Fixed Costs</b>	<b>11,259.75</b>	<b>13,736.21</b>	<b>14,593.76</b>	<b>14,749.50</b>
<b>Total Route Costs</b>	<b>36,836.73</b>	<b>34,979.26</b>	<b>36,489.11</b>	<b>36,775.26</b>
<b>Contribution to Corporate Overheads</b>	<b>(1,642.36)</b>	<b>(305.49)</b>	<b>(2,137.17)</b>	<b>(703.36)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,642.36)</b>	<b>(305.49)</b>	<b>(2,137.17)</b>	<b>(703.36)</b>
<b>Commercial Information</b>				
Leg Seats available	160,158.00	154,686.00	148,616.00	148,616.00
Pax Nos.	142,873.00	131,694.00	122,184.00	122,484.00
RPK (000's)	577,921.00	532,702.23	494,234.28	495,447.78
ASK (000's)	647,839.00	608,141.48	601,151.72	601,151.72
Seat Factor % - Overall	89.21	87.60	82.21	82.42
Cargo Tons	3,214.00	3,080.45	3,074.69	3,098.16
Cargo RTK (000's)	13,027.00	18,635.87	12,684.10	12,684.10
Cargo Yield/Actual Weight Kg. (USD)	0.95	1.04	1.16	1.17
RTK (000's)	66,615.00	66,579.07	57,165.19	57,274.40
ATK (000's)	93,219.00	90,767.75	87,852.62	87,852.62
Overall Load Factor %	71.46	73.35	65.07	65.19
Pax Yield/RPK - Overall	0.0541	0.0576	0.0608	0.0640
Pax Yield/ASK	0.0482	0.0505	0.0500	0.0528
Cargo Yield/Cargo RTK	0.2350	0.1718	0.2810	0.2859
No. of Flights	261.00	261.00	260.00	260.00
No. of Departures	522.00	522.00	520.00	520.00
Block Hours	2,806.00	2,802.04	2,799.83	2,799.83
Unit Cost/ATK	0.40	0.39	0.42	0.42
Unit Cost/ATK (excluding fuel)	0.22	0.26	0.29	0.29
Total Maintenance Cost/ATK	0.04	0.05	0.06	0.06
Net Revenue/RTK	0.53	0.52	0.60	0.63
BELF (before corp. overheads & finance Charges)	74.80	74.00	69.12	66.46
Operating Ratio %	95.54	92.75	89.06	92.67
RASK	0.0543	0.0570	0.0571	0.0600
CASK (excluding finance chgs)	0.0569	0.0598	0.0633	0.0640
CASK (excl. fuel & finance chgs)	0.0321	0.0418	0.0443	0.0447

SRI LANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/MCT/CMB - A320/A321

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	12,856.25	4,904.94	-	-
Excess Baggage	266.50	77.34	-	-
Mail	1.14	0.42	-	-
Cargo	693.41	264.85	-	-
Non-scheduled services/FFP net accruals	(12.31)	(1.43)	-	-
<b>Total Traffic Revenue</b>	<b>13,805.00</b>	<b>5,246.12</b>	-	-
Direct Operating Costs				
Fuel	6,239.23	1,519.24	-	-
Landing	192.24	65.92	-	-
Handling - overseas	633.82	118.60	-	-
Overflying	338.91	127.97	-	-
Aircraft Maintenance	2,384.46	845.80	-	-
Inflight Catering	910.26	293.16	-	-
<b>Total D.O.C.s</b>	<b>10,698.92</b>	<b>2,970.68</b>	-	-
Contribution to Fixed Costs	3,106.07	2,275.44	-	-
Fixed Costs				
Aircraft Related	3,634.30	1,175.12	-	-
Crew Layover	351.03	125.97	-	-
Area/Other	2,167.84	822.41	-	-
<b>Total Fixed Costs</b>	<b>6,153.18</b>	<b>2,123.50</b>	-	-
<b>Total Route Costs</b>	<b>16,852.10</b>	<b>5,094.18</b>	-	-
Contribution to Corporate Overheads	(3,047.10)	151.94	-	-
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(3,047.10)</b>	<b>151.94</b>	-	-
Commercial Information				
Leg Seats available	99,426.00	34,060.00	-	-
Pax Nos.	76,740.00	27,571.13	-	-
RPK (000's)	225,616.00	80,976.42	-	-
ASK (000's)	292,312.00	96,773.04	-	-
Seat Factor % - Overall	77.18	83.68	-	-
Cargo Tons	654.00	203.93	-	-
Cargo RTK (000's)	1,924.00	643.14	-	-
Cargo Yield/Actual Weight Kg. (USD)	1.06	1.30	-	-
RTK (000's)	21,147.00	7,931.01	-	-
ATK (000's)	32,102.00	10,349.87	-	-
Overall Load Factor %	65.88	76.63	-	-
Pax Yield/RPK - Overall	0.0570	0.0606	-	-
Pax Yield/ASK	0.0440	0.0507	-	-
Cargo Yield/Cargo RTK	0.3605	0.4118	-	-
No. of Flights	310.00	104.00	-	-
No. of Departures	620.00	208.00	-	-
Block Hours	2,535.00	842.12	-	-
Unit Cost/ATK	0.53	0.49	-	-
Unit Cost/ATK (excluding fuel)	0.33	0.35	-	-
Total Maintenance Cost/ATK	0.07	0.08	-	-
Net Revenue/RTK	0.65	0.66	-	-
BELF(before corp. overheads & finance Charges)	80.42	74.41	-	-
Operating Ratio %	81.92	94.32	-	-
RASK	0.0472	0.0542	-	-
CASK (excluding finance chgs)	0.0577	0.0543	-	-
CASK (excl. fuel & finance chgs)	0.0363	0.0386	-	-

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/DXB/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	14,610.56	29,861.03	31,751.30	34,025.97
Excess Baggage	119.07	194.88	200.88	200.65
Mail	0.08	0.13	0.08	0.08
Cargo	2,657.20	5,107.89	5,702.70	5,801.93
Non-scheduled services/FFP net accruals	(12.10)	(8.68)	(1.57)	(1.57)
<b>Total Traffic Revenue</b>	<b>17,374.82</b>	<b>35,155.24</b>	<b>37,653.39</b>	<b>40,027.06</b>
<b>Direct Operating Costs</b>				
Fuel	7,869.51	12,186.98	13,206.91	13,407.33
Landing	383.87	749.01	755.65	770.76
Handling - overseas	892.96	1,536.90	1,474.05	1,494.95
Overflying	388.82	726.97	740.97	755.79
Aircraft Maintenance	2,101.17	5,627.93	5,782.71	5,636.19
Inflight Catering	746.07	1,276.42	1,308.46	1,335.32
<b>Total D.O.C.s</b>	<b>12,382.40</b>	<b>22,104.22</b>	<b>23,268.74</b>	<b>23,400.33</b>
<b>Contribution to Fixed Costs</b>	<b>4,992.42</b>	<b>13,051.03</b>	<b>14,384.66</b>	<b>16,626.73</b>
<b>Fixed Costs</b>				
Aircraft Related	3,408.70	9,166.54	10,108.30	9,982.39
Crew Layover	302.08	936.23	939.50	943.75
Area/Other	2,643.54	5,565.49	5,773.42	6,096.34
<b>Total Fixed Costs</b>	<b>6,354.32</b>	<b>15,668.26</b>	<b>16,821.22</b>	<b>17,022.48</b>
<b>Total Route Costs</b>	<b>18,736.72</b>	<b>37,772.47</b>	<b>40,089.96</b>	<b>40,422.81</b>
<b>Contribution to Corporate Overheads</b>	<b>(1,361.89)</b>	<b>(2,617.23)</b>	<b>(2,436.56)</b>	<b>(395.74)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(1,361.89)</b>	<b>(2,617.23)</b>	<b>(2,436.56)</b>	<b>(395.74)</b>
<b>Commercial Information</b>				
Leg Seats available	102,382.00	205,084.00	207,480.00	207,480.00
Pax Nos.	78,132.00	153,335.00	155,954.00	158,954.00
RPK (000's)	258,539.00	507,385.52	516,051.79	525,978.79
ASK (000's)	338,782.00	656,273.97	686,551.32	686,551.32
Seat Factor % - Overall	76.31	77.31	75.17	76.61
Cargo Tons	3,151.00	5,820.63	5,976.74	6,022.37
Cargo RTK (000's)	10,425.00	21,055.80	19,879.86	19,879.86
Cargo Yield/Actual Weight Kg. (USD)	0.84	0.88	0.95	0.96
RTK (000's)	32,718.00	66,720.50	66,324.52	67,217.95
ATK (000's)	50,729.00	100,135.38	98,747.60	98,747.60
Overall Load Factor %	64.50	66.63	67.17	68.07
Pax Yield/RPK - Overall	0.0565	0.0589	0.0615	0.0647
Pax Yield/ASK	0.0431	0.0455	0.0462	0.0496
Cargo Yield/Cargo RTK	0.2549	0.2426	0.2869	0.2918
No. of Flights	190.00	365.00	364.00	364.00
No. of Departures	380.00	730.00	728.00	728.00
Block Hours	1,695.00	3,249.84	3,241.06	3,241.06
Unit Cost/ATK	0.37	0.38	0.41	0.41
Unit Cost/ATK (excluding fuel)	0.21	0.26	0.27	0.27
Total Maintenance Cost/ATK	0.04	0.06	0.06	0.06
Net Revenue/RTK	0.53	0.53	0.57	0.60
BELF(before corp. overheads & finance Charges)	69.55	71.59	71.51	68.74
Operating Ratio %	92.73	86.83	88.70	93.40
RASK	0.0513	0.0536	0.0548	0.0583
CASK (excluding finance chgs)	0.0553	0.0599	0.0609	0.0617
CASK (excl. fuel & finance chgs)	0.0321	0.0413	0.0417	0.0421

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/DMM/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	19,393.44	21,135.29	22,555.30	24,102.06
Excess Baggage	575.34	826.75	852.60	849.33
Mail	1.27	1.72	1.55	1.55
Cargo	1,966.18	2,460.89	2,993.45	3,045.54
Non-scheduled services/FFP net accruals	(8.99)	(6.15)	(1.12)	(1.11)
<b>Total Traffic Revenue</b>	<b>21,927.24</b>	<b>24,418.50</b>	<b>26,401.79</b>	<b>27,997.37</b>
Direct Operating Costs				
Fuel	8,105.13	8,065.91	8,653.39	8,784.71
Landing	301.11	323.70	321.97	328.41
Handling - overseas	1,298.23	1,250.79	1,216.85	1,229.18
Overflying	488.85	536.43	547.00	557.94
Aircraft Maintenance	2,448.41	3,674.87	3,794.51	3,698.36
Inflight Catering	761.02	803.25	820.59	837.43
<b>Total D.O.C.s</b>	<b>13,402.75</b>	<b>14,654.94</b>	<b>15,354.31</b>	<b>15,436.04</b>
Contribution to Fixed Costs	8,524.49	9,763.56	11,047.47	12,561.33
Fixed Costs				
Aircraft Related	3,575.24	5,985.47	6,632.88	6,550.26
Crew Layover	260.61	334.25	336.33	337.86
Area/Other	3,073.81	3,631.84	3,810.62	4,026.66
<b>Total Fixed Costs</b>	<b>6,909.66</b>	<b>9,951.56</b>	<b>10,779.83</b>	<b>10,914.77</b>
<b>Total Route Costs</b>	<b>20,312.41</b>	<b>24,606.50</b>	<b>26,134.15</b>	<b>26,350.82</b>
Contribution to Corporate Overheads	1,614.83	(188.00)	267.64	1,646.55
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>1,614.83</b>	<b>(188.00)</b>	<b>267.64</b>	<b>1,646.55</b>
Commercial Information				
Leg Seats available	106,722.00	117,666.00	114,816.00	114,816.00
Pax Nos.	88,331.00	91,457.00	93,060.00	94,596.00
RPK (000's)	340,339.00	352,383.82	358,560.18	364,478.39
ASK (000's)	411,200.00	442,910.06	442,386.05	442,386.05
Seat Factor % - Overall	82.77	79.56	81.05	82.39
Cargo Tons	2,458.00	2,779.75	2,777.36	2,798.56
Cargo RTK (000's)	9,506.00	13,321.57	11,039.39	11,039.39
Cargo Yield/Actual Weight Kg. (USD)	0.80	0.89	1.08	1.09
RTK (000's)	41,303.00	45,036.12	43,309.81	43,842.45
ATK (000's)	60,658.00	69,070.31	68,809.46	68,809.46
Overall Load Factor %	68.09	65.20	62.94	63.72
Pax Yield/RPK - Overall	0.0570	0.0600	0.0629	0.0661
Pax Yield/ASK	0.0472	0.0477	0.0510	0.0545
Cargo Yield/Cargo RTK	0.2068	0.1847	0.2712	0.2759
No. of Flights	176.00	208.00	208.00	208.00
No. of Departures	352.00	416.00	416.00	416.00
Block Hours	1,790.00	2,122.05	2,126.72	2,126.72
Unit Cost/ATK	0.33	0.36	0.38	0.38
Unit Cost/ATK (excluding fuel)	0.20	0.24	0.25	0.26
Total Maintenance Cost/ATK	0.04	0.05	0.06	0.05
Net Revenue/RTK	0.53	0.54	0.61	0.64
BELF(before corp. overheads & finance Charges)	63.08	65.71	62.30	59.97
Operating Ratio %	107.95	92.38	95.13	99.90
RASK	0.0533	0.0551	0.0597	0.0633
CASK (excluding finance chgs)	0.0494	0.0579	0.0618	0.0626
CASK (excl. fuel & finance chgs)	0.0297	0.0397	0.0423	0.0427

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/JED/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	24,213.15	24,217.27	22,152.02	23,465.46
Excess Baggage	177.73	178.38	158.17	156.10
Mail	63.80	57.68	37.66	37.66
Cargo	2,122.56	2,900.43	3,176.93	3,232.21
Non-scheduled services/FFP net accruals	97.77	(7.04)	(1.10)	(1.08)
<b>Total Traffic Revenue</b>	<b>26,675.00</b>	<b>27,346.72</b>	<b>25,523.69</b>	<b>26,890.35</b>
Direct Operating Costs				
Fuel	13,453.80	10,693.71	10,282.90	10,438.95
Landing	735.51	848.10	760.93	776.15
Handling - overseas	1,586.67	1,641.56	1,471.04	1,482.66
Overflying	927.28	1,122.92	1,047.03	1,067.97
Aircraft Maintenance	2,990.70	4,771.54	4,509.04	4,394.79
Inflight Catering	987.70	854.63	666.28	679.96
<b>Total D.O.C.s</b>	<b>20,681.65</b>	<b>19,932.47</b>	<b>18,737.22</b>	<b>18,840.48</b>
Contribution to Fixed Costs	5,993.34	7,414.25	6,786.47	8,049.87
Fixed Costs				
Aircraft Related	5,094.26	7,771.68	7,881.91	7,783.73
Crew Layover	1,336.12	2,487.12	2,293.19	2,303.57
Area/Other	4,233.75	4,521.92	4,310.10	4,547.15
<b>Total Fixed Costs</b>	<b>10,664.13</b>	<b>14,780.72</b>	<b>14,485.19</b>	<b>14,634.45</b>
<b>Total Route Costs</b>	<b>31,345.78</b>	<b>34,713.19</b>	<b>33,222.42</b>	<b>33,474.93</b>
Contribution to Corporate Overheads	(4,670.79)	(7,366.47)	(7,698.72)	(6,584.57)
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(4,670.79)</b>	<b>(7,366.47)</b>	<b>(7,698.72)</b>	<b>(6,584.57)</b>
Commercial Information				
Leg Seats available	125,296.00	132,892.00	114,816.00	114,816.00
Pax Nos.	102,724.00	98,807.00	86,448.00	87,060.00
RPK (000's)	478,386.00	460,144.20	402,588.34	405,438.42
ASK (000's)	583,503.00	601,032.42	534,698.11	534,698.11
Seat Factor % - Overall	81.99	76.56	75.29	75.83
Cargo Tons	1,985.00	2,317.94	2,341.83	2,359.71
Cargo RTK (000's)	9,484.00	15,532.77	11,588.12	11,588.12
Cargo Yield/Actual Weight Kg. (USD)	1.07	1.25	1.36	1.37
RTK (000's)	53,717.00	56,945.75	47,821.07	48,077.58
ATK (000's)	83,953.00	89,794.33	83,167.84	83,167.84
Overall Load Factor %	63.98	63.42	57.50	57.81
Pax Yield/RPK - Overall	0.0506	0.0526	0.0550	0.0579
Pax Yield/ASK	0.0415	0.0403	0.0414	0.0439
Cargo Yield/Cargo RTK	0.2238	0.1867	0.2742	0.2789
No. of Flights	206.00	227.00	208.00	208.00
No. of Departures	412.00	454.00	416.00	416.00
Block Hours	2,523.00	2,755.32	2,527.20	2,527.20
Unit Cost/ATK	0.37	0.39	0.40	0.40
Unit Cost/ATK (excluding fuel)	0.21	0.27	0.28	0.28
Total Maintenance Cost/ATK	0.04	0.05	0.05	0.05
Net Revenue/RTK	0.50	0.48	0.53	0.56
BELF(before corp. overheads & finance Charges)	75.19	80.50	74.84	71.96
Operating Ratio %	85.10	73.74	72.57	75.77
RASK	0.0457	0.0455	0.0477	0.0503
CASK (excluding finance chgs)	0.0537	0.0600	0.0649	0.0656
CASK (excl. fuel & finance chgs)	0.0307	0.0422	0.0457	0.0461

H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/DOH/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	36,243.77	38,881.90	39,996.93	42,458.53
Excess Baggage	473.79	416.32	411.02	405.80
Mail	4.49	4.64	4.28	4.28
Cargo	3,968.49	4,779.30	3,501.39	3,562.31
Non-scheduled services/FFP net accruals	17.25	(11.31)	(1.98)	(1.96)
<b>Total Traffic Revenue</b>	<b>40,707.78</b>	<b>44,070.85</b>	<b>43,911.65</b>	<b>46,428.97</b>
<b>Direct Operating Costs</b>				
Fuel	17,144.19	12,988.00	14,094.47	14,308.36
Landing	706.55	683.94	689.53	703.32
Handling - overseas	2,542.65	2,453.12	2,377.07	2,398.64
Overflying	816.30	875.91	890.86	908.68
Aircraft Maintenance	4,100.19	5,999.31	6,163.29	6,007.12
Inflight Catering	1,507.78	1,408.42	1,423.20	1,452.42
<b>Total D.O.C.s</b>	<b>26,817.66</b>	<b>24,408.70</b>	<b>25,638.42</b>	<b>25,778.54</b>
<b>Contribution to Fixed Costs</b>	<b>13,890.13</b>	<b>19,662.15</b>	<b>18,273.23</b>	<b>20,650.43</b>
<b>Fixed Costs</b>				
Aircraft Related	6,469.57	9,771.42	10,773.56	10,639.36
Crew Layover	1,023.42	2,039.12	2,046.24	2,055.50
Area/Other	5,490.76	5,989.88	6,151.86	6,480.13
<b>Total Fixed Costs</b>	<b>12,983.75</b>	<b>17,800.41</b>	<b>18,971.65</b>	<b>19,174.99</b>
<b>Total Route Costs</b>	<b>39,801.40</b>	<b>42,209.11</b>	<b>44,610.07</b>	<b>44,953.53</b>
<b>Contribution to Corporate Overheads</b>	<b>906.38</b>	<b>1,861.74</b>	<b>(698.43)</b>	<b>1,475.44</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>906.38</b>	<b>1,861.74</b>	<b>(698.43)</b>	<b>1,475.44</b>
<b>Commercial Information</b>				
Leg Seats available	192,000.00	214,500.00	213,304.00	213,304.00
Pax Nos.	167,810.00	181,532.00	176,832.00	178,152.00
RPK (000's)	609,654.00	659,505.76	642,430.66	647,226.22
ASK (000's)	697,536.00	774,868.04	774,933.43	774,933.43
Seat Factor % - Overall	87.40	85.11	82.90	83.52
Cargo Tons	4,644.00	4,944.30	4,903.16	4,940.59
Cargo RTK (000's)	16,880.00	19,569.81	18,454.44	18,454.44
Cargo Yield/Actual Weight Kg. (USD)	0.85	0.97	0.71	0.72
RTK (000's)	69,998.00	78,925.33	76,273.20	76,704.80
ATK (000's)	103,258.00	104,113.58	103,148.14	103,148.14
Overall Load Factor %	67.79	75.81	73.95	74.36
Pax Yield/RPK - Overall	0.0594	0.0590	0.0623	0.0656
Pax Yield/ASK	0.0520	0.0502	0.0516	0.0548
Cargo Yield/Cargo RTK	0.2351	0.2442	0.1897	0.1930
No. of Flights	337.00	365.00	364.00	364.00
No. of Departures	674.00	730.00	728.00	728.00
Block Hours	3,212.00	3,464.29	3,454.36	3,454.36
Unit Cost/ATK	0.39	0.41	0.43	0.44
Unit Cost/ATK (excluding fuel)	0.22	0.28	0.30	0.30
Total Maintenance Cost/ATK	0.04	0.06	0.06	0.06
Net Revenue/RTK	0.58	0.56	0.58	0.61
BELF (before corp. overheads & finance Charges)	66.28	72.60	75.12	72.00
Operating Ratio %	102.28	97.80	93.26	97.74
RASK	0.0584	0.0569	0.0567	0.0599
CASK (excluding finance chgs)	0.0571	0.0565	0.0599	0.0606
CASK (excl. fuel & finance chgs)	0.0325	0.0397	0.0417	0.0421



H. SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/AUH/CMB - A320/A321

DESCRIPTION	ACTUAL	PROJECTION		
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	18,808.85	23,182.94	28,562.56	30,477.19
Excess Baggage	138.00	153.66	180.43	178.10
Mail	1.25	1.70	1.99	1.99
Cargo	567.35	766.53	1,077.10	1,095.84
Non-scheduled services/FFP net accruals	28.85	(6.74)	(1.41)	(1.41)
<b>Total Traffic Revenue</b>	<b>19,544.30</b>	<b>24,098.08</b>	<b>29,820.66</b>	<b>31,751.72</b>
<b>Direct Operating Costs</b>				
Fuel	7,728.09	8,559.94	11,281.79	10,937.09
Landing	234.61	337.34	413.76	422.04
Handling - overseas	767.62	513.03	567.05	600.94
Overflying	483.86	626.24	776.78	792.32
Aircraft Maintenance	3,169.64	4,417.79	5,841.71	5,820.90
Inflight Catering	1,103.41	1,442.23	1,785.01	1,821.66
<b>Total D.O.C.s</b>	<b>13,487.23</b>	<b>15,896.58</b>	<b>20,666.10</b>	<b>20,394.95</b>
<b>Contribution to Fixed Costs</b>	<b>6,057.07</b>	<b>8,201.50</b>	<b>9,154.56</b>	<b>11,356.77</b>
<b>Fixed Costs</b>				
Aircraft Related	4,737.35	6,137.93	7,443.59	8,959.63
Crew Layover	662.44	1,487.78	1,825.85	1,834.12
Area/Other	2,681.40	4,215.36	5,234.43	5,509.76
<b>Total Fixed Costs</b>	<b>8,081.20</b>	<b>11,841.06</b>	<b>14,503.87</b>	<b>16,303.50</b>
<b>Total Route Costs</b>	<b>21,568.43</b>	<b>27,737.63</b>	<b>35,169.98</b>	<b>36,698.45</b>
<b>Contribution to Corporate Overheads</b>	<b>(2,024.13)</b>	<b>(3,639.55)</b>	<b>(5,349.31)</b>	<b>(4,946.73)</b>
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(2,024.13)</b>	<b>(3,639.55)</b>	<b>(5,349.31)</b>	<b>(4,946.73)</b>
<b>Commercial Information</b>				
Leg Seats available	106,295.00	151,156.00	181,272.00	181,272.00
Pax Nos.	91,630.00	121,472.00	140,736.00	141,756.00
RPK (000's)	306,411.00	406,202.37	470,621.18	474,032.06
ASK (000's)	355,450.00	512,661.95	620,084.61	620,084.61
Seat Factor % - Overall	86.20	79.23	75.90	76.45
Cargo Tons	451.00	809.52	1,148.23	1,157.00
Cargo RTK (000's)	1,509.00	1,985.28	2,421.28	2,421.28
Cargo Yield/Actual Weight Kg. (USD)	1.26	0.95	0.94	0.95
RTK (000's)	29,189.00	38,543.49	44,777.18	45,084.16
ATK (000's)	41,242.00	58,391.50	69,997.46	69,997.46
Overall Load Factor %	70.77	66.01	63.97	64.41
Pax Yield/RPK - Overall	0.0614	0.0571	0.0607	0.0643
Pax Yield/ASK	0.0529	0.0452	0.0461	0.0492
Cargo Yield/Cargo RTK	0.3759	0.3861	0.4448	0.4526
No. of Flights	362.00	469.00	572.00	572.00
No. of Departures	724.00	938.00	1,144.00	1,144.00
Block Hours	3,340.00	4,398.59	5,364.60	5,364.60
Unit Cost/ATK	0.52	0.48	0.50	0.52
Unit Cost/ATK (excluding fuel)	0.34	0.33	0.34	0.37
Total Maintenance Cost/ATK	0.08	0.08	0.08	0.08
Net Revenue/RTK	0.67	0.63	0.67	0.70
BELF (before corp. overheads & finance Charges)	78.10	75.98	75.44	74.44
Operating Ratio %	90.62	79.67	79.71	81.60
RASK	0.0550	0.0470	0.0481	0.0512
CASK (excluding finance chgs)	0.0607	0.0558	0.0587	0.0614
CASK (excl. fuel & finance chgs)	0.0389	0.0391	0.0405	0.0437

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/LON/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	88,157.53	71,719.92	76,675.54	83,535.18
Excess Baggage	295.66	215.42	217.88	215.00
Mail	473.79	934.40	994.77	994.77
Cargo	11,163.65	9,892.36	12,490.86	12,708.19
Non-scheduled services/FFP net accruals	145.82	(20.85)	(3.79)	(3.85)
<b>Total Traffic Revenue</b>	<b>100,236.44</b>	<b>82,741.25</b>	<b>90,375.26</b>	<b>97,449.29</b>
Direct Operating Costs				
Fuel	55,006.35	31,296.38	33,852.96	34,366.68
Landing	2,010.42	1,591.75	1,619.98	1,652.38
Handling - overseas	3,495.79	2,530.42	2,464.48	2,486.05
Overflying	7,707.22	4,908.28	4,970.77	5,070.19
Aircraft Maintenance	11,940.98	13,968.23	14,351.86	13,988.22
Inflight Catering	4,605.58	4,004.67	4,052.84	4,136.05
<b>Total D.O.C.s</b>	<b>84,766.34</b>	<b>58,299.72</b>	<b>61,312.88</b>	<b>61,699.56</b>
Contribution to Fixed Costs	15,470.10	24,441.53	29,062.37	35,749.72
Fixed Costs				
Aircraft Related	19,442.90	22,750.86	25,087.36	24,774.88
Crew Layover	2,812.06	3,528.04	3,540.36	3,556.38
Area/Other	12,103.38	11,887.52	12,463.13	13,218.06
<b>Total Fixed Costs</b>	<b>34,358.34</b>	<b>38,166.42</b>	<b>41,090.85</b>	<b>41,549.32</b>
<b>Total Route Costs</b>	<b>119,124.68</b>	<b>96,466.14</b>	<b>102,403.73</b>	<b>103,248.88</b>
Contribution to Corporate Overheads	(18,888.24)	(13,724.89)	(12,028.47)	(5,799.59)
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(18,888.24)</b>	<b>(13,724.89)</b>	<b>(12,028.47)</b>	<b>(5,799.59)</b>
Commercial Information				
Leg Seats available	242,061.00	212,946.00	216,216.00	216,216.00
Pax Nos.	196,926.00	172,030.00	171,675.00	172,863.00
RPK (000's)	1,716,998.00	1,500,789.72	1,497,692.70	1,508,056.81
ASK (000's)	2,107,163.00	1,853,117.18	1,886,268.38	1,886,268.38
Seat Factor % - Overall	81.48	80.99	79.40	79.95
Cargo Tons	5,854.00	4,804.85	4,775.99	4,812.45
Cargo RTK (000's)	53,494.00	44,892.45	44,769.45	44,769.45
Cargo Yield/Actual Weight Kg. (USD)	1.91	2.06	2.62	2.64
RTK (000's)	208,636.00	179,963.52	179,561.80	180,494.57
ATK (000's)	289,839.00	237,260.75	237,636.75	237,636.75
Overall Load Factor %	71.98	75.85	75.56	75.95
Pax Yield/RPK - Overall	0.0513	0.0478	0.0512	0.0554
Pax Yield/ASK	0.0418	0.0387	0.0406	0.0443
Cargo Yield/Cargo RTK	0.2087	0.2204	0.2790	0.2839
No. of Flights	440.00	365.00	364.00	364.00
No. of Departures	880.00	730.00	728.00	728.00
Block Hours	9,650.00	8,065.94	8,043.84	8,043.84
Unit Cost/ATK	0.41	0.41	0.43	0.43
Unit Cost/ATK (excluding fuel)	0.22	0.27	0.29	0.29
Total Maintenance Cost/ATK	0.04	0.06	0.06	0.06
Net Revenue/RTK	0.48	0.46	0.50	0.54
BELF (before corp. overheads & finance Charges)	85.55	88.43	85.62	80.47
Operating Ratio %	84.14	80.31	83.58	89.29
RASK	0.0476	0.0446	0.0479	0.0517
CASK (excluding finance chgs)	0.0565	0.0540	0.0565	0.0572
CASK (excl. fuel & finance chgs)	0.0304	0.0371	0.0386	0.0390

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SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/FRA/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	40,773.36	14,922.72	*	*
Excess Baggage	145.68	53.76	*	*
Mail	53.64	25.20	*	*
Cargo	6,945.56	3,374.50	*	*
Non-scheduled services/FFP net accruals	114.51	(4.34)	*	*
<b>Total Traffic Revenue</b>	<b>48,032.76</b>	<b>18,371.85</b>	*	*
Direct Operating Costs				
Fuel	24,957.50	8,416.78	*	*
Landing	808.92	266.49	*	*
Handling - overseas	3,827.78	1,588.78	*	*
Overflying	3,197.10	1,217.60	*	*
Aircraft Maintenance	5,568.38	3,721.57	*	*
Inflight Catering	2,422.91	973.17	*	*
<b>Total D.O.C.s</b>	<b>40,782.59</b>	<b>16,184.39</b>	*	*
Contribution to Fixed Costs	7,250.17	2,187.46	*	*
Fixed Costs				
Aircraft Related	9,447.50	6,061.53	*	*
Crew Layover	2,154.07	916.46	*	*
Area/Other	6,232.23	3,215.11	*	*
<b>Total Fixed Costs</b>	<b>17,833.81</b>	<b>10,193.10</b>	*	*
<b>Total Route Costs</b>	<b>58,616.40</b>	<b>26,377.49</b>	*	*
Contribution to Corporate Overheads	(10,583.63)	(8,005.64)	*	*
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(10,583.63)</b>	<b>(8,005.64)</b>	*	*
Commercial Information				
Leg Seats available	123,313.00	60,270.00	*	*
Pax Nos.	105,401.00	45,704.00	*	*
RPK (000's)	853,010.00	369,882.47	*	*
ASK (000's)	995,659.00	449,873.68	*	*
Seat Factor % - Overall	85.67	82.22	*	*
Cargo Tons	4,059.00	1,776.50	*	*
Cargo RTK (000's)	32,871.00	15,016.05	*	*
Cargo Yield/Actual Weight Kg. (USD)	1.71	1.90	*	*
RTK (000's)	108,524.00	48,305.47	*	*
ATK (000's)	147,545.00	68,406.51	*	*
Overall Load Factor %	73.55	70.62	*	*
Pax Yield/RPK - Overall	0.0478	0.0403	*	*
Pax Yield/ASK	0.0410	0.0332	*	*
Cargo Yield/Cargo RTK	0.2113	0.2247	*	*
No. of Flights	230.00	105.00	*	*
No. of Departures	460.00	210.00	*	*
Block Hours	4,667.00	2,149.02	*	*
Unit Cost/ATK	0.40	0.39	*	*
Unit Cost/ATK (excluding fuel)	0.23	0.26	*	*
Total Maintenance Cost/ATK	0.04	0.05	*	*
Net Revenue/RTK	0.44	0.38	*	*
BELF (before corp. overheads & finance Charges)	89.76	101.39	*	*
Operating Ratio %	81.94	65.14	*	*
RASK	0.0482	0.0408	*	*
CASK (excluding finance chgs)	0.0589	0.0609	*	*
CASK (excl. fuel & finance chgs)	0.0338	0.0422	*	*

H\_SRI LANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRI LANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/ROM/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
<b>Net Revenue</b>				
Passenger	26,914.38	12,024.15	-	-
Excess Baggage	35.72	13.00	-	-
Cargo	5,851.77	-	-	-
Mail	-	2,938.42	-	-
Non-scheduled services/FFP net accruals	2.55	(3.50)	-	-
<b>Total Traffic Revenue</b>	<b>32,804.42</b>	<b>14,972.07</b>	-	-
<b>Direct Operating Costs</b>				
Fuel	17,962.22	6,117.65	-	-
Landing	773.23	307.97	-	-
Handling - overseas	1,494.63	639.85	-	-
Overflying	2,211.74	831.16	-	-
Aircraft Maintenance	3,901.02	2,650.96	-	-
Inflight Catering	1,670.12	731.14	-	-
<b>Total D.O.C.s</b>	<b>28,012.95</b>	<b>11,278.73</b>	-	-
<b>Contribution to Fixed Costs</b>	<b>4,791.48</b>	<b>3,693.35</b>	-	-
<b>Fixed Costs</b>				
Aircraft Related	6,102.33	4,317.77	-	-
Crew Layover	1,991.56	959.52	-	-
Area/Other	4,561.36	2,315.70	-	-
<b>Total Fixed Costs</b>	<b>12,655.24</b>	<b>7,592.99</b>	-	-
<b>Total Route Costs</b>	<b>40,668.19</b>	<b>18,871.72</b>	-	-
<b>Contribution to Corporate Overheads</b>	<b>(7,863.76)</b>	<b>(3,899.64)</b>	-	-
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(7,863.76)</b>	<b>(3,899.64)</b>	-	-
<b>Commercial Information</b>				
Leg Seats available	90,626.00	41,150.00	-	-
Pax Nos.	76,064.00	37,585.00	-	-
RPK ('000's)	580,977.00	287,074.23	-	-
ASK ('000's)	690,713.00	319,528.09	-	-
Seat Factor % - Overall	84.11	89.84	-	-
Cargo Tons	2,494.00	1,198.05	-	-
Cargo RTK ('000's)	19,051.00	10,930.59	-	-
Cargo Yield/Actual Weight Kg. (USD)	2.35	2.45	-	-
RTK ('000's)	69,671.00	36,767.27	-	-
ATK ('000's)	97,042.00	47,246.55	-	-
Overall Load Factor %	71.79	77.82	-	-
Pax Yield/RPK - Overall	0.0463	0.0419	-	-
Pax Yield/ASK	0.0390	0.0376	-	-
Cargo Yield/Cargo RTK	0.3072	0.2688	-	-
No. of Flights	157.00	78.00	-	-
No. of Departures	314.00	156.00	-	-
Block Hours	3,036.00	1,530.79	-	-
Unit Cost/ATK	0.42	0.40	-	-
Unit Cost/ATK (excluding fuel)	0.23	0.27	-	-
Total Maintenance Cost/ATK	0.04	0.06	-	-
Net Revenue/RTK	0.47	0.41	-	-
BELF(before corp. overheads & finance Charges)	89.01	98.09	-	-
Operating Ratio %	80.66	74.30	-	-
RASK	0.0475	0.0469	-	-
CASK (excluding finance chgs)	0.0589	0.0613	-	-
CASK (excl. fuel & finance chgs)	0.0329	0.0421	-	-

H, SRILANKAN AIRLINES THREE YEAR PLAN | ROUTE RESULTS

SRILANKAN AIRLINES LTD  
PERFORMANCE OF WORLDWIDE ROUTES  
CMB/PAR/CMB - A330/A340

DESCRIPTION	ACTUAL		PROJECTION	
	2014/15	2015/16	2016/17	2017/18
Net Revenue				
Passenger	39,919.43	15,995.20	-	-
Excess Baggage	42.57	17.91	-	-
Mail	73.85	41.47	-	-
Cargo	6,541.28	3,401.08	-	-
Non-scheduled services/FFP net accruals	97.51	(4.65)	-	-
<b>Total Traffic Revenue</b>	<b>46,674.65</b>	<b>19,451.02</b>	-	-
Direct Operating Costs				
Fuel	23,843.71	8,790.72	-	-
Landing	938.01	325.96	-	-
Handling - overseas	3,889.07	1,687.02	-	-
Overflying	3,363.95	1,404.74	-	-
Aircraft Maintenance	5,619.59	3,886.91	-	-
Inflight Catering	1,949.81	901.92	-	-
<b>Total D.O.C.s</b>	<b>39,604.13</b>	<b>16,997.27</b>	-	-
<b>Contribution to Fixed Costs</b>	<b>7,070.52</b>	<b>2,453.75</b>	-	-
Fixed Costs				
Aircraft Related	8,846.20	6,330.83	-	-
Crew Layover	2,132.95	1,019.65	-	-
Area/Other	5,598.46	3,206.21	-	-
<b>Total Fixed Costs</b>	<b>16,577.61</b>	<b>10,556.70</b>	-	-
<b>Total Route Costs</b>	<b>56,181.74</b>	<b>27,553.97</b>	-	-
<b>Contribution to Corporate Overheads</b>	<b>(9,507.09)</b>	<b>(8,102.95)</b>	-	-
<b>Operating Surplus/(Deficit) Before COOH</b>	<b>(9,507.09)</b>	<b>(8,102.95)</b>	-	-
Commercial Information				
Leg Seats available	110,876.00	56,490.00	-	-
Pax Nos.	91,185.00	44,463.00	-	-
RPK (000's)	775,893.00	377,624.26	-	-
ASK (000's)	938,399.00	466,826.24	-	-
Seat Factor % - Overall	82.68	80.89	-	-
Cargo Tons	3,458.00	1,685.14	-	-
Cargo RTK (000's)	30,083.00	15,276.14	-	-
Cargo Yield/Actual Weight Kg. (USD)	1.89	2.02	-	-
RTK (000's)	98,380.00	49,262.32	-	-
ATK (000's)	135,643.00	66,636.01	-	-
Overall Load Factor %	72.53	73.93	-	-
Pax Yield/RPK - Overall	0.0514	0.0424	-	-
Pax Yield/ASK	0.0425	0.0343	-	-
Cargo Yield/Cargo RTK	0.2174	0.2226	-	-
No. of Flights	208.00	105.00	-	-
No. of Departures	416.00	210.00	-	-
Block Hours	4,397.00	2,244.49	-	-
Unit Cost/ATK	0.41	0.41	-	-
Unit Cost/ATK (excluding fuel)	0.24	0.28	-	-
Total Maintenance Cost/ATK	0.04	0.06	-	-
Net Revenue/RTK	0.47	0.39	-	-
BELF(before corp. overheads & finance Charges)	87.30	104.72	-	-
Operating Ratio %	83.08	66.18	-	-
RASK	0.0497	0.0417	-	-
CASK (excluding finance chgs)	0.0599	0.0612	-	-
CASK (excl. fuel & finance chgs)	0.0345	0.0423	-	-

MIHIN LANKA  
Re-structuring Plan

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MIHIN LANKA  
Re-structuring Plan

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## MIHIN LANKA Re-structuring Plan

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### 1. Fleet

The fleet will remain at 4 narrow-bodied aircraft over the plan period, with 2, new Airbus A320 - NEO aircraft joining the fleet in 2016/17, replacing Airbus A321-200 aircraft (4R-MRC) and Airbus A319 – 100 aircraft (4R-MRF).

Under mentioned actions are to be initiated in order to reduce the duplication of Lease Rentals due to mismatch of aircraft re-delivery/induction dates:

a) Negotiating with the current Lessor for the early return of Airbus A319 aircraft (4R-MRF) on 15 January 2017. This aircraft is originally scheduled to be returned to the Lessor on 1 March 2017.

or

b) Negotiating with Lessor the deferment of the scheduled induction of 1 new Airbus A320 – NEO aircraft contracted for delivery in September 2016 to January 2017.

No penalties have been considered in this plan on account of early termination/deferment of aircraft.

The following seat capacities are assumed for each type of aircraft:

Table 1: Seat Capacities

Aircraft Type	Business	Economy	Total
A319 – 100 MRF (1 Unit)	12	108	120
A320 - 200 MRE (1 Unit)	12	150	162
A321 - 200 MRD (1 Unit)	12	188	200
A321 - 200 MRC(1 Units)	12	180	192
A320 - 200 NEO (2 Units)	12	150	162



MIHIN LANKA  
Re-structuring Plan

2. Network & Operating Plan

Table 2: Annual Frequency Plan

ROUTE	ANNUAL FREQUENCY		
	2015/16	2016/17	2017/18
<b>Far East</b>			
CMB/JKT VV	342	364	364
<b>Far East Total</b>	<b>342</b>	<b>364</b>	<b>364</b>
<b>Middle East</b>			
CMB/BAH VV	261	260	260
CMB/SHJ VV	238	260	260
<b>Middle East Total</b>	<b>499</b>	<b>520</b>	<b>520</b>
<b>Indian Sub Continent</b>			
CMB/VNS VV	53	52	52
CMB/GAY VV	52	52	52
CMB/IXM VV	313	364	364
CMB/DAC VV	354	364	364
CMB/MES VV	43	52	52
CMB/LHE VV	228	260	312
CMB/RGN VV		104	104
CMB/KTM VV		156	156
CMB/CGP VV			
CMB/HYD VV			
CMB/CCU VV	126	156	156
CMB/PNH V			
<b>Indian Sub Continent Total</b>	<b>1,169</b>	<b>1,560</b>	<b>1,612</b>
<b>Africa</b>			
CMB/SEZ	142	156	156
<b>Africa Total</b>	<b>142</b>	<b>156</b>	<b>156</b>
<b>GRAND TOTAL</b>	<b>2,152</b>	<b>2,600</b>	<b>2,652</b>

## MIHIN LANKA Re-structuring Plan

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### 3. Passenger Forecast, Capacity and Seat Factor

Passenger traffic forecast for the financial year 2015/16 is based on expected market growth rates, changes in capacity and actual carriage experienced during the financial year 2014/15.

Capacity production measured in terms of ASK's is projected to increase from 2015/16 to 2016/17 by 15% and by 3.9% between 2016/17 and 2017/18.

The overall Seat Factor is expected to average 81% in 2015/16, thereafter dropping to 78% in 2016/17 consequent to the introduction of two new routes, and stabilising at that level.

### 4. Yield

In markets where Mihin has a leadership position, a yield increase of up to 10% have been taken while yields in competitive markets and challenger markets have been increased up to 5% and 3% respectively.

Overall yield is expected to average at USC 6.33 and USC 6.51 per Passenger Revenue Kilometre in financial year 2016/17 and financial year 2017/18 respectively, reflecting a 4% and 3% YRPK increase.

### 5. Revenue

Revenue from passenger, cargo and excess baggage is projected to grow from USD 95.7 million in 2015/16 to USD 111 million in 2016/17 and USD 118 million in 2017/18.

MIHIN LANKA  
Re-structuring Plan

6. Direct Operating Costs

6.1. Aviation Fuel Costs

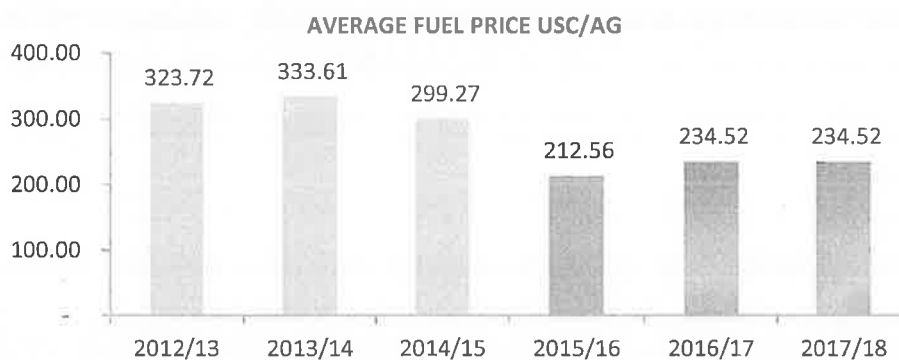
Aviation fuel costs have been projected based on under mentioned Jet Fuel prices and fuel burn estimates:

Table 3: Fuel Price Forecast

	2015/16	2016/17	2017/18
Jet Fuel – USC/AG	213.15	234.52	234.52
Fuel Burn – Million AG	14.49	16.39	15.73

Average price of Jet fuel paid by Mihin Lanka in previous years and the projections for the plan period are follows:

Figure 1: Average Fuel Price 2012 - 2018



Expected Fuel burn efficiencies from the 2, Airbus A320 NEO Aircraft scheduled to be inducted to the fleet in 2016/17 are reflected in the fuel burn projections.

The total expenditure projected to be incurred in respect of Fuel and Oil for 2015/16, 2016/17 and 2017/18 is estimated at USD 30.71M, 38.45 M and USD 36.90 M respectively, accounting for 32% of the total Operating Expenditure, on average.

## MIHIN LANKA Re-structuring Plan

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### 6.2. Aircraft Maintenance

Aircraft maintenance costs are based on contracted Maintenance Reserve payments and estimated costs in respect of following activities:

- C-checks
- Aircraft Return Condition Maintenance
- Engine & APU overhauls
- Landing Gear overhauls

### 6.3. Landing, Handling, and Overflying

These variable costs have been projected at the route level. A 2%, YoY inflation adjustment has been built in to the projections for 2016/17 and 2017/18.

### 6.4. In-flight Catering

In-flight catering cost have been computed at the route level and a 2% YoY inflation adjustment has been built in to the projections for 2016/17 and 2017/18.

### 6.5. Crew Layover

In order to comply with regulatory requirements, Crew Layovers are planned for the CMB/BAH VV. Crew Layover costs for years 2016/17 and 2017/18 include a 2% year on year inflation factor.

## 7. Overheads

### 7.1. Payroll costs

The total staff cadre is expected to remain at 299 during the plan period.

A 5% annual staff payroll increment has been provided for the financial year 2016/17 and a 10% increment assumed for 2017/18.

MIHIN LANKA  
Re-structuring Plan

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**7.2. Aircraft related fixed costs**

Aircraft lease rentals in respect of existing aircraft and the two new additions to the fleet are based on actual contracted rates.

Average monthly Lease rentals by type of aircraft are given below:

Table 4: Average Monthly Aircraft Lease

Aircraft Type	Average Rent per month In USD
Airbus A319 - 100 (MRF)	150,000
Airbus A321 - 200 (MRC)	285,000
Airbus A321 - 200 (MRD)	228,000
Airbus A320 - 200 (MRE)	187,000
Airbus A320 – 200 NEO (2 Units)	433,000

Aircraft insurance and license charges are expected to increase from USD 0.54 M in 2015/16 to USD 0.58 M in 2016/17 and USD 0.70 M in 2017/18.

**7.3. Area /Other Costs**

Marketing variable costs such as Global Distribution System cost and Over-riding Commissions – passenger are projected forward based on 2015/16 approved budget, adjusted for projected passenger numbers. A 2%, YoY inflation adjustment has been built in to the projection of other marketing costs in 2016/17 and in 2017/18.

All the other costs have been inflated by 2% YoY.

**8. Cost Reduction Programme**

Initiatives aimed at reducing controllable direct and indirect costs by 2% and 15% respectively have been identified at line level and their impact reflected in the projections. These initiatives are projected to reduce total operating cost by USD 3.8 million over the plan period.

MIHIN LANKA  
Re-structuring Plan

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### 9. Capital Expenditure

No major capital expenditure is planned for the three years.

### 10. Dividends

No dividend payout is planned for the three years.

### 11. Debt Restructuring and Funding

The outstanding debt of the Company at 31 March 2015 stood at USD 12.45 million.

Table 5: Outstanding Debt as of 31 March 2015

	Interest Rate	Balance as at 31st Mar-15 USD M	Repayment Completion Date
BoC Term Loan	AWPLR + 3%	1.25	31-Jan-2017
Ceylon Petroleum Corporation (CPC)		11.20	

The Company proposes to fund the repayment of outstanding debt and working capital requirement using an additional equity contribution from GOSL amounting to USD 25M in 2015/16.

PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

J. MJ Three Year Plan | Profit and Loss Statement

USD '000	PROJECTION	PROJECTION	PROJECTION
	FY 2015/16	FY 2016/17	FY 2017/18
	USD	USD	USD
<b>REVENUE</b>			
Passenger Revenue (Net)	92,463	106,492	113,225
Charter Revenue	3,026	800	800
Excess Baggage Revenue	510	914	934
Cargo Revenue (Net)	2,700	3,638	4,003
Other	983	1,033	1,084
<b>TOTAL REVENUE</b>	<b>99,682</b>	<b>112,877</b>	<b>120,046</b>
<b>DIRECT OPERATING COSTS</b>			
Fuel Cost	31,003	38,453	36,901
Other Direct Operating Cost	25,262	30,808	31,819
Navigation Charges	1,301	1,593	1,635
Landing & Parking Fees	1,948	2,411	2,529
Ground Handling Charges	7,142	8,592	8,939
Crew Productivity, Accommodation and Transport	3,580	4,263	4,438
In-flight Catering	3,976	4,732	5,101
Aircraft Engineering & Maintenance Costs			
Line Maintenance	6,744	8,524	8,471
Tech Handling	571	693	706
<b>TOTAL DIRECT OPERATING COSTS</b>	<b>56,265</b>	<b>69,261</b>	<b>68,720</b>
<b>CONTRIBUTION TO AC RELATED COSTS</b>	<b>43,417</b>	<b>43,616</b>	<b>51,326</b>
<b>AIRCRAFT RELATED COSTS</b>			
Aircraft Lease Charges	19,628	22,650	25,344
Repair charges for Aircraft Engine	960	0	-
Engine/APU Lease and Airframe maintenance cost/Redelivery	4,396	6,214	2,971
Aircraft Insurance	543	585	703
<b>TOTAL AIRCRAFT RELATED COSTS</b>	<b>25,527</b>	<b>29,449</b>	<b>29,017</b>
<b>CONTRIBUTION TO FIXED &amp; OVERHEAD COSTS</b>	<b>17,890</b>	<b>14,167</b>	<b>22,309</b>
Salaries & Allowances	2,861	3,004	3,305
Vehicle rent	299	280	286
Rent & Lease of Buildings	495	464	473
Advertising & promotions	1,283	1,385	1,501
Training Cost -Tech Crew -KTM	0	800	-
Computer Related Expenses	1,780	1,668	1,701
Sales & Marketing	4,641	4,889	5,483
ORC	2,555	2,603	2,657
Other Administration Costs	1,726	1,658	1,584
<b>Total Fixed and Overhead Costs</b>	<b>15,641</b>	<b>16,752</b>	<b>16,990</b>
<b>PROFIT/(LOSS) BEFORE FINANCE CHARGES</b>	<b>2,250</b>	<b>(2,584)</b>	<b>5,318</b>
<b>FINANCE CHARGES</b>	<b>317</b>	<b>24</b>	<b>-</b>
<b>NET PROFIT /(LOSS)</b>	<b>1,932</b>	<b>(2,608)</b>	<b>5,318</b>

PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

K. MJ Three Year Plan | Cash Flow Statement

MIHIN LANKA  
RE-STRUCTURING PROJECT  
CASH FLOW STATEMENT

	2015/16 Projection USD M	2016/17 Projection USD M	2017/18 Projection USD M
<b>INFLOWS</b>			
Operating Revenue	99.68	112.88	120.05
Other Inflows	6.87	6.69	0.80
<b>Total Inflow from operations</b>	<b>106.55</b>	<b>119.57</b>	<b>120.85</b>
<b>OUTFLOWS</b>			
Aircraft Lease	20.57	23.61	26.05
Aviation Fuel	31.00	38.45	36.90
Aircraft & Engine Maintenance	15.09	12.02	2.13
Other Operating Expenditure	25.26	30.81	31.82
Advertising	1.28	1.38	1.50
Finance Charges	1.01	0.57	-
Administrative and Fixed Overheads	14.09	15.15	15.42
<b>Total Outflow from Operations</b>	<b>108.29</b>	<b>122.00</b>	<b>113.83</b>
Capital Expenditure	0.19		
<b>Surplus/(Deficit) from Operations</b>	<b>(1.94)</b>	<b>(2.43)</b>	<b>7.02</b>
GOSL Equity Infusion for 2014/15	25.00		
<b>Surplus/(Deficit) after Equity Contribution</b>	23.06	(2.43)	7.02
<b>Settlement of Overdue Debts</b>	23.12		
	(0.06)	(2.43)	7.02
Cash Balance Brought Forward	0.94	0.88	(1.55)
<b>CASH BALANCE CARRIED DOWN</b>	<b>0.88</b>	<b>(1.55)</b>	<b>5.47</b>
Term Deposits	0.96	0.96	0.96
<b>CASH AND CASH EQUIVALENTS</b>	<b>1.84</b>	<b>(0.59)</b>	<b>6.43</b>



PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18

L. MJ Three Year Plan | Balance Sheet

MIHIN LANKA (PVT) LTD  
RE-STRUCTURING PROJECT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH

	2015/16 Projection USD M	2016/17 Projection USD M	2017/18 Projection USD M
<b>ASSETS</b>			
<b>Non current Assets</b>			
Property, Plant and Equipment	281	177	145
Intangible Assets	432	318	285
	713	495	430
<b>Current Assets</b>			
Inventories	107	107	107
Trade and other receivables	32,762	32,263	30,624
Cash & cash equivalents	1,837	(597)	6,424
	34,707	31,773	37,155
<b>Total Assets</b>	<b>35,420</b>	<b>32,268</b>	<b>37,586</b>
<b>EQUITY</b>			
<b>Capital and Reserves</b>			
Stated capital	133,844	133,844	133,844
Accumulated Profit / Losses	(119,143)	(121,751)	(116,433)
<b>Total equity</b>	<b>14,701</b>	<b>12,093</b>	<b>17,411</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Advance against share capital	-	-	-
Retirement benefit obligation	655	655	655
Borrowings	544	-	-
	1,199	655	655
<b>Current Liabilities</b>			
Trade and other payables	19,520	19,520	19,520
Borrowings	-	-	-
	19,520	19,520	19,520
<b>Total Liabilities</b>	<b>20,719</b>	<b>20,175</b>	<b>20,175</b>
<b>Total equity and liabilities</b>	<b>35,420</b>	<b>32,268</b>	<b>37,586</b>

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M. MIHIN LANKA THREE YEAR PLAN | ROUTE RESULTS

Mihin Lanka

Monetary Values in USD 000s

Re-structuring Plan

Profit and Loss Account

	2015/16 Projection	2016/17 Projection	2017/18 Projection
<b>Net Revenue</b>			
Passenger	92,463	106,492	113,225
Excess Baggage	510	914	934
Cargo	2,700	3,638	4,003
Non-scheduled services	3,026	800	800
<b>Total Operating Revenue</b>	<b>98,699</b>	<b>111,845</b>	<b>118,961</b>
<b>Direct Operating Costs</b>			
Fuel	31,003	38,453	36,901
Landing	1,948	2,411	2,529
Handling	7,142	8,592	8,939
Overflying	1,301	1,593	1,635
Aircraft Maintenance	7,315	9,217	9,176
Inflight Catering	3,976	4,732	5,101
<b>Total D.O.Cs</b>	<b>52,685</b>	<b>64,998</b>	<b>64,282</b>
<b>Contribution to Fixed Costs</b>	<b>46,014</b>	<b>46,846</b>	<b>54,679</b>
<b>Fixed costs</b>			
Aircraft Related	25,527	29,449	29,017
Crew Layover	3,580	4,263	4,438
Area/other	8,479	8,877	9,642
<b>Total Fixed Costs</b>	<b>37,586</b>	<b>42,588</b>	<b>43,096</b>
<b>Total Route Costs</b>	<b>90,271</b>	<b>107,586</b>	<b>107,379</b>
<b>Contribution to Corporate Overheads</b>	<b>8,428</b>	<b>4,258</b>	<b>11,583</b>
Corporate Overheads	7,162	7,875	7,349
Finance charges	317	24	
<b>Surplus/(Deficit) - Airline Operations</b>	<b>949</b>	<b>(3,640)</b>	<b>4,234</b>
In-flight Dutyfree Sales	263	277	290
Miscellaneous Revenue	720	756	794
<b>Company Surplus/(Deficit)</b>	<b>1,932</b>	<b>(2,608)</b>	<b>5,318</b>
<b>Commercial Information</b>			
Leg Seats available	733,212	868,140	896,688
Pax Nos.	599,323	680,359	702,125
RPK (000's)	1,522,574	1,682,148	1,738,188
ASK (000's)	1,868,346	2,149,580	2,233,665
Seat Factor % - Overall	81%	78%	78%
Cargo Tons	4,475	6,030	6,634
Cargo RTK (000's)	13,878	18,701	20,575
Cargo Yield/Actual Weight Kg. (USD)	0.60	0.60	0.60
RTK (000's)	181,559	181,559	181,559
ATK (000's)	273,663	273,663	273,663
Overall Load Factor %	66%	66%	66%
Pax Yield/RPK - Overall	0.0607	0.0633	0.0651
Pax Yield/ASK	0.0495	0.0495	0.0507
Cargo Yield/Cargo RTK	0.1946	0.1946	0.1946
No. of Flights	2,152	2,600	2,652
No. of Departures	4,304	5,200	5,304
Block Hours	16,300	19,292	19,747
Aircraft Utilization - Blk. Hrs. per day	11	13	14
Average Fuel Burn-off/Block Hour			
A 319	754	754	754
A 320	821	821	821
A 320 Neo	723	723	723
A 321	996	996	996
Average Fuel Price (USC/AG)	213	233	236
Unit Cost/ATK	0.3572	0.4220	0.4192
Unit Cost/ATK (excluding fuel)	0.2439	0.2815	0.2844
Total Maintenance Cost/ATK	0.0267	0.0337	0.0335
Net Revenue/RTK	0.5436	0.6160	0.6552
BELF(before corp. overheads)	60.68	63.82	59.88
BELF(after corp. overheads)	65.71	68.50	63.98
Operating Ratio %	109.34	103.96	110.79
RASK	0.0528	0.0520	0.0533
CASK	0.0523	0.0537	0.0514
CASK (excluding Fuel)	0.0357	0.0358	0.0348
CASK (excl. fuel & finance chgs)	0.0356	0.0358	0.0348

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M. MIHIN LANKA THREE YEAR PLAN | ROUTE RESULTS

Mihin Lanka  
Re-structuring Plan  
Route Results

Financial Year 2015/16

Route	AC Type	No of flights	Net Revenue	Total DOC	Contribution To Ac Related Costs	Total Aircraft Related Costs	Contribution To Fixed & Overhead Costs	Total Fixed and Overhead Costs	Surplus/(Deficit) Before Finance Charges	Seat Factor	Pax Yield per RPK (USD)	RASK (USD)	CASK (excl. Finance Charges) (USD)
CMB/BAH v Narrow Body		261	14,432	8,784	5,648	4,361	1,287	3,520	(2,233)	79%	0.0468	0.0384	0.0444
CMB/SHJ v Narrow Body		238	10,722	7,211	3,511	3,541	(30)	2,519	(2,549)	85%	0.0424	0.0377	0.0466
CMB/SEZ v Narrow Body		142	6,948	3,648	3,300	1,872	1,428	1,365	63	67%	0.0821	0.0574	0.0569
CMB/VNS v Narrow Body		53	2,815	1,433	1,382	623	760	476	284	91%	0.0734	0.0658	0.0600
CMB/GAY v Narrow Body		52	2,418	1,165	1,253	570	683	431	252	92%	0.0764	0.0703	0.0630
CMB/IXM v Narrow Body		313	4,987	2,946	2,041	1,064	977	911	66	84%	0.1453	0.1236	0.1220
CMB/DAC v Narrow Body		354	20,824	8,589	12,234	3,742	8,492	2,962	5,530	80%	0.0879	0.0731	0.0537
CMB/JKT v Narrow Body		342	17,407	9,558	7,848	5,045	2,803	3,659	(856)	85%	0.0496	0.0424	0.0445
CMB/MES v Narrow Body		43	2,279	902	1,377	416	962	332	630	72%	0.0881	0.0636	0.0460
CMB/LHE v Narrow Body		228	9,346	5,711	3,635	3,124	511	2,197	(1,686)	84%	0.0632	0.0583	0.0689
CMB/RGN v Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/KTM v Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/CGP v Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/HYD v Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/CCU v Narrow Body		126	3,494	2,737	757	1,168	(411)	849	(1,260)	79%	0.0555	0.0445	0.0605
CMB/PNH v Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
Charter Revenue		-	3,026	-	3,026	-	3,026	-	3,026	-	-	-	-
<b>Total</b>		<b>2,152</b>	<b>98,699</b>	<b>52,685</b>	<b>46,014</b>	<b>25,527</b>	<b>20,487</b>	<b>19,221</b>	<b>1,266</b>	<b>81%</b>	<b>0.0607</b>	<b>0.0512</b>	<b>0.0521</b>

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M. MIHIN LANKA THREE YEAR PLAN | ROUTE RESULTS

Mihin Lanka  
Re-structuring Plan  
Route Results

Financial Year 2016/17

Route	AC Type	No of flights	Net Revenue	Total DOC	Contribution To AC Related Costs	Total Aircraft Related Costs	Contribution To Fixed & Overhead Costs	Total Fixed and Overhead Costs	SURPLUS/(DEFICIT)BEFORE FINANCE CHARGES	Seat Factor	Pax Yield per RPK (USD)	RASK (USD)	CASK (excl. Finance Charges) (USD)
CMB/BAH \ Narrow Body		260	14,109	9,552	4,556	4,235	321	3,281	(2,960)	75%	0.0479	0.0374	0.0453
CMB/SHJ \ Narrow Body		260	10,626	7,884	2,742	3,770	(1,028)	2,517	(3,545)	84%	0.0434	0.0383	0.0510
CMB/SEZ \ Narrow Body		156	7,948	4,299	3,649	2,005	1,644	1,398	246	63%	0.0840	0.0555	0.0537
CMB/VNS \ Narrow Body		52	2,626	1,370	1,256	595	661	429	232	92%	0.0748	0.0688	0.0628
CMB/GAY \ Narrow Body		52	2,466	1,234	1,232	556	676	401	275	92%	0.0779	0.0717	0.0637
CMB/IXM \ Narrow Body		364	5,639	3,511	2,128	1,206	922	986	(64)	79%	0.1491	0.1213	0.1227
CMB/DAC \ Narrow Body		364	23,037	9,588	13,450	3,751	9,699	2,859	6,841	80%	0.0903	0.0755	0.0531
CMB/JKT \ Narrow Body		364	18,103	10,392	7,712	5,234	2,478	3,594	(1,117)	84%	0.0510	0.0436	0.0463
CMB/MES \ Narrow Body		52	2,526	1,041	1,485	490	995	365	630	74%	0.0899	0.0668	0.0501
CMB/LHE \ Narrow Body		260	11,121	7,048	4,073	3,473	600	2,339	(1,739)	73%	0.0650	0.0527	0.0609
CMB/RGN \ Narrow Body		104	2,999	2,009	990	939	51	653	(603)	68%	0.0578	0.0418	0.0502
CMB/KTM \ Narrow Body		156	5,359	3,667	1,692	1,786	(94)	1,211	(1,305)	75%	0.0712	0.0556	0.0691
CMB/CGP \ Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/HYD \ Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/CCU \ Narrow Body		156	4,485	3,404	1,081	1,410	(329)	980	(1,309)	82%	0.0567	0.0471	0.0608
CMB/PNH \ Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
Charter Revenue		-	800	-	800	-	800	-	800	-	-	-	-
<b>Total</b>		<b>2,600</b>	<b>111,845</b>	<b>64,998</b>	<b>46,846</b>	<b>29,449</b>	<b>17,397</b>	<b>21,014</b>	<b>(3,617)</b>	<b>78%</b>	<b>0.0633</b>	<b>0.0517</b>	<b>0.0537</b>

M. MIHIN LANKA THREE YEAR PLAN | ROUTE RESULTS

Mihin Lanka  
Re-structuring Plan  
Route Results

Financial Year 2017/18

Route	AC Type	No of flights	Net Revenue	Total DOC	Contribution To Ac Related Costs	Total Aircraft Related Costs	Contribution To Fixed & Overhead Costs	Total Fixed and Overhead Costs	SURPLUS/(DEFICIT)/BEFO RE FINANCE CHARGES	Seat Factor	Pax Yield per RPK (USD)	RASK (USD)	CASK (excl. Finance Charges) (USD)
CMB/BAH \ Narrow Body		260	14,479	9,568	4,911	4,077	834	3,274	(2,440)	75%	0.0490	0.0384	0.0449
CMB/SHI \ Narrow Body		260	10,937	7,470	3,467	3,630	(163)	2,504	(2,666)	84%	0.0444	0.0393	0.0489
CMB/SEZ \ Narrow Body		156	8,728	4,183	4,545	1,930	2,615	1,406	1,209	63%	0.0858	0.0570	0.0491
CMB/VNS \ Narrow Body		52	2,504	1,343	1,161	573	588	421	167	94%	0.0763	0.0717	0.0669
CMB/GAY \ Narrow Body		52	2,516	1,152	1,364	535	829	398	431	92%	0.0795	0.0731	0.0606
CMB/XM \ Narrow Body		364	5,693	3,439	2,254	1,161	1,093	981	113	81%	0.1526	0.1274	0.1249
CMB/DAC \ Narrow Body		364	24,183	9,624	14,559	3,610	10,948	2,855	8,093	82%	0.0927	0.0792	0.0527
CMB/JKT \ Narrow Body		364	17,654	9,661	7,993	5,039	2,954	3,547	(593)	84%	0.0523	0.0448	0.0463
CMB/MES \ Narrow Body		52	2,529	993	1,536	471	1,065	361	704	76%	0.0917	0.0700	0.0505
CMB/LHE \ Narrow Body		312	13,913	8,089	5,824	4,012	1,812	2,802	(990)	67%	0.0664	0.0495	0.0530
CMB/RGN \ Narrow Body		104	2,832	2,020	812	904	(92)	643	(735)	67%	0.0593	0.0431	0.0543
CMB/KTM \ Narrow Body		156	6,908	3,634	3,274	1,719	1,555	1,242	312	77%	0.0728	0.0577	0.0551
CMB/CGP \ Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/HYD \ Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
CMB/CCU \ Narrow Body		156	5,286	3,106	2,180	1,357	823	994	(1,711)	82%	0.0580	0.0483	0.0499
CMB/PNH \ Narrow Body		-	-	-	-	-	-	-	-	-	-	-	-
Charter Revenue		-	800	-	800	-	800	-	800	-	-	-	-
<b>Total</b>		<b>2,652</b>	<b>118,961</b>	<b>64,282</b>	<b>54,679</b>	<b>29,017</b>	<b>25,662</b>	<b>21,428</b>	<b>4,234</b>	<b>78%</b>	<b>0.0651</b>	<b>0.0529</b>	<b>0.0514</b>

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**N. Airline Unit Cost and Unit Revenue Comparison FY 2014/15**

USC	SriLankan	Cathay Pacific	Emirates	Jet Airways	Singapore	THAI
Cost per ASK	6.53	9.43	7.36	7.79	7.75	7.65
Cost per ASK ex Fuel	4.00	5.65	4.71	5.18	4.84	4.74
Revenue per ASK	5.69	9.77	7.73	7.66	7.97	7.49

Source: Direct Airline Published Financial Reports

## O. Synopsis on the Impact of Middle East Carriers Aggressive Capacity Expansion on UL's European Traffic

The following data demonstrates the impact of capacity usage by Middle Eastern Carriers operating to CMB for carriage of passengers from /to European and other 6<sup>th</sup> freedom markets during 2014.

Airline	Local *		Connecting		Pax from UL operated European destinations **	
	(O&D)		(Beyond & behind)			
	Passengers	%	Passengers	%	Passengers	% of Connecting pax
Emirates	159,199	25%	488,245	75%	79,274	16%
Qatar Airways	120,639	27%	329,370	73%	64,210	19%
Etihad	15,751	10%	141,348	90%	20,761	15%
Turkish	4,300	6%	67,630	94%	3,326	5%
Oman Air	19,409	17%	92,692	83%	28,639	31%
Kuwait Airways	39,230	33%	80,154	67%	36,044	45%
British Airways	28,435	93%	2,101	7%	37	2%

Source: Sabre Market Intelligence data reports 2014.

\* Includes all local points the carrier is permitted to carry traffic between.

E.g. Includes CMB-MLE, CMB-SIN for Emirates.

\*\* Considers European cities which UL directly operates to (Frankfurt, London, Moscow, Paris, and Rome). Excludes London for British Airways, for which CMB-LON is the local market.

- As evidenced by the above table the vast majority of traffic from Oman Air, Kuwait Airways, Emirates, Etihad, Turkish Airlines, Qatar Airways is 6<sup>th</sup> freedom carriage.
- British Airways, the only European carrier, by contrast carries over 90% of its traffic between local markets (i.e. – UK, SL and Maldives) – which is the true purpose of air services agreements.
- However, British Airways has now pulled out from Colombo citing that the route does not make a sustainable contribution, due to depressed market yields.

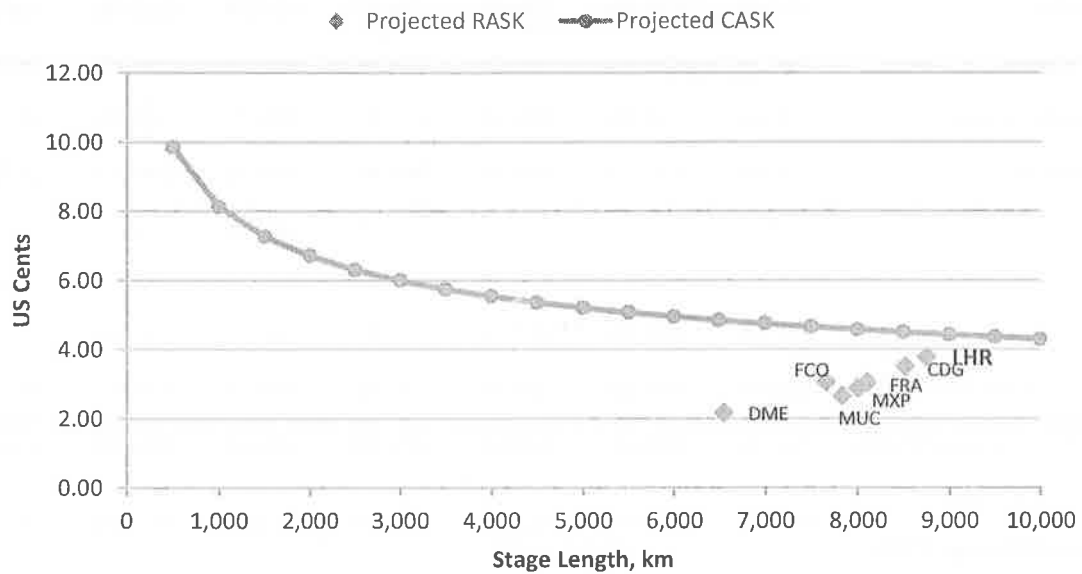
P. Comparison of Regional Fuel Pricing

Location, price in USC	01-Jan 2015	01-Feb 2015	01-Mar 2015	01-Apr 2015	01-May 2015	01-Jun 2015	01-Jul 2015
Dubai	185.04	158.92	188.88	170.87	187.24	190.88	184.63
Bangkok	178.23	156.97	184.74	171.08	188.54	188.65	180.64
Kuala Lumpur	191.55	156.06	178.89	171.40	176.07	189.45	181.92
Karachi	196.01	157.95	176.82	173.81	176.26	191.72	183.94
Mumbai	197.28	169.67	193.10	184.36	189.84	202.86	194.45
Chennai	209.36	174.27	197.76	189.61	195.14	208.12	199.69
Singapore	170.00	149.80	177.53	163.87	180.28	180.52	172.52
<b>Regional Price Avg.</b>	<b>189.64</b>	<b>160.52</b>	<b>185.39</b>	<b>175.00</b>	<b>184.77</b>	<b>193.17</b>	<b>185.40</b>
<b>CPC Price (Colombo)</b>	<b>217.64</b>	<b>182.64</b>	<b>204.64</b>	<b>206.64</b>	<b>205.64</b>	<b>213.19</b>	<b>220.31</b>
<b>CPC Price against Regional Avg. Price</b>	<b>14.77%</b>	<b>13.78%</b>	<b>10.38%</b>	<b>18.08%</b>	<b>11.30%</b>	<b>10.36%</b>	<b>18.83%</b>



**Q. Potential for Future Operations to Europe**

The vast majority of European points, with demand to Sri Lanka, are difficult to achieve a break-even when operated non-stop– even at a low fuel cost environment.



- **Projected RASK** based on industry fares (excluding fuel surcharge and taxes), for the year ending June 2015, from Sabre MIDT. A Passenger Load Factor of 80% has been considered to arrive at the RASK.
- **Projected CASK** based on actual UL CASK (excluding Finance Charges) for Q1 2015/16, adjusted for the respective stage lengths of the routes based on a standard formula

## R. Glossary of Terms and Abbreviations

IATA	International Air Transport Association.
ICAO	International Civil Aviation Organization.
BIA	Bandaranaike International Airport
ATK	Available Tonne Kilometres - This is the measure of transport production. The ATK produced by a flight are the capacity for payload of the aircraft measured in tonnes multiplied by the distance flown.
ASK	Available Seat Kilometres – The product of seats offered for sale and distance over which they are carried.
CASK	Cost per Available Seat Kilometre – Total cost of Air Transportation divided by ASK. This is a common airline metric that gives the average Unit Cost in terms of seat capacity for an airline.
CASK (excluding Fuel)	Same as CASK with Fuel Cost excluded from the total cost.
CASK (excluding Finance Charges)	Same as CASK with Finance Charges excluded from the total cost.
MJ	Airline code for Mihin Lanka.
MRIA	Hambantota (Mattala Rajapaksa) International Airport
<b>oneworld</b>	Global airline alliance that SriLankan Airlines is a member of along with other international airlines including airberlin, American Airlines, British Airways, Cathay Pacific, Finnair, Iberia, Japanese Airlines, LAN, Qantas, Qatar Airways, Royal Jordanian, S7 and TAM.
RASK	Revenue per Available Seat Kilometre – Net traffic revenue divided by ASK. This is a common airline metric that gives the average Unit Revenue for an airline.
RPK	Revenue Passenger Kilometre – The product of passengers carried and the distance over which they are carried.

**PROPOSED RE-STRUCTURING PLAN  
SRILANKAN AIRLINES – MIHIN LANKA  
2015/16 – 2017/18**

RTK	Revenue Tonne Kilometre – The product of passenger and cargo carried in tonnes and the distance over which they are carried.
Load Factor	The percentage relationship of revenue load capacity provided. The passenger load factor related RPK to ASK while the overall load factor related RTK to ATK.
Yield per RPK	Yield per RPK relates the passenger revenue to RPK.
Unit Cost	The unit cost relates the total operating cost to ASK (representing seat capacity) or ATK (representing cargo capacity) as applicable. Refer CASK for further details.
Unit Revenue	Refer RASK.
UL	Airline code for SriLankan Airlines.
Overall Yield	The Net Traffic Revenue per Revenue Tonne kilometre performed.
Operating Expenditure	The sum of total route cost (Direct operating cost, fixed cost and corporate overheads.)



**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD  
HELD ON 26<sup>TH</sup> JUNE 2015 AT 10.00A.M. IN THE BOARD ROOM  
OF SRILANKAN AIRLINES LIMITED**

- |                 |                               |                     |
|-----------------|-------------------------------|---------------------|
| <b>Present:</b> | Mr. Ajith N. Dias             | - Chairman          |
|                 | Mr. Rakhita S. Jayawardena    | - Director/CEO      |
|                 | Mr. Joseph M. S. Brito        | - Director          |
|                 | Mr. R. Chanaka D. De Silva    | - Director          |
|                 | Mr. Mahinda Haradasa          | - Director          |
|                 | Hon. N. De Silva Deva Aditya  | - Director          |
|                 | Mr. Harindra K. Balapatabendi | - Director          |
|                 | Ms. Dalrene Thirukumar        | - Company Secretary |
| <b>Regrets:</b> | Lt. Col. Sunil Peiris         | - Director          |

**10.1 Three year restructuring plan - approved by the Cabinet**

Chairman informed the Board that the Cabinet had ratified the decision made by the Cabinet Sub Committee in respect of the 3 year restructuring plan. The Modus Operandi is that they inform the Secretary to the Minister of Aviation, who would be instrumental in obtaining the approved monies for the company.



**EXTRACT MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF  
SRILANKAN AIRLINES LTD HELD ON 25<sup>TH</sup> AUGUST 2015 AT 02.30 P.M. IN THE BOARD  
ROOM OF SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	- Chairman
	Mr. Rakhita S. Jayawardena	- Director/CEO
	Mr. Joseph M. S. Brito	- Director
	Mr. R. Chanaka D. De Silva	- Director
	Lt. Col. Sunil Peiris	- Director
	Mr. N. De Silva Deva Aditya	- Director
	Mr. Harindra K. Balapatabendi	- Director
	Ms. Dalrene Thirukumar	- Company Secretary
<b>Regrets:</b>	Mr. Mahinda Haradasa	- Director

**QUOTE"**

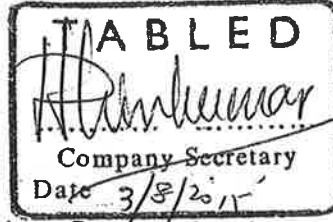
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**Micro implementation plan on the Restructuring Plan**

The Board Paper Ref. CEO/2015/06/80 titled SriLankan Airlines and Mihin Lanka – Update on Restructuring Plan dated 24<sup>th</sup> July 2015 deliberated at the Board Meeting held on 3<sup>rd</sup> August 2015 was further discussed.

Consequent to the presentation made at the Board Meeting of 26<sup>th</sup> May 2015 on the proposed restructuring plan and the subsequent recommendation approved by the Cabinet sub-committee on Economic Affairs on 9<sup>th</sup> June and thereafter concurrence of the Cabinet of Ministers at the meeting held on 24<sup>th</sup> June 2015, the update on the restructuring plan under Board Ref: CEO/2015/06/80 was presented for Board information to confirm that the restructuring plan was now in motion.

Mr. R. Jayawardena/Pro-tem CEO further stated that he would be circulating to the Board a micro implementation plan of the restructuring plan, for Board information and approval. **"UNQUOTE**



BOARD PAPER

CEO/2015/06/80

**SriLankan Airlines and Mihin Lanka – Update on Restructuring Plan**

**Purpose**

To update the Board of Directors on the proposed Restructuring Plan for SriLankan Airlines (UL) and Mihin Lanka (MJ).

**Background - Milestones**

17 <sup>th</sup> April 2015	Cabinet Memorandum seeking approval for Treasury to grant capital infusion of USD 125M and USD 25M to UL and MJ respectively by 30 <sup>th</sup> April 2015
17 <sup>th</sup> April 2015	Direction from Cabinet for UL and MJ Board to prepare plan to amalgamate UL and MJ at the earliest and submit plan to Cabinet Sub Committee on Economic Affairs
26 <sup>th</sup> May 2015	Presentation made to the Board on proposed restructuring plan – proposed implementation 1 <sup>st</sup> October 2015
26 <sup>th</sup> May 2015	UL Board agreed with the proposed Plan and decided to submit to Hon. Prime Minister and Hon. Minister of Finance on 29 <sup>th</sup> May 2015 after obtaining concurrence of Hon. Minister of Aviation.
28 <sup>th</sup> May 2015	Presentation made to Hon. Minister of Aviation
29 <sup>th</sup> May 2015	Presentation made to Hon. Prime Minister and Hon. Minister of Finance (with second option (Option 2) requested to be included by Hon. Minister of Finance)
1 <sup>st</sup> June 2015	Cabinet Sub Committee on Econ. Affairs appointed Committee to review the two Options. Chairman UL requested to convene a meeting
5 <sup>th</sup> June 2015	Presentation made to the Committee by UL
5 <sup>th</sup> June 2015	Committee unanimously recommended Option 1 – i.e. UL continuing operations within the existing corporate structure, under a comprehensive restructuring plan and also amalgamating MJ
9 <sup>th</sup> June 2015	Cabinet Sub Committee on Econ. Affairs approved the recommendation of the Committee
24 <sup>th</sup> June 2015	Concurrence of Cabinet of Ministers received

**Note: Full details of the background are included in Annex A**

**Current Status**

On receipt of the approval of the Cabinet of Ministers, a detailed Implementation Plan has been prepared by SriLankan Airlines.

The ensuing serves as an update on

- The salient features of the approved re-structuring plan and the implementation plan going forward
- Subsequent developments on funding
- Some key milestones

**1. Date of Implementation**

Network optimisation deferred to 1<sup>st</sup> April 2016, in view of the Winter Season bookings and expectations and for the purpose of giving more notice to all stakeholders.

**Timing - Proposed date of announcement of Network Optimisation proposal 1<sup>st</sup> October 2015**

**2. Network optimisation – COMMENCED AND IN PROGRESS**

- Continue current operating pattern to Europe, with the possibility of operating 9 flights per week to London, in Winter 2015.
- Other optimisation to routes is being carried out to ensure Budgeted Revenue is delivered for F/Y 2015/16.
- Synchronization of UL and MJ schedules is being evaluated for this F/Y as well as for the next two years in view of the fact that the restructuring plan calls for MJ becoming a subsidiary of UL. In this context it is the Group performance that needs to be optimized.
- Evaluation is being carried out to determine most suitable partner for codeshare connectivity to Europe.
- Network re-structuring to be implemented from end of Winter 2015, (1<sup>st</sup> April 2016) with a reduction in the wide body fleet from 13 wide body to 10 Wide Body and 8 Narrow Body aircraft – Total fleet from 21 aircraft to 18 aircraft.

**3. Fleet Right Sizing – STEPS INITIATED AND IN PROGRESS**

- Requirement to negotiate best solution for three (3) A330-200s (currently due to be returned to lessors in 2017 either by way of early return or through scheduling on the network if financially feasible) and for A350 – 900 aircraft on order from Lessors (4 aircraft) for delivery from July/August 2016 and purchased from Airbus (4 aircraft) for delivery in 2020/2021 identified.
- Determine whether external expertise would be required for such negotiation and if so, source for such requirement by calling for expressions of interest from at least three (3) parties with proven experience in this field and obtain Board Approval for appointment for the selected party.

**Timing - If required, appointment to be made no later than 31<sup>st</sup> August 2015. If not, commencement of negotiations direct with relevant parties no later than 31<sup>st</sup> August 2015**

**4. Cost Optimisation – COMMENCED AND IN PROGRESS**

The proposed cost optimisation (initially USD 51 Million over 3 years) has already been initiated (except for Staff related cost savings and Network Restructuring related cost savings, such as certain components of Direct Operating Costs). Details of significant Fixed Cost Items have been identified and detailed plans drawn up with specific milestones and targets which will be given to Heads of Divisions to achieve expected cost reductions.

Meetings are being scheduled to negotiate reductions in high value contracts.

**Timing - Expected completion no later than 31<sup>st</sup> December 2015**

ueg

**5. Funding and Debt Re-structuring and SBU strategy – ACTION INITIATED AND ONGOING**

As per the approved Re-structuring Plan the **Funding** required over the three year period is as follows (in USD Million):

	Equity contribution from GOSL – SriLankan	Equity contribution from GOSL – Mihin Lanka	Sale of minority stake in SBUs (Estimated)	Total
2014/15 Overdue	125	25	-	150
2015/16	70	-	SLC – 85	155
2016/17	60	-	Ground Handling – 140	200
2017/18	0	-	0	0
<b>Total</b>	<b>255</b>	<b>25</b>	<b>225</b>	<b>505</b>

**Debt Restructuring** as per the approved Restructuring Plan is as follows:

Debt to Equity swap with Bank of Ceylon (Total – 86M)	USD M
To repay outstanding loans to BoC	43
To liquidate overdraft	43
<b>Total</b>	<b>86</b>

**Timing – Debt Restructuring proposal will be taken up with Bank of Ceylon through Ministry of Finance in August 2015.**

**5. A. Developments regarding Funding for 2015/16 (YR 1)**

**a. Equity Infusion**

Due to the deferment of the infusion of the equity by GOSL (including the amount overdue from last year - a major portion of which was to be used to repay outstanding amounts to Ceylon Petroleum Corporation – “CPC”), with a view to making payment to CPC for fuel supplies, the Cabinet of Ministers at its Meeting on 14 July 2015, approved the issue of Letters of Comfort from the Treasury to obtain LKR 30 billion (LKR 15 billion each) from the Bank of Ceylon and Peoples Bank respectively on a short term basis. *(Details are contained in a separate Board Paper submitted by Head of Financial Management).*

**b. Receipt of funds from divestiture of 49% stake in SriLankan Catering (SLC) – INITIAL STEPS BEING IMPLEMENTED**

- SLC will be requested to immediately provide an initial three (3) year business plan.
- Expressions of Interest will be called from at least three (3) Investment Banks with proven track record and experience in IPOs/divestitures through strategic partnerships involving large corporates for the purpose of acting as Managers to the Issue.



- The terms and conditions of engagement of the selected Investment Bank will be submitted to the Board of Directors for approval.
- Recommended that Ernst & Young who did the company valuation previously when an IPO was considered, be requested to provide a quote to update the valuation report.

**Timing - Expected completion of Initial Public Offering (IPO) or sale to a strategic investor– by 31<sup>st</sup> December 2015**

c. Cash Flow

A projected cash flow will be prepared based on the developments outlined above in relation to the date of implementation, the consequential developments in relation to funding /debt re-structuring, and taking into account the Actual Performance of the Group as at 30<sup>th</sup> June 2015.

**Timing – Completion by Mid August 2015**

**5. B. Developments regarding Funding for 2016/17 (YR 2)– ACTION INITIATED AND IN PROGRESS**

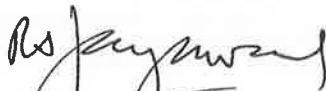
As per the approved Restructuring Plan, in addition to the GOSL equity infusion of USD 60 Million, a sum of USD 140 Million is expected from the receipts of divestiture of 40% stake in SriLankan Ground Handling strategic business unit.

- A study of the complete cost of providing ground handling services is underway, including an activity based costing.
- Steps will be taken to convert the Ground Handling strategic business unit to a wholly owned subsidiary of SriLankan Airlines by 31<sup>st</sup> March 2016.
- Alternate methods of raising funds through the Ground Handling Subsidiary are being explored. These include the following:
  - Obtaining a loan or raising a bond for USD 140 Million payable over a 5 year period by securitising revenues;
  - Carving out Cargo Handling as a separate unit with a view to creating a separate investment opportunity for strategic purposes to attract investment for courier centre/third party logistics centre which would serve the Country's objective.

**Timing - Expected completion of divestiture end 2016.**

The Board of Directors will be provided periodic updates on the progress of the approved Restructuring Plan.

Submitted for information of the Board of Directors.



Rakhita Jayawardena  
Chief Executive Officer  
24<sup>th</sup> July 2015



Manique Gunasekera  
Chief Corporate Affairs Officer  
24<sup>th</sup> July 2015

## Annex A

Details on Background in Chronological Order

1. Pursuant to a Cabinet Memorandum dated 17<sup>th</sup> April 2015, from the Minister of Aviation titled "Capital Infusion to SriLankan Airlines and Mihin Lanka Ltd" seeking approval for the Treasury to grant a capital infusion amounting to USD 125 Million and USD 25 Million for the two airlines respectively by 30<sup>th</sup> April 2015, the Cabinet of Ministers directed the Chairman and Board of Directors of SriLankan Airlines and Mihin Lanka to prepare a viable and comprehensive business plan for the two airlines and to prepare an appropriate plan to amalgamate SriLankan Airlines and Mihin Lanka at the earliest and submit the plan to the Cabinet Sub Committee on Economic Affairs.
2. Accordingly, on the 26<sup>th</sup> of May 2015, a presentation was made to the Board of Directors on a proposed restructuring plan setting out inter alia:
  - The current financial position of UL
  - The objective of the Proposed Restructuring Plan
  - The approach adopted to re-structuring in line with the Government of Sri Lanka (GOSL) direction and the findings of route study
  - An overview of the proposed Restructuring Plan in terms of Network Optimisation, Cost Optimisation, Debt Restructuring and Funding and Organisational Restructuring (including MJ becoming a subsidiary of UL at an appropriate time)
  - The expected outcome
  - A high level analysis of challenges and the possible significant costs involved in re-structuring
  - The support and approvals required from the GOSL
  - The proposed date of Implementation was 1<sup>st</sup> October 2015
3. The Board of Directors having discussed and agreed with the contents of the presentation recommended that the proposed re-structuring plan be submitted to the Hon. Prime Minister and the Hon. Minister of Finance on Friday 29<sup>th</sup> May 2015 and that prior to the meeting with the Hon. Prime Minister the Plan to be presented to the Minister of Civil Aviation for his concurrence. (Vide Extract of Minutes of the Meeting of the Board of Directors of SriLankan held on 26<sup>th</sup> May 2015)
4. On 29<sup>th</sup> of May 2015, an abbreviated presentation on the Re-structuring Proposal was presented to the Hon. Prime Minister and the Hon. Minister of Finance. This proposal also included another option (Option 2) which was requested by the Hon. Minister of Finance. Namely, the possibility of forming a new entity to house both UL and MJ, migrating the relevant operations, assets and liabilities of UL and MJ to the New Company. The Key Challenges of the two Options were also highlighted.
5. Pursuant to the Meeting with the Hon. Prime Minister and the Hon. Minister of Finance, the Cabinet Sub- Committee on Economic Affairs on 1<sup>st</sup> June 2015, appointed a Committee to

review the two Options. Chairman UL was requested to convene a meeting of this Committee.

6. On 5<sup>th</sup> June 2015, the Committee met and SriLankan Airlines made a presentation, setting out the two Options presented to the Hon. Prime Minister and Hon. Minister of Finance.
7. The Committee unanimously recommended the option of SriLankan Airlines continuing operation within the existing corporate structure, under a comprehensive re-structuring plan and also amalgamating MJ. (The same Option as presented to the Board of Directors on 26<sup>th</sup> May 2015 and recommended by the Board which also envisaged MJ becoming a subsidiary of UL.) This recommendation of the Committee was approved by the Cabinet Sub Committee on Economic Affairs on 9<sup>th</sup> June 2015. Thereafter, the concurrence of the Cabinet of Ministers was obtained at the meeting of the Cabinet of Ministers held on 24<sup>th</sup> June 2015.



Handwritten signature and stamp: COMPANY SECRETARY - SRI LANKAN AIRLINES LIMITED DATE 30/10/2016

EXTRACT MINUTES OF THE DECISION OF THE MEETING OF THE BOARD OF DIRECTORS OF SRI LANKAN AIRLINES LTD HELD ON 3<sup>RD</sup> AUGUST 2015 AT 10.00A.M. IN THE BOARD ROOM OF SRI LANKAN AIRLINES LIMITED

- Present:
- Mr. Ajith N. Dias - Chairman
  - Mr. Rakhita S. Jayawardena - Director/CEO
  - Mr. Joseph M. S. Brito - Director
  - Mr. R. Chanaka D. De Silva - Director
  - Mr. Mahinda Haradasa - Director
  - Lt. Col. Sunil Peiris - Director
  - Mr. N. De Silva Deva Aditya - Director
  - Mr. Heminda K. Balasubramanian - Director
  - Ms. Doreen Wijesinghe - Company Secretary

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12-07-15

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Board paper ref: CEO/2015/06/05 titled 'Srilankan Airlines and Merit Lanka - Updates on Restructuring Plan' dated 24<sup>th</sup> July 2015 by Chief Corporate Affairs Officer and Chief Executive Officer was tabled for the information of the Board

CFO informed the Board that in accordance with the approved restructuring plan by the GOSL, A350s would not be inducted to the UL fleet in the near future.

Board noted the contents of the implementation plan of the restructuring plan, which forms part of the Board Paper. "UNQUOTE

For Ministry of Public Enterprises  
CONFIDENTIAL  
SriLankan Airlines Ltd 1983

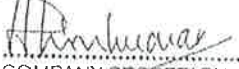




Srilankan  
Airlines

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COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/10/2016

EXTRACT MINUTES OF THE DECISION OF THE MEETING OF THE BOARD OF DIRECTORS  
OF SRILANKAN AIRLINES LTD HELD ON 3<sup>RD</sup> AUGUST 2015 AT 10.00A.M. IN THE  
BOARD ROOM OF SRILANKAN AIRLINES LIMITED

Present: Mr. Ajith N. Dias - Chairman  
Mr. Rakhita S. Jayawardena - Director/CEO  
Mr. Joseph M. S. Brito - Director  
Mr. R. Chanaka D. De Silva - Director  
Mr. Mahinda Haradasa - Director  
Lt. Col. Sunil Peiris - Director  
Mr. N. De Silva Deva Aditya - Director  
Mr. Hanindra K. Balapatabandi - Director

Ms. Delinda Perera - Company Secretary

• QUOTE

15.07.2015 - Mr. Pico to sustain the Airline

CEO reminded the Board that the Prime Minister had stated that the restructuring plan was to ensure that the company breaks-even in 2017 with no government funding from 2017. The restructuring plan was not to increase tourism in the country, which would anyway be brought in with the introduction of the open sky policy, but to make the airline self-funded.

In the light of what was discussed, Mr. C. de Silva/Director requested Mr. Y. Dissanayake/HOFM to obtain from Airbus a cost comparison between the A330s and A350s in terms of the revenue potential; taking into account the 70 -75% cabin factor and the cargo factor. He added that the A350s were overall 30% efficient aircrafts.

Mr. J. Brito/Director advised the Board that the matter discussed was critical for SLA and since its future depended on the decision to be taken by the Board requested that a separate meeting be convened to further study the option of inducting the A350 by considering the routes operated, pilot compatibility and all such factors required to justify the need for the A350s.

Chairman stated that in the interim, the Management will request a study from Airbus on the feasibility of the A330s and A350s on the proposed long haul routes and the current routes UL operates. Discussion on renegotiating leases with NYRAS of the United Kingdom and their report had already been circulated to the Board. It was decided to consider services from two other companies namely Skyworks in Hong Kong and DVB Bank in Germany to assist with the negotiation of the A350 lease agreements and also to provide the ideal UL fleet requirement for the current and proposed routes, including Australia. Mr. Y. Dissanayake/HOFM was requested to sign Non-Disclosure Agreements with the two selected companies and obtain the reports by 14<sup>th</sup> August 2015 and circulate to the Board accordingly. Mr. Brito/Director was of the view that in order to negotiate the leases, services of an Aviation lawyer should be obtained. "UNQUOTE

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SLA 29

Handwritten signature  
COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/10/2016

Handwritten number 13

EXTRACT MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF  
SRILANKAN AIRLINES LTD HELD ON 25<sup>TH</sup> AUGUST 2015 AT 02.30 P.M. IN THE  
BOARD ROOM OF SRILANKAN AIRLINES LIMITED

- Present:**
- Mr. Ajith N. Dias - Chairman
  - Mr. Rakhita S. Jayawardena - Director/CEO
  - Mr. Joseph M. S. Brito - Director
  - Mr. R. Chanaka D. De Silva - Director
  - Lt. Col. Sunil Peiris - Director
  - Mr. N. De Silva Deva Aditya - Director
  - Mr. Harindra K. Balapatabendi - Director
- Ms. Dalrene Thirukumar** - Company Secretary
- Regrets:**
- Mr. Mahinda Haradasa - Director

QUOTE"  
15/08/06

Airbus Report – comparison of the A330s with A350s

Mr. C. de Silva and Mr. Niranjan de Silva Deva Aditya, Directors requested Y. Dissanayake/HOFM to study the contents of the report and inform the Board of the revenue earning capacity on both types of Aircraft taking into account the cargo load as well."UNQUOTE

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COM/2015/08/103

**BOARD PAPER – FOR THE INFORMATION OF THE BOARD OF DIRECTORS**

**COMPARISON OF OPERATING ECONOMICS OF A350 VS A330- 300 TO LONDON**

**Purpose**

To respond to a query raised by the Board of Directors on the comparison of operating economics between A350-900 and A330-300 (High Gross Weight Aircraft).

