



Mesa Air Group, Inc.



ON JAN. 5, MESA AIR GROUP INC. FILED FOR CHAPTER 11 PROTECTION. CHAPTER 11 WILL ALLOW THE REGIONAL AIRLINE TO ELIMINATE EXCESS AIRCRAFT AND STREAMLINE ITS OPERATIONS. MACQUARIE WAS ENGAGED BY THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS IN THE MESA BANKRUPTCY CASE

DEAL OVERVIEW

- On Jan. 5, Mesa Air Group, Inc. (“Mesa”) filed for Chapter 11 protection
- Mesa sought bankruptcy protection after failing to reach an out-of-court deal with aircraft manufacturers and other parties
- Through the bankruptcy, Mesa extended the term of its code-share agreement with US Airways through September 2015; eliminated more than 100 aircraft leases and financings; and restructured aircraft leases and financings for its fleet
- The company had enough cash to operate through bankruptcy without DIP financing
- On January 20, 2011, the Company’s Plan of Reorganization was approved by the Bankruptcy court
- Macquarie advised the Committee of Unsecured Creditors (“Committee”) in the Mesa bankruptcy case

KEY CONSIDERATIONS

- Chapter 11 allowed Mesa to eliminate excess aircraft to better match its needs and provided Mesa with the flexibility to align its business to the changing regional airline marketplace, ensuring a leaner and more competitive company poised for future success

Macquarie’s Role

- Industry Challenges
 - Provided the Committee with a detailed business plan assessment
 - Utilized insights and understanding of key industry drivers to assess long-term business strategy
- Fleet Size and Lease Rejection Claims
 - Evaluated Debtors’ proposed optimal fleet size and domestic footprint
 - Evaluated the impact and participated in the negotiation of rejection / restructuring of excess aircraft leases
- Code-share Agreements with Carriers
 - Pursued dialogue with Debtors regarding strategies to renegotiate code-share agreements and achieve maturity extensions
 - Evaluated the impact of renegotiated agreements on the Debtors’ business plan
 - Approached potential strategic partners and acquirers
- Code-share Litigation
 - Provided strategic insight into potential legal settlements
 - Ensured Committee’s viewpoints were considered in the process