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## Pressemitteilung

### **No investor solution for Germania**

***Berlin, March 25, 2019. Prospects of an investor solution for the insolvent airline Germania have been shattered. All serious bidders still involved in negotiations with insolvency administrator Rüdiger Wienberg have pulled out of the process. This means that closure of the companies can no longer be averted.***

“Given the situation we started with, we knew from the outset that rescuing the companies would be extremely difficult,” Wienberg said. “Germania was grounded, we had no aircraft of our own and no money to pay the leasing rates. Nevertheless, this is of course disappointing news. We literally rolled out the red carpet for our potential investors. Unfortunately, no one could or wanted to walk it.”

And not only the remaining candidate for the acquisition of flight operations has pulled out, the two parties interested in the maintenance and technology businesses have also withdrawn from the bidding process. At the same time as pursuing the above options, Wienberg tried in recent days to continue operations in the form of a wet lease. This option has also been dismantled at short notice.

According to all of the investors, the main issue was the extremely tight timeframe: The insolvency money period ends on March 31. As Germania lacks the funds to continue its business operations under its own steam, the investor solution would have had to be in place by then. “Less than two months is very little time for the investors to plan, calculate and decide on an acquisition,” according to Wienberg. “Especially since this was a highly complex case due to the grounding, the leased aircraft and the withdrawal of the operating license.” In addition, investors were facing the problem of raising the funds needed to take over and resume flight operations in this short period of time.

The fact that the summer season is drawing closer and the industry is in urgent need of aircraft capacity has made the investor process even more difficult. “It was correspondingly difficult to persuade the lessors to continue providing us with the aircraft – especially as we were unable to pay the leasing rates,” explained Wienberg. The recent flight ban on the Boeing 737 Max has exacerbated the situation even further because of even fewer aircraft available.

“Given this background, the fact that we even managed to keep the option of a rescue open until the end was a feat of strength in which above all the Germania employees played a significant role,” the insolvency administrator stressed. “They fought with great commitment for the continuation of the companies.” Wienberg also emphasized the good cooperation with the



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German Federal Aviation Authority (FAA) and the airport coordinator (Fluko). "The responsible authorities have been very supportive," he said.

The insolvency administrator is now forced to implement the closure of the insolvent companies. By their own efforts, the insolvent Germania companies are not in a position to continue or resume business operations. Insolvency law permits a continuation only if no disadvantage for the creditors results from it, i.e. the companies do not burn any money. However, this would be the case if operations were to be continued. The insolvent companies have not been able to generate any relevant operating income since the grounding.

The employees will receive their termination letters in the next few days, and will also be released from their duties starting from the beginning of April.

Germania Fluggesellschaft mbH (1,426 employees), Germania Technik Brandenburg GmbH (178 employees) and Germania Flugdienste GmbH (74 employees) had filed for insolvency on February 4, 2019.

### **About Germania**

Germania is an independent German airline with a history that goes back more than 30 years. The airline with the green and white logo carried more than 4 million passengers per year on short-haul and medium-haul flights. Up until its "grounding" on February 5, 2019, Germania offered connections from 18 departure airports in Europe to over 60 destinations within the continent, in North Africa and the Middle East. Reversing the common industry trend, Germania continued to offer complimentary snacks, soft drinks, magazines and a minimum of 20 kg free baggage allowance. Germania's business model combined scheduled, charter and ad-hoc flights. Together with Bulgarian Eagle and the Swiss airline Germania Flug AG, Germania operated a fleet of currently 37 aircraft. Germania Technik Brandenburg GmbH is responsible for the company's aircraft maintenance. [www.flygermania.com](http://www.flygermania.com)

### **About hww hermann wienberg wilhelm**

hww hermann wienberg wilhelm is one of the leading service providers specialising in legal advice, restructuring, insolvency and receivership in Germany. With several hundreds of employees, hww is represented in more than 20 cities in Germany and has its own international network. Insolvency administrators from hww hermann wienberg wilhelm have been appointed by numerous insolvency courts throughout Germany in thousands of insolvency proceedings over the years. High-profile proceedings involving the law firm include the insolvencies of Holzmann, Karman, Q.Cells, topbonus and SOLON. [www.hww.eu](http://www.hww.eu)



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