**Evaluation Summary**

The performance summary of the London flight on A350-900 (per flight) at two cabin factor levels in comparison to A330-300 (High Gross Weight Aircraft) can be summarised in the below table. (The detailed evaluation is attached in the Annex, A)

Table 1: Performance at fixed levels of cabin factors

Description	A350-900		A333 (High Gross Weight Aircraft)	
	70%	75%	70%	75%
Cabin Factor				
Passengers per flight (each Direction)	232	248	208	223
Total Traffic Revenue	247,462	261,360	216,595	229,066
Variable Cost (DOC)	170,905	171,661	174,589	175,268
<b>Contribution to Fixed Cost</b>	<b>76,557</b>	<b>89,699</b>	<b>42,006</b>	<b>53,798</b>
Total Cost	299,219	299,975	278,993	279,672
Surplus/Deficit	-51,757	-38,615	-62,398	-50,606

Note: Cargo capacity on the A350-900 and A330-300 is assumed to be 15 tonnes and 12 tonnes respectively. Freight factor is assumed to be 80%.

**Observations:**

Observations on route performance at fixed levels of passenger numbers per flight can be summarised as follows.

Table 2: Performance summary at fixed levels of passengers per flight

Description	A350-900			A333 (High Gross Weight Aircraft)	
	235	250	265	235	250*
Cabin Factor	71%	76%	80%	79%	84%
Total Traffic Revenue	250,230	262,828	275,426	239,326	251,922
Variable Cost (DOC)	171,056	171,741	172,427	175,828	176,513
<b>Contribution to Fixed Cost</b>	<b>79,174</b>	<b>91,087</b>	<b>102,999</b>	<b>63,498</b>	<b>75,409</b>
Total Cost	299,370	300,055	300,741	280,232	280,917
Surplus/Deficit	-49,140	-37,227	-25,315	-40,905	-28,995

\*(experienced YTD JUL'15 passenger carriage on A330-300 amounts to 250 passengers)

Date: 11 September 2015

At 235 passengers per flight (cabin factor of 71% on A350-900 and 79% on A330-300) and an average fare of USD 419, A330-300 per flight deficit (loss) will be USD 8,234 less than that of A350-900.

At 250 passengers per flight (cabin factor of 76% on A350-900 and 84% on A330-300) and an average fare of USD 419, A330-300 per flight deficit (loss) will be USD 8,233 less than that of A350-900.

At 265 passengers per flight on A350-900 (80% cabin factor) and an average fare of USD 419, the deficit (loss) per flight will be USD 3,680 less than that of A330-300 operating at 84% cabin factor (250 passengers per flight). This scenario is dependent on achieving additional passenger numbers without a dilution in passenger yield while maintaining a cargo yield of USD2.00/kg.

For the information of the Board of Directors.

S. D. U. P. G. S. P.

Sumudu Upatissa  
General Manager Revenue Management & Planning

Manoj Gunawardena

for Manoj Gunawardena  
Chief Commercial Officer

R. Jayawardena

Rakshita Jayawardena  
Director / Chief Executive Officer

Date: 11 September 2015



Annex A  
Profit & Loss - AIRBUS A350-900 (IN COMPARISON TO A330-300 HIGH GROSS WEIGHT AIRCRAFT) - for the London (LON) Route

All figures in USD

Description	A350-900		A333 (High gross weight aircraft)		Notes
	70%	75%	70%	75%	
Cabin Factor	194,342	208,224	174,380	186,836	
Passenger Revenue					Passenger revenue is based on budgeted YRPK of USC4.81 and capacity of 331 and 297 seats for A350 and A333 respectively. The experienced YRPK for YTD JUL'15 (APR'15 to JUL'15) stands at USC4.54 which is on par with the budgeted YRPK for the same period. YTD JUL'15 experienced passenger carriage per flight each way has been 249.
Passengers per flight each way	232	248	208	223	
Average fare per passenger each way (USD)	419	419	419	419	
Cargo Revenue	49,280	49,180	38,400	38,400	Cargo revenue is based on 80% freight factor on available capacity at budgeted yield of USD2.00/kg. The available capacity is assumed to be 15 tonnes and 12 tonnes for A350 and A333 (high gross weight) respectively at all levels. The experienced cargo yield for YTD JUL'15 stands at USD1.76/kg.
Other Revenue	3,188	3,188	3,188	3,188	A per flight revenue estimate based on approved budget 2015/16
Total Traffic Revenue	247,462	261,360	216,595	229,066	
Fuel & Oil	90,544	90,544	94,586	94,586	Fuel cost estimates from Airbus were prorated for the LON distance. The fuel rate used was USD2.1/USG. The total burn off is 43,116 USG per flight for A350 and it is 45,040 USG for A333.
Landing	4,419	4,419	4,419	4,419	Based on A333 actual reported for July'15, A340 landing cost has also been in the same range when it was operated to LON last year.
Overshooting	18,760	18,760	16,043	16,043	A350 cost is based on A340 cost for YTD JUL'15, where the MTOW of A340 (260) is closer to MTOW of A350 (268). A333 cost is based on actual reported for YTD JUL'15
Aircraft Maintenance	34,472	34,472	38,558	38,558	Maintenance cost is based on UL estimate. However, the cost as per Airbus estimates for A333 and A350 is USD 70,578 and USD 22,902 respectively. The reason for the higher estimate of UL is that Airbus cost does not include some of the cost components such as spare engine cost which is required to support the fleet.
Ground Handling	12,121	12,121	11,483	11,483	A333 cost is based on actual reported in July'15 (including Colombo handling charge). The incremental cost for A350 over A333 represents the higher handling rates and increased cargo carriage.
Meal Cost	10,589	11,345	9,501	10,180	Based on budgeted average meal cost per passenger
Variable Cost (DOC)	170,905	171,661	174,589	175,268	
Contribution to Fixed Cost	76,557	89,699	42,006	53,798	
Aircraft Lease	75,370	75,370	52,733	52,733	The lease cost per month for A333 high gross weight A/C and A350 were taken as USD 1.08 and 1.49 million respectively. A 14 hr utilisation was assumed for both aircraft types. If we are to operate London route only on A350-900, the aircraft requirement will be two. The resulting utilisation will then be 11 hours per day, unless the aircraft are deployed on another route which has a similar mission (ideal mission for A350-900 is 8+ or 9+ hour), ability to generate higher per passenger average fare and high potential for cargo.
Insurance	973	973	973	973	
Crew Salaries	10,507	10,507	10,507	10,507	
Crew Layover & Productivity	9,697	9,697	9,697	9,697	
Area Other	31,767	31,767	30,494	30,494	A per flight charge based on approved budget for 2015/16.
Fixed Cost	128,314	128,314	104,404	104,404	
Surplus/Deficit	-51,757	-38,615	-62,398	-50,606	

Sensitivity Analysis on Surplus/Deficit (USD)

Description	A350-900		A333 (High gross weight aircraft)	
	70%	75%	70%	75%
Cabin Factor				
Change of 10 passengers per flight from projected (equivalent to 2% cabin factor)	4,194	4,194	4,194	4,194
10% change in average fare	9,717	10,411	8,719	9,342
5% change in Fuel Price	4,527	4,527	4,729	4,729
10% change in Cargo Yield	4,928	4,928	3,840	3,840
1 tonne change in cargo	2,000	2,000	2,000	2,000

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*M. Manikumar*

COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/10/2016

EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 21<sup>ST</sup> SEPTEMBER 2015 AT 10.00A.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED

- Present:** Mr. Ajith N. Dias - Chairman  
Mr. Rakhita S. Jayawardena - Director/CEO  
Mr. R. Chanaka D. De Silva - Director  
Mr. Mahinda Haradasa - Director  
Mr. Harindra K. Balapatabendi - Director  
  
Ms. Dalrene Thirukumar - Company Secretary
- Regrets:** Mr. Joseph M. S. Brito - Director  
Lt. Col. Sunil Peiris - Director  
Mr. N. De Silva Deva Aditya - Director

QUOTE"  
15/08/03.9

Update on Appointment of Skyworks as consultants for fleet Evaluation

Mrs. Manique Gunasekera/CCAO and Mr. Y. Dissanayake/HOFM were invited to the meeting.

CEO informed the Board that a committee comprising M/s J. Brito, H.K. Balapatabendi, Yasantha Dissanayake, Manoj Gunawardena, S. A. Chandrasekera, Ms. Manique Gunasekera and himself comprised the team to appoint a consultant for fleet evaluation, business plan review and strategy negotiation for fleet options. Of the three expressions of interest received, Skyworks had been selected and Board approval obtained accordingly.

M/s. C. de Silva and H.K. Balapatabendi requested for a copy of the brief submitted to Skyworks and Mr. Y. Dissanayake/HOF agreed to release a copy of the executed Engagement Agreement between UL and Skyworks Capital LLC.

It was noted that Skyworks was now in the process of collating the information and Chairman stated that the Cabinet approved restructuring plan had also been shared with Skyworks for purpose of validation. Their recommendation is in respect of the present restructuring plan and would not cover the future course of action."UNQUOTE

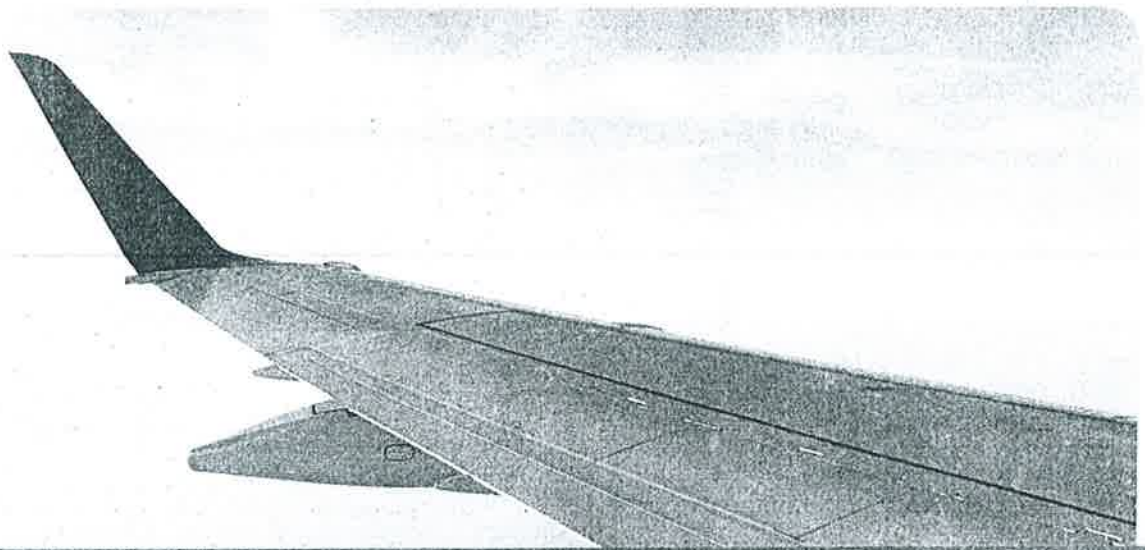
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# SKYWORKS



**IndiGo Airlines – Interim Report**

June 22 2015

- I. Executive Summary
- II. Action Plan
- III. Summary of Key Considerations
- IV. Approach to AerCap Negotiations
- V. Appendices
  - I. Key Issues
  - II. Network and Fleet Evaluation
  - III. Fleet Recommendation
  - IV. Potential Breakage Costs of the AerCap Leases
  - V. SriLankan Plan Validation
  - VI. Widebody Comparative Scenarios
  - VII. Traffic, Capacity, and Yield History by Region
  - VIII. AerCap Portfolio Overview
  - IX. Select Airbus Widebody Market Overview

→ Key factors that will affect the Restructuring Plan Projections:

→ Revenue:

- Underlying demand driven by economic environment.
- Competitive capacity.
- Pricing environment.
- The SriLankan Plan assumptions for underlying demand and the pricing environment are reasonable based on current trends.
- Recent competitive capacity additions exceed Plan assumptions. SkyWorks projections reflecting this show lower levels of traffic than in the Plan resulting in lower revenue than projected in the Plan. The impact on SriLankan passenger revenues is estimated to be \$36 million per year.

→ Cost:

- Most direct operating cost is driven by the schedule.
- Fuel prices.
- Currency (many expenses such as fuel and aircraft rent are priced in US dollars).
- Aircraft rent.
- Actual operating costs including fuel are in line with the plan.
- Aircraft rents are trending down because of market oversupply which may provide an opportunity as SriLankan's own leases expire.

- SkyWorks analyzed the SriLankan network to determine the most cost effective aircraft that can maximize earnings.
- The A350 was designed to be the economic replacement for the 777 and the A340, which typically operate longer routes.
- The cost of the A350 does not produce superior earnings to the A330. (see Appendix VI)
  - A fleet of four A350s will reduce operating earnings by \$20 million per year; \$240 million over the 12 year lease.
  - The addition of four more widebody aircraft to a fleet that already has too many aircraft, will mean that four additional aircraft become excess. The lease cost of these aircraft is \$15-20 million per year that will need to be absorbed or mitigated.
  - Using the A350 on London reduces annual earnings by \$8.5 million.
  - Increases in fuel prices will not alter the cost advantage of the A330 over the A350.
- As the table on the next page illustrates, the SriLankan widebody network is more profitable using the A330.
- SriLankan's network of relatively short segments with utilisation rates of 12.1 hours per day does not make optimal use of the A350 capabilities and cannot support the high ownership cost. The A350 is simply not the right tool for the job.

	CMB-LON		
	Annual		
	SkyWorks Projection		
Daily Round Trip	A330-300	A350-900	Difference
Passenger Revenue	72,993,420	81,349,136	8,355,715
Cargo Revenue	6,611,111	6,611,111	-
Other Revenue	87,860	97,918	10,058
Total Revenue	79,692,391	88,058,164	8,365,773
Direct Operating Cost	48,151,348	53,254,673	5,103,325
<b>Contribution to Fixed Cost</b>	<b>31,541,043</b>	<b>34,803,491</b>	<b>3,262,448</b>
Lease Cost (1)	25,465,464	35,280,000	9,814,536
<b>Contribution after Lease Cost</b>	<b>6,075,579</b>	<b>(476,509)</b>	<b>(6,552,088)</b>
Total Fixed Cost(excluding Lease charges)	24,129,355	25,908,657	1,779,302
<b>Surplus/(Deficit)</b>	<b>(18,053,776)</b>	<b>(26,385,166)</b>	<b>(8,331,390)</b>
Network Contribution (2)	2,217,285	2,063,591	(153,693)
<b>Network Impact (3)</b>	<b>(15,836,491)</b>	<b>(24,321,575)</b>	<b>(8,485,084)</b>

See Appendix VI for more detail on London projections.

(1) Assume annual rent for one aircraft under SkyWorks' projection. This is different than SkyWorks' aircraft scenario where aircraft rent is allocated by BH by route.

(2) Beyond revenue

(3) Segment contribution plus beyond revenue



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- SkyWorks was asked to analyse the viability of the three European routes planned for termination.
  - None of these routes are projected to be profitable based on current conditions.
  - See Appendix III for projections for these European routes.
- In addition, SkyWorks analysed the viability of new service to Melbourne and compared that with previous forecast by SriLankan.
  - A four per week pattern with A330-200 aircraft appears to be worth considering.
  - Although the projection for four weekly flights is only forecast to be marginally profitable, it requires one incremental requirement to the SriLankan fleet in order to operate. The analysis uses current SriLankan lease rates. Market lease rates are noticeably lower and could reduce the ownership cost by upwards of \$1 million per year.
  - The addition of one widebody to the fleet plan could provide further opportunities for Quid Pro Quos with AerCap.

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CMB-MEL							
Period	UL		SkyWorks Projection				
	4/week with A330-300	5/week with A330-300	vs. SriLankan	5/week with A330-200	vs. SriLankan	4/week with A330-200	vs. SriLankan
Passenger Revenue	42,472,779	49,576,171	7,103,392	47,632,797	5,160,018	39,408,287	(8,064,490)
Cargo Revenue	4,160,000	5,200,000	1,040,000	5,200,000	1,040,000	4,160,000	-
Other Revenue	208,000	55,284	(152,716)	53,117	(154,883)	43,946	(154,054)
Total Revenue	46,840,779	54,831,455	7,990,676	52,885,914	6,045,135	43,612,233	(9,273,681)
Direct Operating Cost	33,618,832	31,453,850	(2,164,982)	32,171,178	(1,447,654)	25,736,942	(7,882,000)
Contribution to Fixed Cost	13,221,947	23,377,605	10,155,658	20,714,737	7,492,790	17,875,291	4,653,344
Lease Cost (1)	8,542,560	12,732,732	4,190,172	5,687,472	(1,855,088)	5,687,472	(2,855,088)
Contribution after Lease Cost	4,679,387	10,644,873	5,965,486	15,027,265	10,347,878	12,187,819	7,508,432
Total Fixed Cost(excluding lease charges)	7,698,288	18,776,428	11,078,140	16,245,212	8,546,924	12,996,170	5,297,882
Surplus/(Deficit)	(3,018,901)	(8,131,554)	(5,112,653)	(1,217,948)	1,800,953	(808,351)	2,210,550
Network Contribution (2)		2,850,795		2,653,189		1,995,345	
Network Impact (3)		(5,280,760)		1,435,241		1,186,994	
Number of flights (4 freq per week)	208	260	52	260	52	208	-

(1) Assume annual rent for one aircraft under SkyWorks projection. This is different than Skyworks' aircraft scenario where aircraft rent is allocated by BH by route

(2) Beyond revenue

(3) Segment contribution plus beyond revenue

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- Exiting the A350s will require the consent of AerCap.
  - Given the delivery dates, AerCap needs to be engaged within the next few weeks.
- Breaking the leases for the A350s will be costly. (See Appendix IV for details on break cost).
  - In SkyWorks' judgement, a negotiated settlement would be likely in the range of \$50-100 million.
  - The contractual exposure is many multiples of this number.
- The SkyWorks approach is to mitigate this exposure by offering AerCap other business opportunities with SriLankan.
  - This is either in the form of an extension of current AerCap aircraft at SriLankan or an agreement to lease additional aircraft to either replace other SriLankan leased aircraft or to grow the fleet.
  - This process involves delicate negotiations where a third party intermediary doing the in depth negotiating usually produces better results and avoids placing the company's relationship at risk.

- SriLankan must decide the number of aircraft by type required for each of the next three years.
- This should be done as soon as possible, so that we know what we have to offer AerCap to mitigate the costs. Once a decision is made, SkyWorks will develop a negotiating strategy.
- SriLankan should then contact AerCap as soon as possible to request a CEO to CEO meeting to update AerCap on the present and forecast financial situation, Government mandate for the airline and the fleet plan. SkyWorks recommends that SriLankan should coordinate with external counsel in doing so.
- Since Airbus could be part of the solution, SkyWorks and SriLankan need to develop a strategy for involving Airbus.
- SriLankan needs to notify AerCap that SkyWorks will be involved in the negotiations.
- SkyWorks to begin A350 exit negotiations with AerCap.
- Involving Mihin Lanka fleet at this stage may provide additional opportunities to mitigate the situation with AerCap.

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SUMMARY OF KEY CONSIDERATIONS



- The SkyWorks analysis looks at the suitability of an aircraft from both a technical and an economic perspective.
- All widebody aircraft reviewed are technically capable of operating on Sri Lankan's routes in terms of payload and range. The question is: can they do so profitably?
- On the revenue side:
  - Capacity is growing faster than traffic which lowers both load factors and yields. (See Appendix VII for details on capacity growth)
  - This is having a major impact on the earnings of SriLankan's widebody flights and is likely to continue.
  - This environment and outlook is not favorable larger seat capacity aircraft.
- SriLankan costs (operating and ownership) favor the A330 over the A350.
- The SriLankan demand and cost environment favor the A330-200 over the A330-300.
- The operating economics of new generation aircraft, such as the A350, only justify their higher ownership cost for missions over 11 hours flying time and where utilisation greater than 13 hours per day can be achieved.
- SriLankan's network of relatively short segments and widebody utilisation rates of 12.1 hours per day do not make optimal use of the A350's full capabilities and cannot profitably support the higher ownership costs. The A350 is simply not the right tool for the job.

**The SriLankan widebody network can be served more profitably with A330 aircraft**

- Aircraft lease rates are driven by market demand at the time a lease is entered into.
- For any aircraft, the lease rates are also a reflection of the economic value of an aircraft relative to alternatives and the demand for a specific type of aircraft compared to availability, in particular of delivery slots for new aircraft.
- At the time SriLankan entered into the A350 lease transactions fuel prices were high and there was limited availability for aircraft delivering in the years required to meet SriLankan's fleet plan.
- Based upon SkyWorks knowledge of pricing levels for both purchase and lease of A350 aircraft at that time, it is our view that SriLankan's pricing was close to market rates and not high.
- The cost of obtaining a forward commitment of aircraft delivery positions is reflected in the escalation built into the agreements because of the delay between the time of commitment and delivery. This escalation results in lease rentals at the time of delivery that are higher than forecast market lease rates.
- The A350 ownership cost is higher than that of the A330. Given the higher operating cost of the A350 on the SriLankan network, this higher ownership makes the A350 economically uncompetitive compared to the A330.
- To the extent that SriLankan's main objective is to become self-sustaining financially and profitable, the aircraft that produces the best financial contribution (revenues minus costs) should be selected.

**No realistic combination of ownership cost or fuel price would produce superior economics for the A350**

- ➔ While many believe that older aircraft suffer from lower operational reliability, there is no evidence that this is the case. Maintaining reliability of older aircraft does drive higher maintenance costs. However, this cost impact needs to be set against much lower ownership costs.
  - **Reliability** – Most airlines across the world have determined that the age of aircraft does not significantly impact reliability, but older aircraft do require a combination of increased focus on maintenance needs and provisioning of higher levels of spare parts (which can be accomplished on a cost effective basis.)
    - Some airlines solve reliability using spare aircraft which can often be more cost effective than using a new high ownership cost aircraft.
- ➔ **Maintenance Cost Advantage** – Any maintenance cost advantage of new aircraft associated with early maintenance honeymoons is often lost as lessors price it back into maintenance reserves.
- ➔ **Ownership Costs** – At a time of low growth and weak demand generally, lessors have dramatically lowered lease rates in order to place the aircraft they have coming off lease. This has dramatically reduced ownership costs in favour of older aircraft.
- ➔ **Customer Experience** – Used aircraft can be refurbished to have the latest cabin interiors, which are likely to shape the customers' impressions. The costs to do so are more than mitigated by the lower ownership costs compared to the price of new aircraft. In addition, lessors are increasingly willing to pay for these refurbishments as part of new leases and are delivering aircraft in the same interior condition as new aircraft.

**On balance, older aircraft can deliver both superior economics and industry standard reliability if properly managed**



- The SriLankan A330-300s are a new high gross weight aircraft under 12 year leases and as such, are locked in for the long-term.
- The remaining widebody aircraft (A330-200s) have lease expirations in 2017-2020. Replacing these aircraft can provide an opportunity to mitigate the cost of exiting the AerCap A350s by offering a Quid Pro Quo to AerCap.
- In order to ensure that SriLankan has a fleet that best meets its future requirements and allows improved earnings, it is critical to understand the optimal future fleet required to maximise earnings.
  - This could be an extension of AerCap aircraft currently on lease.
  - Replacing current widebodies with others from the AerCap portfolio.
  - Replacing widebodies with narrowbody aircraft (new or used) from the AerCap portfolio.
  - Replacing narrowbodies coming off lease with AerCap narrowbodies.
  - Sourcing growth aircraft (either narrowbody or widebody) from AerCap.
- It is imperative that a holistic solution be determined so that any AerCap solution designed to reduce the cost of exiting the A350s also meet SriLankan needs to meet or improve the earnings targets in the Restructuring Plan.
- Given the volatility inherent in the airline industry (economic growth, competitive actions, fuel costs, etc.), many airlines design in optionality that allows easy adjustments to the fleet.
  - One approach is to stagger lease expirations so that an airline has an ability to reduce capacity (aircraft exiting the fleet), maintain capacity (extending leases) or grow (both extending leases and adding aircraft from the spot market).

**Any action plan regarding the AerCap A350s needs to be part of a complete solution designed to meet future SriLankan fleet needs**

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## APPROACH TO AERCAP NEGOTIATIONS

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- The foregoing network and fleet validation analysis supports SriLankan's decision not to take any of the leased A350 aircraft within the foreseeable future. This needs to be communicated to AerCap as soon as possible.
- This communication should take the form of an initial email to the AerCap Head of Marketing, sent on behalf of SriLankan's new CEO, inviting AerCap to meet with him to discuss the situation.
- The main communication points should be:
  - The requirement under the new Business Plan to restructure the airline back to profitability in the face of significant market demand and capacity changes
  - The required closure of several major European long-haul routes; and
  - The result that the A350 aircraft cannot be operated profitably within SriLankan's future network.
- SriLankan's discussions with AerCap should communicate a strong desire to continue a valued partnership for the future and recognizing the support AerCap has provided to SriLankan to-date, such as the PDP loan.
- The meeting with AerCap should be used to explain the market and network analysis demonstrating how the A350 cannot be a profitable aircraft for SriLankan.
- Without making any specific proposals, SriLankan should indicate fleet options that might assist in forming the basis of a solution.

➤ In the event that SriLankan seeks to terminate the A350 leases, AerCap will require compensation for:

1. Costs associated with aircraft downtime
  - Lost rent
  - Maintenance value lost on a calendar basis
  - Other Costs, such as parking, storage, insurance, remarketing, recertification and legal fees
2. Transition costs, including rebranding and possible reconfiguration
3. A “Mark to Market” settlement, as compensation for AerCap now having to accept a less attractive lease

➤ SkyWorks estimates the likely range of costs as follows:

1. Costs associated with downtime could be expected to range from US\$15 to US\$40 million (total for four aircraft)
2. Transition costs can vary widely but could be as much as US\$10 million per aircraft i.e. up to US\$40 million in total for the four aircraft
3. Market lease rates have declined since the AerCap leases were negotiated. Indicative lease rates in 2015 are US\$1.3 million per aircraft per month. A “Mark to Market” settlement based upon a difference in rentals over part or all of the original lease term could be multiples of the above numbers at an annual rate of US\$8.5 million per year (for four aircraft).

➤ SkyWorks estimate for a range of settlement is US\$50 to 100million, however, it should be noted that SriLankan’s contractual exposure is much higher.

• AerCap has an obligation to mitigate SriLankan’s exposure in this regard, so any settlement will have to be negotiated in that context.

- Immediate opportunities may exist to mitigate these costs, including:
  - Offering to extend the AerCap A330-200 lease (SN 627) beyond its present expiry date in December 2018
  - Taking an additional aircraft from AerCap if a decision is taken to add service to Melbourne
- In seeking additional QPQ opportunities, SkyWorks recommends that SriLankan:
  - Consider its total projected fleet requirements, including:
    - Both widebody and narrowbody aircraft, and
    - Mihin Lanka's possible fleet requirements
  - Review its fleet plans over at least the next five year period
- Since Airbus could be part of the solution, SkyWorks and SriLankan should develop a strategy for involving Airbus.

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APPENDIX I – KEY ISSUES



- The analysis performed looks at the suitability of an aircraft from a technical and economic aspect.
  - All widebody aircraft reviewed are technically capable of operating on Sri Lankan's routes in terms of payload and range.
  - Economics are based on both revenue and cost. In the current competitive environment, the revenue earning power of each widebody aircraft do not vary dramatically. The current and projected fuel price environment, favors the smaller capacity (lower direct operating cost) used aircraft with lower ownership costs.
- The current demand environment is not favorable. Capacity is growing faster than traffic which both lowers load factors and yields.
  - Competitors have significantly increased capacity to Sri Lanka and the rate of increase already committed in the winter of 2015 and summer of 2016 is escalating.
  - This is a major change from when the Restructuring Plan was created and means that smaller capacity lower cost aircraft will outperform larger higher cost aircraft. Given that this is neither a new trend or one unique to the Sri Lankan market, it is more likely the environment that should be expected in the future.
  - The Gulf carriers are the major drivers of the capacity increases, but both China and India competitive capacity is also increasing. The Gulf carrier capacity not only effects the Middle East, but also Europe, Africa and North America. Yields have declined more significantly and rapidly in these markets that connect via Gulf carrier hubs than in other markets with a major impact on the earnings of SriLankan's European flights.

- The justification for the high ownership cost of new aircraft is based on use on flights where the operating economics compared to current technology can be maximised (generally mission over 11 hours flying time and where utilisation greater than 13 hours per day can be achieved).
- The bulk of the SriLankan's widebody network has relatively short segments which are served more economically with older technology aircraft. However, in order for the A330-300 to operate markets such as Europe and Australia, the high gross weight version is required (this is a new aircraft not available in the used market).
  - SriLankan's widebody utilisation rates (a function of the network structure) currently averages below 12.1 hours per day which makes it difficult to cover the ownership cost of new aircraft.



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- Aircraft lease rates are driven by market demand at the time a lease is entered into.
  - Unless the aircraft leased was part of a sale-lease back transaction (like the SriLankan A330-300s) which were dependent upon the purchase price paid).
  - For any aircraft, the lease rates are also a reflection of the economic value of an aircraft relative to alternatives and the demand for a specific type of aircraft compared to availability.
- The prices paid for aircraft purchased direct from the manufacturers are also subject to market demand at the time a Purchase Agreement was entered into.
  - Key factors are the economic value of the aircraft at the time of an order. Manufacturers were able to extract higher sales prices when fuel costs were higher and new technology aircraft delivered greater economic value and also when overall demand from customers for an aircraft is high. This situation existed when SriLankan placed orders both for its A330-300 and A350-900 aircraft.
- While the lease rates for the A330-300s and A350-900s appear higher than market today, the reason is both the timing when these transactions were entered into (high fuel prices and limited availability at the time of order) and the escalation built into the agreements because the delay between the time of commitment and delivery. SriLankan and other airlines had to bear this premium in order to lock in scarce delivery slots at the time of commitment in order to obtain new technology aircraft for delivery in 2016 and 2017.
  - Based upon SkyWorks' knowledge of pricing levels for both purchase and lease of A350 aircraft at the time, it is our view that SriLankan's pricing was reasonable and not high.

- The SkyWorks analysis is designed to provide an opinion as to how to best maximise SriLankan earnings in the current and near-term (2-3 years) competitive and economic environment by comparing various widebody aircraft alternatives (the A350-900, A330-300 and A330-200).
- To the extent that the main objective is to become self-sustaining financially and profitable, the aircraft that produces the best financial contribution should be selected.
  - Sensitivity analyses were performed and show that under all reasonable ranges of the key assumptions (fuel, competitive capacity and market demand), the A350 fails to achieve superior profitability compared to the A330-300 or A330-200.

- The perennial problem is operational reliability to the extent that we now keep a 'spare aircraft' not only for maintenance periods but for reliability as well to cater to AOG situations that we cannot recover from fast and which has affected our punctuality and reputation. The reason given is ageing aircraft and hence the need to have new aircraft. Also older aircraft drives maintenance cost up.
- Most airlines compare new aircraft and used aircraft on the following basis:
  - In making a fleet decision, most airlines consider certain key factors when making a decision that compare new aircraft with used aircraft:
    - Reliability – Airlines across the world have determined that the age of aircraft does not impact reliability. However, older aircraft (whether in the fleet or brought into the fleet) do require more maintenance to ensure ongoing reliability. In particular, older aircraft require repairs more frequently driving a need to increase spare parts on hand. This too will increase cost, but can be managed in a manner to reduce the cost of holding inventory (a major element of these costs).
    - Maintenance cost – As aircraft age, they do cost more to maintain. While new aircraft enjoy a maintenance honeymoon and the cost of initial overhauls is less than later ones, lessors generally price maintenance reserves reflecting the long term maintenance costs and thus leased aircraft with maintenance reserve requirements do not enjoy this initial cost advantage.
    - Ownership cost – In the current environment, the gap between the lease rates of new aircraft and used aircraft has widened significantly to the point where it overwhelms the difference in operating costs. This is purely a function of availability as many carriers that ordered new aircraft during the high fuel price period are now taking delivery and releasing their older aircraft into the lease market at a time of low growth and weak demand with a result that lessors are have dramatically lowered lease rates in order to place these aircraft.
    - Customer experience – New aircraft have the latest cabin interior with competitive premium seats and inflight entertainment systems. Any aircraft can be refurbished and many airlines do this on a regular basis with older aircraft (BA is currently refurbishing its 16-25 years-old 747-400 fleet). The cost can vary between \$5-15 million per aircraft. In order to place used aircraft in the current environment, lessors are paying for these refurbishments as part of new leases and delivering aircraft in the same interior condition (which is what the customer reacts to) as new aircraft.
- The SkyWorks analyses compare the various widebody aircraft based on lease rates currently paid by SriLankan.
  - To the degree that aircraft are leased in to replace or renew existing aircraft coming off lease, they will be priced at current market lease rates. For used aircraft, these rates are significantly lower than those used in these analyses.

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APPENDIX II – NETWORK AND FLEET EVALUATION



→ Three tasks were involved:

- Validation of the Proposed Restructuring Plan.
- A review of route performance with a specific focus on routes to be cancelled (Frankfurt, Paris and Rome) and the potential addition of Melbourne.
- A determination as to the ideal widebody fleet going forward looking at the A350-900, the A330-300 and the A330-200.

→ As part of these tasks, we used data from the following sources:

- Costs from SriLankan based on current actual/budget.
- Passenger Traffic and Fares from Diiio.
- Cargo and other revenue based on SriLankan historic performance.
- Competitive Capacity based on industry published schedules from Innovata.
- SriLankan Schedule based on February 2015 as provided by SriLankan.

- ➔ Many key revenue assumptions used in the Proposed Restructuring Plan appear reasonable.
  - While projected yield increases are aggressive, particularly in an environment where competitive capacity is increasing significantly, year to date performance in 2015 shows that SriLankan has been able to achieve projected yield increases in most markets.
  - Competitive capacity growth has exceeded the growth in market demand. Recently published competitor schedules for the winter of 2015 and the summer of 2016 show that this trend will continue. This is different from the Proposed Restructuring Plan which assumed that competitive capacity will grow in line with market demand. The impact of \$36 million per year in passenger revenue is significant.
  - Underlying market demand using a trend based on the last three years of actual aligns well with SriLankan assumptions.

→ SkyWorks ran schedules provided by SriLankan through the Lift Network Planning tool for both FY 2015/16 and FY 2017/18 and compared these with the results in the Restructuring Plan.

Category	Widebody					
	FY 2015/16			FY 2017/18		
	SW	SriLankan (1)	% Diff	SW	SriLankan (1)	% Diff
ASK	9,209,622,597	9,294,142,090	99%	9,209,622,597	9,203,484,930	100%
RPK	6,779,553,029	7,479,347,530	91%	6,994,725,128	7,485,459,390	93%
Passenger Revenue	412,778,245	449,125,470	92%	453,154,936	499,003,570	91%
Total DOCs	N/A	N/A	N/A	335,279,018	335,105,740	100%
Aircraft Related	N/A	N/A	N/A	133,298,607	134,180,720	99%
Contribution to Overhead	N/A	N/A	N/A	(53,719,428)	6,336,370	-848%

(1) For SriLankan projections: (a) only A330/340 projection for each route is included. For example, MLE, MAA, and TRV had both A320/A321 and A330/A340 route projections, but only A330/A340 are included in the above table; and (b) FRA, ROM, and PAR route projections are excluded.

(2) Excluded cost comparison for FY 2015/16 due to a number of aircraft movements (lease in and lease returns) in the fleet during the period.

→ As can be seen, the schedules are slightly different in terms of capacity, but not significantly at the total widebody network level.

→ RPKs represent a forecast of traffic volume and this is the place that the SkyWorks forecast differs from the Plan. This is primarily a function of the expected competitive capacity environment.

- The Revenue comparison shows that SkyWorks estimated yields on a total widebody network basis are projected to be slightly higher than SriLankan projections.
- SkyWorks based Cargo revenue projections on actual 2015/16 YTD results in order to reflect the most recent demand and yield environment. This is materially different from the Restructuring Plan assumptions which were likely created before the recent China economic slow-down.
- Based on the unit costs provided by SriLankan matched with the schedules used, SkyWorks Direct Operating Costs (DOCs) exceed those in the Plan.
- Aircraft ownership costs are identical in terms of lease rates, but in the FY 2015/16 period, the SriLankan fleet was in transition with A340s exiting and A330-300s arriving. The unit counts and types are different.
- In summary, SkyWorks believes that most of the assumptions used in Plan are reasonable with the exception of the competitive capacity and its impact on projected SriLankan traffic and revenue. While this significantly reduces expected revenue, some of the impact could be mitigated with schedule actions that alter SriLankan capacity levels.



→ SkyWorks ran schedules provided by SriLankan through the Lift Network Planning tool for both FY 2015/16 and FY 2017/18 and has compared these with the results from the Restructuring Plan.

Category	Narrow-body			Narrow-body		
	FY 2015/16			FY 2017/18		
	SW	SriLankan	% Diff	SW	SriLankan	% Diff
ASK	3,818,659,197	3,729,833,010	102%	3,818,659,197	3,910,991,560	98%
RPK	2,612,149,773	2,993,554,170	87%	2,757,391,758	3,130,083,930	88%
Passenger Revenue	200,200,793	214,737,500	93%	222,194,120	249,156,420	89%

(1) Excluded CMB/MCT/CMB route in both SkyWorks' projections & SriLankan Restructuring Plan from comparison as route does not exist in the SSIM file SkyWorks received for analysis

- The schedule provided by SriLankan and used by SkyWorks differ slightly. The above comparison removed the Colombo-Muscat segment shown in the Plan but not in the schedule used.
- As with the widebody segments, the difference between the SkyWorks projection and the Plan is in traffic (RPKs) and that is due to higher levels of competitive capacity in place than originally projected in the Plan. The projected impact on revenue is \$15 million per year.

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APPENDIX III – FLEET RECOMMENDATION



- While all routes contained in the Proposed Restructuring Plan were reviewed and validated for reasonableness, three current routes (Frankfurt, Paris and Rome) were analysed in detail to determine whether SriLankan plans to terminate should be revisited.
- Based on current traffic, yields and the competitive situation, achieving profitability on these routes is unlikely.
  - The strategy of the Gulf carriers is to fill their significant increases in capacity (which far exceed the growth in local market demand) from their hubs to Sri Lanka with traffic from Africa, Europe and North America which have significantly reduced yields and damaged the ability of SriLankan to achieve profitability on its European routes.

Yield Summary										
Market	Yield (\$/RPK)					Year-over-Year (%)				CAGR
	2011	2012	2013	2014	2015	2011-12	2012-13	2013-14	2014-15	2011-2015
EU, ME, AF, NA	\$0.05	\$0.05	\$0.05	\$0.05	\$0.04	(5.2%)	6.8%	(9.2%)	(17.1%)	(10.0%)
Rest of Asia	\$0.11	\$0.10	\$0.09	\$0.08	\$0.07	(9.2%)	(5.1%)	(11.0%)	(12.5%)	(10.0%)
India	\$0.10	\$0.09	\$0.09	\$0.10	\$0.11	(10.6%)	7.2%	9.9%	4.0%	2.3%
Australasia	\$0.07	\$0.07	\$0.06	\$0.05	\$0.04	(5.3%)	(12.5%)	(10.0%)	(20.0%)	(12.5%)

Source: Diio FMg

→ Based on current yields and projected competitive capacity, SkyWorks does not project profitability on any of these European routes validating the Restructuring Plan to terminate operations.

Period	CMB-ERA				CMB-PAR				CMB-ROM			
	Annual		Per Trip		Annual		Per Trip		Annual		Per Trip	
	SriLankan	SkyWorks	SriLankan	SkyWorks	SriLankan	SkyWorks	SriLankan	SkyWorks	SriLankan	SkyWorks	SriLankan	SkyWorks
	FY 2014/15	4/week with A330-200	FY 2014/15	4/week with A330-200	FY 2014/15	4/week with A330-200	FY 2014/15	4/week with A330-200	FY 2014/15	3/week with A330-200	FY 2014/15	3/week with A330-200
Passenger Revenue (1)	40,773,360	29,587,850	177,275	142,249	39,919,430	33,517,239	191,920	161,141	26,914,380	20,445,367	171,429	131,660
Total Revenue	48,032,760	36,607,229	208,888	175,996	46,674,650	40,070,902	224,397	192,649	32,804,420	26,316,001	208,945	168,692
Direct Operating Cost	40,782,590	27,421,453	177,516	131,934	39,564,130	28,502,824	190,404	137,033	28,012,950	19,805,288	178,426	126,957
Ownership Costs	9,447,500	4,781,779	41,076	22,989	8,846,200	4,993,874	42,530	24,009	6,102,330	3,441,724	38,868	22,062
Contribution Before Overhead	7,802,670	4,399,097	89,316	51,774	8,664,320	6,574,204	71,463	41,607	8,689,140	6,070,989	82,641	48,673
Network Contribution (2)		726,909		3,504		1,214,156		5,837		763,291		4,893
Network Impact (3)		12,915,170		33,710		6,357,648		28,766		15,223,620		37,764

(1) Yields reflect 6 months UK actual for period ending August 31, 2015

(2) Beyond revenue

(3) Segment contribution plus beyond revenue

- SkyWorks performed an independent analysis of a potential new Colombo-Melbourne non-stop route using both the A330-300 and A330-200 aircraft on 5 weekly roundtrip flights.
- The SkyWorks A330-300 results were compared with SriLankan projections for this route using the same aircraft (SriLankan assumed 4 weekly roundtrip flights, SkyWorks used 5 weekly roundtrips).
- Comparing the results shows that on a per flight basis, both the SkyWorks and SriLankan projections for an A330-300 operation are very similar and do not make a case that this operation would be viable given current market conditions.
- However, use of the A330-200 improved the results causing SkyWorks to look at a 4 per week operation.

CMB-MEL							
Period	UL		SkyWorks Projection				
	4/week with A330-300	5/week with A330-300	vs. SriLankan	5/week with A330-200	vs. SriLankan	4/week with A330-200	vs. SriLankan
Passenger Revenue	42,472,779	49,576,171	7,103,392	47,612,797	5,140,018	39,408,287	(8,214,510)
Cargo Revenue	4,160,000	5,200,000	1,040,000	5,200,000	1,040,000	4,160,000	(1,040,000)
Other Revenue	208,000	55,284	(152,716)	53,117	(154,883)	43,946	(110,142)
Total Revenue	46,840,779	54,831,455	7,990,676	52,865,914	6,045,135	43,612,233	(9,253,681)
Direct Operating Cost	33,618,832	31,453,850	(2,164,982)	32,171,178	(1,447,654)	25,736,942	(7,434,936)
Contribution to Fixed Cost	13,221,947	23,377,605	10,155,658	20,714,737	7,492,790	17,875,291	4,653,344
Lease Cost (1)	8,542,560	12,732,732	4,190,172	5,687,472	(2,855,088)	3,687,472	(4,994,916)
Contribution after Lease Cost	4,679,387	10,644,873	5,965,486	15,027,265	10,347,878	12,187,819	7,500,432
Total Fixed Cost (excluding lease charges)	7,698,286	18,776,428	11,078,140	16,245,212	8,546,924	12,996,170	5,297,382
Surplus/(Deficit)	(3,018,901)	(8,131,555)	(5,112,654)	(1,217,947)	1,800,953	(801,351)	2,210,550
Network Contribution (2)		2,850,795		2,653,189		1,395,345	
Network Impact (3)		(6,280,760)		1,435,241		1,186,994	
Number of flights (4 freq per week)	208	260	52	260	52	208	

(1) Assume annual rent for one aircraft under SkyWorks projection. This is different than Skyworks' aircraft scenario where aircraft rent is allocated by BH by route  
 (2) Beyond revenue  
 (3) Segment contribution plus beyond revenue

- Based on the current environment, the four AerCap A350-900s would reduce SriLankan's operating earnings by \$20 million per year.
  - The four driving factors are fuel price, market demand, competitive capacity and the ownership cost of the aircraft.
- Given the ownership and operating cost of the aircraft types currently in the fleet and the A350-900, there is no fuel price where the A350-900 would produce superior results to the A330 types.
- The current demand and excess capacity environment diminishes the value of larger capacity aircraft and suggests that smaller capacity widebodies will be more in line with demand over the next several years.
- Given the 7 A330-300s recently added to the fleet under long term leases, we have assumed these aircraft are fixed for the entire period under review. Route earnings for any widebody flying beyond these 7 aircraft are maximised by using A330-200 aircraft.
  - This is based on current SriLankan lease rates. Market lease rates are generally lower which provide an opportunity to further improve earnings as leases on the current A330-200 fleet expire.

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APPENDIX IV – POTENTIAL BREAKAGE COSTS OF THE AERCAP LEASES



1. Costs associated with aircraft downtime

- could be expected to range from US\$15 to US\$40 million (total for four aircraft)

↳ Lost SriLankan “Contractual” Rent

AerCap will seek to be compensated for the rentals they would have received from SriLankan during the period that the aircraft are now expected to be on the ground while they seek replacement lessees.

SkyWorks estimates that the downtime could range between:

Aircraft	Expected Downtime (Months)	From	To
2016 Aircraft	3		9
2017 Aircraft	0		3

Range	Cost Monthly Rent	Potential Lost Rent (All aircraft in Duty)		Comments
		From	To	
2016 Aircraft	\$1.47M	\$13.2M	\$39.6M	Forecast adjusted rent for August 2016 aircraft, refer to the last page of this appendix for detail calculations
2017 Aircraft	\$1.44M	\$0	\$12.9M	Forecast adjusted rent for November 2017 aircraft, refer to the last page of this appendix for detail calculations

<sup>1</sup> Assumes no seat supply constraints and submit formal notification to AerCap by November 2015.



### 1. Costs associated with aircraft downtime, continued

#### ➔ Maintenance Value lost on a calendar basis

- Compensation for “calendar based maintenance value” used up while the aircraft is parked
- These include airframe check and landing gear overhaul maintenance values.
- SkyWorks has included estimates as follows:

Airframe Maintenance Value	Cost per Aircraft		Comment
	2016 Aircraft	2017 Aircraft	
C-Check	\$16,883	\$17,389	➔ Based on industry data
6 Year Check <sup>1</sup>	\$32,077	\$33,039	➔ Based on maintenance reserve rate in AerCap lease
12 Year Check <sup>1</sup>	\$11,030	\$11,361	
Landing Gear Overhaul <sup>1</sup>	\$13,386	\$13,787	

<sup>1</sup> Based on estimated monthly maintenance reserves to be collected by AerCap.

1. Other "downtime" costs

→ These include parking, storage, insurance, remarketing, re-certification and legal fees.

Other Downtime Costs	Period	Cost per Aircraft	
		From	To
Parking & Storage	Monthly	\$10,000	\$20,000
Hull Insurance (Annual % of aircraft appraised value)	Monthly	0.15%	0.25%
Legal fees	One-Time	\$0	\$25,000
Remarketing Expense	One-Time	\$25,000	\$100,000
Recertification (e.g., EASA to FAA, etc.)		TBD	

→ Some of these costs are incurred one-time and some might be paid monthly during the period when aircraft are parked for remarketing.

## 2. Transition Costs

→ AerCap will charge SriLankan for all costs that AerCap may incur to transition each aircraft to another lessee. The cost of transitioning an aircraft could range:

- from a straightforward “re-branding” of the aircraft (livery, seat covers, carpets, lavatories, etc.)
- to major “reconfiguration” costs, such as adding a Premium Economy cabin, or extending a Business Class cabin, adding additional lie flat seats, etc.

→ SkyWorks estimates the total costs for the four aircraft could be as much as US\$10 million per aircraft i.e. up to US\$40 million in total for the four aircraft.

→ It should be noted that there may be a tradeoff between incurring additional reconfiguration costs in order to possibly reduce the Lost Contractual Rent amount, in order to get the aircraft on lease earlier.

### 3. "Mark to Market" Settlement

- AerCap committed these aircraft to SriLankan at a time when market rental levels were greater than they are today. The leases were also negotiated in a higher fuel cost environment than now exists.
- While demand for A350 leases remains robust, lessors are reducing rents on current technology widebodies as A350s and B787s come on-stream. This is putting downward pressure on new technology lease rates.
- Furthermore, lessors can no longer expect to achieve the same rental premium which they previously justified by the A350's fuel efficiency, in this lower fuel cost environment.
- AerCap will seek compensation for these "mark to market" adjustments. Based on appraisers estimates of current rental levels (\$1.3 million per aircraft per month for a 2015 delivery), SkyWorks estimates this potential cost at \$175k per aircraft per month, an annual total of \$8.5 million for the four aircraft.
- The settlement will be heavily negotiated of course and AerCap is obliged to mitigate SriLankan's costs in this regard, but this will be a significant portion of the total cost involved.
- AerCap would also be entitled to compensation if they had to take a rental penalty due to delivery of a sub optimal LOPA as a result of seat supply constraints. This is not included in our projections.
- AerCap may present additional arguments for mark-to-market/subsidy compensation.

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→ The table below represents the indicative range of potential break costs on a per aircraft basis.

Per Aircraft Cos. (USD Millions)	2016 Aircraft		2017 Aircraft	
	From	To	From	To
Expected Range				
Remarketing Period <sup>1</sup>	Three months	Nine months	None	Three months
Lost SriLankan Contractual Rent	\$4.4	\$13.2	\$0	\$4.3
Maintenance Value lost on a calendar basis	\$0.22	\$0.66		\$0.23
- C-Check	\$0.05	\$0.15		\$0.05
- 6Y Check	\$0.10	\$0.29	\$0	\$0.10
- 12Y Check	\$0.03	\$0.10		\$0.03
- Landing Gear Overhaul	\$0.04	\$0.12		\$0.04
Parking & Storage <sup>1</sup>	\$0.03	\$0.18	\$0	\$0.06
Insurance	\$0.06	\$0.28	\$0	\$0.09
Remarketing Expense	\$0.03	\$0.10	\$0.03	\$0.10
Re-certification (e.g., EASA to FAA, etc.)		Dependent on requirements of replacement lease		
Legal Fees	\$0	\$0.03	\$0	\$0.03
Transition Costs		Dependent on requirements of potential replacement lessees		
Rebranding & Reconfiguration		Note that expenditure here may reduce costs associated with downtime		
Lease mark-to-market/subsidy settlement <sup>2</sup>		Settlement subject to negotiation, based on the difference between the contracted monthly rent of \$1.475 million per aircraft and rents AerCap may achieve. Indicative monthly rents (Ascend) are \$1.3 million per aircraft.		

<sup>1</sup> Assumes no seat supply constraints and submit formal notification to AerCap by November 2015.

<sup>2</sup> In addition to rental mismatch, another example of where this may apply is AerCap taking a rental penalty due to delivery of a sub optimal LOPA as a result of seat supply constraints. However, AerCap may present additional arguments for mark-to-market/subsidy compensation.

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Aircraft Delivery Date	1-Jul-16	1-Aug-16	1-Sep-16	1-Nov-17
<b>Base Rent (Sum of (a)-(c))</b>				
(a) Base Amount	\$1,715,000	\$1,715,000	\$1,715,000	\$1,715,000
Base Year 5	1-Jan-12	1-Jan-12	1-Jan-12	1-Jan-13
Escalation cap	3.25%	3.25%	3.25%	3.25%
(b) Customization Budget (Excess amortized over lease term at Prime+4%)	\$15,000,000	\$15,000,000	\$15,000,000	\$19,000,000
<b>(c) Interest Rate Adjustment (One-way above Base Rate)</b>				
Base Rate (7y Swap)	1.80%	1.80%	1.80%	2.25%
per bps above Base Rate (for 2017 delivery: up to 3.25%)	\$751	\$751	\$751	\$751
per bps above Base Rate (for 2017 delivery: between 3.25%-3.65%)				\$375
<b>Base Rent Calculation</b>				
(a) Escalation factor used (@ 3.25% Escalation cap)	1.1548	1.1579	1.1610	1.1672
Escalated Base Amount	\$1,403,077	\$1,406,822	\$1,410,576	\$1,418,115
<b>(b) Aircraft/Sri Lankan Airlines A350-900 Pricing as of October 2014 Document</b>				
<b>(i) Items in 2016S</b>				
Business class seats	\$2,686,717	\$2,686,717	\$2,686,717	\$2,686,717
Economy class seats	\$1,656,779	\$1,656,779	\$1,656,779	\$1,656,779
Seat fabric (1)	\$100,000	\$100,000	\$100,000	\$100,000
O/H video	\$3,393,798	\$3,393,798	\$3,393,798	\$3,393,798
Connectivity hardware	\$933,853	\$933,853	\$933,853	\$933,853
Escalation factor (to Delivery) (2)	1.0000	1.0000	1.0000	1.0325
(i) Sub-Total Items in 2016S	\$8,771,147	\$8,771,147	\$8,771,147	\$9,056,209
(ii) SCN Price (2005S)	\$8,636,900	\$8,636,900	\$8,636,900	\$8,636,900
Escalation factor (to Delivery) (3)	1.2832	1.2866	1.2901	1.3391
(ii) Sub-Total SCN Price	\$11,082,857	\$11,112,435	\$11,142,092	\$11,565,697
Total Customization Cost (i+ii)	\$19,854,004	\$19,883,582	\$19,913,239	\$20,621,906
Amount over budget (amortized over lease term)	\$4,854,004	\$4,883,582	\$4,913,239	\$1,621,906
Assumed Interest Rate (4)	7.25%	7.25%	7.25%	7.25%
Rent Adjustment	\$50,567	\$50,875	\$51,184	\$16,896
<b>(c) Forecast 7y Swap Rate (5)</b>				
Forecast 7y Swap Rate	1.99%	2.02%	2.04%	2.34%
bps above Base Rate	19	22	24	9
Rent Adjustment	\$14,292	\$16,304	\$18,272	\$6,812
<b>Total Forecasted Adjusted Rent at Delivery</b>	<b>\$1,467,936</b>	<b>\$1,474,001</b>	<b>\$1,480,032</b>	<b>\$1,441,823</b>

- (1) SkyWorks' estimate.
- (2) For purposes of rent calculation, the escalation cap of 3.25% is used.
- (3) Based on escalated 2014 price provided by SriLankan, further escalated at 3.25% to delivery dates.
- (4) Assumed prime rate remains at current level until delivery dates.
- (5) Based on Bloomberg forecast to delivery dates.

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APPENDIX V – PLAN VALIDATION



Route	WIDE-BODY ROUTES									
	SkyWorks Projections									
	Revenue					Costs				
Based on Annex D SSIM file (Oct 9th)	ASK	RPK	Seat Factor % Overall	Passenger	Cargo	Total	Total DOC	Aircraft Related	Total Cost (1)	Contribution to Overhead
<b>FY 2017/18</b>										
CMB/MIS/CMB	174,070,559	138,091,975	79%	17,244,036	3,800,000	21,086,181	12,234,481	3,207,988	17,284,135	3,802,046
CMB/MAA/CMB	252,280,620	183,419,457	73%	19,763,320	2,500,000	22,309,870	20,423,579	4,322,156	28,374,933	8,984,893
CMB/TRV/CMB	9,998,221	3,826,435	38%	851,333	697,410	1,553,070	1,168,104	230,233	1,555,550	397,457
CMB/BKK/HKG/BKK/CMB	526,094,491	408,060,308	78%	30,294,051	6,273,961	36,590,161	22,633,205	8,754,633	37,002,704	10,587,457
CMB/TYO/CMB	852,167,784	675,015,388	79%	42,033,197	6,400,000	48,454,706	26,302,302	12,452,182	47,605,502	849,204
CMB/BJS/CMB	637,487,656	503,929,695	79%	35,582,332	2,100,000	37,700,168	22,568,831	10,516,945	39,885,002	11,815,166
CMB/BKK/CAN/BKK/CMB	358,272,863	259,741,321	72%	16,131,187	4,607,109	20,753,690	16,709,366	6,522,108	27,138,661	6,734,924
CMB/PVG/CMB	614,981,185	477,871,973	78%	33,051,614	3,500,000	36,556,396	21,254,863	9,045,320	37,161,809	6,394,587
CMB/WH/CMB	871,046,189	630,346,503	72%	33,083,548	4,720,470	38,954,449	29,447,137	11,840,243	50,942,310	11,512,139
CMB/ROH/CMB	600,594,605	474,847,584	79%	33,212,044	3,201,150	37,523,672	21,123,683	8,156,839	36,155,335	1,368,337
CMB/DXB/CMB	682,034,873	503,494,322	74%	30,176,862	3,000,000	33,534,247	25,185,333	9,332,184	42,399,009	9,145,248
CMB/DMM/CMB	440,207,398	274,764,647	62%	19,126,078	2,460,890	22,499,072	15,486,836	5,234,784	26,150,735	4,318,337
CMB/DEL/CMB	534,793,350	404,646,986	76%	23,892,498	2,900,430	26,954,971	18,354,770	6,339,889	31,286,643	5,668,328
CMB/DOH/CMB	770,450,636	560,892,993	73%	37,546,308	4,779,300	43,086,362	27,066,648	11,154,384	46,529,785	11,566,577
CMB/CDU/CMB	1,885,142,168	1,495,775,540	79%	81,166,529	8,500,000	89,754,390	55,319,881	26,771,620	101,558,720	13,175,670
<b>Total</b>	<b>9,209,622,597</b>	<b>6,994,725,128</b>	<b>76%</b>	<b>453,154,936</b>	<b>59,440,720</b>	<b>517,311,405</b>	<b>335,279,018</b>	<b>133,298,607</b>	<b>571,030,833</b>	<b>134,270,428</b>

(1) Includes the sum of total DOC, aircraft related cost, crew layover cost, and area/other cost.



WIDEBODY ROUTES										
SriLankan Proposed Restructuring Plan (1)										
Route	Revenue						Costs			Contribution to Overhead
	ASK	RPK	Seat Factor % - Overall	Passenger	Cargo	Total	Total DOC	Aircraft Related	Total Cost	
Based on Annex Q-SSIM File (Oct 9th)										
FY 2017/18										
CMB/MLE/CMB	171,884,540	135,576,270	79%	15,969,390	4,351,550	20,369,130	10,585,400	3,601,850	17,604,930	2,764,200
CMB/MAA/CMB	268,681,500	213,493,860	79%	26,258,190	6,519,120	32,937,650	18,499,080	5,746,000	30,061,680	2,875,970
CMB/TRV/CMB	10,239,220	6,903,850	67%	892,690	417,090	1,314,640	904,060	278,940	1,497,670	
CMB/BKK/HKG/BKK/CMB	357,747,130	314,374,050	88%	20,464,050	2,242,550	22,920,090	15,355,020	6,072,790	26,566,380	
CMB/TYO/CMB	848,060,930	661,909,250	78%	42,513,420	6,691,420	49,349,990	28,930,880	11,189,780	48,632,590	717,860
CMB/BJI/CMB	638,640,290	492,714,250	77%	39,181,300	2,993,120	42,232,210	22,370,380	9,346,880	38,743,530	3,488,680
CMB/BKK/CAN/BKK/CMB	484,745,790	451,339,060	93%	36,652,750	6,428,340	43,142,970	22,332,580	3,200,140	37,805,520	5,337,450
CMB/PVG/CMB	614,902,080	511,147,550	83%	38,995,090	7,339,980	46,403,850	22,054,850	9,218,750	38,185,940	8,217,920
CMB/KWI/CMB	882,594,440	751,374,840	85%	38,759,800	5,291,860	45,275,880	26,892,780	12,171,550	48,150,530	
CMB/RUH/CMB	601,151,720	495,447,780	82%	31,729,690	3,626,560	36,071,900	22,025,760	8,623,420	36,775,260	
CMB/DXB/CMB	686,551,320	525,978,790	77%	34,025,970	5,801,930	40,027,060	23,400,330	9,932,390	40,422,810	
CMB/DMM/CMB	442,386,050	364,478,390	82%	24,102,060	3,045,540	27,997,370	15,436,040	6,550,260	26,350,820	1,646,550
CMB/JED/CMB	534,698,110	405,438,420	76%	23,465,460	3,232,210	26,890,350	18,840,480	7,783,730	33,474,930	
CMB/DOH/CMB	774,933,430	647,226,220	84%	42,458,530	3,562,310	46,428,970	25,778,540	10,639,360	44,953,530	1,475,440
CMB/LON/CMB	1,886,268,380	1,508,056,810	80%	83,535,180	12,708,190	97,449,290	61,699,560	24,774,880	103,248,880	
<b>Total</b>	<b>9,203,484,930</b>	<b>7,485,459,390</b>	<b>81%</b>	<b>499,003,570</b>	<b>74,251,770</b>	<b>578,811,350</b>	<b>335,105,740</b>	<b>134,180,720</b>	<b>572,475,000</b>	<b>6,336,370</b>

(1) Only A330/340 projection for each route is included. For example, MLE, MAA, and TRV had both A320/A321 and A330/A340 route projections, but only A330/A340 are included in the above table.

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Route	WIDE-BODY ROUTES									
	Difference (Percent)									
	Revenue						Costs			
Based on Annex Q SSIM File (Oct 9th)	ASK	RPK	Seat Factor % - Overall	Passenger	Cargo	Total	Total D.O.C.s	Aircraft Related	Total Route Costs	Contribution to Overhead
	<b>FY 2017/18</b>									
CMB/MLE/CMB	101%	102%	101%	108%	87%	104%	116%	89%	98%	138%
CMB/MAA/CMB	94%	86%	91%	75%	38%	68%	110%	75%	94%	(211%)
CMB/TRV/CMB	98%	55%	57%	95%	167%	118%	129%	83%	104%	1%
CMB/BKK/HKG/BKK/CMB	147%	130%	88%	148%	280%	160%	147%	144%	139%	11%
CMB/TYO/CMB	100%	102%	101%	99%	96%	98%	91%	111%	98%	118%
CMB/BJS/CMB	100%	102%	102%	91%	70%	89%	101%	113%	103%	(614%)
CMB/BKK/CAN/BKK/CMB	74%	58%	78%	44%	72%	48%	75%	80%	72%	(1158%)
CMB/PVG/CMB	100%	93%	93%	85%	48%	79%	96%	98%	97%	(178%)
CMB/KWI/CMB	99%	84%	85%	85%	89%	86%	109%	97%	106%	417%
CMB/RUH/CMB	100%	96%	96%	105%	88%	104%	96%	95%	98%	(195%)
CMB/DXB/CMB	99%	96%	96%	89%	52%	84%	108%	93%	105%	2240%
CMB/DMM/CMB	100%	75%	76%	79%	81%	80%	100%	80%	99%	(212%)
CMB/JED/CMB	100%	100%	100%	102%	90%	100%	97%	81%	93%	66%
CMB/DOH/CMB	99%	87%	87%	88%	134%	93%	105%	105%	104%	(233%)
CMB/LON/CMB	100%	99%	99%	97%	67%	92%	90%	108%	98%	204%
<b>Total</b>	<b>100%</b>	<b>93%</b>	<b>93%</b>	<b>91%</b>	<b>80%</b>	<b>89%</b>	<b>100%</b>	<b>99%</b>	<b>100%</b>	<b>(148%)</b>

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NARROW-BODY ROUTES												
Routes	SkyWorks Projections				SriLankan Proposed Restructuring Plan				Difference (Percent)			
	ASK	RPK	Seat Factor % - Overall	Passenger Revenue	ASK	RPK	Seat Factor % - Overall	Passenger Revenue	ASK	RPK	Seat Factor % - Overall	Passenger Revenue
FY 2015/16												
CMB/MLE/CMB	228,022,736	193,494,661	85%	23,467,524	221,984,260	172,797,760	78%	18,301,260	103%	112%	109%	128%
CMB/MAA/CMB	106,847,473	86,074,607	81%	10,159,157	110,686,100	93,403,160	84%	10,285,080	97%	92%	95%	99%
CMB/TRZ/CMB	88,065,062	56,125,384	64%	7,170,470	96,799,040	85,831,690	89%	9,937,970	91%	65%	77%	72%
CMB/BOM/CMB	160,691,031	126,475,774	79%	9,818,532	169,584,520	138,467,010	82%	11,301,020	95%	91%	96%	86%
CMB/TRV/CMB	32,336,253	22,204,736	69%	2,694,191	28,668,050	20,798,750	73%	2,786,620	113%	107%	95%	113%
CMB/KHI/CMB	251,781,325	169,556,868	67%	11,310,887	260,205,060	212,250,950	82%	13,201,780	97%	80%	83%	66%
CMB/DEL/CMB	299,606,525	185,636,530	62%	13,883,089	295,776,350	247,075,980	83%	18,279,260	101%	75%	74%	76%
CMB/BLR/CMB	103,022,969	78,887,293	77%	11,249,436	126,677,980	101,111,730	80%	14,008,620	91%	78%	95%	69%
CMB/COK/CMB	107,073,034	53,978,750	50%	5,766,388	110,644,200	62,727,760	57%	8,230,250	97%	65%	67%	70%
CMB/SIN/CMB	788,054,859	497,925,809	63%	30,473,005	818,333,320	609,961,970	75%	34,471,830	96%	82%	85%	98%
CMB/KUL/CMB	578,132,805	319,216,169	55%	20,931,609	563,627,390	461,473,150	82%	27,465,890	103%	69%	67%	76%
CMB/BKK/CMB	308,269,052	261,199,636	85%	16,941,796	269,614,710	248,152,690	92%	13,962,350	114%	105%	92%	121%
CMB/KMG/CMB	142,694,780	114,285,640	80%	8,744,335	143,570,060	113,304,300	79%	9,552,340	99%	101%	101%	92%
CMB/AUH/CMB	674,061,295	447,087,976	72%	27,632,374	517,661,950	406,702,370	79%	23,183,940	117%	110%	90%	119%
<b>Total (1)</b>	<b>3,818,659,197</b>	<b>2,612,149,773</b>	<b>68%</b>	<b>200,200,793</b>	<b>3,729,833,010</b>	<b>2,993,554,170</b>	<b>80%</b>	<b>214,737,500</b>	<b>102%</b>	<b>87%</b>	<b>85%</b>	<b>93%</b>
FY 2017/18												
CMB/MLE/CMB	228,022,736	193,506,897	85%	24,806,742	242,651,140	194,135,350	80%	22,867,000	94%	100%	106%	100%
CMB/MAA/CMB	106,847,473	85,286,360	80%	10,639,891	128,419,200	102,610,820	80%	12,620,380	83%	83%	106%	84%
CMB/TRZ/CMB	88,065,062	57,402,577	65%	7,687,607	96,751,200	77,858,140	80%	9,886,890	91%	74%	81%	76%
CMB/BOM/CMB	160,691,031	131,461,897	82%	10,787,333	169,150,800	129,632,710	77%	11,927,710	95%	101%	107%	96%
CMB/TRV/CMB	32,336,253	21,994,312	68%	2,820,773	34,257,600	25,893,570	75%	3,322,270	94%	86%	91%	65%
CMB/KHI/CMB	251,781,325	169,572,758	67%	11,965,184	263,608,800	209,194,480	79%	14,426,030	96%	81%	85%	63%
CMB/DEL/CMB	299,606,525	189,470,006	63%	14,977,458	293,560,800	251,453,100	86%	20,699,920	102%	75%	74%	72%
CMB/BLR/CMB	103,022,969	86,714,063	84%	13,070,380	122,694,000	107,250,000	87%	16,417,960	84%	81%	96%	80%
CMB/COK/CMB	107,073,034	56,102,782	52%	6,334,909	112,912,800	80,746,610	72%	9,106,790	95%	69%	73%	70%
CMB/SIN/CMB	788,054,859	525,102,363	67%	33,967,972	814,803,600	639,774,770	79%	36,413,230	97%	82%	85%	86%
CMB/KUL/CMB	578,132,805	344,111,005	60%	23,850,159	571,058,490	461,298,560	81%	30,488,920	101%	75%	74%	73%
CMB/BKK/CMB	308,269,052	261,455,720	85%	17,925,035	293,231,320	265,001,400	90%	16,698,130	105%	89%	94%	107%
CMB/KMG/CMB	142,694,780	119,227,831	84%	9,642,458	147,607,200	111,462,360	76%	10,304,000	97%	107%	111%	89%
CMB/AUH/CMB	674,061,295	515,983,189	83%	33,708,218	620,084,810	474,032,060	76%	30,477,190	101%	109%	108%	111%
<b>Total (1)</b>	<b>3,818,659,197</b>	<b>2,757,391,758</b>	<b>72%</b>	<b>222,194,120</b>	<b>3,910,991,560</b>	<b>3,130,083,930</b>	<b>80%</b>	<b>249,156,420</b>	<b>98%</b>	<b>88%</b>	<b>90%</b>	<b>89%</b>

(1) Excluded CMB/MCT/CMB route in both SkyWorks' projections & SriLankan Restructuring Plan from comparison.

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APPENDIX VI – WIDEBODY COMPARATIVE SCENARIOS



- Four different widebody network schedules were modeled in order to properly compare each possible widebody type on each route.
- As previously noted, the A350-900 does not perform better than other types under consideration on any route in any of these scenarios.
- The scenarios are identical to each other with the following exceptions:
  - Scenario 1
    - 14/week London
    - Inclusion of Frankfurt, Paris, Rome and Melbourne
  - Scenario 2
    - 14/week London
    - No Frankfurt, Paris or Rome. Melbourne included
  - Scenario 3
    - 9/week London
    - No Frankfurt, Paris or Rome. Melbourne included
  - Scenario 4
    - 9/week London
    - No Frankfurt, Paris, Rome or Melbourne

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Annualized Routes	Stage Length	ASK								SkyWorks Projections				Passenger Revenue			
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
<b>LON 14x (All)</b>		<b>15,797,530,921</b>	<b>14,273,885,694</b>	<b>15,759,643,387</b>	<b>17,583,777,551</b>	<b>74%</b>	<b>75%</b>	<b>73%</b>	<b>70%</b>	<b>642,293,441</b>	<b>595,799,701</b>	<b>639,695,150</b>	<b>684,543,223</b>				
BUSOMB	Long	592,412,782	577,387,924	637,487,656	710,466,068	77%	77%	77%	75%	28,902,132	28,306,991	30,979,052	34,019,057				
BKACAN	Medium	210,482,857	190,639,345	210,482,857	234,578,526	61%	63%	60%	57%	10,883,465	10,164,895	10,802,146	11,374,509				
BKICMB	Medium	510,298,484	468,499,259	517,265,021	576,480,541	76%	77%	76%	76%	26,481,282	24,401,492	26,765,295	29,513,065				
BKIKKO	Medium	151,697,653	141,854,008	156,619,476	174,548,985	74%	74%	74%	74%	7,225,818	6,765,072	7,454,671	8,289,595				
BKICMB	Medium	335,280,816	335,280,816	370,179,927	412,557,144	77%	77%	75%	69%	16,021,756	16,090,454	17,248,600	17,665,412				
BKIDMM	Medium	429,042,718	429,042,718	473,701,436	527,929,896	60%	60%	55%	50%	16,199,299	16,178,818	16,341,727	16,461,129				
BKIDOH	Medium	738,896,340	707,342,045	780,988,734	870,372,503	67%	70%	64%	58%	29,917,137	29,645,432	30,259,275	30,622,461				
BKIDXB	Medium	469,390,415	459,817,995	507,680,095	565,798,350	70%	71%	66%	60%	17,594,501	17,628,106	18,059,908	18,263,256				
BKIDFA	Long	996,959,392	902,969,912	996,959,392	1,111,089,408	79%	79%	79%	79%	32,663,180	29,387,850	32,864,702	36,395,001				
BKIDED	Medium	651,537,185	651,537,185	719,355,195	801,705,645	69%	69%	65%	60%	23,992,028	23,968,234	24,822,612	25,489,599				
BKIDWI	Medium	810,766,229	810,766,229	895,158,173	997,634,274	70%	70%	65%	59%	26,703,050	26,664,827	27,375,103	27,886,556				
BKIDON	Long	4,201,899,156	3,414,836,516	3,770,284,336	4,201,899,156	79%	79%	79%	79%	162,623,431	132,203,158	145,950,155	162,532,826				
BKIDAA	Short	126,140,310	126,140,310	139,270,154	155,213,547	77%	76%	75%	71%	9,385,349	9,335,430	10,132,906	10,702,082				
BKIDEL	Long	1,437,220,330	1,168,012,950	1,289,590,380	1,437,220,330	64%	74%	70%	64%	50,557,811	47,717,213	49,677,206	50,576,615				
BKIDLE	Short	393,923,618	391,658,758	432,426,238	481,929,552	79%	78%	77%	76%	34,735,451	34,486,189	37,606,635	40,882,741				
BKIDAR	Long	<b>1,023,995,078</b>	<b>949,847,392</b>	<b>1,048,716,240</b>	<b>1,168,771,344</b>	<b>79%</b>	<b>79%</b>	<b>79%</b>	<b>79%</b>	<b>36,107,567</b>	<b>33,517,239</b>	<b>36,997,373</b>	<b>41,214,773</b>				
BKIDOM	Long	685,144,395	640,685,409	707,373,888	788,352,708	74%	78%	75%	69%	20,876,174	20,445,367	21,660,705	22,171,519				
BKIDRUH	Medium	565,290,245	565,290,245	624,130,845	695,580,210	79%	79%	78%	73%	28,101,876	28,102,106	30,498,833	32,085,319				
BKIDSHA	Long	614,981,185	570,448,060	629,825,560	701,928,784	75%	77%	76%	75%	28,807,999	27,181,226	29,773,989	32,780,572				
BKIDYO	Long	852,167,784	771,826,720	852,167,784	949,722,280	72%	77%	73%	67%	34,514,131	33,406,606	34,624,256	35,505,727				
<b>LON 14x (no other EU)</b>		<b>13,091,428,106</b>	<b>11,780,382,981</b>	<b>13,006,593,867</b>	<b>14,495,564,091</b>	<b>74%</b>	<b>75%</b>	<b>73%</b>	<b>69%</b>	<b>555,321,489</b>	<b>514,894,522</b>	<b>551,061,390</b>	<b>587,544,615</b>				
BUSOMB	Long	592,412,782	577,387,924	637,487,656	710,466,068	77%	77%	77%	76%	28,947,261	28,344,174	31,033,894	34,105,656				
BKACAN	Medium	210,482,857	190,639,345	210,482,857	234,578,526	62%	64%	61%	58%	11,026,927	10,289,729	10,937,166	11,503,273				
BKICMB	Medium	510,298,484	468,499,259	517,265,021	576,480,541	76%	76%	76%	75%	26,915,096	24,644,137	27,207,207	29,562,483				
BKIKKO	Medium	151,697,653	141,854,008	156,619,476	174,548,985	75%	75%	75%	75%	7,277,031	6,813,778	7,505,243	8,348,838				
BKICMB	Medium	335,280,816	335,280,816	370,179,927	412,557,144	77%	77%	74%	68%	15,977,708	16,067,706	17,117,584	17,523,904				
BKIDMM	Medium	429,042,718	429,042,718	473,701,436	527,929,896	61%	61%	55%	50%	16,277,114	16,259,024	16,421,326	16,536,255				
BKIDOH	Medium	738,896,340	707,342,045	780,988,734	870,372,503	68%	70%	65%	59%	30,182,294	29,905,424	30,526,823	30,900,634				
BKIDXB	Medium	469,390,415	459,817,995	507,680,095	565,798,350	75%	76%	71%	65%	18,849,080	18,882,787	19,505,575	19,618,759				
BKIDED	Medium	651,537,185	651,537,185	719,355,195	801,705,645	70%	70%	66%	61%	24,255,925	24,232,743	25,109,521	25,780,794				
BKIDWI	Medium	810,766,229	810,766,229	895,158,173	997,634,274	70%	70%	65%	60%	26,869,333	26,931,585	27,550,960	28,073,237				
BKIDON	Long	4,201,899,156	3,414,836,516	3,770,284,336	4,201,899,156	79%	79%	79%	79%	162,666,940	132,220,769	145,978,104	162,674,315				
BKIDAA	Short	126,140,310	126,140,310	139,270,154	155,213,547	77%	76%	75%	71%	9,369,647	9,332,119	10,073,730	10,612,512				
BKIDEL	Long	1,437,220,330	1,168,012,950	1,289,590,380	1,437,220,330	64%	74%	70%	64%	50,444,639	47,650,164	49,575,816	50,476,177				
BKIDLE	Short	393,923,618	391,658,758	432,426,238	481,929,552	78%	78%	77%	75%	34,684,264	34,435,334	37,404,226	40,543,120				
BKIDRUH	Medium	565,290,245	565,290,245	624,130,845	695,580,210	79%	79%	78%	74%	28,108,007	28,103,693	30,557,452	32,278,963				
BKIDSHA	Long	614,981,185	570,448,060	629,825,560	701,928,784	76%	77%	76%	75%	28,919,317	27,256,555	29,868,623	32,948,334				
BKIDYO	Long	852,167,784	771,826,720	852,167,784	949,722,280	72%	77%	73%	67%	34,550,908	33,419,803	34,655,156	35,544,323				

CONFIDENTIAL & LEGALLY PRIVILEGED CONTENT

Annualized Routes	Stage Length	SkyWorks Projections							
		Mail & Cargo Revenue				Total Revenue			
<b>LON 14x (All)</b>		<b>84,781,920</b>	<b>84,781,920</b>	<b>84,781,920</b>	<b>85,346,679</b>	<b>731,666,703</b>	<b>685,111,250</b>	<b>729,203,293</b>	<b>774,766,193</b>
BJSCMB	Long	2,100,000	2,100,000	2,100,000	2,100,000	31,018,242	30,422,789	33,066,319	36,138,019
BKKCAN	Medium	3,052,670	3,052,670	3,052,670	3,052,670	13,944,831	13,225,688	13,863,445	14,436,266
BKKCMB	Medium	5,440,535	5,440,535	5,440,535	5,440,535	31,940,680	29,859,383	32,224,903	34,974,880
BKKHKG	Medium	2,387,865	2,387,865	2,387,865	2,387,865	9,621,391	9,160,147	9,850,490	10,886,704
CANCMB	Medium	1,500,000	1,500,000	1,500,000	1,500,000	17,529,223	17,597,953	18,756,838	19,173,645
CMBDMM	Medium	2,460,890	2,460,890	2,460,890	2,460,890	19,519,214	19,497,646	19,669,195	19,794,929
CMBDOH	Medium	4,779,300	4,779,300	4,779,300	4,779,300	35,370,481	35,095,721	35,720,327	35,091,716
CMBDXB	Medium	3,000,000	3,000,000	3,000,000	3,000,000	20,826,204	20,880,251	21,297,739	21,503,765
CMBFRA	Long	6,945,560	6,945,560	6,945,560	7,234,958	39,690,231	38,607,229	39,691,757	43,721,764
CMBJED	Medium	2,900,430	2,900,430	2,900,430	2,900,430	27,073,395	27,049,421	27,910,243	28,582,259
CMBKWI	Medium	4,720,470	4,720,470	4,720,470	4,995,831	32,456,045	32,418,344	33,154,083	33,960,376
CMBLON	Long	8,500,000	8,500,000	8,500,000	8,500,000	171,319,176	140,862,285	154,625,831	171,328,593
CMBMAA	Short	2,500,000	2,500,000	2,500,000	2,500,000	11,900,930	11,859,880	12,659,445	13,230,112
CMBMEL	Long	5,200,000	5,200,000	5,200,000	5,200,000	55,814,190	52,970,424	54,932,603	55,833,013
CMBMLE	Short	3,800,000	3,800,000	3,800,000	3,800,000	38,629,852	38,379,911	41,508,838	44,803,375
CMBPAR	Long	6,541,280	6,541,280	6,541,280	6,541,280	42,662,187	40,070,902	43,552,322	47,771,280
CMBROM	Long	5,851,770	5,851,770	5,851,770	5,851,770	26,747,205	26,316,001	27,532,460	28,043,745
CMBRUH	Medium	3,201,150	3,201,150	3,201,150	3,201,150	32,347,843	32,348,082	34,833,918	36,479,388
CMBSHA	Long	3,500,000	3,500,000	3,500,000	3,500,000	32,312,634	30,685,599	33,278,779	33,285,846
CMBTYO	Long	6,400,000	6,400,000	6,400,000	6,400,000	40,933,770	39,625,815	41,043,958	41,925,930
<b>LON 14x (no other EU)</b>		<b>65,443,310</b>	<b>65,443,310</b>	<b>65,443,310</b>	<b>65,443,310</b>	<b>625,277,177</b>	<b>584,797,573</b>	<b>621,155,486</b>	<b>657,784,041</b>
BJSCMB	Long	2,100,000	2,100,000	2,100,000	2,100,000	31,063,396	30,459,973	33,151,193	36,224,699
BKKCAN	Medium	3,052,670	3,052,670	3,052,670	3,052,670	14,088,413	13,350,629	13,998,581	14,565,140
BKKCMB	Medium	5,440,535	5,440,535	5,440,535	5,440,535	32,374,363	30,301,959	32,666,702	35,323,864
BKKHKG	Medium	2,387,865	2,387,865	2,387,865	2,387,865	9,672,963	9,208,905	9,904,125	10,745,627
CANCMB	Medium	1,500,000	1,500,000	1,500,000	1,500,000	17,485,152	17,575,194	18,625,541	19,032,071
CMBDMM	Medium	2,460,890	2,460,890	2,460,890	2,460,890	19,601,155	19,582,106	19,753,014	19,877,197
CMBDOH	Medium	4,779,300	4,779,300	4,779,300	4,779,300	35,641,612	35,358,503	35,993,903	36,376,136
CMBDXB	Medium	3,000,000	3,000,000	3,000,000	3,000,000	22,097,304	22,131,455	22,762,444	23,079,752
CMBJED	Medium	2,900,430	2,900,430	2,900,430	2,900,430	27,339,282	27,315,925	28,199,316	28,885,726
CMBKWI	Medium	4,720,470	4,720,470	4,720,470	4,720,470	32,628,757	32,589,549	33,336,741	33,879,212
CMBLON	Long	8,500,000	8,500,000	8,500,000	8,500,000	171,382,737	140,879,919	154,653,813	171,370,121
CMBMAA	Short	2,500,000	2,500,000	2,500,000	2,500,000	11,894,167	11,856,581	12,660,113	13,140,305
CMBMEL	Long	5,200,000	5,200,000	5,200,000	5,200,000	55,700,892	52,903,301	54,831,100	55,732,465
CMBMLE	Short	3,800,000	3,800,000	3,800,000	3,800,000	38,578,525	38,328,919	41,505,879	44,453,310
CMBRUH	Medium	3,201,150	3,201,150	3,201,150	3,201,150	32,354,202	32,354,913	34,894,717	36,680,233
CMBSHA	Long	3,500,000	3,500,000	3,500,000	3,500,000	32,423,970	30,760,940	33,393,432	36,453,635
CMBTYO	Long	6,400,000	6,400,000	6,400,000	6,400,000	40,970,568	39,839,819	41,084,882	41,964,546

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Annualized Routes	Stage Length	SkyWorks Projections							
		Fuel Cost (Included in Direct Op Cost)				Direct Op Cost			
<b>LON 14x (All)</b>		<b>283,274,616</b>	<b>200,591,650</b>	<b>269,425,005</b>	<b>304,742,422</b>	<b>503,059,732</b>	<b>493,047,536</b>	<b>404,649,401</b>	<b>540,005,344</b>
BJSCEB	Long	12,349,331	12,514,862	11,852,735	13,406,440	20,374,742	20,455,878	20,279,468	22,330,712
BKKCAN	Medium	4,715,770	4,694,261	4,715,770	5,333,932	10,443,097	9,842,936	10,451,499	11,308,723
BKKCMB	Medium	9,251,081	9,214,899	9,257,121	10,470,582	20,205,523	19,147,923	20,414,898	22,237,076
BKKHKG	Medium	3,289,570	3,279,552	3,294,579	3,726,446	7,529,659	7,160,718	7,729,043	8,416,273
CANOMB	Medium	6,462,947	6,462,647	6,492,258	7,343,290	11,861,476	11,881,707	12,238,940	13,278,194
CMBDMM	Medium	7,909,509	7,909,509	7,945,749	8,987,310	14,618,781	14,636,838	15,000,613	16,267,093
CMBDOH	Medium	13,192,293	13,166,438	13,226,765	14,960,583	25,114,132	24,821,617	25,600,782	27,734,134
CMBDXB	Medium	8,769,578	8,761,549	8,801,694	9,955,455	16,883,498	16,792,234	17,401,195	18,932,362
CMBFRA	Long	16,513,923	17,436,437	16,513,923	18,678,635	28,770,784	27,421,453	28,829,559	29,625,358
CMBJED	Medium	11,976,796	11,970,796	12,031,673	13,608,834	21,466,298	21,497,035	21,912,068	23,817,137
CMBKWI	Medium	14,854,443	14,854,443	14,922,504	16,878,607	27,276,066	27,313,342	28,002,838	30,387,930
CMBLOH	Long	70,647,419	65,949,106	62,459,918	70,647,419	111,071,014	102,772,409	100,226,528	110,707,162
CMBMAA	Short	3,811,449	3,811,449	3,194,770	3,613,553	11,790,412	11,791,057	12,160,454	12,947,106
CMBMEL	Long	22,877,562	21,356,120	20,226,226	22,877,562	36,281,545	33,714,617	32,900,771	30,164,243
CMBMLE	Short	10,319,821	10,413,424	8,728,568	9,872,744	31,556,229	31,526,193	32,328,788	34,639,471
CMBPAR	Long	17,487,253	18,209,826	17,246,395	19,507,123	27,947,157	26,502,824	27,838,979	30,745,426
CMBROM	Long	12,107,358	12,550,016	11,888,029	13,444,098	19,447,689	19,805,288	19,355,405	21,270,359
CMBRUH	Medium	10,610,316	10,610,316	10,658,932	12,056,148	19,599,115	19,627,301	20,276,973	22,044,412
CMBSHA	Long	11,545,638	12,022,705	11,385,616	12,879,220	19,661,196	19,805,452	19,682,018	21,672,064
CMBTYO	Long	14,582,859	15,397,499	14,582,859	16,494,440	23,961,308	24,528,678	24,017,573	26,380,170
<b>LON 14x (no other EU)</b>		<b>237,166,081</b>	<b>232,395,577</b>	<b>223,778,738</b>	<b>253,112,565</b>	<b>404,414,137</b>	<b>392,929,034</b>	<b>393,468,167</b>	<b>431,005,595</b>
BJSCEB	Long	12,349,331	12,514,862	11,852,735	13,406,440	19,369,728	19,461,352	19,215,476	21,213,363
BKKCAN	Medium	4,715,770	4,694,261	4,715,770	5,333,932	9,552,734	9,096,288	9,532,899	10,387,991
BKKCMB	Medium	9,251,081	9,214,899	9,257,121	10,470,582	18,508,048	17,673,050	18,625,188	20,355,895
BKKHKG	Medium	3,289,570	3,279,552	3,294,579	3,726,446	6,853,633	6,571,839	6,991,478	7,646,375
CANOMB	Medium	6,462,947	6,462,647	6,492,258	7,343,290	11,152,810	11,182,073	11,453,007	12,473,356
CMBDMM	Medium	7,909,509	7,909,509	7,945,749	8,987,310	13,737,951	13,769,444	14,053,200	15,302,089
CMBDOH	Medium	13,192,293	13,166,438	13,226,765	14,960,583	23,522,314	23,276,731	23,887,200	25,989,174
CMBDXB	Medium	8,769,578	8,761,549	8,801,694	9,955,455	15,832,119	15,758,675	16,263,395	17,680,869
CMBJED	Medium	11,976,796	11,976,796	12,031,673	13,808,834	20,274,770	20,322,628	20,663,711	22,535,997
CMBKWI	Medium	14,854,443	14,854,443	14,922,504	16,879,607	25,653,682	25,712,397	26,264,275	28,610,921
CMBLOH	Long	70,647,419	65,949,106	62,459,918	70,647,419	106,560,524	98,538,761	98,203,755	106,421,596
CMBMAA	Short	3,811,449	3,811,449	3,194,770	3,613,553	10,487,399	10,497,013	10,437,971	11,181,189
CMBMEL	Long	22,877,562	21,356,120	20,226,226	22,877,562	34,774,827	32,241,689	31,515,933	34,730,582
CMBMLE	Short	10,319,821	10,413,424	8,728,568	9,872,744	28,087,419	26,129,522	27,840,763	29,982,162
CMBRUH	Medium	10,610,316	10,610,316	10,658,932	12,056,148	18,407,746	18,450,857	18,962,881	20,693,672
CMBSHA	Long	11,545,638	12,022,705	11,385,616	12,879,220	18,670,512	18,815,767	18,622,418	20,559,640
CMBTYO	Long	14,582,859	15,397,499	14,582,859	16,494,440	22,967,922	23,430,948	22,934,636	25,260,799



CONFIDENTIAL - FOR AIRCRAFT ONLY

Aircraft Route	Stage Length	Aircraft Rent (Included in Fixed Costs)				SkyWorks Projections Fixed Cost (Rent + Area Ops)				Total Cost (DOC + Fixed)			
		1	2	3	4	1	2	3	4	1	2	3	4
<b>LOW 14x (All)</b>		<b>167,109,197</b>	<b>78,406,458</b>	<b>177,769,869</b>	<b>246,283,397</b>	<b>371,553,389</b>	<b>291,288,634</b>	<b>370,978,938</b>	<b>452,760,000</b>	<b>875,413,121</b>	<b>784,336,171</b>	<b>865,627,340</b>	<b>993,566,340</b>
BKOCMB	Long	4,144,316	3,432,694	7,683,519	10,644,791	12,774,123	12,247,405	15,719,973	19,218,713	33,149,856	32,707,284	35,589,440	41,524,476
BKOCMB	Medium	2,836,377	1,467,540	3,151,106	4,365,581	5,890,639	4,665,536	6,154,318	7,545,676	16,273,733	14,526,472	16,632,817	19,802,219
BKOCMB	Medium	5,144,934	2,763,620	6,165,665	8,165,665	11,757,445	9,943,524	12,746,126	15,570,041	31,992,371	29,097,447	33,151,683	37,557,117
BKOCMB	Medium	1,629,042	989,350	2,201,450	3,049,912	3,956,729	3,379,182	4,405,222	5,339,828	11,425,397	10,535,910	12,127,265	14,807,850
BKOCMB	Medium	1,815,977	1,897,777	4,333,167	6,010,121	6,932,704	7,935,404	9,004,095	10,985,710	13,794,178	15,917,111	17,232,926	20,294,112
BKOCMB	Medium	2,231,458	2,371,698	5,309,358	7,355,671	8,622,109	9,752,141	11,141,362	13,594,583	23,240,890	23,390,979	26,141,956	29,881,626
BKOCMB	Medium	5,524,958	3,947,890	8,838,205	12,244,500	15,855,494	14,498,887	18,431,065	22,482,192	40,769,626	36,294,964	43,091,987	50,288,245
BKOCMB	Medium	3,025,122	2,637,956	5,861,345	8,148,050	9,857,785	9,583,352	12,216,584	14,908,505	28,741,245	26,355,605	28,617,763	33,741,000
BKOCMB	Long	9,642,768	4,781,779	10,705,128	14,850,945	21,598,943	17,874,812	22,640,530	27,695,625	48,337,127	45,286,265	49,470,165	57,388,625
BKOCMB	Medium	3,363,762	3,581,155	8,039,637	11,198,160	13,019,572	13,225,622	16,828,397	20,530,433	34,485,870	34,723,857	38,748,465	44,341,500
BKOCMB	Medium	4,171,368	4,453,893	9,971,369	13,814,308	16,155,967	16,417,314	20,875,353	25,462,075	43,432,037	43,731,156	48,879,151	56,044,115
BKOCMB	Long	68,442,471	18,085,923	40,489,556	56,094,453	114,456,393	67,294,476	85,221,922	104,099,954	226,507,407	170,158,866	185,549,450	214,241,775
BKOCMB	Short	1,011,356	1,079,797	2,417,267	3,348,923	3,431,216	3,479,176	4,630,453	5,682,225	15,221,639	15,270,273	16,499,357	17,784,004
BKOCMB	Long	21,515,825	5,958,716	13,111,623	15,164,918	37,677,090	22,413,260	28,203,195	34,337,358	73,956,635	56,127,537	61,103,907	70,561,822
BKOCMB	Short	2,940,234	2,950,340	6,604,373	9,149,736	9,753,485	9,777,434	12,840,700	15,762,645	41,308,712	41,503,626	45,169,458	50,407,112
BKOCMB	Long	5,722,219	4,993,874	11,179,952	15,480,730	21,535,759	16,721,739	23,693,205	28,884,828	49,462,916	47,624,863	51,332,124	58,099,012
BKOCMB	Long	5,701,541	3,441,720	7,705,102	10,674,653	14,519,010	12,607,282	16,250,497	19,813,125	33,666,609	32,612,917	35,685,872	41,091,581
BKOCMB	Medium	2,979,977	1,191,425	7,122,363	9,587,357	11,451,949	11,631,282	14,937,111	18,107,249	31,051,393	31,290,897	35,114,104	40,151,590
BKOCMB	Long	5,758,685	3,257,114	7,381,358	10,226,176	13,757,420	11,906,865	15,234,735	18,510,681	33,458,617	31,712,216	34,913,703	40,089,738
BKOCMB	Long	3,515,190	4,222,820	9,453,318	13,096,862	18,851,554	15,575,445	19,901,021	24,153,972	42,312,822	40,344,121	43,818,354	49,139,122
<b>LOW 14x (no other EU)</b>		<b>154,411,349</b>	<b>73,734,589</b>	<b>165,072,021</b>	<b>228,681,726</b>	<b>341,819,315</b>	<b>271,835,703</b>	<b>337,084,165</b>	<b>412,986,929</b>	<b>746,333,462</b>	<b>664,864,737</b>	<b>730,552,382</b>	<b>843,992,524</b>
BKOCMB	Long	4,893,401	3,823,336	8,559,432	11,850,207	14,459,442	13,742,695	17,175,617	21,077,216	33,969,170	33,294,033	36,391,033	42,210,576
BKOCMB	Medium	3,732,405	1,567,890	3,510,323	4,863,230	6,321,041	5,213,466	6,711,864	8,264,061	16,473,776	14,309,765	16,244,753	18,822,162
BKOCMB	Medium	6,650,676	3,078,002	6,890,624	9,546,587	12,894,156	11,168,383	13,923,167	17,071,327	32,982,204	29,828,417	32,649,515	37,425,119
BKOCMB	Medium	2,671,700	1,088,491	2,452,422	3,397,999	4,530,689	3,763,905	4,509,151	5,904,664	11,984,332	10,435,741	11,906,661	13,849,870
BKOCMB	Medium	1,971,041	2,158,682	4,832,713	6,695,289	7,731,476	7,990,230	9,839,136	12,950,237	18,885,285	19,092,702	21,212,163	24,121,484
BKOCMB	Medium	2,412,316	2,641,989	5,914,664	8,194,300	9,635,147	9,844,743	12,180,024	14,934,873	23,374,097	23,614,196	26,233,224	29,897,070
BKOCMB	Medium	6,791,200	4,997,812	9,845,752	13,640,361	17,987,231	16,271,360	20,147,076	24,676,308	41,509,545	39,548,681	43,634,305	50,558,892
BKOCMB	Medium	3,531,006	2,328,577	5,551,813	9,076,919	11,160,521	10,740,159	13,953,786	16,956,720	28,597,040	26,804,874	29,617,181	34,011,184
BKOCMB	Medium	3,652,799	4,000,543	8,956,148	12,407,899	14,554,811	14,831,453	18,399,204	22,527,108	34,828,532	35,204,121	38,261,016	44,029,662
BKOCMB	Medium	4,520,451	4,251,747	11,100,028	15,350,125	18,053,121	18,473,717	22,622,429	27,645,870	43,716,893	44,155,714	48,096,785	55,825,843
BKOCMB	Long	68,442,471	29,147,700	45,165,323	62,489,175	118,205,539	75,941,678	92,317,958	114,250,400	224,781,073	174,469,438	189,511,714	220,631,215
BKOCMB	Short	1,048,291	1,232,849	2,692,859	3,730,697	3,765,516	3,646,216	5,039,940	6,211,984	14,292,914	14,345,329	15,437,111	17,101,117
BKOCMB	Long	21,515,885	6,524,376	14,606,335	20,235,760	38,689,815	25,307,052	30,860,439	37,702,697	73,744,443	67,545,711	72,176,919	82,191,464
BKOCMB	Short	3,268,579	3,296,382	7,267,265	10,192,797	10,813,736	10,494,580	13,089,656	17,244,777	32,501,165	30,994,119	34,825,816	40,221,319
BKOCMB	Medium	3,220,037	3,544,105	7,934,505	10,992,232	12,789,934	13,076,977	16,216,898	19,604,098	31,197,679	31,527,874	35,173,789	40,643,420
BKOCMB	Long	7,988,707	3,673,882	8,122,826	11,391,950	16,135,635	13,373,650	16,649,157	20,413,529	34,806,147	32,189,387	35,971,575	40,971,577
BKOCMB	Long	11,192,215	4,703,594	10,530,887	14,589,690	22,303,286	17,630,270	21,660,311	26,510,809	46,271,208	40,861,211	44,084,947	51,171,604



