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Ansett Administrators Release Seventh Report to Creditors

The Ansett Administrators, KordaMentha, today released the Seventh Report to Creditors. Copies of the Report are available at www.kordamentha.com and www.ansett.com.au

Mr Korda and Mr Mentha said that during 2006, a total of \$60.8 million in assets had been realised. This was higher than anticipated. Over 95 per cent of assets have now been realised.

The Administrators paid three dividends during 2006. The fifth, sixth and seventh dividends totalled \$132.5m of which \$80.6m was paid to employees.

To date, employees have received \$667 million in entitlements of a total owing of \$760 million.

Significantly, the Administrators said they have now been able to further increase the net asset realisation estimate by \$30 million from \$640 million to \$670 million as a result of higher than previously budgeted asset realisations to date, higher than previously budgeted estimated future asset realisations, lower than budget costs to date and elimination or mitigation of contingent claims.

Mr Korda estimates employees will receive a further \$21.7m, to be paid over the next few years. This means each employee will receive 23% of their current outstanding balance. Accordingly, the Administrators anticipate total payments of \$688.6m of the \$760.0m of total employee entitlements owed (approximately 90.6 cents in the dollar on average).

The Administrators will:

- continue to sell the nine million spare parts;
- collect in amounts still owing from travel agents and pursue legal actions; and
- collect aircraft lease revenue and realise the remaining assets

in order to pay further dividends to priority creditors over the next few years.

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