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Annualized Routes	Stage Length	Contribution to Overhead				Network Contribution			
		2017	2018	2019	2020	2017	2018	2019	2020
<b>LON 14x (All)</b>		<b>(140,746,413)</b>	<b>(99,224,921)</b>	<b>(100,424,046)</b>	<b>(218,790,151)</b>				
BJSCMB	Long	24,116,929	(2,207,519)	(3,793,121)	(2,411,406)	954,028	954,322	1,073,236	1,231,377
BKCCAN	Medium	10,529,054	(1,800,744)	(2,742,712)	(4,419,071)	5,917,575	5,472,958	5,803,223	6,158,168
BKCCMB	Medium	207,111	<b>767,937</b>	(255,107)	(2,878,473)	10,329,385	9,617,134	10,407,121	11,346,238
BKCHKG	Medium	11,583,000	(1,170,762)	(2,265,775)	(5,120,556)	4,067,069	3,856,822	4,177,504	4,560,494
CANCMB	Medium	11,014,000	(1,110,156)	(2,489,487)	(5,041,593)	732,272	734,813	789,307	833,854
CMBDMM	Medium	17,791,879	(2,884,197)	(5,472,898)	(12,556,746)	1,611,763	1,556,478	1,628,344	1,596,170
CMBDOH	Medium	17,956,149	(1,825,705)	(4,114,249)	(11,124,511)	966,717	963,016	978,404	989,079
CMBDXB	Medium	10,442,019	(1,410,339)	(3,111,604)	(11,201,154)	496,391	496,024	500,986	501,090
CMBFRA	Long	10,411,199	(1,000,159)	(2,115,859)	(13,547,219)	725,105	673,164	728,909	793,034
CMBJED	Medium	17,412,175	(1,471,430)	(3,470,221)	(10,750,140)	2,699,389	2,666,022	2,762,389	2,863,881
CMBKWI	Medium	11,001,185	(1,114,018)	(2,374,188)	(5,116,130)	2,739,971	2,695,729	2,806,119	2,909,359
CMBLON	Long	11,116,139	(1,186,667)	(2,622,611)	(10,421,740)	4,351,278	3,623,733	3,972,494	4,385,054
CMBMAA	Short	11,211,702	(1,111,130)	(1,111,662)	(3,382,159)	6,352,062	5,922,680	6,532,819	7,274,470
CMBMEL	Long	11,144,084	(1,119,244)	(1,111,080)	(1,111,538)	2,907,352	2,655,107	2,845,368	2,907,630
CMBMLE	Short	11,071,000	(1,102,111)	(1,100,000)	(1,101,111)	45,542,452	44,199,060	40,992,939	54,972,038
CMBPAR	Long	11,020,720	(1,102,041)	(1,100,000)	(1,100,000)	1,304,428	1,214,156	1,339,520	1,495,241
CMBROM	Long	11,011,414	(1,101,101)	(1,101,414)	(1,101,101)	786,265	763,291	806,410	850,228
CMBPUH	Medium	<b>1,296,780</b>	<b>1,087,489</b>	310,186	(1,101,101)	2,127,461	2,113,018	2,268,091	2,383,625
CMBSHA	Long	11,160,000	(1,110,000)	(1,110,000)	(1,110,000)	1,485,045	1,440,090	1,605,641	1,818,820
CMBTYO	Long	11,120,000	(1,110,000)	(1,110,000)	(1,110,000)	664,978	629,578	678,725	722,230
<b>LON 14x (no other EU)</b>		<b>(111,356,275)</b>	<b>(60,967,103)</b>	<b>(109,306,566)</b>	<b>(160,303,403)</b>				
BJSCMB	Long	24,116,929	(2,207,519)	(3,793,121)	(2,411,406)	975,154	975,166	1,096,867	1,258,626
BKCCAN	Medium	10,529,054	(1,800,744)	(2,742,712)	(4,419,071)	6,128,539	5,664,978	6,002,301	6,348,331
BKCCMB	Medium	<b>12,159</b>	<b>1,473,546</b>	<b>118,347</b>	(2,101,271)	8,369,305	7,817,677	8,377,581	8,999,758
BKCHKG	Medium	11,583,000	(1,170,762)	(2,265,775)	(5,120,556)	4,153,218	3,938,085	4,267,582	4,661,969
CANCMB	Medium	11,014,000	(1,110,156)	(2,489,487)	(5,041,593)	732,272	734,813	789,307	833,854
CMBDMM	Medium	17,791,879	(2,884,197)	(5,472,898)	(12,556,746)	1,634,461	1,569,855	1,641,973	1,709,790
CMBDOH	Medium	17,956,149	(1,825,705)	(4,114,249)	(11,124,511)	985,499	978,851	997,398	1,010,938
CMBDXB	Medium	10,442,019	(1,410,339)	(3,111,604)	(11,201,154)	525,768	525,768	534,061	535,745
CMBJED	Medium	17,412,175	(1,471,430)	(3,470,221)	(10,750,140)	2,751,581	2,718,467	2,816,056	2,917,193
CMBKWI	Medium	11,001,185	(1,114,018)	(2,374,188)	(5,116,130)	2,771,801	2,727,032	2,842,863	2,952,226
CMBLON	Long	11,116,139	(1,186,667)	(2,622,611)	(10,421,740)	4,244,683	3,515,074	3,855,211	4,257,514
CMBMAA	Short	11,211,702	(1,111,130)	(1,111,662)	(3,382,159)	5,778,284	5,421,240	5,973,299	6,641,439
CMBMEL	Long	11,144,084	(1,119,244)	(1,111,080)	(1,111,538)	2,907,545	2,653,550	2,848,228	2,913,049
CMBMLE	Short	11,071,000	(1,102,111)	(1,100,000)	(1,101,111)	41,601,203	40,276,851	44,784,052	50,309,044
CMBRUH	Medium	<b>1,156,523</b>	<b>827,079</b>	310,186	(1,101,101)	2,130,972	2,116,534	2,279,865	2,419,831
CMBSHA	Long	11,160,000	(1,110,000)	(1,110,000)	(1,110,000)	1,512,756	1,461,075	1,632,409	1,852,671
CMBTYO	Long	11,120,000	(1,110,000)	(1,110,000)	(1,110,000)	666,538	631,008	678,587	723,529

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Annualized Routes	Stage Length	SkyWorks Projections											
		ASK				LF %				Passenger Revenue			
		2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020
<b>LON 9x (no other EU)</b>		<b>11,590,749,836</b>	<b>10,560,798,511</b>	<b>11,660,063,747</b>	<b>12,994,885,821</b>	<b>74%</b>	<b>75%</b>	<b>72%</b>	<b>69%</b>	<b>498,188,150</b>	<b>468,546,170</b>	<b>500,118,667</b>	<b>530,804,727</b>
BJSCMB	Long	592,412,782	577,387,824	637,487,656	710,466,068	77%	77%	77%	76%	28,999,235	28,351,330	31,051,618	34,150,223
BKKAH	Medium	210,482,857	190,639,345	210,482,857	234,578,526	62%	63%	61%	58%	11,027,671	10,268,415	10,937,036	11,503,262
BKCCMB	Medium	510,298,484	468,499,259	517,265,021	576,480,541	76%	76%	76%	75%	26,914,581	24,834,408	27,201,221	29,862,979
BKCHKG	Medium	161,697,653	141,854,008	156,619,470	174,548,985	75%	75%	75%	75%	7,275,784	6,803,626	7,497,279	8,337,749
CANCCMB	Medium	335,280,816	335,280,816	370,179,927	412,557,444	77%	77%	74%	66%	15,994,352	16,059,515	17,117,160	17,598,371
CMBDDMM	Medium	429,042,718	429,042,718	473,701,436	527,929,896	61%	61%	56%	50%	16,284,958	16,317,339	16,400,023	16,595,528
CMBDOH	Medium	738,896,340	707,342,045	780,958,734	870,372,503	88%	71%	65%	59%	30,325,376	30,065,536	30,668,076	31,064,338
CMBDXB	Medium	469,390,415	459,817,995	507,680,095	565,798,350	76%	78%	74%	67%	19,352,951	19,220,651	20,129,000	20,558,547
CMBJED	Medium	651,537,185	651,537,185	719,355,195	801,705,645	71%	71%	66%	61%	24,428,042	24,433,601	25,321,752	26,004,390
CMBKWI	Medium	810,766,229	810,766,229	895,158,173	997,634,274	70%	70%	65%	60%	26,692,932	26,950,261	27,671,606	28,193,676
CMBLON	Long	2,701,220,886	2,195,252,046	2,423,754,216	2,701,220,886	79%	79%	79%	79%	104,585,602	85,001,246	93,848,683	104,591,740
CMBMAA	Short	126,140,310	126,140,310	139,270,154	155,213,547	76%	76%	74%	70%	9,320,974	9,350,427	10,028,901	10,527,724
CMBMEL	Long	1,437,220,330	1,168,012,950	1,289,590,360	1,437,220,330	64%	74%	70%	64%	50,393,870	47,632,797	49,576,171	50,488,648
CMBMLE	Short	393,923,618	391,658,758	432,426,238	481,929,552	78%	78%	77%	74%	34,655,128	34,368,652	37,305,770	40,308,124
CMBRUH	Medium	565,290,245	565,290,245	624,130,845	695,580,210	79%	79%	79%	74%	28,108,521	28,117,497	30,604,282	33,421,306
CMBSHA	Long	614,981,185	570,448,060	629,825,550	701,926,784	76%	77%	76%	76%	29,041,531	27,293,179	29,937,169	33,026,872
CMBTYO	Long	852,167,784	771,828,720	852,167,784	949,722,280	72%	77%	73%	67%	34,596,643	33,437,692	34,722,901	35,660,550
<b>LON 9x (no MEL no other EU)</b>		<b>10,153,529,506</b>	<b>9,392,785,561</b>	<b>10,370,473,367</b>	<b>11,557,665,491</b>	<b>74%</b>	<b>75%</b>	<b>73%</b>	<b>69%</b>	<b>448,007,426</b>	<b>421,047,150</b>	<b>450,747,474</b>	<b>480,529,001</b>
BJSCMB	Long	592,412,782	577,387,824	637,487,656	710,466,068	77%	77%	77%	76%	29,002,065	28,353,657	31,054,534	34,150,223
BKKAH	Medium	210,482,857	190,639,345	210,482,857	234,578,526	62%	63%	61%	58%	11,025,530	10,280,443	10,937,074	11,511,231
BKCCMB	Medium	510,298,484	468,499,259	517,265,021	576,480,541	76%	76%	76%	75%	26,933,536	24,846,529	27,230,092	29,923,910
BKCHKG	Medium	161,697,653	141,854,008	156,619,476	174,548,985	75%	75%	75%	75%	7,269,253	6,797,286	7,490,705	8,331,487
CANCCMB	Medium	335,280,816	335,280,816	370,179,927	412,557,444	77%	77%	75%	69%	16,017,999	16,071,148	17,179,952	17,623,647
CMBDDMM	Medium	429,042,718	429,042,718	473,701,436	527,929,896	61%	61%	56%	50%	16,317,149	16,349,190	16,512,743	16,627,721
CMBDOH	Medium	738,896,340	707,342,045	780,958,734	870,372,503	88%	71%	65%	59%	30,351,017	30,091,808	30,714,431	31,060,351
CMBDXB	Medium	469,390,415	459,817,995	507,680,095	565,798,350	76%	78%	74%	67%	19,351,164	19,218,370	20,127,759	20,557,057
CMBJED	Medium	651,537,185	651,537,185	719,355,195	801,705,645	71%	71%	66%	61%	24,422,981	24,427,655	25,313,682	25,996,006
CMBKWI	Medium	810,766,229	810,766,229	895,158,173	997,634,274	70%	71%	66%	60%	26,930,113	26,988,594	27,708,817	28,229,292
CMBLON	Long	2,701,220,886	2,195,252,046	2,423,754,216	2,701,220,886	79%	79%	79%	79%	104,587,381	85,001,246	93,848,683	104,591,740
CMBMAA	Short	126,140,310	126,140,310	139,270,154	155,213,547	76%	76%	74%	69%	9,275,362	9,301,349	9,932,173	10,421,511
CMBMLE	Short	393,923,618	391,658,758	432,426,238	481,929,552	78%	78%	77%	74%	34,656,371	34,364,084	37,294,249	40,291,150
CMBRUH	Medium	565,290,245	565,290,245	624,130,845	695,580,210	79%	79%	78%	74%	28,114,576	28,122,462	30,621,801	33,437,531
CMBSHA	Long	614,981,185	570,448,060	629,825,560	701,926,784	76%	77%	76%	76%	29,051,471	27,297,570	29,942,903	33,029,002
CMBTYO	Long	852,167,784	771,828,720	852,167,784	949,722,280	73%	78%	73%	67%	34,701,419	33,515,628	34,837,676	35,713,242



Annualized Routes	Stage Length	SkyWorks Projections							
		Mail & Cargo Revenue				Total Revenue			
		2014	2015	2016	2017	2014	2015	2016	2017
<b>LON 9x (no other EU)</b>		<b>65,443,310</b>	<b>65,443,310</b>	<b>65,443,310</b>	<b>65,443,310</b>	<b>568,086,260</b>	<b>538,409,866</b>	<b>570,172,664</b>	<b>601,001,545</b>
BJSCMB	Long	2,100,000	2,100,000	2,100,000	2,100,000	31,115,399	30,467,133	33,168,924	36,269,263
BKKCAN	Medium	3,052,670	3,052,670	3,052,670	3,052,670	14,089,158	13,349,311	13,998,451	14,565,129
BKKCMB	Medium	5,440,535	5,440,535	5,440,535	5,440,535	32,373,852	30,292,235	32,660,725	35,323,476
BKKHKG	Medium	2,387,865	2,387,865	2,387,865	2,387,865	9,671,418	9,198,758	9,893,161	10,734,541
CANCMB	Medium	1,500,000	1,500,000	1,500,000	1,500,000	17,501,806	17,566,999	18,625,157	19,076,558
CMBDMM	Medium	2,460,890	2,460,890	2,460,890	2,460,890	19,609,415	19,643,504	19,814,824	19,937,297
CMBDOH	Medium	4,779,300	4,779,300	4,779,300	4,779,300	35,787,917	35,522,223	36,158,789	36,543,580
CMBDXB	Medium	3,000,000	3,000,000	3,000,000	3,000,000	22,607,810	22,473,778	23,394,080	23,829,384
CMBJED	Medium	2,900,430	2,900,430	2,900,430	2,900,430	27,512,697	27,518,298	28,413,146	29,100,903
CMBKWI	Medium	4,720,470	4,720,470	4,720,470	4,720,470	32,653,269	32,712,814	33,462,051	34,004,308
CMBLON	Long	8,500,000	8,500,000	8,500,000	8,500,000	113,211,489	93,603,560	102,461,646	113,217,634
CMBMAA	Short	2,500,000	2,500,000	2,500,000	2,500,000	11,845,386	11,874,917	12,555,167	13,055,296
CMBMEL	Long	5,200,000	5,200,000	5,200,000	5,200,000	55,650,066	52,885,914	54,831,455	55,744,950
CMBMLE	Short	3,800,000	3,800,000	3,800,000	3,800,000	38,549,310	38,282,110	41,207,156	44,217,769
CMBRUH	Medium	3,201,150	3,201,150	3,201,150	3,201,150	32,354,735	32,364,045	34,943,288	36,828,386
CMBSHA	Long	3,500,000	3,500,000	3,500,000	3,500,000	32,546,204	30,797,570	33,441,985	36,526,285
CMBTYO	Long	6,400,000	6,400,000	6,400,000	6,400,000	41,006,328	39,856,718	41,142,658	42,026,787
<b>LON 9x (no MEL no other EU)</b>		<b>60,243,310</b>	<b>60,243,310</b>	<b>60,243,310</b>	<b>60,243,310</b>	<b>512,653,219</b>	<b>485,661,557</b>	<b>515,550,386</b>	<b>545,473,487</b>
BJSCMB	Long	2,100,000	2,100,000	2,100,000	2,100,000	31,118,251	30,469,461	33,171,843	36,273,016
BKKCAN	Medium	3,052,670	3,052,670	3,052,670	3,052,670	14,087,015	13,341,335	13,998,487	14,573,159
BKKCMB	Medium	5,440,535	5,440,535	5,440,535	5,440,535	32,392,844	30,304,486	32,689,641	35,385,378
BKKHKG	Medium	2,387,865	2,387,865	2,387,865	2,387,865	9,664,886	9,192,418	9,886,585	10,728,280
CANCMB	Medium	1,500,000	1,500,000	1,500,000	1,500,000	17,525,464	17,578,637	18,687,959	19,131,860
CMBDMM	Medium	2,460,890	2,460,890	2,460,890	2,460,890	19,643,314	19,677,053	19,849,279	19,970,354
CMBDOH	Medium	4,779,300	4,779,300	4,779,300	4,779,300	35,814,136	35,549,087	36,185,738	36,570,107
CMBDXB	Medium	3,000,000	3,000,000	3,000,000	3,000,000	22,606,000	22,471,457	23,392,822	23,827,804
CMBJED	Medium	2,900,430	2,900,430	2,900,430	2,900,430	27,507,597	27,512,317	28,405,016	29,092,488
CMBKWI	Medium	4,720,470	4,720,470	4,720,470	4,720,470	32,691,887	32,752,630	33,500,702	34,041,229
CMBLON	Long	8,500,000	8,500,000	8,500,000	8,500,000	113,213,270	93,603,560	102,461,646	113,217,640
CMBMAA	Short	2,500,000	2,500,000	2,500,000	2,500,000	11,799,675	11,825,709	12,458,166	12,948,906
CMBMLE	Short	3,800,000	3,800,000	3,800,000	3,800,000	38,550,556	38,277,530	41,195,604	44,200,689
CMBRUH	Medium	3,201,150	3,201,150	3,201,150	3,201,150	32,361,015	32,369,215	34,961,458	36,844,696
CMBSHA	Long	3,500,000	3,500,000	3,500,000	3,500,000	32,556,145	30,801,962	33,447,720	36,534,317
CMBTYO	Long	6,400,000	6,400,000	6,400,000	6,400,000	41,121,164	39,934,699	41,257,699	42,133,563

Annualized Routes	Stage Length	SkyWorks Projections							
		Fuel Cost (Included in Direct Op Cost)				Direct Op Cost			
<b>LON 9x (no other EU)</b>		<b>211,934,860</b>	<b>208,842,324</b>	<b>201,471,624</b>	<b>227,881,345</b>	<b>366,785,055</b>	<b>357,985,185</b>	<b>359,355,256</b>	<b>393,213,110</b>
BJSCMB	Long	12,349,331	12,514,662	11,852,735	13,406,440	19,444,448	19,420,398	19,179,735	21,182,883
BKKCAN	Medium	4,715,770	4,694,261	4,715,770	5,333,932	9,552,809	9,079,362	9,517,997	10,354,873
BKKCMB	Medium	9,251,081	9,214,899	9,257,121	10,470,582	18,519,570	17,640,263	18,596,609	20,331,571
BKKHKG	Medium	3,289,570	3,279,552	3,294,579	3,726,446	6,863,130	6,560,093	6,981,164	7,637,508
CANCMB	Medium	6,462,647	6,462,647	6,492,258	7,343,290	11,208,505	11,159,573	11,432,444	12,457,367
CMBDMM	Medium	7,909,509	7,909,509	7,945,749	8,987,310	13,805,705	13,743,043	14,030,977	15,282,745
CMBDOH	Medium	13,192,293	13,166,438	13,226,765	14,960,583	23,593,144	23,235,549	23,854,201	25,961,240
<b>CMBDXB</b>	<b>Medium</b>	<b>8,769,579</b>	<b>8,761,549</b>	<b>8,801,694</b>	<b>9,955,455</b>	<b>15,916,582</b>	<b>15,743,078</b>	<b>16,277,564</b>	<b>17,706,167</b>
CMBJED	Medium	11,976,796	11,976,796	12,031,673	13,608,834	20,382,752	20,286,352	20,635,886	22,512,716
CMBKWI	Medium	14,854,443	14,854,443	14,922,504	16,878,607	25,781,422	25,664,073	26,224,427	28,576,619
CMBLON	Long	45,416,198	42,395,854	40,152,805	45,416,198	68,403,369	64,136,058	62,543,938	69,030,596
CMBMAA	Short	3,811,449	3,811,449	3,194,770	3,613,553	10,511,624	10,486,615	10,417,946	11,154,895
CMBMEL	Long	22,877,662	21,356,120	20,226,226	22,877,662	34,470,610	32,171,178	31,453,850	34,076,132
CMBMLE	Short	10,319,821	10,413,424	8,728,568	9,872,744	28,163,759	28,089,710	27,796,024	29,922,446
CMBRUH	Medium	10,610,316	10,610,316	10,658,932	12,055,148	18,498,287	18,413,014	18,931,352	20,670,624
CMBSHA	Long	11,545,638	12,022,705	11,386,616	12,879,220	18,698,312	18,777,211	18,589,260	20,531,535
CMBTYO	Long	14,582,859	15,397,499	14,582,859	16,494,440	22,959,027	23,380,723	22,891,653	25,223,224
<b>LON 9x (no MEL no other EU)</b>		<b>189,057,298</b>	<b>187,486,204</b>	<b>181,245,398</b>	<b>205,003,782</b>	<b>332,155,912</b>	<b>325,863,596</b>	<b>327,941,917</b>	<b>358,572,644</b>
BJSCMB	Long	12,349,331	12,514,662	11,852,735	13,406,440	19,444,535	19,482,766	19,234,958	21,231,648
BKKCAN	Medium	4,715,770	4,694,261	4,715,770	5,333,932	9,552,654	9,104,460	9,540,626	10,375,562
BKKCMB	Medium	9,251,081	9,214,899	9,257,121	10,470,582	18,523,190	17,592,591	18,645,768	20,378,092
BKKHKG	Medium	3,289,570	3,279,552	3,294,579	3,726,446	6,863,143	6,577,915	6,996,964	7,651,657
CANCMB	Medium	6,462,647	6,462,647	6,492,258	7,343,290	11,209,298	11,194,143	11,466,580	12,487,479
CMBDMM	Medium	7,909,509	7,909,509	7,945,749	8,987,310	13,806,822	13,787,205	14,070,691	15,317,039
CMBDOH	Medium	13,192,293	13,166,438	13,226,765	14,960,583	23,594,241	23,309,228	23,919,048	26,018,039
<b>CMBDXB</b>	<b>Medium</b>	<b>8,769,576</b>	<b>8,761,549</b>	<b>8,801,694</b>	<b>9,955,455</b>	<b>15,918,511</b>	<b>15,790,685</b>	<b>16,319,669</b>	<b>17,743,264</b>
CMBJED	Medium	11,976,796	11,976,796	12,031,673	13,608,834	20,382,581	20,351,350	20,893,167	22,563,197
CMBKWI	Medium	14,854,443	14,854,443	14,922,504	16,878,607	25,783,007	25,746,570	26,298,229	28,641,099
CMBLON	Long	45,416,198	42,395,854	40,152,805	45,416,198	68,238,633	63,418,117	61,908,676	66,470,294
CMBMAA	Short	3,811,449	3,811,449	3,194,770	3,613,553	10,505,537	10,499,566	10,416,777	11,149,850
CMBMLE	Short	10,319,821	10,413,424	8,728,568	9,872,744	28,164,026	28,142,832	27,841,824	29,961,917
CMBRUH	Medium	10,610,316	10,610,316	10,658,932	12,055,148	18,498,465	18,470,935	18,983,266	20,716,440
CMBSHA	Long	11,545,638	12,022,705	11,386,616	12,879,220	18,698,671	18,937,186	18,642,455	20,578,553
CMBTYO	Long	14,582,859	15,397,499	14,582,859	16,494,440	22,972,576	23,459,066	22,593,020	25,286,353

Company	Stage	Alphabet Rent (included to Fixed Cost)				SkyWorks Projections				Total Cost (incl. Term)			
		2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
<b>LCU (no other EU)</b>		<b>124,899,896</b>	<b>60,062,679</b>	<b>152,374,174</b>	<b>211,100,055</b>	<b>293,765,077</b>	<b>246,261,816</b>	<b>307,059,495</b>	<b>376,797,220</b>	<b>660,550,131</b>	<b>604,246,801</b>	<b>666,414,751</b>	<b>770,010,338</b>
LCU-01	Long	2,417,131	4,529,335	7,201,015	10,940,111	15,011,532	13,442,328	16,509,327	20,150,199	34,456,080	32,862,723	35,689,052	41,239,082
LCU-02	Medium	3,772,405	1,447,393	2,240,369	4,489,125	6,069,525	5,066,596	6,432,917	7,501,105	16,462,332	14,168,940	15,950,943	16,235,979
LCU-03	Medium	6,781,085	2,641,232	6,360,781	8,812,234	13,823,956	10,312,345	12,384,240	16,529,133	32,413,625	26,552,668	31,811,049	26,854,704
LCU-04	Medium	2,138,472	1,011,185	1,269,774	3,136,245	4,585,627	3,675,377	4,611,647	5,634,329	11,448,997	10,234,460	11,582,811	13,211,839
LCU-05	Medium	2,365,249	1,392,030	4,409,966	6,180,248	8,110,189	7,727,901	9,469,496	11,626,293	19,224,694	19,895,474	20,650,960	23,363,766
LCU-06	Medium	1,804,752	2,437,741	5,459,690	7,563,898	10,107,102	9,635,343	10,515,504	12,842,266	23,912,607	23,379,398	25,747,328	29,546,593
LCU-07	Medium	7,210,129	4,050,611	9,030,356	12,591,102	18,134,891	15,927,617	17,381,061	22,610,442	42,020,035	39,162,565	43,235,265	46,739,685
LCU-08	Medium	3,958,556	2,791,451	6,047,807	8,378,694	11,578,039	10,515,504	12,842,266	15,651,208	27,490,621	26,268,582	29,119,820	33,397,378
LCU-09	Medium	4,583,359	3,692,905	8,267,213	11,453,465	15,274,117	14,597,366	17,700,706	21,561,082	35,050,989	34,854,158	36,339,592	44,375,911
LCU-10	Medium	5,436,542	1,556,074	10,253,564	14,205,346	19,987,757	18,905,613	21,959,510	26,753,444	44,739,150	43,749,655	46,183,737	55,350,067
LCU-11	Long	10,855,482	18,597,877	41,635,604	67,662,315	73,163,617	54,466,255	72,381,919	90,926,225	141,056,996	118,624,713	137,205,896	180,026,823
LCU-12	Short	1,317,950	1,110,321	1,498,712	3,443,720	3,973,356	3,750,138	4,623,620	5,316,595	14,484,979	14,236,053	15,241,576	17,894,461
LCU-13	Long	12,509,651	6,322,590	13,492,771	18,679,108	20,361,698	24,738,926	29,727,985	36,157,123	64,822,308	56,970,125	61,161,432	76,813,256
LCU-14	Short	3,035,376	3,003,555	6,791,322	9,409,738	11,368,934	10,605,328	12,413,768	16,459,795	30,532,615	36,895,038	41,209,412	48,575,241
LCU-15	Medium	3,893,244	3,271,462	7,325,074	10,146,678	12,425,621	12,798,103	15,597,735	19,009,775	31,925,000	31,211,117	34,629,687	39,679,759
LCU-16	Long	7,595,367	3,556,448	7,590,501	10,619,646	16,231,647	13,064,863	16,007,759	19,628,821	34,980,259	31,862,075	34,587,089	40,660,563
LCU-17	Long	11,197,210	4,342,146	9,720,911	13,467,405	22,291,601	17,182,180	20,621,400	25,379,684	45,290,925	40,642,904	43,321,054	50,602,918
<b>LCU (no MEL no other EU)</b>		<b>107,300,225</b>	<b>62,390,789</b>	<b>139,676,325</b>	<b>193,508,384</b>	<b>258,071,187</b>	<b>221,782,003</b>	<b>278,071,881</b>	<b>341,702,988</b>	<b>590,827,059</b>	<b>547,645,599</b>	<b>606,013,798</b>	<b>700,275,632</b>
LCU-18	Long	6,417,131	3,974,718	8,898,933	12,327,901	15,007,871	13,695,858	17,502,670	21,525,115	34,492,406	33,305,823	36,737,827	42,765,763
LCU-19	Medium	3,772,405	1,630,091	5,649,316	6,055,784	6,905,754	5,207,366	6,635,191	8,444,999	16,468,408	14,571,705	16,379,007	16,820,561
LCU-20	Medium	6,781,085	3,139,871	7,193,658	9,924,572	13,919,416	11,259,126	14,184,596	17,437,929	32,442,606	26,361,717	32,030,270	37,518,621
LCU-21	Medium	2,138,472	1,179,824	2,540,522	3,632,123	4,592,195	5,790,057	4,994,617	6,427,431	11,445,246	10,176,972	11,591,561	13,678,063
LCU-22	Medium	2,365,249	2,244,159	5,024,059	6,960,390	8,112,461	7,977,484	10,018,906	12,892,811	19,321,759	18,171,627	21,485,487	24,791,796
LCU-23	Medium	2,804,752	2,740,575	6,148,948	8,516,049	10,103,289	9,941,271	12,402,692	15,217,883	23,910,211	23,728,470	26,473,373	30,535,792
LCU-24	Medium	7,210,129	4,572,042	10,335,582	14,180,434	18,431,172	16,437,537	20,525,525	25,295,044	42,025,413	39,745,765	44,444,575	51,223,545
LCU-25	Medium	3,958,556	3,062,448	6,811,224	9,456,308	11,574,271	10,851,537	13,302,871	16,706,035	27,462,782	26,645,201	29,522,540	34,149,510
LCU-26	Medium	4,363,525	4,158,938	9,310,755	12,899,174	15,270,746	15,031,970	18,741,457	23,007,030	38,632,926	36,985,320	39,434,824	46,520,127
LCU-27	Medium	5,436,542	5,150,201	11,547,938	15,898,438	18,954,046	18,681,867	23,250,976	28,543,827	44,737,053	44,408,427	49,549,105	57,186,730
LCU-28	Long	35,163,742	15,464,815	30,144,331	41,762,157	66,477,714	49,353,335	61,187,009	75,073,288	178,716,547	112,771,452	120,076,654	140,543,582
LCU-29	Short	1,317,950	1,250,473	2,709,475	3,678,409	3,958,519	3,958,031	5,134,021	6,349,054	14,474,818	14,397,597	15,550,795	17,456,714
LCU-30	Short	3,835,376	3,416,471	7,648,887	10,896,368	11,369,125	10,986,269	14,238,203	17,635,572	29,529,152	36,129,098	42,110,027	47,597,489
LCU-31	Medium	3,983,244	3,694,429	8,248,454	11,427,456	13,421,966	13,209,101	16,519,452	20,287,906	31,920,361	31,680,037	35,605,728	41,044,239
LCU-32	Long	7,595,367	5,810,408	3,548,396	11,043,000	16,248,195	13,510,075	16,953,124	20,853,408	34,986,856	32,316,061	35,605,579	41,451,959
LCU-33	Long	11,197,210	4,580,243	10,547,918	15,187,351	22,288,150	17,706,384	22,055,773	27,076,965	45,290,725	41,167,461	45,016,793	52,761,318

Annualized Routes	Stage Length	Contribution to Overhead				Network Contribution			
		EMU	ST	SB	AM	EMU	ST	SB	AM
<b>LON 9x (no other EU)</b>		(82,463,371)	(65,838,915)	(66,242,037)	(169,008,793)				
BJSCMB	Long	(2,140,381)	(2,178,594)	(2,014,738)	(5,099,813)	988,997	990,671	1,114,248	1,279,062
BKKCAN	Medium	(2,172,144)	(876,632)	(1,352,493)	(5,670,551)	6,129,669	5,663,707	6,002,502	6,348,290
BKKCMB	Medium	(89,725)	<b>1,739,627</b>	<b>679,675</b>	(1,336,225)	8,370,126	7,811,440	8,371,651	8,994,330
BKKHKG	Medium	(1,777,576)	(1,374,763)	(1,478,459)	(3,979,254)	4,156,522	3,941,467	4,272,891	4,670,240
CANCMB	Medium	(1,623,887)	(1,319,476)	(2,265,710)	(4,907,292)	732,272	734,813	789,307	833,854
CMBDMM	Medium	(4,367,392)	(3,774,629)	(5,532,404)	(13,611,298)	1,623,719	1,576,964	1,648,251	1,714,918
CMBDOH	Medium	(6,240,110)	(3,649,343)	(7,070,473)	(13,000,103)	989,118	997,087	1,015,971	1,029,703
CMBDXB	Medium	(4,898,811)	(3,794,894)	(4,025,740)	(9,027,983)	530,639	548,188	558,737	561,537
CMBJED	Medium	(8,144,172)	(7,335,811)	(9,923,465)	(14,973,949)	2,804,248	2,782,428	2,881,356	2,980,590
CMBKWI	Medium	(12,088,860)	(11,026,623)	(14,091,629)	(20,103,799)	2,771,202	2,748,635	2,865,216	2,973,693
CMBLON	Long	(26,355,487)	(25,699,733)	(32,744,310)	(49,999,199)	2,387,062	2,047,597	2,253,322	2,496,522
CMBMAA	Short	(2,638,363)	(2,361,736)	(2,696,499)	(4,015,389)	5,271,296	4,926,544	5,420,092	6,010,780
CMBMEL	Long	(9,172,225)	(8,484,451)	(9,207,374)	(13,099,399)	2,907,850	2,853,189	2,850,795	2,915,825
CMBMLE	Short	(661,233)	(419,823)	(476,531)	(715,422)	39,447,514	37,811,610	42,083,125	47,385,387
CMBRUH	Medium	<b>430,827</b>	<b>1,152,928</b>	<b>414,201</b>	(2,321,516)	2,129,445	2,117,082	2,293,617	2,456,911
CMBSHA	Long	(2,444,955)	(1,854,505)	(1,185,400)	(3,594,671)	1,537,912	1,474,479	1,647,297	1,870,110
CMBTYO	Long	(4,254,530)	(481,186)	(2,580,488)	(6,576,121)	667,678	631,832	680,022	724,372
<b>LON 9x (no MEL no other EU)</b>		<b>(74,175,890)</b>	<b>(61,064,043)</b>	<b>(69,463,412)</b>	<b>(154,692,145)</b>				
BJSCMB	Long	(2,034,155)	(2,039,162)	(1,905,954)	(5,099,741)	988,939	990,616	1,114,178	1,278,967
BKKCAN	Medium	(2,171,325)	(876,431)	(1,351,326)	(5,247,402)	6,132,648	5,661,546	6,008,200	6,369,654
BKKCMB	Medium	(89,762)	<b>1,342,769</b>	(479,632)	(1,240,643)	8,377,474	7,813,681	8,381,241	9,018,470
BKKHKG	Medium	(1,777,079)	(1,374,894)	(1,478,459)	(3,979,796)	4,162,762	3,946,428	4,279,708	4,680,390
CANCMB	Medium	(1,623,285)	(1,319,460)	(2,267,526)	(4,909,469)	732,272	734,813	789,307	833,854
CMBDMM	Medium	(4,367,392)	(3,774,623)	(5,532,404)	(13,611,298)	1,626,690	1,579,940	1,651,047	1,717,433
CMBDOH	Medium	(6,241,276)	(3,649,676)	(7,070,473)	(13,000,522)	991,746	999,812	1,018,681	1,031,938
CMBDXB	Medium	(4,898,791)	(3,794,749)	(4,025,740)	(9,027,983)	530,222	547,846	558,117	560,655
CMBJED	Medium	(8,144,329)	(7,337,022)	(9,923,465)	(14,973,949)	2,799,099	2,776,911	2,875,524	2,974,690
CMBKWI	Medium	(12,088,496)	(11,026,793)	(14,091,629)	(20,103,799)	2,773,383	2,751,179	2,867,348	2,975,419
CMBLON	Long	(26,355,477)	(25,699,733)	(32,744,310)	(49,999,199)	2,387,803	2,047,601	2,253,728	2,496,941
CMBMAA	Short	(2,638,173)	(2,361,536)	(2,696,319)	(4,015,205)	5,080,061	4,733,533	5,212,106	5,787,102
CMBMLE	Short	(678,094)	(419,823)	(476,531)	(715,422)	39,295,604	37,643,813	41,894,525	47,172,489
CMBRUH	Medium	<b>440,664</b>	<b>689,178</b>	(471,779)	(2,129,503)	2,129,900	2,117,477	2,294,282	2,456,579
CMBSHA	Long	(2,439,721)	(1,848,069)	(1,185,356)	(3,587,342)	1,537,865	1,474,292	1,647,036	1,869,723
CMBTYO	Long	(4,254,530)	(481,186)	(2,580,488)	(6,576,121)	667,937	631,877	680,322	<b>724,647</b>

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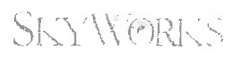
Fuel Price		Short			Medium			Long		
212.48		332	333	359	332	333	359	332	333	359
Cost per	Unit (in USD except fuel burn)	A332	A333	A359	A332	A333	A359	A332	A333	A359
		Short332	Short333	Short359	Medium332	Medium333	Medium359	Long332	Long333	Long359
Fuel Burn (USG)	BH	1,848.00	1,549.00	1,752.05	1,746.00	1,754.00	1,983.92	1,909.00	1,808.00	2,045.00
Engine Performance Restoration (per Engine)	FH	882.16	370.18	335.68	428.19	280.34	287.15	336.82	226.38	254.13

Route Category

Route	Category
FMXJAB	Long
FKKCAN	Medium
FKFCMA	Medium
BFXIRG	Medium
CANCMO	Medium
EMBOMD	Medium
CMRDOH	Medium
CMBDXB	Medium
CMDBRA	Long
CMDFU	Medium
CMRKYV	Medium
CMRBLN	Long
CMRSGAA	Short
CMRMEL	Long
CMRAME	Short
CMRPAR	Long
CMRBOG	Long
CMRBRH	Medium
CMRSHA	Long
CMRATG	Long



Description (Cost for A320 except fuel burn)	Cost per	LON 2011 (A)			LON 2011 (B other C)			LON 2011 (A other D)			LON 2011 (B other E)		
		332	333	359	332	333	359	332	333	359	332	333	359
Direct Cost (per A320 except fuel burn)	Cost per	332	333	359	332	333	359	332	333	359	332	333	359
Doc													
Pass. burn (25%)													
Landing cost	Departure	1,412.64	1,050.28	1,846.22	1,515.91	1,007.56	1,604.58	1,515.03	1,421.58	1,624.38	1,115.67	1,072.13	1,421.52
Navigation cost	ASK	0.001936	0.002201	0.002201	0.001957	0.001983	0.001983	0.001983	0.001983	0.001983	0.001983	0.001983	0.001983
Handling	Departure	2,876.75	3,924.06	3,924.06	1,664.32	2,521.15	2,621.15	1,664.92	2,621.15	2,621.15	1,664.92	2,621.15	2,621.15
Weight cost	Passenger	9.57	13.36	13.36	7.19	10.30	10.30	7.19	10.30	10.30	7.19	10.30	10.30
Multi-Phase Cost													
Companions	FH	152.00	152.00	121.85	152.00	152.00	121.85	152.00	152.00	121.85	152.00	152.00	121.85
Miscellin	FH	70.00	70.00	64.81	70.00	70.00	64.81	70.00	70.00	64.81	70.00	70.00	64.81
Meals & Brics	Departure	190.00	190.00	175.23	190.00	190.00	175.23	190.00	190.00	175.23	190.00	190.00	175.23
Unit Maintenance	Departure	297.91	260.00	260.00	297.91	260.00	260.00	297.91	260.00	260.00	297.91	260.00	260.00
A-Check	FH	78.00	43.00	54.95	78.00	48.00	54.95	78.00	48.00	54.95	78.00	48.00	54.95
C-Check	Month	11,542	11,042	11,042	11,542	11,042	11,042	11,542	11,042	11,042	11,542	11,042	11,042
Ground Check	Month	23,500	22,542	22,542	23,500	22,542	22,542	23,500	22,542	22,542	23,500	22,542	22,542
Engine Check	Month	11,250	11,056	10,956	11,250	11,056	10,956	11,250	11,056	10,956	11,250	11,056	10,956
Painting Costs (Annual)	Month	30,800	30,000	22,500	30,800	30,000	22,500	30,800	30,000	22,500	30,800	30,000	22,500
APU Deprecia	Departure	61.38	63.36	63.36	61.38	63.36	63.36	61.38	63.36	63.36	61.38	63.36	63.36
Engine Performance Reduction (per Engine)	FH												
Engine (per Eng. Cycle)	Departure	515.64	542.09	629.34	515.64	542.09	629.34	515.64	542.09	629.34	515.64	542.09	629.34
Aircraft Related													
Aircraft Rent	Month	473,956	1,061,061	1,270,000	473,956	1,061,061	1,270,000	473,956	1,061,061	1,270,000	473,956	1,061,061	1,270,000
Cost per hour cost	BH	372.40	372.40	372.40	372.40	372.40	372.40	372.40	372.40	372.40	372.40	372.40	372.40
Cost per cost	BH	87.97	87.97	87.97	87.97	87.97	87.97	87.97	87.97	87.97	87.97	87.97	87.97
Cost per hour cost	BH	44.50	44.50	44.50	44.50	44.50	44.50	44.50	44.50	44.50	44.50	44.50	44.50
Cost Aircraft Related	BH	199.70	49.11	49.11	199.70	49.11	49.11	199.70	49.11	49.11	199.70	49.11	49.11
Aircraft Related (Cont)													
Initial Fuel	Annual	106,409	151,169	151,169	106,409	151,169	151,169	106,409	151,169	151,169	106,409	151,169	151,169
Fuel per Passenger	Passenger	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791	0.1791
Cost per Passenger	Passenger	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164	0.1164
Departure	Departure	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6	16,523.6
Cost - AHSZ	Passenger	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349	0.0349
Over expenses	BH	494.54	490.84	490.84	494.54	490.84	490.84	494.54	490.84	490.84	494.54	490.84	490.84
Other													
ASK	ASK	0.00868	0.00742	0.00732	0.00868	0.00821	0.00821	0.00868	0.00821	0.00821	0.00868	0.00821	0.00821



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APPENDIX VII - TRAFFIC, CAPACITY, AND YIELD HISTORY BY REGION



**Traffic Summary**

Market	PDSW					Year-over-Year (%)				CAGR
	2011	2012	2013	2014	2015	2011-12	2012-13	2013-14	2014-15	2011-2015
EU, ME, AF, NA	2,803	3,196	3,362	3,763	4,149	14.0%	5.2%	11.9%	10.3%	10.3%
Rest of Asia	1,996	2,165	2,448	2,712	3,118	8.5%	13.1%	10.8%	15.0%	11.8%
India	1,450	1,589	1,572	1,481	1,528	9.6%	(1.1%)	(5.8%)	3.1%	1.3%
Australasia	163	190	204	221	234	16.5%	7.5%	8.0%	6.1%	9.4%

Source: Diio FMg

**Capacity Summary**

Market	Seats per Day Each Way						Year-over-Year (%)					CAGR
	2011	2012	2013	2014	2015	2016	2011-12	2012-13	2013-14	2014-15	2015-16	2011-2016
EU, ME, AF, NA	2,606	2,808	2,830	3,316	3,941	4,381	7.7%	0.8%	17.2%	18.8%	11.2%	10.9%
Rest of Asia	2,276	2,485	2,604	2,863	2,995	3,130	9.2%	4.8%	10.0%	4.6%	4.5%	6.6%
India	1,238	1,340	1,234	893	806	1,188	8.2%	(7.9%)	(27.7%)	(9.7%)	47.4%	(0.8%)

\* Competitor capacity only, does not contain UL seats.

Source: Innovata Schedules (via Diio)

**Yield Summary**

Market	Yield (\$/RPK)					Year-over-Year (%)				CAGR
	2011	2012	2013	2014	2015	2011-12	2012-13	2013-14	2014-15	2011-2015
EU, ME, AF, NA	\$0.05	\$0.05	\$0.05	\$0.05	\$0.04	(5.2%)	6.8%	(9.2%)	(17.1%)	(6.6%)
Rest of Asia	\$0.11	\$0.10	\$0.09	\$0.08	\$0.07	(8.2%)	(5.1%)	(14.0%)	(9.1%)	(9.1%)
India	\$0.10	\$0.09	\$0.09	\$0.10	\$0.11	(10.6%)	7.2%	9.9%	4.0%	2.3%
Australasia	\$0.07	\$0.07	\$0.06	\$0.05	\$0.04	(5.4%)	(16.5%)	(16.2%)	(6.3%)	(11.3%)

Source: Diio FMg

APPENDIX VIII – AERCAP PORTFOLIO OVERVIEW



- AerCap has 1,254 aircraft in its fleet as of September 2015:
  - 76% are single-aisle, 23% are widebody, and 2% are cargo aircraft based on aircraft count.
  - Approximately 2.8% of the fleet is currently stored.

→ Of the 294 widebody aircraft, 44% of which consists of the A330-200s (26%) and A330-300s (18%).

AerCap Current Fleet by Type <sup>1</sup>					
	Build Range	Avg. Age	In Service	Stored	Current / Total
<b>Wide-body</b>					
A330-200	1996 - 2011	10.5	75	1	77
A330-300(Pre 1999)	1994 - 1998	19.4	14	-	14
A330-300(1999 & After)	1999 - 2015	6.9	39	-	39
A340-300	1999 - 2001	16.9	3	1	4
A340-600	2003 - 2007	9.7	10	-	10
A350-900	2015	-	1	-	1
747-400	1994 - 2004	15.4	5	-	5
747-400ER	2002 - 2004	12.4	3	-	3
767-300ER	1992 - 2008	17.7	38	5	43
777-200ER	1996 - 2007	12.3	18	1	19
777-300	2000 - 2009	13.0	6	-	6
777-300ER	2004 - 2013	6.1	27	-	27
787-8	2013 - 2015	0.9	19	-	19
<b>Total Wide-Body</b>			<b>286</b>	<b>8</b>	<b>294</b>
<b>Single-Aisle</b>					
A319-100	1997 - 2010	10.2	100	7	107
A320-200	1989 - 2013	10.6	257	6	263
A321-100	1994 - 1999	18.7	11	-	11
A321-200	1997 - 2015	10.7	302	-	302
737-300	1990 - 1996	21.2	50	9	59
737-400	1989 - 1997	21.5	14	4	18
737-500	1995 - 1998	16.5	10	1	11
737-700	1986 - 2008	11.8	70	3	73
737-800	1998 - 2015	7.0	266	3	269
757-200	1990 - 2002	17.7	37	3	40
CRJ900	2005 - 2007	4.5	4	-	4
<b>Total Single-Aisle</b>			<b>927</b>	<b>26</b>	<b>953</b>
<b>Cargo</b>					
A300-600RC	1996	19.0	1	-	1
A300-600RF	1994	23.0	1	1	2
737-300SF	1993	22.0	1	-	1
747-400F	1999	16.0	1	-	1
<b>Total Other</b>			<b>6</b>	<b>2</b>	<b>7</b>
<b>Grand Total</b>			<b>1,219</b>	<b>35</b>	<b>1,254</b>

<sup>1</sup> Ascend fleet database as of September 2015.

- AerCap currently has 428 aircraft on order for delivery, consists of 359 (72%) single-aisle aircraft and 69 (18%) widebody aircraft.
- The widebody aircraft orderbook consists of only A350-900 and 787 aircraft.
  - While Ascend shows two A350-900s without an assigned lessee, it does not necessarily mean they have not been placed on a lease.

AerCap Orderbook by Type <sup>1</sup>														
	Total Orderbook							Orderbook Unassigned to Specific Lessee						
	Total	2015	2016	2017	2018	2019	2019+	Total	2015	2016	2017	2018	2019	2019+
<b>Wide-Body</b>														
A350-900	19	1	7	7	4	-	-	2	-	1	-	1	-	-
787-8	8	-	2	3	3	-	-	6	-	2	3	1	-	-
787-9	42	3	13	8	13	5	-	16	1	1	1	11	2	-
<b>Total Wide-body</b>	<b>69</b>	<b>4</b>	<b>22</b>	<b>18</b>	<b>20</b>	<b>5</b>	<b>-</b>	<b>24</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>13</b>	<b>2</b>	<b>-</b>
<b>Single-Aisle</b>														
A320-200neo	164	1	22	35	24	39	43	112	-	7	13	16	33	43
A321-200neo	36	-	-	5	19	1	11	21	-	-	1	11	-	9
737-800	9	6	3	-	-	-	-	-	-	-	-	-	-	-
737-Max 8	100	-	-	-	-	23	77	100	-	-	-	-	23	77
E190	50	-	-	-	5	15	30	50	-	-	-	5	15	30
<b>Total Single-Aisle</b>	<b>359</b>	<b>7</b>	<b>25</b>	<b>40</b>	<b>48</b>	<b>78</b>	<b>161</b>	<b>283</b>	<b>-</b>	<b>7</b>	<b>14</b>	<b>32</b>	<b>71</b>	<b>159</b>
<b>Grand Total</b>	<b>428</b>	<b>11</b>	<b>47</b>	<b>58</b>	<b>68</b>	<b>83</b>	<b>161</b>	<b>307</b>	<b>1</b>	<b>11</b>	<b>18</b>	<b>45</b>	<b>73</b>	<b>159</b>

<sup>1</sup> Ascend fleet database as of September 2015.

- The table below represents lease expirations by year and aircraft type in the AerCap portfolio, as of March 2015.
- A significant number of the A330 leases (68%) are scheduled to expire by 2020.

	Lease Expirations							
	By Year						Total	
	2015	2016	2017	2018	2019	2020	2015-2020	2021+
<b>Wide-Body</b>								
A330	7	19	20	9	10	14	79	37
A310	1	-	-	-	-	-	1	-
767	6	6	8	13	7	3	43	1
777	1	4	12	28	12	1	58	12
787	-	-	-	-	-	-	-	18
<b>Total Wide-Body</b>	<b>15</b>	<b>29</b>	<b>40</b>	<b>50</b>	<b>29</b>	<b>18</b>	<b>181</b>	<b>68</b>
<b>Single-Aisle</b>								
A319	5	29	19	17	15	32	117	26
A320	19	44	34	34	36	36	203	32
A321	4	22	14	13	11	15	79	15
737NG	16	40	48	32	27	22	185	108
<b>Total Single-Aisle</b>	<b>44</b>	<b>135</b>	<b>115</b>	<b>96</b>	<b>89</b>	<b>105</b>	<b>584</b>	<b>181</b>
<b>Other</b>								
Other	21	12	17	7	7	6	70	1
<b>Grand Total</b>	<b>80</b>	<b>176</b>	<b>172</b>	<b>153</b>	<b>125</b>	<b>129</b>	<b>835</b>	<b>250</b>

Source: AerCap 20F statement as of March 31, 2015

APPENDIX IX – SELECT AIRBUS WIDEBODY AIRCRAFT MARKET OVERVIEW





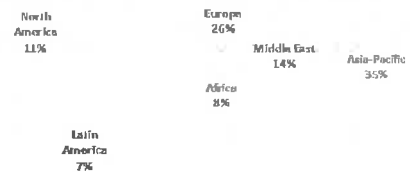
A330-200 Market Overview

The strength of the A330-200 has been due largely to attractive seat mile costs and a reasonably large operator base. Approximately 50% of the fleet is owned by operating leasing companies. Lease rates have been declining and competition between lessors as competing new technology aircraft deliver in greater numbers is expected to see rental rates reduce further. The A330-800neo (scheduled for entry into service in 2018) will join the B787 as a possible replacement option. Airbus will cut production starting in [Q4 2015] and is expected to cease production of the type in 2018 as the new engine option aircraft enter service. Four aircraft have been parted out to date but the high commonality with the A340, which has already flooded the part out market, makes the aircraft an unattractive candidate for part out. The first order for passenger to freighter conversion was received in 2015 (Egyptair) but obviously the future of that program will be dependant on future cargo market growth.

A330-200 Current Fleet Overview			
Fleet Status	Quantity	Region	Aircraft
Aircraft in Service	499	Europe	134
Aircraft in Storage	25	North America	57
Aircraft on Order	49	Asia-Pacific	180
Number of Operators*	75	Latin America	37
Number of Lessors	37	Africa	33
Open Orders**	299	Middle East	25
Lessor Orders Placed with Customers	3		

\* Only included aircraft for commercial use. Source: Ascend Database as of 10/06/2015  
 \*\* Includes all aircraft in service and in storage  
 \*\*\* Includes owned and managed aircraft in service and in storage.

Geographic Distribution of A330-200 Aircraft



Top 10 A330-200 Operators		Top 10 A330-200 Lessors		A330-200 Operators	
Operator	Aircraft	Lessor	Aircraft	Operator	Aircraft
Air China	10	Zurich	27	Long Air Aviation	20
China Eastern Airlines	27	Ch. Aerospace	27	Embraer	17
Malaysia Airlines	21	SKYAS	27	Shandong Airlines	7
Qatar Airways (Qatar)	19	Aviation Capital Group	15	China East	6
China Southern Airlines	19	AerAsia Aviation LLC	11	Hangzhou Airlines	4
Qatar Airways	13	BAU Capital	11	Interjet	2
Embraer Aviation	12	ABAS	6	Almalyk	2
China Southern Airlines	12	Aviation Group	6	Malaysian Airlines	1
China Eastern Airlines	10	QBE Leasing Company	6	Embraer	1
American Airlines	15	Aviation Leasehold Corporation	5	Aviation	1
Apollo Aviation Group	5	Apollo Aviation Group	5	Air Lease Corporation	1
Total Top 10 Operators	215	Total Top 10 Lessors	207	Global East Airlines	1
Total (All Operators)	517	Total (All Lessors)	239	Total (All Operators)	19



A330-300 HGW Market Overview

The A330-300 remains a popular widebody choice due to its low cost and attractive long haul capability. While a popular aircraft, the multitude of engine options has led to fragmentation of the market for the A330. The Rolls Royce Trent 772 remains the most popular engine variant, with most engines enrolled in the TotalCare program. With competition from new technology aircraft such as the 787-9 and the A350-900 and more to come when the 787-10 and A330-900 begin to deliver, used A330-300s are available at attractive levels. We expect this trend to continue. Storage levels for A330s has increased over the past year and remarketing of the aircraft now takes longer than previously. All sales in the past eighteen months have been either sale and leasebacks or sales with a lease attached. There are presently [8] A330-300 HGW aircraft currently available for sale or lease.

A330-300 (QV, current figs) Overview

Fleet Status	Quantity	Region	Aircraft
Amount in Service	530	Europe	126
Amount in Storage	10	Latin America	48
Amount in Flight	119	Asia-Pacific	316
Amount of Operators	56	Latin America	5
Amount of Lessors	39	Africa	5
Total Fleet	539	Middle East	39
Active Orders	37		
Available to Potential Customers	51		

Geographic Distribution of A330-300 HGW Aircraft



Source: Ascend Database as of 10/05/2015  
 \* Includes aircraft in storage and in service  
 \*\* Includes aircraft in storage and in service

Top 10 A330-300 HGW Operators		Top 10 A330-300 HGW Lessors		Top 10 A330-300 HGW Orderbooks	
Operator	Aircraft	Lessor	Aircraft	Owner	Aircraft
Emirates	46	Aer Lingus	19	International Air Transport Corporation	26
Virgin Atlantic	30	China Eastern	17	United Arab Emirates	18
Turkish Airlines	25	AZAL	15	AirAsia	12
SriLankan	15	Indigo	12	Etihad Airways	12
Qatar Airways	13	Qatar Airways	7	Beta Airlines	7
Air France	10	BCC Aviation	11	BCC Aviation	7
Qatar Airways	10	GECAS	11	Gulf Air	6
Avianca	9	AMEC Aviation Co	9	Indigo	5
Qatar Airways	7	Indigo LLC	8	Turkish Airlines	5
Qatar Airways	7	Air Lease Corporation	5	Etihad Airways	5
Qatar Airways	6	Alexander Aviation LLC	5	Total Top 10 Orderbooks	97
Total Top 10 Operators	252	Total Top 10 Lessors	151	Total All Orderbooks	119
Total All Operators	533	Total All Lessors	224		

High Gross Weight includes all aircraft built in 1999 and later



**A350-900 Market Overview**

The current fleet of A350-900 consists of six aircraft, four of which in service with Qatar Airways and two with Vietnam Airlines. According to Ascend, the Current Market values range from \$133 million for a 2014 vintage to \$141 million for a 2015-built. Market values and lease rates have remained stable since entry into service in December of last year.

The order backlog remains strong at just over 590 aircraft, despite cancellations from Emirates in 2014 (50 units) and SIA in 2015 (7 units). TAP Portugal is expected to cancel its order for 12 units and swap to A330neo instead.

In Q4 2014 Delta placed an order for 25 A350-900 and 25 A350-1000. Only one order was placed in the first half of 2015 and it was for a single aircraft by ALL.

The A350 production rate is currently at 3 per month, as Airbus attempts to mitigate entry-into-service issues, and expected to reach 5 per month in late 2015 and 10 per month by 2016.

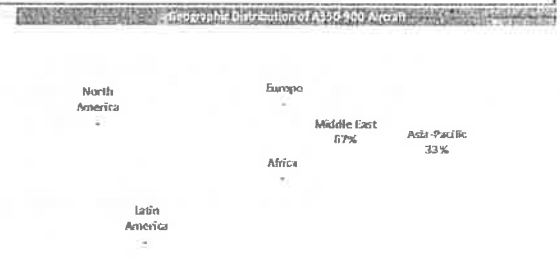
The existing deliveries are owned by AerCap, CIT and GECCAS, with the latter entering into sale-leasebacks for eight Qatar aircraft and two upcoming Finair deliveries. TAM, SIA and Cathay Pacific are also scheduled to take deliveries in late 2015 and early 2016.

A regional version of the A350-900, with reduced MTOW (250t) and thrust (74,000lb), is being considered in response to the launch of the 787-10. SIA and Etihad are said to be among the first customers. Freightier and long-range versions may also become available at a later stage.

**A350-900 Current Fleet Overview**

Fleet Status	Quantity	Region	Aircraft
Fleet in Service	6	Asia-Pacific	2
Storage in Service	0	Middle East	0
Aircraft on Order	591		
Number of Operators*	2		
Number of Countries	2		
Order Fleet*	6		
Order Orders	62		
Order Orders Placed with Customers	75		

\*Only aircraft owned for commercial use. Source: Ascend Database as of 30/09/2015.  
 \*\*Numbers correct as of 30/09/2015.  
 \*The figures above do not include aircraft in storage and in storage.



**Top 10 A350-900 Operators**

Operator	Aircraft
Qatar Airways	4
Vietnam Airlines	2
<b>Total 10 Operators</b>	<b>6</b>

**Top 10 A350-900 Lessors**

Lessor	Aircraft
GECCAS	4
CIT Aerospace	1
AerCap	1
<b>Total 10 Lessors</b>	<b>6</b>

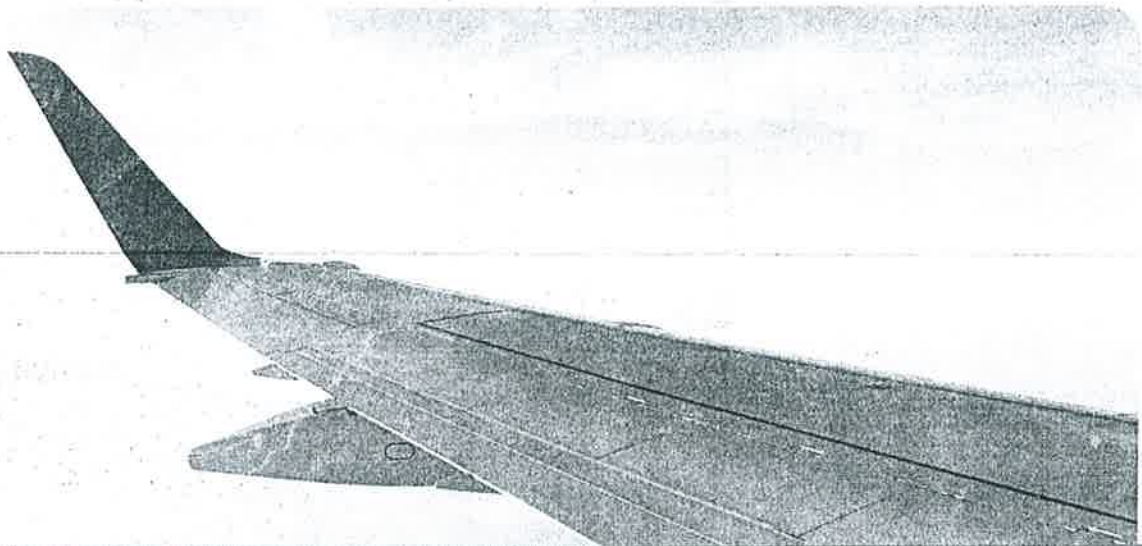
**Top 10 A350-900 Orders**

Owner	Aircraft
Singapore Airlines	10
Qatar Airways	10
AerCap	10
Qatar Airways	10
Qatar Airways	10
Qatar Airways	10
Qatar Airways	10
Qatar Airways	10
Qatar Airways	10
Qatar Airways	10
<b>Total Top 10 Orders</b>	<b>107</b>
<b>Total (All Orders)</b>	<b>591</b>



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# SKYWORKS



## SriLankan Airlines – Break Cost Summary

October 25, 2015

## Options Summary

- Two alternatives were analysed by SkyWorks related to the ongoing widebody fleet for SriLankan.
- Scenario 1 would have SriLankan negotiate a termination of the lease for the four A350-900 aircraft from AerCap.
  - This was set out in the Interim Report, where in SkyWorks judgement, the likely termination payment to AerCap could be in the range of US \$50-100 million. This is before any potential mitigation which could involve leasing other AerCap aircraft to SriLankan.
- Scenario 2 would have SriLankan take the four AerCap A350-900 aircraft and early terminate four other aircraft currently in the fleet in order to maintain the widebody fleet count as per the SriLankan Restructuring Plan (same number of widebody aircraft in each scenario).
  - The cost to SriLankan (reduced earnings & lease breakage costs) of this Scenario is estimated, in SkyWorks judgement, to be at least US \$300 million. This is a combination of:
    - Higher operating cost, ownership cost and lower revenue production of the A350s will reduce SriLankan earnings by at least US \$240 million over the 12 year period of these leases.
    - Break costs of four A330 widebody aircraft currently that will need to be early terminated in order to make room for the A350s is estimated to be at least US \$60 million and possibly as much as \$120 million depending on which aircraft are terminated.
- In Summary, SkyWorks believes that the current SriLankan plan (Scenario 1), is significantly less costly to SriLankan than the alternative (Scenario 2).

## Market Update

- The market for A330-200s is very weak and deteriorating.
  - Given the age of the SriLankan A330-200s and the time remaining on the leases, it will be extremely difficult for lessors to place these aircraft and earn rent to mitigate the lost rents on the leases to SriLankan.
  - Thus, SkyWorks assumes that SriLankan will be required to make whole the rent through end of lease even though the aircraft will be early terminated.
- The market for A330-300s is stronger than that for the A330-200, but not robust.
  - Lease rates have declined as new technology aircraft (A350) have been delivered and as many aircraft (of older vintage) are coming off lease and are available in the market.
  - If an aircraft being terminated was originally ordered by SriLankan from Airbus and subject to a Sale-Leaseback transaction, such as the HKAC leases, lessors will be less willing to absorb any shortfall in rent they receive over the planned period of the lease.
- Thus, SkyWorks assumes that it could take 12-18 months to remarket any A330-200 & A330-300 and, in some cases, that SriLankan may need to cover the difference between market rent and the committed rent for the remaining period of the lease.

### Scenario #2 Description and Result

→ Under scenario #2, if SriLankan were to take the four AerCap A350s and maintain its Plan level of wide-body aircraft, four other wideb-odies would need to leave the fleet. That fleet is a mix of A330-200s and newly delivered A330-300s.

1. Costs associated with aircraft downtime:
  - Lost contractual rent: We have assumed an average of 12 months to remarket each aircraft. Individual aircraft could take longer.
  - Aircraft maintenance value lost on a calendar basis during the remarketing period.
  - Other Costs, such as parking, storage, insurance, remarketing and legal fees.
2. Transition costs, including rebranding and possible reconfiguration.
3. A "Mark to Market" settlement, as compensation for the difference between contractual rent and current appraised rent. Lower market rent than appraised rent would increase MTM rent cost for SriLankan.

→ SkyWorks estimates the likely costs as follows:

1. Costs associated with downtime could amount to as much as US \$45 million (total for four aircraft).
2. Transition costs can vary widely but have been assumed as US \$5 million per aircraft i.e. up to US \$20 million in total for the four aircraft. This cost may be higher depending on the changes required for next lessee.
3. Market lease rates on A330 aircraft have declined since each of these leases were negotiated. A "Mark to Market" settlement based upon a difference in rentals over all of the remaining lease term could result in an exposure as much as US \$55 million. There are no mitigation opportunities.

→ SkyWorks estimates the exposure is at least US \$60 million and possibly as much as \$120 million.





Mayuka Ranasinghe

From: Yasantha Dissanayake - HOFM  
 Sent: Monday, July 04, 2016 1:30 PM  
 To: Mayuka Ranasinghe  
 Subject: FW: Update on SriLankan and Meeting request

FYI

From: Yasantha Dissanayake - HOFM  
 Sent: 30 October 2015 13:39  
 To: [pscruggs@aercap.com](mailto:pscruggs@aercap.com)  
 Cc: [panderson@aercap.com](mailto:panderson@aercap.com); Suthesh Selvaratnam ([sasuthesh@aercap.com](mailto:sasuthesh@aercap.com)); Suren Ratwatte - CEO  
 Subject: FW: Update on SriLankan and Meeting request

Sorry did not copy Suthesh and Peter

From: Yasantha Dissanayake - HOFM  
 Sent: 30 October 2015 08:45  
 To: [pscruggs@aercap.com](mailto:pscruggs@aercap.com)  
 Cc: Suren Ratwatte - CEO  
 Subject: Update on SriLankan and Meeting request

Dear Phil

I hope this note finds you well, as it has been some time since we were last in touch.

You may well have followed the developments through various media outlets, however I wanted to take the opportunity to bring you up to date with recent matters involving SriLankan Airlines as one of our valued long-term partners and a key strategic aircraft lessor.

As you may be aware, there have been significant changes in the country's political environment and a new Board of Directors has been appointed. As a part of the new management structure, Captain Suren Ratwatte was appointed as our Chief Executive Officer with effect from 15th October. Capt. Ratwatte is an experienced pilot and has previously performed several key executive roles at Emirates while based in Dubai.

We are very encouraged as a business by his appointment and the Board of Directors are convinced that we will now move forward again constructively in pursuit of the Government's recently stated objective; to return the airline to profitability in the medium term and thereby secure its future. The new Board of Directors is totally committed to achieving this objective.

With that in mind, I would like to set up a meeting with you and relevant colleagues at AerCap who are involved with our business, as soon as possible in order to both introduce you in person to Suren and to bring you into the picture regarding the ongoing strategic review of SriLankan's route network and business operations now being implemented in response to changes in both market demand and competitive equipment capacity.

As you might expect, one of the topics of that strategic review will be to match the market to the equipment deployed on our key routes. In particular, this will bring into focus the utility of A350 that are scheduled to be placed into service with us next year in the context of our future intentions, as well as a host of other points related to our wider fleet development plans including choices of narrow- and wide-body aircraft supplied and to be supplied by you at AerCap. This review will necessarily need to address the re-deployment of undesirable or excess capacity and an associated fleet restructuring, which particularly includes the A350

1

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AerCap aircraft. We would therefore like to move ahead with that now, with your involvement and collaboration to an end which benefits each party concerned.

I therefore look forward to your reply to meet up with Suren at the earliest and as a matter of priority.

It goes without saying that we continue to value the excellent relationship going back some years with you and AerCap, and it is very much in this spirit that I now write to you.

Do give me a call if you need to discuss this now, otherwise I look forward to hearing from you by return in order to fix a date to visit your offices at the earliest.

Best regards  
Yasantha

Yasantha Dissanayake  
Head of Financial Management  
SriLankan Airlines Ltd  
Airline Centre - BIA  
Katunayake  
Sri Lanka

Tel. 94-(0)- 19733-2613 Fax 94-(0)- 19733-5252 Mobile 84-(0)-71-979777


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**TABLED**  
Company Secretary  
SriLankan Airlines  
Date: 27/11/2015

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Dulna - table this please  
27/11/2015  
CEO/2015/10/137 - CA

Minute to the Board of Directors on the discussions with AerCap (Lessors of A350-900 aircraft) scheduled for delivery to UL in 2016 and early 2017)

1. Pursuant to an initial communication sent from SriLankan to AerCap requesting a meeting with AerCap, a meeting was held in Amsterdam on 23<sup>rd</sup> November 2015.
2. Chairman, CEO and Head of Financial Management briefed AerCap Chief Marketing Officer Phillip Scruggs on the developments in the country and in the airline and the expectations of the shareholder. AerCap was also briefed on the salient points of the Re-structuring Plan and the inability to take on the A350-900 aircraft on the scheduled delivery dates and seeking their assistance for a solution.
3. AerCap's initial re-action was that they would not be able to find other takers for the aircraft at this point in time and it is not possible to cancel the aircraft delivery from Airbus.
4. UL stressed that the viability of the airline would be at risk if the A350-900 aircraft were taken at this time due to the heavy lease costs.
5. AerCap intimated that they would look for other possible lessees for the aircraft but suggested that it would be sensible to appoint a re-marketing agent and suggested Cabot Leasing being the largest Aircraft Leasing Company.
6. The discussions with AerCap were cordial.
7. After the meeting with AerCap, CEO met with SkyWorks and UL's Legal Counsel and briefed them of the outcome of the discussions. They acknowledged that the initial response from AerCap was as expected. SkyWorks also agreed that a re-marketing agent should be appointed and also independently suggested Cabot Leasing.
8. At this meeting it was also recommended by SkyWorks and UL's international Legal Counsel, that a letter be sent from Chairman to John Leahy, Chief Operating Officer, Customers of Airbus seeking his assistance on a solution for the A350-900 aircraft to be taken from AerCap. Both SkyWorks and UL's Legal counsel who is familiar with Airbus, indicated that Airbus is often able to change and defer delivery dates and therefore based on the goodwill that UL has with Airbus this approach should be pursued. Accordingly Chairman will be communicating with Airbus based on a draft letter prepared by UL international Legal Counsel.
9. It is also recommended that UL approaches the other Lessors also for reductions in lease rentals to improve the bottom line.
10. In terms of appointing a re-marketing agent for the A350-900s; it is recommended that UL calls for quotations from three parties through UL Procurement and that UL Board appoints a Board Sub Committee to evaluate the quotations and appoint an Agent. In view of the urgency in moving forward it is recommended that UL calls for quotations from the following parties:

CERTIFIED COPY  
  
COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/10/2016

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- Cabot Aviation (as suggested by both AerCap and SkyWorks)
- Nyras Limited
- DVB Bank

*For the consultancy on the A350-900 Aircraft both Nyras and DVB were requested to provide quotations.*

27<sup>th</sup> November 2015

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*[Signature]*  
COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE 10/10/2016

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EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 26<sup>TH</sup> JANUARY 2016 AT 10.00A.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED

Present: Mr. Ajith N. Dias - Chairman  
Mr. Rakhita S. Jayawardena - Director/CEO  
Mr. R. Chanaka D. De Silva - Director  
Mr. Mahinda Haradasa - Director  
Mr. Harindra K. Balapatabendi - Director  
Lt. Col. Sunil Peris - Director  
Ms. Dalene Thirukumar - Company Secretary

by Invitation: Mr. Suren Ratwatte CEO

Secretary: Mr. W. D. Silva  
Mr. Suren Ratwatte

Agenda

1. Legal Opinion on the Aircraft Lease Agreements

The contents of the legal opinion obtained from Mr. Anil Tittawella and from Philo Perretta of Kayeschnolar were noted by the Board. Mr. M. Haradasa/Director stated that he would study the contents of the opinion and clarify on the conclusion provided by Mr. Anil Tittawella and revert to the Board accordingly. UNQUOTE

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SriLankan Airlines Limited  
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Tel: +94 (0) 19733 5555 • Fax: +94 (0) 19733 5122 • Website: www.srilankan.com  
Company Reg PB 67



Anil Tiunawella LL.M (Hons.)  
President's Counsel

## OPINION

### Introduction:

SriLankan Airlines Ltd ("SLA") is a company incorporated in Sri Lanka. Its major shareholder is the Government of Sri Lanka ("GOSL"). Its business activity includes operating the country's national carrier "SriLankan".

SLA entered into four aircraft lease agreements with International Lease Finance Corporation ("ILFC") to lease four Airbus A350-900XWB aircraft for a period of 12 years.

We are instructed that, SLA's decision to acquire these aircraft was based on its then business plan.

SLA has furnished us copies of (i) an Aircraft Lease Agreement dated 27<sup>th</sup> September 2013 with a scheduled delivery date in the month of August 2016 ("Aircraft Lease Agreement"); (ii) SLA's Articles of Association (with amendments up to August 2008); and (iii) a detailed note prepared by Mr. Mayuka Ranasinghe.

SLA its current business plan for the next several years in the light of new business synergies and challenges have determined that these four aircraft could be surplus to requirements. In any event, SLA financial and cash flow projections do not permit a sustainable servicing of these leases.

SLA has sought our opinion, inter-alia, on the following questions:

*"In the event of SLA deciding to not take delivery of the said aircraft:*

- A. *What are the gamut of consequences to SLA and the liabilities of SLA?*
- B. *Should any liability to pay damages exist, what is the principle applicable in determining the quantum of compensation?"*

Before we proceed to consider the above, it is important that we discuss the circumstances under which SLA can repudiate the said leases.

Anil Titawella LL.M (Hons.)  
President's Counsel

The salient points of the Aircraft Lease Agreements for the purpose of repudiation are:

- (i) An "event of default" under the Aircraft Lease Agreement would be a material breach and repudiation of the said leases by SLA.<sup>1</sup>
- (ii) Upon becoming aware of such an event, SLA must promptly give notice to ILFC<sup>2</sup>.
- (iii) ILFC is entitled to several remedies in an event of default.<sup>3</sup>
- (iv) SLA faces, inter-alia, claims for damages on an "indemnity basis"<sup>4</sup> on an event of default occurring.
- (v) The indemnities granted by SLA are continuing indemnities notwithstanding repudiation by SLA<sup>5</sup>.
- (vi) The lease agreements are governed by English Law and the courts of England will have non-exclusive jurisdiction<sup>6</sup>.

The events of default are any one of the following:-

- Failure to take delivery;
- Failure to pay rent or other dues under the leases;
- Failure to obtain and maintain insurance;
- Failure to return the aircraft;
- Failure to maintain a letter of credit under the leases;
- Breach of any covenant or obligation under the leases;
- Any representation or warranty by SLA being untrue, inaccurate or misleading;
- ~~The aircraft registration or its airworthiness certificate is cancelled, revoked, suspended, terminated or not renewed or otherwise ceases;~~
- SLA ceases to have possession of the aircraft;
- SLA discontinues a substantial part of its business or disposes of a substantial part of its assets;
- A material adverse change in SLA's finances;
- Any licenses, certificates, approvals, permits etc required to conduct business as a certified air carrier cease or are terminated;
- Failure to pay any airport and navigation charges, landing fees, charges or penalties on aircraft emission in respect of any aircraft operated by SLA;

<sup>1</sup> Article 25.1 of the Lease Agreement

<sup>2</sup> Article 25.1

<sup>3</sup> Article 25.3

<sup>4</sup> Article 25.4

<sup>5</sup> Article 17 read with Article 25.3(a), (b), (c) and (d)

<sup>6</sup> Article 27. It is important to note that, non-exclusive jurisdiction means ILFC will have the right to institute legal proceedings in any jurisdiction of its choice. But, for all practical purposes, this wide discretion is circumscribed by reciprocal enforcement limitations.

Anil Titawella LL.M (Hons.)  
President's Counsel

- SLA is or becomes or is deemed to be insolvent;
- SLA is in insolvency proceedings;
- Any debt with a balance of USD 3 Million is declared due prematurely;
- SLA is in default under any lease or other agreement pursuant to which SLA has possession of any aircraft;
- Any attachment, sequestration, distress or execution is placed on the aircraft or assets of SLA;
- Sublease of the aircraft with ILFC permission or a sub-lessee acts so as to prevent SLA from fulfilling its obligations;
- Change of control of SLA;
- Use of the aircraft in violation of the Aircraft Lease Agreement;
- SLA is in default of any other agreement with ILFC or a Servicer or Affiliate of ILFC;
- SLA removes parts from these aircraft to use on other aircraft.

The consequences of an event of default vary depending only if it occurs before or after SLA takes delivery of the aircraft<sup>7</sup>.

In both instances, obligations under the Aircraft Lease Agreement continue and SLA will be liable in damages<sup>8</sup>.

But, in the case of an event of default post-delivery, additional costs of returning of the aircraft, repossession, restoring the aircraft to good condition etc will have to be borne by SLA.

Though it is not expressly mentioned in the Aircraft Lease Agreement, the common law duty for a claimant to mitigate losses will transcend any claim for damages and SLA may, if the circumstances so warrant, take up such position which may help to reduce the quantum of damages that may be awarded.

Pending ILFC reutilising the aircraft, ILFC also has the right to demand accelerated payment of the balance rentals and maintenance costs.

The right of the ILFC to accelerate payments is recognised only in the context of ILFC recovering the possession of the Aircraft and therefore, it is not expressly provided that this right is available to ILFC where an event of default has occurred before the aircraft have been delivered to SLA.

<sup>7</sup> Article 25.3

<sup>8</sup> Article 25.6



Anil Tittawella LL.M (Hons.)  
President's Counsel

If an event of default is created immediately (definitely before delivery), the opportunity for ILFC to reutilise the aircraft will be greater and the residual differential loss that SLA will be required to indemnify will be significantly less as opposed to an event of default taking place post-delivery.

SLA is also liable to indemnify certain "Indemnitees"<sup>9</sup> from and against certain "Expenses"<sup>10</sup>, on an "indemnity basis", arising from certain events<sup>11</sup>.

The Aircraft Lease Agreement then includes the following provision:

*"The foregoing indemnity by the LESSEE (ie: SLA) is intended to cover any Expense to which an Indemnitee may be subject (in contract, tort, strict liability or under any other theory) and notwithstanding the negligence, Gross Negligence or misconduct, active or passive or any other type, of such Indemnitee, so long as such Expense does not fall within any of the exceptions listed in Article 17.2."*<sup>12</sup>

The amount that SLA is required to indemnify must be sufficient to restore the "Indemnitee" to the same position, after taxes, as he was before incurring the "Expense"<sup>13</sup>.

Ordinarily any claim for damages will face the challenge from the principles of the concept of remoteness of damage

**But the indemnities are specifically provided in very wide and far-reaching terms. The defence of remoteness<sup>14</sup> may not be available to SLA against these indemnities since SLA may be considered to have contracted out of the application of the principles of remoteness via the provisions of these indemnities. Nonetheless, for the reason that granting damages is a discretionary power of the Courts, it may apply certain objective criteria to a very subjective claim for damages.**

<sup>9</sup> Article 17.1 read with Article 2.1 defines the persons, including ILFC, that are entitled to be indemnified

<sup>10</sup> Article 17.1 specifies these "expenses" as any and all liabilities, obligations, losses, damages, fines, penalties, claims, actions, suits, costs, disbursements and expenses including legal fees, costs and related expenses and costs of legal proceedings and legal fees relating thereto.

<sup>11</sup> Articles 17.1.1, 17.1.2, 17.1.3, 17.1.4 and 17.1.5 subject to the exceptions in Articles 17.2

<sup>12</sup> We are not certain whether this provision is a binding term or condition of the Aircraft Lease Agreement or merely a definition or explanatory note.

<sup>13</sup> Article 17.3

<sup>14</sup> The defence of remoteness of damages means that, in the event the parties could not, at the time the contract was entered into, reasonably foresee the extent of the damage that may arise from a breach of contract, the defaulting party will not be liable for such damage.

Anil Tittawella LL.M (Hons.)  
President's Counsel

The duty to mitigate loss too is not available against indemnities, unless specifically provided. In this case, as set out above, SLA may take up such position if the circumstances so warrant.

Questions posed for opinion:

A. The gamut of consequences to SLA and the liabilities of SLA are:

- (i) If, after delivery, return of the aircraft in a manner required by ILFC and attended costs will be to SLA's account.
- (ii) Damages, on an indemnity basis, for all loss sustained by ILFC in reutilising of the aircraft.
- (iii) Possibly, accelerated payment of balance lease rentals and other payments.
- (iv) Indemnify the specified indemnitees in respect of the specified Expenses other than the exceptions on an indemnity basis.
- (v) Follow-on consequences of ILFC taking the unprecedented step of terminating other leases currently in operation. But we are told that this is unlikely.
- (vi) The unlikely possibility of third parties terminating their contractual relationships with SLA especially financial accommodation.

B. Should any liability to pay damages exist, the principle applicable in determining the quantum of compensation:

This aspect is covered in Article 25.6 of the Aircraft Lease Agreement.

In addition to other remedies available, ILFC is entitled to claim damages from SLA and SLA is obliged to pay on an "indemnity basis" an amount equal to any loss, damage, expenses, cost or liabilities which ILFC may sustain or incur directly or indirectly on account of the repudiation of the Aircraft Lease Agreement by SLA.

When, appreciating the concept of damages payable on an "indemnity basis", it is best explained by contrasting damages on an "indemnity basis" with "standard basis".

When "standard basis" is used court will only allow damages which are proportionate to the matters in issue. When in doubt as to whether any sum was reasonably incurred and/or reasonable and/or proportionate in quantum, the issue will be resolved in favour of the paying party.

Anil Tittawella LL.M (Hons.)  
President's Counsel

In the case of damages paid on an "indemnity basis", the court will resolve any such doubts in favour of the receiving party.<sup>15</sup> This concept effectively avoids any disputes as to quantum and places a heavy burden on a party who wishes to dispute quantum.

Conclusion:

As mentioned above, ILFC may have an obligation to make best endeavours to place the aircraft with another lessee or otherwise utilise the aircraft.

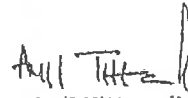
Taking all circumstances into consideration, we consider it to be tremendously advantageous for SLA to repudiate the Aircraft Lease Agreement well before the aircraft are ready for delivery.

Once a decision is made that the said aircraft are surplus to requirements, the least burdensome course of action is for SLA to communicate its intentions to ILFC. This will help to mitigate any damages that may be claimed from SLA as ILFC will have the flexibility and time to reutilize the aircrafts with other airlines.

It is also considered that any delay will result only in the quantum of damages payable by SLA increasing.



Mijiada Jayatilaka  
Attorney-at-Law



Anil Tittawella  
President's Counsel

Colombo,  
On this 11<sup>th</sup> day of December, 2015.

<sup>15</sup> This principle was enunciated by the Court of Appeal of England and Wales in *Helden v. Strathmore Ltd* (2011 EWCA (Civil) 542

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# SKYWORKS

ing on SriLankan Airline Restructuring

July 2016

### Summary of Reasons For Recommended Approach

- The current difficult situation is the result of two influences:
1. External market conditions, particularly competition from Gulf carriers, which have drastically shifted the yield/revenue equation from the original plans in place when aircraft were ordered in 2013 resulting in an unprofitable operation; and
  2. Commitment made in 2013 to costly and inappropriate new technology aircraft at a time when fuel prices were much higher than today and now due to deliver at precisely the moment when the airline can least afford them and fuel costs are far less of a concern, and which will only significantly increase losses.
- The alternatives either (i) to take the A350 aircraft or (ii) to cancel the leases without a negotiation are both prohibitively costly and in the case of lease terminations legally/commercially challenging and solve only one of the above (i.e. 2 (above)). Neither of these approaches achieves a profitable airline for the future which must be the *sine qua non* of any solution.
- Hence, SkyWorks recommends that SriLankan pursue a holistic restructuring of its network, fleet and cost structure (which includes aircraft rent and other fixed costs such as labour, distribution, maintenance and systems and as well as corporate overheads) as part of a Revised Business Plan to achieve profitability and address the A350 challenge.
- This requires a negotiated approach to obtain concessions from all lessors and other operating cost constituents. This is the least costly approach when combining the airline's earnings (losses) with one-time settlement costs. For this approach to succeed, agreement to concessions by any of the parties will almost certainly be contingent upon the granting of concessions by all parties and on the Company and the Shareholder speaking with one voice.

**view of Alternatives**

Absent opting for a bankruptcy through a court supervised liquidation process designed to expunge all ongoing liabilities, SriLankan must consider each of the alternatives set out below:

Outcome Description	Alternative A Original Business Case With all Europe and 3 A350s	Alternative B Phased GUP2 Taking 3 A350s And Dropping 3 A333s	Alternative C Best Case Scenario Don't Take Any A350s
<b>Challenge</b>	GOSL to fund ongoing losses and recapitalise business		
<b>NPV of Cost (US\$ mm) <sup>(2)</sup></b>	1,392		
<b>016/17 Operating earnings Margin <sup>(3)</sup></b>	(22%)		
<b>Pros</b>	Path of least resistance. No negotiations with lessors required		
<b>Cons</b>	Adds significantly to existing losses		
<b>Risks</b>	Risk of financial failure due to unprofitable operations		
<b>End Result</b>	Unprofitable business with significant ongoing losses		

Selected earnings reflect a run rate based on full implementation of network and fleet changes. Unlike Alternative A (current run rate loss with A350s added) or Alternative B, the implementation of Alternative C to obtain all concessions and earnings improvements is likely to take time not required in the other Alternatives. This will likely negatively impact the near term earnings shown in this document but not so severely as to radically alter the relative NPV outcomes for each Alternative. Includes 12 year NPV on PA losses + estimated one-time costs. Please see Appendix on page 9 for details. <sup>(3)</sup> Unlike earnings divided by total airline revenues.

Review of Alternatives

Alternative A	Summary		P/L (Airline operations)		
	NPV of Cost	Estimate Range		2016/17	2017/18 and beyond
		Low	High		
12-Year P/L NPV	(\$1,392)	(\$1,392)	\$184	(\$277)	
Estimated One-Time Cost	-	-			
<b>Total NPV of Cost</b>	<b>(\$1,392)</b>	<b>(\$1,392)</b>		<b>(\$1,392)</b>	
2015/17 Operating Margin					
P/L			\$164		
Total Airline Revenue			\$855		
<b>Operating Margin</b>			<b>(23%)</b>		

**Review of Alternatives**

Absent opting for a bankruptcy through a court supervised liquidation process designed to expunge all ongoing liabilities, SriLankan must consider each of the alternatives set out below:

Challenge/Conditions	Alternative A Original Business Case With all Europe and 3 A350s	Alternative B Phased GUP2 Taking 3 A350s And Dropping 3 A333s	Alternative C Best Case Scenario Don't Take Any A350s (1)
<b>Challenge</b>	GOSL to fund ongoing losses and recapitalise business	GOSL to fund ongoing losses and one-time payments	
<b>NPV of Cost (US\$ mm) (2)</b>	1,392	\$967 - \$1,061	
<b>016/17 Operating Earnings Margin (3)</b>	(22%)	(18%)	
<b>Pros</b>	Path of least resistance. No negotiations with lessors required	Avoids dispute with AerCap and improves P/L somewhat	
<b>Cons</b>	Adds significantly to existing losses	May result in legal action damaging SriLankan credit rating/ability to lease aircraft. Still produces losses	
<b>Risks</b>	Risk of financial failure due to unprofitable operations	Continued risk of financial failure	
<b>End Result</b>	Unprofitable business with significant ongoing losses	Unprofitable business with reduction in ongoing losses	

1. Expected earnings reflect a run rate based on full implementation of network and fleet changes. Unlike Alternative A (current run rate loss with A350s added) or Alternative B, the implementation of Alternative C to obtain all concessions and earnings improvements is likely to take time not required in the other Alternatives. This will likely negatively impact the near-term earnings shown in this document but not so severely as to radically alter the relative NPV outcomes for each Alternative.  
2. Includes 12-year NPV on P/L losses + estimated one-time costs. Please see Appendix on page 9 for details.  
3. Airline earnings divided by total airline revenues.



Review of Alternatives

Alternative B (1)	Estimate Range		2016/17	2017/18 and beyond
	NPV of Cost			
	Low	High		
12-Year P/L NPV	(\$876)	(\$876)		(\$876)
Estimated One-Time Cost	(\$91)	(\$184)		
<b>Total NPV of Cost</b>	<b>(\$967)</b>	<b>(\$1,061)</b>		
<b>2016/17 Operating Margin</b>				
P/L		(\$140)		
Total Airline Revenue		\$793		
<b>Operating Margin</b>		<b>(18%)</b>		

**view of Alternatives**

Absent opting for a bankruptcy through a court supervised liquidation process designed to expunge all ongoing liabilities, SriLankan must consider each of the alternatives set out below:

Situation / Assumptions	Alternative A Original Business Case With all Europe and 8 A350s	Alternative B Phased GUP2 Taking 3 A350s And Dropping 3 A333s	Alternative C Best Case Scenario Don't Take Any A333s <sup>(1)</sup>
<b>Challenge</b>	GOSL to fund ongoing losses and recapitalise business	GOSL to fund ongoing losses and one-time payments	Requires across the board concessions and funding of one-time costs
<b>NPV of Cost (US\$ mm) <sup>(2)</sup></b>	1,392	\$967 - \$1,061	\$424 - \$542
<b>016/17 Operating earnings Margin <sup>(3)</sup></b>	(22%)	(18%)	(4%)
<b>Pros</b>	Path of least resistance. No negotiations with lessors required	Avoids dispute with AerCap and improves P/L somewhat	Restructuring restores profitability and long term viability
<b>Cons</b>	Adds significantly to existing losses	May result in legal action damaging SriLankan credit rating/ability to lease aircraft. Still produces losses	Requires participation of all parties, will be complex with potential for litigation requiring careful legal management
<b>Risks</b>	Risk of financial failure due to unprofitable operations	Continued risk of financial failure	If some parties/lessors unwilling to participate, alternative jeopardised
<b>Result</b>	Unprofitable business with significant ongoing losses	Unprofitable business with reduction in ongoing losses	<b>Profitable Business</b>

<sup>(1)</sup> Assumed earnings reflect a run rate based on full implementation of network and fleet changes. Unlike Alternative A (current run rate loss with A350s added) or Alternative B, the implementation of Alternative C to obtain all concessions and earnings improvements is likely to take time not required in the other Alternatives. This will likely negatively impact the near-term earnings shown in this document but not so severely as to radically alter the relative NPV outcomes for each Alternative.

<sup>(2)</sup> Based on 12-year NPV on P/L losses + estimated one-time costs. Please see Appendix on page 9 for details.

<sup>(3)</sup> Average earnings divided by total airline revenues

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Review of Alternatives

Alternative C (2)	Estimate Range		
	Low	High	
<b>NPV of Cost</b>			
12-Year P/L NPV	(\$311)	(\$311)	2016/17 (\$46)
Estimated One-Time Cost	(\$113)	(\$231)	2017/18 and beyond (\$55)
<b>Total NPV of Cost</b>	<b>(\$424)</b>	<b>(\$542)</b>	<b>12-Year NPV (\$311)</b>
<b>2016/17 Operating Margin</b>			
P/L		(\$46)	
Total Airline Revenue		\$1,069	
<b>Operating Margin</b>		<b>(4%)</b>	

**Assessment and Commentary on Alternative A**

Alternative A would involve SriLankan adding 3 A350 aircraft in 2016, cancelling the 4<sup>th</sup> 2017 A350 with no penalty.

However, these expensive aircraft are being added into an already loss making operation that retains all Europe flying.

Opting to take 3 of the A350s and continuing to operate SriLankan as per the current original plan results in projected annual P&L losses of US\$(184) million in 2016/17 and US\$(207) million per year for 2017/18 and beyond (US\$(1,392) million on a 12-year NPV basis covering the term of the AerCap leases).

Of all outcomes, this results in the highest level of ongoing losses which must be covered through GOSL contributions.

Projected Annual P/L (US\$ mm) (1)		Estimated One-time Costs (US\$ mm) (2)	
2016/17	(184)	Low estimate	None
2017/18 & beyond	(207)	High estimate	None

Based on SriLankan's projections with 3 A350s and continued operation of all European flights "scenario SC1" as of January 19, 2016. SkyWorks estimate (please see Appendix on page 9 for details).

**Assessment and Commentary on Alternative B**

- Alternative B would involve taking 3 AerCap A350s, cancelling the 4<sup>th</sup> 2017 A350 with no penalty and removing 3 of the current A330-300s either by termination or sub-lease and adding additional narrowbody flying to improve the network contribution.
- Opting to take 3 of the A350s and adding some additional narrowbody flying results in projected annual P&L losses of US\$(140) million in 2016/17 and US\$(127) million per year for 2017/18 and beyond (US\$(876) million on a 12-year NPV basis).
- Terminating the leases on 3 A330-300s will likely involve a court process. The estimated one-time costs to break or sub-lease these aircraft are estimated to be in the range of US\$(91) to US\$(184) million.
- Termination of the 3 A330-300s will be seen by lessors as a “hostile” action which is likely to impact SriLankan’s ability to obtain additional aircraft (as called for in this Alternative) and will likely prevent obtaining any aircraft rent rate reductions. The lease rate required to obtain any additional aircraft will carry a rent premium similar to those of the current lease rates and likely require significant deposits if such a lease is possible at all.

Projected Annual P/L (US\$ mm) (1)		Estimated One-time Costs (US\$ mm) (2)	
2016/17	(140)	Low estimate	(91)
2017/18 & beyond	(127)	High estimate	(184)

(1) Based on SriLankan’s scenario “GUP2” where leases for one A350 (delivery in 2017) and three A330-300s are terminated.  
 (2) SkyWorks estimate (please see Appendix on page 9 for details).



## Assessment and Commentary on Alternative C

Alternative C is based on a negotiated settlement with all lessors designed to reduce aircraft rent to market rates and to transition the fleet to that in the Best Case Scenario.

The Best Case Scenario with projected annual P&L losses of US\$ (46) million in 2016 and 2017, while a massive improvement, needs further work to achieve full profitability. Actions required to create a profitable Plan will likely include:

- Further network adjustments cancelling unprofitable flying and additional fleet type changes which may involve fewer widebody aircraft and additional narrowbody aircraft; and
- Broad modifications to the cost structure (areas of focus for cost reduction should include overhead, maintenance, systems, distribution and possibly labour).

Even with such a profitable plan, negotiations will need a catalyst to gain lessor consent. This catalyst is the risk of bankruptcy (closure of the airline) which will mean that lessors get all their aircraft back with minimal (if any) payments.

Demonstrating a return to full profitability will be required. Lessors typically cooperate if they believe concessions avoid a bankruptcy, restore profitability and involve all parties (including the GOSL for recapitalisation) on an "equitable" basis.

Another essential ingredient is that the GOSL and the Board speak with one voice and maintain a line even when discussions become difficult and threatening.

This Alternative is the least predictable and will involve a very contentious process including the threat of legal action.

**Assessment and Commentary on Alternative C**

Projected Annual P/L (US\$ mm) (1)		Estimated One-time Costs (US\$ mm)	
2016/17	(46)	Low estimate	(113)
2017/18 & beyond	(46)	High estimate	(231)

(1) Based on SriLankan's Best Case Scenario "GU\_BCS" as of January 19, 2016, and adjust existing lease rent to be equal to average between contractual rent and SriLankan assumed market rent.

(2) SkyWorks estimate (please see Appendix on page 9 for details).

- Starting from the projections above, additional improvements will be required to achieve a profitable plan to gain participation of all parties. Improvements will likely include:
- Further network changes or additional flying;
  - Other fleet changes; and
  - An intense focus on cost reduction.



## Background On Income Statement Value Elements

- Realising value in airline restructurings is a combination of leverage (risk for the parties involved) size of concessions required, timing and perception of fair treatment relative to other parties involved.
- Holistic restructurings require all parties to share the sacrifice in order to “save” the business. The major components in order of contribution to earnings improvement and the timescale to achieve them are:

Component	Contribution	Timescale
1. Network/Fleet	70%	6 – 12 months
2. Costs	25%	12 – 18 months
3. Balance sheet	5%	12 months

- Within the Costs component, the major elements which are likely to be candidates for further savings are:
  - Labour;
  - Maintenance contracts (such as for engines and airframe checks);
  - Distribution (GDS and travel agency fees);
  - Systems; and
  - Overhead.



### Action Plan For Implementation of Recommended Alternative C

- The recommended Alternative C approach involves not taking any A350s. This will require SriLankan to take immediate steps to stop all work towards inducting those aircraft and to cease making any payments (actions required before end of January to minimise cost impact on SriLankan).
- In addition, AerCap has asked SriLankan to confirm this decision on or before 29<sup>th</sup> January, 2016. Legal advisors will determine how this decision shall be communicated.
- ~~SkyWorks will work with SriLankan to compete a Revised Business Plan that achieves profitability, including validation of network, fleet and other possible cost savings (2 weeks).~~
- SkyWorks along with legal advisors will develop a tactical action plan for each lessor. This will identify any risks to action as part of the vetting by the legal advisors (1-2 weeks).
- The CEO will issue a Board communication to all relevant parties that the company is required to undertake a radical restructuring of all parts of the company requiring support from its business partners in order to survive. This must be reinforced by supporting statements from the Shareholder.
- Management will need to present the Revised Business Plan and its implications for the fleet, as well as the GOSL's minimum requirements for its continued support to each lessor and other parties.
- Individual lessors (and other parties such as Rolls-Royce) will be advised of the concessions required of them by SkyWorks.
- SkyWorks and Kay Scholer will commence negotiations with the impacted parties (4-6 weeks).

Appendix

	Summary	P/L (Airline operations)	Estimated One-Time Cost																																													
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Notes:

- (1) Based on SriLankan's scenario "GUP2" as of January 19, 2016 where leases for one A350 (delivery in 2017) and three A330-300s are terminated.
- (2) Based on SriLankan's Best Case Scenario "GU\_BCS" as of January 19, 2016, and adjust existing lease rent to be equal to average between contractual rent and SriLankan assumed market rent
- (3) Based on the sum of (1) contractual rent cost during SkyWorks' view of remarketing period range and (2) rent difference between Ascend (low range) and SkyWorks' view (high range) of current market rent for the remaining lease term.
- (4) Assume no one-time costs to be incurred on 2017 A350.



අග්‍ර 22 (1)

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD  
HELD ON 26<sup>TH</sup> JANUARY 2016 AT 10.00A.M. IN THE BOARD ROOM  
OF SRILANKAN AIRLINES LIMITED**

**Present:**

Mr. Ajith N. Dias	- Chairman
Mr. Rakhita S. Jayawardena	- Director/CEO
Mr. R. Chanaka D. De Silva	- Director
Mr. Mahinda Haradasa	- Director
Mr. Harindra K. Balapatabendi	- Director
Lt. Col. Sunil Peiris	- Director
Ms. Dalrene Thirukumar	- Company Secretary

**By Invitation:** Mr. Suren Ratwatte - CEO

**Regrets:**

Mr. N. De Silva Deva Aditya	- Director
Mr. Joseph M. S. Brito	- Director

**QUOTE" 9.3 A350-900 aircrafts**

CEO stated in respect of the A350s, there were essentially three ways forward.

1. Accept 3 to 4 A350s and continue to pay the lease costs and operate on the same routes. If we were to do this, the loss at NPV as of date was USD 1.5 BN, for the 12 year period. As a Shareholder, the Government does not approve of this as an alternative plan.
2. Take three, A350s only, fourth one cancelled. Remove three A330s from the fleet. In the event the company can remove the A330s at the cost the company pays the company would be at a better situation where the loss would be USD 1 MN for the 12 month period. There would be no penalty for the four A350s
3. The third option is to refuse acceptance of the A350s. The break cost is envisaged at LKR 200 MN, the cost given by Arecap. It was reported that by not accepting the aircraft, Arecap would impose a penalty for parking the aircraft. In the event the company cannot find a buyer for these Aircraft, the penalty was in the range of USD 500 MN, current lease rate on all aircrafts.

CEO added that if it was possible to reduce lease rental, including Arecap, for the A350s ¼ MN, within two years we are looking at, cost reduction, from salary and outgoings, and reducing in lease rentals, there remained a possibility for the company to come close to profitability in 2018/2019. This would solely be based on Arecap agreeing to a settlement on the A350s and not threaten with default liability. It was noted that the scheduled delivery is postponed by two weeks i.e. July 2016.

Chairman stated that a dead-line of this week has been given by Arecap if we are taking the aircrafts or not. If they assume the Company is, they will plug in another 4 MN for the finishing touches. It was noted that this was being done with the help of Skyworks, the consultants. Skyworks have spoken to the Minister and Deputy Minister of Economic Development on the available three options and that the minister had requested a meeting with the Board to inform the directors that their recommendation and management recommendation was option 3, which is not to accept the A350s. Chairman further stated that the Ministry of Finance had also appointed another consultant, NYRUS capital, for whom the Company has been asked to pay for, which will be reimbursed by the Ministry of Finance subsequently. The Ministry of Finance Plan is handled by Nyra Capital which would subsequently be produced to the Minister of Economic Development which will be discussed in Parliament today at 2pm. Chairman stated that the proposed plan by the Ministry of Finance is to completely shut-down and start a new re-

Handling Company, and airline as a separate entity. SriLankan Catering will remain as is, a separate legal entity. It was noted that the financial figures produced by CEO was in relation to the Airline only. When the Accounts are published, the bottom-line reflects the Company as a group. The Government's plan is to bring the Airline close to profitability. This plan is worked closely with the Treasury and NYRUS; they have been having discussion, with their own Consultant Dr. R. Sara. Chairman stated that today was the first time that the plan of the Ministry of Finance was being revealed to the Minister of Economic Development.

Chairman stated that the present situation faced by the Company was serious and that he and CEO have had consultation talks with Airbus and Aerocap who have informed the Company that the decision of not wanting the Aircraft have been communicated too late, if not, it could have been resolved differently. Chairman informed the Board that both companies have communicated that in the event the A350 Aircraft are not accepted, legal action would be taken against the company on default of breaching the contract. In response to the query from Mr. C. de Silva/Director that the company had no funds to accept the Aircraft, Chairman responded that the Company would have to be liquidated. One of the considerations is whether to declare bankruptcy, stated Chairman. In the event Aerocap and Airbus do not agree to the terms of the Company, Chairman stated that the Company would file for bankruptcy and that this has been communicated to Aerocap and Airbus. The company would file for voluntary liquidation and the government would handle the politics of the decision.

Chairman stated that during discussions with Airbus, Airbus had stated that A330-900s were the aircraft for UL routes, but however having shown the financial position of the company Airbus was made to understand the situation of the Company.

In response to a query from Colonel S. Peiris/Director that when the Company declares bankruptcy, if there was no liability on the Company, Mr. Haradasa/Director stated if the government has given a guarantee, the Government would be liable, but in this instance the Government has not provided a guarantee.

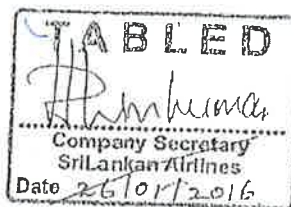
Chairman stated that by this Friday, 29<sup>th</sup> January 2016, the Government would direct the company of the course of action to be taken. Mr. M. Haradasa/Director stated that whatever the plan selected, it would require cabinet approval. Chairman responded that in this instance, the approval of the Prime Minister would be sought and thereafter submitted to the Cabinet for approval. A finality was expected soon.

Mr. R. Jayawardena/Director put in context the following;

1. The company will not accept the A350-900 aircraft
2. Either find away with Lessor so that SLA is not liquidated but find a way out though negotiated settlement, if this fails,
3. Government will request the company to go into liquidation

In response to a query from Mr. C. de Silva/Director on Mihin Lanka, Chairman responded that where Mihin Lanka was concerned, that Mihin in comparison to SLA was not a burning issue. "UNQUOTE

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CEO/2016/01/12

To the Board of Directors of SriLankan Airlines Limited

SriLankan Airlines and Mihin Lanka – Update on Restructuring (with Reference to the Restructuring Plan approved by the Cabinet in June 2015)

### 1. Network

The decision has been made by Commercial Management that Rome and Paris operations will be discontinued from 30<sup>th</sup> April 2016. Frankfurt will continue with 4 flights and increasing to 5 flights per week in Summer 16 for the purpose of accommodating passengers already booked. Commercial Management will ensure that the passengers already booked on flights will be accommodated on the Frankfurt flights and with other partner airlines. Ad hoc extra section flights will be operated to cater to peak demand throughout the network if commercially feasible. Frankfurt performance will be reviewed in August 2016 by Commercial Management to decide on whether Frankfurt flights will be continued in the Winter of 2016.

An announcement on SriLankan's Network re-structuring will be made in the next two weeks.

In view of the continuation of Frankfurt operations in Summer 2016, the urgency to announce a closer co-operation with one particular partner carrier is no longer critical. Therefore, discussions with Etihad, Qatar and Emirates are continuing and the options available will be evaluated in greater detail in the coming months in the context of the overall network developments as well.

### 2. Fleet Right Sizing

- The Plan assumed a reduction in the wide body fleet from 13 Wide Body to 10 Wide Body and 8 Narrow Body aircraft – Total fleet to reduce from 21 aircraft to 18 aircraft. The Re-structuring Plan did not envisage taking delivery of the 4 (four) A350-900 aircraft ordered from the Lessor, AerCapAerCap during the Plan period.
- However, based on a request made by the Board of Directors, subsequent to the approval received from the Cabinet, (as stated above) a Request for Proposals was floated by the Company to appoint international consultants for the purpose inter alia of validation of the Re-structuring Plan and cancelling or deferring the deliveries of the four A350 aircraft. SkyWorks Capital LLC was selected for this purpose.
- SkyWorks Interim Report was presented to the Board on the 22<sup>nd</sup> October, 2015.

In line with the recommendations in the Interim Report submitted by SkyWorks that the A350-900 aircraft was not sustainable for UL's route profitability and bottom line expectations and in accordance with the Chairman's intimation, a dialogue was commenced with the Lessor of the A350-900s - AerCap. A meeting was held on 23<sup>rd</sup> November 2015. The Board of Directors were updated on the outcome of these discussions at the last Board Meeting on 26<sup>th</sup> November 2015 through a briefing note which was tabled.

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An exchange of correspondence has taken place between Chairman and Airbus Chief Operating Officer - Customers, John Leahy, indicating the financial difficulties faced by the Company and requesting support to find a solution for the A350-900 aircraft as the aircraft was not suitable for the network particularly in the current competitive market environment. Following from this, a meeting took place in Dubai between Fouad Attar, Managing Director Airbus Middle East and Somas Appavou, Sales Director from Airbus, and Chief Executive Officer and Head of Financial Management on 13<sup>th</sup> December, 2015. At this meeting, it was stressed upon by Airbus Management that while they were sympathetic to the financial position of the Company and its position on the A350s, the time to delivery was an issue.

However, pursuant to this discussion Airbus sent a team from Dubai and Toulouse to review UL's financials and route profitability and the impact of the current market environment in terms of Demand/yields/capacity and network structure with a view to establishing the impact of inducting the A350 aircraft to UL network. At the meeting there was a candid exchange of information and subsequent queries were also responded to. At the same time UL, at the recommendation of SkyWorks requested information from Airbus on the status of production/IFE/seats etc of the Airbus A350-900s to be delivered to SriLankan through AerCap. The queries were formulated based on information that Airbus had received from Airbus Customer support. This request was reiterated by the Chairman in his letter to John Leahy dated 08/01/2016. However no response has been received to date.

At the meeting, the Chief Risk Officer of AerCap requested an urgent meeting with UL to discuss the situation. This took place in Colombo on 7<sup>th</sup> January 2016. Similar financials and route results to those shared with AirOps were shared with AerCap. The view from AerCap was also that requesting and changes in deliveries with less than 12 months to go is not feasible and AerCap would exercise **all legal options** available to them if the Aircraft are not taken on the due dates. AerCap also indicated that were already in talks with local counsel as well as with their diplomatic missions. They requested an immediate meeting with the Treasury to convey this message, however when CEO agreed to set up the meeting, AerCap said they would like more time to come up with a "proposal". They also wanted a decision by end January 2016 on whether UL will or will not accept the A350s. This decision needs to be made. They further indicated that any concessions that they may offer (but without committing to any) would be on the basis of a holistic approach to restructuring across the company which would include other lessors/OEMs/suppliers/ other cost areas including labour and other fixed costs.

An urgent meeting was also sought by Chairman with Airbus. While a date was given for a meeting in Toulouse, it was postponed as the letter offering to meet, indicated that contractual commitments will have to be honoured and the aircraft were in the final stages of production and hence given the time to delivery, even a deferment was not possible. Airbus also indicated that any negotiation for concessions would have to be with AerCap.

The Company now finds itself in an extremely difficult situation, faced with the possibility of having to take the A350-900 aircraft and face continuing losses, or alternatively to not take delivery and face possible legal consequences. However, in view of the experience they have had in handling airline restructuring for other airlines, the Consultants SkyWorks believes that there is still a window of opportunity to enter into a negotiated settlement based on a holistic revised Restructuring Plan.

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This situation has been further exacerbated by the fact that equity funding has also not been received.

In view of these developments and the uncertainties that have emerged, the Company has commenced action necessary to induct the A350-900 aircraft, such as crew training, but without making any significant payments.

A further PDP payment of USD 361,659.17 is also due to Airbus in the first week of February 2016 for the A350-900 aircraft ordered directly from Airbus to be delivered in 2020/21.

**3. Funding and Debt Re-structuring and SBU Strategy –**

As per the GOSL approved Re-structuring Plan the Funding required over the three year period is as follows (in USD Million):

In USD Million	Equity contribution from GOSL – SriLankan	Equity contribution from GOSL – Mihini Lanka	Sale of minority stake in SBUs (Estimated)	Total
2014/15 Overdue	125	25	-	150
2015/16	70	-	CPC – 85	155
2016/17	60	-	General Banking – 140	200
2017/18	-	-	-	-
<b>Total</b>	<b>255</b>	<b>25</b>	<b>225</b>	<b>505</b>

Debt Re-structuring as per the approved Re-structuring Plan is as follows:

Debt to Equity swap with Bank of Ceylon (Total – 86M)	USD Million
To repay <b>outstanding</b> loans to BoC	43
To liquidate overdraft	43
<b>Total</b>	<b>86</b>

The equity for 2015/16 (overdue amounts) as well as the equity for 2016/17 has not been received. The debt/equity swap has also not taken place and is unlikely to occur.

After the initial steps, the SriLankan Catering IPO has not progressed due to concerns expressed by the GoSL regarding divestiture of profit making SBUs. Hence proceeds from same cannot be expected as a source of funding at this stage.

Further to discussions held by the CEO with the Hon. Minister a request has been made to the Ministry of Finance (MOF) for extension of the Letters of Comfort to the People’s Bank and Bank of Ceylon so that the short term loans can be continued after the due date for repayment of these loans.

A request has also been made to the Ministry of Finance for funding to meet UL’s commitments until the end of March 2016 including to pay CPC for the months of January/February and March 2016. The amount requested for UL was USD 40 million and for Mihini USD 5 Million.

The Ministry of Public Enterprise Development has been engaging with the Company to understand the options available to the Airline and the various financial outcomes. At their request meetings were been scheduled with the Consultants SkyWorks and Nyras Capital, the Consultants engaged by the Ministry of Finance.

The Meeting was held with the Deputy Minister of Public Enterprise Development Hon. Eran Wickramaratne on the 20<sup>th</sup> of January 2016, at which SkyWorks made a presentation. SkyWorks also met with the Minister of Public Enterprise Development Hon. Kabir Hashim on the 22<sup>nd</sup> of January 2016 and made the same presentation. They agreed in principle to consider a holistic re-structuring of the entire Company subject to obtaining the views/support of all the stakeholders in the shortest period of time to meet imminent deadlines.

SkyWorks also made the presentation to the Advisor to the Ministry of Finance, Dr. Rajan Saravanamuthu on 21<sup>st</sup> January 2016.

3.2.2. SUMMARY

1. The proposed re-structure of the Airline is a complex one and requires the support of the Government and the Airline staff. The re-structure is being implemented in a phased manner and will require the support of the Government and the Airline staff.

2. The proposed re-structure of the Airline is a complex one and requires the support of the Government and the Airline staff. The re-structure is being implemented in a phased manner and will require the support of the Government and the Airline staff.

3.3. Cost Optimisation - COMMENCED AND IN PROGRESS

The proposed cost-optimisation proposals (initially USD 51 Million over 3 years) were reviewed from all Heads of Divisions.

Cost optimisation proposals received for the current T/Y (2015/16) amounting to USD 10.9 Million were incorporated into the current budget and respective Divisions were informed of their revised reduced budget for the current T/Y. The revised budgets are those on which the cost tracking is being done. Further savings of USD 17.6 Million and USD 19.2 Million are projected for 2016/17 and 2017/18 respectively.

Each Divisional head committed certain cost savings over the Re-structuring Plan Period. There will need to be confirmation that these can be maintained for 16/17 i.e. total USD 17.6 Million. These are not staff related but mainly driven by seeking reductions in controllable costs and re-negotiating contracts etc.

The Hon. Minister and Deputy Minister of Public Enterprise Development have scheduled a meeting with the Board of Directors of SriLankan Airlines on the 26<sup>th</sup> of January 2016.

SUREN RATWATTE

Chief Executive Officer

22<sup>nd</sup> January 2016

For Ministry of Public Enterprise Development  
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REF 21.2

CERTIFIED COPY



COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/10/2016

**MINUTES OF THE DISCUSSION BETWEEN THE CHIEF OFFICERS AND THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 09<sup>TH</sup> FEBRUARY 2016 AT 04.30 P.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Joseph M. S. Brito	- Director
	Mr. Mahinda Haradasa	- Director
	Mr. R. Chanaka D. De Silva	- Director
	Mr. Rakhita Jayawardena	- Director
	Lt. Col. Sunil Peiris	- Director
	Mr. N. De Silva Deva Aditya	- Director
	Mr. Harindra K. Balapatabendi	- Director
	Mr. Suren Ratwatte	- CEO
	Mr. Lalith Withana	- GCF&AO
	Mrs. Manique Gunasekera	- CCAO
	Mr. S. Ramachandran	- CCO
	Mr. Yasantha Dissanayake	- HoFM
	Mr. M. Ranasinghe	- SM Group Legal Affairs
	Ms. Dalrene Thirukumar	- Company Secretary
<b>Regrets:</b>	Mr. Ajith N. Dias	- Chairman

Mr. Brito requested Capt. S. Ratwatte/CEO to commence the discussion/presentation.

Capt. S. Ratwatte/CEO commenced by thanking the directors for their attendance and stated that the purpose of the meeting was stipulated in the email forwarded by the Company Secretary to the Board of Directors dated 8th February 2016, which email forms part of these Minutes.

CEO drew the attention of the Directors to the Board Paper Ref: CEO/2016/02/14 dated 05<sup>th</sup> February 2016 signed by Capt. S. Ratwatte/CEO, Mr. Lalith Withana/GCF&AO, Mrs. Manique Gunasekera/CCAO and Mr. Yasantha Dissanayake/HoFM for Board Information titled 'SriLankan Airlines and Mihin Lanka- updated to the briefing provided at the Board meeting on 26th January 2016' previously emailed to the Board also formed part of the discussion and these Minutes.

CEO also tabled a detailed presentation to the Directors dated 9<sup>th</sup> February 2016 on the options and rationale behind the options and any ramifications that may arise on right-sizing the company and not introducing the A350 aircraft, as decided by the Board.

Chairman stated that the first item on the Board Paper was the plan to sub-lease two A330s to Oman Air which proposal has been rejected today by Oman Air. It was noted the reason for the rejection was that Oman Air had wanted a three-class aircraft for the London route and what was offered by UL was a two-class. In response to Mr. C. de Silva/Director if CEO had spoken to Oman Air, CEO confirmed that he and Mr. Siva Ramachandra/CCO had on multiple occasions spoken to Oman Air.

In response to a query from Mr. N. de Silva Deva Aditya/Director, as to the reason for SriLankan's existence, CEO responded that UL would essentially be a regional carrier with London, Tokyo, China and possibly Australia (in the future) as the long-haul destinations and he confirmed that this was in accordance with the approved restructuring plan. CEO also reminded the Directors that at the recently concluded meeting with the Hon. Minister and Deputy Minister of Public Enterprise Development (on 5<sup>th</sup> February 2016 when the Minister and Deputy Minister met with Chairman, Board of Directors and CEO), it was re-confirmed that the mandate of the shareholder i.e. GOSL is to return the Airline into profitability in the next three years.

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Mr. N De Silva Deva Aditya/Director was of the view that in order to return the company to profitability, there should be a clear brand identity - 'what are we as an airline'. CEO responded that the Airline will carry passengers to destinations such as China, India, and the Middle East the Far East. Europe was unsustainable as it was impossible to compete with Qatar Airways and the Gulf Carriers. Australia is a destination to be considered in the future as a decision was taken by Mr. S. Ramachandran/CCO and CEO not to pursue this route at this juncture.

CEO stated the purpose of this meeting was to look at a way forward of rationalizing the fleet since the Company was saddled with a largely wide-body fleet with inappropriate lease rates and as such the Airline was unable to operate profitably. He further stated that operating a narrow-body fleet was a more profitable operation and added that the only destination in the network however that did not achieve its DOC was Beijing, owing to strong competition from Air China.

Mr. R. Jayawardena/director stated that the Company had a debt of over USD 550 MN and a total budgeted cost of USD 1.1 BN. He added that with revenues and yields deteriorating, how the Company was going to reduce the debts and overhead costs to make the company profitable. In his opinion he stated, this should be addressed first. CEO responded that this meeting was called for a specific purpose and appreciated if the purpose of the meeting was heard.

Mr. R. Brito/Director requested confirmation from CEO on the restructuring plan approved in June 2015 as follows;

1. is the Company going ahead with the approved restructuring plan with a few changes because certain things could not be implemented such as the IPO, funds not received as anticipated from the GOSL;
2. with the implementation of the plan how was the Company going to address the fleet renewals that had now arisen and given the company's present circumstances, how much the company was committed ;
3. The objective of the GOSL was to turn around the company to profitability in three years for which the restructuring plan was drawn up.

Mr. Brito/Director requested CEO to commence discussion from the point of implementation of the Plan (CEO confirmed the plan was approved by the Board and endorsed by the Cabinet) as it was important to move forward based on the plan, having acknowledged there were other issues also to be addressed. If not, the Company would have to go-back to a restructuring plan. CEO affirmed what was stated by Mr. Brito/Director. Mr. Brito/Director called upon CEO to brief the directors on the proposed fleet renewal plan. Adding to this, Mr. M. Haradasa/Director requested CEO to also brief the Board of the direction given by the Ministry of Public Enterprise Development when some of the Directors met the Minister and Deputy Minister on 5<sup>th</sup> February 2016 (at the WTC Board Room) at which meeting he was not present. CEO informed that the Ministers had laid down options the way the shareholder sees the future of the Company, which options are contained in the presentation (CEO/2016/02/14 - (B)) tabled at this meeting. He added that the Ministers have left the Company with a few choices and action to be taken within this calendar month after which the Government will make a decision on the way forward. CEO affirmed that this meeting was to decide on that action plan.

CEO reminded the Directors that the decision to cease operations to Europe, except London, was discussed and approved at a Board meeting held on 26<sup>th</sup> May 2015 and subsequently the Cabinet; though not implemented by UL. A firm decision has been taken by the board to cease operation to Europe, other than London.

Ms. Manique Gunasekera/ CCAO informed those present that the presentation of CEO (CEO/2016/02/14 - A) was a summary of the detailed presentation (CEO/2016/02/14-B) tabled.

#### Fleet Plan

CEO commenced the presentation by stating the specific purpose for this discussion/meeting was firstly to explain and elaborate on the options available which have been agreed by the line Ministers and the Shareholder; secondly to pick a way forward specifically by selecting a consultant to help gather the data and analysis that is needed. CEO then apprised the board of the current status explaining that the market has changed significantly owing to increase of

capacity into SriLankan by the Gulf carriers. The European route network has suffered with yields having dropped significantly.

CEO stated that most airlines were making money taking advantage of the drop in the fuel prices and maintaining constant yields whereas UL was unable to maintain its yields. Competition faced from Air China and China Eastern flying to CMB has eroded UL yields to the East. CEO stated that UL was operating a daily flight to Guangzhou which generated revenue amongst increase competition from China. CEO explained that when the fleet-plan of the Company the Board inherited was prepared, the market and environment at that point of time was different - it was a time when fuel prices were high, there was reasonable expectation to Europe, expectation of In-bound tourism from the West would increase with UL carrying a large share of it etc. CEO stated that in the present context, tourism had increased however passengers were not flying on UL but on competitor airlines owing to low fares. The fuel prices have dropped drastically which has resulted that the business case for having more fuel efficient modern aircraft being eroded. To continental Europe the Business Class loads are non-existent with UL essentially carrying EY passengers to Europe resulting in a further erosion of yields.

The A350s, which is the focus of the discussion was ordered in a different world and in today's context the A350s were not suited for the company's current network. Mr. Brito/Director queried from Mr. Y. Dissanayake/HOFM and Mrs. Gunasekera/CCAO as to the justification at that time to order A350s and queried as to the justification made to the then Board by the Management, to order the A350s. CEO stated that management was unable to find a basis or the plan to justify the need for the A350s. CEO stated that Skyworks have stated with the fuel price being at any cost (even as low as 100) they were unable to justify the A350s for UL at prevailing rates. It was noted that the Gulf Carriers had lowered the fares to attract passengers with the recent development of security threats.

CEO presented the current fleet mix comprising of 13 wide-body and 8 narrow body and comments from both, Skyworks contracted to advise SriLankan Airlines by the Board and Nyras, another consultancy firm secured by the major shareholder, the Ministry of Finance have both agreed the present UL fleet- mix was totally incorrect. Given the geographical location and the loads UL carries that a higher frequency of narrow body operation makes business sense as opposed to the low frequency wide body operation.

A350s

CEO posed the question to the Board, is the company accepting the three A350s and operating them as the first aircraft is on the final assembly line and will be ready in July provided the seat manufacturer meets the target. Or, does the Company refuse to accept the aircraft. The decision had to be made very soon which decision CEO stated should have been made a year ago.

Mr. Brito/Director stated that he finds fault; when the board was informed through an email (from Chairman, dated 29<sup>th</sup> October 2015 and forms part of these Minutes) stating that the management was not purchasing the A350s next year, without considering the cost of cancelling etc. and now, the Directors are asked should the company accept or not-accept the A350s. Mrs. M. Gunasekera/CCAO stated that when the restructuring plan was approved in June 2015, it was felt that there was a twelve months plus to delivery and perhaps management could enter into a negotiation at that time where the lease portfolio could be restructured and confirmed that that was the thinking at that time. Mr. Brito/Director stated that the email did not give the consequence of cancelling the aircraft and there were no considered options given in the mail but to state that the Company was not accepting the A350s. CEO responded that it was not a management decision but a decision of the Shareholder as the Directors could not arrive at a decision on this. Mr. M. Haradasa/Director also responded that the major shareholder had instructed management not to accept the A350s. Mr. N. de Silva Deva Aditya/Director stated that directors are responsible for the decisions taken by the Board under the Companies Act No 7 of 2007 and the directors have a commitment to make the Company successful. Mr. N. de Silva Deva Aditya/Director was of the view that the shareholder should not instruct the directors on what decision should be taken.

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In response to a query from Mr. C. de Silva/Director if management has informed AerCap that the Company was not going to accept the Aircraft, CEO responded that there is a process of acquiring and cancelling aircraft orders which the company was not familiar with and as such consulted persons who are aware of this and had sought legal advice from both Kaye Scholer (legal advisor) and Skyworks consultant who have advised the company on the process of cancelling the aircraft with AerCap. He further stated that in the airline industry cancellation of aircraft does take place and will take place in the future as well. CEO stated that the external market conditions do not justify the Introduction of the A350s into the fleet. Both consultants, Skyworks and NYRAS have agreed that it is not about whether the A350-900 is a good aircraft or not but its suitability at this juncture for UL. Consensus is that, acceptance of the A350s is not.

Ms. M. Gunasekera/CCAO informed the directors present that the Head of Risk AerCap was present in Sri Lanka in December 2015 and one of the comments he had made was that it was too late in the day for the decision not to accept the aircraft but had commented that if the decision was communicated 12 months prior, things would have been different.

CEO stated the recommended approach is to pursue a holistic restructuring of network, fleet and cost structure (including aircraft lease costs and other fixed costs such as Labour, distribution, maintenance and systems) as part of a revised Business plan to achieve profitability and address the A350s. CEO drew the attention of the Directors to slide numbered 6 of his presentation which details Nyras preliminary conclusion and explained that the next 12-18 months would be a challenging period where management will have to address all issues specified simultaneously. This approach is recommended by Skyworks and endorsed by Nyras.

Further, CEO stated that all leases will be re-negotiated and the Lessors have indicated that they would not consider negotiating the lease rentals until and unless the Company has a business plan that can be validated to show a return to profitability in any shape or form in the next 18 - 24 months. Consequent to this being done, the Lessors have assured CEO that they would support and partner with UL in the restructuring process.

CEO stated that three possible alternatives have been identified as shown on page 7 of the summarized presentation (CEO/2016/02/14 (A)) and explained in detail, referring to the presentation, the three alternatives. Alternate A was business as usual. Accept the A350s and move forward. In alternate A, the company would lose money and the Shareholder will not support the Company. Alternate B was more complicated. Accept the A350s at a reduce lease cost, if that was possible, initially sublease three A330s to maintain the same wide-body fleet size, reduce costs all round and move forward. Alternate C was the best case scenario which is, not to accept the A350s and consider the possibility of placing the aircraft elsewhere or negotiate a break-cost, reduce the wide-body fleet as appropriate, increase the narrow body fleet and management envisages by the end of the fiscal year 2017/2018 at least a break-even situation can be realized. CEO confirmed that the three alternatives have been considered very closely by the Minister and Deputy Minister of the Ministry of Public Enterprise Development and they both are in complete agreement with the 'alternatives' presented. It was noted that alternate C has been recommended and CEO confirmed that alternate C was the only viable alternative that will make it a profitable airline though complex and challenging. Further, CEO and Ms. Manique Gunasekera confirmed to the directors that this has been done before by other airlines and it was a possible task. CEO explained the 'alternatives' detailed in slides 8 to 13 of the presentation, contents of which were noted by the Directors. CEO also drew the attention of the Directors to the detailed P&L contained in the presentation tabled - CEO/2016/02/14 (B).

CEO stated that he has been led to believe that if the first three A350s are accepted, the 4<sup>th</sup> A350 can be cancelled and AerCap and Airbus are in agreement with this. It was noted that the forecasted Jet fuel price average applied was USD 1.56 per American gallon (Bloomberg figures) It was also noted that eventually the ideal UL fleet would be 21 narrow body aircraft in 5-6 years in the future. The narrow body fleet will be used in the regional network which will extend as far as the Middle East and the Far East and it is sustainable with the narrow body. CEO stated that the plan requires validation by an external party.

Ms. Manique Gunasekera/CCAO stated that the Ideal situation is to reset the lease rentals to market lease rates where the lease rentals become affordable for the company. CEO added that the chances of setting the existing lease rentals to market rates though very slim, the possibility however existed to reduce the lease rentals, through negotiation, to 20% - 30% lower. Mr. Brito/Director was of the view that the Lessors would agree to extending the lease period rather than negotiating a downward revision of lease rentals to be in line with market rates. CEO responded that Lessors would not wish the Company going to bankruptcy as it would not serve the Lessors any purpose and that Lessors are aware the Company has not assets and that they cannot gain anything by driving the company to bankruptcy. Also, the market was soft for the A330s and the Lessors would be unable to place the aircraft in the next 12-18 months and would opt to receive lease rentals as oppose not to receive lease rentals in the next 12-18 months. CEO stated that though the negotiation process was not easy, he was optimistic it could be achieved.

CEO stated that the Minister and Deputy Minister of Public Enterprise Development had informed the directors that the Board and the Shareholder should be united in moving forward and speak in one voice in order to ensure successful negotiations with the Lessors. Mr. Brito/Director stated that if the majority of the decision of the Board is taken, the Board would speak in one voice.

Ms. M. Gunasekera/CCAO referring to slide 12 of the presentation stated that Alternate C is an end state and is an annualized figure and there would have to be a transition to that. The high level P&L details of all scenarios referred to were on slides 30 -32 of the presentation CEO/2016/02/14-(A).

Mr. Brito/Director pointed out that assumptions made are beyond the control of the management. CEO and Ms. M. Gunasekera/CCAO having agreed with Mr. Brito/Director confirmed that these have been done by other Airlines. Mr. Brito/Director stated that not taking the A350s, not flying to Europe other than London was agreed in the restructuring plan and CEO responded that re-negotiation of leases was not in the plan however CCAO confirmed that it was envisaged by deferring the A350s. Mr. Brito/Director stated that on this basis, the Company was left with the alternative C to which CEO responded that alternate C was the only viable option to make the company a profitable airline.

CEO drew the attention of the Board to the implementation risk detailed on slide 14 of the presentation CEO/2016/02/14 (A). In response to a query from Mr. Brito/Director if the financials were prepared by management and validated by Skyworks/Consultants, Mrs. M. Gunasekera/CCAO responded that the figures were originally validated in October 2015 by Skyworks who were engaged to look at the A330 & A350 routes and then to look at a renegotiation of the A350s with the Lessor for which Skyworks had estimated a break-cost USD 50-100 MN to cancel the A350s. Mr. Brito/Director requested the Directors to review the Skyworks report previously circulated to the Board. Mr. L. Withana/GCF&AO stated that the break costs now submitted by Skyworks ranged between USD 113M to USD 231M for re-negotiating/subleasing 3 X A350s and 2 X 330-300s (detailed estimates are in slide 29) Mr. Brito/Directors questioned management of the confidence it had of Skyworks now quoting a higher figure.

Mr. R. Jayawardena/Director, by way of questions, clarified as to the reasons why there was an operating deficit in the operation of the narrow body fleet in most routes sighting the figures appearing in the Green Sheets for the month of December. Mr. Y. Dissanayake/HOFM confirmed the narrow body route losses incurred by the Company. Mr. R. Jayawardena/Director responded that if the losses incurred in the Singapore route were such, the assumptions of the management was incorrect and questionable. Mr. L. Withana/GCFA&O responded that the figures were arrived at without adjusting the yields, having the schedule as is and adjusting the leases. He further stated that USD 38 M was the net loss on the alternative C was arrived at having adjusted the leases and the route schedule. The Company would then post a loss of USD 38 MN and the challenge is to make the USD 38 MN loss to a 10 MN profitability and to do this, the restructuring plan would take effect by reducing staff, marketing for better yields etc. Mr. Brito/Director stated that all lease rentals will be re-negotiated to make the airline profitable. Mr. Lalith Withana/GCF&AO responded that this was the approach recommended by both consultants i.e. Skyworks and Nyras.

Mr. Brito/Director stated that his loss of confidence on Skyworks/Consultants was owing to the change in break costs produced by Skyworks.

Mr. C. de Silva/Director questioned as to why the SriLankan team could not meet the lessors and negotiate the leases instead of obtaining the services of consultants. CEO responded that when the management team submits the business plan to the Lessors, it needs to be validated by someone else because when the lessors are approached they would want it validated and if not, the Lessors will request their own staff to validate the Plan. Mr. Brito/Director stated that even if the plan was validated, it would be the SriLankan team that would take the lead in the negotiation. Mr. L. Withana/GCF&AO responded that the numbers detailed in the Plan are known by the management team and it would be prudent to seek a validation of the numbers by a consultant and if not, at a future date the management team could be questioned if the numbers presented were inaccurate. Mr. L. Withana/GCF&AO stated that it would be in the best interest of all if the figures presented are validated by a Consultant either Skyworks or Nyras and the decision of whom to appoint would be a decision of the Board.

Mr. N. de Silva Deva Aditya/Director opined that Management should test the market on negotiating the lease rentals to which CEO stated that in order to do this, it was of importance to have a business plan that is validated to test the market. Ms. M. Gunasekera/CCAO also responded that a validated business plan was a requirement of the Lessors to negotiate lease rentals downwards. CEO stated he has met with Avalon (formerly HKAC) and advised them that UL would like to renegotiate the lease rentals. The lessor responded that this would be subject to a robust business plan that they (the lessor) would validate for themselves before agreeing to negotiate. AerCap had taken a similar stance, that any negotiations are dependent on a business plan that shows a return to profitability.

CEO, drawing the attention of the Board to the slide 28, comparison of routes on contribution to fixed costs after lease and crew lay over, which highlighted the routes making losses on wide body i.e. routes in the European sector Paris, France and Rome whilst Cochin and Trivandrum in the Indian sub-continent Kunming in China were making losses in the narrow body operation. CEO stated that other than these routes, the Company's operating routes were viable. It was noted that Rome will be discontinued in April and Paris in end summer in order to rationalize the route network. Mr. R. Jayawardena/Director however responded that the slide has not taken into account the fixed cost and should the fixed costs be added, all those marked in green would either turn red or yellow (referring to slide 28). Management agreed to what was stated by Mr. R. Jayawardena/Director. CEO responded that addressing the fixed cost was the crux of achieving option C.

The contents of page 14, implementation risks explained by CEO, were noted by the Board. It was noted that there is a remote possibility of a cross-default and assured the directors if the company continues to pay the Bonds and loan repayments this would not arise. Aircraft are not cross-defaulted other than for AerCap aircraft. In the event we inform AerCap that the company was not accepting the A350s and the Company is taken to court, technically AerCap can seize their other aircraft.

CEO informed the Board that there would be one-off break costs and these payments could be structured. It would not be necessary for the GOSL to make a cheque for USD 220M. Mr. Brito queried if the extension of the lease option was considered for the A350s, CEO confirmed that this was a possible option to extend the 12 year lease to 15 year lease which would bring the cost down upfront. He further added that management had an approximate figure where the A350 break-even lease cost could be, however the cost needs to be validated and at this point could not be shared with the Directors. CEO stated that in order to arrive at the break-even cost, management team requires the numbers to be validated in order to commence negotiation, to which Board authorized management to commence negotiation. In response to a query if the Government Bond, guaranteed by the Government would be impacted resulting in the GOSL having to pay, Mr. Y. Dissanayake/HOFM assured the Board that as long as the company was solvent and the company continued to pay the interest, there would not be a problem. If not the Trustee would call a default and require payment of the full amount.



Mr. C. de Silva/Director, though having insisted on having the break-even costs of A350s, in his view to make a decision, CEO was unable to share the information owing the break-even cost not being validated and reminded the directors the importance of selecting a Consultant was to validate the Business Plan and the figures contained therein.

#### Alternate D

CEO stated that there is another Alternative, Alternative D - Insolvency detailed on slide 15 of the presentation CEO/2016/02/14 (A). It was reported that initially this was brought up by the Hon Minister of Finance when he commissioned an independent Consultant to look into this. Minister of Public Enterprise Development and the Finance Minister having considered this alternative has requested management to evaluate this alternative as well. This would be the negotiation position to get the Lessors to come to the negotiation table and this was a viable alternative. This was agreed by all those present.

CEO stated that the government has given the company a mandate to develop the business plan, have it validated and make a high level estimate of the cost of a liquidation, in the event it becomes necessary. Therefore, board approval is sought to obtain the services of a consultant to validate the numbers prepared internally and produce a robust business plan plus a reasonably valid insolvency scenario and cost it. In order to do this, there is an option between two consultants namely Skyworks and Nyras. It was noted that Skyworks were the consultants secured by SriLankan Airlines and Nyras were the consultants secured by the Ministry of Finance (for the work referred to in the preceding paragraph). CEO drew the attention of the Directors to slides 21 and 22 of the presentation CEO/2016/02/14(A) that detailed the selection process and work scope of the Consultants. CEO stated that the correct procedure in selection of a Consultant was through an RFP and owing to time constraints where the GOSL is desirous of making a decision end of February 2016, if possible. The two Ministers - Public Enterprise Development and Minister of Finance have given management two weeks to draw up the first steps of the robust business plan and have it validated and thereafter the Ministers will review the plan, take it to the Hon Prime Minister for a final decision before it is taken to the negotiation stage. CEO informed the Directors that until such time the necessary steps are followed, management will not preempt anything and move forward. In order to initiate these steps, it was important to secure either one of the Consultants.

At the request of CEO, Ms. M. Gunasekera/CSO was invited to give a brief on the difference between the two Consultants. It was noted that the approach of the two consultants was the same, cost was approximately the same for a four week period. Whilst Skyworks say they need two months to complete - the High Level report in 4 weeks and a full report in 8 weeks, Nyras have agreed to provide a full report in 4 weeks. Mr. Brito/Director inquired from the Management, of the two consultants, who they preferred based on the management team working with the consultants, who know the history of the company and also who had the proven track record. It was confirmed that both parties have seen the same information and were well informed. CEO stated that he was biased towards Nyras owing to the strong lease negotiation skills whilst he could not confirm if Nyras had better equipped people. The other advantage with Nyras is the delivery of the reports in four weeks. Ms. Manique Gunasekera stated that Nyras had quoted GBP 150,000/- for the report in 4 weeks whilst Skyworks were quoting USD 380,000/- for over a two month period. It was reported that NYRAS had an UK office whilst Skyworks had a team of consultants based in different countries. In response to a query from Mr. Brito/Director, CEO confirmed that in respect of negotiating the leases, the consultants could be bound to the figures submitted. Mrs. Gunasekera/CSO stated that the fees quoted was for only advisory and not for negotiation. Both parties will suggest a negotiation strategy. Mr. M. Haradasa/Director stated that the figures given by them should be bound to them, in the negotiated settlement. Mr. Brito/Director stated that in comparing the two parties, he is made to understand that in respect of costs, Nyras was cheaper and in terms of delivering the report, Nyras was faster and also, he had lost confidence in Skyworks owing to break costs

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of USD 50 MN quoted in the original report. He indicated that Nyras appeared to be the consultant to proceed with.

Ms. M. Gunasekera/CCAO for the benefit of the directors read out the work scope of the selected consultancy appearing on page 22 of the presentation CEO/2016/02/14 (A). Mr. Brito/Director having noted the work scope, queried if Government had agreed that once the report is submitted that it would be implemented as Government support was a necessity and management was requested to obtain the acceptance of the GOSI. or the Minister/Deputy Minister Public Enterprise Development in writing. Mr. Brito/Director emphasized that time, money and effort should not be wasted if the way-forward is to be shelved.

It was noted that Kay Scholer had met with Mr. Anil Tittawela P.C. to understand the local law in the event of legal proceedings in a liquidation/insolvency as liquidation/insolvency proceedings would be in Sri Lanka under the Sri Lanka applicable law.

CEO called upon the Directors to vote on the appointment of either Skyworks or Nyras as consultants.

Mr. Chanaka de Silva/Director stated that he had confidence in the management to do this job and he felt it a waste of money to obtain the services of a consultant to validate the figures and requested that it be recorded as such. Mr. C de Silva/Director further stated that he had no confidence in the consultants and apprised the Board that the Managing Director of Skyworks known as Mr. Gibson had applied for the post of CEO and he had no faith in SkyWorks nor Nyras and advised management to proceed with negotiations as a team and the Board would support management in this respect. Mr. C. de Silva/Director abstained from voting.

The Board having taken a vote on the appointment on a Consultant agreed that Nyras be appointed to validate the figures provided by the management.

It was noted that the implementation of restructuring plan would take 4-6 months. Mr. M. Haradasa/Director stated that upon the GOSL giving the Company the green light to proceed, it would be necessary to have a dedicated professional team in place to field questions put forward by the lessors in order for the negotiation of leases to be successful.

There being no other matters for discussion, the meeting was declared closed.



Capt. S. Ratwatte  
CEO

12<sup>th</sup> February 2016



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REF: 23.2

CERTIFIED COPY

*[Signature]*  
COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/02/2016

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**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 26<sup>TH</sup> FEBRUARY 2016 AT 10.00A.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

- Present:**
- Mr. Ajith N. Dias - Chairman
  - Mr. Joseph M. S. Brito - Director
  - Mr. R. Chanaka D. De Silva - Director
  - Mr. Mahinda Haradasa - Director
  - Mr. Rakhita S. Jayawardena - Director
  - Lt. Col. Sunil Peiris - Director
  - Mr. Harindra K. Balapatabandi - Director
  - Mr. N. De Silva Deva Aditya - Director (Via Teleconference)
- Mrs. Dalrene Thirukumar - Company Secretary
- By Invitation Capt. Suren Ratwatte - CEO

Mr. N. de Silva Deva Aditya/Director joined via teleconferencing board deliberations.

**QUOTE"**

16/02/08.1 Cancellation of the Lease of One A350-900 Aircraft

Board paper ref: CEO/2016/02/21 titled 'Cancellation of the Lease of One A350-900 Aircraft' dated 25<sup>th</sup> February 2016 by Mr. Yasantha Dissanayake/HOFM, Mr. Lalith Withana/GCF&AO and Capt. Suren Ratwatte was tabled for the approval of the Board.

Board was informed that the Paper related to the offer made by Airbus on the 4<sup>th</sup> aircraft.

In response to a query from Mr. C. de Silva/director if the Company had not informed Airbus that the company does not want the aircraft, both Chairman and CEO affirmed that Airbus has been informed. Airbus has requested that the Company confirm in writing that it would be accepting the first three aircrafts. CEO stated that there was no legal obligation to confirm in writing. However the company was continuing with the training and planning because if it didn't, the company by default would be defaulting.

Board having noted the contents of the Board Paper and the recommendation made approved that the Company make a counter proposal/offer to AerCap of an upfront cash payment as opposed to accepting additional aircraft and extending the current aircraft lease in return for the cancellation of the A350-900 aircraft due in November 2017.

CEO was authorized to commence negotiations by offering USD 12.56M less security deposit paid to-date amounting to USD 2.5 MN as an upfront payment to the Lessor. The final negotiated amount if deemed feasible will be submitted for Board approval and subsequently for the approval of the government. It was reported that the company will make the counter offer to AerCap subject to board and government approvals. **"UNQUOTE**

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Company Reg. PB 67

member of





*[Signature]*  
COMPANY SECRETARY  
SRILANKAN AIRLINES LIMITED  
DATE: 10/10/2016

RESOLUTION BY CIRCULATION IN TERMS OF ARTICLE 98 OF THE ARTICLES OF ASSOCIATION OF SRILANKAN AIRLINES LTD

*[Handwritten]* 25

THIS RESOLUTION IS CITED AS RESOLUTION NO. CR/2/2016

WHEREAS the Directors having noted the contents of Board paper Ref No. CEO/2016/02/25 titled "Cancellation of the Lease of One A350-900 Aircraft" dated 8<sup>th</sup> March 2016 submitted by Mr. Yasantha Dissanayake/HoFM, Mr. Lalith Withana/GCF&AO and Mr. Suren Ratwatte/CEO;

IT IS HERBY RESOLVED THAT Company accept the offer made by AerCap to cancel the lease agreement for one A350-900 Aircraft due in November 2017 (subject to approval of the Cabinet via the Ministry of Public Enterprise Development) and make a cash settlement of USD 15.27M as per the attached Termination and Amendment Agreement and forego the security deposit of USD 2.5M (subject to Cabinet approval being obtained) and USD12.0M to be paid in March 2016 and the balance USD 3.27M to be paid by 20<sup>th</sup> March 2017 which is secured through a letter of credit.

I do approve/disapprove the above Resolution

*[Signature]*  
Ajit N. Dias  
Chairman

I do approve/disapprove the above Resolution

*[Signature]*  
Rakitha Jayawardena  
Director

*[Handwritten]* The work to be done should be back to the whole negotiation of the lease of the aircraft not to be done in a hurry.

I do approve/disapprove the above Resolution

*[Signature]*  
Joseph Brito  
Director

*[Handwritten]* until we know whether we are accepting the first lot of 3 A350 or the terms of their settlement

I do approve/disapprove the above Resolution

*[Signature]*  
Mahinda Haradasa  
Director

I do approve/disapprove the above Resolution

*[Signature]*  
Charaka De Silva  
Director

*[Handwritten]* as per comments of Mr. D. V. K.

I do approve/disapprove the above Resolution

*[Signature]*  
Sunil Pelris  
Director

I do approve/disapprove the above Resolution

*[Signature]*  
Niranjan De Silva Deva Aditya  
Director

I do approve/disapprove the above Resolution

*[Signature]*  
Harendra Balapatabendi  
Director

Colombo  
09<sup>th</sup> March 2016

DT/te

*[Signature]*

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SriLankan Airlines Limited



*[Signature]*  
 COMPANY SECRETARY  
 SRILANKAN AIRLINES LIMITED  
 DATE 10/10/2016

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**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 28<sup>TH</sup> JULY 2016 AT 10.00A.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

- Present:** Mr. Ajith N. Dias - Chairman  
 Mr. Joseph M. S. Brito - Director  
 Mr. Rakhila S. Jayawardena - Director  
 Lt. Col. Sunil Peiris - Director  
 Mr. Harindra K. Balapatabendi - Director  
 Mr. N. De Silva Deva Aditya - Director
- Mrs. Delfina Todorovich - Company Secretary
- By Invitation:** Capt. S. Ratwatte - CEO
- Regrets:** Mr. Mahinda Harapasa - Director  
 Mr. R. Chanaka D. De Silva - Director

**QUOTE"**

15/07/2016 3 X A350-900 Aircraft being delivered in October and November 2016

Contents of the Board paper ref: CEO/2016/07/69 titled '3 X A350-900 Aircraft being delivered in October and November 2016' dated 20<sup>th</sup> July 2016 by Yasantha Dissanayake/HoFM, Mr. Lalith Withana/GCF&AO, Mr. Siva Ramachandran/CCO, Mrs. Manique Gunasekera/CCAO, Mr. Dinnaga Padmaperuma/CTO and Capt. Suren Ratwatte/CEO were noted by the Board and the Chairman updated the Board of the latest position on the A350s.

The other option was that the GoSL has stated that it would negotiate with AerCap a break cost and for this purpose the Minister of Public Enterprise Development has instructed the company to float an RFP to source an international party to provide international advice in the event the Company did not accept the A350s; in order for GoSL to negotiate with AerCap a break cost based on the international advice received. Chairman confirmed that towards this end, an RFP had been floated.

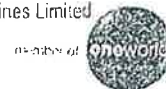
Chairman and CEO confirmed that at no point of time was SriLankan Airlines going to induct and operate the A350s and the decision not to induct the A350s had come from the major shareholder – the GoSL and the Hon. Prime Minister; who had instructed the company to dispose of the A350s in a cost-effective manner. CEO confirmed that the Company could not support the induction of the A350s commercially.

Mr. Brito/Director queried on the legal consequences in not accepting the A350s. CEO responded that as detailed in Annex B to the Board Paper, AerCap could instigate legal action, claiming damages from UL and also a possible seizure of AerCap's A330 MSN 627. It was noted that AerCap would follow English Law. CEO responding to a query from Mr. R. Jayawardena/Director stated that the delivery date of the A350s from Airbus was expected end 2016 and when it is ready, UL would accept and park it at Toulouse, should the need arises; though the likely-hood of it happening was slim."UNQUOTE

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PRIME MINISTER'S OFFICE

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58, Sir Ernest de Silva Mawatha, Colombo 07.

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Your Ref.

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திகதி } 18.04.2016  
Date

Secretary  
Ministry of Public Enterprises Development

Dear Sir

Cabinet Committee on Economic Management

Shen Below is an extract of the Minutes of Cabinet Committee on Economic Management Meeting held on 05<sup>th</sup> April 2016, for your information and necessary follow up action

Item No. (05/04/2016/03)

Matters related to SriLankan Airlines - Approval for the Restructuring Board

It was decided to appoint the following Board to handle the Restructuring of SriLankan Airlines

1. Dr R H S Samarathunga , Secretary, Ministry of Finance
2. Mr Ravindra Hewavitharana , Secretary, Ministry of Public Enterprises Development
3. Mr R Paskaralingam, Advisor to the Ministry of National Policies & Economic Affairs
4. Mr Ajith Dias , Chairman, SriLankan Airlines
5. Mr Suresh Shah , Chairman, Public Enterprise Board and CEO/ Director, Lion Brewery Ceylon, PLC

Instructions were given to obtain the service of relevant experts for this Board if necessary. Further it was stated that the RFP process for selecting an investor for the Airlines to be handled jointly by Ministry of Public Enterprises Development and Ministry of National Policies & Economic Affairs and the progress on the calling for RFPs to be reported to the next CCEM.

Further the committee approval was granted to obtain a loan for USD 65 Million for SriLankan and USD 5 Million for Mihin Lanka, to meet urgent financial requirements including the termination of the lease agreement for the fourth Airbus A350 aircraft from AerCap.

Action by: Secretary, Ministry of Public Enterprises Development For Ministry of Public Enterprise Development Only  
Secretary, Ministry of Finance CONFIDENTIAL  
SriLankan Airlines Limited

Copies for information: Secretary to the Cabinet of Ministers  
Secretary, Ministry of National Policies & Economic Affairs  
Chairman, SriLankan Airlines

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அலுவலகம் } 2575317  
Gen. Office } 2575318

දුරකථන  
தொலைபேசி } 2574143  
දුරකථන } 2575454  
Fax } 2575310

දුරකථන  
செய்தல்கள் } sccpm@slincl.lk  
E-mail



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 அரச தொழில் முயற்சி உபவிருத்தி அமைச்சர் அலுவலகம்  
 OFFICE OF THE MINISTER OF PUBLIC ENTERPRISE DEVELOPMENT  
 Level 13 & 37, West Tower, World Trade Centre, Echelon Square, Colombo -01.

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 திகதி }  
 Date }

20.04.2016

Mr. Ajith Dias,  
 Chairman,  
 Sri Lankan Airlines Ltd.

Dear Chairman,

Re: Termination of Lease Agreement for 4<sup>th</sup> A 350-900 Aircraft due in November 2017.

This is to confirm that as per the decision made, and duly minuted, at the Cabinet Committee on Economic Management and approved on 5<sup>th</sup> April 2016, the Government of Sri Lanka (GoSL) has approved in principle the funding for the Termination of the Lease of the 4<sup>th</sup> A 350-900 leased by Sri Lankan Airlines, due for delivery in November 2017. The relevant cancellation fee will be met by the GoSL subject to following the necessary procedures.

Thank You  
 Yours Truly

Kabir Hashim M.P.  
 Minister of Public Enterprise Development

Kabir Hashim MP  
 Minister of Public Enterprise Development  
 Ministry of Public Enterprise Development  
 Level - 13 & 37, West Tower, World Trade Centre  
 Colombo - 01.

C.C: Hon. Prime Minister, Mr. Ranil Wickremesinghe

Hon. Ravi Karunanayke, Minister of Finance

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 SriLankan Airlines Limited

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 Private Secretary }

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## Meeting Details

- Subject:** Status Update Meeting on UL A350-900 Delivery and Other Matters together with the Decisions Taken
- Called by:** Ministry of Public Enterprise Development
- Date and Time:** 9-Aug-2016 | 16:30 - 17:30
- Venue:** Board Room, 22nd Floor, East Tower, WTC
- Attendees:** Honourable Minister and Deputy Minister of Public Enterprise Development, the Secretary and other officials of the Ministry  
Chairman, CEO, CTO, CCAO, Head of Legal – SriLankan Airlines
- Agenda:**
1. A350-900 Aircraft Delivery
  2. Weliamuna Report Forensics
  3. Mihin Lanka
  4. Voluntary Retirement Scheme (VRS Scheme)
  5. Ground Handling
  6. Funding up to End December for UL EOI (Expression of Interest)
  7. Letter of Comfort (Pakistan)
  8. BIA Runway Closure

## Highlights

1. A350-900 Aircraft Delivery [Refer Annexure A]
  - 1.1. Contractual obligations, Entry Into Service (EIS) requirements and other decisive factors including the following options with regard to the 3 x A350-900 delivery, were discussed:
    - A. Accept the 3 A350-900 aircraft and maintain the fleet mix of 10 W/B and 10 N/B by sub-leasing other expensive aircraft;
    - B. Technical acceptance of aircraft and park in Toulouse/Colombo, white tailed and under the care of a Third Party Service Provider if parked in Toulouse, until remarketed;
    - C. Default before delivery - Not Recommended;
    - D. Default at delivery (Not turn up for delivery) - Not Recommended;

It was pointed out that keeping options A. and B. open at this time, would give maximum flexibility to the shareholder to make a decision. It was further stressed that whatever option taken (A. or B.) there would be a cost. Option A. would result in continuing additional losses over the period of the lease. Option B. would necessarily be with a "Break Cost/Negotiated Settlement".

මහලයා, වැඩිදුරටත්, මහලයාට මුදල් ප්‍රතිපාදන පිළිබඳව විමර්ශනය කිරීමට අවස්ථාවක් ඇති බවට පත්ව ඇත.

- 1.2. From the decisive points outlined in the presentation, outcome of which would decide the best course of action for the shareholder, the pivotal factor was the estimate of "A350-900 Break Cost" The Ministry was informed that the timeline given by AlixPartners (the Forensic Accountants) was 4-6 weeks. The work scoping included review of all related agreements, correspondences up to date, UL plans etc. It is after this detailed review that a realistic estimate would be given. UL estimated the Break Cost to be in the range of USD 50M at a very minimum and USD 250M at the higher end. If the matter went to litigation - in addition to a legal claim to be settled, the legal fees alone are anticipated to be in the range of GBP 2M.
  - 1.3. In terms of the Remarketing Options explored, nothing has materialised up to now. Chairman briefed that GAC (German Aviation Capital) was the only party who appeared to have a serious proposal to purchase the aircraft. It was emphasized that this purchase would have to be by GOSL rather than SriLankan Airlines. And this is subject to the lessor agreeing to a sale at an agreed price likely to be higher than the GAC bid price, in which case the additional cost to be borne by the shareholder. It was recommended that the Ministry sound out the lessor on whether the lessor is prepared to sell the aircraft. Accordingly Hon. Minister agreed to commence a dialogue for negotiations with AerCap - UL to provide a draft.
  - 1.4. Further the Dep. Minister requested tender procedures relating to the leasing of A350-900 aircraft (which selected AerCap as the lessor), to be looked at independently. It was pointed out that this would have to be done by the Forensic Accountants AlixPartners which may take some time.
  - 1.5. Considering the fact that a decision on the A350-900 needs to be made by the GOSL prior to September (when pressure on UL from AerCap is anticipated to be significant), it was advised by the Hon. Minister and Dep. Minister to prepare a snapshot of the financial and other key implications of each option outlined, also indicating the views of external consultants (on Break Cost) and external legal counsel. This is to be reviewed and subsequently submitted to the Economic Management Committee for approval shortly.
2. Weliamuna Report Forensics
 

On the forensic investigations requested by the Hon. Minister, on the Financial Transactions referred to in the Weliamuna report, Chairman updated the Hon. Minister that only PWC has agreed to carry out this investigation at a fee of LKR 3.9M and the work scope excluded an investigation of the aircraft transactions. Hon. Minister requested a copy of the proposal and a meeting with PWC.
  3. Mihin Lanka
 

With regard to Mihin Lanka, Hon. Minister approved the absorption of routes and fleet (remaining fleet of 2 by Dec'16) to the UL fleet/network, to be carried out. It was clarified to Hon. Minister that no traffic rights would be foregone under Bilateral Air Services agreements.

4. VRS Scheme

It was updated by the CEO that the plan for right-sizing of the Company is ready and awaiting shareholder direction. CEO briefed that there is a cost estimated for the VRS portion to be USD 3M to 5M for 150-200 staff. The compensation cost has been estimated based on a similar scheme offered by Emirates which was more generous than the government mandated scheme. Hon. Minister requested that we share the calculation/details of the compensation schemes, after reviewing same a decision would be given whether to proceed.

5. Ground Handling

Taking on a request from the employee unions of the Company, Chairman inquired the possibility of a written confirmation from the Hon. Minister that the staff who would be transferred to the Ground Handling subsidiary would be given the same privileges in terms of salary and other benefits, as of today. Considering the fact that no action seems to be taken for the transfer of the business to AASL, the Hon. Minister advised the Chairman to update unions that the status quo would remain until a direction is known.

6. Funding up to End December for UL EOI

Due to the extension of the EOI process, Chairman informed that it is likely that UL would need to continue operations until at least January, 2017. As such additional funding would be required. Hon. Minister advised to make a request to the Treasury through the Ministry.

7. Letter of Comfort from the Secretary, Aviation Division - Government of Pakistan for the Wet Lease Operation

Having reviewed the Letter of Comfort from the Secretary - Aviation Division of Government of Pakistan, the Hon. Minister was satisfied with the content although it was not an assurance of payment.

8. BIA Runway Closure

Hon. Minister inquired about the Runway Closure and the difficulties that would be experienced by the airline. CEO stated that the decision has already been made and the schedules published - and therefore nothing could be done now to improve the situation. CEO to update the Ministry on the estimated schedule and cost impact.



Annexure A: A350-900 Aircraft Delivery Presentation

# A350-900 AIRCRAFT DELIVERY

BRIEFING TO THE HONOURABLE MINISTER AND DEPUTY  
MINISTER OF PUBLIC ENTERPRISE DEVELOPMENT TO OBTAIN  
URGENT SHAREHOLDER DIRECTION

09-AUG-2016

Briefing to the Honourable Minister and Deputy Minister of  
Public Enterprise Development to obtain Urgent Shareholder  
Direction

Every option will have a cost  
which needs to be funded by the shareholder

# A350-900 Delivery

## Operational Requirements

### Entry into Service (EIS) Training

- Pilot Training
- Engineering Training



## Corporate Options

- Option A (Not Recommended): Take the 3 A350 aircraft and maintain the 10 NR - 10 W '18 aircraft means at a cost (plant, facilities, technical acceptance of aircraft) and mark up 1544440.
- Option B (Open options): Technical acceptance of aircraft and mark up 1544440.
- Option C (Not Recommended): Default before delivery.
- Option D (Open options): Default at delivery (not financial default).

Communications to be consistent  
 Pre-emptive Action by Lessor  
 (to be managed proactively  
 by external counsel)

- Legend**
- Not Recommended
  - Open options

## Contractual Obligations

- AerCap [Fleet]
- Rolls-Royce [Spare Engine]
- Thales [Inflight Entertainment]

## Suggested Approach between Aug '16 and Oct '16

- Continue communication i.e.**
- Cannot afford to operate economically
  - Will honor contractual commitments

## Other Decisive Factors

- Break Cost -- Forensic Accountants Estimate
- Remarketing Efforts
- Litigation Readiness
- OFAC
- Determining Fleet Mix to reduce ownership cost and fleet size
- Other Lessors
- GOSL preferences

## Action Items

Ref	Description	Responsibility	Due Date	Status
<b>A350-900 Aircraft Delivery</b>				
1.1.	On the Remarketing Efforts of A350-900, provide the details and status of each offer received/avenue explored by UL	UL	16-Aug-2016	Enclosed
1.2.	Provide details of the market position of A350-900 with leases signed by AerCap (to the extent of available information)	UL	16-Aug-2016	Enclosed
1.3	Copy of the external counsel legal opinion on the A350-900 related obligations	UL	16-Aug-2016	Enclosed
1.4	Communication from Ministry to AerCap with regard to the Aircraft purchasing - as drafted by UL Legal	UL/ Ministry	16-Aug-2016	Enclosed (e-mailed on 12-Aug)
1.5	Provide the documents related to the Tender Process of A350-900 lease selection	UL	16-Aug-2016	Enclosed
1.6	A translation of financial and other implications of available matters on the A350-900 matter in preparation for the Economic Management Committee Meeting - including the Cost of Litigation and Damages - And if the Forensic Accountants' estimate of Break Cost is not available, the internal UL approximation of the same	UL	16-Aug-2016	Enclosed (e-mailed 15-Aug)
2.	Wellamuna Report Forensics			
2.1	Arrange for a discussion between PWC and the Hon. Minister	UL	19-Aug-2016	
2.2.	Provide a copy of the PWC proposal		16-Aug-2016	Enclosed
3.	Mihin Lanka			
4.	Voluntary Resignation from Service (VRS Scheme)			
4.1	Provide analysis documentation on the calculation basis of compensation schemes for employee right-sizing	UL	16-Aug-2016	Enclosed
5.	Ground Handling			
6.	Funding up to End December EOI			
7.	Letter of Comfort from the Secretary, Aviation Division - Government of Pakistan			
7.1	Letter of Comfort to be acknowledged by the Hon. Minister in Pakistan	Hon. Minister	19-Aug-2016	
8.	BIA Runway Closure			
8.1.	Financial impact of the BIA Runway Closure in preparation for the Economic Management Committee Meeting	UL	16-Aug-2016	Enclosed

**From:** Chairman  
**Sent:** Tuesday, August 23, 2016 9:19 PM  
**To:** Eran Wickramaratne  
**Cc:** Suren Ratwatta - CEO  
**Subject:** Fwd: A350 - one page brief  
**Attachments:** image001.png; ATT00001.htm; image002.png; ATT00002.htm; image001.png; ATT00003.htm; image002.png; ATT00004.htm; ministry One Page Brief - Current Status A350 - 15082016.docx; ATT00005.htm

Dear Eran  
 As requested  
 I will inform Suren to attend as well

Regards

With Dias  
 Chairman  
 Sri Lankan Airlines Limited  
 Level 22 East Tower WTC  
 Colombo 1  
 Phone +94 19733 1000  
 Fax +94 19733 5100

Begin forwarded message:

**From:** Suren Ratwatta - CEO <[suren.ratwatta@sri.lankan.lk](mailto:suren.ratwatta@sri.lankan.lk)>  
**Date:** 23 August 2016 at 17:59:18 GMT+5:30  
**To:** Chairman <[chairman@sri.lankan.lk](mailto:chairman@sri.lankan.lk)>  
**Subject:** FW: A350 - one page brief

*Suren Ratwatta*

Chief Executive Officer | Sri Lankan Airlines Ltd.  
 Office Of Chief Executive Officer, Bandaranaike International Airport, Katunayake, Sri Lanka  
 Tel: +94197332002 | Mobile: +94710424242 | Fax: +94 197335591  
 E-Mail: [suren.ratwatta@sri.lankan.lk](mailto:suren.ratwatta@sri.lankan.lk) | Web: [www.sri.lankan.lk](http://www.sri.lankan.lk)

For Ministry of Public Enterprise  
 CEO  
 Sri Lanka

**Current Status on Airbus A350 aircraft delivery**

- SriLankan Airlines is contractually committed to take the three Airbus A350-900 aircraft from International Lease Finance Corporation, owned by AerCap
- Lease term is 12 years and monthly rental is USD 1.43M
- Delivery is due in October 2016 (2 aircraft) and November 2016 (1 aircraft)

**Available Options As At Now**

- A. Technical acceptance of aircraft and park/store in Toulouse or Colombo planning to find a solution in 12 to 24 months

No default under this option.

The financial impact from the lease cost per year is USD 51M. (Possibly mitigated partially through sub-leasing, yet resulting a loss). In addition to this, the third party Service Provider cost to be borne (no forecast available yet)

- B. Not accepting all three aircraft (default of contract)

~~A default under the contract and lessor can claim damages, a lawsuit will result.~~

The claim could be in the range of USD 50 M to USD 250 M. A reasonable figure for the claim is being verified by the Forensic Accountants. The amount could be reduced through an agreed settlement

- C. Take delivery of the three A350 aircraft and maintain the 10 wide-body, 10 narrow-body fleet at the end of 2016/17

This necessitates plans to ensure fleet consistency. Three more aircraft will have to be reduced from the current fleet.

The impact - Forecast annual additional loss is *USD 32 M a year*

- A draft letter is provided to the Ministry of Public Enterprises to send to AerCap through diplomatic channels entailing the following aspects;
  - Discuss one-time break cost (contract termination charge) in order to relinquish UL's contractual obligations pertaining to A350 aircraft
  - Discuss the possibility of outright purchase of the Aircraft by GoSL
- If the aircraft purchase discussions with AerCap succeeds, the offer from German Aviation Capital (GAC) to purchase the aircraft at the rate of USD 98.5 M per aircraft would be pursued subject to the credibility of GAC
- Yet unconfirmed bid from OCG Aviation is awaited. No details available as of today

Rachika Mendis

From: Manique Gunasekera - CCAO  
 Sent: Thursday, October 06, 2016 12:38 PM  
 To: Rachika Mendis  
 Subject: FW: Potential Solution: A350 Leases  
 Attachments: AerCap-SL cancellation fee calculation - 30Aug16.pdf

-----Original Message-----

From: S.A. Suthesh [mailto:sasuthesh@aercap.com]  
 Sent: Tuesday, August 30, 2016 5:32 PM  
 To: Suren Ratwatte - CEO  
 Cc: Dinnaga Padmaperuma - CTO; Manique Gunasekera - CCAO; Anton Joiner; Peter Anderson  
 Subject: Potential Solution: A350 Leases

Hi Suren,

Hi Peter/Joiner,

As mentioned in our without prejudice conversation earlier today, we may have a potential solution in respect to A350 leases.

Recently, there has been encouraging progress with a specific airline but a conclusive deal is still uncertain. We see no other prospect at this stage for those aircraft.

In view of this recent development, we are willing to contemplate a termination agreement with Sri Lankan under which the 3x A350 leases are terminated in exchange for payment by SriLankan of a one-time termination fee of USD 154 Million (a net amount of USD 146.51 Million after deduction of the cash deposits we hold for those aircraft) covering all 3 aircraft. This proposal is made without prejudice and subject to contract. It is also subject to AerCap finalizing a lease transaction for all 3x A350 aircraft with the other airline.

For your convenience, please find attached details of our one-time termination fee calculation. We will follow up with a draft A350 lease termination agreement document tomorrow (31 Aug 2016).

In order to finalize the lease transaction for all 3X A350 aircraft with the other airline, we would require an executed termination agreement with SriLankan on or before 8 September 2016.

I am prepared to travel to Colombo to clarify any further queries you may have prior to our proposed meeting with you and SriLankan's shareholder next week. Following your email exchanges with my colleague Anton Joiner, we would also like to confirm the date for our meeting next week with you and SriLankan's shareholder. May we suggest Monday September 5th for such meeting? Our proposed agenda for such meeting will be the discussion of the proposal set out in this email.

In order to firm up our travel arrangements, I look forward to your update in this regard.

Look forward to hearing from you soon.

Thank you

For Ministry of Public Enterprise Development Only  
 CONFIDENTIAL  
 SriLankan Airlines Limited

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Suthesh

For Ministry of Public Enterprise Development Only  
CONFIDENTIAL  
Sri Lanka Airlines Limited

S.A. Suthesh  
Vice President  
AerCap

8 Marina View, #39-05  
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Mob: +65 9026 5601  
Email: sasuthesh@aircap.com  
[www.aircap.com](http://www.aircap.com)

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Sri Lankan A350 Leases – Cancellation Fee Calculation - WITHOUT PREJUDICE AND SUBJECT TO CONTRACT

Impact by Year (\$m)	Total	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Re-Lease Rental Delta	(511.18)					(512.34)	(512.34)	(512.34)	(512.34)	(512.34)	(512.34)	(512.34)	(512.34)	(512.34)	(512.34)	(512.34)
Aircraft Holding / Transition Costs	(27.42)															
Security Deposit Offset	\$2.50															
Gross	(536.10)															
NPV	(516.51)															

ASSUMPTIONS:

1. Re-lease at \$1.1m pm
2. Aircraft Holding / Transition Cost (includes interest expense, insurance and IATA compensation for Airframe/ADG based on 14 month average downtime and reconfiguration cost)
3. \$2.5m Security Deposit held per A/C affected by August 2016
4. 6.5% Discount Rate

Disclaimer: The above represents a one-off proposal only with respect to the potential cancellation of the 14 A350 leases. It is expressly subject to (i) a written agreement with Sri Lanka Airlines in respect of such potential cancellation and the written agreement with Airbus and Boeing for the re-leasing of these A350 aircraft. The proposal is not intended to reflect Air Ceylon's potential losses if Sri Lanka Airlines does not take delivery of the aircraft, which we anticipate will be significantly greater than the sums set out above and in respect of which we would refer you to the document circulated on April 15, 2016 and Air Ceylon reserves its right to claim any such losses from the relevant aircraft lessors.

Ministry of Public Enterprise  
 CONFIDENTIAL  
 Sri Lanka Air Ceylon

**SriLankan Airlines A350-900**

Cabinet Directive in April 2015 requested SriLankan Airlines (UL) Board to prepare a Business Plan at the earliest and submit to Cabinet Sub Committee on Economic Affairs.

Plan was prepared and approval of the Board of UL and the Cabinet of Ministers was obtained in May and June 2015 respectively.

Plan was to right size the Fleet (from 21 aircraft to 18 aircraft – 10 wide-body and 8 narrow-body). Plan did not envisage the operation of the A350-900 aircraft. The plan was to defer, renegotiate or cancel the A350-900 aircraft.

Expert opinion was obtained to validate the decision not to lease the A350-900 aircraft. It was confirmed that the aircraft were inappropriate and expensive to operate considering the changed market conditions, the adverse financial situation of the Company and the additional losses that would be incurred. (UL had entered into 4 operating leases for A350-900 aircraft from International Lease Finance Corporation/AerCap.)

UL initiated a dialogue with AerCap in October 2015 regarding the issue of the A350-900 aircraft and its inability to operate these aircraft economically.

The lease on the 4<sup>th</sup> A350-900 aircraft (which was due to be delivered in November 2017) was terminated on payment of a Termination Fee of USD 17.77 M to AerCap after obtaining GoSL approval.

UL continued the dialogue with AerCap regarding the remaining 3 aircraft. AerCap continued to insist that the only solution was for UL to take the aircraft and operate.

As no reasonable solution was given by AerCap and the delivery of the first aircraft was due in October 2016, the Board of UL evaluated the following options in July 2016:

- (i) Accept the 3 aircraft, operate and incur additional losses of approximately USD 30 M annually (Period of Lease 12 years)
- (ii) Technical Acceptance of the aircraft, park the aircraft in Toulouse and try to find a suitable sub-lessee
- (iii) Default and face the significant consequences of litigation (possible seizure of other aircraft/ disruption to business/ legal costs/ adverse publicity)
- (iv) Make decision once investor is found
- (v) Pursue a discussion with the Lessor on a possible Termination Fee

The Board of UL affirmed that it would not be prudent to accept the aircraft and operate incurring further annual losses.

On the 24<sup>th</sup> of August 2016, the Minister of Public Enterprise Development briefed CCEM on the options available.

On 5<sup>th</sup> September 2016, AerCap offered a Termination Fee of USD 146.5 M for the leases on the 3 A350-900 aircraft which is as follows.

Composition of Proposed Termination Fee (for the three aircraft)	USD M
Short-fall of Re-Lease Rental	133.7
Aircraft Holding / Transition Costs	71.5
Gross	205.1
Twelve Year NPV of Gross	154.0
Less: Security Deposit Offset	7.5
<b>Twelve Year NPV of Net</b>	<b>146.5</b>

After negotiations with UL, the Termination Fee offer was reduced to USD 106 M (Approximately USD 36 M per aircraft).

The rationale behind this is that the aircraft will have to be reconfigured to the new specifications and also will not be flying with the airline for a minimum of 14 months from delivery (expected delivery October and November 2016). Airbus will require full payment on completion hence this cost.

Composition of Termination Fee Per Aircraft	USD M
Re-configuration Cost	10.0
Financing Cost	8.3
Termination Cost (same as what UL paid for the 4 <sup>th</sup> aircraft)	17.7
<b>Total Fee per Aircraft</b>	<b>36.0</b>

In addition AerCap will reduce the rental cost on an older aircraft UL has leased from AerCap by USD 210,000 a month.

Note on Estimated Break Cost of Consultants

In January 2016, Skyworks Consultants carried out an estimation of "one time" break cost of terminating leases on 3 x A350-900 aircraft. Their estimate ranged from USD 84 M to USD 133 M. The lower range cost of USD 84 M was estimated on the assumption that all 3 aircraft would be remarketed in 3 months. The un-negotiated cost with a marketing period of 9 months gave the higher range cost of USD 133 M. Nyras Consultants carried out a similar independent estimation of the cost of termination in March 2016. Termination Fee of USD 180 M was estimated for a remarketing period of 12 months.

Both consultants adopted a similar basis for the calculation of the break cost which consisted of shortfall in re-lease rental during the full lease term, cost of aircraft reconfiguration and lease rental during the remarketing period.

For Ministry of Public Enterprises  
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SriLankan Airlines Limited

Alternatives if termination offer is rejected:

- 1) Acceptance and operation of the 3 aircraft which will result in additional losses of approximately USD30 M annually.

*The Airline would at the very least keep the aircraft for 5 years which would result in gross additional losses of approximately USD 150 M*

- 2) Litigation – which will be very hard to defend because AerCap has now offered a rational solution to the problem. The courts will be less sympathetic if UL does not come to a negotiated settlement.

Benefits of making the "one off" Termination Fee

- 1) Continued additional losses due to operation of A350-900 aircraft will not be there.
- 2) Financial Commitments reflected in Company Balance Sheet as at 31-Mar-2016, which stands at LKR126.0 B [USD 865 M], on account of Future Lease Rentals will be reduced by LKR 75.8 B [USD 520 M] - making the Company more attractive to a Prospective Investor. (Exchange Rate LKR 145.65/USD)
- 3) Without the A350-900 aircraft in its fleet, Company will be able to carry out a comprehensive restructuring of its remaining fleet and thereby to reduce the lease rentals of its aircraft and thereby reducing the losses.

*Over a 5 year period the expected gross saving from Lease Cost is estimated to be around USD 130 M.*

Financial Period	Budgeted/Forecast Lease Cost (USD M)	Proposed Lease Cost after re-negotiations (USD M) (NB: Narrow Body / WB Widebody)	Reduction on Aircraft Lease Cost (USD M)
2016/17	147	140 (9 NB / 10 WB)	7 <sup>(1)</sup>
2017/18	151	119 (14 NB / 10 WB)	33 <sup>(2)</sup>
2018/19	154	124 (14 NB / 10 WB)	30 <sup>(3)</sup>
2019/20	154	124 (14 NB / 10 WB)	30
2020/21	154	124 (14 NB / 10 WB)	30
Expected Total Savings over Five Years			130

<sup>(1)</sup> Resulting from wet-lease to PIA followed by dry-lease of three A330-300 aircraft while extending older A330-200

<sup>(2)</sup> Resulting from Lease re-negotiations on the entire fleet

<sup>(3)</sup> The benefit received in 2017/18 is slightly reduced due to annualised impact of 4 brand-new A321Neo

Funding of Proposed Termination Fee:

- UL has obtained a Term Loan from Standard Chartered Bank for USD 150 M backed by a GoSL guarantee for USD 50 M in March 2014.
- The amount outstanding as at 30th September 2016 is USD 25 M.
- The airline is in discussion with Standard Chartered Bank the possibility of obtaining a Term Loan for 5 years for USD 125 M with an additional GoSL guarantee of USD 50 M.
- This would refinance the outstanding amount and make available the balance USD 100 M towards the Payment of the Termination Fee.
- After signing the Termination Agreement, in the event the Termination Fee is not paid, AerCap will consider it as an event of default and enforce their remedies under the original Lease Agreement. In addition, other lessors may not be willing to give any rental reductions with this exposed liability.



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 PRIME MINISTER'S OFFICE

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58, ශ්‍රීමත් ආර්ථිකයේ ද පිල්වෙ මාවත, කොළඹ 07.  
 58, ஸ்ரீமத் ஏர்னஸ்ட் தசிலவா மாவத்தை, கொழும்பு 07.  
 58, Sir Ernest de Silva Mawatha, Colombo 07.

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 எனது குறியீடு  
 My Ref.

PMO/01/ASP/2016/01(Vol IV)

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 உமது குறியீடு  
 Your Ref.

දිනය  
 திகதி  
 Date

09.09.2016

Secretary  
 Ministry of Public Enterprises Development

13 SEP 2016

Dear Sir

**Cabinet Committee on Economic Management**

Given below is an extract of the Minutes of Cabinet Committee on Economic Management Meeting held on 07<sup>th</sup> September 2016, for your information and necessary follow up action.

Item No. (07/09/2016/17)

**SriLankan Airlines Ltd : Termination of Lease Agreement of three A350-900 Aircrafts**

Termination of Lease Agreement of three A350-900 Aircrafts of the SriLankan Airlines was taken up for discussion and Minister of Public Enterprises Development briefed the CCEM on the progress of the negotiations with AerCap.

After a detailed discussion the SriLankan Airlines was authorized to negotiate a termination cost for the three aircraft within the range of USD 75-85 million in order to close the issue. An agreement should be reached by Friday 9th September 2016. Instructions were given to avoid possible media publicity for this issue.

Action by: Secretary, Ministry of Public Enterprises Development

Copies for information: Secretary to the Cabinet of Ministers  
 Chairman, Sri Lankan Airlines

Thank you  
 Yours sincerely

E M S B Ekanayake  
 Secretary to the Prime Minister  
 (Tel. - 0112575311/ Fax - 0112575310)  
 (Email - [secpm@pmoffice.gov.lk](mailto:secpm@pmoffice.gov.lk))

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 அலுவலகம்  
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 Fax } 2574143  
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 # மெயில்  
 E-mail } [secpm@pmoffice.gov.lk](mailto:secpm@pmoffice.gov.lk)

**SriLankan Airlines A350-900**

Reference is made to the CCEM meeting held on 7<sup>th</sup> September 2016 and the document submitted at the said meeting on the above subject. After discussion the CCEM authorised SriLankan Airlines (SLA) to negotiate a termination cost for the three aircraft within the range of USD 75-85 M in order to close the issue and also directed that an agreement should be reached by Friday 9<sup>th</sup> September 2016.

Based on the direction given by CCEM, an offer of USD 80 M (USD 72.5 M plus Security of USD 7.5 M) was made by SLA and rejected by AerCap. AerCap was prepared to accept this offer on condition that (i) SLA acquires four new A320-NEO aircraft in 2019 and 2020 at rents higher than the market, (ii) extends an older A330-200 (MSN 627) (iii) acquires a used A330-200 aircraft (MSN 1008) and (iv) extends the leases on 2 narrow body MJ aircraft. This was not acceptable to SLA particularly in view of the condition of acquiring 4 new A320-NEO aircraft on long term lease at higher than market rentals.

The next offer SLA made was USD 90 M (USD 82.5 M plus Security of USD 7.5 M) which was without the A320-NEO aircraft and without the extension of MJ aircraft, but agreeing to one used A330-200 aircraft (MSN 1008) being acquired in 2017, and lease extension of an existing A330-200 (MSN 627). This too was rejected by AerCap.

After further negotiations with SLA, the final Termination Fee proposed by AerCap was USD 102 M (Approximately USD 34 M per aircraft). This was conditional upon:

- A. Extending MSN 627 up to a term of 10 years from expiry (December-2018) at a rental of USD 375,000 for the first 72 months, and continuing at a reduced rental of USD 220,000 for the remainder of the term. Current rental of this aircraft is USD 585,000. <sup>1</sup>
- B. Taking a delivery of an additional A330-200 (Year of Manufacture: 2009) for a term of 10 years at a rental of USD 585,000 for the first 72 months, and continuing at a reduced rental of USD 485,000 for the remainder of the term. <sup>2</sup>

On 19<sup>th</sup> September 2016, after further discussion with AerCap the Termination Fee was reduced to USD 98 M. The final position is summarised below:

1. **Approvals** - SLA undertakes to get approval from the Board of Directors and GoSL by no later than Friday, September 23, 2016, at which point SLA will execute the Termination Agreement.

<sup>1</sup> The rental range for a A330-200 (Year of Manufacture: 2004) in 2018 is between USD 375,000 - 423,000

<sup>2</sup> The rental range for a A330-200 (Year of Manufacture: 2009) in 2017 is between USD 575,000 - 663,000  
(Source: AVEC)

In view of the developments set out above, approval is sought for:

- (1) Payment and Funding of a one off Termination Fee to AerCap of USD 98M for 3 A350-900 aircraft in the following manner:
- Upon signing the Termination Agreement by both parties, the security deposits of USD 7.5 M held for the A350-900s to be immediately applied to the termination fee
  - A payment of USD 10 M to be paid within 5 days of both parties signing the agreement
  - A payment of USD 10 M to be paid within 15 days of both parties signing the agreement
  - A payment of USD 62.5 M to be paid within 30 days of both parties signing the agreement
  - Two payments of USD 4 M to be paid, the first by January 31, 2017, and the second (last) payment by February 28, 2017.
- (2) MSN 1008 to be leased and MSN 627 to be extended pursuant to the agreed term sheets to be executed on or before Friday, September 23, 2016.

Note: The termination fee will be adjusted to USD 154 M (USD 146.5 M plus Security of USD 7.5 M), if after signing the Termination Agreement, the Settlement is not made as above.





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பிரதம அமைச்சரின் அலுவலகம்  
PRIME MINISTER'S OFFICE

26 SEP 2016

58, ඉමන් අරනායක ද පිල්වා මාවත, කොළඹ 07.  
58, ஸ்ரீமத் ஏர்னாண்ட் தலைவர் மாளிகை, கொழும்பு 07.  
58, Sir Ernest de Silva Mawatha, Colombo 07.

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எனது குறியீடு  
My Ref.

PMO/01/ASP/2016/01(Vol IV)

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உமது குறியீடு  
Your Ref.

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திகதி  
Date

24.09.20

Secretary  
Ministry of Public Enterprises Development

Dear Sir

Cabinet Committee on Economic Management

Given below is an extract of the Minutes of Cabinet Committee on Economic Management Meeting held on 21<sup>st</sup> September 2016, for your information and necessary follow up action.

**Item No. (21/09/2016/08)**

**Termination of the A350 lease contract between Sri Lankan Airlines and Aercep**

As per the previous CCEM decision termination of the A350 lease contract has been renegotiated and it was explained by the Sri Lankan Airlines that the reduced termination fee from USD 154M to USD 98M and the leasing of a used Airbus 330-200 and the extension of an existing lease, is acceptable. It was also explained that as a consequences of not accepting this offer, a default situation which would lead to a court case would delay the restructuring of the airline and jeopardize the EOJ process, and it should be avoided.

The Minister of PED and the Finance Minister was of the opinion that the fee was too high and the maximum should be a total of USD 75-85M as agreed at the last CCEM. The Sri Lankan Airlines stated that the airline could not get it reduced any further. Minister of PED stated that an offer had been received to buy the aircraft outright and sell to another company for USD 330M for all three. CEO confirmed this had been received as an email, not as a letter of intent, but that Aercep the owner and lessor categorically refused to sell the aircraft.

After a detailed discussion the Ministers of Finance and Public Enterprises Development agreed to contact the lessor Aercep and negotiate directly with them. The CCEM instructions were given to arrange this meeting urgently in the next few days and report back on the outcome to CCEM the next week.

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# යොමුව  
nacem@pmoffice.gov.lk



Action by: Secretary, Ministry of Public Enterprises Development

Copies for Information: Secretary to the Cabinet of Ministers  
Secretary, Ministry of Finance  
Chairman, Sri Lankan Airlines  
Director General, Department of Project Management & Monitoring

Thank you  
Yours sincerely



E M S B Ekanayake

Secretary to the Prime Minister

(Tel. - 0112575311/ Fax - 0112575310)

(Email - [secpm@pmoffice.gov.lk](mailto:secpm@pmoffice.gov.lk))



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பிரதம அமைச்சரின் அலுவலகம்  
PRIME MINISTER'S OFFICE

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58, ශ්‍රීමත් ஏர்தைட் த சில்வா மாஸ்தை, கொழும்பு 07.  
58, Sir Ernest de Silva Mawatha, Colombo 07.

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எனது குறியீடு  
My Ref  
Secretary

PMO/01/ASP/2016/01(Vol IV)

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Your Ref.

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திகதி  
Date } 03.10.2016

Ministry of Public Enterprises Development

03 OCT 2016

Dear Sir

**Cabinet Committee on Economic Management**

Given below is an extract of the Minutes of Cabinet Committee on Economic Management Meeting held on 28<sup>th</sup> September 2016, for your information and necessary follow up action.

**Item No. (28/09/2016/04)**

**Termination of the A350 lease contract between Sri Lankan Airlines and AerCap**

It was stated that there had been a discussion with Minister of Finance, and the AerCap representatives. Termination fee has been reduced to USD 98 million but two conditions have been added. They are, lease of another aircraft and also to extend the lease of another aircraft currently being used. Minister of Finance was instructed to inform the AerCap representatives to submit a written statement with the conditions to the Ministry.

CCEM instructions were given to obtain legal advice from Attorney General on the letter received by the Srilankan Airlines and to verify with IMF whether the payment of termination is in par with the IMF conditions. If IMF is agreed negotiations can continue and, if not It was instructed to inform the AerCap regarding the views of IMF and to be further negotiated.

It was further instructed to Secretary, Ministry of Public Enterprises Development and Secretary, Ministry of Finance to get involved in the negotiations.

**Action by:** Secretary, Ministry of Public Enterprises Development

- Copies for information:**
- Secretary to the Cabinet of Ministers
  - Secretary, Ministry of Finance
  - Chairman, SriLankan Airlines
  - Director General, Department of Project Management & Monitoring

Thank you  
Yours sincerely  
  
W A Sarath Kumara

Acting Secretary to the Prime Minister  
(Tel. - 0112575314/ Fax - 0112575314)  
(Email - kumarawas@pmoffice.gov.lk)

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**From:** Suren Ratwatte - CEO  
**Sent:** Saturday, October 01, 2016 5:08 PM  
**To:** Ravi Karunanayake; Kabir Hashim; Eran Wickramaratne; Chairman; [rajans@mo.treasury.gov.lk](mailto:rajans@mo.treasury.gov.lk)  
**Cc:** Roshan Perera; Rizaz Hussein; Manique Gunasekera - CCAO; Dinnaga Padmaperuma - CTO; Siva Ramachandran - CCO  
**Subject:** Discussion with AerCap on A350 termination

Dear Ministers,

To bring you up to date, as you know Dr Sara was empowered by the Treasury to negotiate a better termination agreement with AerCap. The initial discussions on the telephone with AerCap VP Sutesh took place in the presence of the Finance Minister.

The primary concern was the IMF lending limit imposed on the Treasury as part of the relief package. Dr Rajan explained at length the inability to pay large sums until the next calendar year.

The final agreement was that only the first payment (\$10.5 m) would be made on executing the termination agreement. The remaining \$80m would be paid in equal monthly instalments commencing January 2017.

The Finance Minister agreed to this schedule and it has been sent to AerCap for approval from their Dublin office.

AerCap on their part stressed the importance of SLA signing the agreement and term sheets on October 3rd, as the aircraft are due to deliver in two weeks and time is now critical.

Minister of Public Enterprises was informed of the discussions prior to them taking place by Dr Sara and had given his assent to a deal that met the approval of the Finance Minister.

We await the final documentation from AerCap, which is expected Monday. We seek your approval to sign these agreements as discussed and agreed to by CCEM last week, with the payment schedule proposed by the Treasury.

Suren Ratwatte

For Ministry of Public Enterprise Development Only  
CONFIDENTIAL  
SriLankan Airlines Limited

REF:  
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From: Chairman  
Sent: Monday, October 3, 2016 12:17 AM  
To: [rajikaru@icloud.com](mailto:rajikaru@icloud.com)  
Cc: [kabbahh@gmail.com](mailto:kabbahh@gmail.com); [molingam@hotmail.com](mailto:molingam@hotmail.com); Dr. Rajan Sara; Suren Ratwatte - CEO  
Subject: AerCap -A350 termination

Dear Minister,

Subsequent to the CCEM decision on 28th September to seek better payment terms from AerCap for the A350 termination, Dr Sara of your Ministry and the CEO & CFO of SriLankan engaged AerCap in discussions yesterday, at the Treasury. The intent was primarily to seek redress on the payment schedule in order not to violate IMF restrictions on credit limits.

Dr Rajan had negotiated at some length and come to a solution that delayed practically all the re-payments into 2017, which is a solution that met with your approval.

AerCap has accepted this and the agreements are ready for our signature. Due to the imminent delivery of the aircraft and the urgent need to secure another lessee, they insist that we sign no later than Monday 3rd October which is tomorrow.

The CCEM approved the decision made to accept the offer of termination subject to IMF credit limits, as did our board of Directors last Wednesday. I seek your concurrence to execute the termination agreements and related documents, as the only outstanding issue was the IMF limit which comes under the purview of the Ministry of Finance and is now resolved.

Kind Regards

Ajith Dias

For Ministry of Public Enterprise Development Only  
CONFIDENTIAL  
SriLankan Airlines Limited

From: Charitha Ratwatte [mailto:jcr@pmoffice.gov.lk]  
 Sent: Monday, October 3, 2016 6:01 AM  
 To: Chairman; ravikaru@icloud.com  
 Cc: kabbahh@gmail.com; mollingam@hotmail.com; Dr. Rajan Sara; Suren Ratwatte - CEO  
 Subject: Re: AerCap -A350 termination

Hon. PM has directed me to advise you that you should proceed as indicated.

Charitha Ratwatte  
 Senior Advise / PM

Sent from my BlackBerry 10 smartphone.

From: Chairman  
 Sent: Monday, October 3, 2016 12:17 AM  
 To: ravikaru@icloud.com  
 Cc: kabbahh@gmail.com; mollingam@hotmail.com; Dr. Rajan Sara; Suren Ratwatte - CEO  
 Subject: AerCap -A350 termination

Dear Minister,

Subsequent to the CCEM decision on 28th September to seek better payment terms from AerCap for the A350 termination, Dr Sara of your Ministry and the CEO & CFO of SriLankan engaged AerCap in discussions yesterday, at the Treasury. The intent was primarily to seek redress on the payment schedule in order not to violate IMF restrictions on credit limits.

Dr Rajan had negotiated at some length and come to a solution that delayed practically all the re-payments into 2017, which is a solution that met with your approval.

AerCap has accepted this and the agreements are ready for our signature. Due to the imminent delivery of the aircraft and the urgent need to secure another lessee, they insist that we sign no later than Monday 3rd October which is tomorrow.

The CCEM approved the decision made to accept the offer of termination, subject to IMF credit limits, as did our board of Directors last Wednesday. I seek your concurrence to execute the termination agreements and related documents, as the only outstanding issue was the IMF limit, which comes under the purview of the Ministry of Finance and is now resolved.

Kind Regards

Ajith Dias

For Ministry of Basic Infrastructure Development Only  
 CONFIDENTIAL  
 SriLankan Airlines Limited

**TERMINATION AND AMENDMENT AGREEMENT  
(Airbus A350)**

THIS TERMINATION AGREEMENT (this "Agreement") dated October 4, 2016 is entered into by and between INTERNATIONAL LEASE FINANCE CORPORATION ("LESSOR") and SRILANKAN AIRLINES LIMITED ("LESSEE").

**RECITALS**

A. LESSEE has entered into certain Aircraft Lease Agreements dated 27 September 2013, (as amended and supplemented from time to time, collectively, the "Lease Agreements"), pursuant to which LESSOR has agreed to lease, and LESSEE has agreed to take on lease three Airbus A350-900 aircraft with original Scheduled Delivery Dates of July 2016 (designated Prod No 5011), August 2016 (designated Prod No 5012) and September 2016 (designated Prod No 5013) (collectively, the "Aircraft").

B. LESSEE has requested to terminate the Lease Agreements, and subject to and in accordance with the terms hereof, LESSOR has agreed to such termination.

NOW, THEREFORE, for good and valuable consideration, LESSOR and LESSEE hereby agree as follows:

**AGREEMENT**

1. **Definitions.** Capitalized terms not otherwise defined herein have the meanings given to them in the Lease Agreements.

2. **Termination Fee and Payments.**

(a) In consideration of LESSOR's agreement to terminate the Lease Agreements subject to and in accordance with Articles 3 and 4 below, LESSEE hereby agrees to pay LESSOR an amount of US\$146,500,000.00 (one hundred and forty six million five hundred thousand dollars) (the "Termination Fee"), payable in eight (8) instalments as follows:

Payment Date	Amount (US\$)
Five (5) Business Days from the date of this Agreement	10,500,000 (ten million five hundred thousand)



SRILANKAN AIRLINES LIMITED  
Termination and Agreement  
Three Airbus A350

January 2, 2017	13,500,000 (thirteen million five hundred thousand)
February 2, 2017	13,300,000 (thirteen million three hundred thousand)
March 2, 2017	13,300,000 (thirteen million three hundred thousand)
April 3, 2017	13,300,000 (thirteen million three hundred thousand)
May 2, 2017	13,300,000 (thirteen million three hundred thousand)
June 2, 2017	13,300,000 (thirteen million three hundred thousand)
June 30, 2017*	56,000,000 (fifty six million)

\*Subject to Article 5 below.

(b) Article 5.8 (No Deductions or Withholdings), Article 5.9 (Value Added Taxes), Article 5.12 (Currency Indemnity), Article 16 (Taxes) (Article 16.2.2 being expressly excluded) of the Lease Agreements are incorporated in this Agreement by this reference as if such provisions were set forth herein with respect to the payments to be made by LESSEE under this Article 2, as if references to "this Lease" were references to "this Agreement".

(c) In addition to the Termination Fee, LESSOR will retain any Security Deposit currently held by LESSOR pursuant to the Lease Agreements as its sole and exclusive property and LESSEE will have no right, title or interest therein or claim thereto or to any payment in respect thereof as of the date of this Agreement.

(d) LESSEE's obligations under this Article 2 shall survive the termination of the Lease Agreements.

(e) Each payment due under this Agreement will be made for value and paid by wire transfer of immediately available U.S. Dollar funds to LESSOR's nominated bank account at:

AerCap Global Aviation Trust – Series 1  
Account No: 14065840  
IBAN: GB73CITI18500814065840  
Swift Code: CITIGB2L  
Citibank NA London  
Citigroup Centre, Canada Square, Canary Wharf  
London E14 5LB, UK  
USD Correspondent Bank: Citibank N.A.  
ABA/Fedwire # 021000089

Swift code: CITIUS33

or to such other bank account as LESSOR may from time to time designate by written notice ("LESSOR's Bank"). When it is stated in this Agreement that an installment of the Termination Fee must be paid or made by LESSEE by a specific date, then such payment actually must be received by LESSOR's Bank on or before such specific date, even if, in order for such payment to be received by LESSOR's Bank by such specific date, LESSEE must initiate the wire transfer prior to such specific date.

(f) If LESSOR's Bank does not receive an instalment of the Termination Fee payable under this Agreement no later than three (3) Business Days after when due, LESSOR will suffer loss and damage the exact nature and amount of which are difficult or impossible to ascertain. LESSEE will pay LESSOR, by way of agreed compensation and not as a penalty, interest on any due and unpaid amounts payable by LESSEE under this Agreement. Interest will be calculated at a per annum rate (based on a 360-day year) which is equal to 3% plus the Prime Rate in effect on the date on which the amount was originally due for the period from the date being three (3) Business after the date the amount originally was due through the date the amount actually is received at LESSOR's Bank or, in the case of LESSOR's performance of LESSEE's obligations hereunder, from the date of payment by LESSOR through the date of LESSEE's repayment to LESSOR ("**Default Interest**"). Default Interest will accrue on a day-to-day basis and be compounded monthly. "**Prime Rate**" means the rate of interest from time to time announced by JPMorgan Chase Bank in New York as its prime commercial lending rate.

### 3. Termination.

(a) Subject to Article 4 below, with effect from the date of this Agreement, the Lease Agreements are deemed irrevocably terminated, and (other than as provided for in this Article (3)) with effect from such termination each party irrevocably waives its rights and absolutely and unconditionally releases the other party from its obligations under the Lease Agreements and neither party will have any liability with respect to the Lease Agreements to the other.

(b) It is understood and agreed between LESSOR and LESSEE that this Agreement will not in any way constitute a waiver, express or implied, of any rights of LESSOR or LESSEE or obligations of LESSEE or LESSOR under Article 5.8 (No Deductions or Withholdings), Article 5.9 (Value Added Taxes), Article 5.12 (Currency Indemnity), Article 16 (Taxes) (Article 16.2.2 being expressly excluded), attributable to the period prior to the termination hereunder, and Article 27 (Governing Law and Jurisdiction) and Article 28.11 (Confidentiality) or any other provisions of the Lease Agreements which, by their terms, survive the termination of the Lease Agreements.

(c) Except as expressly stipulated herein, nothing in this Agreement constitutes a waiver of any of LESSOR's or LESSEE's rights or remedies under the Lease Agreement, or as a waiver of



any Default or Event of Default thereunder, whether such Default or Event of Default has occurred or occurs hereafter.

**4. Conditions Precedent.**

A **Termination Conditions Precedent.** The Termination of the Lease Agreements in accordance with Article 3 above is conditional on this Agreement having been executed by both parties and dated no later than October 20, 2016.

B **LESSEE's Conditions Precedent.** LESSEE's obligations herein are conditional on this Agreement having been executed by both parties and dated no later than October 20, 2016.

**5. Reduction in Termination Fee.**

Provided that each of the following conditions have been satisfied in full by their respective due dates set out below, LESSOR agrees to waive the final installment of the Termination Fee so that the total amount payable by LESSEE hereunder will be US\$90,500,000 (ninety million five hundred thousand dollars):

- (a) Each installment of the Termination Fee payable by LESSEE having been paid in full by LESSEE within five (5) Business Days from when due;
- (b) LESSOR having, no later than October 28, 2016, received copies of resolutions of the Board of Directors of LESSEE or other written evidence of appropriate action, duly certifying and unconditionally (except for subjecting their decision to the approval of the major shareholder referred to in paragraph (c) below) authorizing the execution, delivery and performance of the agreements referred to in paragraphs (d), (e) and (f) below, together with an incumbency certificate as to the individual or individuals authorized to execute and deliver such agreements on behalf of LESSEE, each in form and substance acceptable to LESSOR (acting reasonably);
- (c) LESSOR having, no later than October 28, 2016, received evidence of the appropriate action of the shareholders of LESSEE, duly approving transactions referred to in paragraphs (d) and (e), in form and substance acceptable to LESSOR (acting reasonably);
- (d) LESSEE having entered into a binding lease agreement with LESSOR or its Affiliate for the lease of one Airbus A330-200 aircraft with manufacturer's serial number 1008, such lease agreement having been executed no later than November 30, 2016;
- (e) LESSEE having entered into a binding agreement to extend the lease term under that certain lease agreement dated November 18, 2011 (as amended and supplemented from time to time, the "627 Lease Agreement") between Whitney Leasing Limited and LESSEE, pursuant to which Whitney Leasing Limited, as lessor, has agreed to lease, and LESSEE has agreed to take

on lease one Airbus A330-200 aircraft with manufacturer's serial number 627, such that the new Lease Term (as defined in the 627 Lease Agreement) will be extended until and including the earlier of December 7, 2028 or the date when the Design Service Goal Limit for the aircraft is reached, such lease amendment having been executed no later than November 30, 2016; and

(f) LESSEE having provided LESSOR with a duly executed guarantee and indemnity in form and substance satisfactory to LESSOR (acting reasonably) whereby LESSEE has guarantees, and agrees to indemnify as primary obligor with respect to, the obligations of Mihin Lanka (Private) Limited ("Mihin"), under (a) that certain aircraft lease agreement dated October 11, 2012 (as amended and supplemented from time to time, the "2731 Lease Agreement") between Aircraft 32A-2731 Inc. and Mihin, pursuant to which Aircraft 32A-2731 Inc., as lessor, has agreed to lease, and Mihin has agreed to take on lease one Airbus A320-232 aircraft with manufacturer's serial number 2731, and (b) that certain aircraft lease agreement dated July 18, 2012 (as amended and supplemented from time to time, the "1946 Lease Agreement") between Aircraft 32A-1946 Inc. and Mihin, pursuant to which Aircraft 32A-1946 Inc., as lessor, has agreed to lease, and Mihin has agreed to take on lease one Airbus A321-200 aircraft with manufacturer's serial number 1946, such guarantee and indemnity having been executed no later than November 30, 2016.

LESSOR and LESSEE agree to act in good faith with respect to the form of final documentation for the transactions referred to in paragraphs (d), (e) and (f) above and with respect the matters described in paragraph (b) and (c) above.

6. **Miscellaneous.**

A **Assignment.** LESSEE may not assign any of its rights under this Agreement.

B **No Other Modification; Entire Agreement.** Except as provided herein, all of the terms and conditions of the Lease Agreements remain unmodified and are in full force and effect and LESSEE and LESSOR hereby ratify the same. This Agreement, together with the Lease Agreements, constitutes the entire agreement between LESSOR and LESSEE concerning the matters set forth herein and supersedes and cancels all prior letters, agreements and correspondence with respect thereto.

C **Confidentiality.** This Agreement is strictly confidential and its provisions will not be disclosed by a party to third Persons (other than to such party's auditors or legal advisors or as required in connection with applicable Law or in connection with legal process) without the prior written consent of the other party. If disclosure is required as a result of applicable Law, LESSEE and LESSOR will cooperate with one another to obtain confidential treatment as to the commercial terms and other material provisions of this Agreement.

**D Severability.** If any provision of this Agreement is held by any court or tribunal of competent jurisdiction to be illegal, void, invalid, or unenforceable under the laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Agreement in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Agreement in any other jurisdiction shall not be affected.

**E Governing Law and Jurisdiction.** The provisions of the Lease Agreements set forth in Article 26 (Notices), and Article 27 with respect to governing law, jurisdiction are incorporated in this Agreement by this reference as if such provisions were set forth herein.

**F Service of Process.** The parties hereby consent to the service of process by mail or in any other manner permitted by the relevant law. Without prejudice to any other mode of service, LESSEE irrevocably appoints SriLankan Airlines Limited at its office from time to time, currently having its office at One Lampton Road, Hounslow, Middlesex TW3 1JB, United Kingdom, and LESSOR irrevocably appoints LPA Process Limited, at its registered office from time to time, currently having its registered office at Eghams Business Center, 3A Eghams Wood Road, Beaconsfield, Bucks HP9 1JP, England, as LESSEE's and LESSOR's agent (respectively) for service of process relating to any proceedings before the courts of England and Wales arising out of or in connection with this Agreement and agrees to maintain the process agent in England notified to the other party. If the person appointed as process agent under this paragraph F is unable for any reason to act as agent for service of process, the LESSEE, or LESSOR as applicable, will immediately appoint another agent for this purpose, and failing this, the other party may appoint another agent for this purpose. LESSEE and LESSOR agree that failure by a process agent to notify it of any process will not invalidate the relevant proceeding.

**G Counterparts.** This Agreement may be executed in any number of identical counterparts, each of which will be deemed to be an original, and all of which together will be deemed to be one and the same instrument.

**H Delivery by Fax or E-mail.** Delivery of an executed counterpart of this Agreement by fax or e-mail will be deemed effective as delivery of an originally executed counterpart. Any party delivering an executed counterpart of this Agreement by fax or e-mail will also deliver an originally executed counterpart, but the failure of any party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

**I Operative Document.** This Agreement will be deemed an Operative Document.

**J Time is of the Essence.** Time is of the essence in the performance of all obligations of LESSEE hereunder, consequently, all time limitations set forth in the provisions of this Agreement will be strictly observed.

*[Remainder of page intentionally left blank – Signature Page follows]*

අලුත් 40 (vii)

**SRILANKAN AIRLINES LIMITED**  
Termination and Agreement  
Three Airbus A350

SRILANKAN AIRLINES LIMITED  
Termination and Agreement  
Three Airbus A350

IN WITNESS WHEREOF, LESSOR and LESSEE have caused this Agreement to be executed on the day and year first written above.

SRILANKAN AIRLINES LIMITED

By: \_\_\_\_\_



Suren Ratwatte  
CHIEF EXECUTIVE OFFICER  
SRILANKAN AIRLINES LIMITED

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

INTERNATIONAL LEASE FINANCE  
CORPORATION

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

SRILANKAN AIRLINES LIMITED  
Termination and Agreement  
Three Airbus A350

IN WITNESS WHEREOF, LESSOR and LESSEE have caused this Agreement to be executed on the day and year first written above.

SRILANKAN AIRLINES LIMITED

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

INTERNATIONAL LEASE FINANCE  
CORPORATION

By: 

Printed Name: Sean Sullivan

Its: Chief Executive officer



අග්‍රාමාත්‍ය කාර්යාලය  
பிரதம அமைச்சரின் அலுவலகம்  
PRIME MINISTER'S OFFICE

58, ශ්‍රීමත් අර්නස්ට් ද සිල්වා මාවත, කොළඹ 07.  
58, ශ්‍රීමත් ஏர்னஸ்ட் த சில்வா மாளிகை, கொழும்பு 07.  
58, Sri Ernest de Silva Mawatha, Colombo 07.

මගේ යොමුව  
எனது குறிப்பு  
My Ref.

PMO/01/ASP/2016/01(Vol IV)

ඔබේ යොමුව  
உமது குறிப்பு  
Your Ref.

දිනය  
திகதி  
Date } 31.10.2016

Secretary  
Ministry of Public Enterprises Development

31 OCT 2016

Dear Sir

Cabinet Committee on Economic Management

Given below is an extract of the Minutes of Cabinet Committee on Economic Management Meeting held on 26<sup>th</sup> October 2016, for your information and necessary follow up action.

Item No. (26/10/2016/15)

The termination of three aircrafts (A350) by Sri Lankan airlines

The CCEM discussed the urgent necessity to conclude the termination of the lease of these three aircraft on few occasions in the past, and directions were given to the Sri Lankan airlines to complete the discussions and cancel the lease. A detailed note explaining the process carried out is attached (Annex b) for the information of the Cabinet and for Cabinet approval.

Action by : Secretary, Ministry of Public Enterprises Development

- Copies for information: Secretary to the Cabinet of Ministers
- Secretary, Ministry of Finance
- Chairman, Sri Lankan Airlines
- Director General, Department of Project Management & Monitoring

Thank you

Yours sincerely

E.M.S.B Ekanayake  
Secretary to the Prime Minister  
(Tel. - 0112575311/ Fax - 0112575310)  
(Email - [secpm@pmoffice.gov.lk](mailto:secpm@pmoffice.gov.lk))

සාමාන්‍ය  
අලුත්  
Gen. Office } 2575317  
2575318

දුරකථන  
වැදගත්  
වැදගත්  
Fax } 2574143  
2575454  
2575310

විද්‍යුත් තැපෑල  
E-mail } secpm@slmel.lk

(B) Agenda Items :

(I) Cabinet Papers - General

06. Cabinet Paper No.16/2085/702/003-XXXIII, a Memorandum dated 2016-10-07 by the Prime Minister on "Minutes of the meeting of the Cabinet Committee on Economic Management (CEM) held on 28<sup>th</sup> September 2016" - the above Memorandum was considered along with the observations of H.E. the President; and the Minister of Finance and -

(I) Cabinet decided -

- (a) to grant its concurrence for the actions decided by the CCEM, pertaining to the Items referred to in Annex - 1 to the Memorandum, other than Item No.09 therein;
- (b) that, with regard to Item No.09 therein, to request the Minister of Power and Renewable Energy, to discuss this matter with H.E. the President and the Hon. Prime Minister and submit the outcome to the Cabinet, for consideration; and
- (II) Cabinet considered Item No.17 in Annex - 1 to the Memorandum along with the further clarifications made by the Minister of Megapolis and Western Development, at this Cabinet Meeting regarding the recommendations of the Committee of Secretaries appointed by the Cabinet, referred to in the said Item 17 and decided to grant approval to the recommendation made by the CCEM in this regard.

Action by: **Secretary to the Prime Minister** - copy each of the relevant documents annexed.  
**My/National Policies and Economic Affairs** - copy each of the relevant documents annexed.  
**My/Megapolis and Western Development**  
**My/Power and Renewable Energy** - to be brought to the notice of the Hon. Minister - copy each of the relevant documents annexed.



- 02 -

Copied to: **Secretary to the President** - copy each of the relevant documents annexed.

**My/Finance** - copy each of the relevant documents annexed.

**My/Public Administration and Management** - copy each of the relevant documents annexed.

රහස්‍යයි



RECEIVED  
Secretary's Office  
6.2 NOV 2016  
Ministry of Public Enterprise Development

අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்  
OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION

අමාත්‍ය මණ්ඩල තීරණය    அமைச்சரவைத் தீர்மானம்

සිව්‍යයන් : ජනාධිපති ලේකම්,  
මුදල් ලේකම්,  
රාජ්‍ය පරිපාලන හා  
කළ.ලේකම්,  
විගණකාධිපති.

මගේ අංකය: අමප/16/2085/702/003-XXXIII  
2016 ඔක්තෝබර් මස 26 දින.

ක්‍රීඩා කළ යුතු :- අග්‍රාමාත්‍ය ලේකම්,  
ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශයේ ලේකම්,  
මහානගර හා බස්නාහිර සංවර්ධන අමාත්‍යාංශයේ ලේකම්,  
විදුලිබල හා පුනර්ජනනීය බලශක්ති අමාත්‍යාංශයේ ලේකම්.

2016 ඔක්තෝබර් 28 දින පැවැති ආර්ථික කළමනාකරණය  
පිළිබඳ අමාත්‍ය මණ්ඩල කාරණ සහ රැස්වීමේ වාර්තාව

(හැර අග්‍රාමාත්‍යතුමා ඉදිරිපත් කළ 2016-10-07 දිනැති සංදේශය)

2016 ඔක්තෝබර් මස 18 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී  
එළඹී තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

බබලිව.එම්.ඩී.එස්.ප්‍රනාන්දු  
අතිරේක ලේකම්.

අ.ක.ලේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) න්‍යාය පත්‍රයේ විෂයයන්:

(1) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

06. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 16/2085/702/003-XXXIII වූ, "2016  
ඔක්තෝබර් 28 දින පැවැති ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය  
මණ්ඩල කාරණ සහ රැස්වීමේ වාර්තාව" යන මාගෙන් අග්‍රාමාත්‍යතුමා  
ඉදිරිපත් කළ 2016-10-07 දිනැති සංදේශය - ඉහත සඳහන් සංදේශය,  
අතිරතු ජනාධිපතිතුමාගේ සහ මුදල් ඇමතිතුමාගේ නිරීක්ෂණ සමඟ  
සලකා බලන ලදුව,

(I) අමාත්‍ය මණ්ඩලය විසින් සහන සඳහන් පරිදි තීරණය කරන ලදී:

(අ) සංදේශයේ ඇමුණුම - 1හි සඳහන් විෂය අංක 09 හැර, එහි සඳහන් අනෙකුත් විෂයයන් සම්බන්ධයෙන් ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව විසින් තීරණය කරනු ලැබ ඇති ක්‍රියාමාර්ග සඳහා සිය එකඟතාව ලබා දීම;

(ආ) එහි සඳහන් විෂය අංක 09 සම්බන්ධයෙන්, අතිගරු ජනාධිපතිතුමා සහ ගරු අග්‍රාමාත්‍යතුමා සමඟ මෙම කරුණ පිළිබඳව සාකච්ඡා කර, එම සාකච්ඡාවේදී එකඟ වන කරුණු, සලකා බැලීම පිණිස, අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන ලෙස ව්‍යුලිඛල හා පුනර්ජනනීය බලශක්ති ඇමතිතුමාගෙන් ඉල්ලා සිටීම;

(II) අමාත්‍ය මණ්ඩලය විසින්, සංදේශයට යා කොට තිබූ ඇමුණුම - 1හි සඳහන් විෂය අංක 17, මහානගර හා බස්නාහිර සංවර්ධන ඇමතිතුමා විසින් එක් විෂය අංක 17හි සඳහන්, අමාත්‍ය මණ්ඩලය විසින් සත් කරන ලද ඉල්ලාමාරුත්තේ කණ්ටුවේ නිර්දේශ පිළිබඳව මෙම රැස්වීමේදී සිදු කරන ලද වැඩිදුර කරුණු පැහැදිලි කිරීම සහභාගී සලකා බලන ලදුව, ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව විසින් ඒ සම්බන්ධයෙන් සිදු කරනු ලැබ ඇති තීරණය සඳහා අනුමැතිය ලබා දීමට තීරණය කරන ලදී.

ක්‍රියා කළ යුතු:

අග්‍රාමාත්‍ය ලේකම් - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.

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(B) Agenda Items :

(I) Cabinet Papers - General

06. Cabinet Paper No.16/2301/702/003-XXXV, a Memorandum dated 2016-10-31 by the Prime Minister on "Minutes of the Meeting of the Cabinet Committee on Economic Management (CCEM) held on 26<sup>th</sup> October 2016" - the above Memorandum was considered along with the observations of H.E. the President; and the Minister of Finance and the Cabinet decided -

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(I) to grant its concurrence for the actions decided by the CCEM in Annex-1 to the Memorandum, except Item No.15 therein;

(II) to inform the Secretary to the Prime Minister -

(i) to take note of the observations of H.E. the President pertaining to the recommendations / decisions of the CCEM on Item Nos.03, 04, 05 and 15 of Annex-1 to the Memorandum and pursue action accordingly;

(ii) to direct the Secretaries to Ministries to submit separate Cabinet Memoranda along with the recommendations / decisions of the CCEM pertaining to -

(a) issues involving changes in policy matters of the Government;

(b) proposals with substantial outlay of public funds; and

(c) large projects, especially those impinging on the environment;

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through their respective Ministers, to the Cabinet, for consideration, as indicated in the final paragraph of the observations of H.E. the President.

Action by: **Secretary to the Prime Minister** - above observations annexed.

**All Other Ministries** - for action as per (II) (ii) above - observations of H.E. the President annexed.

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Copied to: **Secretary to the President** - observations of the Minister of Finance annexed.

**My/National Policies and Economic Affairs** - copy of Memorandum and above observations annexed.

**My/Finance** - observations of H.E. the President annexed.

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Republic Building, Sri Lankan Jayathilaka Mawatha, Colombo 01, Sri Lanka.

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 Date

**Urgent & Confidential**

Mr. E.M.S.R. Ekanayake  
 Secretary to the Prime Minister  
 Fax: 2575310

**DRAFT CABINET DECISION**

Given below is an extract of Item (06) of the Minutes of the Cabinet Meeting held on 2016-11-08. These Minutes are to be confirmed at the next Cabinet Meeting.

Item (06)

Cabinet Paper No. 16/2301/702/003-XXXV, a Memorandum dated 2016-10-31 by the Prime Minister on "Minutes of the Meeting of the Cabinet Committee on Economic Management (CCEM) held on 24<sup>th</sup> October 2016" - the above Memorandum was considered along with the observations of H.E. the President, and the Minister of Finance and the Cabinet decided -

- (I) to grant its concurrence for the actions decided by the CCEM in Annex-1 to the Memorandum, except Item No.15 therein;
- (II) to inform the Secretary to the Prime Minister -
  - (i) to take note of the observations of H.E. the President pertaining to the recommendations / decisions of the CCEM on Item Nos.03, 04, 05 and 15 of Annex-1 to the Memorandum and pursue action accordingly;

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 Senior Additional Secretary

(ii) to direct the Secretaries to Ministries to submit separate Cabinet Memoranda along with the recommendations / decisions of the CCEM pertaining to -

- (a) issues involving changes in policy matters of the Government;
- (b) proposals with substantial outlay of public funds; and
- (c) large projects, especially those impinging on the environment;

through their respective Ministers, to the Cabinet, for consideration, as indicated in the final paragraph of the observations of H.E. the President.

Action by: Secretary to the Prime Minister - above observations annexed.  
All Other Ministries - for action as per (II) (ii) above - observations of H.E. the President annexed.

Copied to: Secretary to the President - observations of the Minister of Finance annexed.  
Ministry/National Policies and Economic Affairs - copy of Memorandum and above observations annexed.  
Ministry/Finance - observations of H.E. the President annexed.

  
S. Abeysinghe  
Secretary to the Cabinet of Ministers



**Cabinet Memorandum**  
**Ministry of Public Enterprise Development**

Cabinet Memorandum No. : 2017/02  
Reference No. : MPED/ES/01/02/CM Date : 08.02.2017

Sri Lankan Airbus A350-900 Aircraft Lease Termination

**Background**

On 26<sup>th</sup> October, 2016, a paper was submitted by the Ministry of Finance, outlining the process that had been followed by Sri Lankan Airlines in entering into the early termination of four (4) A350 - 900 aircrafts (Annex I). A Cabinet Committee on Economic Management (CCEM) minute of 26<sup>th</sup> October, 2016 indicated that the CCEM had then informed SLA to complete the discussions and to then terminate the lease of the said three (03) aircrafts. The Cabinet Memorandum which included the decision of a CCEM minute based on the said paper submitted to the CCEM on 26<sup>th</sup> October, 2016 had received the concurrence of the Cabinet Meeting held on 08<sup>th</sup> November (Annex II), 2016, subject to an observation made by the H.E the President (Annex III) to submit a Cabinet paper on this matter under discussion, by the line Ministry, being the Ministry of Public Enterprise Development (MPED), to the Cabinet.

However, on or about the 19<sup>th</sup> October, 2016, the MPED, was made aware that SLA had in fact entered into an agreement with AerCap for the early termination of three (3) aircrafts. As neither the Ministry had been officially intimated or approval sought or Cabinet approval obtained (as none of the Cabinet decisions received thus far had indicated same), the Secretary MPED by his letter dated 20<sup>th</sup> October, 2016 (Annex IV), requested confirmation from SLA as to the authenticity of the information received by the MPED that SLA had in fact entered into an agreement without Ministry and Cabinet approval. As there was no response received from the SLA for the said letter, after several verbal inquiries, the Secretary sent a reminder on 27<sup>th</sup> December, 2016 (Annex V), for which then a response from SLA was received on 28<sup>th</sup> December, 2016. It is pertinent to state, that the paper submitted by the SLA to CCEM on 26<sup>th</sup> October, 2016 had been some 21 days after the early Termination Agreement had been already signed on 4<sup>th</sup> October, 2016, and the said paper had been submitted soon after the letter from the Secretary was sent to SLA requesting confirmation as to whether Ministerial and Cabinet approval had been obtained prior to entering into the Termination Agreement. There is a school of thought that SLA may have submitted the paper dated 26<sup>th</sup> October, 2016, to correct anomalies as had been indicated in the letter sent by the Secretary of MPED, dated 20<sup>th</sup> October, 2016, to SLA.

As the MPED has been requested by HE the President to submit a Cabinet Paper concerning above, I now wish to state the following facts, in a chronological order, leading to the signing of the early Termination Agreement of the four (4) aircrafts, most of the actions were completed without the involvement of MPED.



1. Sri Lankan Airlines on 27<sup>th</sup> September, 2013, during the previous Government, entered into an aircraft operating lease agreement with International Lease Finance Corporation (ILFC) to lease four A350-900 aircraft, on a long term basis. These aircrafts were due to be delivered in October and November 2016.
2. On 24<sup>th</sup> June 2015, the Cabinet of Ministers (Cabinet) approved the restructuring plan of SLA to transform SLA to a profitable public enterprise. The restructuring plan did not include the four (4), A350-900 aircraft, as operation of the said aircrafts was not sustainable in line with the said plan. A report submitted by Consultants, SLA Nyras and Skyworks, indicated that the operations of these aircraft would cause an additional loss of USD 30million per a year and hence were not recommended to be purchased. .
3. In April 2016, CCEM, had approved, the termination of lease of the 4<sup>th</sup> A350-900 aircraft leased by SLA due for delivery in November 2016 (Annex VI) and the estimated cost for the termination of the aircraft was USD 17.7 Million. Although MPED was not provided documentation concerning any Cabinet approval received for same, we are made to understand that an agreement had been entered into for the early termination of the 4<sup>th</sup> aircraft and an amount of USD 17.7 Million had already been paid as compensation. MPED has neither been provided with any documentation concerning the terms and conditions of the termination nor a copy of the early termination agreement.
4. Thereafter, on 7<sup>th</sup> September, 2016 (Annex VII) the early termination of lease agreements of the remaining three A350 - 900 aircraft of SLA were taken up for discussion at the CCEM. There I informed in detail, the progress concerning the early termination of the lease agreements of the three (3) A350 - 900 aircrafts. Further, the Business Plan submitted to the CCEM by SLA was also discussed. The CCEM by their minute of 7<sup>th</sup> September, 2016 (Annex VIII) had then, authorized SLA to negotiate a termination cost for the three aircraft within the range of USD 75 - 85 Million, in order to finalize the issue and also to reach the agreement by 9<sup>th</sup> September, 2016. Accordingly, Cabinet had granted its concurrence on 27<sup>th</sup> September, 2016 (Annex IX), to this decision of CCEM (16/1885/702/003-XXX of 14/09/2016), to conduct further negotiations and it is important to note that there was no finality concerning the entering into the early Termination Agreement but only to negotiate.
5. SLA by their letter dated 21<sup>st</sup> September, 2016 (Annex X), brought to the notice of the CCEM that they had negotiated a reduced termination fee from the original USD154 Million to USD98 Million. However, CCEM by its decision of 21<sup>st</sup> September, 2016 (Annex XI), (16/1969/702/003 - XXXII), approved further negotiations to be conducted with AerCap and instructed that the agreed final termination fee should be brought to the notice of CCEM. The Ministers of Finance and MPED were of the opinion that the termination fee was too high and the maximum fee should be a total of USD 75 - 85 Million, as decided at the previous CCEM.
6. Further, according to the decision of CCEM meeting held on 28<sup>th</sup> September, 2016 (Annex XII), SLA informed that there had been a discussion with Hon. Minister of Finance and the representatives of AerCap. The termination fee has been reduced to USD 98 Million, with two

conditions (in fact it was three) that SLA would lease another aircraft and would also extend the lease of another aircraft currently being used by SLA, but leased by Mihin. The Minister of Finance then instructed the AerCap to submit a written proposal to the Finance Ministry with their conditions. Further instructions were provided to SLA to first obtain legal advice from Hon. Attorney General (AG), and based on the advice, to verify from IMF whether the proposed payment for the early termination is in par with the IMF conditions. Further, if the IMF was agreeable to the proposed termination compensation, then negotiations could continue with the involvement of Secretary, MPED and Secretary, Ministry of Finance. Cabinet had granted concurrence to this decision of the CCEM, on 18<sup>th</sup> October, 2016, (16/2085/702/003-XXXIII of 07/10/2016) – (Annex XIII). The Secretary of MPED, was never requested by SLA to be involved in any of the negotiations, although the Secretary had nominated an officer to represent the Secretary.

7. However, I wish to bring to the notice of the Cabinet that the agreement to lease the 03 aircraft had been with ILFC. The paper states that negotiations were held with AerCap in purchasing the said aircrafts. I am unaware to the reason as to why the negotiations were held with AerCap and not with ILFC as reasons had not been stated for same. The initial Lease Agreements entered into with ILFC does not provide any mandate for SLA to discuss any matters arising out of these agreements with AerCap.
8. The Hon. Minister of Finance had, through a Consultant of the Ministry of Finance, negotiated with AerCap representatives on 01<sup>st</sup> October 2016, during which Finance Ministry had explained the credit limits of IMF. After a detailed discussion, the Finance Ministry had given its concurrence to the envisaged payment schedule as requested by AerCap.
9. SLA by their letter of 28<sup>th</sup> December, 2016(Annex XIV), in response to the reminder sent by the Secretary of MPED, requesting for a response for his letter dated 20<sup>th</sup> October, 2016 had informed referring only to the letter of 27<sup>th</sup> December, 2016 that since the Ministry of Finance had informed SLA that it had no objections in SLA entering into the early Termination Agreement, as well as the Hon. Prime Minister's approval had been obtained, the SLA had executed the early Termination Agreement on 04<sup>th</sup> October, 2016. (Annex XV). A copy of the said agreement had not been previously provided to the MPED and was not attached to the said letter from SLA.
10. The detailed report by SLA submitted to CCEM on 24<sup>th</sup> October, 2016, (20 days after the signing of the early Termination Agreement on 4<sup>th</sup> October, 2016), which for whatever reason, did not have as an attachment the signed early Termination Agreement, specifically stated that the termination payment was agreed to at USD 98 Million.
11. However, as SLA, though having sent many documents to MPED concerning the matter under discussion, failed to send a copy of the early Termination Agreement, MPED requested a copy and was provided with one on 23<sup>rd</sup> January, 2017, nearly three (3) months after the signing of the said agreement. On perusing the said agreement the following discrepancies, were noticed by the MPED.

- 11.1 The Agreement in fact was signed for a full termination fees of USD 146.5 Million, together with an extra USD 7.5 Million being the Security Deposit paid by SLA being forfeited on the execution of the said agreement and forming part of the agreed termination fee now totaling to USD 154 Million being payable as termination fee.
- 11.2 However, the final installment of USD 56 Million would be waved off in the event SLA meets certain other condition precedents (CP's), on or before 30<sup>th</sup> November, 2016. Failure to meet a single of these CP's on the due date would result in SLA having to pay a total termination fee of USD 146.5 Million, together with an extra USD 7.5 Million being the Security Deposit already paid by SLA,
- 11.3 The following are the CP's in the said early Termination Agreement;

*10.3.1 LESSEE having entered into a binding lease agreement with LESSOR or its Affiliate for lease of one Airbus A330-200 aircraft with manufacturer's serial number 1008, such lease agreement having been executed no later than November 30, 2016*

It is pertinent to state that the wordings above would indicate that SLA had agreed to lease a new aircraft but the terms and condition governing the leasing of the said aircraft (such as the price, the terms, exit clauses) had not been brought to the notice of the Cabinet. To date the MPED is not aware of the terms and conditions of the proposed new leasing of the aircraft and whether an agreement had been entered, as required, on or before November 30<sup>th</sup>, 2016. The Board papers provided to MPED, on the subject matter did not include a comprehensive report submitted to the Board of SLA and hence I am unable to comment any further on the leasing of the new aircraft, including its commercial viability.

*10.3.2 LESSEE having entered into a binding agreement to extend the lease term under that certain lease agreement dated November 18, 2011 (as amended and supplemented from time to time, the "627 Lease Agreement") between Whitney Leasing Limited and LESSEE, pursuant to which Whitney Leasing Limited, as lessor, has agreed to lease, and LESSEE has agreed to take on lease one Airbus A330-200 aircraft with manufacturer's serial number 627, such that the new Lease Term (as defined in the 627 Lease Agreement) will be extended until and including the earlier of December 7, 2028 or the date when the Design Service Goal Limit for the aircraft is reached, such lease amendment having been executed no later than November 30, 2016; and*

MPED is unable to comment any further, including whether the extension sought has been executed on or before November, 30<sup>th</sup> 2016 as MPED has not been provided any further information on this matter by SLA.

*10.3.3 LESSEE having provided LESSOR with a duly executed guarantee and indemnity in form and substance satisfactory to LESSOR (acting reasonably) whereby LESSEE has guarantees, and agrees to indemnify as primary obligor with respect to, the obligations of Mihin Lanka (Private) Limited ("Mihin"), under (a) that certain aircraft lease agreement dated October 11, 2012 (as*

*amended and supplemented from time to time, the "2731 Lease Agreement") between Aircraft 32A-2731 Inc. and Mihin, pursuant to which Aircraft 32A-2731 Inc., as lessor, has agreed to lease, and Mihin has agreed to take on lease one Airbus A320-232 aircraft with manufacturer's serial number 2731, and (b) that certain aircraft lease agreement dated July 18, 2012 (as amended and supplemented from time to time, the "1946 Lease Agreement") between Aircraft 32A-1946 Inc. and Mihin, pursuant to which Aircraft 32A-1946 Inc., as lessor, has agreed to lease, and Mihin has agreed to take on lease one Airbus A321-200 aircraft with manufacturer's serial number 1946, such guarantee and indemnity having been executed no later than November 30, 2016.*

MPED is unable to comment any further, including whether the extension sought has been executed on or before November, 30th 2016 as the MPED has not been provided any further information on this matter.

- 11.4 However, I observe that the SLA has not submitted any report or a certificate that they have fulfilled the above PC's on or before 30<sup>th</sup> November, 2016, or whether the concurrence of the Cabinet has been obtained for the terms and condition to be incorporated into the said lease agreements for the leasing of one new airplane and the extension of two other (Paper submitted states only one), including one leased by Mihin Air. Consequently, I am further unable to confirm to the Cabinet whether the early termination fee is in fact USD 154 Million or USD 98 Million. Accordingly, if SLA fails to fulfill any of the above PC's, SLA shall be required to pay a total expenditure of USD 154 Million and interest calculated 3% per annum plus a default interest calculate as the "prime rate" announced by JP Morgan Chase Bank in New York accordingly.
- 11.5 The papers submitted by SLA to the Cabinet states that the first installment should be paid five business days from the signing of the agreement. However, I would like to bring to the notice of the Cabinet that in fact the stated first installment is the "second" installment as AerCap had already forfeited the USD 7.5 Million paid as a security deposit as the first installment. I am also made to understand the 'second" installment has already been made, the mode of payment, I am unaware of.
- 11.6 I also wish to state that I am unable to state whether leasing of the new A330-200 aircraft and the extension of the other two aircrafts are consistent with the restructuring plan, as the papers submitted by SLA to the Cabinet is silent on these aspects.
12. I also observe that the said termination fee may have to be paid by the Treasury and hence this would be an additional burden on the Treasury. It is my opinion that in such an instance, SLA should have sought the approval of the Attorney Generals Department (AG), especially concerning the legality of entering into the early Termination Agreement and the inclusion of the Conditions Precedent to reduce the termination fee. However, SLA has informed MPED that, as these are commercial agreements, the approval of the AG is not required.

13. MPED on the other hand had 06th, October 2016 (Annex XVI) and 20<sup>th</sup> January, 2017 (Annex XVII) requested the AG for an opinion on this matter.

**14 . Submission**

- 14.1 The negotiations have been with AerCap, whereas the initial Lease Agreements have been entered into with International Lease Finance Corporation (ILFC). MPED nor the Cabinet had been advised as to why the negotiations were with AerCap and not with ILFC. The Agreements entered into with ILFC does not provide any requirements to negotiate with AerCap.
- 14.2 SLA had on 4<sup>th</sup> October, 2016 had entered into three (3) early Termination Agreements without the approval of the MPED, the Cabinet and the AG.
- 14.3 Subsequent to the signing of the said agreements and on the Secretary MPED, on 20<sup>th</sup> October, 2016, inquiring from SLA as to whether the execution of the early Termination Lease had Cabinet approval, the SLA had on 28<sup>th</sup> October, 2016, submitted a Cabinet Paper, (not through MPED) requesting for approval to enter into the said agreements, by which time SLA had already entered into the said agreement.
- 14.4 The paper presented by SLA stated that the early termination compensation cost was USD 98 Million, when in fact it was USD 154 Million. It was only on the SLA meeting certain conditions precedents, by 30<sup>th</sup> November, 2016 that the compensation amount, if at all, would be reduced from USD 154 Million to USD 98 Million. MPED has not been, to date informed as to whether these CP's had been met by SLA.
- 14.5 SLA in their paper to the Cabinet had only stated that they would be leasing a new aircraft and extending the lease of another aircraft, when in fact it was two extensions. The lease agreements had not been entered into with ILFC or AerCap.
- 14.6 MPED nor the Cabinet had been made aware of the terms and condition on which SLA was to lease the new aircraft and extend the other two, including an aircraft with Mihin. The non-extension would not have required SLA to pay any compensation. MPED is not aware whether these arrangements are keeping with the Cabinet approved re-structuring plan of SLA.
- 14.7 All previous papers to the CCEM and Cabinet had not been presented by MPED, which is the line Ministry.

The Cabinet Paper is submitted keeping with the request made by the HE the President.



Kabir Hashim (M.P.),  
Minister of Public Enterprise Development.

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අභ්‍යන්තර අමාත්‍යාංශය  
OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION      අමාත්‍ය මණ්ඩල තීරණය      අභ්‍යන්තර අමාත්‍යාංශයේ තීරණය

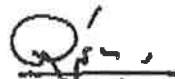
පිටපත් : ජාතික ප්‍රතිපත්ති හා මගේ අංකය: අමප/17/0336/733/006  
ආර්.ක.ලේකම්. 2017 මාර්තු මස 01 දින.  
මුදල් ලේකම්.  
විගණකාධිපති.

ක්‍රියා කළ යුතු : ජනාධිපති ලේකම්.  
අග්‍රාමාත්‍ය ලේකම්.  
රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

**ශ්‍රී ලංකන් ඉවත් සේවයේ A350-900 ඉවත් යානා කල්බදු ගිවිසුම් අවලංගු කිරීම**

(රාජ්‍ය ව්‍යවසාය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-02-08 දිනැති සංදේශය)

2017 පෙබරවාරි මස 21 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තීරණයක් අවසන් කළුණු සඳහා මේ සමඟ එවා ඇත.

  
ඩබ්ලිව්.එම්.ඒ.එස්.ප්‍රනාන්දු  
අතිරේක ලේකම්.

අ.කලේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(අ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

39. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/0336/733/006 වූ, “ශ්‍රී ලංකන් ඉවත් සේවයේ A350-900 ඉවත් යානා කල්බදු ගිවිසුම් අවලංගු කිරීම” යන මෑයෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා ඉදිරිපත් කළ 2017-02-08 දිනැති සංදේශය - (අමප අංක 16/2085/702/003-XXXIII පිළිබඳව වූ 2016-10-18 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළව) ඉහත සඳහන් සංදේශය, අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණ හා මෙම රැස්වීමේදී, රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් සිදු කරන ලද වැඩිදුර කරුණු පැහැදිලි කිරීම සහ අමාත්‍ය මණ්ඩලයේ තවත් සාමාජිකයින් කිහිපදෙනෙකු විසින් ඉදිරිපත් කරන ලද අදහස් ඇත්වීම සමඟ සලකා බලන ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, සංදේශයේ අවධාරණය කරනු ලැබ ඇති කරුණු පිළිබඳව පරීක්ෂා කර බලා, සලකා බැලීම පිණිස අමාත්‍ය මණ්ඩලය වෙත නිර්දේශ ඉදිරිපත් කිරීම සඳහා, ගරු අග්‍රාමාත්‍යතුමා විමසමින් අමාත්‍ය මණ්ඩල අනුකාරක සභාවක් පත් කරන ලෙස අතිගරු ජනාධිපතිතුමාගෙන් ඉල්ලා සිටීමට තීරණය කරන ලදී.

ක්‍රියා කළ යුතු:

ජනාධිපති ලේකම් - අතිගරු ජනාධිපතිතුමාගේ අවධානයට යොමු කිරීම පිණිස.

අග්‍රාමාත්‍ය ලේකම් - ගරු අග්‍රාමාත්‍යතුමාගේ අවධානයට යොමු කිරීම පිණිස - සංදේශයේ පිටපතක් යා කොට ඇත.

රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය

පිටපත්:

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - සංදේශයේ පිටපතක් යා කොට ඇත.

මුදල් අමාත්‍යාංශය

රහස්‍යයි



29

අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்  
OFFICE OF THE CABINET OF MINISTERS

~~අමාත්‍ය මණ්ඩල~~  
~~අමාත්‍ය මණ්ඩල~~

CABINET DECISION      අමාත්‍ය මණ්ඩල තීරණය      அமைச்சரவைத் தீர்மானம்


පිටපත් : ජනාධිපති ලේකම්.      මගේ අංකය: අමප/17/0432/733/006-I  
අග්‍රාමාත්‍ය ලේකම්.      2017 මාර්තු මස 15 දින.  
ජාතික ප්‍රතිපත්ති හා  
ආර්.ක.ලේකම්.  
විගණකාධිපති.

ක්‍රියා කළ යුතු : මුදල් අමාත්‍යාංශයේ ලේකම්.  
රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

**ශ්‍රීලංකන් ගුවන් සේවයේ A 350 - 900 ගුවන්යානා  
කල්බදු ගිවිසුම් අවලංගු කිරීම**

(රාජ්‍ය ව්‍යවසාය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-02-27 දිනැති  
අමාත්‍ය මණ්ඩල සටහන)

2017 පෙබරවාරි මස 28 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී  
තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

  
ඩබ්ලිව්.එම්.ඒ.ජේ.ප්‍රනාන්දු  
අතිරේක ලේකම්.

අ.කලේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ඇ) රැස්වීමේදී සභාගත කළ පත්‍රිකා:

43. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/0432/733/006-I වූ, “ශ්‍රීලංකන් ගුවන්  
සේවයේ A 350 - 900 ගුවන් යානා කල්බදු ගිවිසුම් අවලංගු කිරීම” යන  
මැදයන් රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා ඉදිරිපත් කළ 2017-02-27  
දිනැති අමාත්‍ය මණ්ඩල සටහන - (අමප අංක 17/0336/733/006 පිළිබඳව වූ  
2017-02-21 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළව) අමාත්‍ය මණ්ඩලය  
විසින් සලකා බලනු ලැබීම පිණිස, මුදල් ඇමතිතුමා හා එක්ව ඉහත සඳහන්  
කරුණ පිළිබඳව ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශයක් ඉදිරිපත් කිරීම  
සඳහා රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් කටයුතු කරනු ඇති බව  
අමාත්‍ය මණ්ඩලය විසින් සැලකිල්ලට ගන්නා ලදී.



(5)

**ක්‍රියා කළ යුතු:** මුදල් අමාත්‍යාංශය - ගරු ඇමතිතුමාගේ අවධානයට යොමු කිරීම පිණිස - සටහනේ පිටපතක් යා කොට ඇත.  
 රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය

**පිටපත්:** ජනාධිපති ලේකම් - සටහනේ පිටපතක් යා කොට ඇත.  
 අභ්‍යාමාන්‍ය ලේකම් - සටහනේ පිටපතක් යා කොට ඇත.  
 ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - සටහනේ පිටපතක් යා කොට ඇත.



## CABINET MEMORENDOM

000367

## Ministry of Public Enterprise Development

Cabinet Memorandum No. : 2017/16  
Reference No : MPED/01/02/CM 2017

අලුතුව 49(1)  
Date : 19.04.2017

SriLankan Airlines-Termination of lease Agreement to purchase three A350-900 Airbus wide bodied aircraft

## Overview

01. This refers to the Cabinet Memorandum no: අමප අංක 2017/02 and dated 08/02/2017 submitted by Hon. Minister of Public Enterprise Development, the cabinet decision no: අමප අංක 17/0336/733/006 and dated 21/02/2017 and Cabinet Decision on note to the Cabinet submitted by Hon. Minister of Public Enterprise Development, no: අමප අංක 17/0432/733/006-1 and dated 28.02.2017 on the captioned matter.
02. SriLankan Airlines had entered into an agreement in 2013 to lease four Airbus A350-900 aircrafts at an approximate cost of US\$1.45 million per month per aircraft over a 12 year period. The total cost of this arrangement was to be US\$ 835.2 million.
03. With the proposed network optimization initiatives and the review of the airline operations undertaken by the Government of Sri Lanka (GoSL) in early 2015, it became apparent that the four Airbus A350-900 aircrafts were not suitable as new additions to the fleet.
04. International Aviation Specialists Consultants were engaged by SriLankan Airlines to advise the company on restructuring the operations and lead them towards an improvement in their operations. In the course of their analysis, they confirmed that operating the Airbus A350-900 wide bodied aircrafts that were on order would affect the profitability of the airline operations adversely. The Ministries of Finance and Public Enterprise Development were advised accordingly by the consultants.
05. SriLankan Airlines also calculated the revenue and costs associated with the operation of the Airbus aircrafts, which substantiated the findings of the consultants:
06. Consequently, the restructuring plan that was prepared for SriLankan Airlines did not include the operation of these (A350-900) aircrafts.
07. In June 2015, Cabinet approved the Restructuring Plan for SriLankan Airlines.

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08. According to SriLankan Airlines, International aviation lawyers were then engaged by Sri Lankan Airlines to advise the company on handling negotiations for the termination of the leases to the 3 airbus A350-900 aircrafts.

#### Methodology - Negotiations to terminate lease

09. Negotiations with the lessor (AerCap) commenced at the end of October 2015 while other avenues of placing the A350-900 aircraft were also explored.
10. SriLankan Airlines managed to negotiate a termination of the lease on the 4<sup>th</sup> aircraft, due for delivery in November 2017 for a termination fee of US\$17.7 million.
- 
11. The Cabinet Committee on Economic Management (CCEM) was given a detailed update on the status of the negotiations on 24 August 2016 by SriLankan Airlines.
12. SriLankan Airlines was subsequently authorized by CCEM to negotiate a Termination Fee for the 3 aircrafts within the range of US\$ 75-US\$85 million.
13. After further negotiations, SriLankan Airlines reported to CCEM on 21<sup>st</sup> September 2016 that,
- a) The Termination Fee had been renegotiated:
  - b) The Termination Fee had been reduced from US\$ 154 million to US\$ 98 million
  - c) The reduction in the Termination Fee was conditional upon
  - d) Leasing of a used Airbus 330-200 aircraft and
  - e) The extension of a lease on an aircraft already leased.
  - f) SriLankan Air Lines take over the lease on 2 narrow bodied aircrafts owned by AerCap and leased to Mihin Lanka.
14. At the CCEM on 21 September 2016, the Hon Ministers of Finance and Public Enterprise Development agreed to contact the lessor and negotiate directly with them.
15. The CCEM was briefed by SriLankan Airlines on the termination offers at the meeting held on 28 September 2016.
16. The CCEM instructed the Hon. Minister of Finance to obtain a written statement from the lessor stating these conditions. CCEM also instructed the Hon. Minister of Finance to verify with the IMF on whether these payment terms were compliant with IMF conditions. If they were in accordance with the conditions, the agreement was to be accepted. If however the payments terms were incongruent with the IMF conditions. The lessor was to be so informed and the matter was to be negotiated further.

**Outcome**

17. in view of the imminent delivery of the aircraft, based on the discussion and agreement reached at the Finance Ministry on 1 October 2016, the "No Objection" received from the Ministry of Finance and approval from the Hon Prime Ministers, SriLankan Airlines signed the Termination Agreement in line with the terms agreed by the Ministry of Finance as follows, (for a payment of US\$ 154 million which would be reduced to US\$98 million on SriLankan Airlines meeting the terms and conditions as stipulated below).

	US\$M
• Termination Fee for 3 Airbus A350-900 aircrafts	154.0
• Reduced Termination Fee for 3 Airbus A350-900 aircrafts	98.0
• Forfeit Security Deposit( already paid)	<u>(7.5)</u>
Cash Payment from SLA	<u>90.5</u>

**Schedule of Payments**

○ Immediate	10.5
○ 2 January 2017	13.5
○ 2 February 2017	13.3
○ 2 March 2017	13.3
○ 3 April 2017	13.3
○ 2 May 2017	13.3
○ 2 June 2017	13.3
○ 30 June 2017	56.0 *

\* If following conditions are satisfied in full, Lessor agreed to waive the final installment.

Conditions to be satisfied by SriLankan Airlines as part of the settlement Package:

- Pay each instalment of the Termination Fee by the agreed date:
- Extend the current lease on A330-200 MSN 627 aircraft for 10 years by 30 November 2016
- Execute the lease agreement the A330-200 MSN 1008 Aircraft by 30 November 2016
- SriLankan Airlines take over the leases on 2 narrow bodied aircrafts owned by AerCap and leased to Mihin Lanka.

If SriLankan Airlines fails to fulfil any or all of the above conditions, the Terminations fee will not be reduced to US\$ 98 million (termination fee US\$146.5 + security deposit 7.5). In addition, any delay in payments to accrue an annual interest rate of 3% plus JP Morgan Chase, NY published interest rate.

**Recommendation**


18.To note and place on record accurately, the sequence of events as they occurred that SriLankan Airlines Ltd confirm the AerCap settlement reached for the termination of the lease relating to three Airbus A350-900 aircrafts was the best possible outcome at the time.

Approval

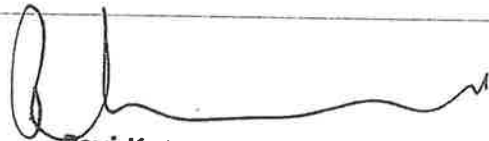
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To seek approval of the Cabinet of Ministers for the following:


- a) To authorize the Secretary of Treasury and the Secretary of Public Enterprise Development, to note the contents of the agreement and facilitate any actions that may be required by the Ministry of Finance and the Ministry of Public Enterprise Development to ensure compliance with the terms of the agreement.



Kabir Hashim (M.P.),  
Minister of Public Enterprise Development



Ravi Karunanayake (M.P.),  
Minister of Finance.


**අමාත්‍ය මණ්ඩල සටහන**  
**රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය**

අමාත්‍ය මණ්ඩල සටහන් අංකය : 2017/36

යොමු අංකය : MPED/ES/01/02/අ.ම.ස. 2017

දිනය : 2017.07.12

ශ්‍රී ලංකන් ගුවන් සේවයේ A350 - 900 පුළුල් බඳු ගුවන් යානා 03 ක් මිලදී ගැනීමේ කල්බදු ගිවිසුම අවලංගු කිරීම.

**අරමුණ**

01. මුදල් හා ජනමාධ්‍ය අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් ඉහත මාතෘකාව යටතේ 2017-04-19 දිනැතිව ඉදිරිපත් කරන ලද ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශ අංක 17/1124/733/006 - II මඟින් කරන ලද ඉල්ලීම සඳහා අනුමැතිය ලබා දීම පිණිස රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය විසින් අමාත්‍ය මණ්ඩලයේ කාරුණික අවධානය යොමු කරනු ලැබේ.

**විවරණ**

02. ඉහත මාතෘකාවෙහි සඳහන් කරුණ සම්බන්ධව ගරු රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් ඉදිරිපත් කරන ලද 2017/02/08 දිනැති අමාත්‍ය මණ්ඩල සංදේශ අංක: අමප අංක 2017/02, අමප අංක 17/0336/733/006 හා 2017/02/21 දිනැති අමාත්‍ය මණ්ඩල තීරණය සහ ගරු රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් ඉදිරිපත් කරන ලද 2017.02.28 දිනැති අමාත්‍ය මණ්ඩල සටහන් අංක: අමප අංක 17/0432/733/006 - I කෙරෙහි මෙයින් අවධානය යොමු කරමි.

03. ඒ අනුව, මුදල් හා ජනමාධ්‍ය අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් 2017.04.19 දිනැති අංක 17/1124/733/006 - II දරණ ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශය ඉදිරිපත් කරන ලදී. 2017.06.13 දිනැති අමාත්‍ය මණ්ඩල තීරණය මඟින් ශ්‍රී ලංකන් ගුවන් සේවාවේ අධ්‍යක්ෂක මණ්ඩලයේ සභාපති සහ ප්‍රධාන විධායක නිලධාරීවරයා සමඟ 2017.06.20 දින පැමිණෙන ලෙස රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්වරයාට උපදෙස් දෙන ලදී.

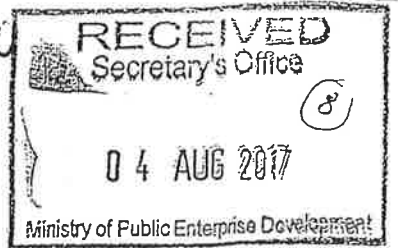
04. තව ද, 2017-06-20 දිනැති අංක: අමප අංක 17/1210/733/006 - III දරණ අමාත්‍ය මණ්ඩල තීරණය මඟින් මෙම කරුණ, ගරු මුදල් හා ජනමාධ්‍ය අමාත්‍යවරයාගේ ඉල්ලීම මත ඊළඟ අමාත්‍ය මණ්ඩල රැස්වීම සඳහා කල් තැබූ බව සඳහන් විය.

05. එබැවින්,  
 මුදල් හා ජනමාධ්‍ය අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් අංක 17/1124/733/006 - II දරණ 2017-04-19 දිනැති අමාත්‍ය මණ්ඩල පත්‍රිකාවෙන් කරන ලද ඉල්ලීමට අනුමැතිය ලබා දීම සඳහා රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය විසින් අමාත්‍ය මණ්ඩලයේ අවධානය අපේක්ෂා කරනු ලැබේ.

කබර් හමිම් (පා.ම.),  
 රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍ය.

රහස්‍යයි

000430



අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்  
OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION අමාත්‍ය මණ්ඩල තීරණය அமைச்சரவைத் தீர்மானம்

පිටපත් : ජනාධිපති ලේකම්. මගේ අංකය: අමප/17/1535/733/006-IV  
ජාතික ප්‍රතිපත්ති හා 2017 අගෝස්තු මස 02 දින.  
ආර්.ක.ලේකම්.  
මුදල් හා ජනමාධ්‍ය ලේකම්.  
සංවර්ධන උ.හා ජාත්‍යන්තර වෙ.ලේකම්.  
විගණකාධිපති.

ක්‍රියා කළ යුතු : අග්‍රාමාත්‍ය ලේකම්.  
රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

ශ්‍රී ලංකන් ගුවන් සේවයේ A350 - 900 පුළුල් බඳ  
ගුවන් යානා 03 ක් මිල දී ගැනීමේ කල්බදු  
ගිවිසුම අවලංගු කිරීම

(රාජ්‍ය ව්‍යවසාය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-07-12 දිනැති  
අමාත්‍ය මණ්ඩල සටහන)

2017 ජූලි මස 25 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී  
තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

ඩබ්ලිව්.එම්.ඩී.ජේ.ප්‍රනාන්දු  
අතිරේක ලේකම්.

අ.කලේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

27. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/1535/733/006-IV වූ, “ශ්‍රී ලංකන් ගුවන්  
සේවයේ A350 - 900 පුළුල් බඳ ගුවන් යානා 03 ක් මිල දී ගැනීමේ කල්බදු  
ගිවිසුම අවලංගු කිරීම” යන මැයෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා  
ඉදිරිපත් කළ 2017-07-12 දිනැති අමාත්‍ය මණ්ඩල සටහන - (අමප අංක  
17/1210/733/006-III පිළිබඳව වූ 2017-06-27 දිනැති අමාත්‍ය මණ්ඩල  
තීරණයට අදාළව) ඉහත සඳහන් සටහන, අමප අංක 17/1124/733/006-II  
වූ, මුදල් ඇමතිතුමා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් මෙම  
විෂය පිළිබඳවම ඉදිරිපත් කරන ලද 2017-04-19 දිනැති ඒකාබද්ධ සංදේශය  
සහ මුදල් හා ජනමාධ්‍ය ඇමතිතුමාගේ නිරීක්ෂණ සමඟ සලකා බලන ලදී.  
මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත සඳහන් පරිදි තීරණය  
කරන ලදී:

මෙම තීරණය සම්බන්ධයෙන් වැඩිදුර පැහැදිලි කර ගැනීමට අවශ්‍ය වේ නම් කරුණාකර 2329621  
දුරකථන අංකය මගින් සම්බන්ධ කර ගැනීමට සූදානම් වෙමිනි.

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(i) මුදල් හා ජනමාධ්‍ය ඇමතිතුමා විසින් මේ සම්බන්ධයෙන් සිදු කරන ලද නිරීක්ෂණවල අවධාරණය කරනු ලැබ ඇති කරුණු සැලකිල්ලට ගනිමින්, සිය නිර්දේශ ඉදිරිපත් කිරීම පිණිස, මෙම කරුණ, ගරු අග්‍රාමාත්‍යතුමා විසින් සභාපතිත්වය දරනු ලබන ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව වෙත යොමු කිරීම; සහ

(ii) ඉහත (i) හි පරිදි, ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව විසින් සිදු කරනු ලබන නිර්දේශ, සලකා බැලීම පිණිස, ඇමතිතුමා මගින් සංදේශයක් ලෙස, අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන මෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්ට නියම කිරීම.

තවද, මෙම තීරණය සම්මත කරනු ලැබූ සේ සැලකීමටත්, ඒ අනුව අවශ්‍ය කටයුතු සඳහා අදාළ බලධාරීන් වෙත මෙම තීරණය දන්වා යැවීම සඳහා අමාත්‍ය මණ්ඩලයේ ලේකම්ට බලය පැවරීමටත් තීරණය කරන ලදී.

ක්‍රියා කළ යුතු: අග්‍රාමාත්‍ය ලේකම් - ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව වෙත ඉදිරිපත් කිරීම පිණිස - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.

රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට ඇත.

පිටපත්: ජනාධිපති ලේකම් - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.

මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය

සංවර්ධන උපායමාර්ග හා ජාත්‍යන්තර වෙළඳ අමාත්‍යාංශය - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.





**මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය**  
**நிதி மற்றும் வெகுசன ஊடக அமைச்சு**  
**MINISTRY OF FINANCE AND MASS MEDIA**

මහලේකම් කාර්යාලය, සභාගෘහ 01,  
 ශ්‍රී ලංකාව

செயலகம், கொழும்பு 01,  
 இலங்கை

The Secretariat, Colombo 01,  
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 වෙබ් අඩවි } www.media.gov.lk  
 Websites }

මගේ අංකය } MF/PE/CM/2017/119  
 எனது இல. }

ඔබේ අංකය } CP 17/1757/733/006-V  
 உமது இல. }

දිනය } 14.08.2017  
 திகதி }

**Cabinet Memorandum**  
**Observations of the Minister of Finance and Mass Media**

**Ministry** : Public Enterprise Development

**Title and Date** : Sri Lankan Airlines – Termination of Lease Agreement of three A350 -900 Airbus wide Bodied Aircrafts.  
 09.08.2017

**Proposal/ Request** : Approval of the Cabinet of Ministers is sought for the following proposal.

To authorize the Secretary to the Treasury and the Secretary to the Ministry of Public Enterprise Development to note the contents of the agreement and facilitate any actions that may be required by the Minister of Finance and Mass Media and the Minister of Public Enterprise Development to ensure compliance with the terms of the agreement as mentioned in the said Cabinet Memorandum.

**Observations** : a) It is observed that the Cabinet Committee on Economic Management (CEM) has considered the observations made on the Note to the Cabinet No 17/1535/733/006-IV dated 12/07/2017 submitted for the Termination of Lease Agreement of three A350-900 Airbus at its meeting held on 02/08/2017.

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අලුතුව 51 (iv)

Since the line Ministry has clarified the issues raised in this regard, I have no objection to the proposals.



Mangala Samaraweera, MP  
Minister of Finance and Mass Media

(B) Agenda Items :

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(I) Cabinet Papers - General

26. Cabinet Paper No.17/1757/733/006-V, a Memorandum dated 2017-08-09 by the Minister of Public Enterprise Development on "SriLankan Airlines - Termination of Lease Agreement of three A 350-900 Airbus wide body aircraft" - (Cabinet decision dated 2017-07-25 on CP No.17/1535/733/006-IV refers) the above Memorandum was considered along with the observations of the Minister of Finance and Mass Media. After discussion, it was decided -

- (i) to grant approval to authorize the Secretary to the Treasury and the Secretary, Ministry of Public Enterprise Development, to take note of the contents of the relevant Agreement and facilitate any action that may be required to be taken by the Minister of Finance and Mass Media and the Minister of Public Enterprise Development, to ensure compliance with the terms of the Agreement as mentioned in the joint Cabinet Memorandum dated 2017-04-19;
- (ii) to request the Minister of Public Enterprise Development to submit a detailed Report to the Cabinet within two (02) weeks, indicating the sequence of events that had taken place and the financial commitments pertaining to the following transactions made by the SriLankan Airlines:
  - (a) entering into a Lease Agreement pertaining to three (03) A350 - 900 Airbus wide body aircraft; and
  - (b) entering into a Purchase Agreement pertaining to four (04) A350 - 900 Aircraft.

Contd./2-

000425

- 02 -

Action by: **My/Finance and Mass Media**  
**My/Public Enterprise Development** - to be brought to the notice of the Hon. Minister - above observations annexed.

Copied to: **Secretary to the President** - copy of Memorandum and above observations annexed.

**Attorney General** - copy of Memorandum and above observations annexed.

**Secretary to the Prime Minister** - copy of Memorandum and above observations annexed.

**My/National Policies and Economic Affairs** - copy of Memorandum and above observations annexed.

**My/Justice** - copy of Memorandum and above observations annexed.

**My/Development Strategies and International Trade**  
- copy of Memorandum and above observations annexed.



**Cabinet Memorandum**  
**Ministry of Public Enterprise Development**

Cabinet Memorandum No. : 2017/49  
Reference No. : MPED/01/02/CM 2017 Date : 09.08.2017

**SriLankan Airlines - Termination of Lease Agreement of three A 350-900 Airbus wide Bodied Aircraft**

**Background**

This refers to the joint cabinet Paper No 17/1124/733/006-II, dated 19<sup>th</sup> April, 2017 submitted by the Minister of Finance & Minister of Public Enterprise Development (PED) and the Cabinet decision No 17/1535/733/006-IV dated 25<sup>th</sup> July, 2017 on the note to the cabinet dated 12<sup>th</sup> July, 2017 submitted by the Minister of PED on the above subject.

Accordingly, Cabinet Committee on Economic Management (CCEM) on its meeting held on 02<sup>nd</sup> August, 2017 has recommended the termination of Lease Agreement of three A 350-900 Aircraft of SriLankan Airlines (Annexure I).

Therefore, MPED invite the kind attention of the cabinet of Ministers to the said joint cabinet Memorandum No 17/1124/733/006-II, a dated 19<sup>th</sup> April, 2017 submitted by the Minister of Finance & Minister of Public Enterprise Development (PED) and seeks the approval of the cabinet of Ministers as recommended by the CCEM.

**Approval**

To authorize the Secretary to the Treasury and the Secretary to the PED to note the contents of the agreement and facilitate any actions that may be required by the Minister of Finance and the Minister of Public Enterprise Development to ensure compliance with the terms of the agreement as mentioned in the said Cabinet Memorandum.

**Kabir Hashim (M.P.),**

Minister of Public Enterprise Development.



000422

RECEIVED  
Secretary's Office

25 AUG 2017

Ministry of Public Enterprise Development

අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்  
OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION

අමාත්‍ය මණ්ඩල තීරණය

அமைச்சரவைத் தீர்மானம்

පිටපත් : ජනාධිපති ලේකම්.  
නීතිපතිතුමා.  
අග්‍රාමාත්‍ය ලේකම්.  
ජාතික ප්‍රතිපත්ති හා  
ආර්.ක.ලේකම්.  
අධිකරණ ලේකම්.  
සංවර්ධන උ. හා ජාත්‍යන්තර  
වෙ.ලේකම්.  
විගණකාධිපති.

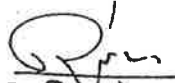
මගේ අංකය: අමප/17/1757/733/006-V  
2017 අගෝස්තු මස 23 දින.

ක්‍රියා කළ යුතු : මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශයේ ලේකම්.  
රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

**ශ්‍රී ලංකන් ගුවන් සේවය - A350 - 900 පුළුල් බඳ ගුවන් යානා  
තුනක් ලබා ගැනීමේ කල්බදු ගිවිසුම අවලංගු කිරීම**

(රාජ්‍ය ව්‍යවසාය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-08-09 දිනැති  
සංදේශය)

2017 අගෝස්තු මස 15 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී  
තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

  
ඩබ්ලිව්.එම්.ඩී.ඒ.ප්‍රනාන්දු  
අතිරේක ලේකම්.

අ.කලේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

26. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/1757/733/006-V වූ, “ශ්‍රී ලංකන් ගුවන්  
සේවය - A350 - 900 පුළුල් බඳ ගුවන් යානා තුනක් ලබා ගැනීමේ කල්බදු  
ගිවිසුම අවලංගු කිරීම” යන මැයෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා  
ඉදිරිපත් කළ 2017-08-09 දිනැති සංදේශය - (අමප අංක 17/1535/733/006-  
IV පිළිබඳව වූ 2017-07-25 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළව) ඉහත  
සඳහන් සංදේශය මුදල් හා ජනමාධ්‍ය ඇමතිතුමාගේ නිරීක්ෂණ සමඟ  
සලකා බලන ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත  
සඳහන් පරිදි තීරණය කරන ලදී:

(i) 2017-04-19 දිනැති ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශයේ සඳහන් පරිදි, අදාළ ගිවිසුමේ කොන්දේසි හා අනුකූල වන බව තහවුරු කරගැනීම පිණිස, එකී ගිවිසුමෙහි අන්තර්ගත කරුණු සැලකිල්ලට ගෙන, මුදල් හා ජනමාධ්‍ය ඇමතිතුමා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් ගනු ලැබිය යුතුව ඇති කුමන හෝ ක්‍රියාමාර්ග සඳහා අවශ්‍ය පහසුකම් සැලසීම සඳහා භාණ්ඩාගාරයේ ලේකම්ට සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්ට බලය පැවරීම සඳහා අනුමැතිය ලබා දීම;

(ii) ශ්‍රී ලංකන් ගුවන් සේවය විසින් සිදු කරනු ලැබ ඇති පහත සඳහන් ගනුදෙනුවලට අදාළ සිදුවීම් දාමය හා ඒ සම්බන්ධයෙන් වන මූල්‍ය වගකීම් පිළිබඳ තොරතුරු දක්වමින් විස්තරාත්මක වාර්තාවක්, සති දෙකක් (02) තුළ, අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන ලෙස රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමාගෙන් ඉල්ලා සිටීම;

(අ) A350 - 900 පුළුල් බඳු ගුවන් යානා තුනක් (03) සම්බන්ධයෙන් කල්බදු ගිවිසුමකට එළඹීම; සහ

(ආ) A350 - 900 ගුවන් යානා හතරක් (04) සම්බන්ධයෙන් මිල දී ගැනීමේ ගිවිසුමකට එළඹීම.

ක්‍රියා කළ යුතු: මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය  
 රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය - ගරු  
 ඇමතිතුමාගේ අවධානයට යොමු කිරීම පිණිස - ඉහත  
 නිරීක්ෂණ යා කොට ඇත.

පිටපත්: ජනාධිපති ලේකම් - සංදේශයේ පිටපතක් හා ඉහත  
 නිරීක්ෂණ යා කොට ඇත.

නීතිපතිතුමා - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ  
 යා කොට ඇත.

අග්‍රාමාත්‍ය ලේකම් - සංදේශයේ පිටපතක් හා ඉහත  
 නිරීක්ෂණ යා කොට ඇත.

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය -  
 සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට  
 ඇත.

අධිකරණ අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත  
 නිරීක්ෂණ යා කොට ඇත.

සංවර්ධන උපායමාර්ග හා ජාත්‍යන්තර වෙළඳ  
 අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ  
 යා කොට ඇත.

MPED/RP/SLA/01

20.10.2016

Mr. Ajith Dias  
 Chairman  
 Srilankan Airlines Ltd.  
 Level 19-22, East Tower  
 World Trade Centre  
 Colombo 1.

Dear Mr. Dias

DOCUMENTS RELATING TO THE TERMINATION OF A350 AIRCRAFT LEASE AGREEMENTS

I refer to your letter of 10<sup>th</sup> October, 2016, and its attachments, concerning the above and thank you for same.

As requested, please be assured that the attached documents would be treated as confidential.

In perusing the said documents attached in a chronological order, it would appear that the execution of the Termination Agreement (Agreement) entered into between Srilankan Airlines (Sri Lankan) and AerCap had been without either the approval of the Cabinet Committee on Economic Management (CCEM) and/or the Cabinet of Ministers for the following reasons:

- 1) CCEM – Decision No. 07/09/2016/17  
 Srilankan Airlines Ltd, – Termination of Lease Agreement of three A350-900 Aircrafts

The decision at the CCEM had been for the Srilankan Airlines to "negotiate a termination cost for the three Aircraft within the range of US\$ 75-85 Million in order to close the Issue". There was no decision for Sri Lankan to finalise and/or to enter into the Agreement.

The action was to be taken by the Secretary, Ministry of Public Enterprise Development (MPED). However, I have not been consulted on any matter to date.



It is pertinent to note that this decision only provided a mandate to, firstly negotiate a termination and secondly, to limit the termination compensation between US\$ 75-85 Million.

This decision entailed that, SriLankan, without further concurrence of the CCEM did not have a mandate to negotiate a settlement over and above the permitted US\$85 Million nor to enter into any agreement.

2) **CCEM – Decision No. 28/09/2016/04**  
**Termination of the A350 lease contract between SriLankan Airlines and AerCap**

At this meeting CCEM, approved SriLankan to firstly obtain legal advice from Hon. Attorney General and based on the advice, to then verify from IMF whether the proposed payment for the early termination is in par with the IMF conditions. Furthermore, if the IMF was agreeable to the proposed termination compensation, then negotiations could continue *“with the involvement of Secretary, MPED and Secretary, Ministry of Finance”*

Given the above it is pertinent to note that the CCEM did not approve the entering into the Agreement with AerCap, but only approved in principle, proceedings with negotiations with the involvement of the Secretaries to the Ministry of Finance and MPED. In this instance, I must state that by my letter dated 26<sup>th</sup> September, 2016, I nominated Mr. Mogan Wijesinghe, Senior Legal Advisor of the MPED to be involved in the said negotiations on my behalf as had been requested by the CCEM, but regret to inform you that neither the undersigned nor Mr. Wijesinghe was invited or involved in the said negotiations.

By a letter dated 10<sup>th</sup> October, 2016 the Senior Assistant Secretary of the Prime Minister's Office, informed the undersigned that the Cabinet had granted its concurrence to the decision of CCEM, CCEM – Decision No. 07/09/2016/17 on *“SriLankan Airlines Ltd.- Termination of Lease Agreement of three A350-900 Aircrafts”*.

In perusing the said decision No. 07/09/2016/17 of CCEM, it is obvious the decision of the CCEM had been to permit Sri Lankan to negotiate a termination at a cost between the range of US\$ 75-85 Million and not to enter into a termination agreement and/or an above the stipulated sum of US\$ 85Mn without further approval from CCEM.

Consequently, as stated above, and from the documents submitted by you, I am unable to find any documentation from the CCEM or the Cabinet of Ministers approving the entering into the Agreement, by SriLankan with Aercap for an amount of US\$ 97 Million, as had been approved by the SriLankan Board of Directors on 20<sup>th</sup> September, 2016.

It is important to bear in mind that as the said payment of US\$ 97 million is to be paid by the Treasury, the obtaining of Cabinet approval is mandatory and failure to do so could have grave repercussions on the parties, who had failed to act accordingly.

As I had not been involved in any negotiations or in preparing the required Cabinet Paper for approval to enter into the said Termination Agreement with Aercap, I would kindly request you to provide me the required documentation where by you have obtained the approval of CCEM and the Cabinet of Ministers.

Your urgent response is awaited by return of post.

Yours faithfully,



Ravindra Hewavitharana

Secretary

*etc*

CC: Hon. Minister

12<sup>th</sup> Aug 2015

## Request for Proposals for Advisory Services

### Background / Introduction

SriLankan Airlines (SLA) currently operates a fleet of 21 aircraft comprising 2x Airbus A340-300s, 7x Airbus A330-200s, 4x Airbus A330-300s and 8x Airbus A320/321s.

In 2012, SLA embarked on a re-fleeting programme with a view to replace its ageing fleet of Airbus A340-300/A330-200 aircraft and to provide for capacity increases to serve a projected growth in demand.

Accordingly, a Purchase Agreement was entered into with Airbus S.A.S in 2013 for six Airbus A330-300 aircraft scheduled for delivery between 2014 and 2015 and for four Airbus A350-900 aircraft with planned deliveries between 2020 and 2021.

In addition to the orders placed with Airbus S.A.S, the Company has entered into agreements with certain Aircraft Lessors to obtain on dry lease basis, one Airbus A330-300 aircraft for delivery in November 2015, four Airbus A350-900s to be inducted between 2016 and 2017, and for four Airbus A321-200 NEO aircraft to be inducted between 2017 and 2018.

SLA subsequently entered into Sale and Lease back arrangements for the six Airbus A330-300 aircraft which were contracted with Airbus S.A.S. Three of these aircraft are already in operation (one more to be delivered this week) while the balance three aircraft will be inducted in to service this year.

Please refer Annexure 1 "Lease Details" which summarises details of the current fleet and the planned inductions to replace same on or about lease expiry.

### Scope of the Consultancy Assignment

#### 1. Advisory Services

SLA is contemplating the possible withdrawal from certain long-haul routes it is currently operating into and hence, foresee a situation which would make the four Airbus A350-900 aircraft deliveries currently planned for 2016 and 2017 to be redundant to its requirement in the next three year period.

SLA is therefore considering the possible cancellation of the Lease Agreement in respect of the aforementioned aircraft if possible or deferring delivery by three years.

Please refer Annexure 1 “Future Deliveries” for a summary of the main commercial terms on these four Airbus A350-900 aircraft leases.

SLA requires, a) the Consultant to advise the Board of Directors of the airline on the options available to achieve its objective of either cancelling or deferring the deliveries of the four aircraft referred to, with the least cost and disruption, b) if required, participate in the negotiations with the Aircraft Lessor and Airbus S.A.S, towards this end and c) advising on the necessary documentation.

The avoidance of penalties relating to cancellation/deferment of deliveries is of utmost importance to the SLA.

## 2. Optimal Wide Body Aircraft for SLA

SLA requires a performance and operating economics evaluation of the Airbus A350-900, Airbus A330-300 CEO and the Airbus A330-NEO aircraft in order for the airline to identify the best fit and optimal fleet mix for its current and future route network needs.

Please send us your proposals for both (1) and (2) above by the 18<sup>th</sup> of August 2015 before 11.30pm Sri Lanka time, addressed to The Chairman detailing the following:

- I. Specific experience in conducting/participating in negotiations with Aircraft Manufacturers/Aircraft Lessors leading to cancellation/deferment of aircraft orders/lease agreements, experience in providing advisory services on restructuring of aircraft fleet, relevant experience and capability in evaluation of aircraft types for airlines.
- II. Description of the approach/ methodology for meeting with the requirements stated in (1) and (2) above.
- III. Team members and their expertise/experience.
- IV. Proposed Project Time Lines.
- V. Fee Structure separately for (1) and (2) above. SLA prefers a success based fee structure for (1) above.
- VI. SLA will subsequently require advisory services for the cancellation/deferment of two Airbus A320 NEO aircraft separately contracted with an Aircraft Lessor by the government owned airline Mihin Lanka. Please indicate your agreement to provide services on terms similar to the terms offered to SLA on (1) above.

**AIRCRAFT DETAILS**

**CURRENT FLEET**

A/C TYPE	A/C MSN	A/C REG. NO.	MANUFACTURE DATES	LEASE START DATE	LEASE END DATE	LESSOR	COMMENTS
A340-300	032	4R-ADA	30.09.1994	20.11.2007	15.05.2015	A340 MSN 32 Ltd./Veling Ltd.	Replaced by A330-300 MSN 1604
	033	4R-ADB	01.10.1994	26.11.2007	23.02.2015	A340 MSN 33 Ltd./Veling Ltd.	Replaced by A330-300 MSN 1583
	034	4R-ADC	20.03.1995	20.11.2007	17.02.2015	A340 MSN 34 Ltd. Veling Ltd.	Replaced by A330-300 MSN 1564
	0367	4R-ADE	01.10.2000	15.10.2003	14.10.2015	Aircraft Solutions Lux XVII /Castlelake Aviation.	
	0374	4R-ADF	01.12.2000	15.10.2003	14.01.2016	A340 MSN 374 Ltd. / Veling Ltd.	
	0381	4R-ADG	01.01.2001	20.05.2011	19.08.2015	Sierra Leasing Ltd./AerCap Holdings N.V.	
	303	4R-ALA	01.10.1999	12.07.2010	12.01.2017	SASOF II Aviation Ireland/Apollo Aviation Group.	
	306	4R-ALB	01.11.1999	12.07.2010	12.01.2017	SASOF II (H) Aviation Ireland /Apollo Aviation Group.	
	311	4R-ALC	01.12.1999	12.07.2010	12.01.2017	SSAF AviationIII Ireland Limited	
	313	4R-ALD	01.12.2000	12.01.2000	12.08.2017	Aircraft MSN 313 LLC /Air Castle Ltd.	
A330-300	404	4R-ALG	09.05.2001	14.07.2010	18.02.2016	Sierra Leasing Ltd /AerCap Holdings N.V.	
	627	4R-ALH	01.10.2004	08.12.2011	08.12.2018	Whitney Leasing Ltd/ AerCap Holdings N.V.	
	456	4R-ALJ	01.02.2002	09.03.2012	09.03.2020	ALC A332 456, LLC /Air Lease Corporation.	
	1564	4R-ALL	29.10.2014	29.10.2014	28.10.2026	ALC A333 102014,LLC/Air Lease Corporation.	
	1583	4R-ALM	18.12.2014	18.12.2026	18.12.2026	HKAC leasing MSN 1583 (Ireland Limited)	
A320-200	1604	4R-ALN	25.03.2015	25.03.2015	25.03.2027	HKAC Leasing A.330 2015 (Ireland) Limited	
	2584	4R-ABK	12.10.2005	05.12.2010	15.03.2017	Al Sahaab Aircraft Leasing Co.W.L.L.	
	2345	4R-ABL	23.12.2004	07.04.2011	06.04.2017	First Star Bermuda Aviation 1 Ltd.	
	4694	4R-ABM	15.06.2011	15.06.2011	15.06.2023	ALC A320 4694,LLC / Air Lease Corporation.	
	4869	4R-ABN	25.10.2011	25.10.2011	25.10.2023	ALC A320 354778,LLC / Air Lease Corporation.	
	4915	4R-ABO	29.11.2011	29.11.2011	29.11.2023	ALC A320 354777,LLC / Air Lease Corporation.	
	5086	4R-ABP	13.04.2012	13.04.2012	13.04.2018	C.I.T. Leasing Corporation.	
	3397	4R-ABQ	13.02.2014	14.02.2014	13.02.2020	C.I.T Aerospace International.	
	3636	4R-ABR	22.09.2008	24.09.2014	23.09.2020	C.I.T Aerospace International.	

New Aircraft Deliveries for 2015/16 (April to March)

A/C Type	(Manufacturer Serial No.)	Lease Start	Lease End	Comments	Lessor	Comments
A330-300	MSN 1650	Aug-15	Aug-27		Hong Kong Aviation Capital	Replaces A340-300 MSN 381
A330-300	MSN 1669	Sep-15	Sep-27		Hong Kong Aviation Capital	Replaces A340-300 MSN 367
A330-300	MSN 1689	Dec-15	Dec-27		Hong Kong Aviation Capital	Replaces A330-200 MSN 404
A330-300	MSN 1687	Nov-15	Nov-27		C.I.T Aerospace International.	Replaces A340-300 MSN 374

New Aircraft Deliveries for 2016/17

A/C Type	(Manufacturer Serial No.)	Lease Start	Lease End	Comments	Lessor	Comments
A350-900	MSN TBD*	Jul-16	Jul-28	Terms -Ref. Sheet 'Future Deliveries	AerCap Holdings N.V.	Replaces A330-200 MSN 303
A350-900	MSN TBD	Aug-16	Aug-28	Terms -Ref. Sheet 'Future Deliveries	AerCap Holdings N.V.	Replaces A330-200 MSN 306
A350-900	MSN TBD	Sep-16	Sep-28	Terms -Ref. Sheet 'Future Deliveries	AerCap Holdings N.V.	Replaces A330-200 MSN 311

\*Manufacturer Serial No. - To Be Decided

New Aircraft Deliveries for 2017/18

A/C Type	(Manufacturer Serial No.)	Lease Start	Lease End	Comments	Lessor	Comments
A321-200 NEO	TBD	May-17	May-29		AerCap Holdings N.V.	Replaces A320-200 MSN 2345
A321-200 NEO	TBD	May-17	May-29		AerCap Holdings N.V.	Replaces A320-200 MSN 2584
A321-200 NEO	TBD	Oct-17	Oct-29		Air Lease Corporation.	Replaces A330-200 MSN 5086
A350-900	TBD	Nov-17	Nov-29	Terms -Ref. Sheet 'Future Deliveries	AerCap Holdings N.V.	Replaces A330-200 MSN 313
A321-200 NEO	TBD	Mar-18	Mar-29		Air Lease Corporation.	ADDITIONS

2020/21

A/C Type	(Manufacturer Serial No.)	Delivery	Comments
A350-900	TBD	Q2 2020	Directly from Airbus
A350-900	TBD	Q3 2020	
A350-900	TBD	Q4 2020	
A350-900	TBD	Q1 2021	
A350-900	TBD	Feb-21	

COMMERCIAL TERMS A350-900 AIRCRAFT DELIVERIES IN 2016 & 2017

All figures in USD

1) 3 X A350-900 Aircraft

Lessor: AerCap Holdings N.V.  
 Delivery: Jul-16, Aug-16, Sep-16  
 Base Lease Rental: 1,215,000  
 Base Lease Rental stated in: Jan 2012 \$  
 Airbus Escalation until delivery: Capped at 3.25% p.a.  
 Interest Adjustment (fixed on delivery, variable until then): \$751 per basis point increase in 7 year USD Swap rate from a base swap rate of 1.80%  
 Buyer Furnished Equipment (BFE): Any excess BFE above \$15M amortised over the lease term in equal monthly instalments together with interest of Prime Rate at delivery + 4% p.a. (SLA expects the BFE to be around \$19M).  
 Lease Term: 12 years

Maintenance Reserves	Airframe -per month	6 Y	28,500.00
		12 Y	9,800.00
	Landing Gear- per month		11,893.00
	APU -per APU hour		79.00
	APU LLP Cost per APU Cycle		
		Determined 6 months prior to delivery based on the then current APU LLP Cost per Cycle as recommended by the APU manufacturer and adjusted on 1st January thereafter .APU LLP Cost per Cycle will be calculated by dividing the a) APU Manufacturer's list price for that year for each APU life limited part by b) APU Manufacturer's approved life cycle for each part to arrive at the Individual Life Cycle Limit . The Individual APU LLP Cost per Cycle amounts will be added to arrive at the aggregate APU LLP Cost per Cycle.	
	Engine Restoration per engine per Flight hour	Not applicable as the A350-900 aircraft are subject to a Rolls Royce Total Care Agreement	
	Engine LLP Reserves per Cycle per Engine	Determined 6 months prior to delivery and based on the then Engine LLP Cost Per Cycle and will be adjusted 1st January thereafter . Engine LLP Cost per Cycle will be calculated by a) dividing Engine Manufacturer's then current list price for each Engine LLP by the b) Approved life cycle limit for each Engine LLP to arrive at the Individual LLP Cost per Cycle . The Individual Engine LLP Cost per Cycle will be added to arrive at the aggregate Engine LLP Cost per Cycle.	
	Escalation	Based on January 2012 cost estimates Escalation by 3% on 1st January each year ; Engine LLP and APU LLP as per above	

2) 1x A350-900 Aircraft

Lessor: AerCap Holdings N.V.  
 Delivery: Nov-17  
 Base Lease Rental: 1,215,000  
 Base Lease Rental stated in: Jan 2013 \$  
 Airbus Escalation until delivery: Capped at 3.25% p.a.  
 Interest Adjustment (fixed on delivery, variable until then): \$751 per basis point increase in 7 year USD Swap rate for increase from 2.25%, upto and including 3.25%.  
 \$375 per basis point increase in 7 year USD Swap rate for increases above 3.25% upto and including 3.65%.  
 Buyer Furnished Equipment (BFE): Any excess BFE above \$19M amortised over the lease term in equal monthly instalments together with interest of Prime Rate at delivery + 4% p.a.  
 Lease Term: 12 years  
 Maintenance Reserves: As above.

Trading Partner	Invoice Date	Invoice Num	Description	Paid Amount USD	Document Number	Check Number	Paid Date	TT No
SKYWORKS CAPITAL	15.SEP.2015	1194201509	FOR SERVICE RENDERED A350 PROJECT SKYWORKS CAPITAL-FIN01/2015-L-FIRST MONTHLY WORK FEE	100,000.00	261282	60736	25.SEP.2015	FCTT2015/13300 VALUEDATE 25SEP15
SKYWORKS CAPITAL	09.OCT.2015	1194201510	SKYWORKS CAPITAL ( REF- FIN01/2015-A350PROJECTSKYWOKSCAPITAL)	100,000.00	261478	60930	21.OCT.2015	FCTT2015/14531 VALUEDATE 21OCT15
SKYWORKS CAPITAL	18.NOV.2015	1194201511	MONTHLY WORK FEE OF FIN 01/2015 - A350 PROJECT - SKYWORKS CAPITAL LLC DATED 9 SEP 2015	52,832.21	261791	61241	02.DEC.2015	FCTT2015/16651 VALUEDATE 02DEC15
SKYWORKS CAPITAL	16.DEC.2015	1194201512	MONTHLY WORK FEE OF FIN 01/2015 - A350 PROJECT - SKYWORKS CAPITAL LLC DATED 9 SEP 2015	50,692.38	262012	61462	29.DEC.2015	FCTT2015/18015 VALUE DATE 29DEC15
SKYWORKS CAPITAL	15.JAN.2016	1194201601	PROJECT AND OUT OF POCKET EXPENSES - SKYWORKS CAPITAL LLC	50,379.99	262337	61783	10.FEB.2016	FCTT2016/1962 VALUE DATE 10FEB16
SKYWORKS CAPITAL	18.FEB.2016	1194201602	OUT OF POCKET EXPENSES / REF - FIN01/2015-A350 PROJECT SKYWORKS CAPITAL	1,546.51	260098	62175	11.APR.2016	FCTT2016/4921 VALUE DATE 11APR16
			Total	355,451.09				

Rs 51,895,859  
 2016 feb 18 - Exchange rate = Rs 146.00



Trading Partner	Invoice Date	Invoice Num	Description	Paid Amount GBP	Document Number	Check Number	Paid Date	TT Ref No
NYRAS LIMITED	22-Dec-15	NYRAS-22/DEC/2015	SETTLEMENT OF ATTACHED INVOICE (PLS REF THE ATTACHED MAIL) - NYRAS LTD	25,000.00	210349	3263	22-DEC-2015	FCTT2015/17727 VALUE DATE 22DEC15
NYRAS LIMITED	24-Feb-16	403	USD 50 FOR EACH DAY ON SITE FOR FOOD AND INCIDENTAL EXPENSES FROM 15 - 27 FEB 2016	2,050.00	210069	3458	24-MAY-2016	FCTT2016/66664-VALUE DATE-24/05/2016
NYRAS LIMITED	14-Mar-16	415	USD 50 FOR EACH DAY ON SITE FOR FOOD AND INCIDENTAL EXPENSES FROM 06 - 15 MAR 2016	1,800.00	210069	3458	24-MAY-2016	FCTT2016/66664-VALUE DATE-24/05/2016
NYRAS LIMITED	16-Mar-16	416	SINGAPORE RTN FOR SRI LANKAN AIRLINES ON 15 FEB 16 AND FLIGHT CHANGE FEE INCURRED ON BEHALF OF TIM JORDAN FOR SRI LANKAN	1,434.00	210069	3458	24-MAY-2016	FCTT2016/66664-VALUE DATE-24/05/2016
NYRAS LIMITED	19-Jan-16	392	AGREED CONSULTING SUPPORT FEE FOR JAN 2016	25,000.00	210383	3297	21-JAN-2016	FCTT2016/824 VALUE DATE 21JAN16
NYRAS LIMITED	28-Jan-16	393	AGREED CONSULTING SUPPORT FEE FOR JAN 2016 - PLS REFER ATTACHED MAIL	15,000.00	210393	3307	29-JAN-2016	FCTT2016/1435 VALUE DATE 29JAN11
NYRAS LIMITED	9-Feb-16	398	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR FEB 2016	40,000.00	210414	3328	19-FEB-2016	FCTT2016/2421 VALUE DATE 19FEB16
NYRAS LIMITED	17-Feb-16	401	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR W/C 22 FEB 2016	40,000.00	210423	3337	25-FEB-2016	FCTT2016/2600 VALUE DATE 25FEB16
NYRAS LIMITED	24-Feb-16	402	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR W/C 29 FEB 2016	40,000.00	210428	3342	26-FEB-2016	FCTT2016/2754 VALUE DATE 26FEB16
NYRAS LIMITED	2-Mar-16	406	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR W/C 07 MAR 2016	30,000.00	210454	3367	08-MAR-2016	FCTT2016/3199 VALUE DATE 08MAR16
NYRAS LIMITED	30-Mar-16	418	AGREED CONSULTING SUPPORT CHARGES FOR 2.5 DAYS	3,750.00	210069	3458	24-MAY-2016	FCTT2016/66664-VALUE DATE-24/05/2016
NYRAS LIMITED	30-Mar-16	417	USD 50 FOR EACH DAY SITE FOR FOOD AND INCIDENTAL EXPENSES FROM 24 - 28 JAN 2016	600.00	210069	3458	24-MAY-2016	FCTT2016/66664-VALUE DATE-24/05/2016
NYRAS LIMITED	9-May-16	437	ONGOING SUPPORT DURING APRIL 2016 RELATED TO PREPARING FOR MEETING WITH THY AND RELATED MATTERS	9,060.50	210069	3458	24-MAY-2016	FCTT2016/66664-VALUE DATE-24/05/2016
NYRAS LIMITED	20-Jul-16	470	PROVISION OF REPORT DEMONSTRATING FUEL PRICE OPPORTUNITY AT COLOMBO AIRPORT FOR SLA AND CPC FOR JUN AND JUL 2016	15,267.25	210197	3586	02-SEP-2016	FCTT2016/11911 VALUE DATE 02SEP16
			<b>Total</b>	<b>248,961.75</b>				

65000

Rs 47290284

not in the agreed time period.  
 after the agreed time period.  
 About CPC fuel prices to decrease.

2016 July 20 - Exchange rate = 189.95

Food & Accommodation = 5884  
 = 150000  
 Fined fee 6500  
 Initial works 220884

216 January = 25000  
 25000  
 600  
 50000

**PRIVATE AND CONFIDENTIAL**

Suren Ratwatte  
Chief Executive Officer  
SriLankan Airlines Limited  
Airline Centre  
Bandaranke International Airport  
Katunayake  
Sri Lanka

3 February 2016

Dear Suren,

**Letter of Agreement: Proposal for strategic options review and fleet advisory work**

Following on from the discussions in Sri Lanka last week and your telephone conversation with me on Friday 29 January, I am writing to confirm how we would provide advisory services to support SriLankan Airlines (SLA) with a review of restructuring options and fleet advisory work.

Our proposal is structured in the following way:

- Our understanding of SLA's requirements
- Nyras approach
- Fee proposal and payment terms
- Governing Law
- Conclusion
- Appendices –Information requests, Nyras Capability, Nyras Team

**Our understanding of SLA's requirements**

Nyras understands that SLA has been challenged financially in recent years due to a highly competitive market and is now suffering from the operation of expensive new aircraft with more aircraft committed to which the SLA network both now and in the future is not really suited. The Government of Sri Lanka (GoSL) is concerned by the continuing losses and the scale of the fleet financial commitments whether through purchase or operating leases.

**Nyras Limited**

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Nyras Limited Company registration no. 6195106

An appointed representative of Nyras Capital LLP authorised and regulated by the UK Financial Services Authority

In order to transition to a revised 'Future Size and Shape' you have suggested four options to us for strategic and detailed evaluation:

**Alternative A** - continue with A350s at current lease rates (i.e. no change)

**Alternative B** - continue with A350s on discounted lease rates and dispose of all or some of A330's

**Alternative C** – sustainable route network plan with no A350's and a business plan

**Alternative D** – network plan with no A350's – including the options of the liquidation of existing entity and start-up of a new airline, and liquidation of existing entity and moving the profitable parts of the business model into Mihin Lanka's existing AOC.

If there are any other feasible options (a partnership with another airline, equity infusion etc) these may be identified and introduced to the conversation if they are deemed to be realistic. We assume that under all four scenarios that the requirement is for the Future Size and Shape of the airline to be broadly breakeven / marginally profitable.

We understand that you would like the Nyras work to focus on the issues and implications of the insolvency option but we believe it is only possible to consider the risks and implications of this option by considering the validity of other options. Therefore, in responding to your request we have focused on as comprehensive as possible review of the options available to SLA.

Further to that and recent discussions with your Minister, you have decided on the way forward for our work which needs to be carried out by Friday 11 March. At this point you would like us to concentrate on the airline piece for the purpose of obtaining a shareholder decision to better meet the immediate requirement. Therefore, Nyras agrees to deliver a comprehensive report ("Final Report") covering the following deliverables ("Workscope") by Friday 11 March. The Final Report shall have adequate information with all the supporting calculations and references to enable SLA, its directors and GoSL to make considered and informed decision on the way forward:

1. Strategic options analysis (with numbers) of Alternatives B, C and D including the optimal fleet size and mix for each option (as applicable). This would include an analysis of the profit and loss account/route profitability, balance sheet and cash flow of each option.
2. Transition analysis (time, P&L impact and cash impact) between current situation (Alternative A) and each of the three alternate options in the form of outline plans on network, fleet, interim funding, capital commitments and improvements required from the current situation to transition to the 3 year plan (for each of Alternatives B, C and D) with time lines. In relation to each of the Alternatives B, C and D, we will provide an assessment of the sustainability of the new business.
3. Advice on breakeven analysis for the new aircraft types identified and in relation to the commitments already made for aircraft (both Narrow Body and Wide Body).
4. Propose negotiating strategies with each of the lessors for each aircraft for which the lease needs to be restructured, Airbus, Rolls Royce and advice to manage the position of other major creditors and other stakeholders.

5. Identification and advising of the key risks and implications of each option on SLA and the GoSL including the political and legal risks (the legal risks to be identified with Kaye Scholer and the local counsel).
6. High level estimate the GoSL investment into SLA during the three year plan period of the various options including estimates of one-time costs (transition and break cost), recapitalisation and working capital requirements plus strategies to minimise the impact on annual GoSL finances.

This will provide an analysis how to either transform the current business or establish a new sustainable business detailing the implications of such options that can be reviewed both from a business and political perspective.

We have already provided some advice in relation to the above areas of concern particularly on fleet and strategic options. We prepared analysis and material for presentation to the Public Enterprise Ministers and the Finance Minister. Therefore, we are up to speed with the political, economic and financial background to the SLA situation.

## Our Approach

A broad team has been assembled to address the strategic issues of SLA. The delivery of Workscope will be principally handled by Nigel Addison Smith, Iain May and Tim Jordan (our commercial/network planning expert) ("Core-Team") who will be dedicated to the delivery of Workscope hereunder and for the preparation of the Report, with support from Gehan Talwatte, Eddy Pieniazek and Laura Valcarcel. Richard Davey, David Huttner and Mark Elliott will provide sounding board support. Nyras shall not change or substitute the deployment of the Core-Team members without prior written approval of SLA.

We have provided biographies as an appendix to this Letter of Agreement.

Nyras will obtain the assistance from the SLA management, Kaye Scholer and local legal counsel (as necessary) in preparing the Report.

Nyras shall carry out the following to deliver the Workscope and address the following in the Final Report:

- Further work and more in-depth analysis of current performance of the airline, developing a detailed understanding of the profit and loss account, route profitability, the balance sheet and the cash flows during the transition period for each Alternative. The balance sheet review is particularly important for the insolvency scenarios.
- Evaluation of the commercial relationship between the airline and other revenue generating functions (i.e. Engineering, Ground Handling, Catering, the Academy and Mihini Lanka) to understand both transfer pricing and the quantum and profitability of external sources of revenue.
- Assessment of current and future network plans.
- Consideration of the fleet plan and other major capital commitments, plus the 'actual' required fleet.

- Examination of the planned improvements between the current year and three year plan period and how these improvements will be delivered.
- Assessment of the sustainability of the 'new' business.
- Work with Kaye Scholer and the local legal counsel to establish key legal positions relating to the insolvency option including the practicalities, complexities and risks plus laying out the various approaches to insolvency.
- Initial evaluation of (i) Restructuring Plan, and (ii) Bankruptcy scenario to identify issues and risks.
- **Create a clear understanding of the implications and challenges of business transformation under both options.**
- Develop a negotiating strategy with regard to Airbus, Rolls Royce, and the lessors for each option.
- Ensure that the position of other major creditors (in particular customers, credit card acquirers, airports, ground handlers, overflying) and other key relationships (airport slots and regulators) is understood for both options.
- Estimate the required Government of Sri Lanka ('GoSL') investment into airline during the three year plan period.
- Identify the risks and potential actions for each scenario

We will provide a draft report for your review reflecting our work on specific deliverables set out by SLA including the items (1) to (6) in the Workscope. For the fleet work, our report will document the advice we have given you during the work and for the other areas of options and planning our report will set out our findings and proposals for SLA. Once reviewed by you, we will finalise our report which shall be the Final Report for presentation to key stakeholders such as the Board and GoSL. In any event, the Final Report shall be delivered by 11 March 2016.

### Fee proposal and payment terms

We had agreed a fee with the Finance Ministry up to 31 January 2016 of £65,000 plus applicable taxes and expenses. These fees have now been fully utilised by 31 January, and we will invoice you shortly for the small amount of expenses incurred during our visit to Sri Lanka.

The applicable fixed fee for the complete delivery of the Workscope set out herein is GBP 150,000. If there are delays in providing information to enable Nyras to carry out its work the 11 March deadline will be extended by the equivalent number of days. It is agreed by the parties any extension beyond 11 March 2016 due to whatsoever reason shall not increase the fixed fee of GBP 150,000.

The fixed fee of GBP 150,000 shall be paid according to the following timelines.

£40,000 for the first three weeks

£30,000 for the final week.

The payments shall be made weekly in advance by the Friday before the next Monday.

Nyras personnel will use SLA for air transportation relating to this engagement, when reasonably practicable, and agrees that all air travel will be in coach for travel of less than four hours in

duration, and business class for all travel of four hours or longer. No travel will be undertaken by Nyras without the prior written approval of SLA. Nyras agrees that its personnel shall use hotels that maintain a contract rate with SLA provided that such hotels meet a reasonable international business standard. SLA shall pay a per diem of USD 50 for each day on site for food and incidental expenses.

All payments to Nyras are to be made by wire transfer to the following account details (unless alternative instructions are provided in writing by Nyras to GoSL):

Account details			
Name of account:	Nyras Ltd	Bank:	HSBC
Account number:	34234162	Sort Code:	40-05-30
SWIFTBIC:	MIDLGB2141W	IBAN:	GB15MIDL40053034234162
Bank address:	City of London Branch, 50 Queen Victoria Street, London, EC4N 4TR		

**Duration and Termination**

Nyras shall complete the deliverables of the Workslope and deliver the Final Report by 11 March 2016 unless there have been delays in providing information by SLA. Nyras agree that time is of the essence of this Letter of Agreement. SLA may terminate this Letter of Agreement with 14 days' notice to Nyras and unless such termination has triggered due to a breach of this Letter of Agreement by Nyras, SLA shall reimburse the actual costs incurred by Nyras.

**Future Commitments**

In the event Nyras is retained by SLA to implement any or a mix of the Alternatives dealt with by Nyras in the Final Report, Nyras hereby agree to accept such retention on commercially reasonable terms satisfactory to SLA. Upon such retention, Nyras shall, if requested by SLA, participate in the discussions with the lessors (including but not limited to AerCap), Airbus, Rolls Royce and other stakeholders with the SLA team and shall use its best efforts to ensure that the proposals, recommendations, suggestions, projections, estimations and target lease rates/calculations provided by Nyras in the Final Report are achieved by SLA.

**Indemnity**

Each Party shall indemnify and hold harmless the other party for any losses incurred by the latter due to breach of this Letter of Agreement, gross negligence, fraud, breach of confidentiality or willful misconduct of the former to a maximum of GBP 1,000,000.

**Confidentiality**

Parties agree that all information exchanged between the parties pursuant to this Letter of Agreement shall be confidential information, unless such information is available in the public domain or the receiving party lawfully received that information from a third party at the time of

receipt, and such confidential information shall not be disclosed to any third party without prior written consent of the other party.

**Governing Law and Force Majeure**

This Agreement is in all respects governed by the laws of England and Wales and both Nyras and SLA submit to the exclusive jurisdiction of the English Courts in connection with any disputes arising on any basis out of or in connection with this agreement or the services provided.

Force Majeure: Neither party will be liable to the other for any delay in or failure to perform its obligations (other than payment of fees and expenses) as a result of any cause beyond its reasonable control, including but not limited to acts of God, war, strikes embargoes, government orders or any other force majeure event. If such delay or failure continues for a period of more than 30 calendar days, the either party will be entitled to terminate this contract by giving seven days' notice. Parties agree that internal labour disputes or non-availability of employees are not considered as force majeure events.

**Conclusion**

Based on our collective experience, as outlined in appendix 2 to this Letter of Agreement, Nyras is well qualified to advise SLA on its business transformation issues and in order to secure the best outcome for SLA and GoSL. Nyras is fully committed to support SLA and GoSL in this exercise and have put together a very experienced and capable team to deliver the Workscope within the agreed timeline for a fixed fee. I understand the importance of this exercise to SLA and GoSL and I can assure you I'm able to personally get involved to support the team in this assignment; as has been evidenced to date.

We look forward to working with you on this assignment.

Yours sincerely

Proposal Approved:



Richard Davey  
Chief Executive  
For and on behalf of Nyras Limited

Name: **S. KARUNARATNE**  
Title: **CEO**  
For and on behalf of SriLankan Airlines  
Limited **CHIEF EXECUTIVE OFFICER  
SRILANKAN AIRLINES LIMITED**

**APPENDIX 1 – information requirement**

Our further information requirement that we will need sent to us for the start of the work is as follows:

1. Breakeven analysis for the new aircraft types (i.e. A359, A333 and A321neo)
2. Route profitability for 2015-16 Base Plan that ties into the "Scenario\_Outlook (V2 06\_21JAN17)" excel spreadsheet.
3. Most recent 'Year to Date' route profitability for 2015/16 (December management accounts and January management accounts when available).
4. Transfer traffic connections data to show where the transfer traffic goes / comes from
5. Sources of revenue whether UL sales in Sri Lanka and overseas, codeshare (O&D and transfer), Tour Operator vs individual etc etc
6. J-class route yield and load factor analysis by aircraft type
7. Currency assumptions
8. Fuel price assumptions including and excluding into-plane charges
9. Three year revenue progression by route and cabin

We will provide further requests on a timely basis.



## APPENDIX 2 - Nyras Capability

Nyras is well qualified to support SLA in this exercise as we have significant experience in airline restructuring, fleet transactions and strategy.

Nyras was founded in 2003 by Richard Davey, the former Global Aviation Leader for PricewaterhouseCoopers (PwC), and is one of the leading aviation consultancies operating across a broad range of clients and functional areas. We work across all areas of the industry from the development of strategic options through to advising on mergers and acquisitions, cost efficiency programmes, and detailed implementation at an operational level.

We are the only aviation adviser that is UK Financial Conduct Authority (FCA) authorised to conduct transactions and this enables us to take both the industry and lead advisor role on aviation transactions as well as providing consulting support and advice. Our senior executives are all industry professionals covering all aspects of airline activity and are supported by over fifty Senior Associates who provide further industry experience and subject matter expertise. We believe that we bring challenge, creativity and real 'hands on' practical experience to our assignments.

In particular, we have experience in conducting fleet reviews, manufacturer negotiations and aircraft lease negotiations. Some related experience of relevance is as follows:

- We worked with the newly appointed CEO to identify the main strategic options available to the Supervisory Board of an underperforming airline and develop a long term business plan. The main areas of focus were an Initial diagnostic on fleet and commercial strategy, fleet options and network restructuring. Closing down the airline was a serious consideration.
- We supported an airline develop and implement a wide ranging business transformation programme over a period of two years, followed by working with the Chairman and CEO to develop strategic options for the business. This led to the successful sale of the business to one of the world's leading Low Cost Carriers and separate transactions to sell four sets of slots at London Heathrow.
- We worked for a period of 18 months to support a European airline implement a significant business change programme. This assignment involved restructuring the airline and negotiating an aircraft sale and leaseback transaction for multiple aircraft, which involved the lessor becoming part owner of the transformed airline.
- We advised on the cancellation of a wide-bodied aircraft order, entering into simultaneous narrow-body aircraft order with sale leaseback arrangements with airframe and engine manufacturers and lessors (with parties relevant to SLA).
- One of our team was involved in the cancellation of a significant narrowbody aircraft order which included the preparation of a business plan outlining the successful development of the airline post the order cancellation and a scenario outlining the consequences for the airline if it was forced to take the aircraft on order.

- We developed a restructuring plan for an airline to be presented to the South African Industrial Development Corporation, which involved changes to the fleet and leasing arrangements.
- We developed a business plan for a national government that was exploring the close down of the national carrier and its replacement with a new airline established on a new cost base and ownership structure with a different fleet arrangement.

In total the Nyras team has been involved, from a variety of different positions, in transactions for more than 140 aircraft. Our team has done this from senior positions on airline management teams, as members of Airline Boards of Directors, as a Project Manager for clients of the entire tender and transaction processes, as a Board Advisor, and also working for the UK's ECA (UK Export Finance - ECGD). We feel that this experience will put us in the best position to provide a broad perspective to the Management and Board of SLA. We hope that we have clearly demonstrated, through the interaction with SLA to date, our technical expertise in handling such a situation and the related negotiations and documentation.

Once we get into negotiation strategy options selection and then the negotiations themselves, Nyras is well placed to support SLA determine what is in the best commercial, strategic and financial interest of SLA, as well as deal with the technical negotiations due to the breadth of our commercial team (including network planning and revenue management), our engineering team (including lease maintenance negotiations, engine contract negotiations and engine management and MRO management) and our financial understanding due to our team of former airline CFOs. This is what will enable Nyras to obtain the best possible outcome and the least possible cost for SLA.

### Appendix 3 - Our team

We would anticipate that for the core services during this assignment our team would involve the following individuals:

- **Nigel Addison Smith**, Nyras SVP: Financing and fleet lead
- **Iain May**, Nyras SVP; Financial planning and Business Change lead
- **Tim Jordan** - Commercial Expert / Network Planning
- **Gehan Talwatte** – Coordination within Sri Lanka
- **Eddy Pieniazek** – Aircraft valuation and fleet
- **Laura Valcarcel** – Consultant Analyst

Richard Davey, David Huttner and Mark Elliott will provide 'sounding board' advice to the core team and they would bring their significant experience and knowledge to this assignment to ensure that SriLankan has robust and appropriate options for the Board to consider. We also have a wide range of airline operational and engineering experience within our team, and will bring in the relevant expertise as required, dependent on the specific needs of the assignment.

We would utilise the above individuals to deliver the brief. Their biographies are included below.

**Nigel Addison Smith, Nyras Senior Vice President:** Nigel was formerly CFO at UK Export Finance (ECGD), the United Kingdom's official export credit agency. ECGD is often the lead Airbus ECA and guaranteeing the finance for 1,100 Airbus, Boeing and Bombardier aircraft. This involved the approval of 80-130 aircraft transactions per annum including commenting on pricing, loan to value, security, credit limit and term. He also was involved in approving a number of other non-aviation projects in Sri Lanka financed by UK Export Finance. He was CFO for First Choice Airways where he handled 62 aircraft transactions relating to Boeing and Airbus aircraft including the financing and delivery of new aircraft. He was also CFO by Ebookers plc, the pan-European online travel retailer.

Nigel has recently completed the sale leaseback of seven aircraft for a client. He has significant experience of running large and small aircraft campaigns, considering financing options, and negotiating with lessors and manufacturers. He has conducted a number of fleet reviews in a number of airlines and evaluated the most effective use of these assets, undertaking a re-fleeting exercise for an airline, developing an airline business plan, advising on and leading a successful transaction for disposal of an airline to a new investor.

Nigel has led a significant and successful airline business change programme, resulting in the lessor investing the airline. He has handled the commercial renegotiations for the cancellation of wide-body aircraft (and their engines) with the ordering of narrow-bodied and sale and leaseback of those aircraft. This involved airframe and engine manufacturers and several major lessors.

**Iain May, Nyras Senior Vice President.** Iain is the former Group CEO of Bland Group, CFO of GB Airways, Jazeera Airways and First Choice Airways. Iain was employee number 1 at Jazeera and was responsible for the set-up of the airline and was CFO of GB Airways at the time of its sale to easyJet. Iain leads all cost efficiency and our benchmarking exercises and has recently completed a major exercise for a European Airline Group and UK based airline. He has been heavily involved in fleet evaluation assignments and reviewing aircraft leases. Iain has also worked extensively on the strategic options and reorganization of an airline group and has undertaken multiple airline restructuring and transaction assignments for European airlines.

**Iain has led a number of business transformation programmes, both as an airline CFO and as Senior Vice President of Nyras.** Iain also led an assignment which involved working with airline management and a national government in evaluating the impact of closing down the current airline due to alleged illegal state aid, and then restarting a new airline. Iain also has significant fleet and aircraft financing experience.

**Tim Jordan, Nyras Senior Associate:** former Chief Commercial Officer for Philippinesbased Cebu Pacific Air, brings 20 years' air transport experience - notably in low-cost airline operations across the Asia/Pacific region - to the Nyras team.

Initially employed as a consultant to plan the transformation of Cebu Pacific into a Filipino low-cost carrier, he was appointed Chief Commercial Officer in October 2005. In this role he was responsible for all commercial activity, including product creation, fleet planning, network development, scheduling, pricing, revenue management, sales, marketing and retail distribution. Tim managed a team of 400 people and generated annual revenues of more than US\$400 million.

A management accountant by profession, Tim began his aviation career in 1989 with the UK carrier, Novair International Airways. A year later, he joined United Air Lines as UK accountant rising through various senior posts over the next six years to become International Route Planning Manager, based at United's Chicago headquarters.

In 1998, Tim was recruited to the Global Aviation Practice of PricewaterhouseCoopers led at the time by Nyras founder and Chief Executive, Richard Davey. With PWC, he worked on a wide range of major world-wide assignments, with particular emphasis on air transport development in Asia.

He became Head of Commercial Distribution for Virgin Blue (Australia) in January 2002; and was appointed Chief Commercial Officer Designate for Virgin Blue (MacauPRC) two years later. **Tim will be responsible for the evaluation of the Sri Lankan Airlines' network and ensuring the robustness of commercial assumptions.**

**Gehan Talwatte. Experienced entrepreneur and business turnaround specialist.** Chairman of venture capital and private equity backed businesses in the UK and USA. Former CEO of Ascend (now Ascend Flightglobal), the leading aviation data and advisory firm, and Hoover's Online. 25 years experience in providing data, analytics and advice to financial institutions, aviation investors, airlines and lessors. **Gehan will coordinate the team's work with senior level airline and government officials in Sri Lanka.**

**Eddy Pieniazek**, provides aviation industry-related advisory services and market analysis, primarily to companies that are involved in the ownership, financing, leasing, management and operation of aircraft. Prior to this, he developed and managed three of the industry's most respected and forward thinking aviation data, consultancy and asset valuation businesses, AISL, Airclaims and Ascend. He specifically supports the understanding and assessment of asset values and asset risk, and in helping businesses develop their own services. Eddy's 30+ years' experience in the aviation sector have included time as an Aircraft Appraiser, Analyst, Lecturer, Business Leader, Director, Board Member, Expert Witness and as an Advisor to Senior and Board Level Managements on many of the major aviation developments and aircraft transactions of the past 20 years.

**Laura Valcarcelvarela - Nyras Consultant Analyst** - Laura holds a degree in Aeronautical Engineering from the Polytechnic University of Madrid. Since graduating, Laura has worked as a Project Manager for Accenture on projects for Airbus and Airbus Military, both related to major change projects within those organisations. She joined Nyras in 2014 and has been supporting a significant engineering project with a multinational airline which involved reviewing engine management, end of lease management, hangar efficiency and Part M organisational efficiency. She has also supported a multinational airport slot management benchmarking exercise where she has been responsible for the core data analysis and reporting.

**Richard Davey, Nyras CEO.** Richard is the former Global Aviation Leader of PricewaterhouseCoopers (PwC), who founded the Aviation Practice at Price Waterhouse. He has led multiple assignments from strategic option evaluation through to mergers of airlines. He is experienced in developing business plans for airline mergers and establishing implementation plans to deliver merger synergies through new ways of working. He has recently been advising a CEO of a major airline group on the implementation of a new structure and organisation to deliver cost and revenue improvements. Richard has been lead adviser on a number of aviation transactions and had a very good understanding of the regulatory environment in the UK and EU. He also personally leads our slot transaction and valuation assignments and has a good understanding of the value of slots at Heathrow and Gatwick. Richard will act as a 'sounding board' on this assignment.

**David Huttner, Nyras Senior Vice President:** Former Virgin Blue Airlines director, David Huttner, joined Nyras as Senior Vice President in April 2010, focusing on new/emerging economies, LCC and the wider commercial practice. In 2005, David founded Planely Spoken, an aviation and tourism consultancy (which was later merged into Nyras) following his career with the Virgin Group. David had previously spent nine years with the Virgin Group, initially with Virgin Express in Europe and latterly with Virgin Blue in Australia where he was one of the original founders of the airline and a member of its executive team. He was an integral part of the Virgin Blue IPO team, an event that produced the best returns of any company in Virgin Group history. In 2000, he was appointed Head of Commercial for Virgin Blue,

becoming one of the three founding officers of the Virgin Group's new Australian venture. He went on to lead strategy and communications and, subsequently, international development for the carrier. After leaving Virgin, David founded Planely Spoken and also served on the board of Spanish LCC, Vueling, during its successful IPO.

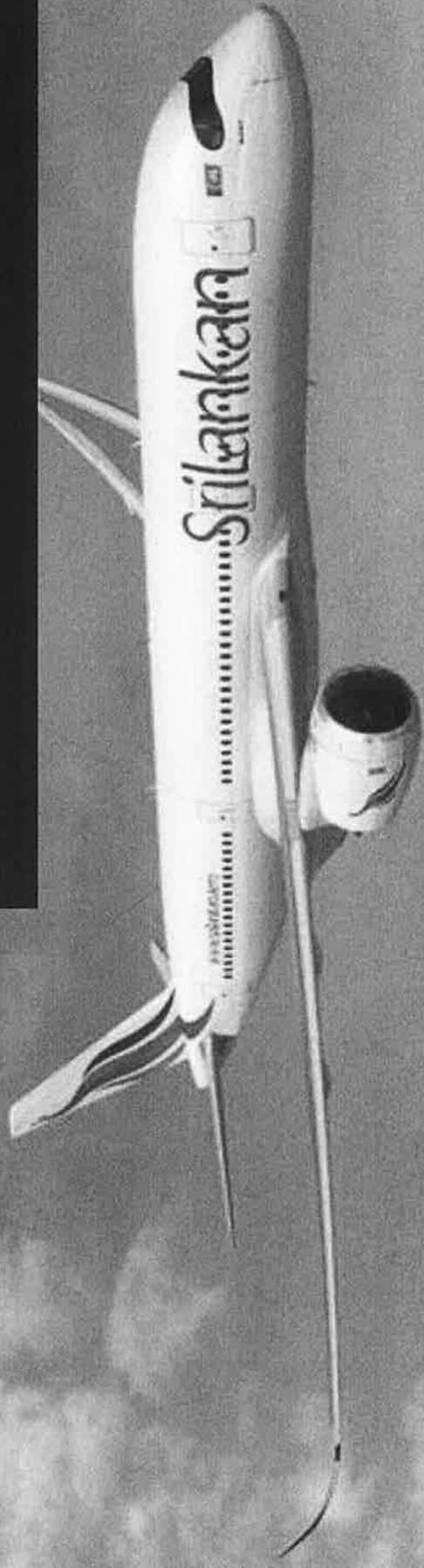
**Mark Elliott, Nyras Vice President:** Former Finance Director of Deutsche BA in Germany and CFO for Jazeera Airways. In 2009 he managed the set-up of an aircraft leasing business on behalf of an investor and was retained as a Board Advisor and Project Manager and has in recent years worked on a number of profit improvement projects and fleet evaluation assignments at Nyras.

After more than 16 years in senior finance positions at British Airways he has spent the last nine years actively involved in the process of acquiring, sub-leasing and financing aircraft. During this time he has completed 36 individual aircraft financing and leasing transactions that have involved the provision of US\$500m of debt. These transactions have included a mix of commercial asset, PDP finance, export credit guarantees and sale and leaseback financing, where his role has invariably included project managing the tender process, evaluating proposals, presenting options and recommendations and taking the lead on all commercial negotiations with a third party on behalf of his client. Mark has been involved in the placing of aircraft orders plus the restructuring and cancellation of aircraft positions, where the latter included preparation of the negotiating strategy and presentation of the commercial case for the airline.

Others who we may choose to bring in for this work, with SLA's agreement, include Burkard Wigger (Engineering / Airline Operations expert), Richard Edwards (IT & Distribution expert), Luca Ciarlini (Network, alliances & codeshare expert), Pete Lawson (financial modelling expert) and Trish Gray (Engines expert). Their detailed biographies are on our website along with other Senior Associates.

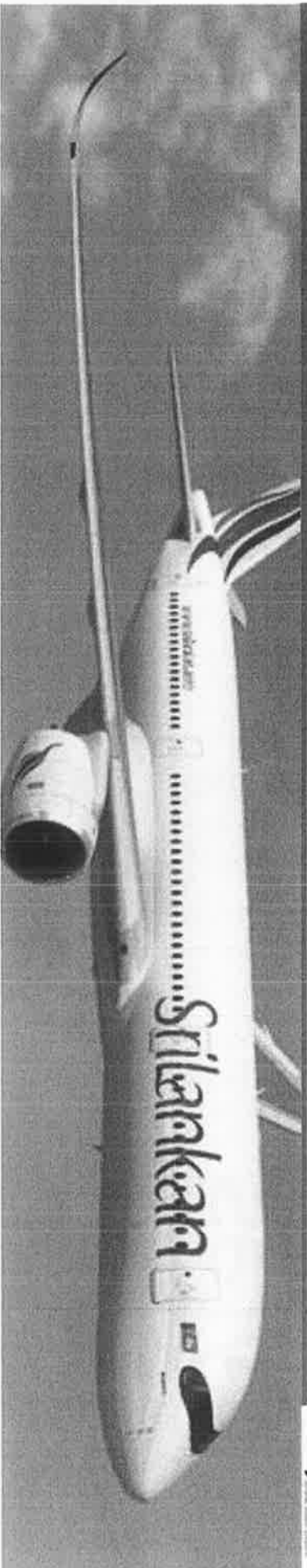


**SriLankan Airlines**  
Initial fleet options review for the Board  
3 August 2015



Private & confidential

## Contents



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## Limited scope of Nyras review

Nyras



Nyras was engaged on Monday and work started on Tuesday 28 July to provide a briefing by Friday 31 July about high level options for the Board (meeting on Monday 3 August) in relation to the Airline's order for four A350-900 aircraft from Airbus and the leasing of four A350-900s from AerCap (formerly ILFC). This is because there are concerns that the aircraft might not be suitable for SriLankan's operations.

Nyras was also asked to review the lease and purchase terms for a number of aircraft on order or recently delivered, to see how competitive they are.

By the nature of the timeframe, the scope of this review is limited. Nyras was provided with certain fleet and contractual information to assist in the review.

We thank management for their quick responses to our queries and requests for information.

## Context



Nyras

We have been advised of the following:

- The Paris, Frankfurt and Rome European routes are loss making
- There are growth opportunities for Chinese inbound tourists and business traffic
- There are Middle East codeshare opportunities
- There is a three year plan to breakeven
- There are concerns that the airline is overpaying for aircraft and leases
- The view is that the A350s are not needed: too many and A330 would have been better

Srilankan network:

- Long haul routes (over 8 hours) to London, Paris, Frankfurt, Rome, Seoul and Tokyo
- Medium haul routes (5-8 hours) to China and the Middle East (some routes really short haul)
- Short haul routes (up to 5 hours) in South East and South Asia

Seating:

- Low density two class: business and economy
- A340s and A330-200s flying some short haul routes to which they are economically unsuited



Our view based on our brief work is as follows:

- It should be possible to replace the A350-900s with more suitable aircraft but only if the Board acts swiftly since there are now only eleven months to first delivery
- The AerCap A350 leases are competitive
- The A350 pricing from Airbus is at the top end of the competitive range and by the time the aircraft have escalated to 2020 and 2021, they will be uncompetitive
- A330-300 HKAC leases are uncompetitive but not because of HKAC who are providing competitive terms but due to the pricing from Airbus of the aircraft which is uncompetitive
- The A330 lease from CIT is competitive
- A321neo lease rate from AerCap is competitive
- A clear strategy for the negotiations needs to be developed
- Other significant observations from our work are highlighted at the end

An airline such as SriLankan would normally lease aircraft rather than order direct from the manufacturer since the terms are likely to be more favourable.

With long delivery schedules, the manufacturers escalation makes the aircraft uncompetitive

# Fleet lease rate comparison



This table shows how competitive the lease rates are for the existing fleet

Type	Variant	Regn	Serial	Age	LeaseExp	Lessor	Rental \$m	Market \$m	Diff\$m	Diff%
A320	230 (IAE)	4R-ABL	2345	11	06-Apr-17	Volto Aviation Services AB	0.230	0.215	0.015	7%
A320	210 (CFM)	4R-ABK	2584	10	15-Mar-17	DVB Bank Aviation Asset Mgmt	0.240	0.225	0.015	6%
A320	210 (CFM)	4R-ABM	4694	4	15-Jun-23	Air Lease Corporation	0.322	0.295	0.027	8%
A320	210 (CFM)	4R-ABN	4869	4	25-Oct-23	Air Lease Corporation	0.322	0.295	0.027	8%
A320	210 (CFM)	4R-ABO	4915	4	29-Nov-23	Air Lease Corporation	0.322	0.295	0.027	8%
A320	210 (CFM)	4R-ABP	5086	3	13-Apr-18	CIT Aerospace	0.310	0.305	0.005	2%
A321	230 (IAE)	4R-ABQ	3397	7	13-Feb-20	CIT Aerospace	0.280	0.305	(0.025)	-9%
A321	230 (IAE)	4R-ABR	3636	7	23-Sep-20	CIT Aerospace	0.280	0.305	(0.025)	-9%
A330	240 (RR)	4R-ALA	303	16	12-Jan-17	Apollo Aviation Group	0.467	0.360	0.107	23%
A330	240 (RR)	4R-ALB	306	16	12-Jan-17	Apollo Aviation Group	0.460	0.360	0.100	22%
A330	240 (RR)	4R-ALC	311	16	12-Jan-17	Aircastle Advisor LLC	0.463	0.360	0.103	22%
A330	240 (RR)	4R-ALD	313	16	12-Aug-17	Aircastle Advisor LLC	0.425	0.360	0.065	15%
A330	240 (RR)	4R-ALG	404	14	18-Feb-16	AerCap	0.393	0.390	0.003	1%
A330	240 (RR)	4R-ALJ	456	13	09-Mar-20	Air Lease Corporation	0.525	0.405	0.120	23%
A330	240 (RR)	4R-ALH	627	11	08-Dec-18	AerCap	0.585	0.455	0.130	22%
A330	340HGW	4R-ALL	1564	1	29-Oct-26	Air Lease Corporation	1.116	0.870	0.246	22%
A330	340HGW	4R-ALM	1583	1	18-Dec-26	Hong Kong Aviation Capital	1.011	0.870	0.141	14%
A330	340HGW	4R-ALN	1604	0	25-Mar-27	Hong Kong Aviation Capital	1.030	0.925	0.105	10%
A340	310 (CFM)	4R-ADE	367	15	14-Oct-15	Macquarie AirFinance	0.575	0.200	0.375	65%
A340	310 (CFM)	4R-ADF	374	15	14-Jan-16	Veiling Ltd	0.605	0.200	0.405	67%

- Towards the end of a lease one expects the rental to be higher than the market, this is why airlines want shorter leases and lessors want longer ones
- Market rates are based on a five year lease entered into today
- Were lease extensions carried out by Srilankan, they should be able to get close to market terms
- There was a significant fall the in market rates for some aircraft types such as the A340-300

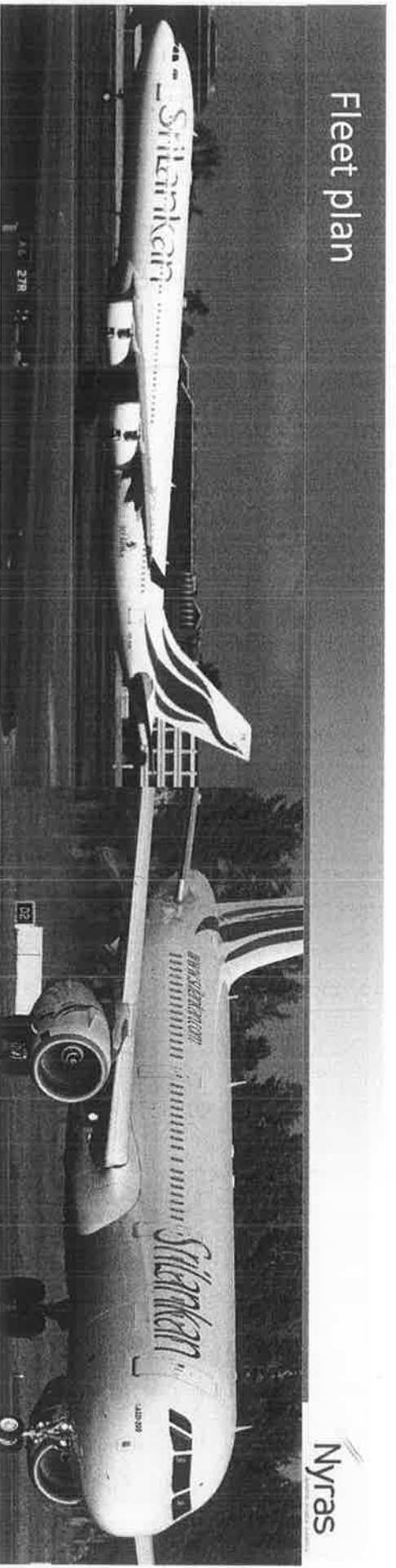
(in 85 @ 2024)

# Fleet replacement facts

This chart of the replacement has been provided as an A3 hard copy for ease of reading

Status	Type Variant	EngineV	Serial	Built	LeaseExp	Manager	Seat	2015	2016	2017	2018	2019	2020	2021
<b>A320 family narrow bodies</b>														
In Service	A320	230 (IAE)	2345	2004	06-Apr-17	Volvo Aviation Service	140							
Order	A321	250 neo (K1A32)	A321-47988	2017	May-29	AerCap	200							
In Service	A320	210 (CFM56)	2584	2005	15-Mar-17	DVB Bank Aviation AS	140							
Order	A321	250 neo (K1A32)	A321-47998	2017	May-29	AerCap	200							
In Service	A320	210 (CFM56)	4694	2011	15-Jan-23	Air Lease Corporation	140							
In Service	A321	210 (CFM56)	4689	2011	25-Oct-23	Air Lease Corporation	140							
In Service	A321	210 (CFM56)	4915	2011	29-Nov-23	Air Lease Corporation	140							
In Service	A320	210 (CFM56)	5086	2012	13-Apr-18	CIT Aerospace	140							
Order	A321	250 neo (K1A32)	3397	2008	13-Feb-20	CIT Aerospace	200							
In Service	A321	230 (IAE)	3636	2008	23-Sep-20	CIT Aerospace	177							
In Service	A321	230 (IAE)	3635	2008	23-Sep-20	CIT Aerospace	177							
Order	A321	250 neo (K1A32)		2018	Mar-29	Air Lease Corporation	200							
<b>A330-200 replacements</b>														
In Service	A330	240 (RR)	303	1989	12-Jan-17	Apollo Aviation Group	287							
Order	A330	240 (RR)	XWB-84	CA35026917	2016	Jul-28	AerCap	270						
In Service	A330	240 (RR)	305	1989	12-Jan-17	Apollo Aviation Group	287							
Order	A330	240 (RR)	XWB-84	CA35026918	2016	Aug-28	AerCap	270						
In Service	A330	240 (RR)	311	1989	12-Jan-17	Air Lease Corporation	287							
Order	A330	240 (RR)	XWB-84	CA35026919	2016	Sep-28	AerCap	270						
In Service	A330	240 (RR)	313	1989	12-Aug-17	Air Lease Corporation	287							
Order	A330	240 (RR)	XWB-84	CA35026920	2017	Nov-29	AerCap	270						
In Service	A330	240 (RR)	404	2001	18-Feb-16	AerCap	254							
Order	A330	240 (RR)	1689	2015	Dec-27	SilLankan Airlines	314							
In Service	A330	240 (RR)	456	2002	09-Mar-20	Air Lease Corporation	354							
Order	A330	240 (RR)	XWB-84	A-350-74133	2020	n/a	SilLankan Airlines	314						
In Service	A330	240 (RR)	627	2004	08-Dec-18	AerCap	289							
Order	A330	240 (RR)	XWB-84	A-350-74132	2020	n/a	SilLankan Airlines	314						
<b>A350-300 replacements</b>														
In Service	A350	300 (RR)	1664	2014	29-Oct-26	Air Lease Corporation	297							
Order	A350	300 (RR)	XWB-84	CA35074134	2020	n/a	SilLankan Airlines	314						
In Service	A350	300 (RR)	1593	2014	18-Dec-26	Hong Kong Aviation C.	297							
Order	A350	300 (RR)	XWB-84	CA35074135	2021	n/a	SilLankan Airlines	314						
In Service	A340	310 (CFM56)	367	2000	14-Oct-15	Macquarie AirFinance	297							
Order	A340	310 (CFM56)	1669	2015	Sep-27	SilLankan Airlines	297							
In Service	A340	310 (CFM56)	374	2000	14-Jan-16	Veilig Lid	313							
Order	A340	310 (CFM56)	1687	2015	Nov-27	CIT	297							
In Service	A340	310 (CFM56)	032	1984	15-May-15	Veilig Lid	314							
Storage	A340	310 (CFM56)	1604	2015	25-Mar-27	Hong Kong Aviation C.	297							
In Service	A340	310 (CFM56)	391	2000	19-Aug-15	AerCap	283							
Storage	A340	310 (CFM56)	1650	2015	Aug-27	SilLankan Airlines	297							
Order	A340	310 (CFM56)		2015										

- Some mid-life A320ceos are being replaced with new A321neos
- The ageing and inefficient 313 seat A340-300s are being replaced with new 297 seat A330-300ceos; an industry standard replacement
- The 287 seat A330-200ceos are being replaced with 314 seat A350-900s
- There are two further growth A350-900s



# Fleet plan

The fleet plan evolves as follows:

	Feb-15	Apr-16	Sep-17	Nov-18	Feb-21
A320	6	6	4	3	3
A321ceo	2	2	2	2	
A321neo	8	8	8	9	7
A330-200	7	6	2	2	
A330-300	2	7	7	7	7
A340-300	4				
A350-900			4	4	8
	13	13	13	13	15

- Its unusual to see a fleet plan with more wide-body than narrow-body aircraft
- The dates have been selected to avoid transition periods where there is brief double-count
- We haven't enquired as to why A321neo is required rather than the ceo
- The A320, which is the mainstay of most narrow-body fleets, diminishes in the fleet
- A network review would be required to determine whether this is the optimal fleet mix

Having largely recovered from the global financial crisis the wide-body market has now turned down due to supply / demand imbalances

- Delays of entry into service and production ramp-up of A380s, B787s and A350s led to a tight wide-body market causing significant numbers of B777s and A330s to be built as interim lift, but the new aircraft are now fully available
- Rapid retirement of B747s and A340s are taking place, only slightly slowed by lower fuel prices; used prices and lease rates never increased after the financial crisis
- There has been a significant drop in the used prices and lease rates of B777s and A330s, with significant availability of used aircraft from lessors with airlines unable to sell
- Airbus had reduced the cost of the A330ceo enabling it to compete with the B787
- Airbus has launched the A330neo that delivers performance equivalent to a B787 and A350-800 (the smaller variant)
- Airbus has launched the A330 Regional for short to medium haul high capacity Asian routes (targeted at China where there are slot and air traffic issues) similar to those of SriLankan
- Under pressure from the A350-1000, Boeing has launched the B777X
- Airbus have seen reduced sales of A330ceo after the launch of the A330neo and have dropped production to six a month and have achieved two large orders from Saudi and China but some production slots still available at low prices
- Boeing cannot drop the production rate of the B777 so have significant capacity to sell

SriLankan is seeking fleet changes at a good time, where there are market pressures



## Narrow-body aircraft market



Having sold out of delivery positions for the A320 family and B737, both manufacturers have launched upgrades

- Prices and lease rates of the larger variants of the A320 family (i.e. A320 and A321) and the B737 (i.e. -800 & -900) recovered strongly after the global financial crisis
- Smaller variants have struggled (i.e. A319 and B737-700)
- A320 family and B737 now have even higher density seating available for LCCs through clever work with galleys, lavs and door exit limits
- Available range has increased
- Airbus launched the A320neo family creating a game changer in the narrow-body market
- Boeing reluctantly responded with the B737MAX which has sold well despite its limitations due to highly constrained demand
- Bombardier launched the CSeries to compete against the A319 and B737-700 but it has yet to enter service so has not gained traction with potential customers but delivers big cost savings at the small end of the narrow body market

This market is tight making switches into narrow-bodies more challenging



## Economic lives

Nyras



There is much debate around the economic lives of modern western aircraft:

- It has previously been assumed that a successful aircraft will stay in service for 25 years or more
- The collapse of profitability of the dedicated wide-body freighter market due to the growing capacity for belly cargo on passenger aircraft, has limited the growth of conversions
- The need to compete with LCCs operating new high utilisation aircraft has meant that network carriers have needed to rethink their short haul fleet strategies
- An active spares part-out aircraft market has evolved but is now largely saturated
- Developing world airlines used to take older aircraft but there are now 15-20 year restrictions
- Economic lives are now 20-25 years, so shorter:
- 1<sup>st</sup> life: up to 7-12 years (high utilisation required to cover high ownership cost)
- 2<sup>nd</sup> life: from 7-12 years to 15-20 years (rising maintenance but lowering ownership costs)
- 3<sup>rd</sup> life: over 15-20 years (high maintenance costs but otherwise cheap, but reliability?)

Srilankan is replacing mid-life aircraft where daily utilisation is less pressured to new aircraft where high utilisation is required: network planning is therefore critical

## Srilankan: wide-body fleet replacement



The entire A340-300 and A330-200 fleets are being replaced:

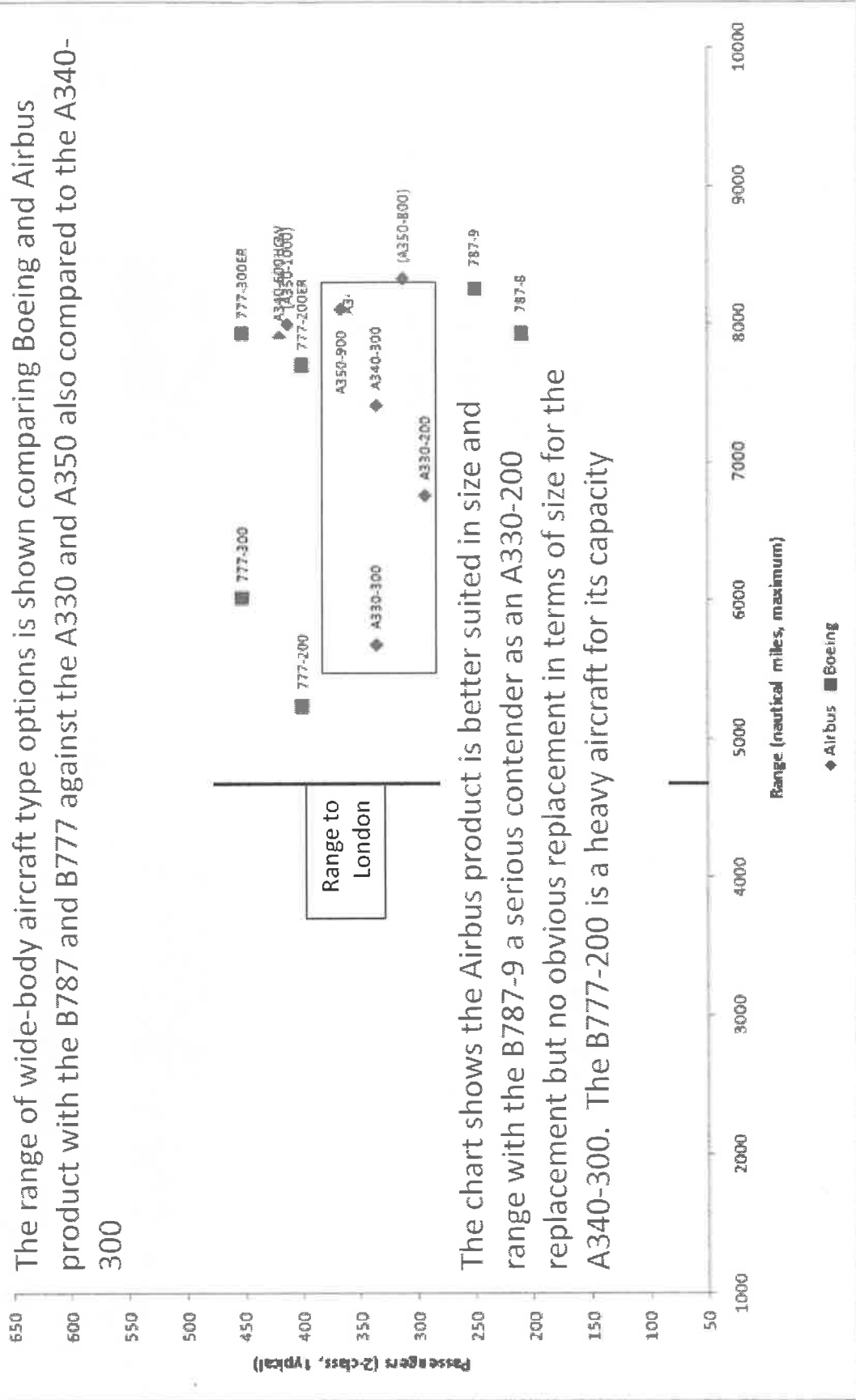
- The A340-300s are inefficient; albeit less so with the low fuel price and reduced engine overhaul costs now available
- The A340s are being replaced by new A330-300s through sale / leaseback transactions from an order placed direct with Airbus
- The A340s are currently doing medium and short haul routes to which they are not suited
- The A330-300 is very suited to medium haul and is the best aircraft for these missions; it can also do London so longer sectors; and can be used for high capacity short haul, but not ideal
- A330-200s are being replaced with A350-900s which are ideal for the long haul sectors such as London, Tokyo and Seoul; but not good for short haul since the A350 derives its economics from high daily utilisation in the cruise phase of flight; short haul means the aircraft is on the ground or in the climb or descent phases of flight

So question whether there are enough long sectors in flying programme that deliver high utilisation for the A350's economics to work? Plus the required daily utilisation?

Which aircraft type is best suited for the short sectors?

**Airbus and Boeing: Passengers vs Range**

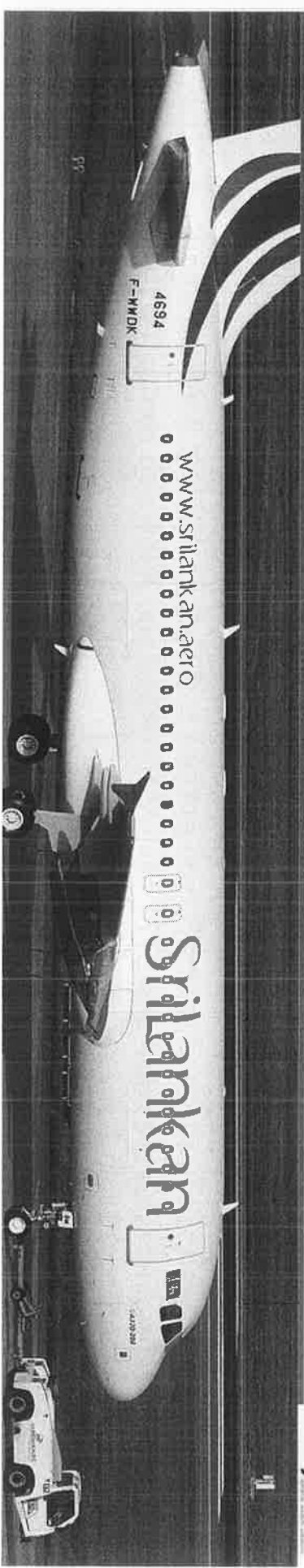
The range of wide-body aircraft type options is shown comparing Boeing and Airbus product with the B787 and B777 against the A330 and A350 also compared to the A340-300



The chart shows the Airbus product is better suited in size and range with the B787-9 a serious contender as an A330-200 replacement but no obvious replacement in terms of size for the A340-300. The B777-200 is a heavy aircraft for its capacity

The economics of the B787-9 would have been strong competition as an A330-200 replacement, whilst the B777-200 would struggle against the A330-300

# Narrow-body fleet replacement

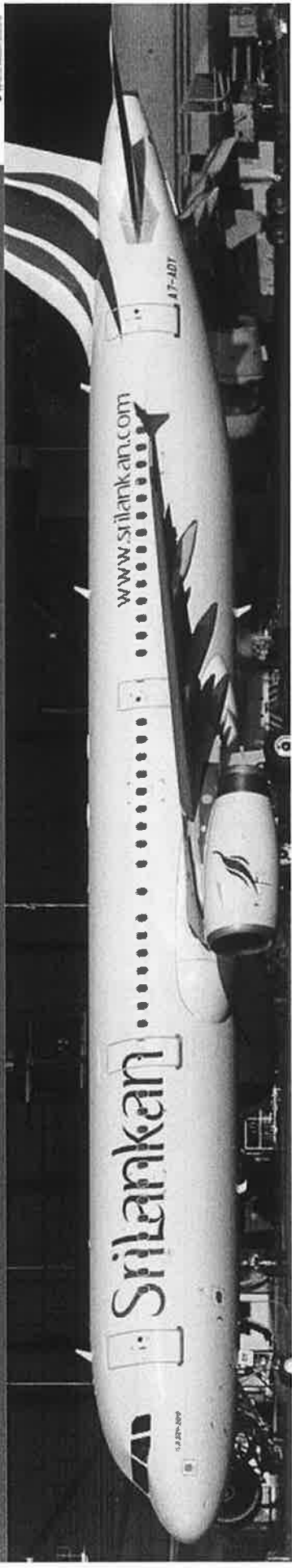


There is a partial fleet replacement taking place:

- Three of the A320s are being replaced with A321neos
- Two A321s continue in the fleet
- Two A320s stay in the fleet
- There is one growth A321neo
- We assume the above capacity increases are attainable
- The volume of short sectors currently operated by the A340-300s and A330-200s would be better suited to the A321 (and presumably would soon be operated with the A350-900?); or A330 Regionals if you had them
- However, the market availability of A321s and A320s is limited and only at full market rates, where available; but the economics are probably preferable
- It is noted that the A320s and A321s operate with a low density of seating in economy which must make it very difficult to stimulate the market with lower fares; we note that Mihin (the so called LCC) does not operate max density seating which is now standard in SE Asia

## Mix of narrow and wide body aircraft

Nyras



Consideration should be given to the right mix of A320 family and A330/A350s:

- Mindful of any new proposed network, if aircraft order swaps are to be made then the flying programme needs to be reviewed to select the right aircraft type for each flight
- If the long haul utilisation is low or high determines whether used or new aircraft are best suited to these sectors; the size of aircraft needs consideration whether A330-200 or -300
- For the medium haul sectors, the higher capacity flights should be on A330-300s and the thinner routes flown with A321s; daily utilisation also then drives whether new or used
- For the short haul sectors, either A320 or A321 is selected then new or used according to daily utilisation achievable; its possible some short haul flights are suited to the A330-300 due to time of day or week being peak demand

# SriLankan's competition at Colombo Airport



International short and medium haul routes (in order of seat capacity):

SHORT HAUL	Flight time	Seats 2015	SriLankan			COMPETITORS		
			Aircraft	Codeshares	Competitor	Seats 2015	Dominant Aircraft	Codeshares
Male	1h 25m	690,923	A320, A321, A330-200/-300, A340-300	Japan Airlines, Malaysia Airlines, Oman Air, Ethiad	Emirates* <sup>db</sup> , Korean Air Lines* <sup>db</sup> , flydubai* <sup>db</sup>	273,896	B777-300	
Chennai	1h 25m	631,880	A319, A320, A321, A330-200/-300, A340-300		Air India, SpiceJet	132,860	A321, Dash-8	
Bangkok	3h 20m	316,846	A320, A321, A330-200/-300, A340-300	Finnair, Japan Airlines	Thai Airways, Cathay Pacific* <sup>db</sup>	155,173	A330, B777	Dragonair
Singapore	3h 50m	284,264	A320, A321	Qantas, Oman Air, Ethiad, Finnair	Emirates* <sup>db</sup> , Singapore Airlines	292,000	B777-300ER	Air New Zealand, Virgin Australia
Kuala Lumpur	3h 35m	238,966	A320, A321, A330-200/-300, A340-300	Malaysia Airlines, Ethiad	AirAsia X, Malaysia Airlines	229,216	A330-300	Japan Airlines, SriLankan
Kochi	1h 10m	220,010	A320, A321, A330-200		N/A			
Tiruchirappalli	1h 0m	219,318	A320		N/A			
Bengaluru	1h 30m	184,820	A319, A320, A321, A330-200/-300, A340-300		N/A			
Thiruvananthapuram	1h 0m	134,590	A320, A321, A330-200		N/A			
Delhi	3h 35m	117,988	A320, A321, A330-200/-300		Air India	72,800	A321	
Abu Dhabi	4h 35m	114,812	A320, A321	Ethiad, airberlin, NIKI	Ethiad, Rotana Jet	194,752	A320	AA, airberlin, Air France, KLM, Alitalia, NIKI, Air Seychelles, Air Serbia, KLM, SAA
Karachi	3h 40m	113,816	A320, A321, A330-200	Malaysia Airlines	N/A	31,348	A319	
Mumbai/Bombay	2h 25m	110,741	A320, A321, A330-200/-300		Jet Airways	245,312	B737-800	
<b>MEDIUM HAUL</b>								
Doha	4h 55m	209,150	A320, A321, A330-200/-300, A340-300		Qatar Airways	735,962	A330-200/-300, A340-600, B777-200/-300	S7, American Airlines
Kuwait	5h 30m	202,536	A330-200/-300, A340-300		Kuwait Airways	161,512	A300	
Dubai	4h 40m	173,915	A320, A321, A330-200/-300, A340-300		Emirates, flydubai	815,040	B777-300ER	Air Mauritius
Riyadh	5h 30m	151,921	A330-200/-300, A340-300		Saudia	232,635	B737-800	
Jeddah	6h 20m	147,953	A330-200/-300, A340-300	Saudia	Saudia	74,805	B747-400	
Shanghai	7h 15m	114,563	A330-200/-300, A340-300	Oman Air	China Eastern	103,292	B747-400	
Beijing	7h 30m	114,307	A330-200/-300, A340-300	Oman Air	Air China	27,400	A330-200	
Dammam	5h 10m	109,672	A330-200/-300, A340-300	Saudia	N/A	17,458	A330-300	
Muscat	4h 20m	67,444	A320, A321	Oman Air	Oman Air	165,410	B737-800	SriLankan
Kunming	5h 20m	44,144	A320, A321, A330-200		China Eastern	42,008	B737	

Source: Based on 2015 schedules from srs Analyser

## International long haul routes (in order of seat capacity):

\*DD = Double Drop

LONG HAUL	Flight time	Sri Lankan		COMPETITORS				
		Seats 2015	Aircraft	Codeshares	Competitor	Seats 2015	Dominant Aircraft	Codeshares
London-Heathrow	10h 45m	230,792	A330-200/-300, A340-300		N/A			
Tokyo-Narita	9h 20m	123,068	A330-200/-300, A340-300	Japan Airlines, Asiana	N/A			
Frankfurt	10h 0m	122,994	A330-200/-300, A340-300	Air Canada, Finnair	N/A			
Paris-De Gaulle	10h 20m	115,554	A330-200/-300, A340-300	Air Canada, Finnair	N/A			
Rome-Da Vinci	9h 40m	88,078	A330-200/-300, A340-300	Malaysia Airlines, Finnair, Alitalia	N/A			

- The most striking aspect of this analysis is the broad range of aircraft types operated on each route, which is unusual. Also the use of A340-300s and A330-200s on short haul is surprising
- SriLankan has no direct competition on its routes to London Heathrow, Tokyo, Frankfurt, Paris, Karachi, Dammam and Rome, and codeshares with a number of partners on these flights.
- The Gulf carriers provide the main competition for Europe flying via e.g. Dubai and Doha
- SriLankan faces huge competition from the Gulf carriers; Qatar Airways and Emirates have more frequency to Doha and Dubai, dominating with the use of wide-bodied B777s resulting in far greater seat capacities. Etihad and Oman Air on routes to Abu Dhabi and Muscat use A320/B737 narrow-bodies, like SriLankan's A320s on the routes, but with greater frequency.
- SriLankan has a lack of competition on the majority of its Indian routes; Kochi, Tiruchirappalli, Bengaluru and Thiruvananthapuram. Indian routes with competition are to Delhi and Mumbai
- The route to Male faces some competition from large international carriers performing "double-drop" routes. SriLankan is also operating some flights with wide-bodies despite the short sector length.
- In South East Asia, SriLankan faces significant competition from Singapore Airlines and Emirates to Singapore, operating wide-body aircraft, and to Kuala Lumpur from AirAsia X operating high-density A330s on the route.

## Competition at CMB



Mihin Lanka is a LCC (low cost carrier) sister airline to Srilankan with short haul routes divided between the two

- Low-cost entity Mihin Lanka operates the following international routes, all of them codesharing with Srilankan: Dhaka, Jakarta, Madurai, Bahrain, Sharjah, Lahore, Seychelles, Kolkata (commenced Jun 15), Medan (seasonal), Varanasi (seasonal), Gaya (seasonal)
- The only route on which Mihin Lanka faces significant competition is from Air Arabia on the route to Sharjah. Despite operating the same aircraft type, Air Arabia operates with 2.5 times more frequency.
- Spicejet competes on the Madurai route; but uses a significantly smaller aircraft type, Dash-8, therefore much lower seat capacities.
- A combination of A319, A320 and A321 aircraft operate on all of the routes.

The following carriers fly into Colombo on routes which Srilankan and Mihin Lanka currently do not operate. There are no codeshares in place on these routes either:

	Airline	Flights 2015	Seats 2015	Aircraft	Codeshares
Chengdu	Air China	344	93,764	A330	None
Seoul	Korean Air Lines	313	86,388	A330-300	None
Vienna	Austrian	19	4,077	B767-300	None
Moscow	Transaero	66	19,456	B767-300, B777-200	None
Hong Kong	Cathay Pacific	476	118,126	A330-300	None

Source: Based on 2015 schedules from srs Analyser



# SriLankan's seat configuration



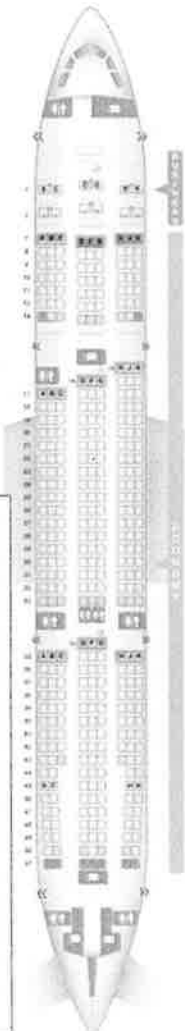
The seat configurations when compared with competitors' are not as efficient.

## SriLankan A330-300 vs. Air Asia X A330-300

SriLankan A330-300: 28J / 269Y= 297 Total



AirAsia X A330-300: 12J / 365Y= 377 Total



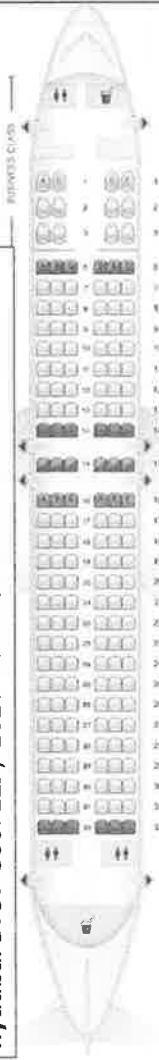
- SriLankan competes with **AirAsia X** on the KUL route.
- AirAsia X operates a high density A330-300 with 365 economy seats at 32" pitch; SriLankan offers 31-32" pitch in economy.
- AirAsia X has just 12 business class angle-flat seats with 60" pitch whereas SriLankan has lie-flat beds on the A330-300.
- AirAsia X therefore have far higher seat capacities on the route and therefore can compete aggressively with SriLankan.

## SriLankan A320 vs. flydubai B737-800

SriLankan A320: 12J / 138Y= 150 Total OR 20J / 120Y = 140 Total

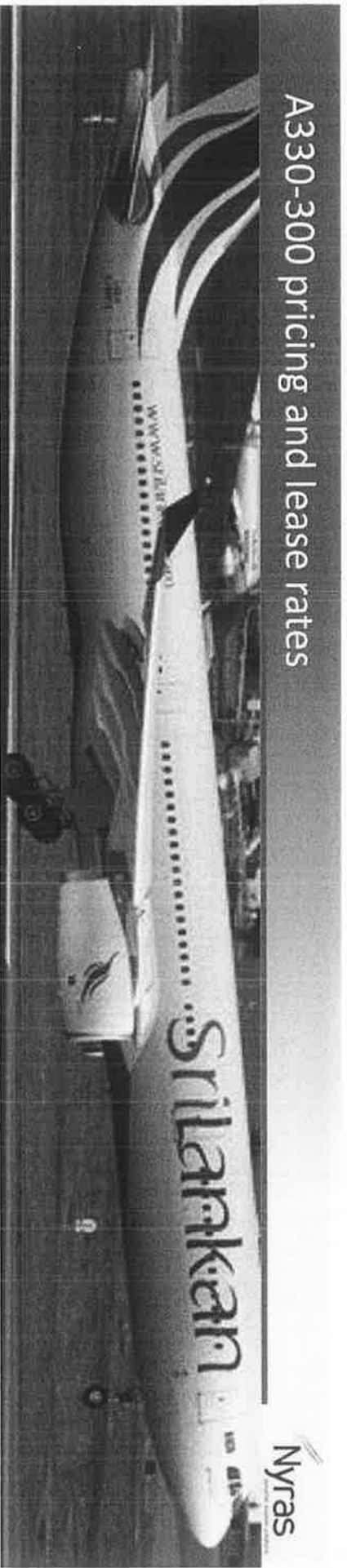


flydubai B737-800: 12J / 162Y= 174 Total OR ALL Y 189 Total



- SriLankan competes with low-cost carrier **flydubai** on the DXB route.
- flydubai operate the slightly larger B737-800 on the route, but with far more efficient configuration; 174 seats in a mixed class configuration and 189, the maximum for the type, in an all economy configuration.
- SriLankan's A320s have a variety of configurations but even in the most efficient- 140 2-class total- this is still 40 seats below the A320's maximum seat total of 180.

## A330-300 pricing and lease rates

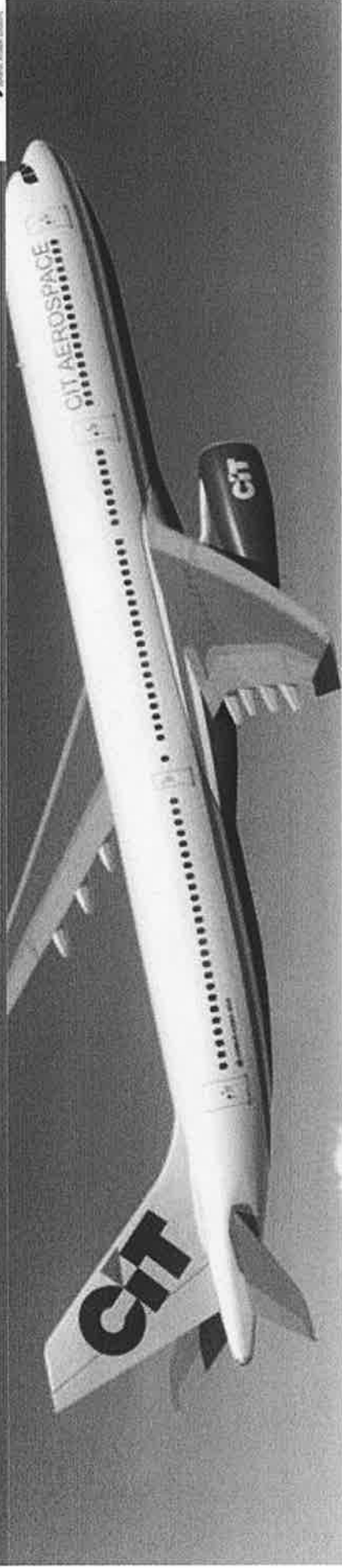


The A330-300s were purchased from Airbus with sale leaseback taking place prior to delivery:

- The net purchase price from Airbus does not look to be competitive, it would be at the top end of prices
- Hong Kong Aviation Capital (HKAC) purchased them at the net purchase price
- The lease rate factor offered for the aircraft by HKAC is competitive given the price they are buying them for; a lower purchase price would no doubt have attracted a lower lease rate factor since the lessor has to amortise excess over market over the twelve years of the lease rather than over the life of the aircraft
- This results in lease rates about 10% higher than market or \$100k per month per aircraft for 12 years
- The three month cash security deposit (with letter of credit option) is market standard
- Maintenance reserves should provide the lessor with financial security not gain. In general the HKAC reserve rates are reasonable, albeit at the upper end, and in line with the actual estimated cost of each maintenance event. The only exception is the engine rates, which may be driven by short intervals between shop visits and/or the higher cost of a harsh operating environment. SriLankan is in any case entitled to full reimbursement of the unused reserve balances at the time of each claim for a qualifying maintenance event.
- However the lessor retains full ownership of the reserves balance on lease termination and we noted that, with the exception of unused LLPs, there are no provisions for an “end of lease (EOL) financial settlement” on the engines. We normally advise clients to secure EOL compensation as the amounts involved can be quite large and a lessee should put itself in a position to benefit from extended intervals and low MRO pricing.
- The return conditions in the HKAC lease are reasonable and relatively less restrictive than CIT.

## CIT A330-300 lease rate and other terms

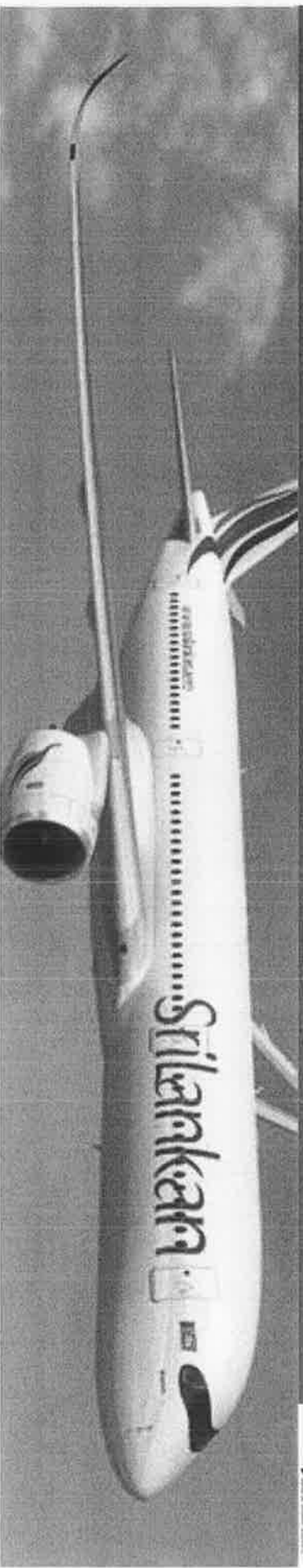
Nyras



CIT are providing a leased A330 from their own order book:

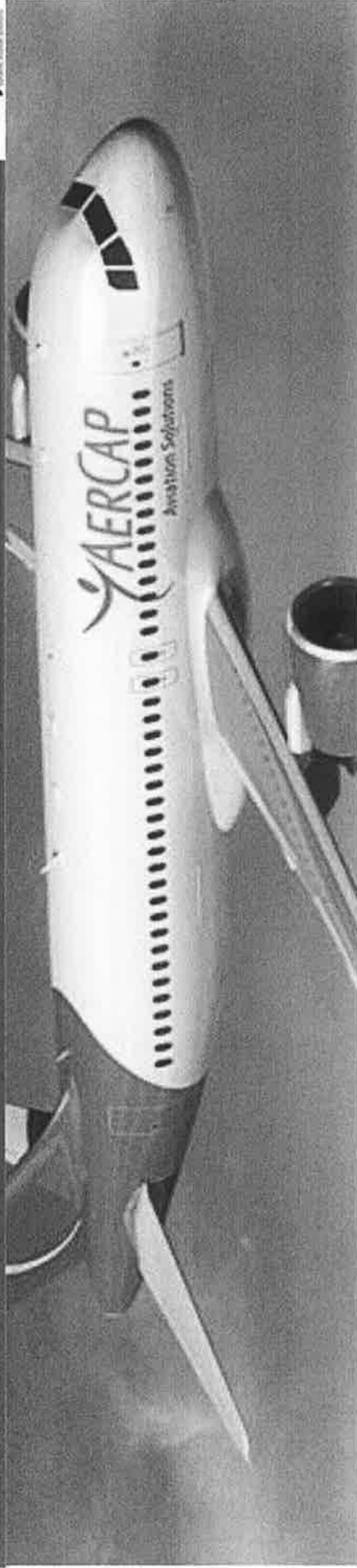
- The lease rate offered by CIT is if anything slightly below market.
- The three month cash security deposit (with letter of credit option) is market standard
- Maintenance reserves should provide the lessor with financial security not gain. In general the CIT reserve rates are reasonable, albeit at the upper end, and in line with the actual estimated cost of each maintenance event. The only exception is the engine rates, which may be driven by short intervals between shop visits and/or the higher cost of a harsh operating environment. SriLankan is in any case entitled to full reimbursement of the unused reserve balances at the time of each claim for a qualifying maintenance event.
- The lessor retains ownership of the reserves balance on lease termination and we noted that there are NO provisions for an “end of lease (EOL) financial settlement” on the engines. We normally advise clients to secure EOL compensation as the amounts involved can be large and a lessee should put itself in a position to benefit from extended intervals and low MRO pricing.
- Relatively speaking the return conditions in the CIT lease are more restrictive than the HKAC lease, though not particularly off market.

## A350 pricing and lease rates



Both the A350s and A330s were selected through a competitive campaign between Boeing and Airbus. The A350s came direct from Airbus (four) and leased from AerCap (four):

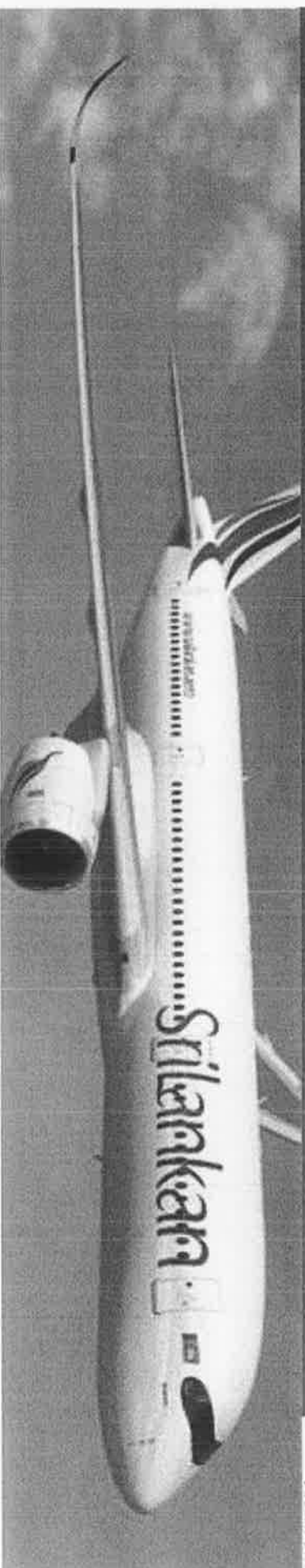
- The base year pricing of the A350-900s from Airbus would appear to be competitive albeit at the upper end of prices seen in the market but given most of the orders have been from some of Airbus's largest customers this is no surprise
- However, by 2020 the escalation will make them relatively uncompetitive against used aircraft or aircraft ordered later (it is best to avoid long lead times to reduce the erosion of competitiveness through escalation)
- The PDPs (Pre-Delivery Payments) are market typical, although the payment profile is slightly front-loaded
- The lease rate offered by AerCap is market competitive
- The three month cash security deposit (with limited letter of credit option) is market standard
- Not all the lease terms were reviewed, since not found to be included
- For a new aircraft type where actual costs are relatively untested, the ILFC lease does contain provision for all rates to be set and/or adjusted during the lease to actual costs and in the case of engine restorations the lessee can invoke a clause to set the rate based on three external quotes; so market terms
- However ILFC does retain full ownership of all reserve payments, hence NO unused balances are reimbursed.
- The only return condition that appears relatively restrictive and off market relates to hard time components.



AerCap (along with Aircraft Lease Corp.) are providing leased A321neos from their own order book:

- The lease rate offered has an escalation formula and interest rate adjustment mechanism which implies a lease rate that is at market lease rates
- However, AerCap tend to be competitive on lease rates and make their money on the maintenance reserves which are irrecoverable
- A twelve year lease for a narrow-body is quite long but still a market standard, it leans the lease rates in the latter years will be quite uncompetitive
- The three month cash security deposit (with limited letter of credit option) is market standard

## Options for A350 disposal



There are a number of potential options open to the Board of SriLankan if they wish to dispose of the A350-900s:

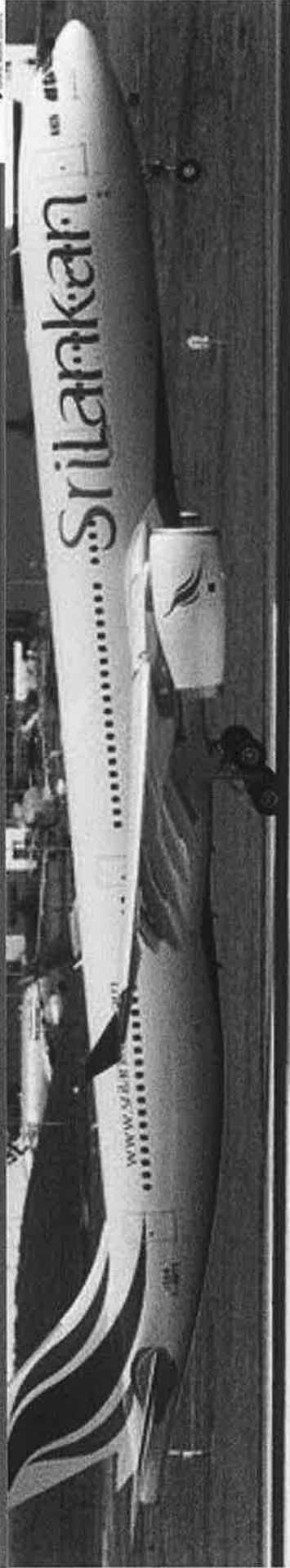
- Swap the aircraft with Airbus and AerCap for A330ceo or A330neo aircraft
- Take delivery of the Airbus ordered aircraft and sub-lease them, then sell the leases to a lessor; doesn't solve the AerCap aircraft (but could take A330 or A320 family aircraft in lieu)
- Launch a campaign between Boeing and Airbus for the complete replacement of the fleet
- Swap the aircraft into a mix of new A330s and A320 family aircraft
- Swap into used A330 and A320 family aircraft
- Retain some of the A350s for long haul routes and switch the rest into new and used A321s and A330-300s
- Joint deal with Mihin Lanka, with them talking more A320 family aircraft

In entering into such a deal, Airbus and AerCap will be seeking to achieve both

equivalent US dollars in terms of revenue and the same profit margin on those dollars



## Swap for new A330-200s or -300s

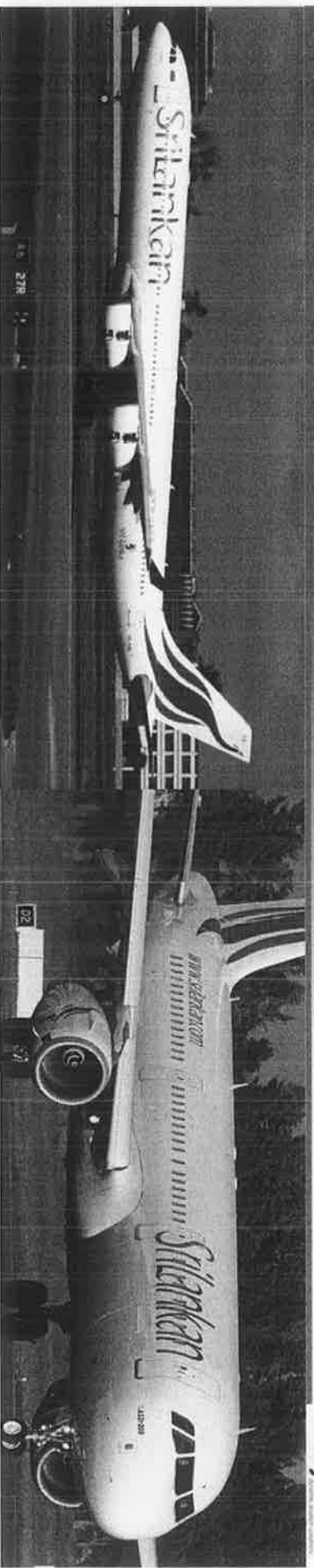


Nyras

The primary assumption is move from A350s to A330ceos:

- Airbus are under pressure from some airlines to provide earlier delivery slots for A350s to enable them to win important campaigns so the AerCap delivery slots are of value to them; the Airbus direct slots in 2020 / 2021 less so
- Airbus need to complete the sale of all the remaining A330ceo delivery slots on the reduced to six a month production line, so a switch to A330ceo helps them out. However the margin at which they are selling is now much lower, so obtaining the lower pricing will be critical which would reduce their margin compared to the A350s

## Swap to new/used A330-200/-300s & A321s

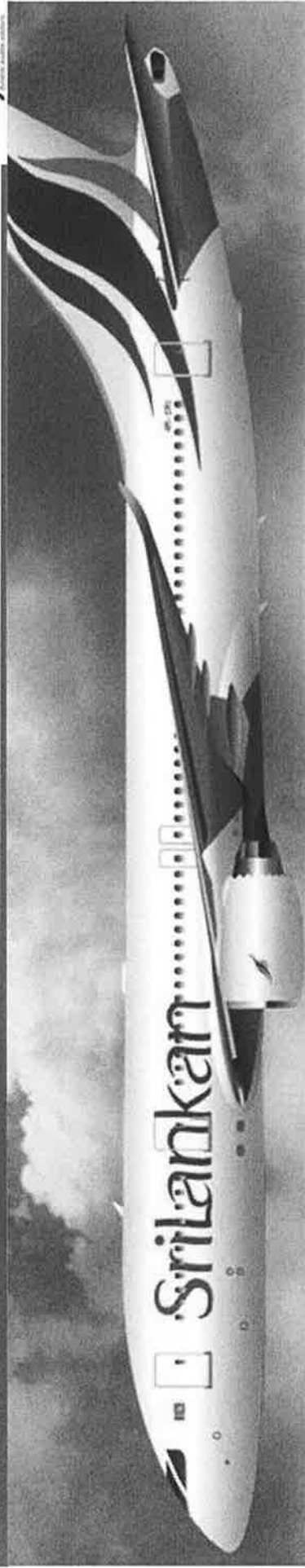


Network planning may show that a revised mix of wide and narrow bodied aircraft is needed and that daily utilisation would suggest some used as well as new aircraft:

- Its even possible that you might want to retain four or five of the A350-900s for London, Tokyo and Seoul
- So a revised network and fleet plan with economics re-established ought to be done to identify the optimal fleet for the airline going forward
- Having an optimal fleet in terms of age, size and cost drives profitability because the knock on impact on fuel and engineering costs plus revenue
- Consideration should be given to a three class cabin for wide bodies (business, premium economy and higher density economy) since it is likely to lead to higher revenues
- Consideration should be given to restructuring the economy cabin on the A321/ A320s to provide extra legroom seats for some and higher density in line with LCCs for others, such an economy cabin with its lower seat cost can stimulate demand through lower fares



## Involving Boeing in a fleet replacement



Nyras

A campaign involving Boeing is theoretically possible but you would need to know in advance that they are committed to deliver:

- Issue of US ExIm availability of finance given Congressional shut-down
- Boeing would have to dispose of A350 contract with Airbus which would be expensive for them
- Boeing can easily sort out AerCap, CIT and ALC, so the only contractual issue is with Airbus where some of the discounts would be airline specific and Srilankan would have to take delivery to obtain the discounts in full
- HKAC could be persuaded to transfer the A330-300s elsewhere in due course but the lease rates are high so this would cost Boeing; and the market for used A330s is soft at present
- A full campaign between Boeing and Airbus would be time consuming when the first A350s are only eleven months from delivery
- A Boeing campaign is more of a threat than something you would want to do in reality
- Boeing lost once before so possibly not competitive second time round, although market conditions have changed



**AIRBUS**



**Srilankan**  
Airlines

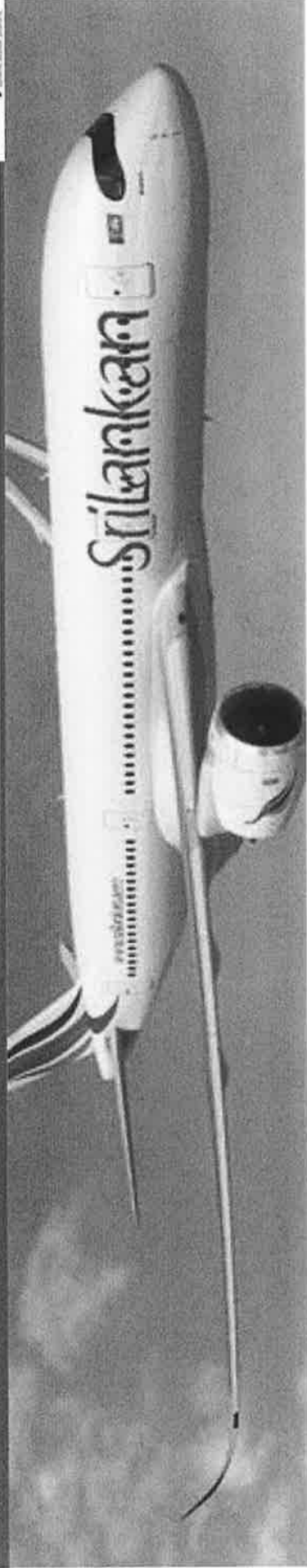


**AERCAP**

Aviation Solutions

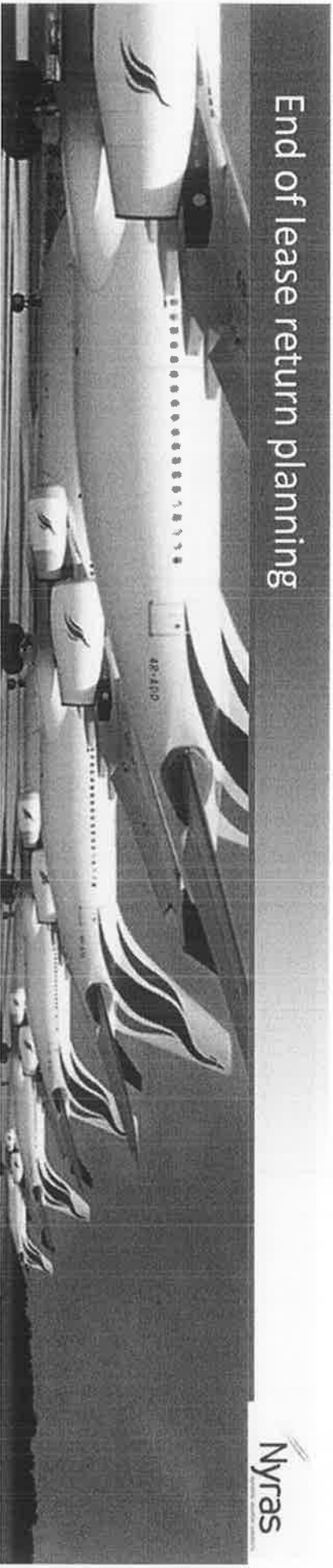
A carefully crafted process needs to be agreed with the Board including the Government:

- We understand it may be difficult to progress discussion until after the election on 17 August, but preparations need to be made to start immediately afterwards
- The timing of the use of Government pressure on the Governments of France, Germany and the UK need to be carefully managed, and the approach will need to be carefully measured
- No media coverage should be given unless specifically linked to the commercial process underway; since such an approach has been known to backfire on commercial negotiations with it either being put in the hands of lawyers or all negotiations ceasing
- The preferred course of action needs to be agreed with a Plan B and Plan C developed



Airbus sometimes start committing to sub-contractors up to 14 months from delivery:

- Whilst a leased aircraft in SriLankan configuration shouldn't take as long as that, there will be a critical path of which the Engineering Department will be aware
- If AerCap are to switch delivery to another customer or Airbus to reshuffle the production line, then urgent action by the Board is needed
- It is also August at Airbus in Toulouse where French holidays cause a major slowdown in decision making so not an ideal month to start progressing major commercial negotiations
- Legal advice should be sought, at the very least to confirm your contractual position, and there will need to be an appointed law firm for when rapid changes in contractual arrangements are to be documented
- Any decision should be based on a revised network plan to create the opportunity to optimise profitability for the future; losses have arisen in the past and now from operating the wrong aircraft types, competing against airlines who do have the right aircraft types
- Consideration must be given to increasing the seat density in the economy cabins to make your fares more affordable to SriLankan customers



(xxx) 85 @ 2012

Srilankan has a significant proportion of its fleet returning to lessors at present:

- There are \$millions to be lost through poor planning of lease returns; particularly for the engines but also the status of other major parts
- There are seven A330-200s, four more A340-300s and three A320s due to leave the flight in the immediate planning horizon for maintenance
- Nyras strongly recommends that consideration is given to review of the planning for the return of these aircraft

We have a broader team for cost saving and revenue optimisation work, but here is the team who provide fleet work:

- **Nigel Addison Smith**, Nyras Senior Vice President: Nigel was formerly CFO at UK Export Finance (ECGD), the United Kingdom's official export credit agency. ECGD is often the lead Airbus ECA and guaranteeing the finance for 1,100 Airbus, Boeing and Bombardier aircraft. This involved the approval of 80-130 aircraft transactions per annum including commenting on pricing, loan to value, security, credit limit and term. He was CFO for First Choice Airways where he handled 62 aircraft transactions relating to Boeing and Airbus aircraft including the financing and delivery of new aircraft. Nigel has handled the commercial renegotiations for the cancellation of wide-body aircraft (and their engines) with the ordering of narrow-bodied and sale and leaseback of those aircraft. This involved airframe and engine manufacturers and several major lessors. He was also CFO at ebookers plc, the pan-European on-line travel retailer.
- **Iain May**, Nyras Senior Vice President and former airline CFO of GB Airways, Jazeera and First Choice Airways and CFO of the Unijet tour operator. Iain has significant experience of all aspects of fleet management and was responsible for innovative aircraft financing arrangements when he was CFO of Jazeera Airways. He has conducted a number of fleet evaluations for clients, either as standalone assignments or as part of an airline merger, and considers the fleet from the financing and lease arrangements through to network and maintenance issues. Iain has recently led a review of a major airline group's maintenance arrangements for its aircraft fleet.
- **Mark Elliott**, Nyras Vice President and former Finance Director of Deutsche BA in Germany and CFO for Jazeera Airways and in 2007 personally provided support and advice to the CEO and Board with respect to the placement of a US\$1.3bn order with Airbus for 30 new aircraft. In 2009 he managed the set-up of an aircraft leasing business and has in recent years worked on a number of profit improvement projects at Nyras.

## Our assignment mix



We have conducted a mix of large assignments/transactions and smaller consultancy projects

### 2003 to 2014:

- Large assignments include enterprise-wide business improvement, various airline, airport, ANSP, MRO transactions
- Smaller assignments include ongoing CEO advice, strategic evaluations, airline business planning, ongoing slot valuations and transactions, airport traffic forecast, retainers to advise on business issues, MRO project support, business reviews, commercial evaluations, interim management secondments, programme management support

**2014: Good example of mix of activity**

- A-CDM
- Due Diligence
- Airline Stabilisation
- Airline Transaction
- Airline Restructuring
- LCC Market Entry Study
- Airline Merger Evaluation
- Ongoing Retainer & CEO Advice
- Airline Strategic Options & Merger Advice
- Commercial Reviews – Distribution, RM & FFP
- Slot Management, Valuations & Transactions
- Airline Restructuring & Organisation Design
- MRO Business Reviews & Project Support
- Military MRO Set-up & Support
- Technical Expert Witness
- Aircraft Lease Evaluations
- Two MRO Transactions
- Interim Management
- Airline Re-fleeting
- Airports

## The Nyras team of accredited senior associates includes:

<b>Dave Tattersell</b> Technical Director Formerly Flybe & BA	<b>Keith Wright</b> Engine management Formerly TUI, PowerPlant	<b>Maurice Coleman</b> Sales and distribution lead Former Head of Commercial Strategy, Aer Lingus	<b>Richard Pearson</b> Leasing contract lead Former Partner, SH Legal
<b>Trish Grey</b> Engine management Former PowerPlant manager, bmi	<b>Tony Caine</b> Hangar / base maintenance Formerly Thomson Airways	<b>Sir Michael Hodgkinson</b> Airport strategy, management and operation lead Former CEO, BAA plc	<b>Stuart Schofield</b> Maintenance and engineering lead Former Director of Maintenance, bmi, easyJet and GB Airways
<b>Björn Alegren</b> Ground handling and operations lead Former President and CEO, SAS Ground Services	<b>Guido Ruther</b> Network/revenue management expert Former VP, Swissair/SWISS and CCO, Royal Jordanian; Director Special Projects SWISS	<b>Neil Burrows</b> Operations and strategy lead Former CEO, Brussels Airlines and Virgin Express; Director Flight Operations, Air 2000	<b>Tim Claydon</b> Sales and marketing lead Former SVP Sales and Marketing, JetBlue Airways
<b>Chris Tarry</b> Strategic and market analysis lead Leading independent air transport analyst, formerly with Commerzbank	<b>Henrik Arle</b> Operations and strategy lead/Russia expert Former Deputy CEO, Finnair	<b>Peter Lawson</b> Traffic Forecasting Lead Former Airline and Airport Executive	<b>Tim Hardy</b> ACDM lead Former Director of Airside Heathrow
<b>Enrico Foresti</b> Commercial systems lead Former CIO, Air One and Senior Executive, Alitalia	<b>Hugh O'Donovan</b> Regulatory, competition and aviation law lead Leading legal authority in air transport industry	<b>Ray Lyons</b> Network/revenue management lead Former Revenue Management & Pricing, BA and EVP Network Management, Swissair	<b>Tim Jordan</b> Sales and distribution lead Former CCO, Cebu Pacific Air
<b>Graham Ogilvy</b> Flight Operations Former COO Cathay Pacific	<b>Luca Ciarlini</b> Network planning and ground operations lead Former SVP Network, Alitalia	<b>Richard Edwards</b> Distribution and IT lead Former officer of Cathay Pacific, Abacus and Amadeus	<b>Lawrence Hoskins</b> Air Traffic Management lead Former Managing Director NATS and NSL

13. The table below summarises the four options and the position related to key issues under each of those options.

	Alternative A	Alternative B	Alternative C	Alternative D
Target Fleet W17/18 (incl. Mihin)	13 + 13 = 26	9 + 11 = 20	9 + 11 = 20	9 + 11 = 20
Initial Cash Investment to restructure debt	\$493m	\$493m	\$493m	\$493m
Cash to enable airline to have sufficient working capital	\$1bn +			
Further Cash required to fund transition period		\$150m	\$150m	\$150m
Cash to restructure fleet (buy out lessors etc)		\$100m-\$450m	\$100m-\$500m	
ESTIMATED TOTAL CASH	\$1.5bn +	\$743m-\$1093m	\$743m-\$1143m	\$643m
GROUP Business Plan – expected annual results 2015/16 (incl \$15m on 4th AerCap)	\$(63.0)m	\$(63.0)m	\$(63.0)m	\$(63.0)m
GROUP Business Plan – expected annual results 2016/17	\$(124.6)m	\$(396.3)m	\$(441.3)m	\$(157.7)m
GROUP Business Plan – forecast annual result 2017/18 and onwards	\$(128.4)m	\$31.6m	\$41.2m	\$40.5m
AIRLINE Business Plan – expected annual results 2015/16	\$(82.1)m	\$(82.1)m	\$(82.1)m	\$(82.1)m
AIRLINE Business Plan – expected annual results 2016/17	\$(146.4)m	\$(111.1)m	\$(111.1)m	\$(146.4)m
Airline Business Plan – expected annual results 2017/18 and onwards	\$(145.3)m	\$(37.2)m	\$(32.2)m	\$(22.9)m
Implementation risk – ability to deliver plans and other impacts	Low	Medium	Medium	High
Confidence level in delivering above forecast results	Low	Medium	Medium	Medium
Competitive Risk	Poor	Medium	Medium	Better

Figure 2 Summary of four Options

14. Conclusion

- There are no easy options for SLA, but some are clearly worse than others.
- Our recommendation is that the company should prepare in detail for Alternative D. It can be seen from the above table that Alternative D is significantly cheaper than either of Alternatives A, B and C, and it allows the company to exit the Administration process with an airline that has a reasonable chance of reaching breakeven assuming other restructuring efforts are pursued, and also exits Administration without the burden of the AerCap, Airbus and Rolls Royce contracts.



Trading Partner	Invoice Date	Invoice Num	Description	Paid Amount GBP	Document Number	Check Number	Paid Date	TT Ref No
NYRAS LIMITED	22-Dec-15	NYRAS-22/DEC/2015	SETTLEMENT OF ATTACHED INVOICE (PLS REF THE ATTACHED MAIL) - NYRAS LTD	25,000.00	210349	3263	22.DEC.2015	FCTT2015/17727 VALUE DATE 22DEC15
NYRAS LIMITED	24-Feb-16	403	USD 50 FOR EACH DAY ON SITE FOR FOOD AND INCIDENTAL EXPENSES FROM 15 - 27 FEB 2016	2,050.00	210069	3458	24.MAY.2016	FCTT2016/6664-VALUE DATE-24/05/2016
NYRAS LIMITED	14-Mar-16	415	USD 50 FOR EACH DAY ON SITE FOR FOOD AND INCIDENTAL EXPENSES FROM 06 - 15 MAR 2016	1,800.00	210069	3458	24.MAY.2016	FCTT2016/6664-VALUE DATE-24/05/2016
NYRAS LIMITED	16-Mar-16	416	SINGAPORE RTN FOR SRI LANKAN AIRLINES ON 15 FEB 16 AND FLIGHT CHANGE FEE INCURRED ON BEHALF OF TIM JORDAN FOR SRI LANKAN	1,434.00	210069	3458	24.MAY.2016	FCTT2016/6664-VALUE DATE-24/05/2016
NYRAS LIMITED	19-Jan-16	392	AGREED CONSULTING SUPPORT FEE FOR JAN 2016	25,000.00	210383	3297	21.JAN.2016	FCTT2016/824 VALUE DATE 21JAN16
NYRAS LIMITED	28-Jan-16	393	AGREED CONSULTING SUPPORT FEE FOR JAN 2016 - PLS REFER ATTACHED MAIL	15,000.00	210393	3307	29.JAN.2016	FCTT2016/1435 VALUE DATE 29JAN11
NYRAS LIMITED	9-Feb-16	398	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR FEB 2016	40,000.00	210414	3328	19.FEB.2016	FCTT2016/2421 VALUE DATE 19FEB16
NYRAS LIMITED	17-Feb-16	401	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR W/C 22 FEB 2016	40,000.00	210423	3337	25.FEB.2016	FCTT2016/2500 VALUE DATE 25FEB16
NYRAS LIMITED	24-Feb-16	402	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR W/C 29 FEB 2016	40,000.00	210428	3342	26.FEB.2016	FCTT2016/2754 VALUE DATE 26FEB16
NYRAS LIMITED	2-Mar-16	406	AGREED CONSULTING SUPPORT FEE ON ACCOUNT FOR W/C 07 MAR 2016	30,000.00	210454	3367	08.MAR.2016	FCTT2016/3199 VALUE DATE 08MAR16
NYRAS LIMITED	30-Mar-16	418	AGREED CONSULTING SUPPORT CHARGES FOR 2.5 DAYS	3,750.00	210069	3458	24.MAY.2016	FCTT2016/6664-VALUE DATE-24/05/2016
NYRAS LIMITED	30-Mar-16	417	USD 50 FOR EACH DAY SITE FOR FOOD AND INCIDENTAL EXPENSES FROM 24 - 28 JAN 2016	600.00	210069	3458	24.MAY.2016	FCTT2016/6664-VALUE DATE-24/05/2016
NYRAS LIMITED	9-May-16	437	ONGOING SUPPORT DURING APRIL 2016 RELATED TO PREPARING FOR MEETING WITH THY AND RELATED MATTERS	9,060.50	210069	3458	24.MAY.2016	FCTT2016/6664-VALUE DATE-24/05/2016
NYRAS LIMITED	20-Jul-16	470	PROVISION OF REPORT DEMONSTRATING FUEL PRICE OPPORTUNITY AT COLOMBO AIRPORT FOR SLA AND CPC FOR JUN AND JUL 2016	15,267.25	210197	3586	02.SEP.2016	FCTT2016/11911 VALUE DATE 02SEP16
			<b>Total</b>	<b>248,961.75</b>				

65000

not in the agreement about CPC fuel prices to decrease after the agreed time period.

Food & Accommodation = 5884  
 Fixed fee = 150000  
 Initial works = 6500  
220884

60



**OFFICIAL RECEIPT**

**ORIGINAL**

**Receipt Number** : /16-17/3786  
**Receipt Date** : 20-MAY-2016  
**Receipt currency** : LKR  
**Customer Number** : GV0032

Business Registration  
 PB 67

**Customer Address**

SECRETARY TO THE TREASURY  
 MINISTRY OF FINANCE & PLANNING,  
 TREASURY SECRETARIAT, COLOMBO 1, Sri  
 Lanka

Invoice No.	Date of Invoice	Receipt Description	Amount
291031	22-DEC-2015	BEING RECHARGE OF CONSULTATION SERVICES	5,406,425.00
293814	31-JAN-2016	MAIL DATED 29/06/16 FROM SUDHARMA BEING RECHARGE OF CONSULTATION SERVICES	2,625,325.00
292989	22-JAN-2016	MAIL DATED 29/06/16 FROM SUDHARMA BEING RECHARGE OF CONSULTATION SERVICES	5,338,250.00
		MAIL DATED 29/06/16 FROM SUDHARMA	

Bank Name	TT/Cheque/Ref/no	Date	Total
			13,370,000.00

Thirteen Million Three Hundred Seventy Thousand Rupees And Zero Cents\*\*\*\*\*

**Sales Accounting Manager :**

-----  
**Rosy Tavarayan**

SriLankan Airlines Limited  
 12, Sir Baron Jayatilake  
 Mawatha, Colombo 01.

**Remit to Address**

SriLankan Airlines Limited  
 Credit Control Department  
 Administration Building  
 Katunayake  
 SriLanka



**INVOICE**

**Invoice No:** 292989  
**Invoice Date:** 22.01.2016  
**Invoice Currency:** LKR  
**Payment Term:**

**BUSINESS REGISTRATION  
 NO PB 67**

**Bill to Address:**

Secretary to the Treasury  
 Ministry of Finance & Planning  
 Treasury Secretariat  
 Colombo 1

Terms	Due Date	Customer Contact
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Reference	Invoice Description	Amount
	Recharge for Consultancy services to GOSL Treasury (Equivalent GBP 25,000)  <u>conversion rate as per Jan -16</u> 01 GBP = 213.53 LKR	LKR 5,338,250.00

**SPECIAL INSTRUCTIONS:**

Thank you for your business. Please settle as per the agreed payment term.

**TOTAL**

LKR 5,338,250.00

**E.& O.E.**

Cheques should be crossed "A/C Payee Only" and payable to "SriLankan Airlines Limited"  
 The invoice amount should be received by us in full, without any deductions for bank charges.



**Remit to Address**

SriLankan Airlines Limited  
 Credit Control Department  
 Administration Building  
 Katunayake  
 SriLanka

**INVOICE**

**Invoice No:** 293814  
**Invoice Date:** 31.01.2016  
**Invoice Currency:** LKR  
**Payment Term:**

**BUSINESS REGISTRATION  
 NO PB 67**

**Bill to Address:**

Secretary to the Treasury  
 Ministry of Finance & Planning  
 Treasury Secretariat  
 Colombo 1

Terms	Due Date	Customer Contact
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Reference	Invoice Description	Amount
	Recharge for Consultancy services to GOSL Treasury (Equivalent GBP 15,000)  <u>conversion rate as per Jan -16</u> 01 GBP = 213.53 LKR	LKR 3,202,950.00

**SPECIAL INSTRUCTIONS:**  
 Thank you for your business. Please settle as per the agreed payment term.

TOTAL	
LKR	3,202,950.00

**E.& O.E.**  
 Cheques should be crossed "A/C Payee Only" and payable to "SriLankan Airlines Limited"  
 The invoice amount should be received by us in full, without any deductions for bank charges.



**Remit to Address**

SriLankan Airlines Limited  
Credit Control Department  
Administration Building  
Katunayake

SriLanka

BUSINESS REGISTRATION  
NO PB 67

**INVOICE**

**Invoice No:** 291031  
**Invoice Date:** 22.12.2015  
**Invoice Currency:** LKR  
**Payment Term:**

**Bill to Address:**

Secretary to the Treasury  
Ministry of Finance & Planning  
Treasury Secretariat  
Colombo 1

Terms	Due Date	Customer Contact
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Reference	Invoice Description	Amount
	<p>Recharge for Consultancy services to GOSL Treasury (Equivalent GBP 25,000)</p> <p><u>conversion rate</u> 01 GBP = 216.257 LKR</p>	<p>LKR 5,406,425.00</p>

**SPECIAL INSTRUCTIONS:**  
Thank you for your business. Please settle as per the agreed payment term.

TOTAL	
LKR	5,406,425.00

**E.& O.E.**  
Cheques should be crossed "A/C Payee Only" and payable to "SriLankan Airlines Limited"  
The invoice amount should be received by us in full, without any deductions for bank charges.



<b>LEGAL FEES - TERMINATION OF AIRCRAFT LEASES</b>				
		<b>Invoices Received GBP</b>	<b>Equivalent in LKR</b>	<b>Exchange Rate</b>
<b>A</b>	Kaye Scholer LLP	105,032.46	20,136,823.23	(1GBP=LKR 191.72)
	-do-	75,000.00	14,223,750.00	(1GBP=LKR 189.65)
<b>B</b>	Mr Anil Tittawella, PC		400,000.00	
	Mr Milinda Jayatillake (Jnr to Mr Tittawella)		132,000.00	
	<b>TOTAL</b>		<b>34,892,573.23</b>	

**TERMINATION AND AMENDMENT AGREEMENT  
(Airbus A350)**

THIS TERMINATION AND AMENDMENT AGREEMENT (this "**Agreement**") dated 6 April, 2016 is entered into by and between AERCAP GLOBAL AVIATION TRUST (on behalf of Series One) ("**AGAT**"), INTERNATIONAL LEASE FINANCE CORPORATION ("**ILFC**") and SRI LANKAN AIRLINES LIMITED ("**LESSEE**").

**RECITALS**

- A. LESSEE has entered into certain Aircraft Lease Agreements dated 27 September 2013 (collectively, the "**ILFC Leases**"), pursuant to which ILFC has agreed to lease, and LESSEE has agreed to take on lease three Airbus A350-900 aircraft (collectively, the "**ILFC Aircraft**").
- B. LESSEE has entered into an Aircraft Lease Agreement dated 12 November 2014 (the "**AGAT Lease**"), pursuant to which AGAT has agreed to lease, and LESSEE has agreed to take on lease one Airbus A350-900 aircraft.

**NOW, THEREFORE**, for good and valuable consideration, ILFC, AGAT and LESSEE hereby agree as follows:

**AGREEMENT**

- 1. **Definitions.** Capitalized terms not otherwise defined herein have the meanings given to them in the ILFC Leases and AGAT Lease as applicable.
- 2. **Agreement on termination of AGAT Lease.**
  - (a) Provided that LESSEE has delivered to AGAT (i) copies of resolutions of the Board of Directors of LESSEE or other written evidence of appropriate action, duly certifying and authorizing the execution, delivery and performance of this Agreement, together with an incumbency certificate as to the individual or individuals authorized to execute and deliver this Agreement on behalf of LESSEE and (ii) an opinion of counsel in the form and substance acceptable to AGAT (acting reasonably), each no later than April 8, 2016, the AGAT Lease will be deemed terminated with effect from such date, and (other than as provided for in this Article (2)) with effect from such termination each party will irrevocably waive its rights and release the other party from its obligations under the AGAT Lease and neither party will have any liability with respect to the AGAT Lease to the other, and AGAT will retain any Security Deposit currently held by AGAT pursuant to the AGAT Lease as its sole and exclusive property and

LESSEE will have no right, title or interest therein or claim thereto or to any payment in respect thereof.

(b) LESSEE hereby agrees to substitute any Letter of Credit held as Security Deposit by AGAT under the AGAT Lease with cash in the equivalent amount no later than April 8, 2016 so that the full amount paid by LESSEE in cash under Article 5.1 of the AGAT Lease will be US\$2,500,000. If LESSEE has not provided such cash payment to AGAT within the specified time period, AGAT may draw down such Letter of Credit in full without further notice to LESSEE. Until AGAT has received the full Security Deposit payable under Article 5.1 of the AGAT Lease in cash, all LESSEE's obligations and AGAT's rights with respect to the Security Deposit and the Letter of Credit under the AGAT Lease remain in full force and effect notwithstanding the termination of the Lease. AGAT and LESSEE acknowledge that AGAT has, prior to the date of this Agreement, received from LESSEE two payments of US\$250,000 each (US\$500,000 in aggregate) in accordance with Article 5.1 of the AGAT Lease.

(c) LESSEE hereby agrees to pay AGAT an amount of US\$15,270,000 (the "**Termination Fee**") payable as follows:

- A. US\$ 12,000,000 in cash no later than April 8, 2016; and
- B. US\$ 3,270,000 in cash no later than April 8, 2016, or at LESSEE's option as a letter of credit for an amount of US\$3,270,000 provided by LESSEE to AGAT (in original) no later than April 8, 2016, provided that any such letter of credit is an irrevocable standby letter of credit in form and substance acceptable to AGAT and is issued by or confirmed through the Los Angeles, California, New York, New York, or London, England branch of a major U.S. or international bank acceptable to AGAT (the "**Termination Letter of Credit**").

(d) It is understood and agreed between AGAT and LESSEE that this Agreement will not in any way constitute a waiver, express or implied, of any rights of AGAT or obligations or LESSEE under Article 5.8 (No Deductions or Withholdings), Article 5.9 (Value Added Taxes), Article 5.12 (Currency Indemnity), Article 16 (Taxes) Article 16.2.2 being expressly excluded), Article 27 (Governing Law and Jurisdiction) and Article 28.11 (Confidentiality) or any other provisions of the Lease which, by their terms, survive the termination of the Lease and will apply to the Termination Fee as if it was Supplemental Rent under the AGAT Lease.

(e) Except as expressly stipulated herein, nothing in this Agreement constitutes a waiver of any of AGAT's or LESSEE's rights or remedies under the AGAT Lease, or as a waiver of any Default or Event of Default thereunder, whether such Default or Event of Default has occurred or occurs hereafter.

(f) LESSEE's obligations under this Article 2 shall survive the termination of the AGAT Lease. If each of the payments to be made by LESSEE have not been paid in full by LESSEE by



the time specified in this Agreement, this will constitute an event of default under this Agreement and AGAT has the right to recover from LESSEE any loss, costs, expense or liability suffered or incurred by AGAT as a result of such event of default under this Agreement. Notwithstanding anything provided to the contrary in the ILFC Leases, AGAT, ILFC and LESSEE hereby agree that an event of default under this Agreement shall not be deemed an Event of Default under the ILFC leases.

3. **Termination Letter of Credit.**

(a) If LESSEE has satisfied all of its obligations under Article 2 above and paid to AGAT the full Termination Fee of US\$15,270,000 in cash, then LESSEE may at any time after April 8, 2016 but prior to June 8, 2016 at its option make a one-time election to issue a Termination Letter of Credit for an amount of US\$3,270,000 complying with the terms for such Termination Letter of Credit set out in Article 2(c) above. Promptly following receipt of such original Termination Letter of Credit, AGAT will refund to LESSEE an amount equal to the Termination Letter of Credit.

(b) If LESSEE provides AGAT a Termination Letter of Credit pursuant to Article 2 (c) or Article 3 (a) above, LESSEE will maintain such Termination Letter of Credit in effect at all times until the later of (a) May 8, 2017 or (b) the date AGAT has received from LESSEE an amount equal to the value of the Termination Letter of Credit in cash (the "**Termination Letter of Credit Validity Date**"). If such Termination Letter of Credit is at any time due to expire prior to the Termination Letter of Credit Validity Date, then LESSEE will cause a valid renewal or replacement Termination Letter of Credit in a form acceptable to AGAT to be issued, or pay the amount of US\$3,270,000 in cash to AGAT, no later than 30 days prior to such expiry date, each such renewal or replacement being for a period of not less than one year or, if less, until the Termination Letter of Credit Validity Date. No later than April 8, 2017, LESSEE will replace any Termination Letter of Credit with a cash payment equal to the value of such Termination Letter of Credit so that AGAT has received (without obligation to refund pursuant to (a) above) from LESSEE the full amount of the Termination Fee in cash. Promptly following receipt of such cash payment in full, AGAT will return any original of the Termination Letter of Credit held by AGAT for cancellation by LESSEE.

In the event that a replacement Termination Letter of Credit with the required Termination Letter of Credit Validity Date has not been issued when required, or the Termination Fee has not been received by AGAT in full cash payment no later than April 8, 2017, this will constitute an event of default under this Agreement and AGAT may draw down the Termination Letter of Credit without further notice to LESSEE. LESSEE hereby agrees to indemnify and pay to AGAT any losses, costs and expenses incurred by AGAT as a result of an event of default by LESSEE hereunder, including without limitation any costs incurred in relation to draw down of any Termination Letter of Credit other than costs incurred by AGAT due to its Gross Negligence and willful misconduct.

(c) Article 5.8 (No Deductions or Withholdings), Article 5.9 (Value Added Taxes), Article 5.12 (Currency Indemnity), Article 16 (Taxes) (Article 16.2.2 being expressly excluded) of the AGAT Lease are incorporated in this Agreement by this reference as if such provisions were set forth herein with respect to the payments to be made by LESSEE under this Article 3, as if references to "this Lease" were references to "this Agreement" and references to LESSOR or Tax Indemnitee were references to AGAT.

(d) LESSEE's obligations under this Article 3 shall survive the termination of the AGAT Lease.

4. **Credit for Additional Leases.** Provided that LESSEE and AGAT (or its Affiliate) enter into further new lease agreements no later than December 31, 2017, and on such date no default or event of default (howsoever defined) has occurred and is continuing under any agreement between LESSEE and AGAT (or any of AGAT's Affiliates), AGAT will apply up to US\$3,270,000 of the cash amount actually paid by LESSEE pursuant to Article 2(c) (and not refunded by AGAT) or Article 3 (b) against LESSEE's obligation to pay security deposits under any such additional leases. This will not be available for any lease executed after December 31, 2017.

5. **Delivery Progress.** Without prejudice to its rights under the ILFC Leases or the Participation Agreement with respect to the delivery process and delivery of the Aircraft, LESSEE hereby undertakes, represents and warrants that it will perform its obligations under the ILFC Leases and cooperate with each of ILFC, AGAT and the Manufacturer in connection with delivery, and acceptance by LESSEE, of each ILFC Aircraft contemplated by, and in accordance with, the ILFC Leases, including without limitation attending all those planning meetings reasonably scheduled by the Manufacturer which LESSEE would usually attend in relation to completion and delivery of new aircraft entering its operating fleet and providing all information reasonably required from LESSEE in connection with completion and manufacturing of the Aircraft, and which LESSEE would usually provide in relation to completion and delivery of the manufacturing of new aircraft entering into its operating fleet, and delivery in accordance with the ILFC Leases.

6. **Miscellaneous.**

A **Assignment.** LESSEE may not assign any of its rights under this Agreement.

B **Confidentiality.** The terms and conditions set forth in this Agreement are confidential and are between ILFC, AGAT and LESSEE only. Each of LESSEE, ILFC and AGAT agrees that it will not disclose the information contained herein to any third party (other than to its legal or commercial advisors, as required to obtain any necessary government consents or to a Relevant Party) without the prior written consent of the other party. If disclosure is required by

applicable Law, LESSEE, ILFC and AGAT will cooperate with each other to obtain confidential treatment as to the commercial terms and other material provisions of this Agreement.

C **No Other Modification; Entire Agreement.** Except as provided herein, all of the terms and conditions of the ILFC Leases and AGAT Lease remain unmodified and are in full force and effect, and to date performed in accordance with their terms, and LESSEE, AGAT and ILFC hereby ratify the same. This Agreement, together with the ILFC Leases and AGAT Lease constitutes the entire agreement between AGAT, ILFC and LESSEE concerning the matters set forth herein and supersedes and cancels all prior letters, agreements and correspondence with respect thereto.

D **Severability.** If any provision of this Agreement is held by any court or tribunal of competent jurisdiction to be illegal, void, invalid, or unenforceable under the laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Agreement in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Agreement in any other jurisdiction shall not be affected.

E **Governing Law and Jurisdiction.** The provisions of the ILFC Leases and AGAT Lease set forth in Article 26 (Notices), and Article 27 with respect to governing law, jurisdiction are incorporated in this Agreement by this reference as if such provisions were set forth herein.

F **Service of Process.** The parties hereby consent to the service of process by mail or in any other manner permitted by the relevant law. Without prejudice to any other mode of service, LESSEE irrevocably appoints SriLankan Airlines Limited at its registered office from time to time, currently having its registered office at One Lampton Road, Hounslow, Middlesex TW3 1JB, United Kingdom, and AGAT irrevocably appoints LPA Process Limited, at its registered office from time to time, currently having its registered office at Eghams Business Center, 3A Eghams Wood Road, Beaconsfield, Bucks HP9 1JP, England, as LESSEE's and AGAT's agent (respectively) for service of process relating to any proceedings before the courts of England and Wales arising out of or in connection with this Agreement and agrees to maintain the process agent in England notified to the other party. If the person appointed as process agent under this paragraph F is unable for any reason to act as agent for service of process, the LESSEE, or AGAT as applicable, will immediately appoint another agent for this purpose, and failing this, the other party may appoint another agent for this purpose. LESSEE and AGAT agree that failure by a process agent to notify it of any process will not invalidate the relevant proceeding.

G **Counterparts; Delivery by Fax or E-mail.** This Agreement may be executed in any number of identical counterparts, each of which will be deemed to be an original, and all of which together will be deemed to be one and the same instrument. Delivery of an executed counterpart of this Agreement by fax or e-mail will be deemed effective as delivery of an originally executed counterpart. Any party delivering an executed counterpart of this Agreement by fax or e-mail will also deliver an originally executed counterpart, but the failure of any party

to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.


*[Remainder of page intentionally left blank – Signature Page follows]*

අමතර 63 (vii)

SRILANKAN AIRLINES LIMITED  
Multiparty Termination and Amendment Agreement  
Airbus A350

IN WITNESS WHEREOF, AGAT, ILFC and LESSEE have caused this Agreement to be executed on the day and year first written above.

SRILANKAN AIRLINES LIMITED

By: 

CHIEF EXECUTIVE OFFICER  
SRILANKAN AIRLINES LIMITED

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

INTERNATIONAL LEASE FINANCE CORPORATION

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

AERCAP GLOBAL AVIATION TRUST  
(on behalf of Series One)

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

අලුතුව 63 (viii)

**SRI LANKAN AIRLINES LIMITED**  
Multiparty Termination and Amendment Agreement  
Airbus A350

**IN WITNESS WHEREOF**, AGAT, ILFC and LESSEE have caused this Agreement to be executed on the day and year first written above.

**SRI LANKAN AIRLINES LIMITED**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

**INTERNATIONAL LEASE FINANCE CORPORATION**

By: Patrick Ross

Printed Name: Patrick Ross  
Vice President

Its: \_\_\_\_\_

**AERCAP GLOBAL AVIATION TRUST**  
(on behalf of Series One)

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

2/20/90 63 (ix)

SRILANKAN AIRLINES LIMITED  
Multiparty Termination and Amendment Agreement  
Airbus A350

IN WITNESS WHEREOF, AGAT, ILFC and LESSEE have caused this Agreement to be executed on the day and year first written above.

SRILANKAN AIRLINES LIMITED

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Signed for and on behalf of  
Aercap Ireland Capital Limited  
solely in its capacity as Regular Trustee of

INTERNATIONAL LEASE FINANCE  
CORPORATION

AERCAP GLOBAL AVIATION TRUST  
(on behalf of Series One)

By: \_\_\_\_\_

By: Tom Kelly

Printed Name: \_\_\_\_\_

Printed Name: Tom Kelly

Its: \_\_\_\_\_

Its: Director

7/10/17 64

A350-900 CANCELLATION FEE

Trading Partner	Invoice Date	Payment Date	Invoice Num	Invoice Cu	Invoice Amount	Description
AERCAP GLOBAL AVIATION TRUST-SERIES 1	10-Sep-14	15-Sep-14	1DEPA350	USD	250,000.00	SECURITY DEPOSIT FOR NEW AIRBUS A350-900 XWB AIRCRAFT-SERIAL NUMBER TBD NOV 2017
AERCAP GLOBAL AVIATION TRUST-SERIES 1	12-Nov-14	14-Nov-14	2DEPA350	USD	250,000.00	SECURITY DEPOSIT FOR NEW AIRBUS A350-900 XWB DELIVERY IN NOVEMBER 2017
AERCAP GLOBAL AVIATION TRUST-SERIES 1	6-Apr-16	4-May-16	TERM5018-2	USD	3,270,000.00	TERMINATION FEE OF AIRBUS A350-900 PRODUCTION NO:275393
AERCAP GLOBAL AVIATION TRUST-SERIES 1	6-Apr-16	4-May-16	TERM5018-1	USD	12,000,000.00	TERMINATION FEE OF AIRBUS A350-900 PRODUCTION NO:275393
AERCAP GLOBAL AVIATION TRUST-SERIES 1	6-Apr-16	4-May-16	SDREPL5018	USD	2,000,000.00	CASH PAYMENT SECURITY DEPOSIT REPLACEMENT FOR LETTER OF CREDIT-A350-900 PRODUCTION NO: 275393
					17,770,000.00	
<b>Trading Partner</b>	<b>Invoice Date</b>	<b>Payment Date</b>	<b>Invoice Num</b>	<b>Invoice Cu</b>	<b>Invoice Amount</b>	<b>Description</b>
INTERNATIONAL LEASE FINANCE CORPORATION	1-Aug-13	8-Aug-13	155563	USD	250,000.00	SECURITY DEPOSIT FOR AIRCRAFT MODEL A350XWB-900
INTERNATIONAL LEASE FINANCE CORPORATION	1-Aug-13	8-Aug-13	155562	USD	250,000.00	SECURITY DEPOSIT FOR AIRCRAFT MODEL A350XWB-900
INTERNATIONAL LEASE FINANCE CORPORATION	1-Aug-13	8-Aug-13	155561	USD	250,000.00	SECURITY DEPOSIT FOR AIRCRAFT MODEL A350XWB-900
INTERNATIONAL LEASE FINANCE CORPORATION	27-Sep-13	2-Oct-13	158787	USD	250,000.00	SECURITY DEPOSIT FO THE A350 XWB-900
INTERNATIONAL LEASE FINANCE CORPORATION	27-Sep-13	2-Oct-13	158789	USD	250,000.00	SECURITY DEPOSIT FO THE A350 XWB-900
INTERNATIONAL LEASE FINANCE CORPORATION	27-Sep-13	2-Oct-13	158788	USD	250,000.00	SECURITY DEPOSIT FO THE A350 XWB-900
INTERNATIONAL LEASE FINANCE CORPORATION	29-Jul-15	30-SEP-15	1SD0060	USD	2,000,000.00	REPLACEMENT CASH SECURITY DEPOSIT FOR ONE NEW AIRBUS A350-900XWB-MSN 0060
INTERNATIONAL LEASE FINANCE CORPORATION	29-Jul-15	31-Aug-15	1SD0055	USD	2,000,000.00	REPLACEMENT CASH SECURITY DEPOSIT-ONE NEW AIRBUS A350-900XWB-MSN 0055
INTERNATIONAL LEASE FINANCE CORPORATION	29-Jul-15	11-Oct-16	1SD0052	USD	2,000,000.00	REPLACEMENT CASH SECURITY DEPOSIT- AIRBUS A350 S/N 0060
INTERNATIONAL LEASE FINANCE CORPORATION	6-Oct-16	5-Aug-15	16AD000468	USD	3,500,000.00	TERMINATION FEE-FIRST INSTALLMENT- AIRBUS A350 S/N 0055
INTERNATIONAL LEASE FINANCE CORPORATION	6-Oct-16	11-Oct-16	16AD000467	USD	3,500,000.00	TERMINATION FEE- FIRST INSTALLMENT-AIRBUS A350 S/N 0052
INTERNATIONAL LEASE FINANCE CORPORATION	6-Oct-16	11-Oct-16	16AD000466	USD	3,500,000.00	TERMINATION FEE- SECOND INSTALLMENT-AIRBUS A350-MSN 0060
INTERNATIONAL LEASE FINANCE CORPORATION	13-Dec-16	3-Jan-17	16AD000590	USD	4,500,000.00	TERMINATION FEE- SECOND INSTALLMENT- AIRBUS A350-MSN 0052
INTERNATIONAL LEASE FINANCE CORPORATION	13-Dec-16	3-Jan-17	16AD000588	USD	4,500,000.00	TERMINATION FEE- SECOND INSTALLMENT- AIRBUS A350- MSN 0055
INTERNATIONAL LEASE FINANCE CORPORATION	13-Jan-17	8-Feb-17	17AD000025	USD	4,433,333.33	TERMINATION FEE-THIRD INSTALLMENT-A350 SERIAL NO 0055
INTERNATIONAL LEASE FINANCE CORPORATION	13-Jan-17	8-Feb-17	17AD000024	USD	4,433,333.33	TERMINATION FEE-THIRD INSTALLMENT-A350 SERIAL NO 0060
INTERNATIONAL LEASE FINANCE CORPORATION	13-Jan-17	8-Feb-17	17AD000026	USD	4,433,333.33	TERMINATION FEE- FOURTH INSTALLMENT-S/N 0060-A350
INTERNATIONAL LEASE FINANCE CORPORATION	13-Feb-17	3-Mar-17	17AD000100	USD	4,433,333.33	TERMINATION FEE- FOURTH INSTALLMENT-S/N 0055-A350
INTERNATIONAL LEASE FINANCE CORPORATION	13-Feb-17	3-Mar-17	17AD000101	USD	4,433,333.33	TERMINATION FEE- FIFTH INSTALLMENT- A350-S/N 0060
INTERNATIONAL LEASE FINANCE CORPORATION	13-Mar-17	3-Apr-17	17AD000164	USD	4,433,333.33	TERMINATION FEE-FIFTH INSTALLMENT- A350-S/N 0055
INTERNATIONAL LEASE FINANCE CORPORATION	13-Mar-17	3-Apr-17	17AD000165	USD	4,433,333.33	TERMINATION FEE-FIFTH INSTALLMENT- A350-S/N 0052
INTERNATIONAL LEASE FINANCE CORPORATION	13-Mar-17	3-Apr-17	17AD000166	USD	4,433,333.33	TERMINATION FEE- SIXTH INSTALLMENT-S/N 0060
INTERNATIONAL LEASE FINANCE CORPORATION	12-Apr-17	2-May-17	17AD000231	USD	4,433,333.33	TERMINATION FEE- SIXTH INSTALLMENT-S/N 0055
INTERNATIONAL LEASE FINANCE CORPORATION	12-Apr-17	2-May-17	17AD000232	USD	4,433,333.33	TERMINATION FEE- SIXTH INSTALLMENT-S/N 0052
INTERNATIONAL LEASE FINANCE CORPORATION	12-Apr-17	2-May-17	17AD000233	USD	4,433,333.33	TERMINATION FEE- SIXTH INSTALLMENT-S/N 0060
INTERNATIONAL LEASE FINANCE CORPORATION	15-May-17	2-Jun-17	17AD000319	USD	4,433,333.33	TERMINATION FEE-SEVENTH INSTALLMENT-S/N 0060
INTERNATIONAL LEASE FINANCE CORPORATION	15-May-17	2-Jun-17	17AD000317	USD	4,433,333.33	TERMINATION FEE-SEVENTH INSTALLMENT-S/N 0055
INTERNATIONAL LEASE FINANCE CORPORATION	15-May-17	2-Jun-17	17AD000315	USD	4,433,333.33	TERMINATION FEE-SEVENTH INSTALLMENT-S/N 0052
					97,999,999.95	





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**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 12<sup>TH</sup> FEBRUARY 2015 AT 2.30P.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

**Present:** Mr. Ajith N. Dias - Chairman  
Mr. Joseph M. S. Brito - Director  
Mr. Mahinda Haradasa - Director  
Mr. R. Chanka D. De Silva - Director  
Lt. Col. Sunil Peiris - Director  
Ms. Dalrene Thirukumar - Company Secretary

**QUOTE"**

15/01/13.2

Returning of the VVIP Kit and using the credit for procuring spare-parts for the aircrafts

Mr. K. Chandrasena/CEO was invited to the meeting to update the Board on the captioned subject.

CEO explained that an Airbus representative had met with the then President who had later communicated to CEO of the intention of SriLankan Airlines being gifted a VVIP Kit. He stated that this was prior to the order being placed with Airbus for 6 A330s and 4 A350s. The VVIP Kit was designed to fit a A330 aircraft.

He further explained that in order to accommodate the VVIP modification to the A330, the aircraft had to be configured and this was to be done in the delivery of the 4<sup>th</sup> and 5<sup>th</sup> A330 Aircraft. Board noted that the modification would take place upon delivery of Aircraft in Toulouse and re-directed to another division of Airbus for the Aircraft to be re-configured. CEO confirmed to the Board that the fourth delivery of the Aircraft was expected end of February 2015 and it would not be sent for modification/configuration.

Chairman stated that a meeting was held with Airbus representative in the morn and that Airbus has been requested to find a buyer to dispose of the VVIP kit.

Correspondence with Airbus and related documents were tabled for the information of the Board."**UNQUOTE**



**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 10<sup>TH</sup> MARCH 2015 AT 2.00P.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	- Chairman
	Mr. Joseph M. S. Brito	- Director
	Mr. Mahinda Haradasa	- Director
	Mr. R. Chanaka D. De Silva	- Director
	Mr. Rakhita S. Jayawardena	- Director
	LT. Col. Sunil Peiris	- Director
	Ms. Dalrene Thirukumar	- Company Secretary

**QUOTE"**

15/02/02.6 Update on the return of the VVIP Kit

Chairman briefed the Board that the response received to his letter was that Airbus has requested a year to sell the VVIP as it would require modification, change in interior etc., to dispose of the VVIP Kit.

Mr. C. de Silva/Director pointed out that the H.E the President Maithipala Sirisena had made a public statement that the VVIP Kit would be returned and the credits received on the disposal would be used for purposes of the Maintenance Division. Chairman in response stated that a report detailing the disposal of the VVIP Kit was delivered to the Prime Minister and the said report forms part of these Minutes."**UNQUOTE**

අලුතුව 6? (i)

LETTER AGREEMENT N° 1 TO AMENDMENT N°3 TO THE A330 PURCHASE AGREEMENT

**SRILANKAN AIRLINES LTD.**  
Airline Centre, Bandaranaike International Airport,  
Katunayake, Sri Lanka

Date:

Subject: **VIP Kit Cancellation**

SRILANKAN AIRLINES LTD. ("the " **Buyer**") and AIRBUS S.A.S. (the "**Seller**") have entered into a Purchase Agreement (the "**Purchase Agreement**") dated June 19<sup>th</sup> 2013, as amended by an amendment and its associated letter agreement, both dated December 2<sup>nd</sup> 2013, (respectively the "**Amendment N°1**" and the "**Letter Agreement N°1 to Amendment N°1**") and as amended by an amendment dated March 26<sup>th</sup>, 2014 (the "**Amendment N°2**"), and as amended by an amendment as of even date herewith (the "**Amendment N°3**") which covers the manufacture and the sale by the Seller and the purchase by the Buyer of the A330-300 Aircraft as described in the Purchase Agreement.

In connection with the financing of certain Predelivery Payments, the Buyer and the Seller have entered into a novation amendment and restatement agreement dated 29 April 2014 pursuant to which, certain of the Buyer's rights and obligations have been novated to A330 300 Aircraft 23 Statutory Trust (the "**Novation Agreement**").

Pursuant to the Novation Agreement, certain rights and obligations under the Purchase Agreement have not been novated to A330 300 Aircraft 23 Statutory Trust and continue to constitute rights and obligations between the Buyer and the Seller under the Purchase Agreement, such rights and obligations are defined as "Retained Rights" and "Retained Obligations" in the Novation Agreement. For the avoidance of doubt, all of the rights and obligations of the Buyer under Letter Agreement N°1 are Retained Rights and Retained Obligations.

The Purchase Agreement, as novated pursuant to the Novation Agreement, the Amendment N°1 and the Amendment N°2 and this Amendment N°3 shall hereinafter be collectively referred to as the "**Agreement**".

The Buyer and the Seller have entered into an A330-300 outfitting agreement dated December 2<sup>nd</sup> 2013 covering the procurement and manufacturing by the Seller and purchase by the Buyer of a VIP kit (the "**Outfitting Agreement**") and such Outfitting Agreement being terminated by a deed of termination of even date herewith (the "**Outfitting Termination Agreement**").

Capitalized terms used herein and not otherwise defined in this letter agreement N°1 to Amendment N°3 (the "**Letter Agreement N°1**") shall have the meanings assigned thereto in the Agreement.

Both parties agree that this Letter Agreement N°1, upon execution thereof, shall constitute an integral, non severable part of said Agreement and shall be governed by all its provisions, as such provisions have been specifically amended pursuant to this Letter Agreement N°1. In the event of any inconsistency, the terms of this Letter Agreement N°1 shall prevail.

LETTER AGREEMENT N° 1 TO AMENDMENT N°3 TO THE A330 PURCHASE AGREEMENT

1. VIP Kit Cancellation

1.1 The Parties hereby acknowledge and agree that the Seller has fulfilled all of its contractual obligations under Letter Agreement N°9 to the Agreement, as amended by Letter Agreement N° 1 to Amendment N°1 and Letter Agreement N° 1 to Amendment N°2 (the "VIP Letter Agreement").

The Buyer hereby acknowledges and agrees that the VIP Kit Credit Memorandum has been fully used by the Seller in accordance with the VIP Letter Agreement to contract outfitting slots for the VIP Aircraft with third party providers and to design, procure and make the VIP Kit available to the Buyer.

1.2 Further to Buyer's written request to cancel the VIP Kit and the associated outfitting of the VIP Aircraft, and in consideration of the privileged relationship between the Parties, the Buyer and the Seller have agreed to terminate Buyer's obligations to purchase the VIP Kit and consequently have terminated the Outfitting Agreement pursuant to the Outfitting Termination Agreement. For the avoidance of doubt, the Parties' respective rights and obligations with respect solely to the delivery of the VIP Kit shall be terminated.

The Buyer hereby further acknowledges and agrees that the Seller shall not have any obligation or liability with regard to Clause 1.3 of the VIP Letter Agreement as a consequence of the cancellation of the VIP Kit and the termination of the Outfitting Agreement.

Except in respect of its obligation to purchase the VIP Kit, the Buyer hereby acknowledges and agrees that all of its other obligations under the VIP Letter Agreement shall remain in full force and effect, except as otherwise stated in this Letter Agreement N°1.

Without prejudice to the Seller's right to enforce any of its rights under the VIP Letter Agreement, the Seller agrees to inform the Buyer in advance of its intention to enforce any of its rights under the VIP Letter Agreement provided that this shall not suspend or in any way affect the obligations of the Buyer under the VIP Letter Agreement.

For the avoidance of doubt, it is hereby acknowledged and agreed that the Seller shall be entitled to retain the VIP Kit as absolute owner thereof and that the Buyer shall have no further right or entitlement with respect to the VIP Letter Agreement, except as otherwise stated herein.

1.3 As a further exceptional commercial gesture, the Seller and the Buyer hereby agree that the Seller shall, in its sole discretion but acting in good faith, use reasonable endeavors to sell the VIP Kit to a third party at terms and conditions to be solely determined by the Seller.

Should the Seller, acting in its sole discretion, enter into a firm written agreement for the sale of the VIP Kit with a third party not later than June 30<sup>th</sup> 2016, and upon receipt by the Seller of payment in full of the purchase price for the VIP Kit from the new buyer (the "Resale Price"), the Seller shall promptly after receipt of the full Resale Price, grant the Buyer a credit memorandum in a flat amount equal to the Resale Price minus the total costs reasonably incurred by the Seller, in its sole discretion, as a result of the cancellation, reconfiguration, remarketing and /or resale of the VIP Kit which costs shall be substantiated in writing by the Seller if requested by the Buyer (the "VIP Kit Settlement Credit Memorandum"). The Seller shall promptly inform the Buyer in the event the Seller enters into a firm written agreement for the sale of the VIP Kit with a third party.

The VIP Kit Settlement Credit Memorandum shall be a flat amount quoted in US Dollars and may be exclusively used by the Buyer for the purchase of Goods and Services from the Seller.

It is hereby agreed and acknowledged by the Parties that in no event shall the VIP Kit Settlement Credit Memorandum exceed a flat amount equal to fifteen million US Dollars (15,000,000 USD).

1.4 Should the Seller, in its sole discretion but acting in good faith, not have entered into a firm written agreement for the sale of the VIP Kit to a third party by June 30<sup>th</sup> 2016, then the provisions of Clause 1.3 above shall not apply and the Buyer shall not have any claim in contract, tort or otherwise against the Seller with regards to this Letter Agreement N°1 or the VIP Kit.

Without prejudice to the preceding, the Parties may in such case discuss in good faith with a view to finding mutually agreed alternatives for the VIP Kit.

**LETTER AGREEMENT N° 1 TO AMENDMENT N°3 TO THE A330 PURCHASE AGREEMENT**

1.5 This Letter Agreement N°1 shall enter into force concurrently with the signature by both Parties of the Outfitting Termination Agreement.

**2. Assignment**

This Letter Agreement N°1 and the rights and obligations of the Buyer herein shall not be assigned or transferred in any manner, and any attempted assignment or transfer in contravention of the provisions of this Clause shall be void and of no force or effect.

**3. Confidentiality**

This Letter Agreement N°1 (and its existence) shall be treated by both parties as confidential and shall not be released (or revealed) in whole or in part to any third party, except as may be required by law, or to their respective professional advisors for the purpose of implementation hereof, without the prior consent of the other party. In particular, each party agrees not to make any press release concerning the whole or any part of the contents and/or subject matter hereof or of any future addendum hereto without the prior consent of the other party.

**4. Law and Jurisdiction**

This Letter Agreement N°1 shall be governed by, and construed in accordance with, the laws of England.

Any dispute arising out of or in connection with this Letter Agreement N°1, including but not limited to its existence, validity, interpretation, implementation, breach, termination and/or enforcement, shall be referred to and finally resolved by arbitration, under the Rules of Arbitration of the International Chamber of Commerce, which are deemed to be part of this Letter Agreement N°1, by three (3) arbitrators appointed in accordance with such rules.

The seat of arbitration shall be London and the language of the arbitration proceedings shall be English.

**5. Counterparts**

This Letter Agreement N°1 may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same agreement.

2/10/06 67(civ)

LETTER AGREEMENT N° 1 TO AMENDMENT N°3 TO THE A330 PURCHASE AGREEMENT

If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement N°1 to the Seller.

Agreed and Accepted

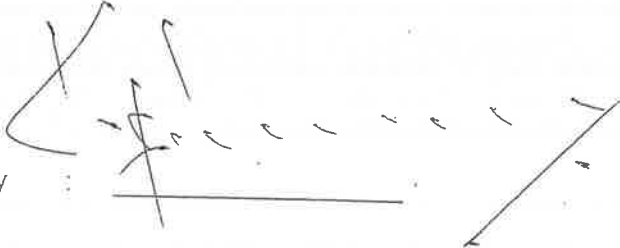
Agreed and Accepted

For and on behalf of

For and on behalf of

SRILANKAN AIRLINES LTD.

AIRBUS S.A.S.

By :  \_\_\_\_\_ By : \_\_\_\_\_

Its : Chief Executive Officer

Its : \_\_\_\_\_

Date : \_\_\_\_\_

Date : \_\_\_\_\_



LETTER AGREEMENT N° 1 TO AMENDMENT N°3 TO THE A330 PURCHASE AGREEMENT

If the foregoing correctly sets forth our understanding, please execute two (2) originals in the space provided below and return one (1) original of this Letter Agreement N°1 to the Seller.

Agreed and Accepted

Agreed and Accepted


For and on behalf of

For and on behalf of

SRILANKAN AIRLINES LTD.

AIRBUS S.A.S.

By : \_\_\_\_\_

By :   
: Christophe Mourou  
Senior Vice President Contract

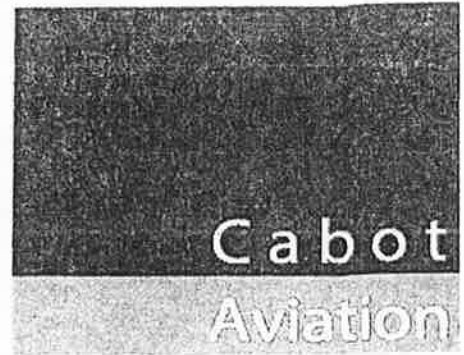
Its : \_\_\_\_\_

Its : \_\_\_\_\_

Date : \_\_\_\_\_

Date : February 24<sup>th</sup>, 2015





*powered by Air Partners*

4th March 2016

Mr Suren Ratwatte  
 Chief Executive Officer  
 SriLankan Airlines Limited  
 Bandaranaike International Airport  
 Katunayake  
 Sri Lanka

Dear Suren,

**RE: REMARKETING OF AIRBUS A330-300 AND A350-900 AIRCRAFT**

Following our recent discussions, I now have pleasure in setting out in this letter ("Letter") the terms and conditions by which SriLankan Airlines Limited ("SriLankan") appoints Cabot Aviation Services Limited ("Cabot") as its exclusive remarketing agent of SriLankan (except for Iran) in respect of all or any of the following aircraft. Any transaction between the Government of Sri Lanka and the Government of Iran in respect of the Aircraft shall not fall within the purview of this Letter:

Aircraft Type	Serial Number	Registration
Airbus A350-900	052	TBA
Airbus A350-900	055	TBA
Airbus A350-900	060	TBA
Airbus A350-900	TBA	TBA
Airbus A330 -300	1564	4R- ALL
Airbus A330 -300	1583	4R-ALM
Airbus A330 -300	1604	4R-ALN
Airbus A330 -300	1650	4R-ALO

(Referred to hereafter both singularly and collectively as the "Aircraft")

SriLankan and Cabot understand and agree that the above Aircraft Serial Numbers relating to the A350-900 are subject to confirmation/change. Three Airbus A350-900 Aircraft bearing the Serial Numbers 052, 055 and 060 are required to be subleased to one Target Operator and A330-300 Aircraft may be subleased to one or more Target Operators.

The terms and conditions of Cabot's appointment are as follows:

1. The term of the appointment shall be from the date of this Letter to 31<sup>st</sup> July 2016, ("Initial Period") and continuing thereafter until terminated by either party giving to the



other not less than one month's prior written notice of its intention to terminate this appointment. Such notice not to be given prior to the end of the Initial Period. During the Initial Period and/or any extended period, if any, SriLankan shall deal with the London office of Cabot directly and SriLankan shall not entertain any intermediaries to deal with Cabot.

2. During the term of this appointment Cabot shall:
  - a) Actively contact all current operators of the Aircraft type and such other aircraft operators or entities as appropriate ("Target Operators") to provide such Target Operators with the Aircraft specifications and other technical and operational information;
  - b) Advertise the Aircraft in appropriate industry journals and websites with prior written approval of SriLankan. Cabot will advise the journals and websites in which Cabot will advertise and liaise with SriLankan regarding the costs of any such advertising;
  - c) Identify potential lessees for the Aircraft and commence negotiations on SriLankan's behalf with prior written approval of SriLankan;
  - d) Keep SriLankan advised and consult with SriLankan on a regular basis, provide SriLankan with regular marketing reports and immediately advise SriLankan of any written offers or other material developments;
  - e) Continue to lead negotiations or assist SriLankan in negotiations (as preferred and directed by SriLankan) with potential lessees until a transaction is completed.
3. Notwithstanding anything contained in Clause 2 above, Cabot shall not hold itself out as authorised to bind SriLankan to third parties and shall not be empowered to commit SriLankan to any lease or to enter into any lease on SriLankan's behalf without SriLankan's express written permission.
4. The Aircraft shall be offered for lease by Cabot at lease rentals ("Asking Prices") as agreed in writing between SriLankan and Cabot. These Asking Prices may be reviewed from time to time in the light of developments during the remarketing of the Aircraft.
5. SriLankan undertakes that during the term of this Agreement it will neither directly itself nor through third parties market the Aircraft. However, it is recognised and acknowledged by SriLankan and Cabot that certain Target Operators may contact SriLankan directly. In all such cases SriLankan will direct Cabot to send information regarding the Aircraft and Asking Prices to the Target Operator and Cabot shall lead negotiations on SriLankan's behalf. Parties hereby acknowledge that SriLankan has had initial discussions with Oman Air and Philippine Airlines pertaining to the Aircraft. In the event the discussions with the said prospective parties continue, Cabot shall represent SriLankan in the discussions as a part of the engagement contemplated in this Letter.

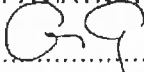
6. In consideration of the above services provided by Cabot, SriLankan will pay to Cabot the following fees:
  - a) A monthly retainer of USD10,000 payable monthly in advance and the retainer paid to Cabot shall be netted off the success fee in Clause 6 (b) below at the point such success fee becomes due;
  - b) In respect of a lease of an Aircraft, including any lease extensions, a success fee of USD100,000 per Aircraft plus a lease fee equal to 0.5% of the monthly lease rental up to and including lease rental of USD600,000 per Aircraft per month. For any lease rental amount above USD600,000, this fee shall be reduced to 0.25% of that amount. In the event more than one Aircraft is leased to the same lessee in one transaction, this fee shall be reduced to 0.35% for the second and any subsequent Aircraft up to and including lease rental of USD600,000 per Aircraft per month and 0.25% for any lease rental amount above USD600,000 per Aircraft per month;
  - c) The success fee in Clause 6(b) above will be paid at signature of the lease and each lease fee will be paid within fourteen business days of SriLankan receiving each lease payment and maintenance reserves (or on such other basis as shall be agreed between SriLankan and Cabot);
  - d) The above fees will be payable to Cabot in respect of a lease transaction entered into by SriLankan either during the term of this Letter or after the termination of this Letter if the Aircraft were introduced and offered to the prospect during the term of this remarketing agreement. Prior to the termination of this Letter, Cabot shall provide SriLankan with a list of potential lessees that shall be covered by this clause with the evidence that those lessees were approached as Target Operators by Cabot during the period of the Letter;
7. Other than in respect of pre-approved travel and accommodation which shall be in writing, SriLankan shall have no liability for costs incurred by Cabot whilst performing its duties hereunder.
8. SriLankan shall indemnify Cabot for any claims by third parties arising from this appointment unless such claims arise due to the breach of confidentiality, wilful neglect or negligence of Cabot.
9. Cabot hereby represents that it has no representative or agent located in Sri Lanka.
10. Cabot shall treat all the information provided by SriLankan to Cabot, its employees, officers, agents or representatives with strict confidence and shall disclose the information only to the extent of necessity.
11. Cabot shall indemnify and hold harmless SriLankan against any loss, cost, expense, damages, fees including legal fees incurred by SriLankan as a result of breach of this Agreement, due to the wilful misconduct and negligence of Cabot.

Any person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 of the United Kingdom to enforce any term of this Agreement.

12. This agreement shall be governed by English law. The Parties agree to submit to the non-exclusive jurisdiction of the Courts of England with regard to any claim or matter arising under or in connection with this Agreement.

If you agree that the contents of this Letter accurately reflect our discussions and you wish to appoint Cabot as the exclusive remarketing agent of SriLankan Airlines for the Aircraft, upon the terms and conditions set forth above, please countersign this letter in the appropriate place below and return it to us, as confirmation of your agreement to its terms and our appointment as your exclusive agent.

Yours sincerely,  
CABOT AVIATION SERVICES LIMITED

  
.....

Greg Cope  
Senior Vice President

We acknowledge receipt of the Letter of which this is a copy and confirm our agreement to its terms and conditions and the appointment of Cabot as the exclusive remarketing agent of SriLankan Airlines for the Aircraft. The under-mentioned signatory is a duly authorised representative of SriLankan Airlines Limited with authority to conclude this Letter on its behalf.

  
.....

For and on behalf of SriLankan Airlines Limited

Name: Suren Ratwatte

Title: Chief Executive Officer

Dated ..... 4/3/15 .....

27/03/2016 68 (v)

**AIRCRAFT REMARKETING AGREEMENT**  
**DATED AS OF 4 MARCH, 2016**  
**BETWEEN**  
**SRI LANKAN AIRLINES LIMITED.**  
**AND**  
**CABOT AVIATION SERVICES LIMITED**

THIS SIDE LETTER dated as of 31 March, 2016 (this "Agreement") is made by and between: Sri Lankan Airlines Limited., located at Bandaranaike International Airport, Katunayake, Sri Lanka. (the "Principal") and; Cabot Aviation Services Limited, located at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA, England (the "Agent");

**WITNESSETH:**

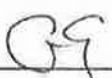
WHEREAS, Agent hereby is solely assigned by Principal to provide the services ("Services") as defined within the Aircraft Remarketing Agreement dated 4 March 2016 with respect to the Aircraft as defined therein.

WHEREAS, Principal is hereby solely engaged to Agent for the Services provided in the Aircraft Remarketing Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties contained in the Aircraft Remarketing Agreement dated 4 March 2016 for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto further agree to include one spare Rolls-Royce Trent XWB-84 engine (the "Engine") in the Services. Principal agrees to pay Agent a fee of USD100,000 on signature of any lease with an alternate lessee for the Engine. It is further acknowledged that the said inclusion to the Services is subject to the approval of the Board of Directors of the Principal and the Principal shall inform such granting of approval to the Agent in writing as soon as it is granted. This Side Letter shall cease to be in effect in to in the event the approval of the Board of Directors of the Principal is not granted for the said inclusion.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and delivered as of the day and year first written above (31 March 2016) and Principal and Agent shall each retain the original hereof.

Sri Lankan Airlines Limited.,  
as Principal  
  
By: \_\_\_\_\_  
Name: Suren Ratwatte  
Title: Chief Executive Officer  
At: Katunayake, Sri Lanka

Cabot Aviation Services Limited  
as Agent  
  
By: \_\_\_\_\_  
Name: Greg Cope  
Title: Senior Vice President  
At: Gatwick, West Sussex, England, United Kingdom

**AGREEMENT FOR CONSULTANCY SERVICES**

**THIS AGREEMENT** is made and entered into at Colombo in the Democratic Socialist Republic of SRI LANKA on this ...15<sup>th</sup>... day of...March...Two Thousand and SIXTEEN

**BY AND BETWEEN**

**SRILANKAN AIRLINES LIMITED**, a company duly incorporated in Democratic Socialist Republic of SRI LANKA bearing the company registration number PB 67, having its registered office at "Airline Centre", Bandaranaike International Airport, Katunayake, Sri Lanka [hereinafter called and referred to as "THE COMPANY" which term or expression shall where the context so requires or admits mean and include the said **SRILANKAN AIRLINES LIMITED**, its successors and assigns] of the **FIRST PART**

**AND**

**MOTEVALIYAN TOSEE TEJARAT (PVT) LTD**, incorporated in the ISLAMIC REPLUBLIC OF IRAN under the incorporation of companies act PV Number: 309155 with registered address at West unit 3 No.16, Golbarg1 Golha Alley Mirzababae Blvd.Poonak sq. Tehran-Iran, [hereinafter called and referred to as "The Consultant" which term or expression as herein used shall where the context so requires or admits mean and include the said **MOTEVALIYAN TOSEE TEJARAT (PVT) LTD**, its permitted successors and assigns] of the **OTHER PART**.

(Hereinafter sometimes collectively referred to as the "Parties" and individually as a "Party")

**WHEREAS:**

- A. SRILANKAN AIRLINES LIMITED is an international commercial airline registered in Sri Lanka;
- B. The Consultant is in the business of providing consultancy services in marketing and related activities;
- C. SRILANKAN AIRLINES LIMITED proposes to appoint the Consultant and the Consultant has agreed to provide SRILANKAN AIRLINES LIMITED the Services as defined in this Agreement on the terms and conditions hereinafter contained.

**NOW THIS AGREEMENT WITNESSETH** and the Parties hereto agree as follows:

**1. DEFINITIONS**

In this Agreement, unless inconsistent with the context or otherwise specified, the following words shall have the following meanings:

Agreement means this Agreement for the Provision of Consultancy Services;

Fee means the fee defined under Clause 6 of this Agreement;

Services means the services defined under Clause 3 of this Agreement;

Clients means prospective buyers or sub-lessees to be introduced to SRILANKAN AIRLINES LIMITED by the Consultant under this Agreement.

USD means United States Dollars.

**2. COMMENCEMENT & TERM**

2.1 Subject to the terms and conditions of this Agreement, SRILANKAN AIRLINES LIMITED appoints the Consultant as its exclusive independent contractor to provide the Services defined under Clause 3 of this Agreement in the Islamic Republic of Iran, to SRILANKAN AIRLINES LIMITED.

2.2 This Agreement shall come into effect on the date hereinbefore mentioned and shall continue to be in effect until 31 July 2016 or such earlier date as may be determined in the manner provided in Clause 7 of this Agreement (“**Term**”).

2.3 Upon the expiration of the Term, if the Consultant has entered in to any definitive agreements with a prospective buyer or a sub-lessee introduced by the Consultant on its own, SRILANKAN AIRLINES LIMITED shall pay a Fee for the Services performed. The Parties agree and acknowledge that in the event that the Consultant fails to introduce any buyer or sub-lessee who signs a definitive agreements with SRILANKAN AIRLINES LIMITED, no fee, cost, expense or compensation is payable by SRILANKAN AIRLINES LIMITED on whatsoever reason.

**3. SERVICES**

3.1 The Services to be provided by the Consultant shall be as follows:

- (i) to embark on joint effort with SRILANKAN AIRLINES LIMITED in the promotion of Aircrafts leased by SRI LANKAN AIRLINES LIMITED to counterparts in the Islamic Republic of Iran at the cost of the Consultant;

- (ii) To promote sub leasing to prospective customers based in the ISLAMIC REPUBLIC OF IRAN at the cost of the Consultant;
- (iii) To create the relevant marketing material including internet based applications for contacting potential clients without disclosing the identity of SRILANKAN AIRLINES LIMITED at the cost of the Consultant;
- (iv) To approach potential clients in order to market the activities of SRILANKAN AIRLINES LIMITED at the cost of the Consultant;
- (v) To respond to client enquiries up to the point of a contract being signed between SRILANKAN AIRLINES LIMITED and the relevant client at the cost of the Consultant;
- (vi) To report, conduct meetings and maintenance of records in relation to the above at the cost of the Consultant;
- (vii) The service will be considered as performed when the client of the Consultant signs definitive sub-lease agreement or equivalent with SRILANKAN AIRLINES LIMITED. In the event a definitive contract is not entered with SRILANKAN AIRLINES LIMITED due to whatsoever reason, the service is not considered as provided under this Agreement and no payment shall be due from SRILANKAN AIRLINES LIMITED.

(Hereinafter referred to as the "Services")

- 3.2 It is agreed and understood by the Parties hereto that the scope of the Services outlined above is not exhaustive and the Consultant shall perform any function or additional duties as shall be ancillary to the Services set out above with prior written approval of SRILANKAN AIRLINES LIMITED at no extra charge.
- 3.3 The Services may be amended or varied with the mutual consent of both Parties in writing.
- 3.4 Nothing in this Agreement compels or requires SRILANKAN AIRLINES LIMITED to accept or sign definitive contracts with the prospective sub-lessees introduced by the Consultant and if SRILANKAN AIRLINES LIMITED refuses to accept any of the prospective sub-lessees, no payment or Fee shall be payable by SRILANKAN AIRLINES LIMITED to the Consultant.

#### 4. RIGHTS AND DUTIES OF SRILANKAN AIRLINES LIMITED

- 4.1 SRILANKAN AIRLINES LIMITED shall pay the Consultant the Fee in accordance with Clause 6 of this Agreement. Such obligation shall be subject to existing and future restrictions and limitations contained under any applicable law, regulation, governmental policy or contractual requirement in the home country of SRILANKAN AIRLINES LIMITED, the Consultant and any other country with regulatory jurisdiction over the Services.

- 4.2 Any variation of the Fee as defined under Clause 6 of this Agreement must be with the prior written approval of SRILANKAN AIRLINES LIMITED certifying that the Fees is appropriate and consistent with (i) SRILANKAN AIRLINES LIMITED's practices and (ii) any applicable limits imposed by laws or regulations of the home country of SRILANKAN AIRLINES LIMITED, the Consultant and any other country with regulatory jurisdiction over the Services. SRILANKAN AIRLINES LIMITED reserves the sole discretion to refuse to make any modification to such Fee as defined under Clause 6 based on legal, policy, and financial, contractual or economic considerations.
- 4.3 SRILANKAN AIRLINES LIMITED shall provide the information and data necessary for the Consultant to fulfil his obligations under this Agreement.

## 5. GENERAL DUTIES OF THE CONSULTANT

The Consultant agrees with SRILANKAN AIRLINES LIMITED that, so long as this Agreement is in effect, the Consultant at its own cost:

- 5.1 shall furnish any information requested by SRILANKAN AIRLINES LIMITED for the purpose of carrying out its business immediately.
- 5.2 shall perform the Services under this Agreement with professional skill and care.
- 5.3 shall provide Services to SRILANKAN AIRLINES LIMITED including but not limited to consultancy and technical advice in respect of the Services.
- 5.4 acknowledges that except as may be provided for under a separate written agreement(s) between the Consultant and SRILANKAN AIRLINES LIMITED, the Consultant is not authorized to and will not take any action on behalf of SRILANKAN AIRLINES LIMITED outside the scope of the Services identified in this Agreement.
- 5.5 shall deploy competent and qualified personnel to perform the Services and provide updates to SRILANKAN AIRLINES LIMITED of the progress the Consultant has made in delivering the Services bi-weekly.
- 5.6 shall not commit SRILANKAN AIRLINES LIMITED for any obligations or holdout itself as an agent or representative of SRILANKAN AIRLINES LIMITED.
- 5.7 shall inform SRILANKAN AIRLINES LIMITED of the progress of the performance of the Services. In addition, the Consultant shall submit to SRILANKAN AIRLINES LIMITED, monthly activity reports (the "Report") in a form to be mutually agreed upon between the Parties. At a minimum, the Report shall contain detailed information regarding the Consultant's efforts, contacts, meetings and any other information



necessary or required to assist SRILANKAN AIRLINES LIMITED in evaluating and understanding the Consultant's activities. A copy of all monthly Reports shall be transmitted to the notice address provided under Clause 14 of this Agreement.

## 6. FEES

- 6.1 SRILANKAN AIRLINES LIMITED shall pay the Consultant 2% (two percent) of the monthly sub-lease rental received by SRILANKAN AIRLINES LIMITED from each sub-lessee per one (1) Aircraft introduced by the Consultant pursuant to this Agreement as the fee for the Services ("Fee") upon receipt of the sublease rental and maintenance reserves by SRILANKAN AIRLINES LIMITED. For the purposes of clarity, the Parties agree that if SRILANKAN AIRLINES LIMITED has decided not to enter in to a sub-lease contract with a prospective sub-lessee introduced by the Consultant at the absolute discretion of SRILANKAN AIRLINES LIMITED on whatsoever reason, no Fee is still payable by SRILANKAN AIRLINES LIMITED to the Consultant.
- 6.2 Consultant will raise an invoice with respect to any Fees where applicable. If SRILANKAN AIRLINES LIMITED has received the sublease rental and maintenance reserves from the sub-lessees, SRILANKAN AIRLINES LIMITED shall settle such invoice(s) within thirty (30) days of receipt.
- 6.3 The Consultant shall issue the invoice in USD and SRILANKAN AIRLINES LIMITED shall settle the invoice in USD.

## 7. TERMINATION

- 7.1 Notwithstanding anything to the contrary contained herein in addition to and not in substitution of the rights available to the Parties, either Party may terminate this Agreement at any time by giving the other Party thirty (30) days written notice of its intention to terminate these presents without any liability to compensate or indemnify the other party.
- 7.2 This Agreement may be terminated forthwith by either Party in the event that either Party is or becomes insolvent or bankrupt, or is in or goes into receivership or liquidation or breaches or fails to properly or promptly perform any obligation whether due to negligence or otherwise and fails to remedy the situation to the satisfaction of the aggrieved Party within fifteen (15) calendar days of the date of notice issued by the aggrieved Party stating the breach or failure.

## 8. EFFECT OF TERMINATION

- 8.1 Upon the expiration or termination of this Agreement for any reason whatsoever the Consultant shall:
- (a) cease all action in relation to all Services and deliverables specified in this Agreement;
  - (b) deliver to SRILANKAN AIRLINES LIMITED all records, reports, lists, schedules, materials, drawings, plans and other documents in the Consultant's possession pursuant to or in connection with this Agreement;
- 8.2 The data/information obtained by the Consultant during and after the term of this Agreement remains the property of SRILANKAN AIRLINES LIMITED and must be returned to SRILANKAN AIRLINES LIMITED as aforesaid or destroyed on the termination of this Agreement. The Consultant is prohibited from retaining copies of any data.
- 8.3 Neither Party shall on termination be relieved or discharged from any of its obligations hereunder which shall arise prior to the termination.
- 8.4 Notwithstanding the termination of this Agreement for any reason whatsoever, all Clauses pertaining to confidentiality set out herein, shall survive such termination for a period of three (3) years, and the failure of SRILANKAN AIRLINES LIMITED in any one or more instances to seek redress on any breach by the Consultant shall not be taken to constitute a condonation or waiver of any default or breach by the Consultant.

## 9. REPRESENTATIONS AND WARRANTIES

The Consultant represents and warrants to SRILANKAN AIRLINES LIMITED that:

- 9.1 The Consultant has the capacity to enter into this Agreement, similarly SRILANKAN AIRLINES LIMITED warrants that it has the capacity and authorized as be jurisdiction in which operates to enter into this Agreement.
- 9.2 the Consultant has the technical knowhow, resources and managerial experience necessary to carry out the Services and has obtained all relevant licenses and/or consents and/or approvals as may be necessary for the time being for performing his duties hereunder. SRI LANKAN AIRLINES will support and provide relevant information to the Consultant to execute the Services as defined in Clause 3 of this Agreement.

- 9.3 the Consultant will perform his obligations under this Agreement in a professional manner and will at all times use his best efforts to execute and meet his obligations towards SRILANKAN AIRLINES LIMITED in a timely manner, similarly SRILANKA AIRLINES LIMITED will perform its obligations in a timely and professional manner towards the Consultant.
- 9.4 all advice, guidance and/or information given to SRILANKAN AIRLINES LIMITED hereunder is to the best of his knowledge, accurate and up to date and agrees that SRILANKAN AIRLINES LIMITED is entitled to place reliance upon and make commercial decisions upon the advice so provided whether technical, financial, managerial or otherwise.
- 9.5 the Consultant will not make any statements, written or verbal, or cause or encourage others to make any statements, written or verbal, that defame, disparage or in any way criticize the personal or business reputation, practices, or conduct of SRILANKAN AIRLINES LIMITED, its employees, directors, and officers. The Consultant acknowledges and agrees that this prohibition extends to statements, written or verbal, made to anyone, including but not limited to the news media, investors, potential investors, any board of directors or advisory board or directors, industry analysts, competitors, strategic partners, vendors, employees (past and present), clients and potential clients.
- 9.6 Except for the rights and licenses expressly granted by SRILANKAN AIRLINES LIMITED under this Agreement, SRILANKAN AIRLINES LIMITED will retain all right, title and interest in and to its products, services, marks, and all content, information and other materials on its website(s) or any other marketing venue not to exclude promotions in meetings or conferences, and nothing contained in this Agreement will be construed as conferring upon the Consultant, by implication, operation of law or otherwise, any other license or other right.
- 9.7 during the term of this Agreement, and for a period of one (1) year thereafter, the Consultant shall not, directly or indirectly, provide Services for, or promote, market, offer, sell, represent the products or services of any person within the home country of SRILANKAN AIRLINES LIMITED, the Consultant and/or any other country with regulatory jurisdiction over the Services to be provided under this Agreement, which are or could be competitive with the products or services of SRILANKAN AIRLINES LIMITED.
- 9.8 The Consultant shall not be paid for the expenses it is incurred in searching the prospective sub-lessees and the Consultant shall be paid only if SRILANKAN AIRLINES LIMITED enters in to a definitive sub-lease contract with a sub-lessee introduced by the Consultant. If SRILANKAN AIRLINES LIMITED refuses to accept

any sub-lessee or to sign any contracts with the sub-lessees, no Fee or any payment shall be payable to the Consultant.

## 10. EXCLUSION OF LIABILITY AND INDEMNITY

- 10.1 SRILANKAN AIRLINES LIMITED shall not be liable for any costs, claims, losses or liabilities of whatsoever nature which the Consultant and/or third parties may suffer, sustain, or incur as a result of or arising directly or indirectly from any act or omission of the Consultant in the performance or purported performance of any of the obligations and duties of the Consultant under this Agreement.
- 10.2 The Consultant shall at all times indemnify and hold harmless SRILANKAN AIRLINES LIMITED and its directors, officers, employees, attorneys and agents from any and all costs, claims, damages, losses, liabilities or expenses of whatsoever nature which SRILANKAN AIRLINES LIMITED may suffer, sustain or incur as a result of or arising directly or indirectly from any act or omission of the Consultant in the performance or purported performance of any of the obligations and duties of the Consultant and/or as a result of any dishonesty, willful misconduct, breach of contract, and/or negligence or unauthorized acts of the Consultant.
- 10.3 SRILANKAN AIRLINES LIMITED shall have the right in its sole discretion to defer or refuse payment of Fees in order to recover the costs, claims, damages, losses, liabilities or expenses as aforesaid or any part thereof. The provisions of this Clause shall survive the termination or expiration of this Agreement.
- 10.4 The Consultant shall not compensate SRILANKAN AIRLINES LIMITED in the event SRILANKAN AIRLINES LIMITED suffers any loss as a result of relying to its detriment upon the advice/ information/ recommendations provided to SRILANKAN AIRLINES LIMITED by the Consultant as set out hereunder. SRILANKAN AIRLINES LIMITED will perform own due diligence, feasibility or other as deemed necessary to enter into any agreement arranged through the Consultant.

## 11. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous agreements and understandings between the Parties with respect thereto. This Agreement may not be amended or modified except in writing signed by an authorized representative of each of the Parties hereto.

## 12. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by the laws of Sri Lanka in force for the time being, and the Parties agree to submit to the exclusive jurisdiction of the Courts of Sri Lanka.

**13. INTENTIONALLY LEFT BLANK****14. NOTICES**

Any notice or communication given hereunder shall be in writing and served by prepaid, registered or recorded delivery post or electronic mail or by facsimile transmission sent to the address of the receiving Party hereinbefore written (or at such different address as may be designated by such Party by written notice to the other Party). All notices and other communications to be given shall be deemed to have been given:

- (a) if sent by prepaid, registered or recorded delivery post, within ten (10) days of posting;
- (b) on transmission to the addressee if transmitted by electronic mail or facsimile during normal working hours or if transmitted outside normal working hours, on the next business day.

**15. FORCE MAJEURE**

Neither Party shall be responsible for any delay or failure to comply with any part of this Agreement, resulting from causes beyond their control, including but not being restricted to flood, fire, earthquakes, strikes, riots, natural calamities, war, epidemics, accidents, government embargoes introduced after this Agreement came into existence or any change in law or other exercise of a sovereign or executive prerogative by the Government of ISLAMIC REPUBLIC OF IRAN or any other authority. However the Party claiming Force Majeure shall promptly notify the other Party of the commencement of and, where possible, the nature of the Force Majeure and promptly notify when the Force Majeure ends. Provided however that in the event such inability or delay in performance shall continue for a period of no less than sixty (60) days, the Party affected by Force Majeure shall be entitled to terminate this Agreement forthwith, by notice in writing issued to the other Party.

**16. ASSIGNMENT**

- 16.1 The Consultant may not assign any of its rights or obligations hereunder without the prior written consent of SRILANKAN AIRLINES LIMITED. SRILANKAN AIRLINES LIMITED may assign its rights and obligations under this Agreement to any parent, subsidiary, affiliate or successor in interest of SRILANKAN AIRLINES LIMITED without the consent of the Consultant. The Consultant shall be provided with written notice of such assignment.
- 16.2 The Consultant acknowledges that this Agreement grants him no authority to appoint any agent, consultant or representative, and the Consultant agrees not to appoint any such agent or other person to perform any of its obligations hereunder, unless as specified in Sub Clause 16.1 above.

**17. CONFIDENTIALITY**

- 17.1 At all times during and after the term of this Agreement the Consultant will always keep confidential and secure and not exploit or otherwise misuse any information obtained in the performance of this Agreement.
- 17.2 The Consultant may only disclose and use that information to the extent:
  - (a) necessary to perform his functions under this Agreement; or
  - (b) authorised in writing by SRILANKAN AIRLINES LIMITED; or
  - (c) required by law or a competent court of jurisdiction.
- 17.3 The Consultant will require its representatives, employees and agents to comply with this provision and will be responsible for non-compliance by any of them.

**18. COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall upon execution by the Parties be deemed an original.

**19. SEVERABILITY AND WAIVER**

- 19.1 Each provision of this Agreement shall be a separate and distinct covenant and, if declared illegal, unenforceable or in conflict with any governing law, shall not affect the validity of the remaining portion of this Agreement.
- 19.2 The failure of any of the Parties hereto to exercise or enforce any right conferred upon that Party under this Agreement shall not be deemed to be a waiver of any such right or operate to bar the exercise or enforcement thereof at any time or times thereafter.

**20. NO EMPLOYEE RELATIONSHIP**

Nothing in this Agreement is intended or shall be construed to authorize the Consultant, without the prior written approval of SRILANKAN AIRLINES LIMITED, to create or assume any liability or indebtedness of any kind in the name of or on behalf of SRILANKAN AIRLINES LIMITED or to give any warranty or make any representation in the name of or on behalf of SRILANKAN AIRLINES LIMITED, and this Agreement shall not be construed as implying that the relationship between SRILANKAN AIRLINES LIMITED and the Consultant is that of principal and agent, employer and employee, joint venturers, partners or trustee and beneficiary and the Consultant shall be performing its duties hereunder purely as an independent contractor.

The authorized representatives of **SRILANKAN AIRLINES LIMITED** and **MOTEVALIYAN TOSEE TEJARAT (PVT) LTD** have placed their signature hereunto and to another of the same tenor on the date mentioned underneath.

**For and on behalf of  
SRILANKAN AIRLINES LIMITED**

Signature:




Name: Suren Ratwatte

Designation: Chief Executive Officer

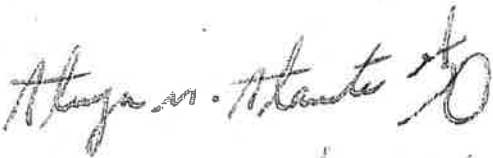
Witnesses:

1.

  
K.A. RANASINGHE

**For and on behalf of  
MOTEVALIYAN TOSEE TEJARAT (PVT) LTD**

Signature:



Name:

Alireza Motevali Alamati

Designation:

Managing Director

Witnesses:

1. M. Jayaratne

MARIE DAYARATNE

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("MOU") is signed on this 18<sup>th</sup> day of August 2016 between:

**Millennium Aero Dynamics Pvt Limited**, a company incorporated under the laws of India and having its registered office at 36A, Level III, Whitehall, 143 August Kranti Marg, Kemps Corner, Mumbai, Maharashtra, India 400036 (hereinafter referred to as "**Millenium**") which term shall where the context so requires mean and include the **Millennium Aero Dynamics Pvt Limited**, its successors and assigns) of the One Part; and

**SriLankan Airlines Limited**, a company duly incorporated under the laws of Sri Lanka, bearing company registration no. PB 67 and having its registered office at the Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka, (hereinafter referred to as "**SLA**") which term shall where the context so requires mean and include the said **SriLankan Airlines Limited**, its successors and assigns) of the Other Part.

(SLA and Millennium are collectively referred to as Parties and individually as a Party.)

**WHEREAS THE PARTIES AGREE AS FOLLOWS:**

1. Millennium introduced German Aviation Capital GmbH ("**GAC**") to SLA as an interested party to buy three (03) A350-900 Aircraft ("Aircraft") for which SLA has committed to Lease from International Lease Finance Corporation ("ILFC") and engaged in negotiations between SLA and GAC.
2. SLA and GAC signed a Letter of Intent dated 18 August 2016, subject to the execution of a definitive Sale and Purchase Agreement and fulfilment of conditions precedent provided in that Letter of Intent, where GAC has agreed to buy the Aircraft eventually.
3. Subject to :
  - 3.1 ILFC or its owners agreeing to sell the Aircraft and the transaction contemplated in the said Letter of Intent succeeds; and
  - 3.2 GAC contributes to the purchase of the Aircraft to be paid by SLA to ILFC;

SLA shall pay a sum of amounting to 2% of the actual contribution of GAC to the purchase price of the Aircraft from ILFC or its owner to SLA, as professional fees of Millennium for their service performed as referred to in Clause 1 hereof.
4. SLA and Millennium agree that no sum is payable by SLA other than the professional fees referred to in Clause 3 hereof unless the parties have mutually agreed in writing otherwise.
5. Parties shall treat the contents of this MOU in strict confidence.

*[Handwritten signature]*  
18/8/16



*[Handwritten signature]*



6. This MOU shall be governed by the laws of England and shall be subject to the Courts of England.

In witness whereof the parties hereto have caused their authorised representatives to set their hands hereunto and to one other of the same tenor on the date first referred to in Colombo.

For and on behalf of  
**MILLENNIUM AERO DYNAMICS PVT LIMITED**



Name: MILIND S. JITENDRA  
Designation: CHAIRMAN



For and on behalf of  
**SRILANKAN AIRLINES LIMITED**



Name: ATITH DAS  
Designation: CHAIRMAN

CHAIRMAN  
SRILANKAN AIRLINES LTD



SriLankan Airlines Ltd.  
 "Airline Centre",  
 Bandaranaike International Airport,  
 Katunayake,  
 Sri Lanka

18. August 2016

Phone: +49 69 3535-76510  
 Telefax: +49 69 3535-76555

Ajith Dias, Chairman

**LETTER OF INTENT**

WHEREAS SriLankan Airlines Limited a company incorporated in Sri Lanka with its registered address at "Airline Centre", Bandaranaike International Airport, Katunayake, Sri Lanka (**Seller**) is interested to sell the Aircraft as defined below.

WHEREAS German Aviation Capital GmbH, a company incorporated in Germany with its registered office at Friedrich-Ebert-Anlage 49, 60308 Frankfurt am Main, Germany (**Buyer**) is interested to purchase the Aircraft.

This Letter of Intent outlines the indicative terms and conditions upon which Seller is willing to sell and Buyer is willing to purchase the Aircraft as defined below and subject to the conditions herein.

1. Aircraft. Three (3) Airbus A350-941 aircraft with MSN 52 and MSN 55 and MSN 60, scheduled to be delivered from Seller to Buyer in the scheduled delivery month February 2017 for the Aircraft with MSN 52, March 2017 for the Aircraft with MSN 55 and April 2017 for the Aircraft with MSN 60, each equipped with two (2) RR Trent XWB-84 engines and having an MTOW of 268,000 KG, as more particularly specified in Schedule 1 Part A of this Letter of Intent, including the Seller Purchased Equipment/Buyer Furnished Equipment ("**SPE/BFE**") specified in Part B of Schedule 1 of this Letter of Intent together with all parts, components, systems and other equipment installed on or related to such airframe and engines, and all manuals, technical records, documentation and data associated with the aircraft (each and collectively the "**Aircraft**"). The manufacturer of the Aircraft is Airbus S.A.S. ("**Manufacturer**").
2. Transaction Structure. Seller is not the owner of the Aircraft and has no current ownership rights and it is only the contracted lessee of the Aircraft. Subject to the current owner of the Aircraft agreeing to sell the Aircraft to the Seller on terms acceptable to the Seller and the Seller having received all the approvals required from the Government of Sri Lanka, the Seller may elect to acquire the Aircraft. The Seller will use the Purchase Price set out herein for the acquisition of the Aircraft from the current owner or any other entity on the Delivery Date, under the condition that the Seller and the current owner will use the Escrow Agent (as defined below) and the same escrow arrangement reflected by the Escrow Agreement (as defined below) for the settlement of

Page 1 of 9

GERMAN Aviation Capital GmbH  
 Friedrich-Ebert-Anlage 49  
 60308 Frankfurt am Main, Germany  
 Geschäftsführerin: Ana Topa

Deutsche Bank AG  
 € IBAN: DE56500700240807455100  
 \$ IBAN: DE56500700240807455100  
 SWIFT: DEUTDE33

Amtsgericht Frankfurt: HRB 49612  
 USt.-IdNr. DE 279 837 386  
 Steuer-Nr. 04523425747



the sale and purchase transaction between the Seller and the current owner. Immediately following Seller's acquisition of the Aircraft by using the Purchase Price set out herein from, the current owner of the Aircraft or any other entity, Seller shall sell and Buyer shall purchase the Aircraft instantly from Seller. Seller shall transfer to Buyer title to the Aircraft free and clear of all liens and provide Buyer with the full chain of bills of sale related to the transfer of title to the Aircraft from the Manufacturer to the Seller.

The final terms and conditions of the transaction contemplated herein shall be agreed in an aircraft sale and purchase agreement to be entered into between the Seller and the Buyer with respect to each Aircraft ("**Sales Agreement**"). Seller and Buyer shall further discuss and mutually agree on the transaction structure prior to executing the Sales Agreement.

Subject to consent of the Manufacturer and the current owner of the Aircraft, the Seller shall disclose to the Buyer the terms of the original sale and purchase agreement concluded between the current owner and the Manufacturer with respect to the Aircraft (including any amendments, letter agreements, side letters etc.) as soon as reasonably practicable following the receipt of the LOI Deposit, provided that the purchase price and other commercially sensitive information as agreed between the Manufacturer and the current owner may be redacted,

3. Delivery Condition. The Aircraft shall be delivered new from the Manufacturer as specified in Schedule 1 of this Letter of Intent, painted in a livery to be designated by Buyer to Seller (subject to the Manufacturer lead times), with a valid certificate of airworthiness for export and in a configuration and condition complying with the requirements of the competent Civil Aviation Authority of the follow on-operator ("**CAA**"), but otherwise in completely "as is, where is" condition (collectively the "**Delivery Condition**"). Buyer shall inform the Seller in writing of the requirements of the CAA before the execution of the Sales Agreement and the details shall be outlined in the Sales Agreement and if the Buyer fails to do so, the Seller shall be under no obligation under this paragraph 3. For the avoidance of doubt, Seller shall ensure at its cost that the Aircraft complies with the above Delivery Condition.

The Aircraft are currently scheduled to be delivered by the Manufacturer in October and November 2016. In the event the Manufacturer delivers the Aircraft prior to the scheduled delivery months described in paragraph 1, the Seller shall take possession of the Aircraft on a basis to be agreed with the Manufacturer and the current owner of the Aircraft, and the Seller shall park, store, insure and maintain the Aircraft until the delivery to the Buyer at the cost of the Buyer. For the avoidance of doubt, the Parties agree that the Buyer shall bear such total cost of parking, storing, insuring and maintaining the Aircraft until delivery.

4. Configuration Changes. Subject to the Manufacturer, SPE/BFE vendors and certification lead times, Buyer may request changes to the specification of the Aircraft in Schedule 1 Part A of this Letter of Intent and/or to the SPE/BFE in Schedule 1 Part B of this Letter of Intent (the "**Buyer's Changes**") prior to the execution of the Sale Agreement, such requests to be final and in writing. Upon such requests, Seller shall discuss Buyer's Changes with the Manufacturer and the current owner and the applicable BFE/SPE vendors to determine the lead times and costs for such changes. To the extent Buyer and Seller agree to proceed with the Buyer's Changes, Buyer and Seller shall enter into a written agreement describing the agreed Buyer's Changes and any adjustments to the Purchase Price (as defined below) and/or Deposit to be paid by Buyer.
5. Warranties Assignment and Customer Support. All assignable warranties available at the Delivery Date (from the Manufacturer, the parts' manufacturers and the respective engine



manufacturer) in respect of the Aircraft and effectively assigned to the Seller shall be assigned to the Buyer (subject to the relevant manufacturer's consent to such assignments; Seller agrees to provide all reasonable assistance and co-operation in order to obtain such consents). Further, Seller shall assign or shall use its best commercial efforts to procure that the current owner of the Aircraft assigns to the Buyer all credits/customer support/technical support available under the original sale and purchase agreement concluded between the current owner and the Manufacturer, which contains the obligations of Manufacturer relating to materials, training, services, and other things in support of Aircraft. Further details to be outlined in the Sales Agreement.

6. Delivery Dates. The Aircraft are currently scheduled to be delivered by the Manufacturer to the current owner/Seller in October and November 2016. Subject to timely delivery by the Manufacturer, each Aircraft shall be delivered from Seller to Buyer in the relevant delivery month as set forth in Clause 1 of this Letter of Intent ("**Scheduled Delivery Month**").

The precise delivery date (the "**Delivery Date**") within the Scheduled Delivery Month shall be determined by the Buyer and the Seller prior to the execution of the Sales Agreement.

7. Purchase Price. The Purchase Price for each Aircraft is US\$ 98,500,000 (in words: Ninety Eight Million Five Hundred Thousand US Dollars) net of any applicable taxes, withholding or deduction whatsoever.

8. Purchase Deposit; Escrow Arrangements; Application of Deposit. As security for Seller entering into the Sales Agreement, Buyer or its nominee shall make the following payments to the Escrow Account (as defined below):

- (a) LOI Deposit: With respect to each Aircraft US\$ 5,000,000 (in words: Five Million US Dollars) payable within five (5) Business Days of execution of this Letter of Intent and the Escrow Agreement or any other period mutually agreed by the parties to facilitate the implementation of the transaction structure in respect of the relevant Aircraft (the "**LOI Deposit**").
- (b) Sales Agreement Deposit: With respect to each Aircraft US\$ 5,000,000 (in words: Five Million US Dollars) payable within five (5) Business Days of execution of the Sales Agreement or any other period mutually agreed by the parties to facilitate the implementation of the transaction structure in respect of the relevant Aircraft (the "**Sales Agreement Deposit**").

The LOI Deposit and the Sales Agreement Deposit together the "**Deposit**".

"**Business Day**" means a day (other than a Saturday, Sunday or holiday scheduled by law) on which banks are open for general business in Frankfurt am Main, Munich, Germany, Colombo, Sri Lanka, New York, U.S.A.

The Deposit, shall be paid to the Escrow Account and it shall be non-refundable to Buyer, unless; (a) any of the conditions under Clause 14 (Conditions Precedent) below is not satisfied; or (b) the



Seller fails to perform any of its obligations under the Sales Agreement due to any reason other than; (i) force majeure or (ii) the Buyer's default or act or omission.

Upon receipt of LOI Deposit to the Escrow Account, the Seller shall cease to market the Aircraft and the Seller shall use its reasonable endeavours to procure that the current owner removes the Aircraft from the market and the Aircraft shall be reserved for the Buyer until the date set forth in Clause 14 (a) (Conditions Precedent).

Seller and Buyer agree that all the amounts payable as set forth in this Letter of Intent and in the Sales Agreement shall be paid to a non-interest bearing escrow account held with UniCredit Bank AG (formerly HypoVereinsbank) (the "**Escrow Account**") to be organized with the law firm Norton Rose Fulbright LLP, having its registered office at Theatinerstrasse 11, 80333 Munich, Germany (the "**Escrow Agent**"). The Escrow Agent will act as escrow agent to both parties pursuant to an escrow agreement in a form acceptable to the Seller to be entered into between Seller, Buyer and Escrow Agent (the "**Escrow Agreement**") within 5 Business Days from signing this Letter of Intent or any other period mutually agreed by the parties.

The Escrow Agent shall confirm receipt of the Deposit paid by the Buyer to the Escrow Account, to the Seller immediately (in any case within not more than 12 hours from the time of receipt of Deposit) by way of electronic mail to the following address.

Attention: Chief Executive Officer, SriLankan Airlines Limited  
Email: suren.ratwatte@srilankan.com

The Escrow Agreement will provide such terms and conditions as the parties mutually agree, including, without limitation, that the Escrow Agent shall hold in escrow (i) the Deposit for the benefit of Seller and Buyer (subject to the refundability provisions set forth in the Sales Agreement), (ii) the Purchase Price for each Aircraft on behalf of Buyer and (iii) documentation necessary for the closing of the sale and purchase of each Aircraft on behalf of Seller and Buyer, as applicable. The cost for preparation and execution of the Escrow Agreement as well as for the services provided by the Escrow Agent shall be borne by Buyer.

One (1) business day before the Delivery Date the Buyer shall pay the balance of the Purchase Price, i.e. the Purchase Price after deducting the Deposit, to the Escrow Account. On the Delivery Date for each Aircraft the Deposit related to such Aircraft shall be counted towards the Purchase Price for such Aircraft and the Purchase Price shall be released from the Escrow Account to the Seller. The further details and final payment and release mechanisms shall be mutually agreed upon between the relevant parties in the Escrow Agreement and the Sales Agreement.

9. Delivery Location; Delivery Process; Sales Taxes. The Aircraft shall be delivered at Airbus' facilities in Toulouse, France or any other location mutually acceptable to Buyer and Seller.

Seller shall use its best commercial efforts to procure that the Manufacturer will permit the Buyer and/or its representatives and/or the representatives of the follow-on operator and/or the representatives of the CAA together with the Seller or the current owner to inspect the Aircraft during production and at delivery from the Manufacturer.

If a sales, use, transfer, value added, conveyance or similar taxes (collectively, "**Sales Taxes**") are imposed or are asserted by any governmental authority on Seller in respect of the sale of the Aircraft from the Seller to the Buyer, such Sales Taxes will be the sole responsibility of Buyer and Buyer shall indemnify Seller for all such Sales Taxes on demand and on a full indemnity basis.

Buyer's indemnity does not extend to taxes assessed on Seller prior to delivery or any taxes imposed on the overall income, profits or gains of the Seller in the jurisdiction of its incorporation. Seller and Buyer agree to cooperate with one another to lawfully reduce or eliminate any Taxes for which Buyer and Seller may be responsible.

10. Insurance. Buyer shall ensure, that the Aircraft operator(s) include(s) Seller, its directors, employees, sub-contractors and agents, and Manufacturer as an additional insured under the comprehensive airline liability and war risks airline liability insurance maintained by Buyer, or, as the case may be, Aircraft operator for a period which is no less than two (02) years after the Delivery Date for each aircraft.
11. Indemnities. Each of Seller and Buyer shall, *inter alia*, indemnify each other for any breach by it of its representations and warranties in the Sales Agreement or any failure by it to perform its obligations set forth in the Sales Agreement (if not caused by the other party's default or act or omission). Buyer shall indemnify Seller or shall procure that the operator of the relevant Aircraft indemnifies the Seller from all liabilities, losses, taxes, claims, damages and other costs and expenses arising or resulting from the use, operation and maintenance of each Aircraft from and after the Delivery Date, provided that the foregoing indemnity shall not apply to the extent the liabilities, losses, taxes, claims or damages against which the Seller is to be indemnified were caused by the gross negligence or willful misconduct of the Seller. Without limiting the foregoing, Buyer shall also be responsible for all customs, import and export duties required to be paid in connection with the Aircraft on and following delivery of the same to the Buyer.
12. Sale Documentation. Buyer and its counsel shall prepare the Sales Agreement and other ancillary documentation. The terms of this Letter of Intent are not exclusive, and the Sales Agreement shall contain such additional provisions as are customary in international aircraft sale transactions, including warranties by Seller as to good, legal and valid title, transfer of the rights and benefits of the Manufacturer and engine manufacturer warranties relating to the Aircraft to the Buyer, disclaimers by Buyer of implied warranties, operating and tax indemnities by the Buyer and opinions of counsel. The sale documentation shall be governed by English law and shall provide that all disputes shall be settled on a non-exclusive basis in the courts of London, United Kingdom.
13. Transaction Expenses. Each of Seller and Buyer shall be responsible for its own expenses incurred in connection with the documentation, negotiation and completion of this transaction, including the legal costs and costs of any brokers, consultants, advisors etc.
14. Conditions Precedent. The sale of the Aircraft pursuant to this Letter of Intent shall be subject to the following:
  - (a) execution by Buyer and Seller of a Sales Agreement and related documentation, by 15 October, 2016 or such later date as mutually agreed, in form and substance satisfactory to Buyer and Seller;
  - (b) approval of the terms of this Letter of Intent and of the transaction contemplated herein by the Buyer's Board of Directors on or before the execution of the Sales Agreement;
  - (c) approval of the terms of this Letter of Intent and of the transaction contemplated herein by the Seller's Board of Directors on or before the execution of the Sales Agreement;



Buyer's indemnity does not extend to taxes assessed on Seller prior to delivery or any taxes imposed on the overall income, profits or gains of the Seller in the jurisdiction of its incorporation. Seller and Buyer agree to cooperate with one another to lawfully reduce or eliminate any Taxes for which Buyer and Seller may be responsible.

10. Insurance. Buyer shall ensure that the Aircraft operator(s) include(s) Seller, its directors, employees, sub-contractors and agents, and Manufacturer as an additional insured under the comprehensive airline liability and war risks airline liability insurance maintained by Buyer, or, as the case may be, Aircraft operator for a period which is no less than two (02) years after the Delivery Date for each aircraft.
11. Indemnities. Each of Seller and Buyer shall, *inter alia*, indemnify each other for any breach by it of its representations and warranties in the Sales Agreement or any failure by it to perform its obligations set forth in the Sales Agreement (if not caused by the other party's default or act or omission). Buyer shall indemnify Seller or shall procure that the operator of the relevant Aircraft indemnifies the Seller from all liabilities, losses, taxes, claims, damages and other costs and expenses arising or resulting from the use, operation and maintenance of each Aircraft from and after the Delivery Date, provided that the foregoing indemnity shall not apply to the extent the liabilities, losses, taxes, claims or damages against which the Seller is to be indemnified were caused by the gross negligence or willful misconduct of the Seller. Without limiting the foregoing, Buyer shall also be responsible for all customs, import and export duties required to be paid in connection with the Aircraft on and following delivery of the same to the Buyer.
12. Sale Documentation. Buyer and its counsel shall prepare the Sales Agreement and other ancillary documentation. The terms of this Letter of Intent are not exclusive, and the Sales Agreement shall contain such additional provisions as are customary in international aircraft sale transactions, including warranties by Seller as to good, legal and valid title, transfer of the rights and benefits of the Manufacturer and engine manufacturer warranties relating to the Aircraft to the Buyer, disclaimers by Buyer of implied warranties, operating and tax indemnities by the Buyer and opinions of counsel. The sale documentation shall be governed by English law and shall provide that all disputes shall be settled on a non-exclusive basis in the courts of London, United Kingdom.
13. Transaction Expenses. Each of Seller and Buyer shall be responsible for its own expenses incurred in connection with the documentation, negotiation and completion of this transaction, including the legal costs and costs of any brokers, consultants, advisors etc.
14. Conditions Precedent. The sale of the Aircraft pursuant to this Letter of Intent shall be subject to the following:
  - (a) execution by Buyer and Seller of a Sales Agreement and related documentation, by 15 October, 2016 or such later date as mutually agreed, in form and substance satisfactory to Buyer and Seller;
  - (b) approval of the terms of this Letter of Intent and of the transaction contemplated herein by the Buyer's Board of Directors on or before the execution of the Sales Agreement;
  - (c) approval of the terms of this Letter of Intent and of the transaction contemplated herein by the Seller's Board of Directors on or before the execution of the Sales Agreement;

If the terms and conditions of this Letter of Intent meet with your approval, please indicate your acceptance by signing below and returning this Letter of Intent to the undersigned. We look forward to working with you and your company on this transaction.

**The Seller**

SIGNED by Ajith Dias )  
for and on behalf of )  
SRILANKAN AIRLINES LIMITED )

Ajith Dias

**The Buyer**

SIGNED by Oleg Calistru )  
for and on behalf of )  
GERMAN AVIATION CAPITAL GMBH )

Oleg Calistru

**Witnessed by**

Signature: Milan R Zatakia  
Name: Milan R Zatakia  
Title: Chairman & CEO  
Millennium Aero Dynamics Pvt. Ltd.

**Witnessed by**

Signature: Pramodh R  
Name: Pramodh R  
Title: Consulting Director  
Millennium Aero Dynamics Pvt. Ltd.





**Schedule 1**  
**Part A - Aircraft Specification**



**GENERAL DESCRIPTION**

Aircraft Type	A350
Aircraft Series	350-941
Engine Type / Model	RR TRENT XWB-84
APU Type / Model	Honeywell HGT1700
Specification	Based on the Airbus Standard Specification Document V000 09000 Issue 1.2 dated October 22 2012 (Baseline Specification) as Amended prior to Delivery.

**WEIGHTS**

Standard Weights

	<u>Operational</u>
Maximum Take-Off Weight: (kg)	268 000 kg
Maximum Landing Weight: (kg)	205 000 kg
Maximum Zero Fuel Weight (kg)	192 000 kg
Maximum Taxi Weight (kg)	268 900 kg

Optional Dual weight variant mode ("medium range mode" and "long range mode") selected, Option under certification.

**FUEL**

- Standard Fuel Capacity (Total) - 138 000 liters (36,456 US gal).
- Installation of a cockpit refuel control (without additional refuel/defuel coupling installed)
- Installation of a fuel jettison system (without additional refuel/defuel coupling installed)

**INTERIOR CONFIGURATION**

Galleys	(ATLAS std.)
Galley Locations	G1FR/G1FL/G1A(FWD), G2F / G2A (MID) G4FR / G4F / G4AL / G4A / GAAR (AFT)
Lavatories	9
Cabin Attendant Seats	14
Floor Path Marking	Photo luminance floor path marking
Entertainment	Thales AVANT AVOD system
Cabin Connectivity	Onboard Mobile Telephony System (OMTS-TopConnect) and WiFi through Ka-Band SATCOM.



**A350-900 AIRCRAFT SPECIFICATIONS**

Catering Standard	ATLAS
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**CABIN CONFIGURATION**

- BC/EY Configuration – 28 BC & 303 EY
- Seats – B/C- ZODIAC CIRRUS, 42"pitch.
- E/Y- ZODIAC Z300, 31"/32" pitch

**CARGO COMPARTMENT**

- Bulk Cargo heating and ventilation system: available
- Forward cargo compartment ventilation and temperature control: available

**CREW REST COMPARTMENTS**

Including:

- FCRC module,
- CCRC module - 6 bunks ,
- Installation of a manually activated FCRC occupied lighted sign at door 1 working area.

**AIRCRAFT STATUS**

**Communication**

- Cockpit Door Surveillance System (CDSS)
- Cabin Video Monitoring System (CVMS)
- HFDR -- Dual
- Two VHF Data Radios (VDR) with two channels each, providing three active channels and a fourth standby
- SSCVR with datalink recording capability and underwater locator beacons
- Emergency Cabin Alert System
- FANS A+B
- Wi-Fi Gatelink connection
- Landscape camera system

**Navigation**

- ATC Transponder – DO-260B Compliant
- TCAS Change 7.1
- RVSM
- Single ADF – provision for second ADF
- VOR – Dual
- DME – Dual
- MMR
- Aircraft Environment Surveillance System (AESS) ( Includes Weather Radar with Predictive WindShear, TCAS, TAWS, ATC Mode S Transponders)
- Second ISIS (standby navigation display)
- Combined GBAS Landing System (GLS) and Satellite Landing System (SLS)
- Aircraft Traffic Situational Awareness (ATSAW) Step 2A function

- Airport Navigation Function (ANF)
- Brake To Vacate function (BTV)
- Runway Overrun Prevention System (ROPS)

**Indication and recording**

- SSFDR
- Dual Head Up Display for Captain and First Officer
- Tailstrike Indication (TSI)

**Onboard Information System**

- Class 2 Electronic Flight Bag (EFB) laptop
- Aircraft Messages Exchanged (AMEX) - Push over IP communications
- Capability to access to maintenance function using a wired PMAT
- Installation of a hosting capability for a 3rd laptop
- Installation of a wireless system for operations
- Activation of Wireless System access to Cabin Operation Applications (COA)
- Installation of a Cabin Crew Mailing Function
- Activation of Wireless System Access to Telemedicine

**LANDING GEAR**

Manufacturer MLG : Messier Dowty  
 Manufacturer NLG : Liebherr-Aerospace

**WHEELS & BRAKES**

	Brakes	Tires
NLG	Not installed	BRIDGESTONE
MLG	GOODRICH	BRIDGESTONE

**EQUIPMENT**

Description	Qty	Manufacturer
Espresso Machine	1	BE aerospace
Bun warmer	4	BE Aerospace
3 Mode Refrigerator	4	BE aerospace
Beverage maker	4	BE aerospace
STD Container	70	ATLAS std
Ice Container	5	
Steam Oven	14	Zodiac aerospace
Trolley - Half	43	ATLAS std
Trolley - Full	22	ATLAS std
Trolley - Full (Waste)	3	ATLAS std



A350-900 AIRCRAFT SPECIFICATIONS

Water Heater (High power)	7	BE aerospace
Microwave oven	2	Ipeco
Trash Compactor Unit	1	Zodiac aerospace

**OTHER**

- Cold Weather Package
- Certification - Compliance Status Report For EASA Air Operations Regulation, Part-CAT.IDE.A
- Certification - Compliance Status Report For EASA Air Operations Regulation, Part-ORO.SEC
- Takeoff with a 15 KNOT Tail wind.
- Auto Flight - Flight Management (FM) - Activate CDA Function
- Installation of an extended cargo fire extinguishing capacity for up to 370 minutes ETOPS
- Flammability Reduction System (FRS) installed to provide flammability protection in the fuel tank(s)
- Installation of Additional Push to talk (PTT) Switches On The Glare Shield
- Installation of A Second HF System
- Installation of Headset For The Cockpit 4<sup>th</sup> Occupant
- Provision for Additional Galley Power Supply - Two Additional Galley Feeders Required By Layout
- Installation of Extended Center OHSC s (Up To Door 1 Maximum)
- Installation of Medical Outlet Panels At D2 Fwd LH And D4 Fwd RH
- Installation of Passenger Individual Air Outlet Panel (Not Available For High Ceiling)
- Installation of power outlet on G1A
- Flight Warning System (FWS) - Activation of A Dual Operator Customized ECAM Database (OCED)
- Generation of An Aural Alert For Excessive Bank Angle
- Installation of Dual Head Up Display (Captain and First Officer)
- Installation of a Brake Cooling Fan System Based On Goodrich Wheel And Brake Assembly
- Installation of Handrail Light
- Installation of Additional Flight Crew Oxygen Cylinders
- Additional Passenger Oxygen Masks per Seating Group
- Installation of an Extended Duration Passenger Oxygen System - 22 Min
- Selection of Customized Cabin Lighting Scenarios
- Installation of a Heated Drainage System in the Lower Deck Forward and Aft Cargo Compartments



Part B - SPE/BFE

8/18/2015 8:07  
132 results

RF#	RF# Title	Status	Last SCN issue	ATA	Catalog item (EPAC/IDU)	Fleet
ALK56V002F	INSTALLATION OF A PAX WINDOW AFT OF DOOR 1, LH	ACCEPTED	ALK56V212101S1F	5621	CP56.21.210.01	ALK'F
ALK56V001F	INSTALLATION OF A PAX WINDOW AFT OF DOOR 1, LH	ACCEPTED	ALK56V212101S1F	5621	CP56.21.210.01	ALK'F
ALK51V002F	PAINT SYSTEM (CF PRIMER, STRIPPABLE, BC/CC) ON FUSELAGE, VERTICAL STAB, ANAG	ACCEPTED	ALK51V221102S1F	5122	CP51.22.110.02	ALK'F
ALK50V232001F	INSTALLATION OF ADDITIONAL TIE-DOWN POINTS IN FORWARD CARGO COMPARTMENT	ACCEPTED	ALK50V232001S1F	5023	CP50.23.230.01	ALK'F
ALK50V2321001F	INSTALLATION OF CONTINUOUS GUIDES IN CARGO COMPARTMENTS	ACCEPTED	ALK50V232100S1F	5023	CP50.23.230.01	ALK'F
ALK50V001F	INSTALLATION OF SIDEWALL LINING PROTECTIONS IN CARGO COMPARTMENTS	ACCEPTED	ALK50V232100S1F	5023	CP50.23.230.01	ALK'F
ALK46V4322001F	INSTALLATION OF A HEATED DRAINAGE SYSTEM IN THE LOWER DECK FORWARD AND AFT	ACCEPTED	ALK46V432200S1F	4643	CP46.43.220.01	ALK'F
ALK46V4231012F	ACTIVATION OF ACABIN CREW MAILING FUNCTION	ACCEPTED	ALK46V423101S1F	4643	CP46.43.220.01	ALK'F
ALK46V4231011F	ACTIVATION OF WIRELESS SYSTEM ACCESS TO TELEMEDICINE	ACCEPTED	ALK46V423101S1F	4642	CP46.42.310.12	ALK'F
ALK46V4222001F	INSTALLATION OF A WIRELESS SYSTEM FOR OPERATIONS	ACCEPTED	ALK46V422200S1F	4642	CP46.42.310.11	ALK'F
ALK46V001F	IP COM ACCESS FOR YOUR CABIN LAPTOP	ACCEPTED	ALK46V1023002S1F	4610	CP46.10.230.02	ALK'F
ALK44V3031133F	INSTALLATION OF KA-BAND SATCOM HARDWARE EQUIPMENT	ACCEPTED	ALK44V3031133S1F	4430	CP44.30.310.01	ALK'F
ALK44V013F	CIDS EQUIPMENT ARRANGEMENT AND FUNCTIONS PROGRAMMING DEFINITION	ACCEPTED	ALK44V3031133S1F	4430	CP44.30.310.01	ALK'F
ALK44V012F	CIDS EQUIPMENT ARRANGEMENT AND FUNCTIONS PROGRAMMING DEFINITION	ACCEPTED	ALK44V1225003S1F	4412	CP44.12.250.03	ALK'F
ALK44V011F	TopConnect - Onboard Mobile Telephony System (OMTS)	ACCEPTED	ALK44V1225003S1F	4412	CP44.12.250.03	ALK'F
ALK44V009F	INSTALLATION OF PROVISION TO LEASE A FUTURE INSTALLATION OF TOPCONNECT	ACCEPTED	ALK44V3031006S1F	4430	CP44.30.310.06	ALK'F
ALK44V008F	PHYSICAL SECURITY EQUIPMENT LOCATION AND SOFTWARE PROGRAMMING DEFINITION	ACCEPTED	ALK44V3039001S1F	4430	CP44.30.390.01	ALK'F
ALK44V007F	INSTALLATION OF A PAX INFO LABELLED PUSH BUTTON IN THE COCKPIT	ACCEPTED	ALK44V5025001S1F	4450	CP44.50.250.01	ALK'F
ALK44V006F	Entertainment system definition	ACCEPTED	ALK44V2081001S2F	4420	CP44.20.810.01	ALK'F
ALK44V005F	Installation of Inlets RED power - outlet only in CCRC 6 bunks	ACCEPTED	ALK44V2000100G2F	4420	CP44.20.900.02	ALK'F
ALK44V004F	Physical Security Changes	ACCEPTED	ALK44V2099009S1F	4420	CP44.20.900.02	ALK'F
ALK44V003F	GIDS changes	ACCEPTED	ALK44V5000200G1F	4450		ALK'F
ALK44V002F	SELECTION OF CUSTOMIZED CABIN LIGHTING SCENARIOS	ACCEPTED	ALK44V1200100G2F	4412		ALK'F
ALK38V1121001F	GIDS EQUIPMENT ARRANGEMENT AND FUNCTIONS PROGRAMMING DEFINITION	ACCEPTED	ALK44V1244101S1F	4412	CP44.12.441.01	ALK'F
ALK35V2122002F	INSTALLATION OF POTABLE WATER QUANTITY PRE-SELECTION AT SERVICE PANEL	ACCEPTED	ALK44V1225001S1F	4412	CP44.12.250.01	ALK'F
ALK35V2121004F	ADDITIONAL PASSENGER OXYGEN MASKS PER SEATING GROUP	ACCEPTED	ALK38V1121001S1F	3811	CP38.11.210.01	ALK'F
ALK35V1122002F	INSTALLATION OF AN EXTENDED DURATION PASSENGER OXYGEN SYSTEM - 22 MIN	ACCEPTED	ALK35V2122002S1F	3521	GP35.21.220.02	ALK'F
ALK34V7121001F	INSTALLATION OF ADDITIONAL FLIGHT CREW OXYGEN CYLINDERS	ACCEPTED	ALK35V2121004S1F	3521	GP35.21.210.04	ALK'F
ALK34V5521002F	INSTALLATION OF AN AIRCRAFT TRAFFIC SITUATIONAL AWARENESS (ATSAW) STEP 2A	ACCEPTED	ALK35V122002S1F	3511	GP35.11.220.02	ALK'F
ALK34V5321001F	INSTALLATION OF A SECOND VOR RECEIVER AND A SECOND DME	ACCEPTED	ALK34V7121001S1F	3471	CP34.71.210.01	ALK'F
ALK34V3631001F	IMPLEMENTATION OF COMBINED GBAS LANDING SYSTEM (GLS) AND SATELLITE LANDING	ACCEPTED	ALK34V5521002S1F	3455	GP34.55.210.02	ALK'F
ALK34V2021002F	INSTALLATION OF A SECOND ISIS (STANDBY NAVIGATION DISPLAY)	ACCEPTED	ALK34V5321001S1F	3453	CP34.53.210.01	ALK'F
ALK33V001F	CUSTOMIZATION OF RADIO ALTIMETER CALL-OUTS	ACCEPTED	ALK34V3631001S1F	3436	CP34.36.310.01	ALK'F
ALK33V002F	INSTALLATION OF HANDRAIL LIGHT	ACCEPTED	ALK34V2021002S1F	3420	CP34.20.210.02	ALK'F
ALK32V4051001F	INSTALLATION OF A BRAKE COOLING FAN SYSTEM BASED ON GODRICH WHEEL AND BRAKE	ACCEPTED	ALK34V4231001S1F	3442	CP34.42.310.01	ALK'F
ALK32V4051002F	LANDING GEARS - TIRE SUPPLIER SELECTION - BRIDGESTONE	ACCEPTED	ALK33V2221001S1F	3322	CP33.22.210.01	ALK'F
ALK31V6821002F	LANDING GEARS - TIRE SUPPLIER SELECTION - BRIDGESTONE	ACCEPTED	ALK33V4821002S1F	3348	CP32.48.210.02	ALK'F
ALK31V5131002F	WHEEL AND BRAKE SUPPLIER SELECTION - GODRICH	ACCEPTED	ALK32V4131202S1F	3241	CP32.41.312.02	ALK'F
ALK31V002F	INSTALLATION OF DUAL HEAD UP DISPLAY (CAPTAIN AND FIRST OFFICER)	ACCEPTED	ALK32V4091001S1F	3240	CP32.40.910.01	ALK'F
ALK31V001F	FLIGHT WARNING SYSTEM (EICAS) INFORMATION OF A DUAL OPERATOR	ACCEPTED	ALK31V6821002S1F	3168	CP31.68.210.02	ALK'F
ALK31V000F	GENERATION OF AN AURAL ALERT FOR EXCESSIVE BANK ANGLE	ACCEPTED	ALK31V5131001S1F	3151	CP31.51.310.01	ALK'F
ALK31V000F	Installation of two video panels - push buttons in the cockpit	ACCEPTED	ALK31V5131001S1F	3151	CP31.51.310.01	ALK'F
ALK31V000F	Installation of two video panels - push buttons in the cockpit	ACCEPTED	ALK31V6821002S1F	3168	CP31.68.210.02	ALK'F



ALK28V3121001F	INSTALLATION OF A FUEL JETTISON SYSTEM (WITHOUT ADDITIONAL REFUEL/DEFUEL COUPLER)	ACCEPTED	ALK28V3121001S1F	2831	CP28.31.210.01	ALKF
ALK28V2521001F	INSTALLATION OF A COCKPIT REFUEL CONTROL (WITHOUT ADDITIONAL REFUEL/DEFUEL COUPLER)	ACCEPTED	ALK28V2521001S1F	2825	CP28.25.210.01	ALKF
ALK26V2321013F	INSTALLATION OF AN EXTENDED CARGO FIRE EXTINGUISHING CAPACITY FOR UP TO 370 MINUTE	ACCEPTED	ALK26V2321013S1F	2623	CP26.23.210.13	ALKF
ALK25V6931002F	FIXED EMERGENCY LOCATOR TRANSMITTER (ELT) ENCODING	ACCEPTED	ALK25V6931002S1F	2569	CP25.69.310.02	ALKF
ALK25V6931001F	PORTABLE EMERGENCY LOCATOR TRANSMITTER (ELT) ENCODING	ACCEPTED	ALK25V6931001S1F	2569	CP25.69.310.01	ALKF
ALK25V2521001F	INSTALLATION OF PASSENGER INDIVIDUAL AIR-OUTLET PANEL (NOT AVAILABLE FOR HIGH CABIN)	ACCEPTED	ALK25V2521001S1F	2525	CP25.25.210.01	ALKF
ALK25V0361F	Business Class seat Trim and Finish change - ALK	ACCEPTED	ALK25V0361S1F	2523	CP25.23.991.75	ALKF
ALK25V060F	BUSINESS CLASS SEAT TRIM AND FINISH CHANGE - ALK	ACCEPTED	ALK25V060S1F	2523	CP25.23.991.65	ALKF
ALK25V059F	INSTALLATION OF NTF WITH PATTERN ALIGNMENT	ACCEPTED	ALK25V059S1F	2528	CP25.28.991.06	ALKF
ALK25V058F	INSTALLATION OF EMERGENCY EQUIPMENT UPDATE (2)	ACCEPTED	ALK25V058S1F	2560	CP25.60.210.04	ALKF
ALK25V057F	Economy Class ACS seat Trim and Finish change - ALK	ACCEPTED	ALK25V057S1F	2523	CP25.23.991.55	ALKF
ALK25V056F	GAINS AND NELIS DEFINITION UPDATE	ACCEPTED	ALK25V056S1F	2536	CP25.36.310.02	ALKF
ALK25V055F	CUSTOMIZATION OF FLOOR COVERING LAYOUT	ACCEPTED	ALK25V055S1F	2528	CP25.28.310.01	ALKF
ALK25V054F	INSTALLATION OF EMERGENCY EQUIPMENT UPDATE	ACCEPTED	ALK25V054S1F	2560	CP25.60.210.03	ALKF
ALK25V053F	INSTALLATION OF AIRLINE LOGO ON NELIS	ACCEPTED	ALK25V053S1F	2535	CP25.35.200.02	ALKF
ALK25V052F	PASSENGER SEATS DEFINITION UPDATE - 3	ACCEPTED	ALK25V052S1F	2521	CP25.21.700.03	ALKF
ALK25V051F	BUSINESS CLASS PASSENGER SEATS PITCH MODIFICATION - 1	ACCEPTED	ALK25V051S1F	2521	CP25.21.602.01	ALKF
ALK25V050F	Lavatory interior arrangement definition update	ACCEPTED	ALK25V050S1F	2540	CP25.40.310.02	ALKF
ALK25V049F	Stowage, doghouse and partition interior and exterior arrangement definition update	ACCEPTED	ALK25V049S1F	2527	CP25.27.950.02	ALKF
ALK25V048F	Installation of picture frames - ALK	ACCEPTED	ALK25V048S1F	2527	CP25.27.994.34	ALKF
ALK25V047F	PASSENGER SEATS DEFINITION UPDATE - 2	ACCEPTED	ALK25V047S1F	2521	CP25.21.700.02	ALKF
ALK25V046F	INSTALLATION OF A LITERATURE POCKET ON TRANSITION PANEL AFT OF DOOR 3	ACCEPTED	ALK25V046S1F	2527	CP25.27.920.13	ALKF
ALK25V045F	REPICT OF CENTER YOG CLASS SEATS BETWEEN DOOR 2 AND DOOR 3 (ALK)	ACCEPTED	ALK25V045S1F	2521	CP25.21.700.01	ALKF
ALK25V044F	INTERIOR COLOR SCHEME DEFINITION UPDATE	ACCEPTED	ALK25V044S1F	2521	CP25.21.999.04	ALKF
ALK25V043F	INSTALLATION AND FIT CHECK OF BABY BASSINETS - INNOVINT, PN 7250-212C (BFE) - ALK	ACCEPTED	ALK25V043S1F	2523	CP25.23.311.02	ALKF
ALK25V042F	INSTALLATION OF A 29 IN CENTER TROLLEY COMPARTMENT BETWEEN DOOR 1 AND DOOR 2	ACCEPTED	ALK25V042S1F	2527	CP25.27.919.91	ALKF
ALK25V039F	INSTALLATION OF CARPET ON OTTOMAN FOOTWELL AREA - ALK	ACCEPTED	ALK25V039S1F	2530	CP25.30.200.04	ALKF
ALK25V038F	INSTALLATION OF PROVISIONS FOR ARTWORK ON SIZE - ALK	ACCEPTED	ALK25V038S1F	2527	CP25.27.993.06	ALKF
ALK25V037F	Installation of power outlet on G1A - ALK	ACCEPTED	ALK25V037S1F	2530	CP25.30.990.83	ALKF
ALK25V035F	INSTALLATION OF HIGH GLOSS TOP COAT ON TOILET UNITS - ALK	ACCEPTED	ALK25V035S1F	2523	CP25.23.991.10	ALKF
ALK25V034F	INSTALLATION OF NAMEPLATES WITH NELI NUMBERING (TROLLEY AND STANDARD UNITS) - ALK	ACCEPTED	ALK25V034S1F	2535	CP25.35.990.01	ALKF
ALK25V033F	EMERGENCY EQUIPMENT DEFINITION	ACCEPTED	ALK25V033S1F	2560	CP25.60.210.01	ALKF
ALK25V032F	PROVISIONS FOR POST-DELIVERY EMERGENCY EQUIPMENT INSTALLATION (ALK*F)	ACCEPTED	ALK25V032S1F	2560	CP25.60.212.23	ALKF
ALK25V031F	INSTALLATION OF RESTRAIN SYSTEM FOR TROLLEY TOPS IN TC1A (ALK)	ACCEPTED	ALK25V031S1F	2530	CP25.30.990.74	ALKF
ALK25V029F	MODIFICATION OF TROLLEY COMPARTMENT TC1A (ALK)	ACCEPTED	ALK25V029S1F	2530	CP25.30.990.75	ALKF
ALK25V028F	Add-on modules in door zones and monuments in seating zones	ACCEPTED	ALK25V028S1F	2520	CP25.20.990.15	ALKF
ALK25V026F	INSTALLATION OF COURTESY SHELF IN CCCA	ACCEPTED	ALK25V026S1F	2540	CP25.40.310.01	ALKF
ALK25V025F	LAVATORY INTERIOR ARRANGEMENT DEFINITION	ACCEPTED	ALK25V025S1F	2536	CP25.36.310.01	ALKF
ALK25V024F	GAINS AND NELIS DEFINITION	ACCEPTED	ALK25V024S1F	2530	CP25.30.340.01	ALKF
ALK25V023F	GALLEY INTERIOR ARRANGEMENT DEFINITION	ACCEPTED	ALK25V023S1F	2527	CP25.27.950.01	ALKF
ALK25V022F	STOWAGES AND PARTITIONS INTERIOR AND EXTERIOR ARRANGEMENT DEFINITION	ACCEPTED	ALK25V022S1F	2524	CP25.25.220.11	ALKF
ALK25V021F	INSTALLATION OF EXTENDED CENTER ORSCS (UP TO DOOR 1 MAXIMUM)	ACCEPTED	ALK25V021S1F	2530	CP25.30.990.67	ALKF
ALK25V020F	INSTALLATION OF MEDICAL OUTLET PANELS AT D2 FWD LH AND D4 FWD RH	ACCEPTED	ALK25V020S1F	2530	CP25.30.990.66	ALKF
ALK25V019F	MODIFICATION OF GALLEY GFR (ALK*F)	ACCEPTED	ALK25V019S1F	2530	CP25.30.990.66	ALKF
ALK25V018F	INSTALLATION OF PAPER ROLL HOLDER	ACCEPTED	ALK25V018S1F	2530	CP25.30.990.66	ALKF
ALK25V017F	Crew Rest Compartments definition	ACCEPTED	ALK25V017S1F	2526	CP25.26.991.12	ALKF
ALK25V016F	INSTALLATION OF CURTAIN RAIL BETWEEN L73 AND G4F(GCRC)	ACCEPTED	ALK25V016S1F	2526	CP25.26.991.12	ALKF
ALK25V015F	INSTALLATION OF CURTAIN RAIL	ACCEPTED	ALK25V015S1F	2526	CP25.26.220.03	ALKF
ALK25V014F	INSTALLATION OF SIMPLE CURTAIN HEADER	ACCEPTED	ALK25V014S1F	2526	CP25.26.220.02	ALKF
ALK25V013F	INSTALLATION OF COMFORT CURTAIN HEADER	ACCEPTED	ALK25V013S1F	2526	CP25.26.220.05	ALKF



ALK25V012F	CURTAIN DEFINITION	ACCEPTED	ALK25V2621001S1F	2526	CP25.26.210.01	ALK'F
ALK25V011F	CUSTOMIZATION OF CABIN ATTENDANT SEATS	ACCEPTED	ALK25V2291001S1F	2522	CP25.22.910.01	ALK'F
ALK25V010F	SPECIFIC CUSTOMIZATION OF STOWAGE S4FR (ALK)	ACCEPTED	ALK25V279901S1F	2527	CP25.27.990.11	ALK'F
ALK25V009F	INTERIOR COLOR SCHEME DEFINITION FOR OUTSIDE CATALOGUE ITEMS	ACCEPTED	ALK25V279901S1F	2527	CP25.27.990.10	ALK'F
ALK25V008F	INTERIOR COLOR SCHEME DEFINITION	ACCEPTED	ALK25V2331101S1F	2523	CP25.23.311.01	ALK'F
ALK25V007F	INST OF ACS PREMIUM CLASS PAX SEATS - ZODIAC SEATS R 4 ABREAST REVERSED	ACCEPTED	ALK25V2331001S1F	2523	CP25.23.310.01	ALK'F
ALK25V006F	INSTALLATION OF ACS ECONOMY CLASS PASSENGER SEATS - ZODIAC SEATS US LLC	ACCEPTED	ALK25V2106401S2F	2521	CP25.21.064.01	ALK'F
ALK25V005F	S2FR(37m);CAS:Xc D2-805.6	ACCEPTED	ALK25V2107901S2F	2521	CP25.21.079.02	ALK'F
ALK25V002F	INSTALLATION OF VANITY MIRROR ON GALLEY EXTERNAL WALLS	ACCEPTED	ALK25V3099003S1F	2530	CP25.30.990.03	ALK'F
ALK25V001F	Door zones layout definition	ACCEPTED	ALK25V3099003S1F	2530	CP25.30.990.59	ALK'F
ALK24V001F	PROVISION FOR ADDITIONAL GALLEY POWER SUPPLY TWO ADDITIONAL GALLEY FEEDERS RE	ACCEPTED	ALK25V2000100G2F	2520		ALK'F
ALK23V7521001F	INSTALLATION OF A LANDSCAPE CAMERA SYSTEM	ACCEPTED	ALK23V5611002S1F	2456	CP24.56.110.02	ALK'F
ALK23V5122002F	INSTALLATION OF HEADSET FOR THE COCKPIT WITH OCCUPANT	ACCEPTED	ALK23V7521001S1F	2375	CP23.75.210.01	ALK'F
ALK23V2521001F	INSTALLATION OF A WI-FI GATELINK CONNECTION	ACCEPTED	ALK23V5122002S1F	2351	CP23.51.220.02	ALK'F
ALK23V121002F	INSTALLATION OF A SECOND HF SYSTEM	ACCEPTED	ALK23V2521001S1F	2325	CP23.25.210.01	ALK'F
ALK22V001F	INSTALLATION OF ADDITIONAL PUSH TALK (PTT) SWITCHES ON THE GLARE SHIELD	ACCEPTED	ALK23V1121002S1F	2311	CP23.11.210.02	ALK'F
ALK21V2821001F	AUTO FLIGHT - FLIGHT MANAGEMENT (FM) - ACTIVATE GDA FUNCTION	ACCEPTED	ALK23V1021002S1F	2310	CP23.10.210.02	ALK'F
ALK21V001E	INSTALLATION OF FORWARD CARGO COMPARTMENT VENTILATION AND	ACCEPTED	ALK22V7030001S1F	2270	CP22.70.300.01	ALK'F
ALK11V006F	INSTALLATION OF A FWD CAB BRANCH TEMPERATURE	ACCEPTED	ALK21V2821001S1F	2128	CP21.28.210.01	ALK'F
ALK11V004F	TRANSLATION OF CABIN PLACARDS ACCORDING TO PLACARD DEFINITION	ACCEPTED	ALK21V2321001S1F	2123	CP21.23.230.01	ALK'F
ALK11V003F	Customisation of Placards (ALK)	ACCEPTED	ALK11V4131004S1F	1141	CP11.41.310.04	ALK'F
ALK11V002F	INSTALLATION OF A "NO STOWAGE OF BAGS" PLACARD ON BULKHEAD FOR EY FRONT ROW SE	ACCEPTED	ALK11V419901S1F	1141	CP11.41.990.11	ALK'F
ALK11V0022001F	INSTALLATION OF "DON'T PUT YOUR LEGS ON SLIDE RAFT" PLACARD ON SLIDEPACK (ALK)	ACCEPTED	ALK11V419901S1F	1141	CP11.41.990.10	ALK'F
ALK11V0021003F	INSTALLATION OF AN OPERATOR PLATE ON FORWARD LEFT HAND PASSENGER/CREW DOOR	ACCEPTED	ALK11V0022001S1F	1100	CP11.00.220.01	ALK'F
ALK11V0021002F	INSTALLATION OF LEASING PLATES ON ENGINES	ACCEPTED	ALK11V0021003S1F	1100	CP11.00.210.03	ALK'F
ALK11V0021001F	INSTALLATION OF A LEASING PLATE ON FORWARD LEFT HAND PASSENGER/CREW DOOR	ACCEPTED	ALK11V0021002S1F	1100	CP11.00.210.02	ALK'F
ALK11V001F	GALLEY COMPARTMENT NUMBERING CHANGE	ACCEPTED	ALK11V0021001S1F	1100	CP11.00.210.01	ALK'F
ALK02V1015001F	Gold Weather Package	ACCEPTED	ALK11V4199003S1F	1141	CP11.41.990.03	ALK'F
ALK02V1012001F	CERTIFICATION - COMPLIANCE STATUS REPORT FOR EASA AIR OPERATIONS	ACCEPTED	ALK02V1015001S1F	0210	CP02.10.150.01	ALK'F
ALK02V005F	EXTERNAL DELIVERY CHANGE WHITE LIVERY	ACCEPTED	ALK02V1012001S1F	0210	CP02.10.120.01	ALK'F
ALK02V003F	CERTIFICATION - COMPLIANCE STATUS REPORT FOR EASA AIR OPERATIONS	ACCEPTED	ALK02V409201S1F	0240	CP02.40.920.13	ALK'F
ALK02V002F	ETOPS/370 MIN CAPABILITY (ADD. CARGO FIRE EXTINGUISHING CAPABILITY)	ACCEPTED	ALK02V1012004S1F	0210	CP02.10.120.04	ALK'F
ALK02V001F	TAKEOFF WITH A 15 KNOT TAILWIND	ACCEPTED	ALK02V101401S1F	0210	CP02.10.140.13	ALK'F
		ACCEPTED	ALK02V1013001S1F	0210	CP02.10.130.01	ALK'F

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DATED 20 April 2017

**FITZROY AVIATION LIMITED**

- and -

**SRILANKAN AIRLINES LIMITED**

**REMARKETING AGREEMENT  
relating to the Lease of aircraft**

THIS REMARKETING AGREEMENT ("Agreement") is made on the 20th of April 2017

**BETWEEN:**

- (1) **SRILANKAN AIRLINES LIMITED**, a company incorporated under the laws of Sri Lanka, company number PB 67 and having its registered office at Airline Centre, Bandaranaike International Airport, Katunayake, Democratic Socialist Republic of Sri Lanka ("**Principal**")
- (2) **FITZROY AVIATION LIMITED**, a company incorporated under the laws of England and Wales, company number 02595357 and having its registered office at Mill Way House, Westcott, Surrey RH4 3LB England ("**Fitzroy**" or "**Agent**")

**WHEREAS**

- (A) Principal confirms and accepts that Fitzroy may introduce them to the Contact Party and appoints Fitzroy as its exclusive agent to advise and negotiate on a lease arrangements of Aircraft only in connection with the Contact Party defined below.
- (B) Fitzroy has agreed to act as such agent subject to and on the terms and conditions set out in this Agreement.

**NOW IT IS AGREED** as follows:-

**1. Definitions and Interpretation**

1.1 In this Agreement the following definitions shall apply unless the context otherwise requires:-

**"Agency Period"** the period specified in Clause 3.1 during which Fitzroy is to act as the agent of Principal for the marketing of the Aircraft of Principal to Contact Party.

**"Aircraft"** A330-300 or A330-200 or any aircraft that may be provided from Principal to Contact Party.

**"Contact Party"** an airline company with whom Fitzroy has been in contact with in regards to the marketing of the Aircraft and newly introduced to the Principal by Fitzroy in respect of the Contemplated Transaction.

Fitzroy shall make Principal aware of Contact Party in writing within two business (2) days after signature of this Agreement or that may be added from time to time with mutual agreement of both parties by executing a side letter to this Agreement.

For the avoidance of doubt, only the airline companies with whom Fitzroy has been in contact with in regard to the marketing of the Aircraft and newly introduced to the Principal by Fitzroy regarding the Contemplated Transaction are considered as Contact Party under this Agreement and exclusivity of

appointment by the Principal contemplated under this Agreement shall be applicable only in respect of such Contact Party.

**“Contemplated Transaction” and “Lease”** a lease of the Aircraft for the purpose of wet (or damp) lease or dry lease to the Contact Party;

**“Dollar” and “\$”** the lawful currency of the United States of America.

- 1.2 References to Clauses are references to clauses of this Agreement.
- 1.3 References to a person shall be construed as references to an individual, firm, company, corporation, unincorporated body of persons or any State or any agency thereof and shall also include their respective successors and assigns.
- 1.4 Clause headings are for ease of reference only and shall be ignored in the construction of this Agreement.

## 2. Appointment as Agent

- 2.1 Principal hereby appoints Fitzroy as its exclusive agent to deal with the Contact Party for the Agency Period to negotiate an opportunity to enter into a lease agreement in respect of the Aircraft, whereby the Aircraft will be leased to such Contact Party (the “Lease”) for the purpose of the Contemplated Transaction and Agent hereby accepts such appointment, subject to and in accordance with the terms and conditions of this Agreement.
- 2.2 Principal agrees that it will not appoint any other person to act as its agent or otherwise in any way in connection with the negotiation of the Lease with Contact Party during the Agency Period and Principal further agrees that it will not itself in any way negotiate the Lease with Contact Party [ unless otherwise any tender requirement of any Contact Party requires the Principal to directly negotiate the terms of the Lease with such Contact Party ] during the Agency Period other than through Fitzroy pursuant to this Agreement.
- 2.3 Nothing in this Agreement shall prevent the Principal from promoting, leasing, sub-leasing, wet leasing the Aircraft to any third party or engaging any third party to conduct similar activities in respect any other third party (excluding the Contact Party).

## 3. Period of Appointment

- 3.1 Subject to the termination provision hereunder, the appointment of Fitzroy under this Agreement is for 3 years from signature of this Agreement. For the avoidance of doubt, the terms on fees payable under this Agreement shall be applicable from signing a definitive binding lease agreement for the Lease between the Principal and the Contact Party. The Agency Period and all terms and fees agreed in this Agreement (or subsequent side letters) shall remain in force so long the lease agreement(s) between the Principal and Contact Party (including all future extensions and renewals between Principal and Contact Party) are in effect even after the cessation of the Agency term. For clarity, should the Principal enter into a long term Lease with Contact Party during the Agency Period and the end date of the Lease survives the end of the Agency Period, Fitzroy shall receive due fees, in accordance with clause 6, for the full

term of the Lease.

#### 4. Duties of Agent

- 4.1 Fitzroy will during the Agency Period use all reasonable endeavours to negotiate the Lease on terms acceptable to Principal, taking due account of any preference from time to time notified by Principal to Fitzroy as to the requirements of the Principal. For such purpose Fitzroy will in particular:
- i. remarket the Aircraft in accordance with the terms instructed by the Principal subject to final approval of the Lease by the Principal and assist and advise the Principal to conclude the Lease;
  - ii. assist in the preparation of the terms of heads of Lease between Principal and Contact Party in relation to the Aircraft but any such terms shall be subject to the final written approval of Principal and Fitzroy shall have no authority to execute the same or commit the Principal to any obligation or undertaking on behalf of Principal and shall have no liability to Principal in relation to such terms.
- 4.2 Fitzroy will not do, or fail to do, anything in relation to this Agreement, which would or might reasonably be expected to damage the professional reputation of the Principal.
- 4.3 Fitzroy shall deal with the information provided by Principal with strict confidence apart from sharing the information provided by Principal to perform its obligations hereunder to the extent of necessity.
- 4.4 It is hereby agreed by the parties that the scope of the Services to be performed by Fitzroy as set forth in the clause 4 above is not exhaustive and Fitzroy shall perform any reasonable function or reasonable additional duties as shall be ancillary to the Services set forth above in respect of Contemplated Transaction.

#### 5. Duties of Principal

- 5.1 Principal will promptly provide to Fitzroy all information, guidance and assistance as will enable Fitzroy duly to perform its duties hereunder or as Fitzroy may reasonably request in connection with its duties hereunder.
- 5.2 Principal will advise Fitzroy what are its intentions in respect of the Aircraft and what are generally the terms of the Lease, which could be acceptable for Principal, and keep Fitzroy promptly advised of any change in its requirements in this respect.
- 5.3 Principal acknowledges that the negotiating activities of Fitzroy hereunder will create market awareness of the Aircraft. For the avoidance of doubt, it shall be understood that this Agreement is binding for both Principal and Fitzroy only in respect of the Contemplated Transaction and the Contact Party as defined herein. If, following Fitzroy's marketing activities any third party expresses an interest in the Aircraft it shall be regarded as the new contact party only if such new party brought to Principal exclusively by the Fitzroy and any kind of a commercial agreement for the benefit of Principal, new contact party and Fitzroy is consequently concluded. If an unrelated new party directly contacts the Principal through the knowledge gathered from the market activities of Fitzroy, such contact shall not be regarded as a Contact Party under this Agreement.

- 5.4 Principal will act reasonably with regard to agreement on the terms of any heads of agreement, lease or other relevant document in respect of the Aircraft with a Contact Party. Fitzroy acknowledges and agrees that all such documents are subject to Principal's final review and approval to ensure that the terms thereof are satisfactory to Principal and Principal acknowledges and agrees that Fitzroy, its officers, servants and agents shall have no liability whatsoever in relation thereto, or otherwise howsoever arising in any way out of this Agreement and/or its duties hereunder, whether by law or otherwise notwithstanding any negligence on the part of Fitzroy its officers servants or agents. Fitzroy acknowledges that Principal shall have absolute discretion in accepting or refusing any Contemplated Transaction with a Contact Party notwithstanding any effort made by Fitzroy to secure such opportunity and nothing in this Agreement shall bind Principal to accept any Contemplated Transaction or business opportunity secured by Fitzroy.
- 5.5 Principal shall treat all information provided by Fitzroy or Contact Party or negotiations about the Lease as highly sensitive and confidential and shall not disclose any information to any 3<sup>rd</sup> party without explicit prior written agreement with Fitzroy.
- 5.6 Principal will not do, or fail to do, anything in relation to this Agreement, which would or might reasonably be expected to damage the professional reputation of the Fitzroy.

**6. Fitzroy's Fee**

6.1 After execution of a Lease between Principal and Contact Party, Fitzroy shall be due a fee from Principal based on the monthly rental fee calculated in accordance with clause 6.2 below.

6.2 The scale of fees per Aircraft will be as follows:

For all block hours flown by Principal for Contact Party under ACMI wet or damp lease conditions:	3% of the gross ACMI lease rate paid to Principal
For all months under dry lease conditions between Principal and Contact Party:	3% of the gross fixed total monthly dry lease rate (or 5% if power by the hour condition agreed)

Should the Aircraft have the block hours guarantee reduced due to Aircraft technical issues then the applicable fee due to Fitzroy shall be reduced accordingly. Additionally, any fee due under dry lease conditions shall be worked out on a pro-rata basis should the start or end of the lease not be a full calendar month.

The fee payable from Principal to Fitzroy shall be paid in US Dollars.

For any other type of transactions between Principal and Contact Party during the Agency Period, the parties will agree in writing the fee scale applicable, which shall be governed by the terms and conditions of this Agreement.

6.3 The parties agree that in the event no definitive lease agreement is entered into between the Principal and the Contact Party for whatsoever reason and no payment is made from the Contact Party to the Principal, pursuant to the Services performed by Fitzroy, no payment shall be payable by the Principal to



Fitzroy.

- 6.4 Parties agree that apart from fees of Fitzroy set out in clause 6.2 hereof, Fitzroy shall not incur any other costs and expenses without the prior written approval of the Principal. Principal shall reimburse Fitzroy all flight and hotel costs incurred by Fitzroy with the prior written approval of the Principal in the fulfilment of their duties under this Agreement. Principal shall reimburse Fitzroy within 30 days of receipt of the receipts by email of such flights and/or hotel costs.

**7. Payments**

- 7.1 All payments to be made by Principal under this Agreement will be made within 30 working days on receipt of lease rental funds received from Contact Party.
- 7.2 All payments by Principal under this Agreement shall be made in full (as specified in this Agreement) to the bank account as directed on Fitzroy's invoice to Principal without any set-off whatsoever and free and clear of any deductions or withholdings whether on account of taxes (only in jurisdictions other than the UK, which is the responsibility of Fitzroy) or otherwise so that the full amount of each such payment is received by Fitzroy for value on the due date hereunder.
- 7.3 Fitzroy's right to the payments specified in this Agreement which have accrued as at the date of expiry or termination will survive the expiry or termination for any reason of the Agency Period.

**8. Taxes**

- 8.1 All payments expressed to be payable hereunder are exclusive of any or all taxes in any jurisdiction other than the United Kingdom.
- 8.2 Fitzroy warrants and represents to Principal that Fitzroy is an independent contractor and, as such, bears sole responsibility for the payment of income tax corporation tax, capital gains tax and national insurance contributions which may be found due in relation to any payments or arrangements made under this Agreement and, further, agrees to indemnify Principal in respect of all and any such amounts which may be found due from Principal on any payments or arrangements made under this Agreement together with any interest, penalties or gross-up thereon.
- 8.3 Fitzroy warrants and represents to Principal that Fitzroy is registered as a VAT payee in the United Kingdom and bears VAT No. 929058304.

**9. Termination**

- 9.1 In the event that either party is in breach of any material provision of this Agreement and such breach is not remedied in accordance with this Agreement, within 1 months of written notice from the other, such other may, without prejudice to its other rights and remedies by reason of such breach and any accrued rights of the parties hereunder, terminate the Agency Period by notice (having immediate effect) to the party in breach.
- 9.2 Either Party may terminate this Agreement on whatsoever reason by serving one (01) months' prior written notice to the other Party without any liability to indemnify the other party, and such termination shall be effective from the expiry of said one month period.



- 9.2 Any termination of the Agency Period will be without prejudice to all the other rights and benefits of each party under this Agreement and to any and all sums payable to it in accordance with this Agreement all of which will survive termination of the Agency Period and continue in full force and effect until satisfied in full. For the avoidance of doubt, in the event that the Agency Period is terminated by either party, the Agent will nevertheless remain entitled to the Fee payable in accordance with Clause 3 and 6.
- 9.4 Upon the expiry or termination of this Agreement and settlement of all fees due to Fitzroy under this Agreement, Fitzroy shall not be entitled to any further costs, remuneration consequential or special damages, loss of profits or revenue claimed to have been suffered by Fitzroy (including its agents, employees and representatives) as a result of this Agreement.
- 9.5 Should the Principal terminate this Agreement or at the end of this Agency Period, Principal agrees not to enter in to a definitive transaction with any Contact Party for the purpose of an aircraft wet/damp or dry lease for a period of two (2) years after the cessation of the term of this Agreement, unless the fees due in accordance with this Agreement, are paid to Fitzroy. In the event the Principal enters in to a definitive transaction with any Contact Party for the purpose of an aircraft wet/damp or dry lease during the period of two (2) years after the termination or expiry of the term of this Agreement, the Principal shall pay Fitzroy applicable fees as per Clause 6 hereof in respect of such wet/damp or dry lease. In order to facilitate the obligation of the Principal under this clause, Fitzroy and the Principal shall agree on the list of Contact Parties upon the termination or expiration of the term of this Agreement, the transactions with whom shall be subject to this Clause.

## 10. Notices

- 10.1 All notices, requests, demands, consents and other communications required or permitted by the terms of this Agreement to be given or made to either party shall be in writing (including facsimile or similar writing) and shall be deemed given in the case of a facsimile at the time of receipt by the sender of a transmission report indicating that all the pages of the transmission were properly transmitted (unless the recipient promptly notifies the sender that the transmission was incomplete and/or illegible) to the relevant facsimile number hereinafter specified and in any other case, when delivered to Principal or, as the case may, Agent at the following address of such party:
- (a) if to Principal, to it at its address hereinbefore specified, marked for the attention of  
Email: [dinnaga.padmaperuma@srilankan.com](mailto:dinnaga.padmaperuma@srilankan.com)
- (b) if to Fitzroy, to it at its address hereinbefore specified marked for the attention of  
Email: [olly.parry@fitzroyaviation.com](mailto:olly.parry@fitzroyaviation.com)

or to such other address or facsimile number as shall have been notified by one party to the other under this Agreement.

## 11. Governing Law

- 11.1 This Agreement shall be governed and construed in accordance with the laws of England and the parties hereto hereby irrevocably and unconditionally submit to the jurisdiction of the English Courts.



## 12. Miscellaneous

- 12.1 Nothing in this Agreement is to be construed as creating any partnership or joint venture or other similar relationship between the parties. Each Party is and shall remain an independent contractor with respect to the other. This Agreement or any activity by Fitzroy hereunder shall not create or be deemed to create any express or implied right, power or authority of Fitzroy to enter into any agreement or commitment, or to incur any liability or obligation, on behalf of the Principal.
- 12.2 Neither party will have any obligation or liability to the other hereunder in respect of any delay in performing or failure to perform any of its obligations hereunder due to any cause or circumstance beyond its reasonable control.
- 12.3 Neither party hereto shall without the other's prior written consent, communicate or disclose the existence or contents of this Agreement, or any information whatsoever including the information provided by the Principal to Fitzroy, particularly with the business and operational plans and financial projections/transactions of the Principal, to any third party (other than to their respective external legal advisors, auditors or insurance brokers) provided however that disclosure will be permitted (a) pursuant to an order of any court of competent jurisdiction or (b) pursuant to any law or regulation having the force of law or (c) pursuant to a lawful requirement of any authority with whose requirements the disclosing party is legally obliged to comply.
- 12.4 Excluding the NDA agreement dated 30<sup>th</sup> March 2017 between Principal and Fitzroy, the terms and conditions of this Agreement supersede those of all previous agreements, understandings and arrangements, whether written or oral, between the parties hereto relating to the subject matter hereof and shall not be varied otherwise than by an instrument in writing of the same date as, or subsequent to this Agreement, executed by both parties or by their duly authorised representatives.
- 12.5 No failure or delay on the part of either party in exercising any power, right or remedy hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise of any such right, power or remedy or the exercise of any other right, power or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies provided by law.
- 12.6 If any term or condition of this Agreement shall to any extent be or become invalid or unenforceable the remainder of this Agreement shall not be affected thereby and each other term and condition shall be valid and enforceable to the fullest extent permitted by law.
- 12.7 Neither party may assign any of its rights and/or obligations hereunder without the prior written consent of the other party hereto.
- 12.8 Time shall be of the essence in respect of completion of the assignment subject of this Agreement as well as all payments due under this Agreement.
- 12.9 Each of the parties hereto agrees with the other to do and perform such other and further acts and execute and deliver any and all other instruments as may be required by law or reasonably required by the other party to establish,





7010 10001  
**AIR PARTNER**

21<sup>st</sup> April 2017

Mr Suren Ratwatte  
 Chief Executive Officer  
 SriLankan Airlines Limited  
 Bandaranaike International Airport  
 Katunayake  
 Sri Lanka

Dear Suren,

**RE: REMARKETING OF AIRBUS A330-200 and A330-300 AIRCRAFT**

Following our recent discussions, I now have pleasure in setting out in this letter ("Letter") the terms and conditions by which SriLankan Airlines Limited ("SriLankan") appoints Air Partner plc ("Air Partner") as its exclusive remarketing agent, subject to the exclusion provided hereunder, in respect of all or any of the following aircraft for dry lease programme:

Aircraft Type	Serial Number	Registration
Airbus A330-200	1008	TBA (formerly CS-TFZ)
Airbus A330 -300	1564	4R- ALL
Airbus A330 -300	1583	4R-ALM
Airbus A330 -300	1604	4R-ALN

(Referred to hereafter both singularly and collectively as the "Aircraft")

SriLankan shall have the ability to market the Aircraft, directly or indirectly, to prospective operators of the Aircraft which shall be excluded from the application of the exclusivity of Air Partner contemplated in this Letter, with mutual agreement of Air Partner. SriLankan and Air Partner shall agree on the excluded operators by way of side letter(s) and such parties shall be called "Excluded Parties" hereinafter.

The terms and conditions of Air Partner's appointment are as follows:

1. The term of the appointment shall be from the date of this Letter to 11<sup>th</sup> September 2017, ("Initial Period") and continuing thereafter until terminated by either party giving to the other not less than one month's prior written notice of its intention to terminate this appointment. Such notice not to be given prior to the end of the Initial Period unless for a breach by a Party which is not rectified by the defaulting Party within 14 days after notification by the non-defaulting party. During the Initial Period and/or any extended period, if any, SriLankan shall deal with the London office of Air Partner directly and SriLankan shall not entertain any intermediaries to deal with Air Partner.


2. During the term of this appointment Air Partner shall:
  - a) Actively contact all current operators of the Aircraft type and such other aircraft operators or entities as appropriate ("Target Operators") excluding the Excluded Parties to provide such Target Operators with the Aircraft specifications and other technical and operational information;
  - b) Advertise the Aircraft in appropriate industry journals and websites with prior written approval of SriLankan. Air Partner will advise the journals and websites in which Air Partner will advertise and liaise with SriLankan regarding the costs of any such advertising;
  - c) Identify potential lessees for the Aircraft and commence negotiations on SriLankan's behalf with prior written approval of SriLankan;
  - d) Keep SriLankan advised and consult with SriLankan on a regular basis, provide SriLankan with regular marketing reports and immediately advise SriLankan of any written offers or other material developments;
  - e) Continue to lead negotiations or assist SriLankan in negotiations (as preferred and directed by SriLankan) with potential lessees until a transaction is completed.
3. Notwithstanding anything contained in Clause 2 above, Air Partner shall not hold itself out as authorised to bind SriLankan to third parties and shall not be empowered to commit SriLankan to any lease or to enter into any lease on SriLankan's behalf without SriLankan's express written permission. Air Partner acknowledges that SriLankan shall have absolute discretion in accepting or refusing any lease in respect of the Aircraft notwithstanding any effort made by Air Partner to secure such opportunity.
4. The Aircraft shall be offered for lease by Air Partner at lease rentals ("Asking Prices") as agreed in writing between SriLankan and Air Partner. These Asking Prices may be reviewed from time to time in the light of developments during the remarketing of the Aircraft.
5. Save and except for marketing the Aircraft to the Excluded Parties, SriLankan undertakes that during the term of this Letter it will neither directly itself nor through third parties market the Aircraft. However, it is recognised and acknowledged by SriLankan and Air Partner that certain Target Operators, excluding the Excluded Parties, may contact SriLankan directly. In all such cases SriLankan will direct Air Partner to send information regarding the Aircraft and Asking Prices to the Target Operator excluding the Excluded Parties and Air Partner shall lead negotiations on SriLankan's behalf with same. Notwithstanding anything contained herein, SriLankan shall have the right to market the Aircraft directly or indirectly via an appointment of an agent to the Excluded Parties and such marketing of the Aircraft shall not be in breach of this Letter.
6. In consideration of the above services provided by Air Partner, SriLankan will pay to Air Partner the following fees:
  - a) In respect of a dry lease of an Aircraft, including any lease extensions, a success fee equal to one month's rental for any such lease. For the avoidance of doubt,

- this shall exclude any maintenance reserve amounts and, in the event of varying lease rentals, this fee shall be equal to an average month's rental;
- b) The success fee in Clause 6(a) above will be paid within 14 days of receipt of the invoice by Air Partner subsequent to the signing of the lease by SriLankan and lessee at which time any lessee will be required to pay a security deposit;
  - c) The above fees will be payable to Air Partner in respect of a lease transaction entered into by SriLankan either during the term of this Letter or after the termination of this Letter if the prospective lessee to the Aircraft were introduced and offered to SriLankan during the term of this Letter. Prior to the termination of this Letter, Air Partner shall provide SriLankan with a list of potential lessees that shall be covered by this clause with the evidence that those lessees were approached as Target Operators by Air Partner during the period of the Letter and upon submission, the Parties shall mutually agree on the list of Target Operators.
  - d) Notwithstanding the exclusivity conferred upon Air Partner, SriLankan shall have the right to submit its interest to lease the Aircraft in any tender/RFP process on its own where Air Partner or any third party cannot bid or act on behalf of SriLankan. In the event SriLankan submits its interest to lease the Aircraft in any tender/RFP process on its own where Air Partner or any third party cannot bid or act on behalf of SriLankan, such bid shall not be considered as an approach by Air Partner;
  - e) No fees will be payable to Air Partner if any of the Aircraft are leased to the Excluded Parties.
7. Other than in respect of pre-approved travel and accommodation which shall be in confirmed by SriLankan in writing, SriLankan shall have no liability for costs incurred by Air Partner whilst performing its duties hereunder.
  8. SriLankan shall indemnify Air Partner for any claims by third parties arising from this appointment unless such claims arise due to the breach of confidentiality, wilful neglect or negligence of Air Partner.
  9. Air Partner hereby represents that it has no representative or agent located in Sri Lanka.
  10. Air Partner shall treat all the information provided by SriLankan to Air Partner, its employees, officers, agents or representatives with strict confidence and shall disclose the information only to the extent of necessity to perform its duties. Neither party shall disclose the contents of this Letter or information exchanged pursuant to this Letter to any third party unless it is directed to do so by a court of law or any government institution.
  11. Air Partner shall indemnify and hold harmless SriLankan against any loss, cost, expense, damages, fees including legal fees incurred by SriLankan as a result of breach of this Letter, or due to the wilful misconduct and negligence of Air Partner.
  12. Any person who is not a party to this Letter has no right under the Contracts (Rights of Third Parties) Act 1999 of the United Kingdom to enforce any term of this Letter.

13. This Letter shall be governed by English law. The Parties agree to submit to the non-exclusive jurisdiction of the Courts of England with regard to any claim or matter arising under or in connection with this Letter.


If you agree that the contents of this Letter accurately reflect our discussions and you wish to appoint Air Partner as the exclusive remarketing agent of SriLankan Airlines for the Aircraft, subject to the exception mentioned in the Letter, upon the terms and conditions set forth above, please countersign this Letter in the appropriate place below and return it to us, as confirmation of your agreement to its terms and our appointment as your exclusive subject to the exception mentioned in the Letter, agent.

Yours sincerely,  
Air Partner plc

  
.....

Greg Cope  
Director – Aircraft Remarketing

We acknowledge receipt of the Letter of which this is a copy and confirm our agreement to its terms and conditions and the appointment of Air Partner as the exclusive remarketing agent of SriLankan Airlines for the Aircraft, subject to the exception mentioned in the Letter. The under-mentioned signatory is a duly authorised representative of SriLankan Airlines Limited with authority to conclude this Letter on its behalf.

  
.....

For and on behalf of SriLankan Airlines Limited

Name: Suren Ratwatte

Title: Chief Executive Officer

Dated .... 25/4/17 .....

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**SIDE LETTER NO. 01 TO THE AIRCRAFT REMARKETING AGREEMENT**  
**DATED AS OF 21 APRIL, 2017**  
**BETWEEN**  
**SRI LANKAN AIRLINES LIMITED.**  
**AND**  
**AIR PARTNER PLC**

THIS SIDE LETTER NO. 01 dated as of 21 April, 2017 (this "Side Letter No. 01") is made by and between: SriLankan Airlines Limited, located at Bandaranaike International Airport, Katunayake, Sri Lanka. (the "Principal") and; Air Partner plc, located at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA, England (the "Agent");

**WITNESSETH:**

WHEREAS, Agent hereby is assigned by Principal to provide the services as defined within the Aircraft Remarketing Agreement dated 21 April 2017 ("Aircraft Remarketing Agreement") with respect to the Aircraft as defined therein.

WHEREAS, Principal is hereby engaged to Agent for the Services provided in the Aircraft Remarketing Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties contained in this Side Letter No. 01 and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, **the parties hereto agree to the following:**

1. The parties agree that SriLankan shall have the right to market the Aircraft, directly or indirectly via an appointment of an agent to Hi Fly, Saudia and Pakistan International Airline Corporation Limited and those parties are considered as "Excluded Parties" under that Agreement. The parties agree that the exclusivity of the Agent contemplated in the Aircraft Remarketing Agreement shall not apply in respect of marketing of the Aircraft to such Excluded Parties. Accordingly, nothing in the Aircraft Remarketing Agreement; (a) prevents the Principal from entering in to any aircraft transaction with such Excluded Parties; and (b) requires any fee to be paid to the Agent by the Principal under that Agreement for any transaction/lease made by Principal with the Excluded Parties.
2. Save and except the changes, modifications with respect to terms and conditions mentioned in this Side Letter 01, other terms and conditions of the Aircraft Remarketing Agreement remain unchanged and be in full force and effect as against the respective parties and shall apply *mutatis mutandis*.

[Intentionally left blank]

IN WITNESS WHEREOF, the undersigned have caused this Side Letter No. 01 to be duly executed and delivered as of the day and year first written above and Principal and Agent shall each retain the original hereof.

For and on behalf of SriLankan Airlines Limited  
as Principal

By:   
Name: Suren Ratwatte  
Title: Chief Executive Officer

For and on behalf of Air Partner plc  
as Agent

By:   
Name: Greg Cope  
Title: Director - Aircraft Remarketing



**RESOLUTION BY CIRCULATION IN TERMS OF ARTICLE 38 OF THE  
ARTICLES OF ASSOCIATION OF SRILANKAN CATERING (PVT) LIMITED**

**CR/07/2010**

**CONVERSION INTO A PUBLIC LIMITED LIABILITY COMPANY  
& LISTING ON THE COLOMBO STOCK EXCHANGE**

Pursuant to a proposal to re-structure and recapitalize SriLankan Airlines a request has been made by the major shareholder SriLankan Airlines(SLA) to SriLankan Catering (SLC) that it intends disposing of a 25% share stake of its shareholding in the Company by way of an 'Offer for Sale',

Whereas, SLC has been further informed that the Board of SLA has approved the appointment of Bank of Ceylon as Managers to the Offer and that such appointment will also require the approval of the Board of SLC and that the terms and conditions of the appointment will be subject to the execution of an agreement between SLC and the Managers i.e. Bank of Ceylon. .

SLA has also disclosed to the Company that the Bank of Ceylon is a 23% holder of Ordinary shares in SLA.

Accordingly, to enable the Company to carry out the 'Offer for Sale' through a Public Issue of Shares,

- a) The Company will be required to be converted into a Public Limited Liability company by the alteration of its existing Articles of Association so that it no longer complies with the requirements of section 27 of the Companies Act No 7 of 2007 by the adoption of a special resolution and be
- b) Listed on the Main Board of the Colombo Stock Exchange (CSE)

Now in order to give effect to the 'Offer for Sale' of a 25% share stake of SLA in the Company **it is hereby resolved that,**

1. The existing Articles of Association be amended by special resolution
2. An initial listing application be made to list the Company on the Main Board of the CSE
3. Bank of Ceylon be appointed as Managers to the Issue subject to the execution of an agreement between the parties setting out the terms of reference, timelines and payment terms.
4. Price per share to be decided, pursuant to a valuation of the Company;
5. The Company complies with all statutory and regulatory requirements of the Companies Act No 7 of 2007 and the Listing Rules of the CSE respectively to facilitate the "Offer for Sale" through an Initial Public Offering (IPO).
6. Steps be taken to appoint two independent non-executive directors and constitute Board committees such as the Audit and Remuneration Committees as required by the Listing Rules of the CSE.

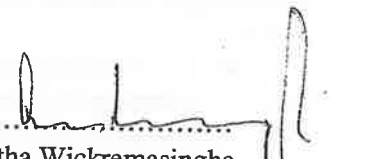
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**The Board further resolved that,**


- in terms of Article 29 (ii) of the Articles of Association, Messsrs Nishantha Wickremasinghe/Chairman, Nihal Jayamanne PC/Director, Kapila Chandrasena/Director Shameendra Rajapaksa/Director, Dr Chris Nonis/Director, Sarath Fernando/Chief Executive Officer, Priyanthi de Silva/Manager Finance & Systems, Mildred Peries/representing AirLanka (Private) Limited/Secretaries be authorized and appointed for and on behalf of the Company jointly and/or each of them severally to execute all documents, whether undertaking liability for and on behalf of the Company or otherwise as reasonably may be required to facilitate the listing of the Company;
- The services of the following service providers be obtained by the Company.
  - (a) Auditors and Reporting Accountants to the Issue;
  - (b) Lawyers to the Issue;
  - (c) Bankers to the Issue;
  - (d) Registrars to the Issue.
- The Services of such other service providers as may be required to manage and handle all issues in relation to the Initial Public Offer be retained or obtained and notified to the Board

This Resolution may be cited as **CR/07/2010**

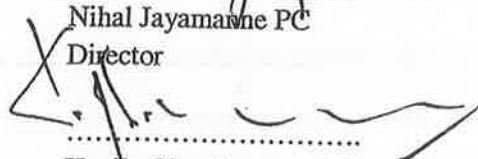
I do approve the above Resolution

.....  
  
 Nishantha Wickremasinghe  
 Chairman


I do approve the above Resolution

.....  
  
 Nihal Jayamanne PC  
 Director


I do approve the above Resolution

.....  
  
 Kapila Chandrasena  
 Director

I do approve the above Resolution

.....  
  
 Shameendra Rajapaksa  
 Director

I do approve the above Resolution

.....  
  
 Dr Chris Nonis  
 Director

22 November 2010

**RESOLUTION BY CIRCULATION IN TERMS OF ARTICLE 38 OF THE ARTICLES OF  
ASSOCIATION OF SRILANKAN CATERING (PRIVATE) LIMITED**

**CR/01/2011**

**INITIAL PUBLIC OFFERING – SRILANKAN CATERING**

**Sub-division of Shares & Capitalisation of Reserves**

**Purpose**

To seek the approval of the Board for the sub division of shares and Capitalisation of Reserves as more fully described hereunder.

**Recommendation**

We recommend that the Board resolves that:

1. the Ordinary shares of the Company be sub divided as One (1) Ordinary Voting Share into fifteen (15) Ordinary Voting Shares increasing the number of Ordinary Voting Shares outstanding from Sixty Million (60,000,000) Shares to Nine Hundred Million Shares (900,000,000).
2. to issue Ordinary Voting Shares credited as fully paid up by way of Capitalization of Reserves: Retained Earnings amounting to Rs. Nine Hundred Million (Rs. 900,000,000) to be capitalized for the issue of forty million two hundred sixty eight thousand four hundred and fifty six (40,268,456) new Ordinary Voting Shares to the Current Shareholders at a consideration of Rs. 22.35 per share. These shares will rank pari passu with the other Ordinary shares of the Company.

The Value of Retained Earnings as per 31<sup>st</sup> December 2010 is Rs. One Billion One hundred and Sixty Nine Million (Rs. 1,169,000,000). The Stated Capital of the Company as at 31<sup>st</sup> December 2010 is Rs. One Hundred Million (Rs. 100,000,000).

The Total Number of Shares Outstanding after the Subdivision of shares and the Capitalization of Reserves will be nine hundred forty million two hundred sixty eight thousand four hundred and fifty six (940,268,456) Ordinary shares.

The Shares arising from the Subdivision and the Capitalization will rank pari passu with the other Voting Ordinary shares.

The approval of the Board is subject to

- Directors Certificate of Solvency
- Certified Copy of the certificate of Solvency issued by the Auditors in terms of Section 56 of the Company's Act No 7 of 2007.



Sarath Fernando  
Chief Executive Officer/SLC

753



Yasantha Dissanayake  
Head of Finance /SLA

Accordingly the Board having considered the above **Resolved that:**

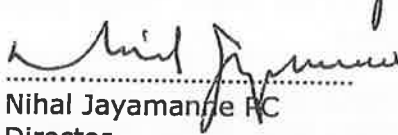
1. the Ordinary shares of the Company be sub divided as One (1) Ordinary Voting Share into fifteen (15) Ordinary Voting Shares increasing the number of Ordinary Voting Shares outstanding from Sixty Million (60,000,000) Shares to Nine Hundred Million Shares (900,000,000).
2. Retained Earnings amounting to Rs. Nine Hundred Million (Rs. 900, 000,000) capitalized to the books of the Company as at 31 December 2010 for the issue of forty million to hundred sixty eight thousand four hundred and fifty six (40,268,456) new Ordinary Voting Shares to the Current Shareholders at a consideration of Rs. 22.35 per share be ratified and that in the opinion of the Board the consideration is fair and reasonable to the Company and existing shareholders.
3. Ordinary voting shares credited as fully paid up by way of the capitalisation of Reserves as at 31 December 2010 be issued.
4. These shares will rank pari passu with the other Ordinary shares of the Company.
5. This sub division of shares and capitalisation of reserves is subject to obtaining 'Directors Certificate of Solvency' and a certified copy of the Solvency Certificate issued by the Auditors in terms of section 56 of the Companies Act No 7 of 2007.

**This resolution may be cited as CR/01/2011**

I do approve the above Resolution

  
.....  
Nishantha Wickramasinghe  
Chairman

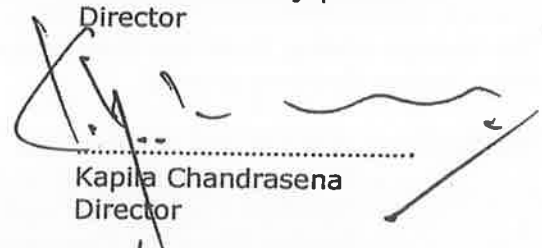
I do approve the above Resolution

  
.....  
Nihal Jayamanne FC  
Director

I do approve the above Resolution

  
.....  
Shameendra Rajapaksa  
Director

I do approve the above Resolution

  
.....  
Kapila Chandrasena  
Director

I do approve the above Resolution

  
.....  
Dr Chris Nonis  
Director

**RESOLUTION BY CIRCULATION IN TERMS OF ARTICLE 38 OF THE ARTICLES OF ASSOCIATION OF SRILANKAN CATERING (PRIVATE) LIMITED**

**CR/02/2011**

**INITIAL PUBLIC OFFERING – SRILANKAN CATERING**

**Execution of Listing Application**

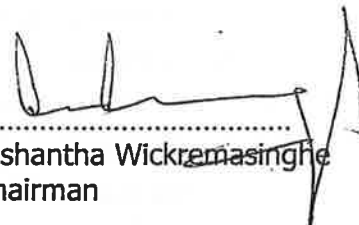
Whereas the Board by Resolution CR/07/2010 titled 'Conversion into a Public Limited Liability company & Listing on the Colombo Stock Exchange' and dated 22 November 2010 resolved that the shares of the Company be listed on the Colombo Stock Exchange by way of an 'Offer for Sale' pursuant to an agreement with the major shareholder of the Company.

Whereas in terms of the Listing Rules of the Colombo Stock Exchange, the Company is required to submit an initial listing application in the prescribed form seeking the approval of the Colombo Stock Exchange to list its shares on the Colombo Stock Exchange.

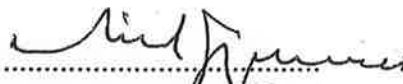
Accordingly **It is hereby Resolved** that the initial listing application attached hereto be executed under the Common Seal of the Company and that such sealing be attested by any two Directors or any one Director and Secretary of the Company.

**This resolution may be cited as CR/02/2011**

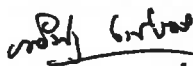
I do approve the above Resolution

  
.....  
Nishantha Wickremasinghe  
Chairman

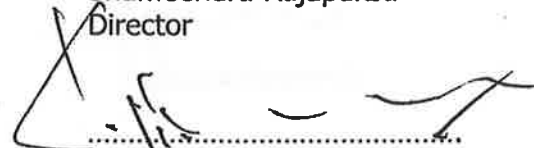
I do approve the above Resolution

  
.....  
Nihal Jayamanne PC  
Director


I do approve the above Resolution

  
.....  
Shameendra Rajapaksa  
Director

I do approve the above Resolution

  
.....  
Kapila Chandrasena  
Director

I do approve the above Resolution

  
.....  
Dr Chris Nonis  
Director

2020 75 (VI)



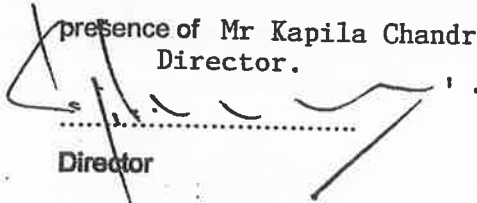
**LISTING UNDERTAKING BY SRI LANKA CATERING LIMITED**

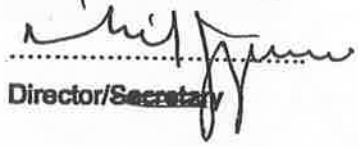
To:  
Colombo Stock Exchange  
Level 4, West Tower  
World Trade Center  
Echelon Square  
Colombo 01

In consideration of being listed on the Colombo Stock Exchange (Exchange), by virtue of Nine Hundred and Forty Million Two Hundred and Seventy Five Thousand Five Hundred and Forty Six Ordinary Voting Shares (940,275,546) being listed, we Sri Lanka Catering Limited being duly incorporated and having our registered office at Airline Centre Bandaranaike International Airport Katunayake Sri Lanka hereby undertake and agree:

- I. To be bound by the applicable Rules and Circulars of the Exchange and the Central Depository Systems (Pvt) limited as amended or replaced from time to time.
- II. To be listed at the Sole discretion of the Exchange, and for such period as may be determined by the Exchange.
- III. Within ten (10) working days of the Entity obtaining a listing, to give public notice of the change of name, and to forward a copy of such notice to the Registrar, and upon obtaining a fresh Certificate of Incorporation from the Registrar, to forward same to the Colombo Stock Exchange within three (03) months of obtaining the listing.

Given Under the Common Seal of the Company this 1st day of February 2011 in the presence of Mr Kapila Chandrasena/Director and Mr Nihal Jayamanne PC/Director.

  
.....  
Director

  
.....  
Director/Secretary

A Copy of the Board Resolution pertaining to the Authorized Signatory is attached as Annexure 1



Sri Lankan Catering (Pvt) Limited

**RESOLUTION BY CIRCULATION IN TERMS OF ARTICLE 38 OF THE ARTICLES OF ASSOCIATION OF SRILANKAN CATERING (PRIVATE) LIMITED**

**CR/03/2011**

**INITIAL PUBLIC OFFERING – SRILANKAN CATERING**

**Offer Price**

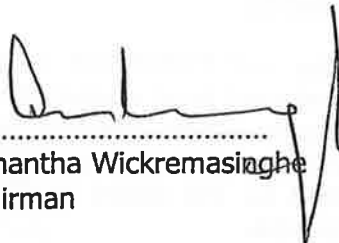
Whereas the Board by Resolution CR/07/2010 titled 'Conversion into a Public Limited Liability company & Listing on the Colombo Stock Exchange' and dated 22 November 2010 resolved that the shares of the Company be listed on the Colombo Stock Exchange by way of an 'Offer for Sale' pursuant to an agreement with the major shareholder of the Company.

Accordingly it is hereby Resolved that the Public issue of shares of up to 30% of the shareholding of the major shareholder at a consideration ranging from Rs 18/- to Rs 21/- as per the attached working s hereto be approved.

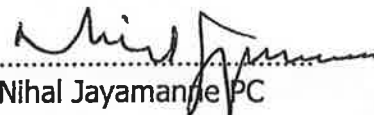
The Board further resolved that the consideration of Rs 18/- to Rs 21/- for which the shares are to be issued is fair and reasonable to the Company and to the existing shareholders,

**This Resolution may be cited as CR/03/2011**

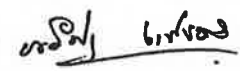
I do approve the above Resolution

  
.....  
Nishantha Wickremasinghe  
Chairman

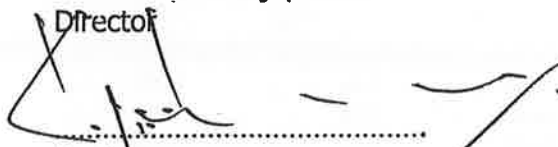
I do approve the above Resolution

  
.....  
Nihal Jayamanne PC  
Director


I do approve the above Resolution

  
.....  
Shameendra Rajapaksa  
Director

I do approve the above Resolution

  
.....  
Kapila Chandrasena  
Director

I do approve the above Resolution

  
.....  
Dr Chris Nonis  
Director

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**Consideration of the Offer Price**

A Discounted Cash Flow Valuation method along with two Relative Valuation methodologies including Price to Earning (“P/E”) ratio and Enterprise Value to Earnings Before Interest , Tax, Depreciation and Amortization (“EV/EBITDA”) ratio have been used in arriving at the appropriate Offer Prices for the Initial Public Offering (“IPO”).

**Discounted Cash Flow Valuation**

Based on a Discounted Cash Flow valuation, the Enterprise Value of SLC is calculated to be Rs. 20 billion. Based on this valuation, the per-share fair value is estimated to be Rs. 23.35.

The shares will be offered to the public on a book building basis at Offer Prices of Rs. 18, 19, 20 and 21. The public will be invited to subscribe to the issue at the one of the Offer Prices.

- The Offer Prices of Rs. 18, 19, 20 and 21 are at a discount to the fair value of Rs. 23.35.

**Relative Valuation**

The P/E ratios and EV/EBITDA ratios of SLC are compared with those of the local market, the relevant local market sectors (Food & Beverage and Hotels) and regional peers. Singapore Airport Terminal Services (“SATS”), the catering arm of Singapore Airlines, Swiss based gategroup (“GATE”) and Italian caterer, Autogrill (“AUTO”), have been identified as the peers to SLC. SATS, GATE and AUTO all have catering operations in India.

**Enterprise Value to Earnings Before Income Tax Debt and Amortization (EV/EBITDA)**

The forward EV/EBITDA values for SLC for the different Offer Prices and that of SATS is given in Table 1.

Offer Price	EV/EBITDA x(2011E)	EV/EBITDA x(2012E)	EV/EBITDA x(2013E)	EV/EBITDA x(2014E)	EV/EBITDA x(2015E)
18.00	11.9x	10.4x	8.6x	7.3x	6.2x
19.00	12.5x	11.0x	9.1x	7.7x	6.5x
20.00	13.2x	11.6x	9.6x	8.1x	6.8x
21.00	13.9x	12.1x	10.0x	8.5x	7.2x
SATS	10.3x	9.5x	9.0x		



**Table 1: Forward EV/EBITDA ratios**

The EV/EBITDA values are at a premium to that of SATS in FY11 and FY12, but are comparable to that of SATS in FY13. . Forward EV/EBITDA values are not available for Sri Lankan companies.

**Price to Earnings (P/E)**

The forward P/E ratios at the different Offer Prices of SLC are given in Table 2Table-2.

Offer Price	P/E x (2011E)	P/E x(2012E)	P/E x(2013E)	P/E x(2014E)	P/E x(2015E)
18.00	19.2x	16.4x	12.3x	9.8x	7.9x
19.00	20.3x	17.3x	13.0x	10.4x	8.4x
20.00	21.3x	18.2x	13.7x	10.9x	8.8x
21.00	22.4x	19.2x	14.3x	11.4x	9.3x
SATS	15.9x	14.4x	13.0x		
SATS, GATE, AUTO	18.7x	15.6x	11.7x		

**Table 2: Forward Price to Earnings (P/E) ratios**

The P/E ratios are at a small premium to the global peers at the lower end of the Offer Price range of Rs. 18. The P/E ratios at the high end of the Offer Price range, though at being at a significant premium to the global peer group average, are at a discount to the trailing Sri Lankan Hotel sector P/E of 64x, Food & Beverage sector P/E of 23x and market P/E of 24x. Forward P/E ratios are not available for the Sri Lankan market.

The total funds raised for the different Offer Prices are given in Table 3.

Offer Price	Amount Raised (Rs.)
18.00	4,231,208,054
19.00	4,466,275,168
20.00	4,701,342,282
21.00	4,936,409,396

**Table 3: Funds raised in the IPO at the Offer Prices.**

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**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD  
HELD ON 15<sup>th</sup> OCTOBER 2015 AT 11.30A.M. IN THE BOARD ROOM  
OF SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	- Chairman
	Mr. Rakhita S. Jayawardena	- Director
	Mr. Joseph M. S. Brito	- Director
	Lt. Col. Sunil Peiris	- Director
	Mr. Harindra K. Balapatabendi	- Director
	Capt. Suren Ratwatte	- CEO w.e.f. 15 <sup>th</sup> October 2015
	Ms. Dalrene Thirukumar	- Company Secretary
<b>Regrets:</b>	Mr. R. Chanaka D. De Silva	- Director
	Mr. Mahinda Haradasa	- Director
	Hon. N. De Silva Deva Aditya	- Director

**2.11 SriLankan Catering Limited - IPO**

Mr. J. Brito/Director was of the opinion that separate cabinet approval should be obtained to proceed with the SriLankan Catering IPO.

Chairman and Mr. R. Jayawardena/Director confirmed that the three year restructuring plan approved by the Cabinet did contain the IPO. At a subsequent meeting with Minister Eran Wickramaratne, the necessity of proceeding with an IPO had been questioned.

It was a unanimous decision of the Board to proceed with all necessary preliminary work in connection with the IPO and seek cabinet approval at the stage of implementation. The Committee comprising the Chairman, M/s M. Haradasa, J. Brito and R. Jayawardena would meet on 28<sup>th</sup> October 2015 to recommend to the Board, the Managers to the IPO.



**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF  
SRILANKAN CATERING LIMITED HELD ON 28<sup>TH</sup> NOVEMBER 2015 AT 10.00 A.M. IN  
THE BOARD ROOM AT SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	-	Chairman
	Mr. Rakhita Jayawardena	-	Director
	Mr. Joseph M. S. Brito	-	Director
	Mr. R. Chanaka D. De Silva	-	Director
	Mr. Mahinda Haradasa	-	Director
	Lt. Col. Sunil S. D. Peiris	-	Director
	Mrs. Dalrene Thirukumar	-	Secretaries/AirLanka (Private) Ltd

**QUOTE"**

SLC/15/06/06.3 IPO of Catering

Mr. Brito/Director apprised the Board that the Committee appointed to select Managers to the IPO had met with three parties namely NDB Investment Bank, Acuity Brokers and CT CLSA. The committee noted that the two parties who were aggressive in the market was Maryanne Page representing CT CLSA and Acuity Brokers and as such it was suggested to have both parties named Managers to the issue as this was the largest proposed IPO in the Country. It was noted the sharing of commission and modalities of appointing two parties as Managers would be reviewed at a later date upon GOSL consenting to the IPO."**UNQUOTE**

**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN CATERING LIMITED HELD ON 28<sup>TH</sup> JANUARY 2016 AT 10.00 A.M. IN THE BOARD ROOM AT SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	-	Chairman
	Mr. Rakhita Jayawardena	-	Director
	Mr. Joseph M. S. Brito	-	Director
	Mr. R. Chanaka D. De Silva	-	Director
	Mr. Mahinda Haradasa	-	Director
	Lt. Col. Sunil S. D. Peiris	-	Director
	Mrs. Dalrene Thirukumar	-	Secretaries/AirLanka (Private) Ltd
<b>By Invitation:</b>	Mr. Lalith Withana	-	GM/ Group Chief Finance and Administrative Officer

**QUOTE"**

SLC/16/01/02.14 Proposed IPO

Chairman informed the Board that the proposed IPO has been differed as the Deputy Minister of Economic Development had requested the company to find other solutions rather than divesting the shareholding of the company.

Mr. C de Silva/Director pointed out that it was only now that it has come to light that the SLC shares are pledged at the Bank of Ceylon and until the pledge is released, an IPO could not be considered. He further added that it was very unlikely that the Ministry of Public Enterprise was aware of this. **"UNQUOTE**



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**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD  
HELD ON 24<sup>TH</sup> NOVEMBER 2016 AT 10.00 A.M. IN THE BOARD ROOM  
OF SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	- Chairman
	Mr. Joseph M. S. Brito	- Director
	Mr. R. Chanaka D. De Silva	- Director
	Mr. Mahinda Haradasa	- Director
	Mr. Rakhita S. Jayawardena	- Director
	Lt. Col. Sunil Peiris	- Director
	Mr. Harindra K. Balapatabendi	- Director
	Mrs. Dalrene Thirukumar	- Company Secretary
<b>Regrets:</b>	Mr. N. De Silva Deva Aditya	- Director

**1.3 EOI & Ground Handling (previous Board minute 16/10/01 1.2 & 1.5)**

Chairman informed that the decision of the GoSL is to spin-off Ground handling as a separate entity on 1<sup>st</sup> April 2017. Internal preparation was complete and it has been decided to obtain Cabinet approval. It was reported that E&Y would be preparing a Project Report at a cost of LKR 600,000/-. Upon receiving the project report and Cabinet approval, a decision would be made by the Board on the implementation process. Chairman stated that Mr. Lalith Withana/GCF&AO feels that since it was a complex project, a champion should be appointed to handle the project. E&Y has quoted LKR 9 MN for this. Chairman stated that upon receiving cabinet approval, the Board may have to decide on the necessity of appointing a Company/Consultant to oversee the project.

In response to Mr. Brito/Director as to who had requested that Ground Handling be formed as a separate entity, Chairman stated that it was the GoSL as the EOI was floated on the basis that Ground handling was not included in the bid. Mr. M. Haradasa/Director however stated that when the Company structure was submitted for the EOI purpose, Ground Handling was part of the Company Structure.

Chairman explained that the committee coordinating the decisions of the Hon. Prime Minister through Mr Paskeralingam have been told that irrespective of what has been put in the papers for parties to bid, is that SriLankan Airlines as a group is to be sold excluding ground handling. It was noted that the party can have ownership of SriLankan Catering by bidding for SriLankan Airlines – the group. It has been pointed out that the value was in the 'group'. In response to Mr. H K Balapatabendi/Director if Engineering was part of the 'group' in the offer, Chairman responded in the affirmative and added that internally Management was considering Engineering as a separate legal entity and that the reason for this is to give an option to the party buying SriLankan Airlines. Chairman confirmed that having Engineering as a separate legal entity was not a decision made by the GoSL.

Chairman then explained the process of the EOI. It was stated that the three parties selected by the Lead Managers would be called to discuss if they should be short listed. The three parties are (1) a Maldivian Consortium who show funding from Indonesia and Malaysia (2) Peace Air showing funding from Ireland (3) TPG. Letters would be issued separately to these three parties inviting them for a discussion on 15<sup>th</sup> December 2016 where documentation on financial stability, experience in operating an airline etc. would be discussed. Chairman added that the committee will recommend to the CCEM its findings soon after 15<sup>th</sup> December 2016.

Consequent to the discussion with the three parties, if the Committee finds that the parties are not suitable to take upto 49% of SriLankan Airlines, the GoSL has decided that three Ministers would go out and look for strategic partners for the PPP. Chairman stated that a statement made by Mr. Eran Wickramasinghe/Deputy Minister of PED on this process was published in the Newspapers.

Mr. C. de Silva/Director queried if the three candidates are found not suitable and the Ministers are unable to source an interested Partner, did the Company have sufficient funding to carry on its operations. Chairman confirmed that funding was available upto December 2016 and that the Company had written to the Secretary of the CCEM on the funding requirement with the closure of the BIA in January – April 2017 and this would be forwarded to the GoSL accordingly. The funding requirement for the cancellation of the A350s were also included in the request. Further Chairman stated that the CPC dues would be converted to a loan which would assist the Company's cash flow. The funding of USD 47 MN on account of the closure of the runway, which results in the cancellation of 600 flights, was awaited from the GOSL.

Chairman confirmed that there was a Cabinet decision that GoSL would be taking away the debt of the Company at the restructure. It was noted that Offers would be made with debt and without debt and the debts referred to are the debt owed to the Banks i.e. Bank of Ceylon, Peoples Bank and Standard Chartered Bank.

Chairman informed the Board that Management having worked out the financial position of the company for the period April to October 2016, with the debt being absorbed by the GoSL and the one-off costs related to the A350s and the closure of the BIA runway charged to the Company; the Company would make a Net Profit. Chairman informed that this has been communicated to the GoSL as well. Chairman added that the Company was now preparing an equivalent report for the previous two years.

Chairman stated that there was an organization named CAPA - hired by KPMG, had made a presentation to the Chief Officers of the Company and it was agreed that SLA make observations on the report prior CAPA presenting the figures to the prospective investor. The report proposes to increase the number of aircrafts to 60 which seems unrealistic and Chairman was of the opinion by increasing the aircraft upto 30, SriLankan Airlines could make USD 100 MN a year by adding more routes in the existing region and within certain parameters in bringing the costs down.



**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 25<sup>TH</sup> JANUARY 2017 AT 10.00 A.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

<b>Present:</b>	Mr. Ajith N. Dias	- Chairman
	Mr. Joseph M. S. Brito	- Director
	Mr. R. Chanaka D. De Silva	- Director
	Mr. Mahinda Haradasa	- Director
	Mr. Rakhita S. Jayawardena	- Director
	Lt. Col. Sunil Peiris	- Director
	Mr. Harindra K. Balapatabendi	- Director
	Mr. N. De Silva Deva Aditya	- Director
	Mrs. Dalrene Thirukumar	- Company Secretary

**QUOTE"**

**17/01/01 CONFIRMATION & MATTERS ARISING FROM THE PREVIOUS MINUTES**

6. Ground Handling as a separate legal entity

As recommended by the Ministry of PED, a paper has been prepared and submitted to the Ministry of PED to obtain approval of the Cabinet to form Ground Handling as a separate legal entity by 1<sup>st</sup> April 2017. It would be a fully owned subsidiary of SriLankan Airlines Limited. **"UNQUOTE**



**EXTRACT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD HELD ON 23<sup>RD</sup> FEBRUARY 2017 AT 10.00 A.M. IN THE BOARD ROOM OF SRILANKAN AIRLINES LIMITED**

**Present:**

Mr. Ajith N. Dias	- Chairman
Mr. Joseph M. S. Brito	- Director
Mr. R. Chanaka D. De Silva	- Director
Mr. Mahinda Haradasa	- Director
Mr. Rakhita S. Jayawardena	- Director
Lt. Col. Sunil Peiris	- Director
Mr. Harindra K. Balapatabendi	- Director
Mrs. Dalrene Thirukumar	- Company Secretary

**Regrets:** Mr. N. De Silva Deva Aditya - Director

**QUOTE"**

17/02/01.5 Ground Handling as a separate legal entity (previous Minute 25th January 2017 17/01/01 6)

Chairman informed that a paper would be submitted seeking CCEM to form Ground Handling as a separate legal entity by 1<sup>st</sup> April 2017. It was noted that TPG offer on Ground Handling and SriLankan Catering would be limited to 49%. Consequent to the Strategic Partner taking over the Company, it would be the respective Boards and the GoSL who would decide if GoSL wishes to divest further, its shareholding.

Capt. S. Ratwatte/CEO, M/s L. Withana/GCF&AO, S. Ramachandran/CCO, D. Padmaperuma/CTO, Y. Dissanayake/HOFM and M. Ranasinghe/HOGL were invited to the meeting. **"UNQUOTE**





**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SRILANKAN AIRLINES LTD  
HELD ON 27<sup>TH</sup> NOVEMBER 2015 AT 10.00A.M. IN THE BOARD ROOM  
OF SRILANKAN AIRLINES LIMITED**

- Present:**
- Mr. Ajith N. Dias - Chairman
  - Mr. Rakhita S. Jayawardena - Director
  - Mr. R. Chanaka D. De Silva - Director
  - Mr. Mahinda Haradasa - Director
  - Mr. Harindra K. Balapatabendi - Director
  - Mr. Joseph M. S. Brito - Director
  - Lt. Col. Sunil Peiris - Director
  - Mr. N. De Silva Deva Aditya - Director (participated for part of the meeting  
Via teleconferencing)
  - Ms. Dalrene Thirukumar - Company Secretary
- By Invitation** Mr. Suren Ratwatte - CEO

**QUOTE" 2.8.1 Network Optimization & Fleet right sizing**

In line with the recommendations in the Interim Report submitted by Skyworks that the A350-900 aircraft was not sustainable for UL route profitability and bottom line expectations and in accordance with Chairman's intimation via an email dated 29th October 2015, a dialogue was commenced with the Lessor of the A350-900s - AerCap. A meeting was held on 23rd November 2015.

Capt. Suren Ratwatte/CEO updated the Directors on the discussions with AerCap and the paper circulated in this connection forms part of these Minutes.

In response to a query from Mr. Deva Aditya on the penalty clause for cancellation, CEO responded that the company will lose the pre-delivery payment and Mr. Y. Dissanayake/HOFM confirmed that the security deposit of USD 2.5 MN per aircraft was the loss on pre-delivery payments. CEO stated that in the event either the owner AerCap or SriLankan Airlines could find another airline willing to take over the A350-900 aircrafts, the negotiation would then be based on the lease difference. In response to a query on finding a new owner for the aircraft would prove difficult with the configuration made to suit UL needs, CEO stated that there were three other airlines who fly similar configuration aircrafts and that AerCap will commence discussions soon, after the Thanksgiving celebrations.

CEO stated that Chairman was writing to John Leahy, COO of Airbus to request to delay the delivery schedule by six months, within which period a new owner could be found for the aircrafts. Mr. Deva Aditya/Director indicated to CEO that that the company should not incur further expenses than already reported as the Company was technically insolvent.

CEO having agreed stated that placing the aircraft would immediately lead to a cost saving of USD 35 MN per year and in two year the company would recoup that cost because it is estimated that the one-time estimated cost to be in the region of USD 50-100 MN. The USD 100 MN was the complete cost of the pre-delivery payments and the lease differentiation. CEO stated that he was reasonably confident that Airbus would change the delivery schedule. It was noted that a response would be received from Mr. Leahy within the next two weeks. Further CEO stated that the consultants had informed that there were three airlines that want early delivery of A350-900 aircrafts and these airlines would also be pursued shortly.

CEO informed the Board that in terms of appointing a re-marketing agent for the A350-900s, Skyworks and Aercap had recommended that the Company meet with Cabot Aviation and a meeting is scheduled in London next week and CEO requested Mr. Deva Aditya to participate at the meeting, if available. It was noted that meetings have also been scheduled with Nyras Limited and DVB Bank. The Board will appoint one of these companies to handle the aircraft transactions. It was reported that Skyworks did not handle remarketing and would lose on success fee.

Mr. Brito/Director queried on Plan B in the event new owners are not found for the aircrafts and where the Company is compelled to take-delivery of the Aircrafts from July 2016. CEO responded that Plan A was to postpone the delivery date of the aircrafts and Plan B was to find a new owners for the aircrafts. Plan C was that the Company would not accept the aircrafts when it is delivered. In response to a query from Mr. Brito/Director, CEO confirmed that a firm decision has been made that the Company would not accept the A350-900s. Mr. Brito/Director, requested Chairman to inform the Government of the consequences of the decision of not taking the A350-900s. Chairman responded that it was the Government who had made the decision not to accept the A350-900s. In response to a query from Mr. Deva Aditya, Chairman confirmed that the Hon. Prime Minister of Sri Lanka had verbally informed Chairman to cancel the order for the A350-900. Mr. Brito/Director stated that there was no legal status of the communication and a letter in this connection should be obtained from the Prime Minister. Mr. Brito/Director stated that Directors were personally liable under Sec. 219 of the Companies Act No. 7 of 2007 and that the major shareholder - GOSL - intimating in writing to the directors of their decision would be legally binding on the Board and the Company.

Mr. Haradasa/Director confirmed that a legal opinion would be sought to find out the extent of Directors liabilities resulting in the Company not taking delivery of the A350-900 aircrafts. Mr. Deva Aditya/Director requested that an international law firm is also engaged to provide a legal opinion on the director's liabilities towards the non-acceptance of the A350-900s. Chairman responded that the international lawyers of the Company was Kaye Scholer and a legal opinion would be sought in this connection. Questions of shareholders absolving the Directors of the liability would also be referred to the lawyers.

Mr. Brito/director brought to the attention of the Board that in accordance with sec 219 (2) of the Companies Act No. 7 of 2007, the directors are personally liable for the loss suffered by creditors of the company consequent to the Company continuing to carry on its business and as such he and Mr. C. de Silva, Directors have called for a meeting of the Directors in terms of the said section. Chairman stated that the meeting would be held at the conclusion of this Board meeting.

As recommended by the Consultants, the Company to approach all the lessors and re-negotiate all lease rentals with the lessors and look at the possibility to re-set the leases to the current market rates, whereby the Company would record a saving of USD 45 MN on negotiated lease rental and also not having to take delivery of the A350-900; a further saving of USD 35MN would be added - which would go towards the penalty payment for the cancellation of the leases of the A350-900s.

Mr. Jayawardena/director queried that in the event there was a distress sale of the aircraft, what would be the price of the aircraft, CEO stated that brand new aircraft of A350-900 cost USD 1.45 MN and the price can be negotiated. CEO also stated that the second four A350-900, placed directly with Airbus was poorly priced. Mr. Yasantha Dissanayake/HOFM stated that the interest rates on the leases are not fixed and that the company had forecasted a reasonable interest rate with information that was available and arrived at a price of USD 1.45 MN. The interest rate is fixed only at the time of delivery. As such, it is envisaged that the price of the Aircraft would not remain at USD 1.45 MN, but would be increased by approximately 0.5% at the prevailing interest rates at the time of delivery. "UNQUOTE